FCTI
NATIONWIDE ATM NETWORK

Communicating Through the ATM

Using Advanced Technologies to Reach Your Cardholders

Today's account holders are steadily growing more digital. They are using smartphones and tablets to fulfill their desire for unprecedented levels of connectivity to family, friends, and work. Over the past few years this eagerness for connection has grown to include preferred brands, local stores, and even their financial institution (FI).

But account holder demand for connected interaction goes beyond a desire for enhanced support and account access. Similar to expectations seen in the retail sector, digital consumers prefer to see a wide array of account products and services made easily available. Fortunately, as financial services providers, banks and credit unions are in a unique position of awareness in regard to their account holders' personal information and spending habits – allowing FIs to more accurately segment their audience and provide specific messages and benefits.

Tailoring the Message

"Remember that a person's name is, to that person, the sweetest and most important sound in any language," writes Dale Carnegie in his book How to Win Friends and Influence People. What he means, of course, is that humans pay more attention to something when it directly affects them. For account holders this could mean anything from providing discounts for preferred stores to displaying home improvement loans to current home owners with a certain percentage of equity.

Thirty-nine percent (39%) of banking customers expect their FI to add value to their daily lives – including specific offers based on their habits and location according to a recent consumer survey from Accenture. The study included over 33,000 banking customers across 18 markets.

These numbers are further bolstered by a report from Salesforce on the state of the connected consumer which found that sixty-three percent (63%) of Millennials and fifty-eight percent (58%) of Generation X are willing to share their personal data in exchange for personalized offers or discounts.

However, while FIs have access to a wealth of information about their account holders, they are also duty bound to protect that same information from misuse. In order to balance the need for diligent security measures with the growing consumer demand for personalization some FIs are turning to the classic "opt-in" option. This system allows the FI to create messaging and personalization choices for each segment of their account holder base in order to dictate both individual interactions and the complete Omni-channel network. Customers and members are then provided the opportunity to self-identify and select their preferences.
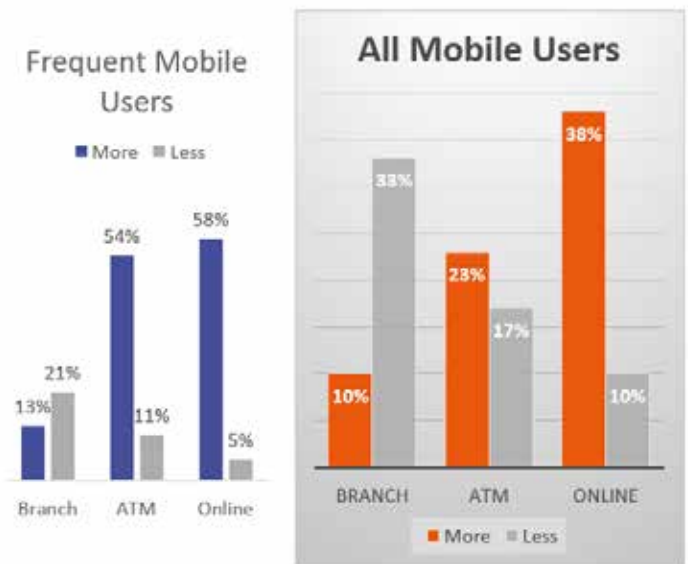
SOURCE: Raddon Research Insights

account access, with sixty-five percent (65%) more likely to utilize the ATM than visit a teller according to a 2016 ATM Market Benchmark Report from Mercator Advisory Group. A recent study from Raddon Research Insights similarly notes an increase in ATM utilization as mobile banking use grows – with twenty-three percent (23%) of all mobile users and fifty-four percent

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The Right ATMs Matter

ATMs remain an important channel in the banking landscape. A "Banking and Consumer Pulse 2020" report from Accenture notes that sixty-one percent (61%) of adults in the U.S. use an ATM at least once per month.

In addition to standard ATM use, the growing population of mobile banking users has also begun to display a preference for self-service

(54%) of frequent mobile users reporting an uptick in their overall ATM usage. This growing reliance on ATM convenience is leading to an increase in demand for better ATM interactions – and creating another opportunity for FIs to communicate with their cardholders. However, the capabilities available to facilitate this communication are dependent on the hardware, software, and service at the ATM.

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The standard ATM has seen a significant number of upgrades over the past few years designed to address a range of functions including security, compliance, and interactivity. Many manufacturers have even begun to open up their systems for additional software development – leading to greater capability options including person-to-person payments, cash/check deposits, and cardless transactions. However, despite this influx of development, there still remains a significant needs gap in the form of FI and marketing friendly software.

The majority of ATMs, especially off-premise locations, still follow a standard branding strategy for banks and credit unions. Programs usually consist of a branding wrap, attraction or "welcome" screens, as well as a set of images to be displayed while transactions process – commonly referred to as "please wait" screens. In some cases, the offering is expanded to include minor transaction screen customization (headers and backgrounds), printed receipts, a branded topper, and/or a window sign/decal.

These options allow for an appearance that is in compliance with brand. However, ability to personalize and integrate into Omni-channel initiatives is typically limited. In addition to this, the majority of ATMs and services available are difficult to update once set in place – often requiring a site visit to replace wraps, screens, topper graphics, etc.

Fortunately, there are ATM manufacturers and providers working hard to develop the hardware and software needed to better meet cardholder demands and create a FI marketing friendly environment. Some of these features include:

- Remote Screen Upload – Remote ATM upload software utilizes the ATM's communications setup to log into the back end and push new screens and visual components to individual terminals. Utilizing this feature, branding FIs are able to either request regular messaging updates or, in some cases, upload and change their own screen options – allowing the ATM to be more easily integrated into Omni-channel messaging and marketing campaigns.

- Digital Toppers – While static images are still the norm, more and more ATMs are

changing over to digital toppers. These dynamic screens allow a variety of digital formats and are often video capable. Depending on the software, the messaging can either be a full screen display or segmented to allow news, weather, updates, and other added messages. The best digital toppers provide HD graphics and remote screen uploads.

- Cardholder Targeting – Some ATM providers have taken on-screen messaging to the next level, allowing FIs to segment individual cardholders by BIN in order to provide personalized messaging on the ATM screen.

- Mid-Transaction Messaging – This ATM software creates the ability to post digital ads within the ATM transaction process in order to take advantage of the focused attention of ATM users.

- Transaction Interruption – Studies have already shown account holders are willing to provide personal information for a return. Some of the latest ATM software capitalizes on this opportunity by allowing FIs to generate an interactive message prior to transaction completion such as a brief survey, unique call-to-action, or simple opt-in opportunity.

- Customized Offers ¬– While many ATMs require "custom" receipts to be preprinted prior to load into the machine, newer ATM models are often capable of utilizing the receipt printer to generate additional images when producing the transaction receipt information. With the right software, these printers can provide the standard custom header as well as a number of pre-programmed receipt coupons, promotions, or other offer options.

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~Jeff Wernecke, CO–CEO

"Advanced ATM technologies are finally bringing the marketing and consumer integration we see in other bank and credit union channels to the cash machine," said Jeff Wernecke, CO-CEO for FCTI, Inc. "Financial institutions can now begin updating and evaluating their ATM program as a branding, marketing, and communications tool rather than a low-tech option for cash delivery and account access."

Integrating Advanced ATMs into Your Marketing Plan

New, higher functioning ATMs are providing the ability to integrate into a complete, Omni-channel marketing plan – helping to increase cardholder convenience as well as brand, product, and service awareness. Depending on the capabilities of the ATMs, FIs can work with their ATM providers to present messaging that is, at minimum, cohesive with current goals and marketing campaigns. However, the right provider can offer banks and credit unions much more – expanding capabilities to specifically target individuals, gather addition-

al information about account holders, provide messages designed to appeal based on known preferences and activities, and much more.

ATMs are advancing quickly and, with consumer demand for additional convenience and self-service steadily growing, it is becoming more important than ever for FIs to think about how they can properly integrate these popular machines with their personalization and Omni-channel strategies.

About FCTI
FCTI, Inc. is a nationwide ATM solutions provider specializing in advanced ATM placements and operations for financial institutions. Our patented MBA technology, network partnerships, and leading software developments offer banks and credit unions real marketing and distribution opportunities through the ATM channel.

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