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#### The Basics

## ATMs aren't just for cash anymore

Their convenience and familiarity make the machines prime candidates for other transactions, including bill payments and purchases of gift cards and cell phone minutes.

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By [CreditCards.com](#)

Stamps? Gift cards? Bill payments? Concert tickets? In the past few years, automated teller machines have started offering more than cash -- and users can expect to see even more of these and other features as technology and consumer acceptance improve, industry experts say.

"ATMs are becoming more like super ATMs with more intelligent software and technology," says Tracy Kitten, a senior editor for ATM Marketplace magazine.

The ATM is now 38 years old, and 2 million of the machines are stationed around the globe. There is no doubt that these blinking boxes are now a big part of our lives. The American Bankers Association reports that half of the U.S. adult population uses ATMs every month, with 40% stepping up to the console 10 or more times a month.

These numbers, combined with the increase in automated functions at many businesses -- think airline check-ins and grocery checkouts -- mean people are happy to automate many of their in-person transactions, Kitten says.

Though today it may seem second nature to scan your own yogurt at the local market and not terribly far-fetched to pay your electric bill at your bank's ATM, the automated revolution has been dawning slowly for the past couple of decades.

Wells Fargo began selling postage stamps through its ATMs in 1994. It took a decade, but it has become the sixth-largest distributor of stamps in the United States.

Aimee Wilson, the owner of a gourmet-chocolate and candle company in Philadelphia, recently made a stop at a Wachovia ATM -- which is not where she banks -- for the sole purpose of buying stamps. Her young son was asleep in the car, and she knew the errand could save her from waking him to enter a post office. "It was very convenient to just drive up and get my stamps," says Wilson.

A few years after launching its successful stamp program, Wells Fargo began offering tickets to amusement parks and aquariums. The convenience hasn't taken off yet. But banks have more such offerings in the works.

**Gift cards:** These are poised to be one of the next big things coming out of ATMs, Kitten says. Better ATM Services, based in Mesa, Ariz., has helped the owners of existing ATMs retrofit their machines to dispense Amazon.com gift cards and local restaurant coupons out of the cash slot. The initial test release in a handful of cities, including New York, Philadelphia and Phoenix, has been a success, says Better ATM CEO Todd Nuttall, and major banks are expected to offer cards soon.

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### [Bounce protection -- or rip-off?](#)

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**Bus passes:** Nuttall, a former American Express executive, says he envisions ATMs dispensing any and all prepaid products, including public transportation passes and event tickets.

**Bill payments:** In Europe, India and China, Euronet Worldwide's ATMs have increasingly offered services such as money transfers and bill payments for cell phones, cable services and utilities, as well as cash.

### [Continued: Cell phone minutes](#)

**Cell phone minutes:** Euronet also claims to be the world's largest processor of prepaid cell phone airtime. Though the company's ATM features are not yet available in the United States, industry experts expect they will be soon.



How to load minutes onto your cell phone with an ATM.

"The ATM is the most trusted and well-utilized self-service product on the market. It is also naturally a vault," Nuttall says. "It is something people already know how to use, and it becomes a natural destination of choice for many purchases."

Elizabeth Rowe, an analyst with Mercator Group in Massachusetts and an author of the group's 2008 study on ATM innovation, agrees. "Until consumers can print cash from their home computers, the ATM will remain a key point of interaction between consumers, their cash balances and their bank."

Perhaps not all interactions, however. The Mercator report suggests that, for one, ticket sales via ATMs are not likely to take off. Rowe says: "An ATM is not where someone goes to get movie tickets. Why? Because it's weird."

**Personalization:** As ATMs become "smarter" and know more about their customers, they will also offer more services, industry experts say. Repeat customers might be automatically greeted in their preferred language and offered their customary cash withdrawal. An ATM that knows a customer's family status might prompt a cash seeker to fill out a credit card or home equity application on the spot.

Other advertising opportunities are already employed in Europe, where ATM customers are given the option to donate a portion of a withdrawal to a charity. Third-party advertising is also common abroad and an inevitability in the United States.

**Deals:** Further, experts expect to see offers that are hard to refuse. For example, when a customer requests a \$200 withdrawal, the machine might ask if she would prefer \$100 cash and a \$100 gift card -- plus a \$20 bonus on the card. The financial institution would have cut a deal with the card issuer and passed the savings on to the customer.

Better ATM is already offering similar deals through its gift card feature, giving out \$25 Restaurant.com certificates with purchases of \$25 Amazon cards. Nuttall also soon expects to offer gift cards that can be used anywhere credit cards are accepted.

Amanda Vega of Phoenix says it can go too far, though. She frequently uses Wells Fargo's stamp dispensing feature but gets annoyed when the same machine attempts to sell her financial services.

"It's quite annoying when you have to watch commercials just to get your money," Vega says. "Especially when you just need \$20 in a hurry."

*This article was reported by Emma Johnson for CreditCards.com.*

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