



## PRESS RELEASE

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London, 10<sup>th</sup> August 2020

### **Customer expectations driving growth in automated deposit ATMs worldwide**

*Automated deposit terminals (ADTs) offer a range of benefits for banks, but are also increasingly sought after by customers looking to make quick and convenient transactions*

#### **Automated deposits have become the standard in many cash-heavy markets**

Customer demand ranks as the most important driver of ADT deployment by banks surveyed as part of RBR's deposit automation and recycling research. Instant account crediting, reduced waiting times at branches and out-of-hours availability have encouraged many customers to use self-service terminals for everyday consumer and business deposits, having previously relied on teller service.

Customer demand for automated deposits is strong in traditionally cash-heavy markets. In Russia, where ADTs have been deployed for over a decade, and Turkey, where more than nine out of ten ATMs accept note deposits, customers are already accustomed to using self-service terminals for a range of operations and increasingly expect all terminals to be multifunctional. Customer demand is also high in markets like the UK, Germany and Canada, where cash usage is lower but demand for efficient transactions is every bit as high.

There are, however, some markets, such as Indonesia and Italy, where cash use remains high but customer demand for deposit ATMs does not rank so highly. The research finds that a mix of factors may discourage customers from using deposit ATMs, including mistrust in machines due to malfunctions, reluctance to carry large quantities of cash to be deposited, or a preference for face-to-face interactions with bank staff. As may perhaps be expected, customer demand is also low in countries like Belgium and the Netherlands, where shifts in consumer habits away from cash in favour of electronic payments will cause the total number of deposit ATMs to fall over the coming years.

#### **Banks reaping benefits from automated deposit technology**

In addition to the advantages enjoyed by customers, RBR's research finds that ADTs offer a variety of benefits to deployers. The migration of transactions from the teller to self-service channels at branches, for example, allows banks to cut queues while also freeing staff to focus on more revenue-generating tasks such as sales or advisory activities.

Transaction migration is closely linked to cost savings. Deposit ATMs allow banks to save costs in a number of key areas including wages, redeployment of staff and security. Cash-recycling ATMs, in particular, have strong potential to reduce cash management costs, particularly in regions where geographical ATM density is low or where security concerns inflate the cost of CIT visits. As a result, over two thirds of deposit ATMs are expected to recycle notes by 2024.

#### **COVID-19 may accelerate the move towards automation**

RBR's Sam Blackwell, who led the study, comments: *"In addition to the drivers mentioned in the report, COVID-19 is of course a new factor which needs to be taken into account. While cash usage may have decreased, most banks will continue to handle large volumes of cash deposits from consumers and businesses alike. Self-service terminals in bank branches minimise contact between customers and branch staff, thereby supporting social distancing as well as reducing operational costs"*.

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#### **Notes to editors**

These figures and insights are based on RBR's study, *Deposit Automation and Recycling 2019*. For more information about this report or to discuss the findings in more detail please email Sam Blackwell ([sam.blackwell@rbrlondon.com](mailto:sam.blackwell@rbrlondon.com)) or call +44 20 8831 7315.

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