

## SA ATM deployer expands into Africa

Spark ATM Systems, South Africa's independent Automated Teller Machine (ATM) deployer, has expanded into Africa through the establishment of Spark ATM Systems in Zimbabwe, in partnership with CBZ Bank Limited, Zimbabwe's largest retail bank.



According to Marc Sternberg, managing director at Spark ATM Systems, the move is significant as it brings the concept of the in-store ATM to Zimbabwe. He says the decision to enter the Zimbabwe market forms part of the company's cross-border growth strategy which will see Spark ATM Systems increasing its operational footprint throughout other sub-Saharan countries in the future.

"Since the US Dollar was introduced into Zimbabwe the economy has picked up nicely, with the retail and petroleum sectors showing the most impressive growth, providing the ideal conditions for the establishment of in-store ATMs in the country."

Sternberg explains that entering the market was made easier by partnering with Spark ATM Systems' existing South African clients who already had an established footprint in Zimbabwe, such as Fruit & Veg City, Spar, Total and Engen.

However, he says that in order to ensure success, it was imperative to partner with a reliable and respected local bank.

"Partnering with Zimbabwe's leading retail bank, CBZ Bank, made perfect sense as it can deliver on-the-ground support through a dedicated project team making the technical transition seamless. CBZ provides the reliable financial infrastructure while Spark ATM Systems Zimbabwe supplies and installs all relevant equipment and signage while also managing all communications, maintenance, training, spares, sales, technical support, reporting and access to the 24-hour contact center for any enquires."

### In-store ATM can add value to businesses

Currently, there are approximately 400 ATMs in Zimbabwe, which is incredibly low considering that South Africa has approximately 24,000 ATMs, says Sternberg.

"Spark ATM Systems Zimbabwe aims to significantly increase the number of ATMs in the country by installing 300 ATMs in the next 24 months, thereby bolstering much needed convenient and secure access to cash for local citizens and tourists."

The presence of an in-store ATM can add tremendous value to a business, says Sternberg. "Merchants benefit from the additional foot traffic which often results in extra purchases due to impulse buying. Many in-store ATM merchants report improved customer loyalty as customers return due to the provision of a convenient and safe cash withdrawal service."

He says bank charges for the business are reduced as the cash generated through sales can be channelled into the ATM and back into the business' bank account. Spark ATM Systems Zimbabwe, together with CBZ Bank, Visa and ZimSwitch, reimburse the dispensed cash into the merchant's bank account the next business day. The host merchant also benefits financially from a rebate per withdrawal, thus adding to their bottom line."

The in-store ATM also mitigates the costs and security risks associated with cash-in-transit services as the merchants utilize their own excess cash to replenish the ATM, says Sternberg.

ZimSwitch is a national electronic funds switch in Zimbabwe which processes all financial transactions and enables clients participating banks to withdraw money from participating ATMs. The ATMs are branded with CBZ and ZimSwitch logos and

accept all cards operating on the ZimSwitch platform, as well as local and international Visa cards. The ATMs are loaded with Euro card, Mastercard and Visa (EMV)-certified software to ensure security for users.

Sternberg says that following the successful pilot launch of the ATMs in petroleum, retail and hospitality locations located in Harare, the strategic deployment of in-store ATMs to other cities including Bulawayo, Victoria Falls and border towns will follow.

Leading businessmen Gary Taylor and Tony Levy have been appointed as the Managing Director and Sales Director of Spark ATM Systems Zimbabwe respectively.

"Given the Zimbabwean governments' focus on card issuance in the country, we believe our timing to market is perfect and Spark ATM Systems Zimbabwe will assist to improve the lives of local citizens through the provision of safe and convenient access to cash while also bolstering the profitability of local businesses," concludes Sternberg.

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