



# ATMIA Benchmarking Study 2016

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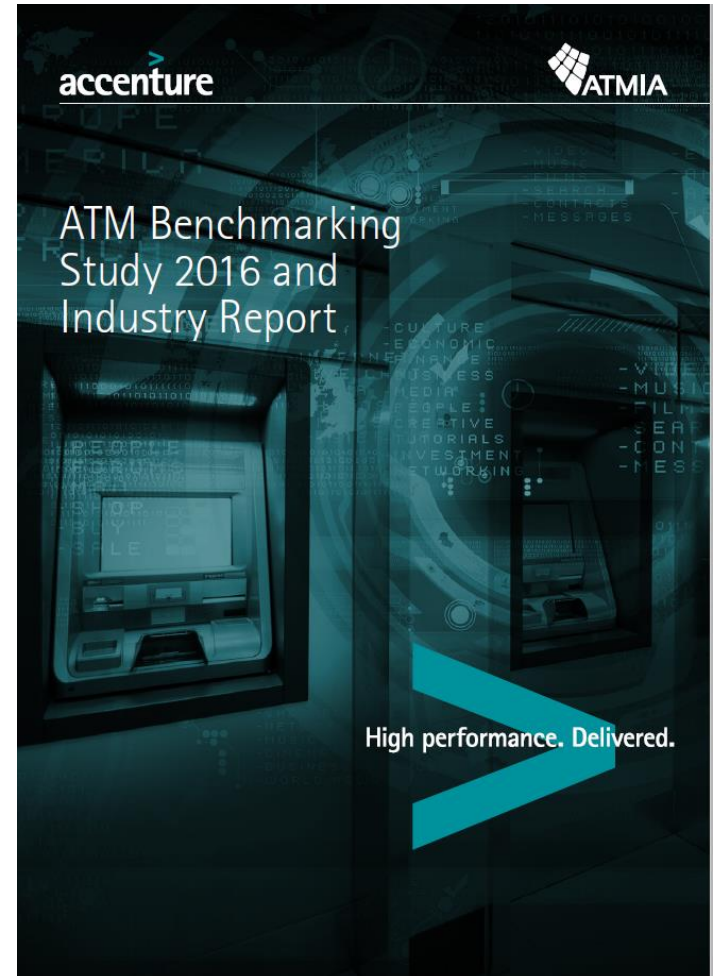


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# Agenda

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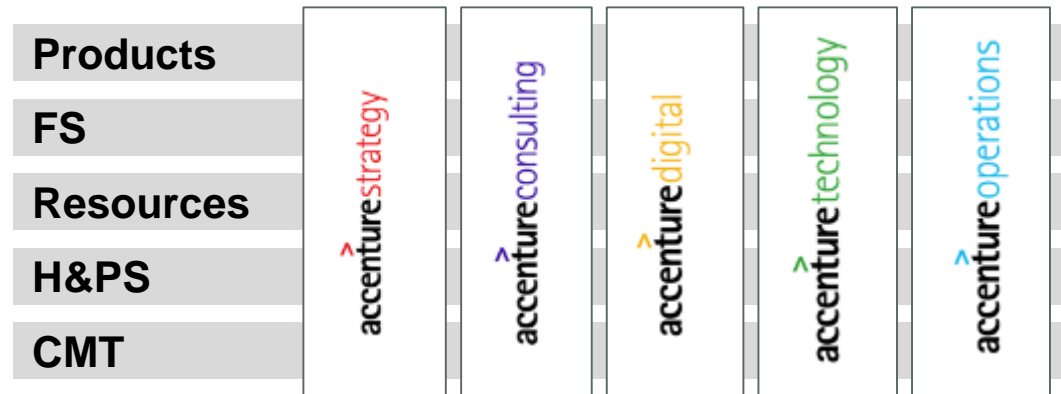
- **Accenture's profile**
- **Industry context**
- **ATM Benchmarking 2016 participation**
- **Quantitative findings**
- **Evolution of the ATM**
- **Growing challenge of ATM security**
- **Conclusions**



# Accenture has differential capabilities across multiple operating groups

## Accenture Overview

- Accenture is a leading professional services company, with **capabilities in strategy, consulting, digital, technology and operations**
- We **commit to results**: design the strategy and execute leveraging our firm capabilities



**accenture**strategy

- Over **6.000+** professionals in 38 countries (Over **300+** Strategists in UK)

**accenture**consulting

- Distribution and marketing services** helps clients in transformation programs

**accenture**digital

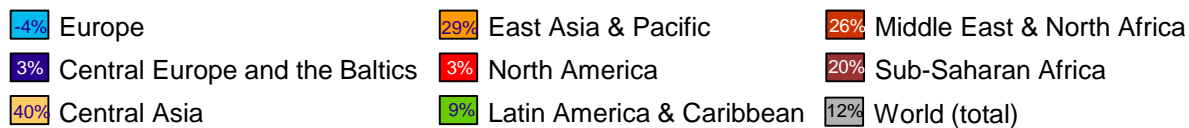
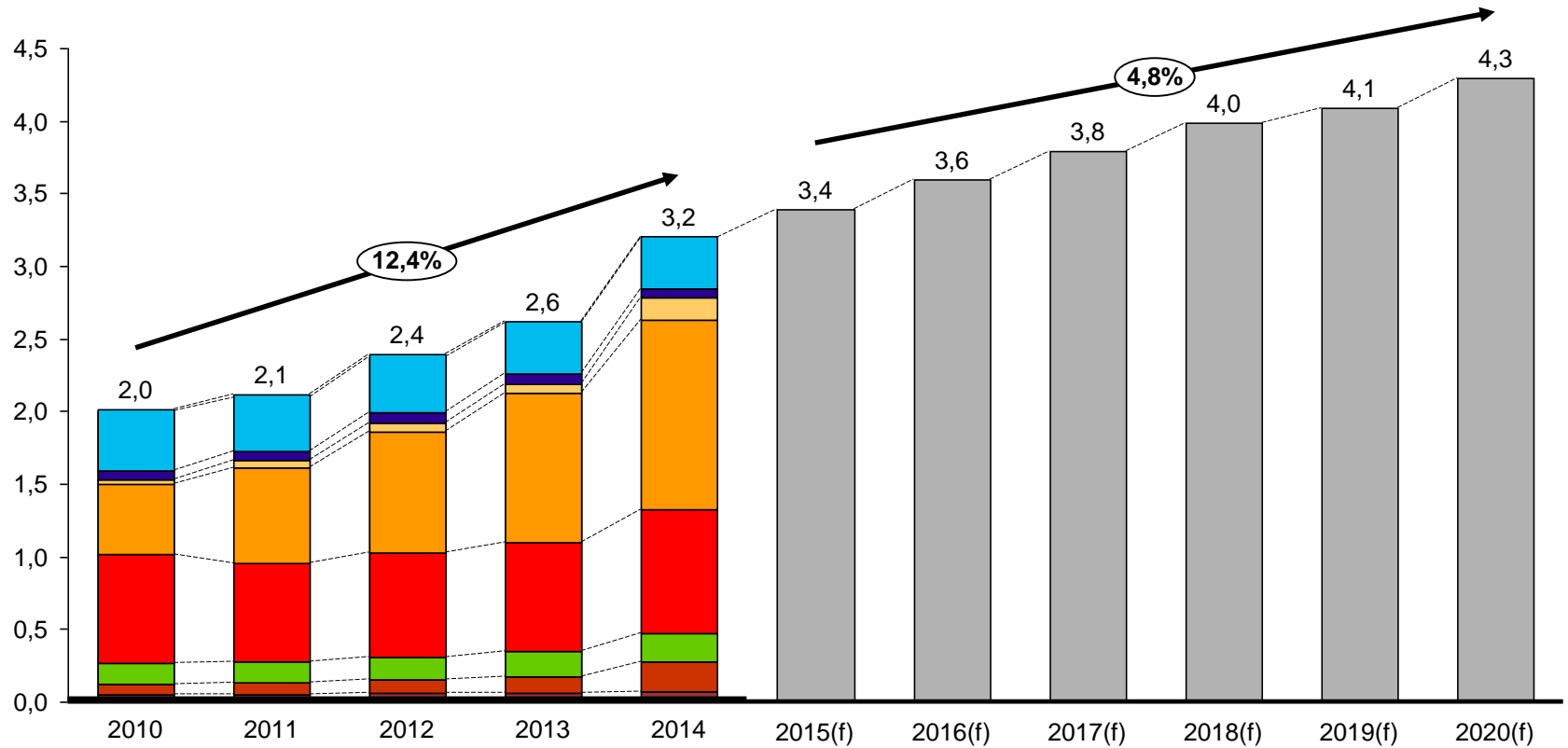
- Interactive: Delivering unique **customer experience**
- Analytics: **Data scientists** deliver meaningful insights
- Mobility: Growing the **digital business**

**FJORD™**  
Design and Innovation from  
Accenture Interactive

- Design and innovation** consultancy that uses the power of design to create **experiences that people love**

# Number of ATMs is keeping growing to 3.2 million units installed in 2014

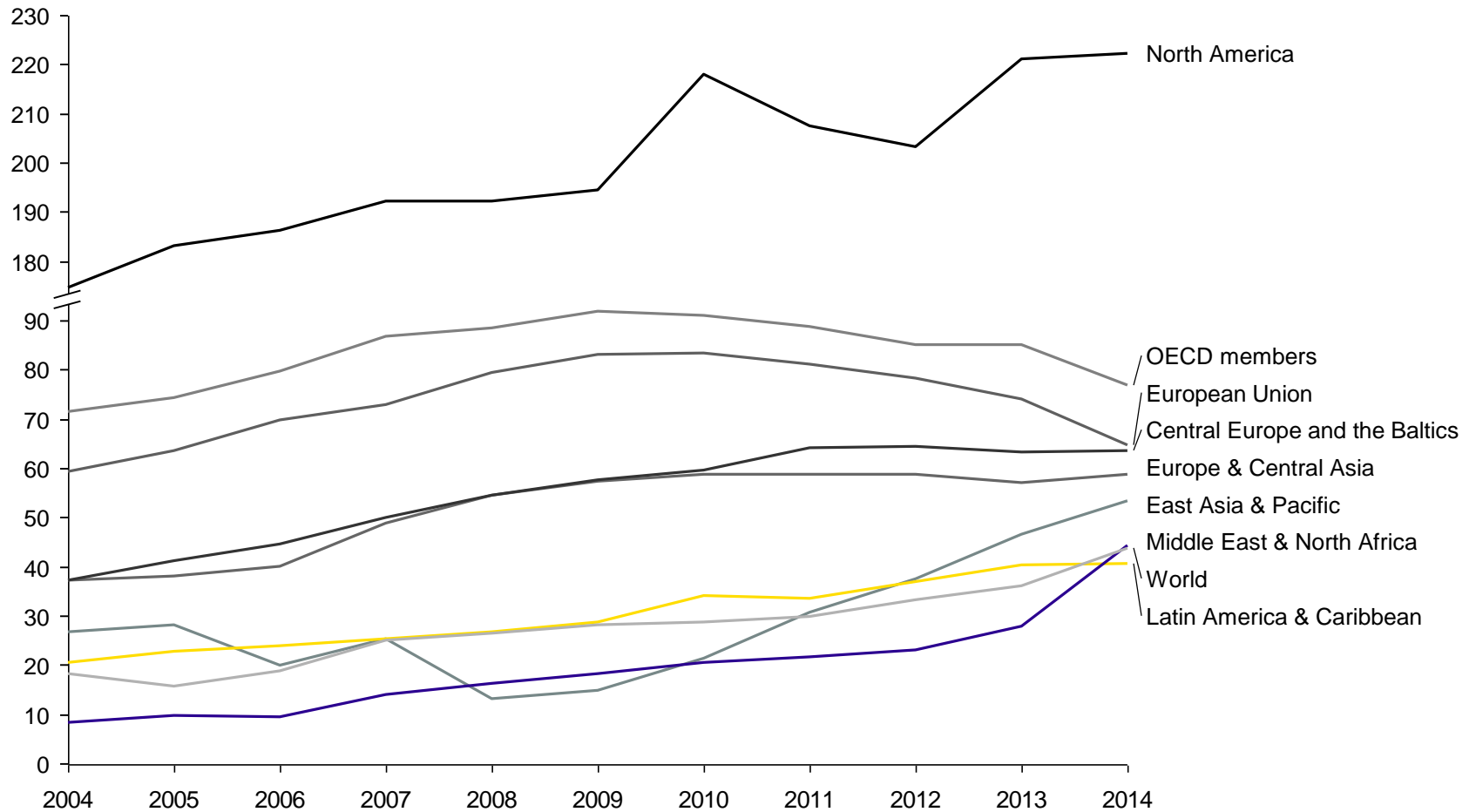
## Number of ATMs (world, m of units)



Note: number by region in legend indicated CAGR 2010-2014

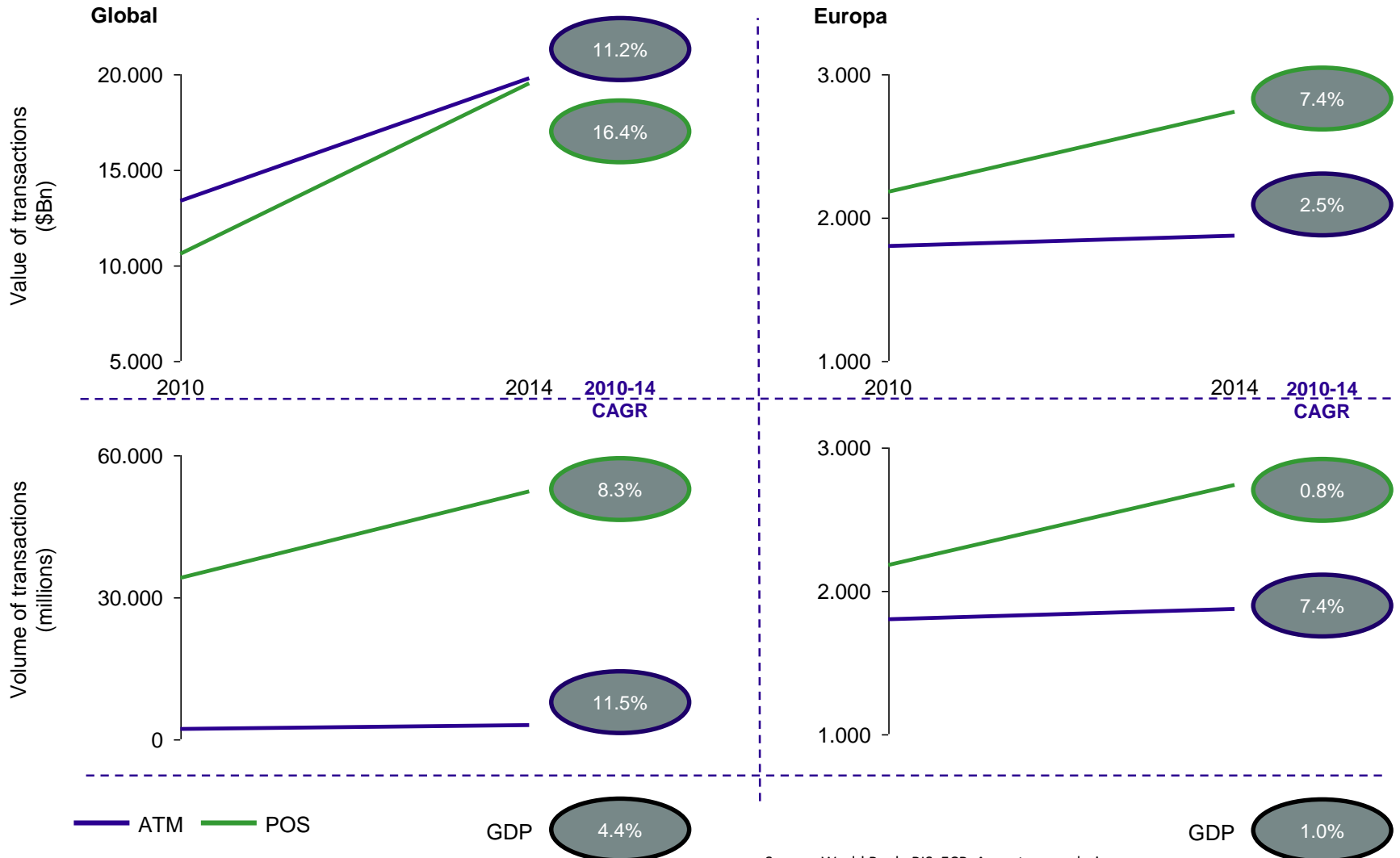
# Penetration of ATMs grew in all regions except Europe

ATM penetration (ATM per 100,000 people)



# Value of ATM withdrawals grew faster than POS transaction globally but not in Europe

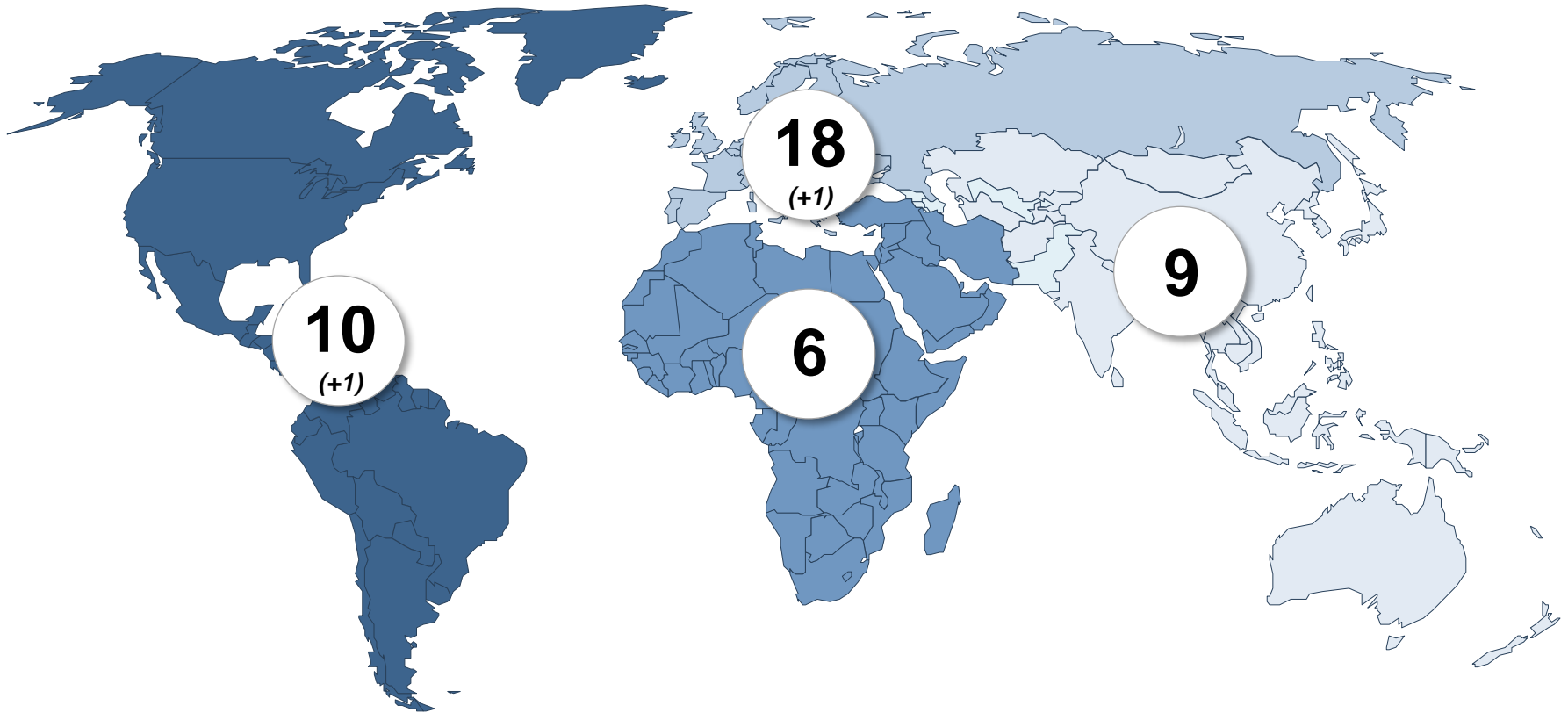
## Value and Number of ATM and POS transactions



# ATMIA Benchmarking drew on a global sample of forty three full participants plus two qualitative only participants

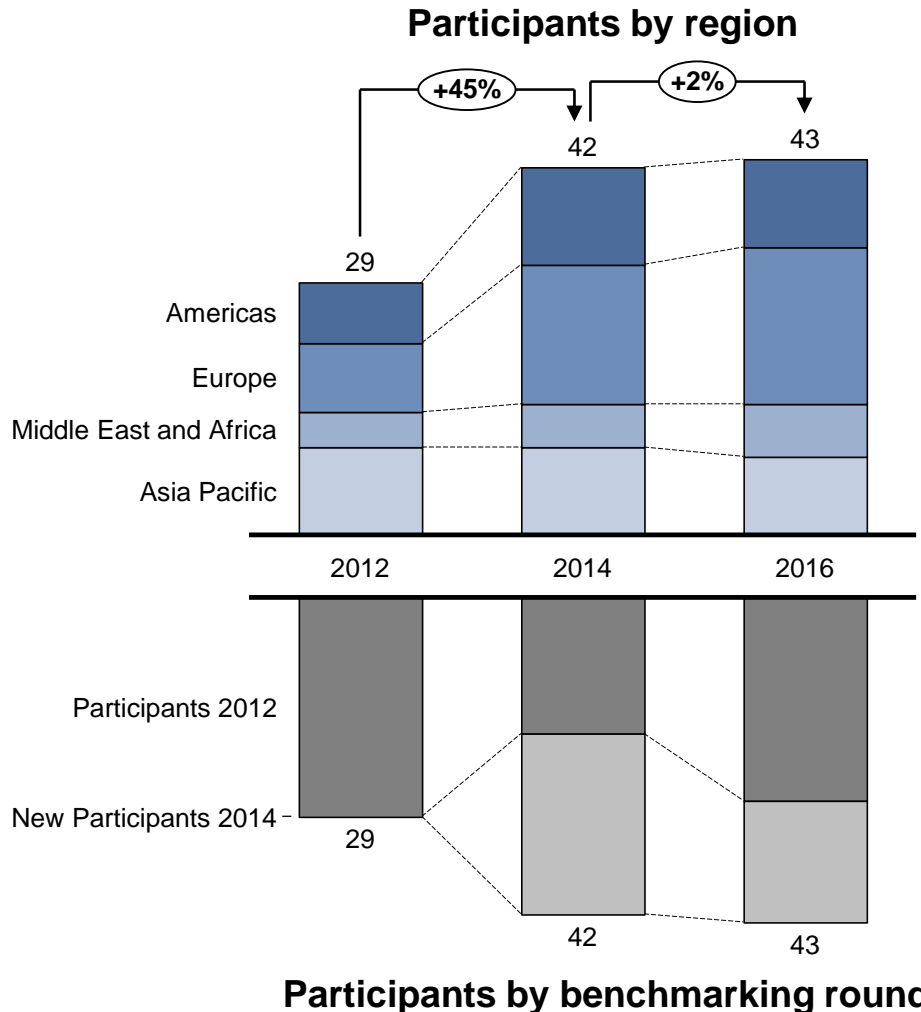
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## Geographical distribution of participation



# Participation was up by 2% on 2014, 47% on 2012

## Participation

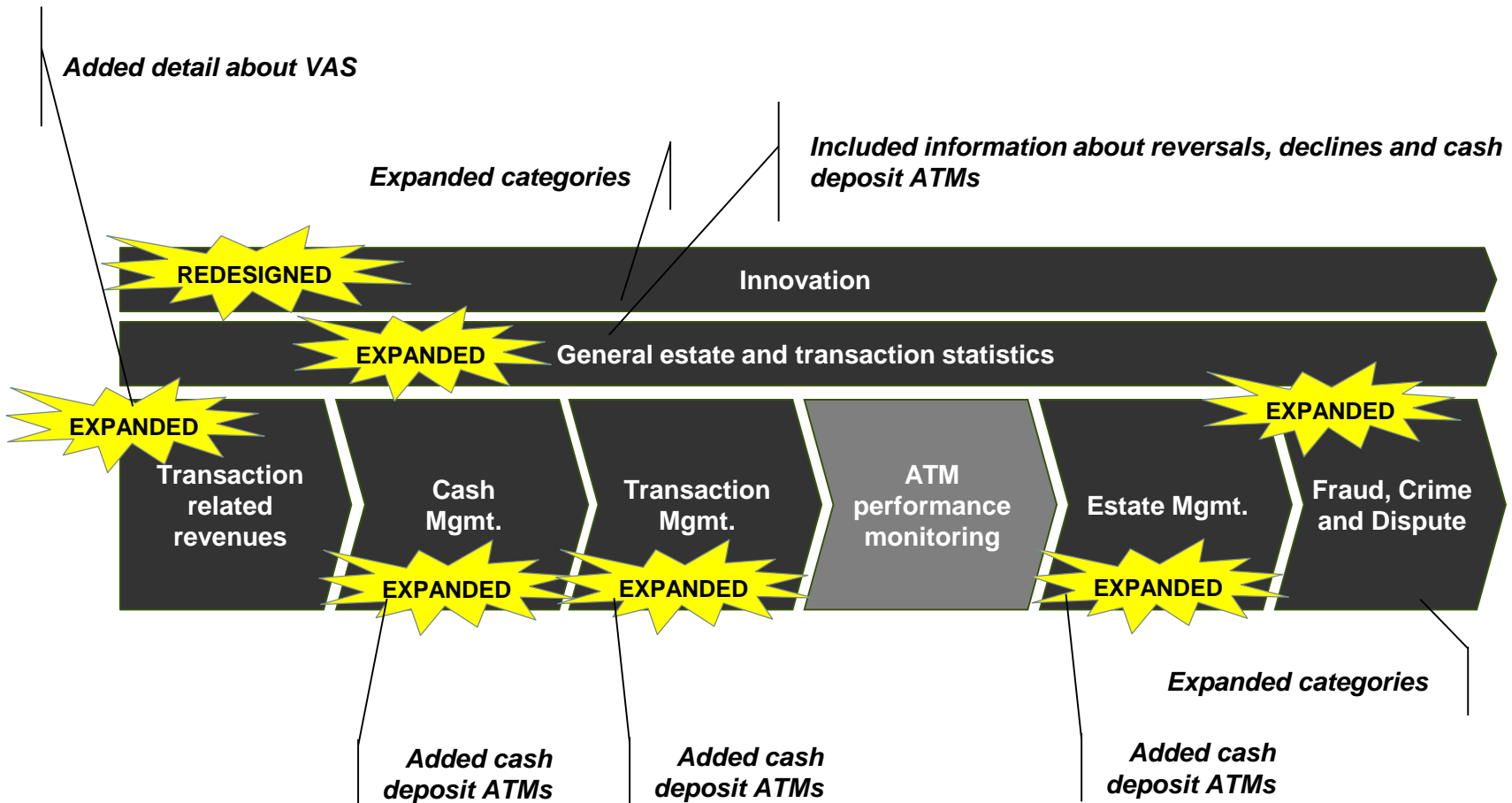


- ✓ **+2% participation in 2016 vs. 2014**
- ✓ **+2 full participants of which three took part with multiple branches / countries**
- ✓ **88% of ATM operators participating in 2014 decided to take party also in 2016**
- ✓ **36% of ATM operators participating in 2012 only decided to participate again in 2016**



# The scope of the ATM Benchmarking has now reached its final shape and it is not expected to expand any further

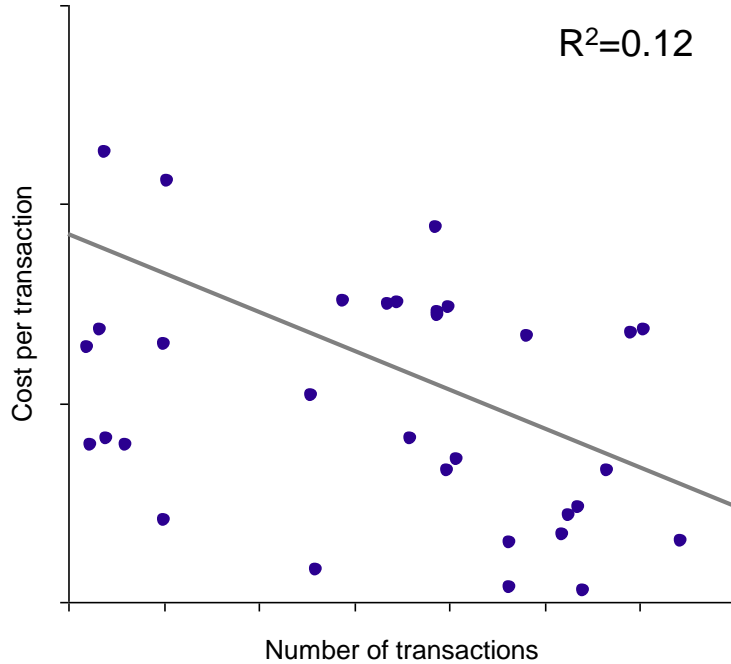
## Scope of ATMIA ATM Benchmarking



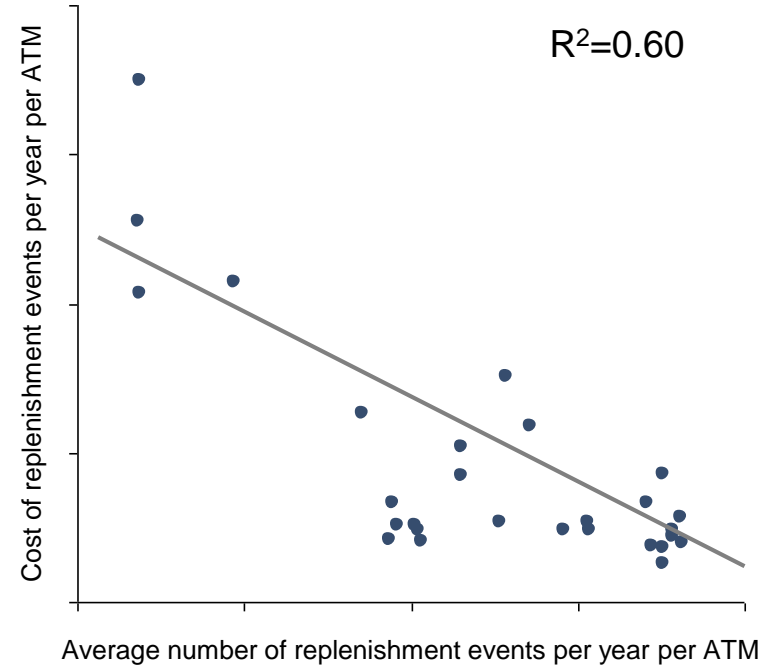
# ATM cost performance continues to show significant variance and little scale correlations

## Unit costs

Cost per transaction vs number of transactions

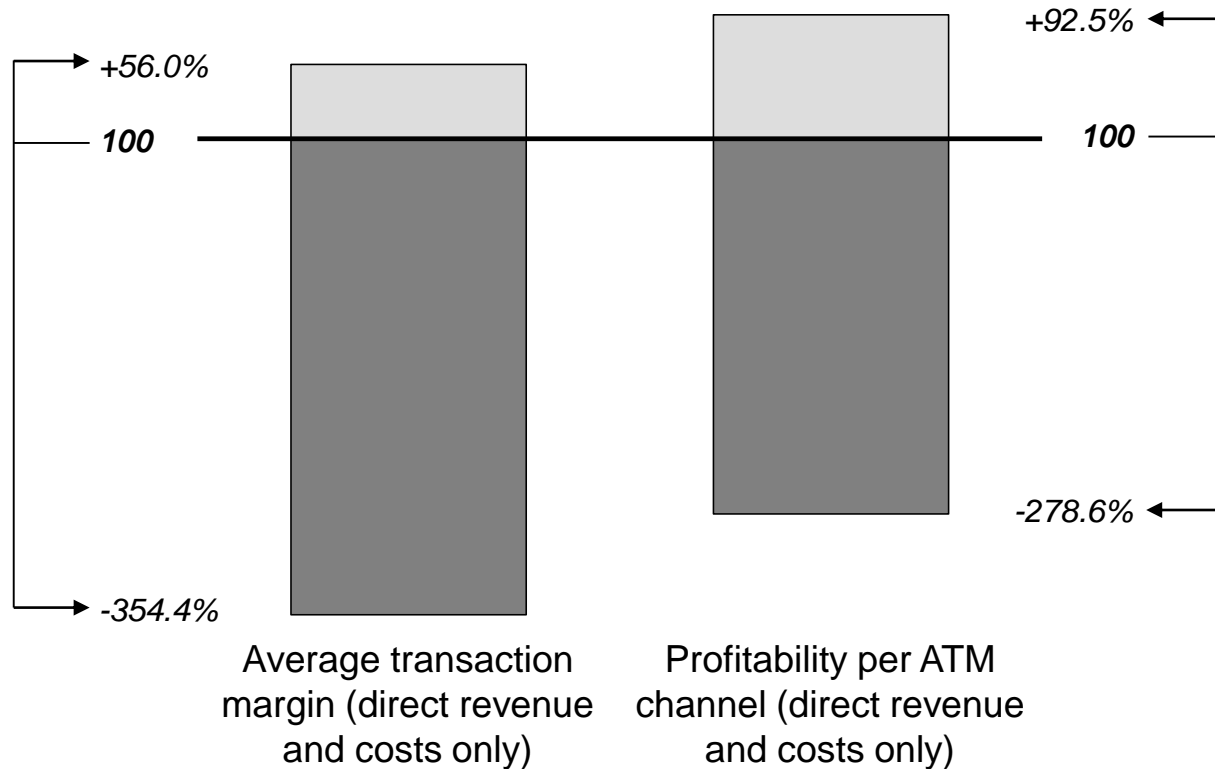


Cost per replenishment events vs average number of replenishment events per year per ATM



# Only a small part of ATM estates is managed profitably with most banks running the ATM channel at loss

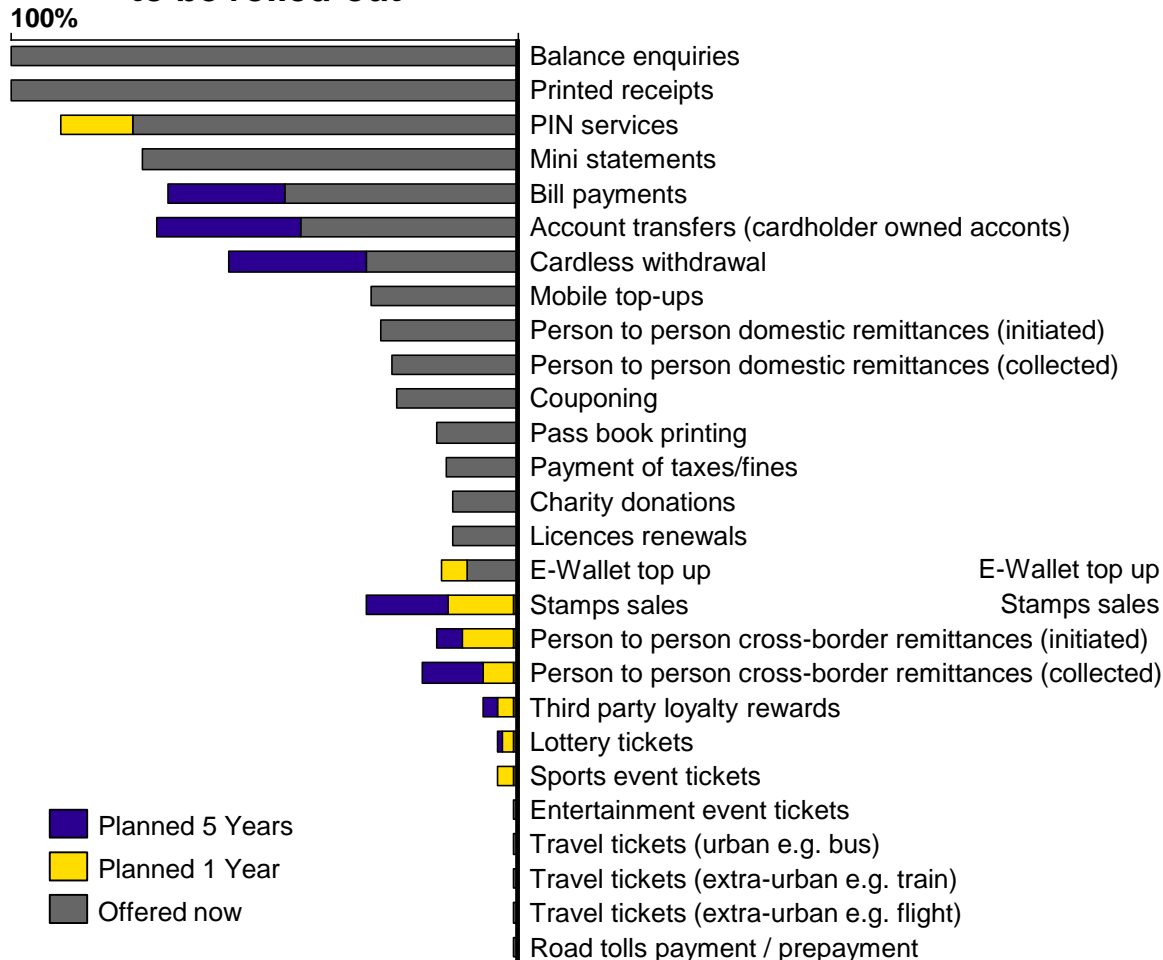
## Economic performance



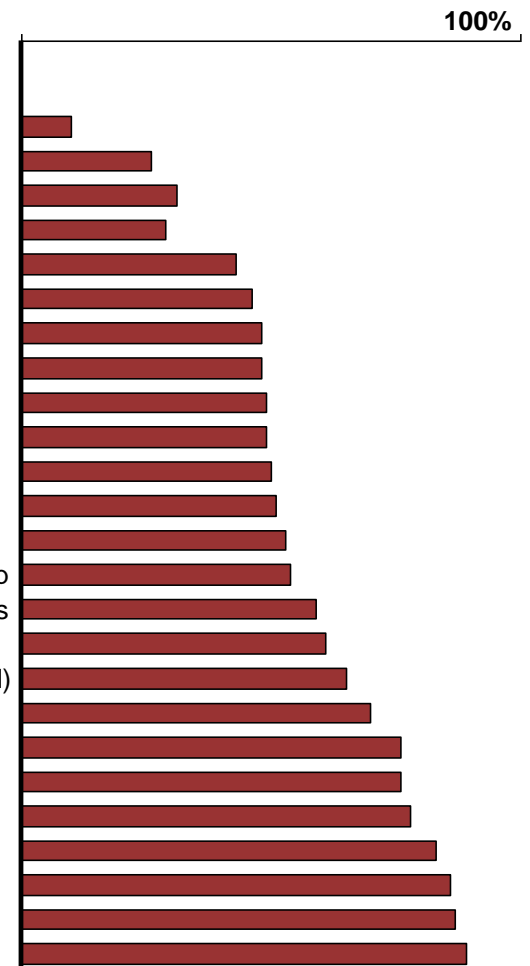
# The ATM is proving to be getting more (selectively) multi-functional

## Value Added Services

### Services offered or planned to be rolled-out



### Not willing to add service

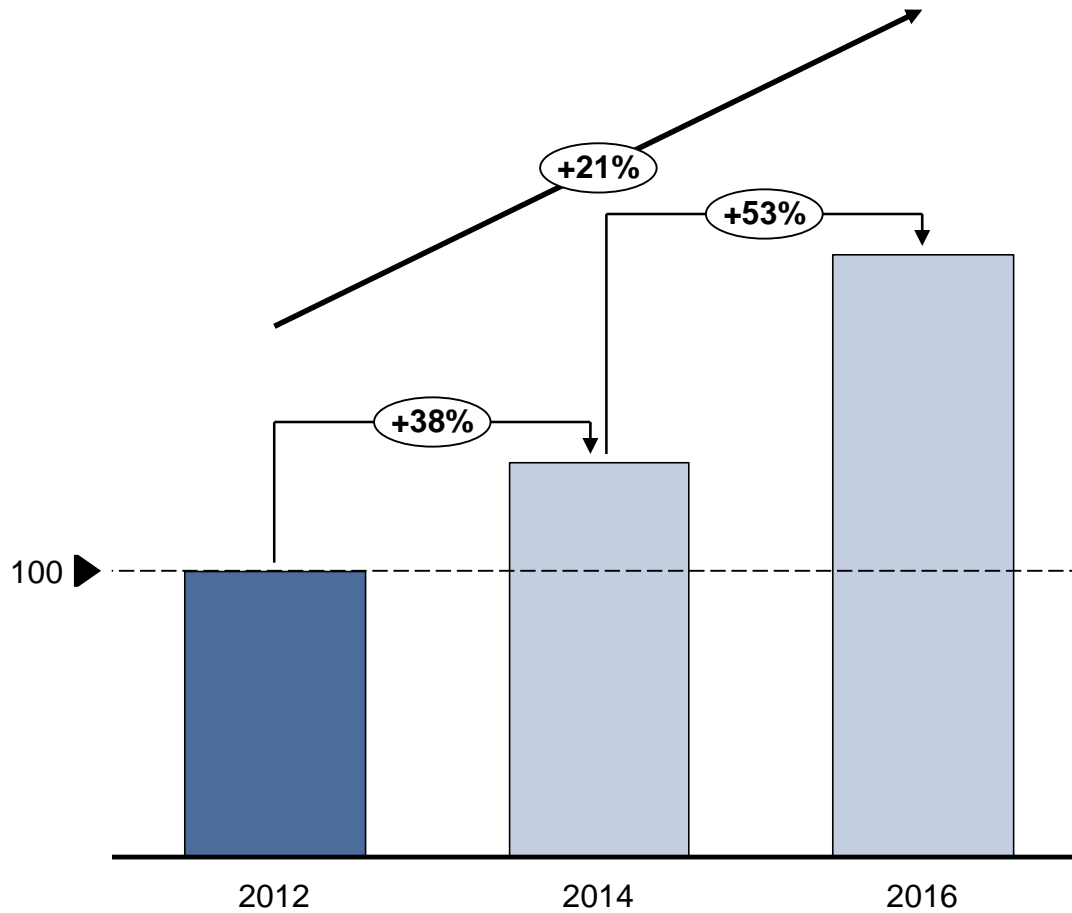


# The ATM is proving to be getting more (selectively) multi-functional

Value Added Service	2016	2014	Status
Balance enquiries	1	1	▬▬▬
Printed receipts	2	2	▬▬▬
PIN services	3	3	▬▬▬
Mini statements	4	4	▬▬▬
Bill payments	5	7	↑
Account transfers (cardholder owned accnts)	6	6	▬▬▬
Cardless withdrawal	7	13	↑
Mobile top-ups	8	5	↓
Person to person domestic remittances (initiated)	9	14	↓
Person to person domestic remittances (collected)	10	15	↑
Coupons	11	12	↑
Pass book printing	12	19	↑
Payment of taxes/fines	13	17	↑
Charity donations	14	10	↓
Licences renewals	15	24	↑
Stamps sales	16	27	↑
E-Wallet top up	17	22	↑
Person to person cross-border remittances (initiated)	18	18	▬▬▬
Person to person cross-border remittances (collected)	18	18	▬▬▬

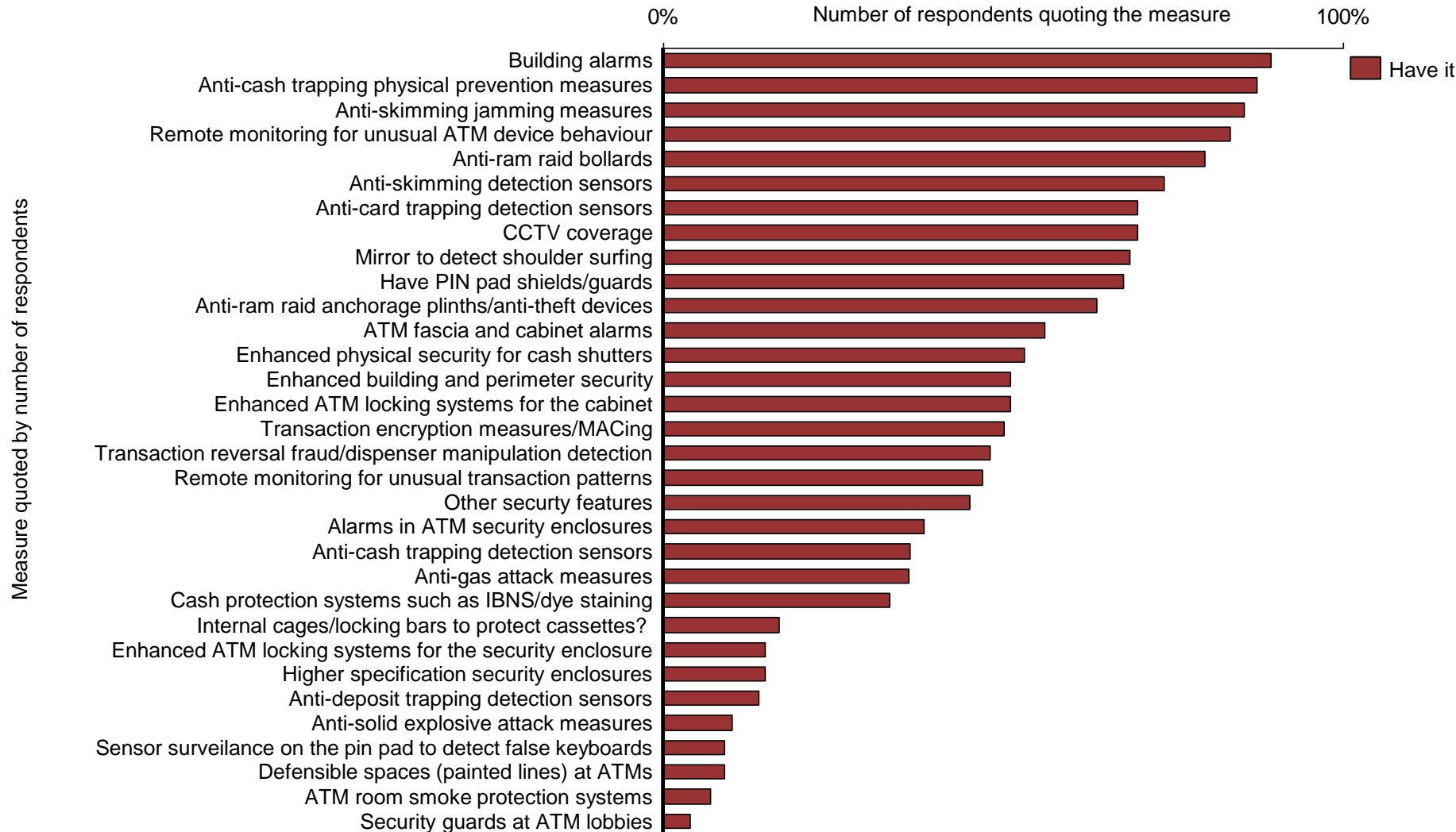
# Fraud is a growing challenge ...

## Number of fraud cases per ATM



# ... with a growing investment to prevent fraud and fight crime

## Number of fraud cases per ATM



# Prevention measures are evolving, likely in line with the evolving nature of the threat

## Number of fraud cases per ATM

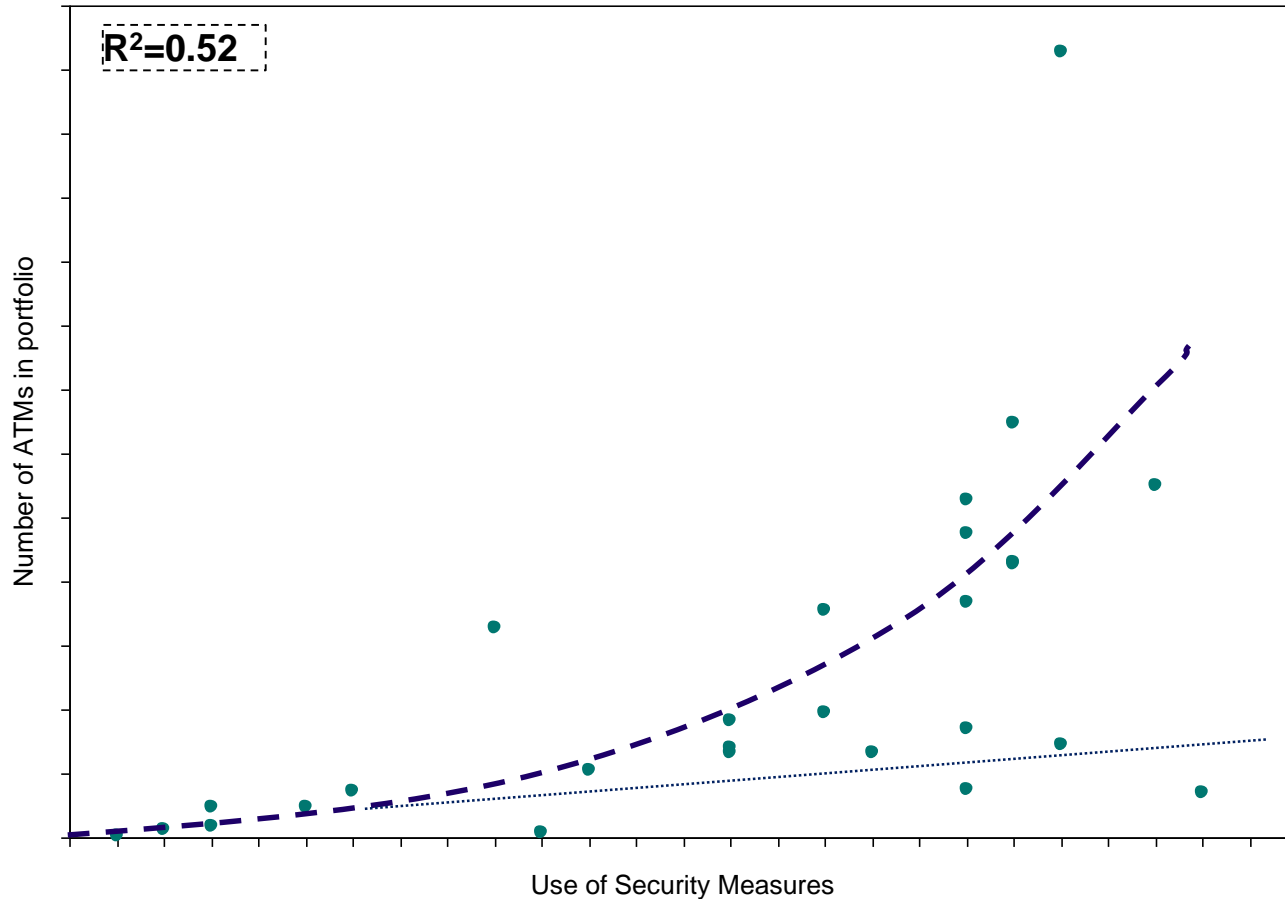
No	Fraud prevention measure	16	14	Status
1	Building alarms	1	1	▬▬▬
2	<b>Anti-cash trapping physical prevention measures</b>	2	12	↑
3	Anti-skimming jamming measures	3	5	↑
4	<b>Remote monitoring for unusual ATM device behaviour</b>	4	18	↑
5	Anti-ram raid bollards	5	4	↓
6	<b>Anti-skimming detection sensors</b>	6	13	↑
7	<b>Anti-card trapping detection sensors</b>	7	15	↑
8	CCTV coverage	8	2	↓
9	<b>Mirror to detect shoulder surfing</b>	9	17	↑
10	<b>Have PIN pad shields/guards</b>	10	18	↑
11	Anti-ram raid anchorage plinths/anti-theft devices	11	7	↓
12	ATM fascia and cabinet alarms	12	11	↓
13	<b>Enhanced physical security for cash shutters</b>	13	19	↑
14	Enhanced building and perimeter security	14	16	↑
15	Enhanced ATM locking systems for the cabinet	15	6	↓
16	Transaction encryption measures/MACing	16	3	↓

No	Fraud prevention measure	16	14	Status
17	Transaction reversal fraud/dispenser manipulation detection	17	8	↓
18	Remote monitoring for unusual transaction patterns	18	14	↓
19	Other security features	19	New	
20	Alarms in ATM security enclosures	20	9	↓
21	Anti-cash trapping detection sensors	21	26	↑
22	<b>Anti-gas attack measures</b>	22	New	
23	Cash protection systems such as IBNS/dye staining	23	21	↓
24	Internal cages/locking bars to protect cassettes?	24	22	↓
25	Enhanced ATM locking systems for the security enclosure	25	10	↓
26	Higher specification security enclosures	26	20	↓
27	Anti-deposit trapping detection sensors	27	27	▬▬▬
28	Anti-solid explosive attack measures	28	28	▬▬▬
29	Sensor surveillance on the pin pad to detect false keyboards	29	New	
30	Defensible spaces (painted lines) at ATMs	30	29	↓
31	ATM room smoke protection systems	31	25	↓
32	Security guards at ATM lobbies	32	24	↓



# Larger ATM portfolio tend to employ a larger number of fraud prevention measures

Number of prevention measures in use vs. size of portfolio



# The study is keeping proving to be an insightful exercise for a number of participants

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- **Over 137 benchmarks in progress of being compiled**, covering everything from profitability per transaction to uptime and fraud to the average cost per transaction
- Study is **still proving to be counterintuitive**
  - **Little correlation** between the type of management and the cost performance
  - This has **important implications** with the ATM industry as it continues to seek best practices
- **Significant opportunity for improvement** in ATM management practices and economic performance

BUT

- **Significant opportunity to improve cost allocation and performance monitoring of the ATM channel beyond the (physical) ATM performance**

# Future ATMIA ATM Benchmarking plans are evolving in line with the needs of the participating organisations

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- **GAP between ATM Benchmarking rounds to increase from 2 to 3 years**, enabling a wider GAP and a too frequent data collection effort
- The data sample is to remain stable or **to be potentially simplified in line with the data provided by participants**
- Set-up of a **content advisory board to meet in 2Q 2018**
- Next round **scheduled for 2019** with registration opening in **late 2017**

# Contacts



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