

Cash recycling at the ATM

Achieve cost optimization,
revenue growth and improved
consumer experience

We all understand the pressures of today's financial environment: Shareholders demand profit while consumers demand better service.

In certain markets there are high cash replenishment costs or high deposit activity which can be costly to process. Cash recycling at an ATM can deliver cost optimization while at the same time enabling revenue growth and delivering ever improving consumer experience.

This whitepaper will introduce cash recycling and explain why it is a profitable and business changing solution in the right environment. It will explore the positive impact on revenue generation, the consumer experience and cost optimization in the context of your branch, your staff and your customers.

Learn more in this ebook:

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What is recycling?

Cash recycling enables an ATM to accept, validate, sort and store banknotes quickly and reliably.

These banknotes can then be made available to customers who wish to take out cash, reducing cash replenishment costs for the financial institution and improving service availability for its customers.

Cash recycling ATMs have to be compliant with legislation around the globe in order to protect the financial institution and the consumer. For example NCR's Bill Validation technology intercepts counterfeit or suspect notes, taking them out of circulation immediately and complying with banking regulations depending on country and region (like for example ECB Art 6). This reduces risk and protects the FI against fraud.



Why do financial institutions want to recycle cash?

Cash in circulation continues to increase and the ATM is the main channel for cash to be delivered to the consumers. Globally ATMs distribute 50% of the cash that consumers carry. In certain markets there is high deposit activity and volumes which can be costly to process. When large numbers of consumers make deposits over the counter in branches this can be time consuming and lead to long queues and dissatisfied customers.

Cash recycling at an ATM can deliver financial institutions cost optimisation while at the same time enabling revenue growth and delivering ever improving consumer service.



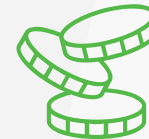
Increase the number of products your branch sells while lowering your operating expenses.



Replenish your ATM less frequently keeping your cash and employees more secure.



Improve the quality of cash in circulation by automatically identifying counterfeit, suspect and unfit notes.



Less frequent replenishment means up to 50% lower cash in transit (CIT) costs.



Transform business customer experience at your branch with 24/7 ATM deposit availability.

What is the difference between a cash dispenser and a cash recycler?

The main difference between a cash dispenser and cash recycler is functionality. A cash dispenser's functionality is only to dispense cash (cash out) whereas a cash recycler can do both - dispense and accept cash.

Cash recycling ATMs enable cash to be deposited and dispensed from the same cash cassette making these devices more advanced than a cash dispense ATM.

Thanks to the fact that cash deposited by consumers can be re-used for withdrawals, cash recyclers bring more efficiencies and cost savings benefits to financial institutions by requiring less frequent cash in transit visits.



Revenue generation

There are significant advantages at a branch level if all cash transactions can be handled at the ATM. Teller staff are neither burdened by cash-related tasks, nor tied to a location. This allows branch staff to be focused on high value selling activities as opposed to routine high volume but low value transactions.

Small businesses or enterprises are the key to revenue generation and a successful recycling deployment can boost the profits:

- The business can transact with you 24x7 which is exactly the service they demand and the service level which will differentiate you from your competition.
- Critical volumes of cash can be deposited to allow the financial institution to maximize their availability and minimize replenishment costs.



Consumer experience

With recycling at the ATM comes the opportunity to take consumer experience to a new level:

- Tellers are free to roam and focus on customer service, while open branch designs offer a friendly atmosphere.
- Vestibule and lobby deployments offer service 24 hours a day, with immediate credit of deposited cash to customer accounts.
- Automated cash handling reduces errors throughout the entire process and thus conflict resolution is rarely an issue.

Best in practice deployment is critical for availability of transactions with minimal reject rates and thus consumer delight.



Cost optimization

Cash recycling offers many opportunities to optimize costs:

- Improved fraud management with the risk of counterfeit acceptance reduced as human error is eliminated and central bank certified bill validators are available around the globe.
- Having cash deposit availability 24x7 will maximise use of your assets and investment, eliminating the dependency on branch opening hours and teller availability.
- Reduced cash management and cash holding costs as cash replenishment and cash in transit costs are significantly reduced and cash deposits are used to satisfy cash dispense volumes.
- Errors and the cost to resolve errors are reduced through the entire cash recycling process.
- Improved branch efficiency as the need for manual counting and verification is reduced.

Branch

Deploying cash recycling ATMs does not require additional footprint. The full functionality of recycling fits in the existing footprint of an NCR ATM so you can allow branch design to flourish:

- Open branches with flexible designs and no glass walls.
- Greater space and a welcoming, friendly atmosphere for customers as well as branch staff.
- Increased functionality at the ATM for an improved customer experience.
- Supports design for accessibility within branches and other banking spaces.



Security

Global solution providers have to be able to deal with the complexities of security challenges around the globe.

Increasing counterfeit activity drives developments in note security, so the recycling solution you implement today has to be scalable and upgradeable to enable you to stay ahead of the counterfeiters and to meet central bank regulations today and in the future.

Deployment of recycling allows staff to have no contact with cash which can remain in a protected area.

Recycling – achieve the potential

To achieve the full potential cash recycling technology can deliver, it's important to fully engage and educate staff on the advantages so they in turn can motivate and support customers in making a successful transition to the self-service channel.

These advantages include:

- Increased safety for themselves and customer
- Improved consumer service with smaller queues and reduced errors and conflict
- Opportunity for a more interactive and customer focused role
- Reduced counterfeit handling



Recycling – achieve the potential

Customers will embrace self-service technology if they understand how it can directly benefit them. This means:

- Excellent customer service and convenience is key
- Redeploy tellers initially to help customers through their transaction, supervise them and make sure availability of ATMs is excellent
- Let the consumer know the experience will be different, help them accept change with crisp and clear messaging
- Create consumer awareness with marketing materials, signage and lead through screens to help customers and encourage uptake of this new technology.



Recycling – achieve the potential

Being able to successfully deposit cash every time a customer wishes to, is key to the acceptance and widespread adoption of the technology. The cash recycling solution is designed to maximise performance and availability for the customer and the financial institution. There are key elements to consider ahead of deployment:

- When it comes to the ATM, consider:
 1. Which denominations to recycle
 2. Expectations of the volume of unfit or damaged notes
 3. Peak volume and queuing patterns
- Work with your ATM provider to understand how best to make data available from the ATM for example log, files and status information. In this way performance, availability and cost can be optimised for each financial institution.
- Understand the performance indicators that guide the business decisions that will reduce operating cost and increase customer satisfaction.
- Optimise the recycling rate not only for one ATM but across the entire ATM network.
- Increase the volume of notes you recycle as well as optimising the percentage of recycled notes
- Establish a performance and cost base line before implementation so you can accurately measure the benefits of recycling.



Conclusion

The background of the slide is a dark, slightly blurred image of an ATM interface. A person's hand, wearing a white smartwatch, is shown pressing a button on the physical keypad. The keypad has standard numeric buttons (0-9) and some colored function buttons (red, yellow, green). Below the keypad is a large touchscreen display showing a similar numeric keypad and a 'Deposit' button. The overall lighting is dim, with some highlights on the hand and the machine's surface.

Today there are over 962,000 recycling capable ATMs deployed across the globe*

Recycling could offer you the opportunity to reduce staffing and operating costs while increasing product sales. It improves the service to business and retail customers on a daily basis and allows you to build better relationships with your customers. Combine this with a reliable and secure technology that has the flexibility and scalability to stay abreast of on going technology demands and you have a solution with the potential to radically improve your business performance.

**Learn More about the
NCR SelfServ Cash Recycling
ATMs today**

[NCR.com/banking](https://www.ncr.com/banking)

