

# Providing cash and paper check access is still important for banks

Article

**The news:** Transfers of paper-based funds—cash and checks—remain important despite the rise of digital banking, per a [pair](#) of PYMNTS [reports](#).

**Staying power, at a glance:** One piece of [evidence](#) is the **persistent use of ATMs** for banking.

- PYMNTS [found](#) that while only 10.6% of survey respondents said ATMs were the most-used way of engaging with their bank accounts, **40.7% said that they still used ATMs for at least part of their engagement.**

In a separate report, PYMNTS pointed out that cash and checks continue to comprise significant shares of payments.

- PYMNTS data showed that **18% of disbursements remain check-based**, even though direct-to-bank transactions grew four-fold.
- A 2021 [report](#) on US consumers from the Federal Reserve Bank of San Francisco **showed that cash made up 19% of payments in 2020**, though this represented a decline from 2019.

**Suggested adaptations:** ATMs can stay relevant by changing how they operate, PYMNTS suggests.

- Cash-recycling ATMs, **which take deposited cash and reuse it for withdrawals**, have demonstrated promise. Cash recycling could also decrease the risks of ATMs running out of available cash for customers, PYMNTS adds.
- The number of cash-recycling ATMs globally is **projected to grow from about 1 million in 2021 to approximately 1.2 million in 2026**, [per](#) RBR.

Neobanks have [particular challenges](#) with paper-based transfers due to their lack of branches, according to PYMNTS, which offers two suggestions:

- **Establish a money mobility network**, a technological approach designed to foster fund flows across different payment methods.
- **Partner with multiple ATM providers and get fee waivers**, as in the example of **Quontic Bank**.

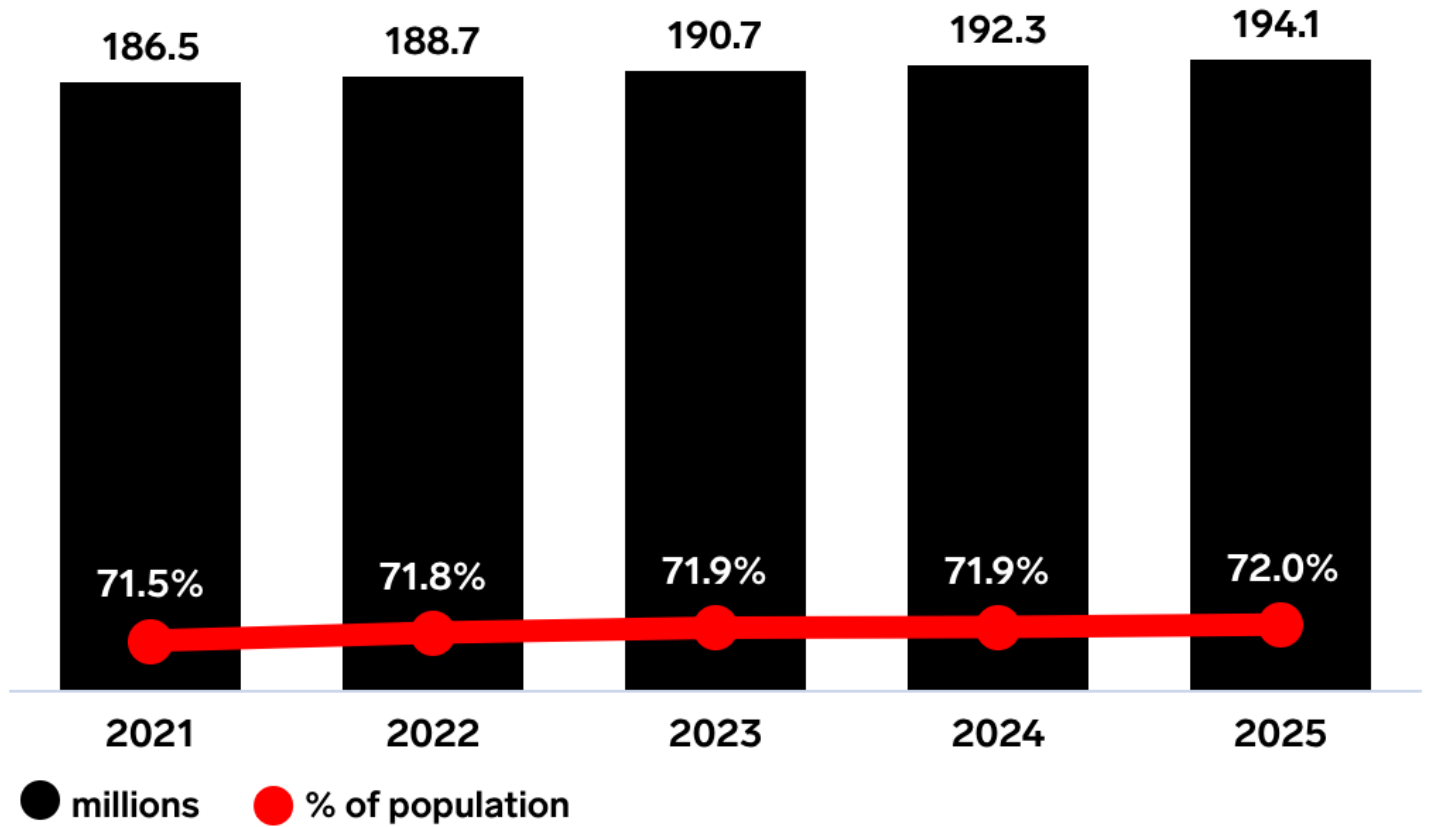
**The big takeaway:** Even as in-person services continue to fall in relative importance, US banking players must continue accommodating paper-based fund transfers.

The UK faces similar concerns about cash availability, and also offers some solutions for preserving paper-based flows. Measures tried in one or both countries include:

- Deploy [shared](#) branches and back **free-to-use ATMs**.
- Establish [banking kiosks](#), either by banks or standalone operators.
- Strike free cash-deposit deals with retailers, like **Chime's [agreement](#) with Walgreens**.

# ATM Users and Penetration

US, 2021-2025



Source: eMarketer, March 2021

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