

Title:

ATMs - How Does The Retailer Decide?

Word Count:

462

Summary:

ATMs or Automated Teller Machines, are an essential part of modern life.

In many families both the adults work, making it impossible to reach the bank to withdraw cash. ATMs do make this possible.

ATMs are of two basic types, hole in the wall machines set into a reinforced bunker, and retailer cash machines, standing in shops and other premises. Retailer cash machines may be front or rear-loading.

Why are there so many ATMs? Retailers want one in their premises. ATMs...

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Article Body:

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In many families both the adults work, making it impossible to reach the bank to withdraw cash. ATMs do make this possible.

ATMs are of two basic types, hole in the wall machines set into a reinforced bunker, and retailer cash machines, standing in shops and other premises. Retailer cash machines may be front or rear-loading.

Why are there so many ATMs? Retailers want one in their premises. ATMs attract customers and over half of the money withdrawn from a retailer ATM is spent on the premises. There are some costs involved, with the retailer paying for phone line costs and power consumption of the ATM, so there has to be substantial benefits for so many retailers to be clamoring for an ATM.

Retailers have several choices. They can choose which bank network the ATM is connected, though the ATM will process transactions from customers of all banks.

The retailer can also choose to load the ATM with their own cash takings, saving

bank charges and loading charges from Cash in Transit companies. This depends on the retailer having sufficient high quality notes to load the ATM once or twice each week, few people want to be doing this on a daily basis because it must be done with the premises in a secure condition and out of opening hours.

As an alternative to loading their own cash, retailers are increasingly asking the ATM providers to organize cash loading. A security company will survey the site, talk to the retailer about what is required in terms of security procedures, and assume responsibility for loading the machine. The security company may require a secure room, like an office, where the can work on the cash cassettes.

Retailers have a choice between front and rear loading machines. Rear loaders have to be accessible from front and rear, so are usually inserted in a solid wall, with an office or store room at the rear. The safe opens at the rear and they are loaded from the rear, so the store can stay open while the ATM is being loaded. Rear loaders are much more secure, from a cash loading perspective.

Front loading ATMs take up less space, but the security procedures when the ATM is being loaded are more intrusive. Some security companies will insist on shutters being down and the shop empty while the Cash in Transit crew are on the premises. Other companies will only insist on this while the ATM safe is only actually open.

The retailer must balance the inconvenience of locking the store while the security company are working, against the alternative inconvenience and security concerns of doing the job themselves before or after normal opening hours.