

London, 7<sup>th</sup> February 2022

## Why a boost for non-bank ATM operators is on the cards

*Despite a shift to cashless payments, accelerated by the COVID-19 pandemic, independent ATM deployers will see growth as banks withdraw machines*

### IADs can provide services in areas where bank ATMs are not economically viable

Research in RBR's *Global ATM Market and Forecasts to 2026* reveals that 16% of the world's ATMs are deployed by non-banks. Traditionally found in tourist hotspots and busy retail locations, the report shows that independent ATM deployers (IADs) are playing an increasingly important role in maintaining access to cash.

While banks are increasingly focusing on promoting cashless payments and encouraging customers to use online and mobile channels for non-cash banking services, much of the world's population still relies on cash. When it comes to ATMs, banks are withdrawing underperforming machines, and seek to optimise the performance of those they retain. IADs, which typically operate on a lower-cost business model, are increasingly stepping in to provide access to cash and other services in areas where bank ATMs are not economically viable.

### The USA is the world's largest IAD market and will continue to grow

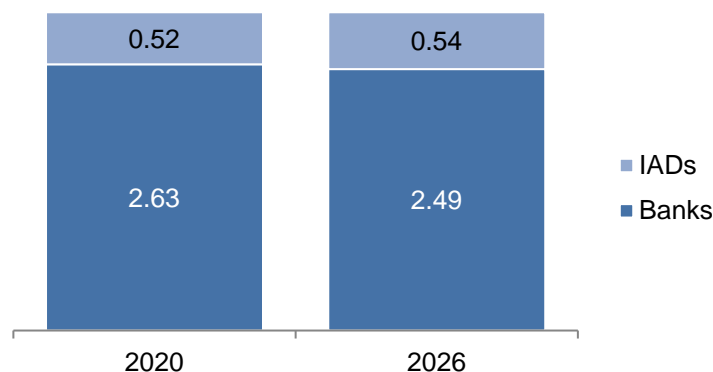
National lockdowns had a big impact on IADs, as retail outlets and transport hubs were often closed to the public. There was also a shift from physical to online shopping, accelerating a process which was already underway. For only the second time ever, the total number of ATMs worldwide fell slightly in 2020. However, RBR's report shows that in half of markets the number of IAD ATMs grew. Indonesia is one example of this; the proportion of non-bank ATMs is still tiny, but tripled during the year, as IADs are starting to harness the opportunity created by banks who are less inclined to deploy machines in underserved areas and are removing them from some existing sites.

The USA is home to far more IAD ATMs than any other country and such deployers account for over half of the 425,000 ATMs in the country. Overall, the ATM market in the USA is expected to contract over the next few years, but IAD ATMs will continue growing as cash remains the main payment method for many. Likewise in Japan, the second largest market for IADs; non-bank ATMs, many of which are deployed in convenience stores, will increase in number, as bank ATM numbers fall.

### Despite a shift to cashless payments, IADS will still see growth

As banks continue to remove underperforming ATMs, the opportunities for non-banks will increase. Furthermore, regulatory authorities have been recognising the important role that ATMs play in providing access to cash. It is therefore becoming easier for IADs to operate in some markets where they previously faced bans or restrictions. RBR is forecasting that the number of IAD ATMs will reach 540,000 by 2026 and account for an increasing proportion of all ATMs.

**Number of ATMs worldwide, by deployer type (millions)**



Source: *Global ATM Market and Forecasts to 2026* (RBR)

Rowan Berridge, who led RBR's *Global ATM Market and Forecasts to 2026* research, remarked: "ATM usage fell sharply during the pandemic, and both banks and IADs – whether through lockdowns or by choice – found themselves operating fewer ATMs. As banks look to cut costs by making some of those closures permanent, IADs will identify new gaps in the market to meet the ongoing demand for cash and other services".



## PRESS RELEASE

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### Notes to editors

These figures and insights are based on RBR's study, *Global ATM Market and Forecasts to 2026*. For more information about this report or to discuss the findings in more detail please email Rowan Berridge ([rowan.berridge@rbrlondon.com](mailto:rowan.berridge@rbrlondon.com)) or call +44 20 8831 7311.

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