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PRESS RELEASE

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Sophisticated ATM software transforming self-service space

Banks are looking for greater flexibility and functionality to enhance the customer experience at their ATMs and advanced software is helping them get there

In recent years, banks across the world have been increasingly investing in advanced ATM software as they migrate transactions away from teller positions as part of their wider self-service strategy. The brand-new *ATM Software 2021* study by strategic research and consulting firm RBR explores the current approach to ATM software taken by leading banks from across the globe, and reveals insights on their future plans.

Banks looking to offer touch-free, personalised interaction

The ongoing COVID-19 pandemic has made offering customers a touch-free way of interacting with an ATM even more important. Many banks are actively exploring software which allows methods for identifying a customer other than the ubiquitous card and PIN. NFC/contactless withdrawals are becoming more common, while there is growing interest in biometric authentication across the world, with deployers from China to Colombia either rolling it out, or evaluating whether to do so.

RBR's research shows enhancing the customer experience at ATMs though personalisation is also a major focus for banks. Many provide a "quick cash" option, which dispenses a default amount predefined by the customer, while having access to a payee list drawn from other channels is increasingly available. Banks are also keen to use marketing solutions at their terminals which offer tailored products to individual customers, and some are upgrading their ATM software specifically to implement this.

Monitoring is becoming more advanced, as banks seek detailed analytics

The research presents banks' perspectives on how they monitor and manage their ATM fleets, and the critical value of keeping ATMs available to customers remains a core theme. As standard, banks are keeping track of terminals' uptime and status, but many are also using more sophisticated tools to monitor cash usage, consumables levels and review an inventory of their hardware and software.

Banks also want access to more detailed information on transactions including predictive analytics so that potential problems at ATMs can be resolved before they occur, and crucially, keep availability high.

Deployers see advantages in separating software and hardware procurement

RBR's research reveals that banks are continuing to move away from using vendor-native software as part of a bundled procurement process when they purchase hardware. Some see this strategy as a way of cutting costs and allowing them to use solutions that support more advanced functionality at their ATMs, often in conjunction with omnichannel integration. Others believe it enables greater flexibility in terms of their hardware strategy as deployers can more easily swap between suppliers, which may be particularly attractive to those with large ATM fleets spread across vast geographies.

Open banking initiatives at ATMs in early stages

In recent years, the concept of "open banking", where customers can share their banking information with accredited third parties, has become a familiar talking point in the industry. It remains early days in terms of the sharing of ATM-specific information in most countries, but many banks expressed commitment to the idea, and see value in the potential ability to offer customers new services off the back of this approach.

ATM software is clearly evolving, as banks recognise the value of the technology as part of their overall omnichannel strategy. Alan Burt, who led the research, commented: "*Banks are seeking solutions that can run on any hardware, allow access via a range of contactless methods, provide a unique, personalised customer experience, and keep terminals available round the clock. Suppliers, therefore, have vast scope to offer banks their expertise and guidance to ensure ATMs meet customers' needs in a new post-COVID-19 world*".

Notes to editors

These figures and insights are based on RBR's *ATM Software 2021* report. Since its first appearance in 2007, it has been used by industry suppliers as the definitive global study of this dynamic market. For more information about this report or to discuss the findings in more detail please email Alan Burt (alan.burt@rbrlondon.com) or call +44 20 8831 7322.

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.

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