

## SESAMI PERSPECTIVE

# My bank in my store

## Partnering with consumer businesses



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As the banking sector invests in becoming more agile with digital operating models, labour-intensive cash operations become a primary target for cost-cutting efforts. The latest research from RBR Data Services' *Global ATM Intelligence Service* shows extensive branch closures (-24%) and reductions in ATM networks (-9%) in Europe during the last five years.

Financial institutions are grappling with increasing cost constraints and pressure to reallocate staff to higher value work in the midst of changing customer behaviour and falling demand for cash.

Together, these factors contribute to a significant reduction in available touchpoints that financial institutions can offer commercial clients. Consumer businesses face many of the same pressures as banks – such as high labour and cash management costs – in addition to their own security challenges and process inefficiencies. These issues impact their working capital and lead them to search for automation solutions for their banking needs.

### Creating a cash ecosystem between consumers, businesses and financial institutions

Despite the desire to expand the prevalence of digital payments, there is still a pressing need for cash both now and in the foreseeable future; cash remains a necessary part of every economy. Whether a consumer is considered unbanked, prefers the anonymity and convenience of cash, uses cash to stay within a budget or just keeps it in case of a large-scale network failure, there is always a demand for cash as a form of payment. The European Central Bank's recent survey *Cash or Cashless? How People Pay* showed that 60% of citizens want to retain the option of using cash, even if it is not for every transaction.

Financial institutions and consumer businesses alike must therefore find a way to work together to be more efficient and cost-effective with respect to enabling the consumers' access to cash as a payment option.

Industry leaders have an opportunity to make cash convenient, safe and viable using new technologies. By automating cash at every touchpoint and utilising data to optimise the cash cycle from end-to-end, we can completely change how cash is managed between consumers, businesses and financial institutions.

According to a 2022 RBR study entitled *Retail Cash Automation*, even in Sweden, where the use of digital payments is the highest in the world and cash usage has greatly declined, we are seeing increasing demand for cash management solutions in consumer businesses. It may seem counterintuitive at first, but expanding digital environments using cash automation is a holistic approach to managing all payments in a highly functional, self-sustaining system.

*"[The automated cash management solution] not only delivered cost savings, but also great service."*

– Worldwide hotel chain

**Industry leaders have an opportunity to make cash convenient, safe and viable using technology**

### Cash automation can benefit many types of consumer businesses

Cash automation and end-to-end cash ecosystem solutions can be beneficial to consumer businesses of any size and in any retail segment. Across all markets, consumer businesses are increasingly investing in cash automation solutions. These include small independent retailers, national retail chains, petrol stations, hotels, cruise ships, amusement parks and quick-service restaurants, to name a few.

- **Petrol stations:** One example is a national petrol station chain that implemented an end-to-end cash solution which automated and secured cash within a closed system. This simplifies cash processing for staff, consumers and management. Once cash is deposited at the point-of-sale, it remains unexposed and secure, preventing internal and external theft. The solution gives each filling station full control over its cash, ensuring automatic cash reconciliation and pre-crediting of funds, leading to significant time savings in back-office administration. In addition, without manual cash handling, the work environment is safer for staff and there is more time for them to spend on other tasks. Finally, data and forecasting features make it possible to predict cash needs, reducing the cost of carrying excess cash and eliminating time-consuming trips to the bank.

*“The system helps us to increase security and the efficiency of the cash handling process.”*

– Global petrol station chain

- **Amusement parks:** In another example, a European amusement park implemented cash automation to help streamline and automate their cash management process. With over two million visitors a season and between 180 to 250 cashiers operating throughout the property, the park handles a high volume of cash transactions. Its completely manual processes – with multiple staff hand-offs between the points-of-sale and the central cash room – meant there was little traceability or accountability when resolving balance discrepancies. The installation of cash automation solutions not only improves efficiency, but also reduces operating costs and increases accountability for better cash security.
- **Quick-service restaurants:** Quick-service restaurants also employ automation devices to simplify processes and increase efficiency. Easily integrated

into their existing systems, cash automation solutions enable these types of businesses to gain the benefits of a more automated process while still providing the capacity to accept cash. With fewer cash touchpoints for staff, it is also more sanitary and provides a safer environment for food preparation.

*“We’ve found a solution that, at the end of the day, simplifies the whole process of day-to-day operations... We now have a safer place to work and shop.”*

– European grocer

#### **My bank in my store: financial institutions as agents of change**

Cash automation solutions represent a significant opportunity for financial institutions. As consumer businesses continue to invest in automating their cash processes, financial institutions can partner with them by installing their own cash ecosystem solutions at their commercial clients' locations. There are markets where financial institutions are already making such investments. By doing so, they are fostering their business relationships and supporting their commercial clients.

As the only integrator offering an end-to-end cash management ecosystem, Sesami's customisable solutions are ideally suited for all sizes of companies. In Europe and the Middle East, around 25% of cash automation installations were manufactured by Sesami. With these solutions, financial institutions can bring their bank to every commercial business client, increasing valuable touchpoints and securing longer relationships with the client, all while improving efficiency and convenience.

As we move towards increased automation, it is critical that financial institutions across Europe begin to partner with their consumer business clients. By investing in cash automation, financial institutions can be the agents of change in a rapidly transforming cash ecosystem, helping to ensure that their clients are able to provide a range of safe and efficient payment methods to their customers.

It's a win-win for everyone. ■

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