

General Information



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COST VERSUS BENEFIT OF ATM / NON GAMING VENUE

We firmly believe that an ATM can be a very powerful business tool. Too many deployment groups in the market place talk about break even, the site owner then only looks at this aspect of the machine.

ASK YOUR SELF this question, why would you want to enter into a five year contract to break even ?

The common sense approach to this should be how much will the ATM make for my business.

The following is a rough guide to calculate the site suitability for ATM placement. The guide is based on number of customers weekly and average spend at your outlet.

(Every business is different use the following as an average guide)

Lets say 1,800 customers per week.

Average spend \$9.00

Average Gross margin 27.5%

ATM will be utilised by 7 to 10% of customer base – say average 8.5%.

Average increase spend across the customer base of between 8% to 12% - say average 8%.

BASED ON THE ABOVE:

Average spend increases to \$9.72.

Increased Gross weekly sales by \$1,296.00 @ average margin of 27.5% equates to \$356.40 increased gross profit per week, or \$1,544.40 per month.

THEN deduct the cost of the ATM.

Add back rebates payable to your venue.

Then deduct the savings on Eftpos.

THIS BECOMES THE REAL BENEFIT OF THE ATM.

(As stated every business is different, you may have for an example several Bank ATM's in your immediate vicinity, this would reduce the %'s noted above.)

SELF CASHING – MYTHS ASSOCIATED



WITH THIS STYLE OF ATM PLACEMENT:

A lot of business owners do not understand this concept and are worried about the self cashing concept, keep in mind the following:

- A) Chances are your venue is already doing cash out on Eftpos.
- B) You are banking once, twice or three times per week.
- C) You are holding cash on premises over weekends / long weekends etc.
- D) You already have cash on premises insurance.
- E) You are worried that the ATM will attract unwanted attention after business hours.

Dispelling the Myths.

- A) The Eftpos cash out's can be used to fund the ATM
- B) The ATM will effectively do the banking for you, each day. (Like Eftpos transfer)
- C) Again the ATM will clear this cash off premise, and will be available to you next business day.
- D) It is safer having cash locked in the ATM safe during business hours, rather than behind the counter in a till.
- E) In the evening, decash the ATM, and place the cash cassettes in a secure location and leave the safe door of the ATM ajar.

KEEP IN MIND THE FOLLOWING:

The ATM will generally trade at twice the value of Eftpos cash out's (Average Eftpos cash out \$50.00, average ATM cash out \$100.00)
Customers will generally spend more at your venue when they have cash in hand.

Most of the population is today paid by EFT, they then use their debit card to purchase everyday items, fuel, grocery beverage etc. The thing to keep in mind here is that most people lose track of account balance, this in turn effects the spend at your venue as they can not obtain account balance using Eftpos, and a lot of customers will not risk the embarrassment factor of having the purchase rejected. The ATM benefit here is the availability to check account balances in a private and secure environment prior to making a purchase.