

London, 26th May 2020

Most countries see growth in ATMs despite pressure from cashless payments

Payment cards and other cashless payment methods are reducing demand for cash, but many countries and sectors remain heavily cash dependent

Fall in number of ATMs worldwide skewed by China data

According to RBR's brand new report *Global ATM Market and Forecasts to 2025*, the number of ATMs worldwide fell slightly in 2019, contracting by 15,000 units – half a percentage point. China is the main driver of this decline, itself seeing a fall of 30,000 machines, as the country's migration towards alternative payments erodes demand for cash.

Strip out China, however, and the picture changes, with 15,000 more ATMs in operation at the end of 2019 compared to a year earlier. Almost half of the major markets which the report examined in detail saw an increase in ATM numbers, as did the majority of smaller markets. The biggest rise was experienced by China's neighbour, India, which actually saw its fastest growth since 2016, adding over 7,000 units.

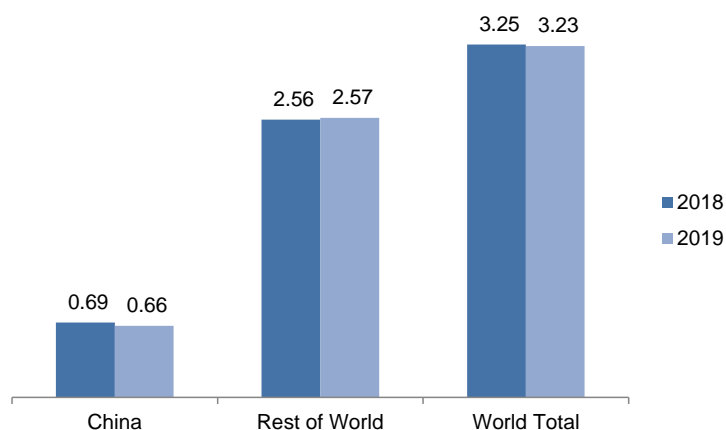
Financial inclusion remains a key ATM growth driver

Independent ATM deployers (IADs) in India installed three times as many new ATMs as did banks in 2019. India ranks among the lowest countries worldwide in terms of ATM provision, and non-banks play an important role in improving financial inclusion in rural areas. Meanwhile, the study revealed Egypt to be one of the fastest-growing markets; with an increase of 11% in the number of ATMs. Like India, Egypt has a large unbanked population, and financial inclusion measures are a key driver of ATM growth. This pattern of ATMs as a tool to bring financial services to new customers is playing out in markets across Asia-Pacific, the Middle East and Africa and also Latin America, often spurred on and supported by national banking authorities.

Reduced demand for cash in some countries has led banks to pool their ATMs

In western Europe, which saw the world's very first ATM in the UK in 1967, ATM numbers are being scaled back in many markets. The ongoing march towards digital banking and non-cash payments has led to cash withdrawals either growing more slowly or falling in most countries in the region, and while the role of ATMs has expanded beyond simply delivering cash, many deployers now consider smaller fleets to be more suited to modern banking requirements. Indeed, banks in a number of markets – not only in western Europe – have taken the step of pooling their ATMs or outsourcing them to IADs, as they no longer consider it necessary to manage their own fleets in order to attract and retain customers. The Netherlands, for example, saw one of the steepest declines, as the three largest banks pooled their ATMs and removed those located close to one another.

Number of ATMs, 2018 and 2019 (millions)



Source: *Global ATM Market and Forecasts to 2025 (RBR)*



PRESS RELEASE

Most countries will see renewed growth after COVID-19

Looking ahead to the next few years, the industry is obviously in for a bumpy ride with the impact of COVID-19 on movement, spending and national economies, and some growth markets will see a temporary drop in ATM numbers in 2020. As more countries emerge from lockdown, businesses and consumers will find themselves faced with a new world, and yet many of the longer-term trends will remain broadly similar to the pre-COVID era. The total number of ATMs worldwide is forecast to continue falling because of declines in several larger markets, but the rate of decline will be slow, and most countries should still see ATM numbers going up between now and 2025.

Rowan Berridge, who led RBR's research, commented: *"Cash will remain essential to large segments of the world's population, either because they lack the ability to pay by other means, or just because they still have a strong personal preference for cash. With banks less willing than before to maintain large branch networks, ATMs will be key to delivering cash to these customers"*.

Notes to editors

These figures and insights are based on RBR's study, *Global ATM Market and Forecasts to 2025*. For more information about this report or to discuss the findings in more detail please email Rowan Berridge (rowan.berridge@rbrlondon.com) or call +44 20 8831 7311.

RBR is a strategic research and consulting firm with three decades of experience in banking and retail automation, cards and payments. It assists its clients by providing independent advice and intelligence through published reports, consulting, newsletters and events.

The information and data within this press release are the copyright of RBR, and may only be quoted with appropriate attribution to RBR. The information is provided free of charge and may not be resold.