

# Could banks that decommission ATMs be closing the door on Gen Z customers?

Article

**The trend:** Although the demand for cash remains steady, the number of ATMs has continued to decline worldwide, and this trend is predicted to continue through 2028.

**How we got here:** The pandemic marked a turning point for in-person banking services, which haven't bounced back.

- Consumers were originally wary of COVID-19 transmission at local branches and through the surfaces of ATMs and money. This aversion helped speed up industrywide digitization and increased [consumer demand for online and mobile banking offerings](#).
- Later, as banks tried to [navigate](#) “the Great Transition,” they sought to cut operational costs by reducing in-person services, including branches and ATMs.

**But not everyone is happy about the reduction in in-person banking services:** Multiple national governments are trying to turn this trend around to ensure their most vulnerable constituents still have access to cash.

- In the UK, which has lost over [28%](#) of its ATMs since 2016, legislators have proposed [new regulations](#) that aim to guarantee that no person or business will be more than three miles from withdrawal/deposit facilities.
- Ireland also proposed [a new bill](#) that aims to ensure everyone around the country has access to cash.
- In the meantime, rural communities in the UK [increasingly depend on](#) alternative banking services, utilizing local post offices or community bankers which operate at scheduled times within rented spaces in community buildings.

**ATMs could offer a competitive advantage:** Since [Gen Z uses cash as a budgeting tool](#), these young consumers could help maintain a steady demand for ATMs. In fact, [42.4%](#) of Gen Zers prioritize ATM proximity when choosing where to bank—the generation's top concern.

- That means [banks that go against the grain](#) could strengthen their relationships with Gen Z by expanding their ATM presence, allowing users to easily find the nearest in-network ATM location through mobile apps, and marketing their dedication to ATMs.