

August 9, 2012 - Suzanne Cluckey



A total of **8.8 million tickets** were sold for the London 2012 Olympics for events spanning 19 days. Basic math says potentially 463,157 spectators were in attendance daily at 34 Olympic venues — with exactly eight Visa-only ATMs to serve them all. Basic math says that's an ATM-to-user ratio of 1:57,894.

Of course, not all tickets will have been used. But if even half of them were, it would still present a 1:28,947 ratio — lower than any developed country or, for that matter, some emerging economies. And it doesn't take into account the approximately 70,000 volunteers, 21,000 media members, 8,700 technical and team officials, and 6,000 paid staff present at the games — not to mention the 10,500 athletes that the Olympics are ostensibly about. In all, 116,200.

No wonder, then, that it was a Pretty Big Deal when contactless POS terminals (which, to begin with, accepted only one card — Visa) went on the fritz at the 90,000-seat Wembley Stadium during a double-header Olympic football match on the evening of Sunday, July 29.

Visa cardholders who expected to use plastic to buy food and drinks at the event found themselves in immediate need of paper, with no ATMs — not even a Visa-only machine — anywhere in the stadium. Comment sections of Internet news reports about the breakdown were peppered with remarks from irritated spectators, who expressed annoyance with the card-only policy.

ATMs? Not an option.

The Wembley failure underscored what the **ATM Industry Association's** European chapter had said all along — that attempting to enforce a single payment method was a disservice to visitors to the London Olympics.

"Back in 2011, ATMIA Europe dialogued extensively with Lord Coe, chairman of the London 2012 Organizing Committee, to try and prevent this kind of situation arising," said Floral Hamilton, executive director of ATMIA Europe. "But he and his senior team refused to be moved, stating that the sponsorship terms that Visa had negotiated with the International Olympic Authorities required them to allow the removal of ATMs from and around the Olympic sites."

And when they said "removal," the IOA meant just that, said Ron Delnevo, director of the U.K. Payments Council and managing director of Bank Machine for U.K. and Europe, which had an ATM at one of the Olympic venues.

Bank Machine was asked not just to switch off its ATM at one of the Olympic venues but, in fact, to take it out for the duration.

"[S]omebody — not Visa themselves directly, but somebody from one the organizers — contacted us and said would we mind taking it out and putting it back in after the event. And we said, 'Who's going to pay?' So it's complete rubbish."

When high-tech gets the hiccups

Delnevo himself attended an event at one of the venues and said he found that Visa's determination to stage a cash-free Olympics resulted in guest inconvenience.

"In one of the restaurants, they were taking cards but none of their machines were working — probably because they were relying on radio signals, mobile signals, and the number of mobile calls probably being made in the area meant that they couldn't get through. So those card machines were useless, absolutely useless."

In another instance, Delnevo said he waited in line for 10 minutes behind a woman trying to make a purchase on her Visa card. It was accepted three times, but the transaction would not go through. "And then someone came over and said, 'Well, I don't think that [terminal] has been working all day.' And that was just the experience of one person and I wasn't even looking for problems."

Elsewhere in London, where multiple payments options are available and ATMs are plentiful, the city seems to have taken the additional summer tourist hordes in stride. Elle McGregor-Chatwin, who works at Fishburn Hedges, a London-based communications consulting group, said that neither she nor her workmates had encountered issues at ATMs as the result of the extra tourist traffic.

Keeping up with cash demand

That's exactly the result ATM operators were after when they started making plans more than 18 months ago to ensure that London's ATMs were stocked and working during the Olympics. Delnevo said that Bank Machine ATMs were being serviced during late night and early morning hours so that techs wouldn't have to waste time stuck in congested Olympic traffic streams.

"Since we started monitoring cash machine performance on a daily basis for the summer period we have seen no issues," said John Howells CEO of LINK, the network that provides ATM cash access to 100 million cardholders throughout the U.K. "ATMs are keeping up with demand, and are being restocked in time."

Hamilton said that London merchants were accepting a wide variety of payment schemes, including cash, which is still used to make 58 percent of purchases in Britain, according to Delnevo, and which is even more popular among the home countries of tourists, including the U.S., where 59 percent of purchases are made with cash.

Many forms of payment sharing one weak link

Not surprisingly, Visa's perspective on the success of the "cashless Olympics" is somewhat different. The card association did not respond to a request from ATM Marketplace for comment, but it did post a news release touting the spending totals on Visa cards (\$700 million in the opening week alone, 12 percent of it on cards from the United States).

"It's impressive to see travellers from around the world transacting with one payment brand in multiple forms," Kevin Burke, CMO of core products at Visa Inc. said in the news release. "With more than 3,000 contactless terminals installed across Olympic Games venues that accept prepaid, contactless payments, mobile technologies and other payment innovations, the Olympic Games gives Visa an opportunity to extend its sponsorship to directly benefit accountholders worldwide."

As long as the technology works.

"The failure of Visa Europe's contactless payment system in the Wembley Stadium ... demonstrates that the London Olympics needed a more comprehensive and inclusive payments strategy for its international visitors," said Hamilton. "At the very least there should have been sufficient ATMs on this Olympic site, and it seems to be a case of arrogance to assume that local and international ticket-holders would not want to use cash. It is counter-productive to take away the right of people to use the payment method of their choice, whether cash or plastic card."