

High Demand of ATMs in TOWNSHIPS

South Africa's townships present a wealth of opportunities for local businesses due to the high concentration of people living within the areas that are typically located a significant distance away from larger retail outlets or shopping centres.

In order for small business to capitalise on the opportunities that townships' dense populations offer, a shift to providing convenient services to customers is needed. One growing opportunity is providing easy and safe access to cash through the installation of in-store ATMs. Not only will the business owner see an increase in foot traffic but also increase the likelihood that consumers who withdraw cash from the ATM will spend a large portion of the dispensed cash in-store. With townships becoming increasingly popular destination for tourists, as seen by the increasing amount of township tours on offer - such as Soweto in Johannesburg and Gugulethu in Cape Town - the same need for convenient access to cash in townships will increase.

Managing Director of Spark ATM Systems, Marc Sternberg, says ATMs have the ability to serve as tangible drivers of growth for businesses. To help aid this growth, installing ATMs strategically within a township and not in the city where township residents may work is vital. In addition to the current lack of ATMs in townships, there is an increased need for safer ATMs as most are street-facing and not very secure. "Historically, ATMs located within a store, as opposed to outside a building, are not targeted by criminals due to the existing safety elements in the store such as CCTV, guards, staff, etc. We also regularly advise our merchants about all the necessary safety precautions they need to take in order to avoid criminal activities," says Sternberg.

ATMs could be revenue-generating tools and as studies have shown that customers spend a large portion of the withdrawn cash at the same premises. Depending on the nature of the business, the amount spent can be between 20% and 80% of the cash withdrawn. This makes the ATM the



In-store ATM is the most effective way to increase your customer's spending power on your premises.