

ATM Modernization

Four reasons to modernize
your aging ATM fleet



Modernize to serve your customers better

The financial services industry has undergone enormous changes over the past decade. It's now under constant pressure from new regulatory requirements, security threats and consumer demands.

Despite those changes, ATMs are still vital for delivering cost-effective services to your customers. This white paper explains why your financial institution should modernize its aging ATM fleet — and how this can help you deliver services more successfully.



- 1 Investment in the ATM channel
- 2 Protect your ATM fleet from malware attacks
- 3 Drive higher availability
- 4 Increase revenue and reduce costs
- 5 Maximize the consumer experience
- 6 Modernize now to meet your customer's expectations



Investment in the ATM channel

Financial institutions are looking to use a mix of delivery channels. They're balancing capital cost, deployment speed and overall value with their goals of customer acquisition and retention, brand building and revenue generation.

So it's no surprise that their spending on banking automation is stretched across several complementary delivery channels. The battle for resources is more intense than ever.

This resource challenge and recent economic conditions are real inhibitors. And they're causing many financial institutions to keep older ATMs running far beyond their natural five-year life span.

However, to deliver services more successfully, it's important to modernize your ATM fleet. This investment will help your financial institution:

- Protect against emerging security threats
- Improve your availability level
- Increase revenue and reduce costs
- Provide a better consumer experience





Protect your ATM fleet from attacks

ATM crime has evolved. New forms of attacks have developed as a result of new technologies and the rise in the sophistication of criminals.

Attacks could cost your financial institution more than \$1,000 per year for each ATM. Modernizing your ATM fleet will help you stay ahead of the security threats with a comprehensive, layered approach.

For example, NCR SelfServ™ ATMs are designed and engineered to include the most current security features. And NCR Secure™ hardware solutions for SelfServ ATMs are optimized to provide the highest level of protection against new and evolving forms of attacks such as card-skimming.

All new NCR SelfServ ATMs are configured to run the newest versions of NCR's security software solutions. This provides maximum protection against costly attacks.

Modernizing an older ATM fleet does more than just enhance security. It also helps financial institutions comply with regulatory and industry mandates.





Drive higher availability



Updating your ATMs will help you drive more transactions and minimize failed consumer interactions. With newer technologies, your modernized fleet will make these improvements possible.

For example, NCR's latest media-handling technology, the S2 dispenser with the Scalable Deposit Module (SDM), offers higher availability levels and drives operational improvements.

NCR SelfServ is a platform that's future-proofed for today and tomorrow.



Increase revenue and reduce costs

Modernizing your ATM fleet will help you drive transaction migration, reduce the cost to serve and generate more revenue.

Replacing older ATMs can drive operational efficiencies by reducing service and maintenance costs or by making it possible to roll out new cost-saving transactions, such as intelligent deposit.

Financial institutions don't necessarily have to replace their older ATMs with newer versions of the same machines. If a financial institution wants more deposit-based points of presence, cash dispensers can be replaced with multifunction devices.

This kind of switch can be a major cost-cutter. For example, migrating to intelligent deposit technologies can significantly reduce the cost of processing cash and check deposits.





Increase revenue and reduce costs



NCR research suggests that the cost of processing a deposit transaction at an ATM can be up to 30 percent less than the cost of processing with a teller. ATM transactions are also faster — only 60 seconds on average, compared to 3 minutes with a teller — so customers spend less time in line.

When more deposit transactions are done at ATMs, your staff will be freed from that processing burden. So they'll be able to focus on more value-added selling or concierge activities. All of this is great news for your customers and your total cost of ownership.

Newer ATMs also open up the possibility of delivering value-added transactions. With newer machines, you'll be able to offer services such as multicurrency and foreign exchange transactions, deposit- and recycling-based transactions, bill payment and money transfers.



Maximize the consumer experience



By modernizing your ATMs, you'll provide a better consumer experience than ever. This will help you increase adoption and attract customer advocates.

- Offer a next-generation experience with some ATMs offering multi-touch and contactless interactions
- Stand out with machines that feature contemporary design
- Maximize adoption of new types of transactions

More and more financial institutions are realizing that there's a step beyond simply optimizing the mix of stand-alone channels. That step is multichannel integration.

Multichannel integration offers a seamless experience between channels. This allows consumers to start a transaction on one channel and finish it on another. Older ATMs are increasingly unlikely to be able to handle the fulfillment side of these transactions.

There's real value in giving consumers a choice. Research consistently shows that multichannel consumers are more loyal and spend more than single-channel consumers.



Modernize now to meet your customer's expectations

Today's retail banking environment is more competitive than ever. If you don't update your ATM fleet, it could put your financial institution at a huge disadvantage in terms of customer service, ease of use and availability.

On top of that, an aging ATM's performance declines sharply, resulting in higher downtime. This means lost revenue, higher maintenance costs and lower customer satisfaction.

Modernizing your ATM fleet will help you drive higher availability, protect the channel with the latest security features, reduce operating costs and open up the possibility of rolling out new value-added transactions. Most importantly, it will help you deliver a better consumer experience.

Your ATM fleet is the window to your brand, and it's the primary point of contact between you and your customers. It's a vital asset that deserves the highest levels of attention.

Modernize your ATMs now to provide the experience your customers expect.



Why NCR?

NCR Corporation (NYSE: NCR) is the global leader in consumer transaction technologies, turning everyday interactions with businesses into exceptional experiences. With its software, hardware and portfolio of services, NCR enables more than 550 million transactions daily across retail, financial, travel, hospitality, telecom and technology, and small business. NCR solutions run the everyday transactions that make your life easier.

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