

WHITE PAPER

Server-based solutions enhance ATM marketing and management



Operators of multivendor ATM networks are focusing more attention on managing content, transaction personalization and remote device management, all of which have been made easier since the advent of Windows on ATMs. Today it's easier than ever to take advantage of dynamic server-side applications that leverage the power of the Web to deliver a common platform for ATM marketing and management.



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While some level of remote content management has been, and remains, possible on the old OS/2 operating system, the advent of Windows in the ATM arena has revolutionized the way financial institutions, ATM-transaction processors and ATM deployers generally run and view their ATMs.

By Tracy Kitten,
Senior editor of
ATM Marketplace

The trend to Windows has directly and indirectly opened doors for new players, the so-called “third-party” independents — the techie types that focus on software and Web-based applications rather than hardware and proprietary applications that make hardware function. Today, the emergence of third-party software providers that specialize in ATM value-added functionality is changing the ATM landscape and helping level the competitive ATM field.

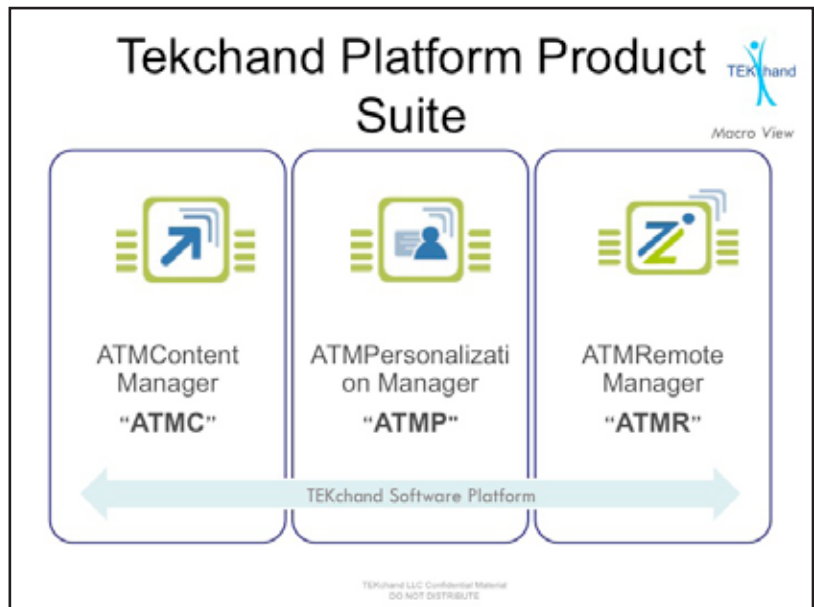
ATM efficiency, industry consolidation and a need to cut costs

Consolidation in the off-premises ATM space has been ongoing for the last three years. But recent economic challenges have forced that trend to spill over into the on-premises, financial-institution space, where bank mergers — and subsequent mergers of ATM networks — have become almost weekly occurrences.

All of that consolidation has fueled an influx of mixed hardware networks, where a single ATM deployer is managing and working to integrate ATMs from multiple vendors. The challenges at the onset are obvious — different messaging/communications protocols, conflicting interpretations of XFS and transactions and software that are designed to communicate with only one brand of hardware.

Existing ATMs are inherited, and given the market’s shrinking budgets, pushing a major overhaul that involves loading new ATM software and resulting maintenance issues that would arise on different types of ATMs is not realistic. It’s one of the reasons why original equipment manufacturers have not had the success they had hoped for in the multivendor software space.

ATM deployers need a solution that will work with all of their ATM makes and models. So independent software players, such as Chicago-based ATM software and solutions provider TEKchand LLC, are rapidly gaining ground and increased attention.



TEKchand offers multivendor solutions for ATM content management.

Independent deployers also can develop solutions that are tested on all ATM makes and models and, in some cases, even partner with competing OEMs to develop agnostic solutions. TEKchand has seen this evolution firsthand; it has been delivering multivendor solutions for content management since 1999, when less than 10 percent of all ATMs were Windows-based.

OEMs, such as NCR Corp. and Diebold Inc., have had their own content-management solutions for some time. But those solutions have been geared and based only toward and on their own proprietary software and hardware.

The result: Their FI customers have to maintain and employ multiple platforms to deliver uniform content across a single ATM network. But in this evolving world of mixed networks, OEMs are becoming more open to partnering with third parties to develop solutions that can be launched across numerous ATMs, because their FI clients are demanding a more agnostic approach to channel management.

Rajeev Bahri, managing director of TEKchand, says work with OEMs has picked up over the last several months.

“They no longer see us as a competitor who is trying to steal business from them,” he said. “Instead, they see us as a partner and someone who can help them enhance what they offer to their own FI clients. It’s a win-win.”

TEKchand’s approach to solving the problems that face ATM marketing and management on multivendor platforms is based on the same approach the stalwarts, the transaction processors, took early on. The ACI approach, for instance, which is grounded in delivering an agnostic platform designed for all hardware types, leaves device customization to the device-handler software interfaces. TEKchand follows the same basic methodology, with its core content-delivery and management product, ATMContent Manager.

“We do the heavy lifting for the FIs, delivering a product that they can use across their whole network — a server-side platform that’s agnostic in design, while our interface with each OEM’s hardware and proprietary ATM application adheres to their published standards and best practices,” Bahri said.

OEMS also are following suit, with their own improved server-side solutions, even though those solutions remain proprietary, Bahri said. And other ATM players in the third-party space are coming up with similar approaches.

Scotland-based KAL is one example. The third-party ATM software and solutions company has made a name for itself with FIs throughout the world via its Kainite multivendor software. KAL provides an ATM

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— CELENT,
“NEXT-GENERATION ATM SOFTWARE: FROM
MULTIVENDOR TO MULTICHANNEL” (2007)

application that is XFS-based to work on various ATM hardware replacing the OEM's application software.

TEKchand has taken a different approach, choosing not to be ATM-centric by replacing the terminal's operating software. Instead, TEKchand leaves the ATM hardware and software configuration intact. TEKchand is taking a neutral, uniform server-side software approach to a new level by providing dynamic content management via the Web and a host of add-on functionalities — such as cardholder preferences, one-to-one targeted marketing, remote deposit capture and ATM-configuration tracking.

TEKchand's platform, ATMLive Manager, can be launched across a mixed ATM fleet and managed via a Web-accessible server, giving marketing control to the marketing department and giving systems and security control to the operations department.

"Our layered, protected, administrative-access function makes sure nothing is distributed unless approved centrally," Bahri said.

The ease of accessibility from basically anywhere, coupled with the real-time speed at which new content can be dispensed to a network, is positioning TEKchand's ATMLive Manager for exceptional growth, Bahri said.

"TEKchand is the only third party to provide this type of solution for a variety of content-management topics and offerings for a diverse portfolio of ATMs."

If that's the case, it's likely to revolutionize the options FIs and other ATM deployers have for ATM marketing and management, and a number of culminating forces are to be credited for the phenomenon.

Advanced ATM functions and transactions, such as bulk-note and mixed deposits, bill-payment and even cash recycling, are tasking ATM networks and conventional ATM software. Advances in functions and transactions are outpacing existing software's capabilities, and as more ATM networks merge, the complexities grow — leaving little competitive room for players that are not experts in software.

TEKchand lists three core product solutions — dynamic content management and distribution, personalization and remote management, labeled "CPR" for short.

"The CPR or health of your ATM channel is what this refers to more than anything," Bahri said. "We like to think of it as revitalizing the ATM channel with a solution that is focused on ATM management and is affordable."

Bahri will get little argument from the affordability front. Industry consultancies, including Celent and TowerGroup, have touted third-party software solutions for their ability to help ATM deployers keep costs down. And in today's unstable economy, the need to shave extra costs

is a given. Besides, a third-party solution, by its nature, gives the ATM deployer more control because it is not tied or bound to one OEM.

A third-party solution also provides more flexibility, since third-party solutions, especially those that are Web accessible, are designed in pieces. Web-accessible solutions are modular. So ATM deployers can pick and choose what they want when they want it, rather than being forced to sign up for a “packaged” offer.

The future relies on the Web and more independence.

“Investment has cut across all the major components of the ATM environment, including hardware, software and messaging and connectivity infrastructure,” reported Boston-based Celent in its 2007 report, “Next-Generation ATM Software: From Multivendor to Multichannel.”

“However, it is the area of software where the most significant shifts are occurring — heralding a period of innovation at the ATM, which remains a critical but largely underutilized channel for financial institutions.”

About the sponsor: Chicago-based **TEKchand LLC** is an ATM channel-management software and solutions provider with offices in Delhi, India, and Toronto. TEKchand focuses its business on providing cost-effective solutions for content and new services on multivendor ATMs without requiring the overhauling of ATM hardware or software. The company’s flagship product-delivery platform, ATMLive Manager, is a Web-based system designed for the delivery and management of advertising content and contextual marketing, and additional value-added functionality on multivendor ATMs, including legacy OS/2 machines.