HOTELS ROLLING OUT ATM'S IN ANTICIPATION OF CASH DEMAND

With the exposure received during the FIFA World Cup South African tourism is set to increase over coming years. The tourism industry has realised the need to be prepared to meet the cash demands of tourists. When searching for accommodation in South Africa, most visitors list their most important requirement as good security. This includes having a safe and accessible method of withdrawing cash – but will we be able to provide what they are looking for?

People visiting South Africa are acutely aware of the crime problems and know that crimes at street-facing ATMs are most prevalent. In October 2009, FNB statistics showed that "shoulder surfing" at ATMs had risen by 70%. Additionally, people are very aware that credit card fraud and identity theft are booming, and they are therefore reluctant to use their credit cards for payment everywhere they go.

Marc Sternberg, MD of leading independent ATM provider, Spark ATM Systems, comments: "Tourists are very cautious about withdrawing money from street-facing ATMs and will therefore turn to ATMs in secure locations – such as inside a hotel reception area for example." Sternberg also noted that travellers cheque usage has dropped off in recent years and that they are not as easily cashed or accepted in South Africa as they are in many other countries. "Visitors prefer to withdraw money from their home bank accounts, rather than to use travellers cheques," Sternberg explains

Cash is therefore undoubtedly going to be tourists' preferred means of payment for most goods and services. International travelers are used to having safe and easy access to money whenever they require it, and they are familiar with having ATMs located in hotel lobbies when they travel abroad. They will be expecting the same services here when they arrive on our shores. Sternberg notes: "If travellers cannot find ATMs, they are likely to spend less and if there are not enough secure ATMs available around hotels, there is no doubt that local businesses are going to suffer."

A large number of leading hotels have already installed independent ATMs and by advertising this fact on their websites and other marketing material, they have found that they have become preferred suppliers, especially to large group bookings. Says Sternberg: "We have seen a huge rise in demand from the hotel sector for our ATMs, as hotel owners and managers are becoming aware of how important it is for them to provide this service to their guests."

General manager of the Arabella Western Cape Hotel and Spa, Rob Kucera, says that he made the decision to provide the Spark ATM for the convenience of the hotel's guests so that they could further enjoy their travels without being concerned about the location of the nearest off-site ATM: "It is a value-added benefit that is fully appreciated by our overseas guests."

If tourists have a good experience in South Africa and feel safe and secure, then they will return. Whatever services the tourism, and specifically, the hotel industry, can provide should be considered as an investment for the future benefit of local business.

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For more information or interviews please contact:

Rob Baird
082 748 8884
rob@luxurybrands.co.za