



For Next Gen API App ATMs



A New Dawn for ATMs

A blog by Michael Lee, CEO of ATMIA

September, 2018

We all know the saying “don’t reinvent the wheel”, yet even bicycles get reinvented as new materials become available. Take the [Yike Bike](#), for example. It’s a small and light electric folding bike that changes the way we can get around on two wheels.

Then there’s Volvo’s ultra-light inflatable child car seat which is based on a whole new way of looking at the design of the safety of children in cars -

<https://www.youtube.com/watch?v=tE1UITuWU8Y>

What about reinventing the ATM?

Some may say, the automated teller machine has been around for half century and is still serving a vast market, with over 3.2 million terminals in prime positions.

Despite this historic global success, why do some in our industry, myself included, think it’s time to reinvent the ATM?

The Yike Bike and the inflatable child car seat from Volvo both enhance safety and convenience for consumers. Would anyone argue with the point of view that ATMs could be safer and more convenient for today’s and tomorrow’s consumers?

The purpose of a reinvention is to maintain the relevance of a technology. Otherwise, there’s a long-term risk that the technology will become obsolete, driven out of business by better, competing technologies. That is why it’s really a form of future-proofing.



Threats to ATM technology include the shift to digital payments and shopping, the war on cash and attacks on ATMs, including skimming, malware and brute force attacks.

But the single biggest threat would be irrelevance – the day consumers stop using ATMs because they don't want, or need, to anymore. Fortunately, there are many thought leaders in our industry who will make sure that day never comes. These are the early adopters, innovators and thinkers who are transforming our industry.

Welcome to the project to reinvent the ATMs. Over 170 companies across the world, covering all sectors of the ATM, cash and payment industries, have joined ATMIA's Consortium for Next Gen ATMs. And here's how to stay relevant for another generation – link 3.2 million ATMs to 5 billion mobile phones and then see what happens.

The mobile phone is the consumer's most important technology – why wouldn't we try to tap into it?

That's what the next gen ATM project is all about. It's based on global consensus for a blueprint for an API App model for ATMs.

Apps are increasingly important to consumers. Financial management, payments and household budgeting are ideally suited to management by apps, including bank apps and ATM apps.

Besides, the Internet of Things is on its way and will dominate social life in the 2020s and the ATM must gear itself up to play a central role in the IoT. Webopedia (https://www.webopedia.com/TERM/I/internet_of_things.html) defines it as the ever-growing network of physical objects that feature an IP address for internet connectivity, and the communication that occurs between these objects and other Internet-enabled devices and systems. Think of smart devices at work, in the automobile and in homes, like devices loaded with chips. Think about internet-enabled wearables and fitness apps. Think iBeacons at ATMs. Think of shopping online on a smart TV.

If ATMs don't take their place in the IoT, they will cease to matter. Instead of being replaced by mobile technology, next gen ATMs will work with mobile phones as the dominant method of transacting.

Change. It's scary, I know. That's because it is associated with the unknown. But as a qualified futurist I understand only too well that if you don't direct change it will direct you. If the ATM industry doesn't shape change, proactively, it will be shaped by change, reactively. That's a recipe for becoming obsolescent.

Hope. The next gen ATM project is creating lots of hope for the future. Here are some of the achievements so far:

- ✓ Global consensus among ATM operators, manufacturers, solutions-providers and other stakeholders for a single blueprint for the future of ATMs
- ✓ A signed off architecture for a new API App model for ATMs
- ✓ Over 170 companies enrolled for the Consortium for Next Gen ATMs
- ✓ A standards roadmap and implementation model for next gen ATMs signed off
- ✓ An economic matrix for the business case for embracing next gen ATM architecture published, along with a set of Business Value Propositions
- ✓ Best practices for security of customer owned devices transacting with ATMs published
- ✓ An online survey on industry readiness for next gen ATMs published

If you wish to be part of a proactive future of hope for the ATM industry, join me and over 170 companies on board the Consortium journey. Together, we are building a technology superhighway to the future.

Why not be there when history is made at the official international launch of the next gen ATM architecture at ATMIA's major European conference? It takes place in Madrid on 17-19th October – sign up [here](#).

What other industry has a blueprint for its collective future? When you forge a strong future through collaboration, there is no fear of change because we are now in the driving seat of change.