



Marc Sternberg aims to enable consumers to have immediate access to their cash through the roll-out and installation of independent ATMs.

Cash is still king

Having a cash-dispensing ATM on the premises may not only bring benefits to hoteliers and restaurateurs as consumer fears over card skimming rise, but staff may also find them useful especially in rural towns and areas where banks are closing branches.

Hotels and restaurants across South Africa are showing increasing interest in installing independent ATMs due to the benefit of being able to offer clients safe and convenient access to cash. This interest has been heightened by a couple of incidents of theft of cash from room safes in hotels and widespread credit card skimming in restaurants.

South Africa is following international trends where ATMs are readily available (in some cases they deliver over 60% of cash dispensing services in each country).

The demand for independent ATMs in South Africa is increasing and at the moment they represent over 15% of the market.

Globally over the past 10 years there has been an increase in the use of independent ATM systems, a service traditionally dominated by the big banks. Ever since the very first ATM was installed by Barclays Bank in London way back in 1967, ATMs have become part of the mainstream banking system. ATMs are now the most common means for a consumer to obtain cash in most developed and

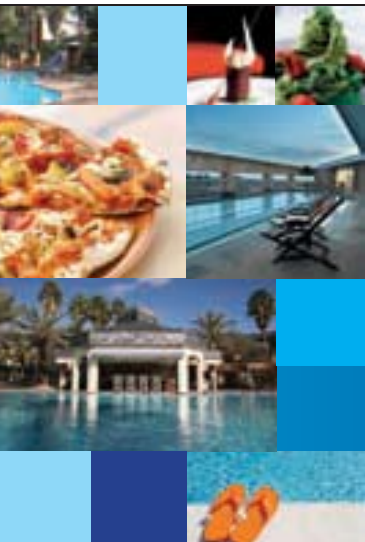
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The accommodation, food and beverage business magazine for Southern Africa.



developing countries.

It is estimated that there are over 1.5-million ATMs in use, with new access points growing daily. This all underlines the view that cash is still king, in spite of the success of transaction cards and online banking.

A leader in the field of independent ATMs in South Africa is Spark ATM Systems, founded in 2005 by Marc Sternberg. It is Sternberg's aim to enable consumers in South African and neighbouring countries to have immediate access to their cash through the roll-out and installation of independent ATMs.

Fear of credit card skimming and fraud and the light sentences imposed on the few criminals who are convicted of the crime are forcing many consumers back to cash. Consumers want cash dispensing machines and when they are installed in restaurants or pubs they are likely to encourage them to stay and spend some of the dispensed cash. In the context of South Africa they are of particular benefit in smaller towns and rural locations where banking facilities are limited.

In developed countries, such as Australia, Canada, the USA and the UK, independent ATMs now deliver over 60% of cash dispensing services in each country. In South Africa the demand has grown rapidly through tangible benefits for both the consumer and vendor, and independent ATMs now represent over 15% of the market. South Africa has a developed banking system that is ranked eighth among countries with a population of over 20-million, ahead of France and Japan.

The primary benefits for customers are:

- Being able to withdraw cash in a safe place
- Being able to draw money in the place where they plan to shop
- Competitive withdrawal rates
- The Spark ATM is a Saswitch, Visa and Mastercard ATM, which means it can be used by local and international cardholders for both credit and debit cards.

For merchants hosting ATMs inside their premises the benefits include:

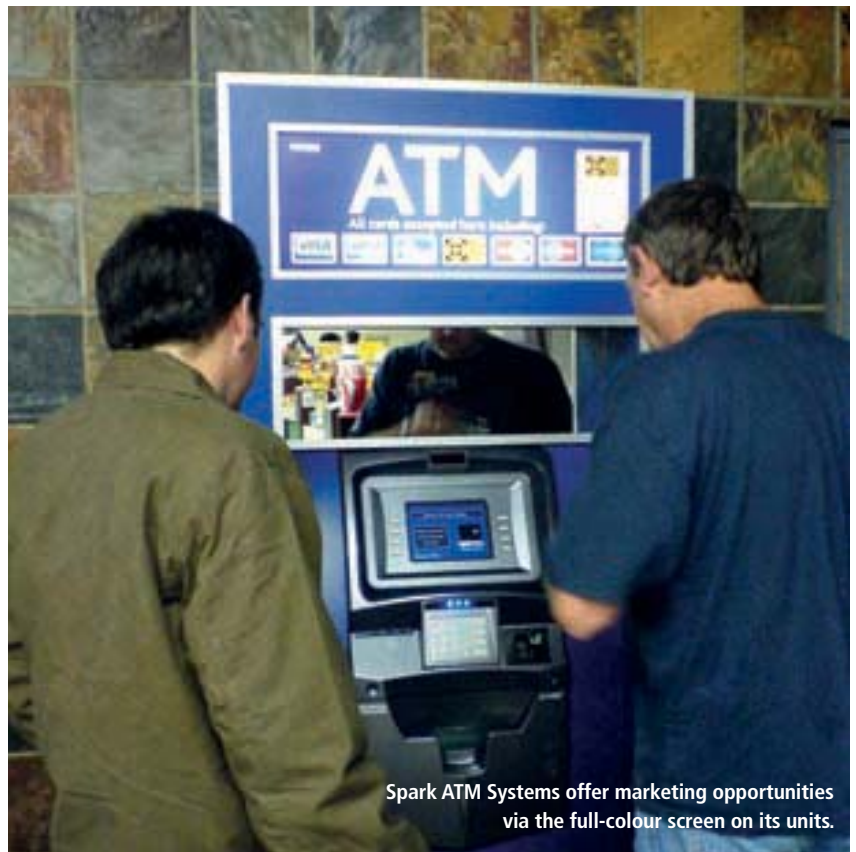
- Higher sales and an increase in the average spend
- Increased foot-traffic
- Growth in customer loyalty
- Savings on bank and credit/debit card fees
- Less time spent visiting the bank as money is continually recycled through the ATM
- Direct revenue for the vendor from each in-store ATM transaction.

ATMs offer these benefits in any location where customers require cash to pay for goods or services. Spark ATM Systems facilitates the installation of ATMs in almost any suitable venue including supermarkets, pharmacies, liquor stores, pubs, hotels, petrol stations and sporting venues.

Spark ATM Systems offer marketing opportunities via the full-colour screen on its units.

Sternberg says: "Convenience ATMs are becoming the norm for merchants large and small across the retail, leisure and hospitality industries. Everything points to the fact that the local independent ATM industry will follow the international trend, and we are positioned for a very exciting growth spurt."

For every transaction that takes place, Spark ATM contributes to a variety of South African charities in line with its CSI program. ♦



Spark ATM Systems offer marketing opportunities via the full-colour screen on its units.

Location, location, location

ATM Solutions says that the location of ATMs will play an integral role in making banking more accessible. "Hence the company's commitment to support their banking counterparts' objectives to deploy ATMs, particularly in previously under-served areas" says Wayne Abramson, CEO of ATM Solutions – an independent deployer of ATMs in Africa.

"A greater footprint of ATMs will assist in ensuring South Africans have easier and cheaper access to banking services. Secondary costs associated with ATM transactions such as transport to and from ATM locations will also be reduced, increasing consumer convenience and making banking more affordable," Abramson said.



Goudini Spa near Worcester in the Western Cape has an ATM which is easily accessible to guests and staff.