

# Retail-BCG Briefing

## ATM as a channel

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# 1 Background

ATMs have hardly developed at all in the first 50 years, functionality today is very similar to the functionality at the start.

ATMs are providing cash based services in the main, however we see pockets where banks are truly championing the ATM and extending the service.

The next 50 years will see an exponential growth of the ATM as a channel, an integrated service and so much more as the ATM morphs into an internet kiosk.

## 2 ATM as a Marketing channel

The ATM of today has the potential to provide an intimate service; incorporating the following:

- a. Branding according to the PAN of the card;
- b. Screen flow based on cardholder details;
- c. Coupons/Vouchers;
- d. Beaconing;
- e. Facial recognition.

### 2.1 Branding & Screen flow

#### 2.1.1 ATM grouping

Retail-BCG has over the years implemented the ATM service for banks and retailers that have required multi-branding of the ATM cardholder interface, as a multi-bank solution for banks to share the ATM service to obtain scale advantages.

The ATMs, deposits and recycling devices includes functionality for multi-branding and white labelled interface.

The cardholder interface will include a neutral interface (white labelled) until a card is inserted in the card reader. As soon as the card is identified using advanced BIN tables, the cardholder interface is setup according to agreed requirements:

- Branded according to one of the participating players' requirements related to background, cardholder dialogue and languages and cardholder services.
- Branding according to bilateral agreements between the ATM network owners and the card issuer, or
- Branding and cardholder services according to domestic and/or international standards or by using the white label for acceptance of these 'other issuers' or international brands.

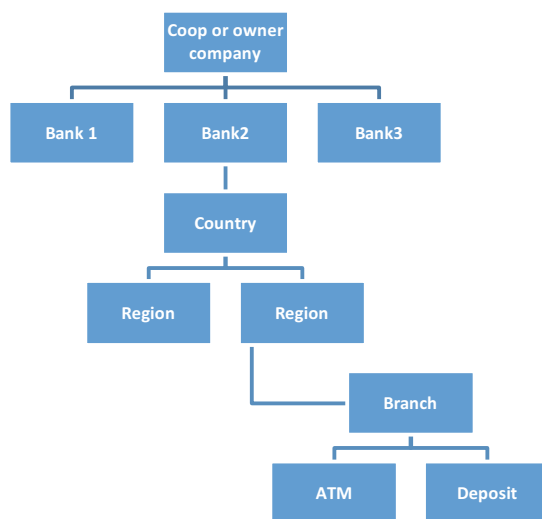
For each category, transactions are switched, reconciled and settled according to agreed procedures and acquiring agreements.

### 2.1.2 Multi-banking capabilities

Retail-BCG has the ability to allow the bank or retailer to cooperate to obtain scale advantages, and at the same time keep existing separate branding and on-us cardholder services.

These requirements have resulted in a configurable multi-bank implementation of ATM services, enabling groups of banks, retailers and independent ATM deployers to share the ATM service solution and keep on-us specialties.

The group of banks are configured as required in a hierarchy with a top node for all ATMs, and then the bank, country, region and down to each individual device.



It is possible to group the ATMs and deposit in categories across the banks. Examples of such dimensions are

- ATMs from one vendor
- ATMs offering multi-currency withdrawals
- ATM served by one particular hardware maintenance sub vendor
- Deposits

Based on these types of groups of ATMs, it is possible to create reports and statistics based on the entities of the group, and it is possible to change parameters for the entire group.

### 2.1.3 PAN European ATM service

Retail-BCG has over the last few Years launched a Pan European ATM solution and ATM service. The solution and service is implemented in nine countries, and will be launched for additional three countries within 2018.

To be able to deliver PAN European services, Retail-BCG has included sub vendors and Partners to complete the ATM services deliveries, such as:

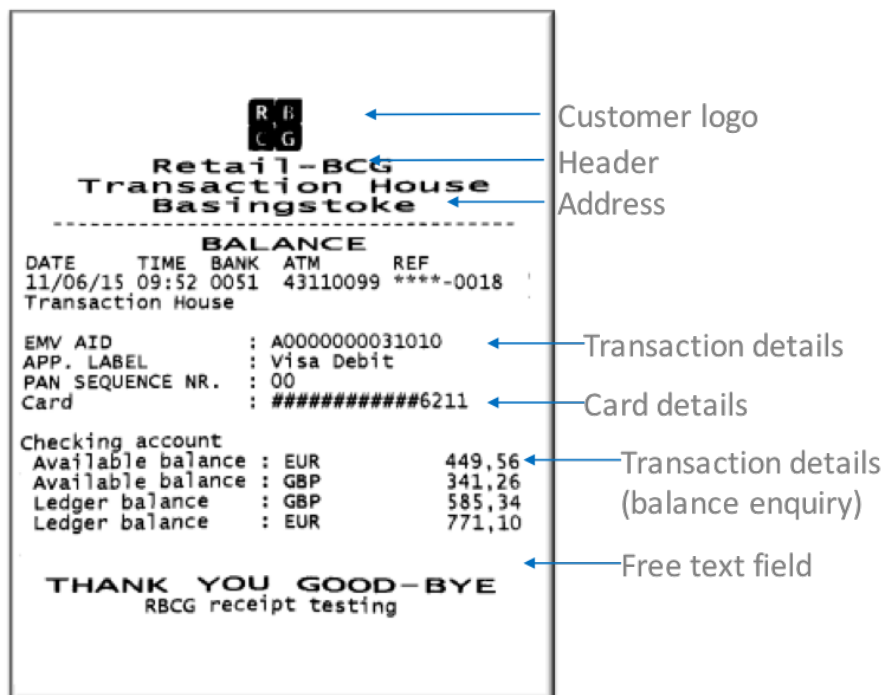
- Technical maintenance
- ATM communication network
- CIT
- VISA and MasterCard licenses
- DCC services
- ATM ownership and leasing


The chosen sub vendors and partners are based on a non-exclusive basis, and banks, retailers and independent deployers are of course free to select other vendors.

## 2.2 Coupons/Vouchers

Cross selling, or up selling is as critical in the bank environment as the retail environment. If banks are to expand their sales then they need to embrace the ability to cross sell.

Coupons/Vouchers with specific messages can be issued to potential new clients, be they a competitor bank with a poor product or service.





Customer receipts consist of the following elements:

1. Customer logo – defined on customer profile
2. Header
3. <Address line 20 characters x 3> - defined per ATM
4. Customer transaction details
5. <Freeform text 40 characters>- defined per ATM
6. Customer card details
7. Customer account details
8. “THANK YOU GOOD-BYE” – defined on customer profile
9. <Freeform text 40 characters> - defined per ATM
10. Footer

There are various options for printing on the receipt.

### Text and Logos on Receipts

The company’s logo position is optional at the top or bottom of the receipt.

The three text lines, usually used for the site address, can alternatively be used for other text. There is also another 40 characters available as an alternative for the address location. The bottom of the receipt also has the option for an additional 40 characters of text which can be printed on each receipt.

### Receipt Messages on Campaigns

When defining a campaign to show on screen messages during the transaction “wait a moment” points, there is also a facility to include additional messages on the customer receipt following a cash withdrawal. This contains 5 rows of 40 characters.

### Receipt Rolls

Receipt rolls have the option to print in full colour and be used in specific ATMs to suit each brand. Receipt rolls allow for coupons, offers and information to be printed and each roll will be distributed.

Reverse printed rolls are available to be ordered from the OEM.

## 2.3 Beaconing

Beaconing is already being deployed and used in the USA at an accelerated rate.

Beacons are low-cost, low-powered transmitters equipped with Bluetooth Low Energy or BLE (also called Bluetooth 4.0 or Bluetooth Smart) that can be used to deliver proximity-based, context-aware messages. They are ideal for detecting smartphones indoors, where GPS isn't always effective, and sending alerts and data to apps on those devices. Also while GPS operates at a macro range, beacons work at micro range, giving brands an opportunity to interact with customers not only at a store level but also target narrowly at an aisle or a fixture level. In terms of range, beacons function in the interim of NFC (too narrow) and GPS (too broad) ranges, and that is what makes it more effective than the other two.

The implementation of beacon technology, is not so much about the hardware (being fairly simple), as it is about customization and integration in a customer's existing technology base. The key here lies in managing appropriate messaging between a beacon and an app: the conditions need to be set according to what you want your app users to know - and when. For example, you could set these conditions based on how far your user is from a particular beacon, closeness to the branch. The message could then be tailored according to other factors such as a customer's current services, exact location in a store in relation to advise or automated services or if purely passing by.

## 2.4 Facial recognition

We have seen facial recognition come to the fore with the iPhone X, this can now be taken further into the branch to allow the ATM to recognize the user or at least categorise based on sex, demographics etc.

Opening a new intimacy to the customer journey.



### 3 Conclusion

As you can see from the above examples there are numerous ways to make the customer experience at the ATM or in branch intimate and aligned with the goals of the bank or retailer.

We look forward to expanding this journey with our clients.

