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Cash is alive: How technology has enabled phygital at scale

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Meet our speakers



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Agenda

Capital One company overview

Focusing on the customer

Going phygital

Seamless integrated

Trustworthy and reliable

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Capital One company overview

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Who is Capital One?

Fortune 100 company, founded in 1994

Top 10 US bank, serving over 100M customers

Data and technology pioneer in the financial services industry

Completed our move to the cloud in 2020

AWS provides the foundation for our digital transformation



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Capital One bank

Our focus today

Offers checking, savings, and CD products

Top 10 bank based on US deposits

330 branches and cafes, plus over 1,800 ATMs



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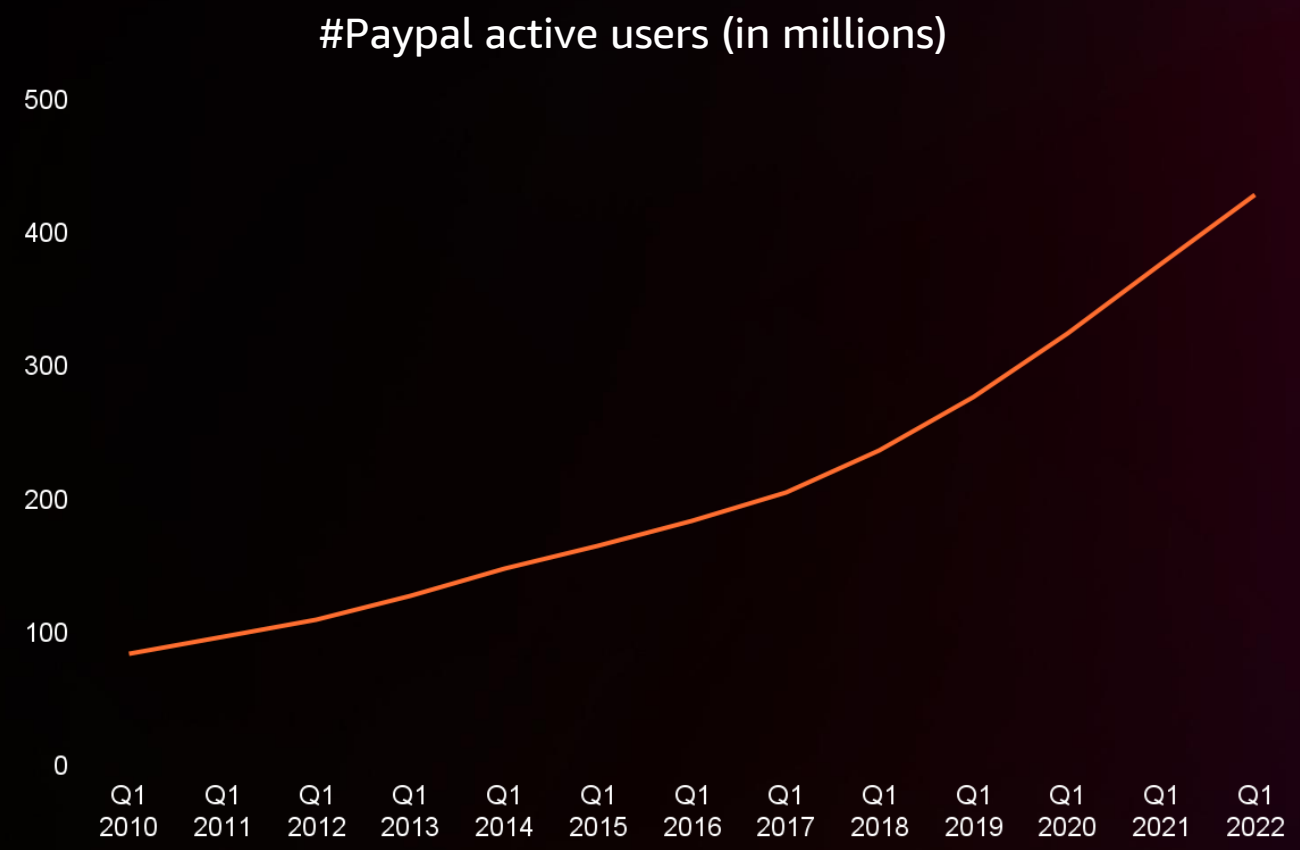
We are on a mission to change banking for good

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Focusing on the customer

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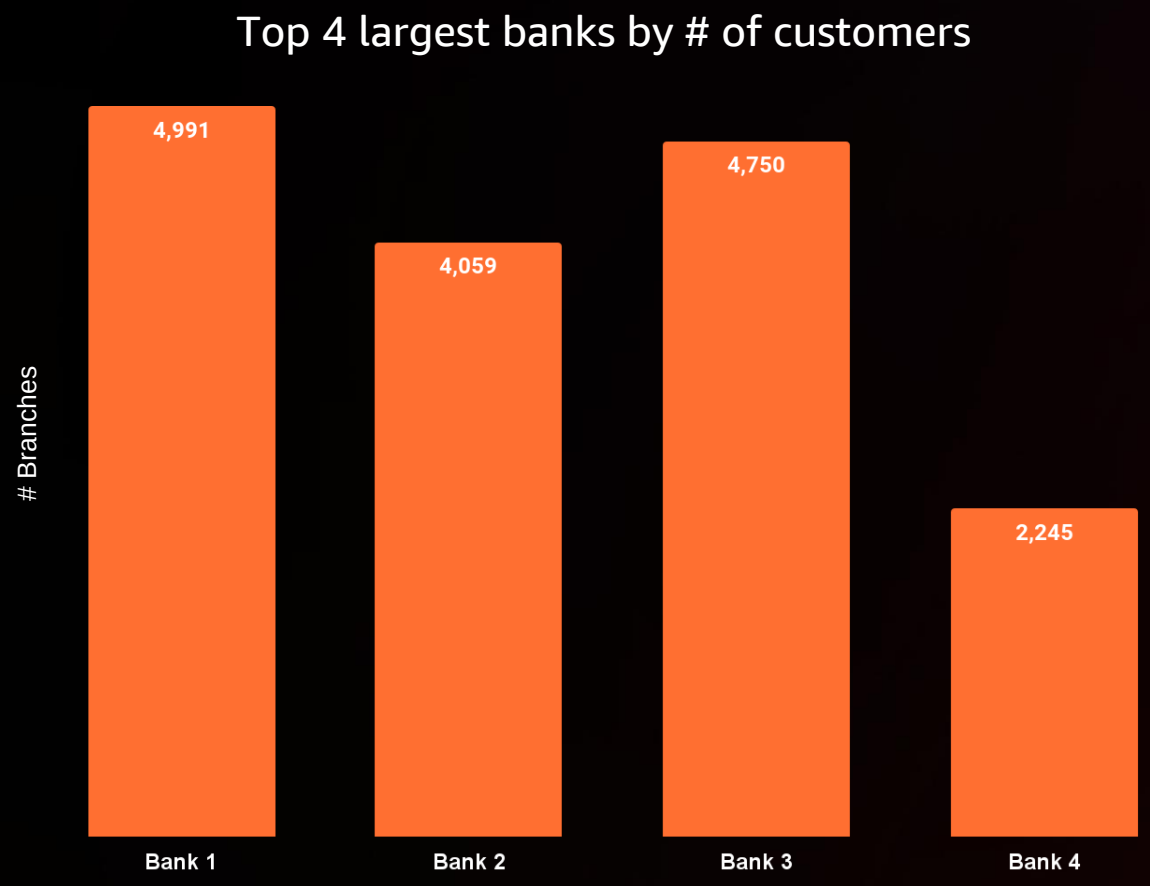
There’s been a shift, accelerated by COVID, in how customers interact with their money



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Source: https://www.statista.com/statistics/218493/paypals-total-active-registered-accounts-from-2010/

Despite the digital shift, the banks with the most in person locations still dominate



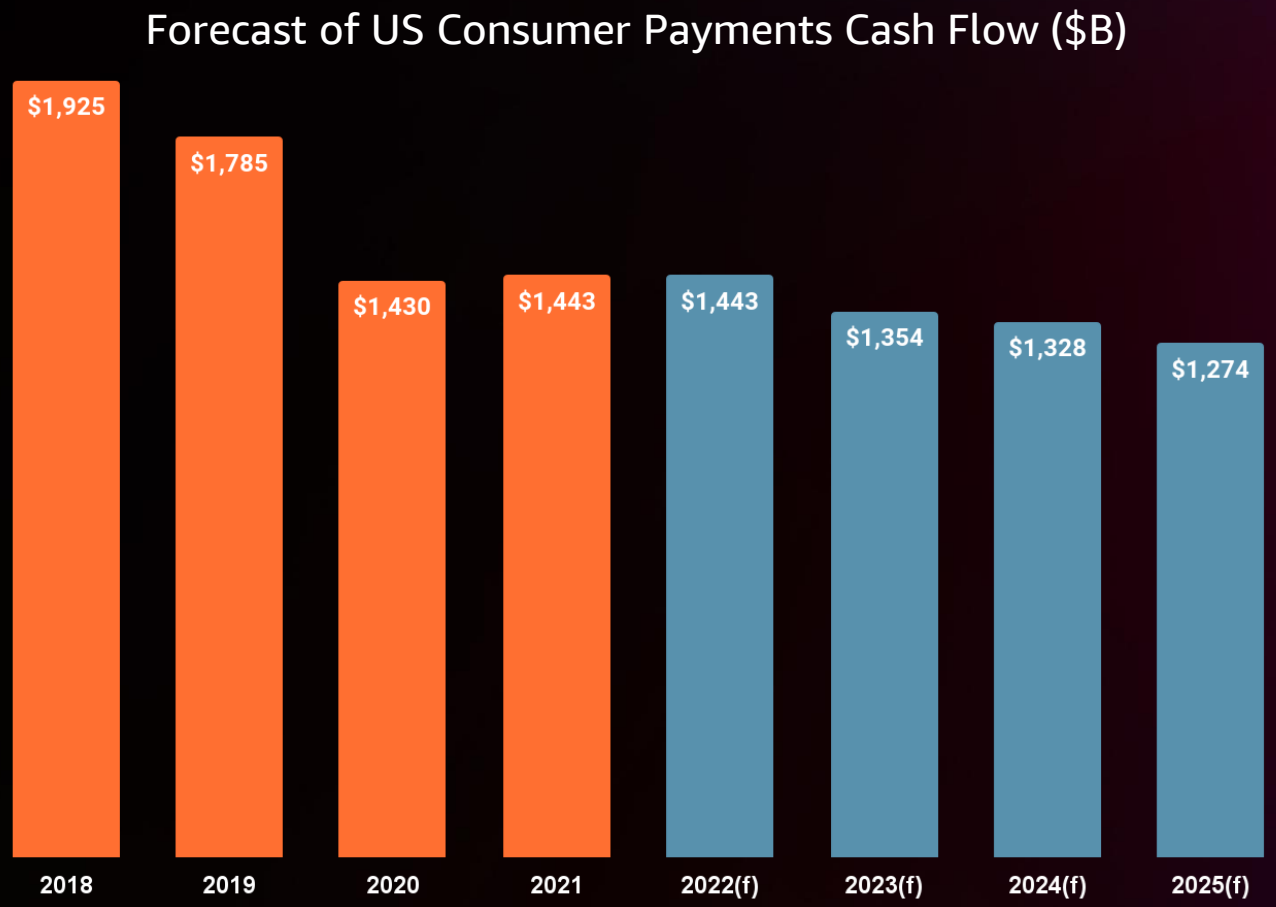
Top 4 total # of customers:
Almost 300M

Next 100 Banks:
Just over 300M

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Source: https://www.depositaccounts.com/banks/assets.aspx?instType=&stateType=hq&state=&sort=totalaccounts

Cash plays a big role in this



Source: McKinsey US Payments Map_Q2 2022 - only looking at payments made to/from consumers, excludes any B2B, B2G, G2B transactions

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For many, when dealing with cash, customers prefer the safety of in person interactions

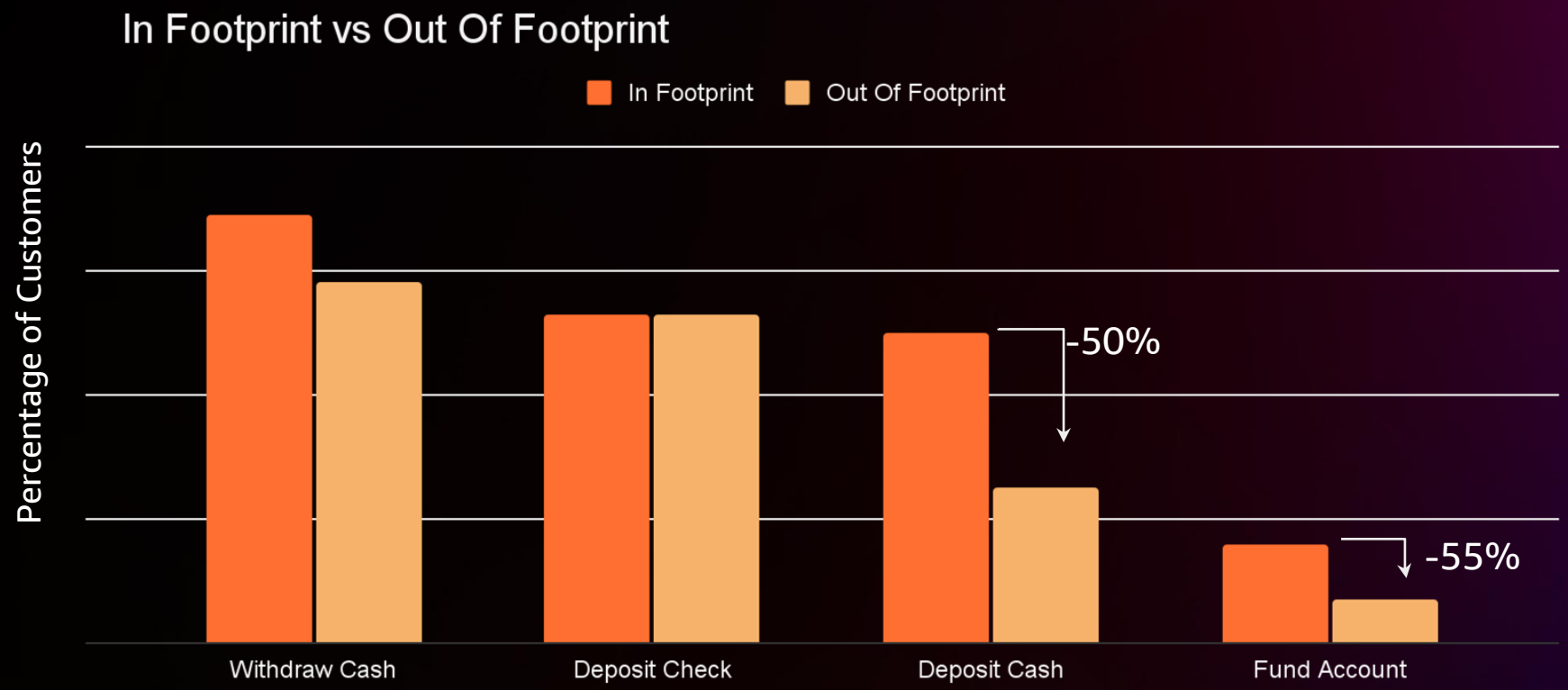


I get nervous going to an ATM. You don't know who's behind you. You hear about all these scams. I don't know if it's a mirror, or something. They have some kind of card reader or something like that, haven't they?

Simone, Los Angeles

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Capital One focused on creating cash deposit access for our customers



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Source: Capital One Internal

Going phygital

How Capital One is using AWS to enable physical transactions at digital scale

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What is phygital?

It is a digital experience that transcends into the physical world



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To meet our customers' needs, we focused on bringing the best of digital & physical together

Seamless integration to customers' lives

Available everywhere

Make it trustworthy

Available anytime

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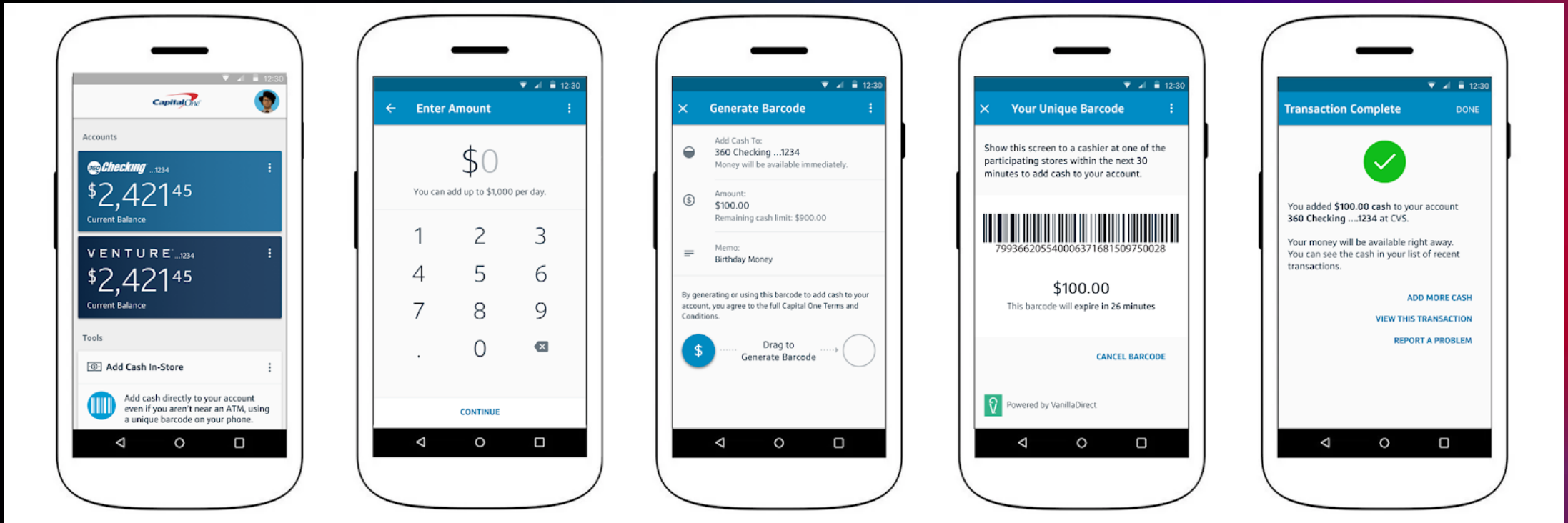
And ‘Add Cash In Store’ was born

- Allows customers to deposit their cash at the checkout counter
- Customers can deposit up to $999 a day, and up to $4,995 a month
- Available at 9,900 CVS locations



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The experience ...



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Getting there …

Seamless integration to customers' lives

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Scaling deposits the traditional way is challenging and expensive

Branches

- Extremely high fixed costs
- Expensive to staff
- Slow to scale

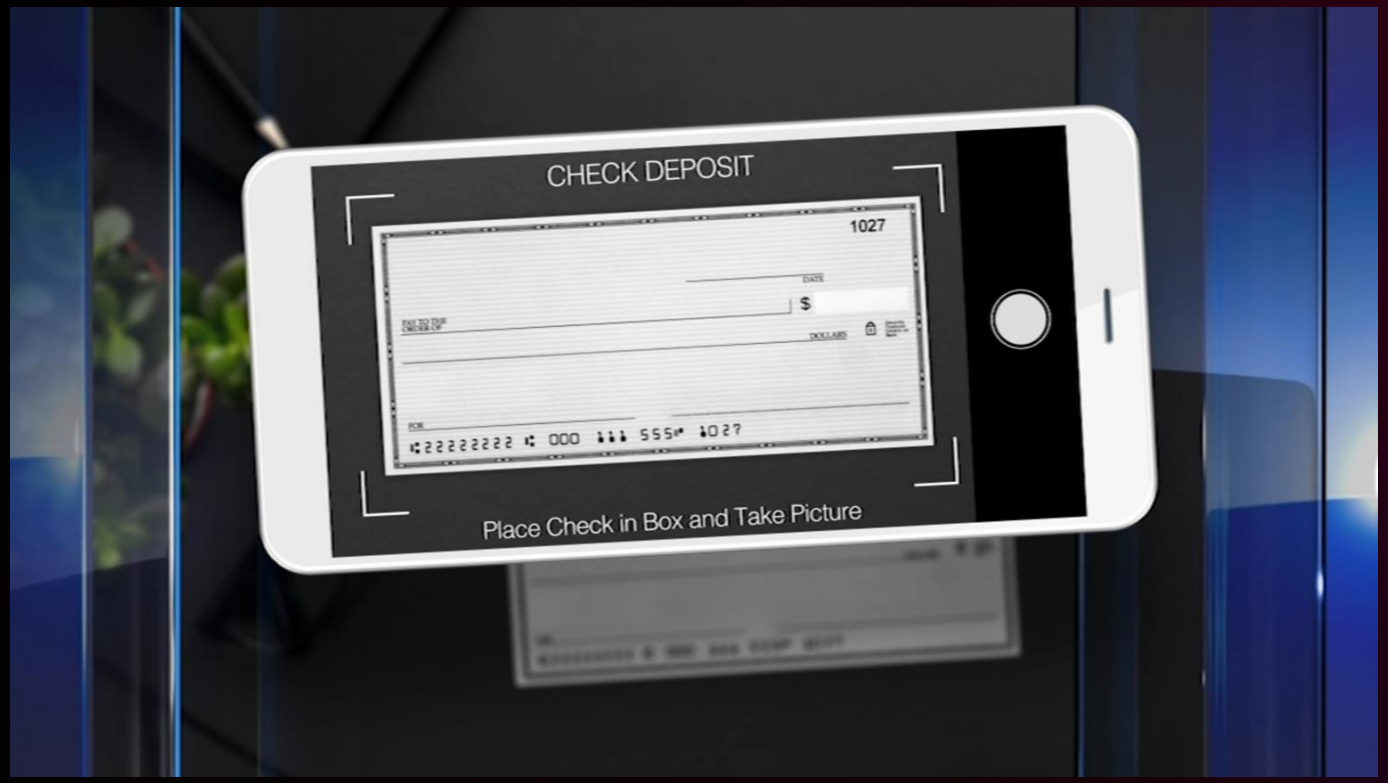
ATMs

- High fixed costs
- Requires constant servicing
- Slow to scale

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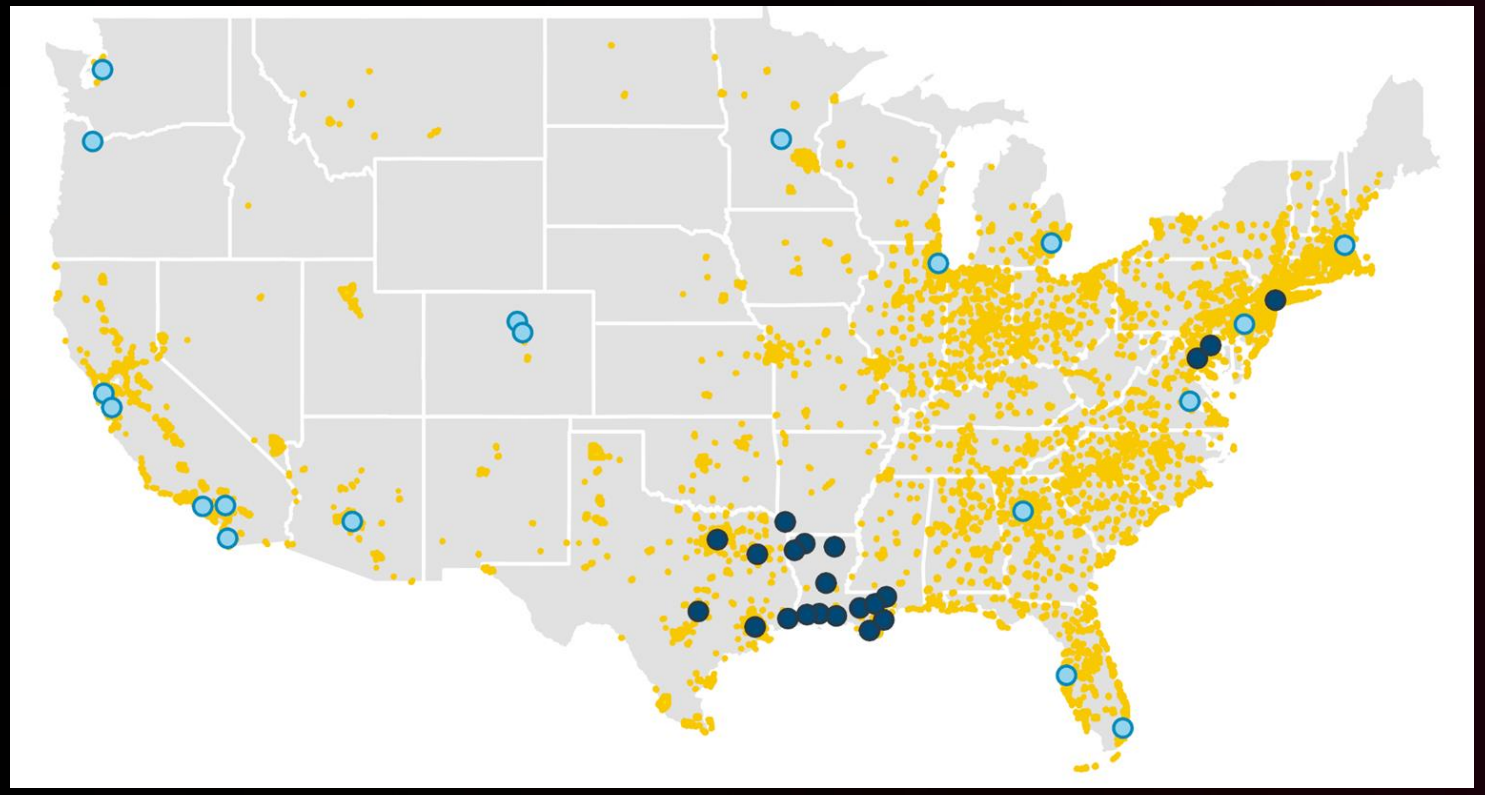
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We needed something that scaled like software, but completely digital wasn't feasible



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We asked ourselves: Where do customers already go?



CVS became our first retailer

CVS has over 9k locations, many of which are open 24/7

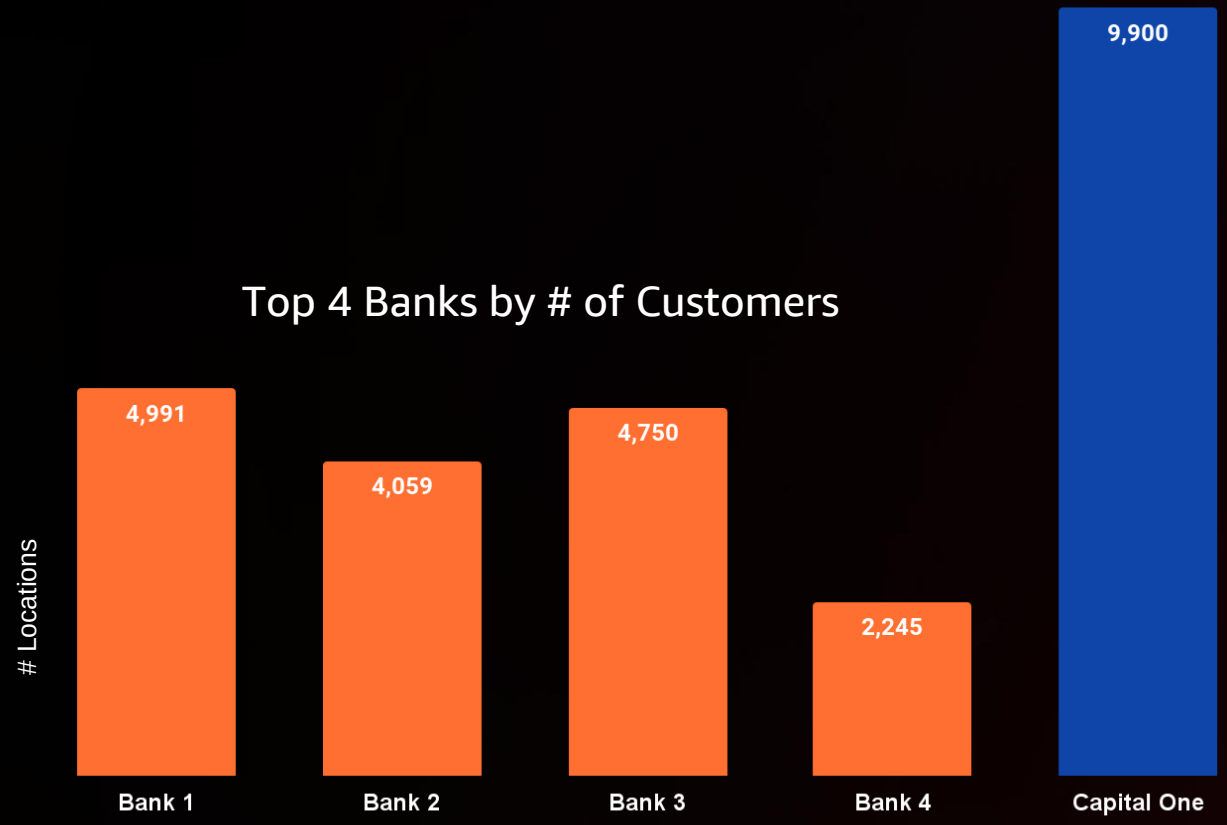
CVS gets a large amount of foot traffic compared to many retailers

Notes:
1) Blended Branch and Café markets (e.g. Washington DC) are considered Branch
2) In Footprint refers to 5 minute drive time coverage within a branch or Café CBSA
3) Non-360 checking customers defined as checking customers without 360 checking accounts
4) US Population Age 18+

Source: Internal analysis

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Leveraging this model would immediately give Capital One customers 1,000s of new locations



297 branches

9,900 CVS Locations

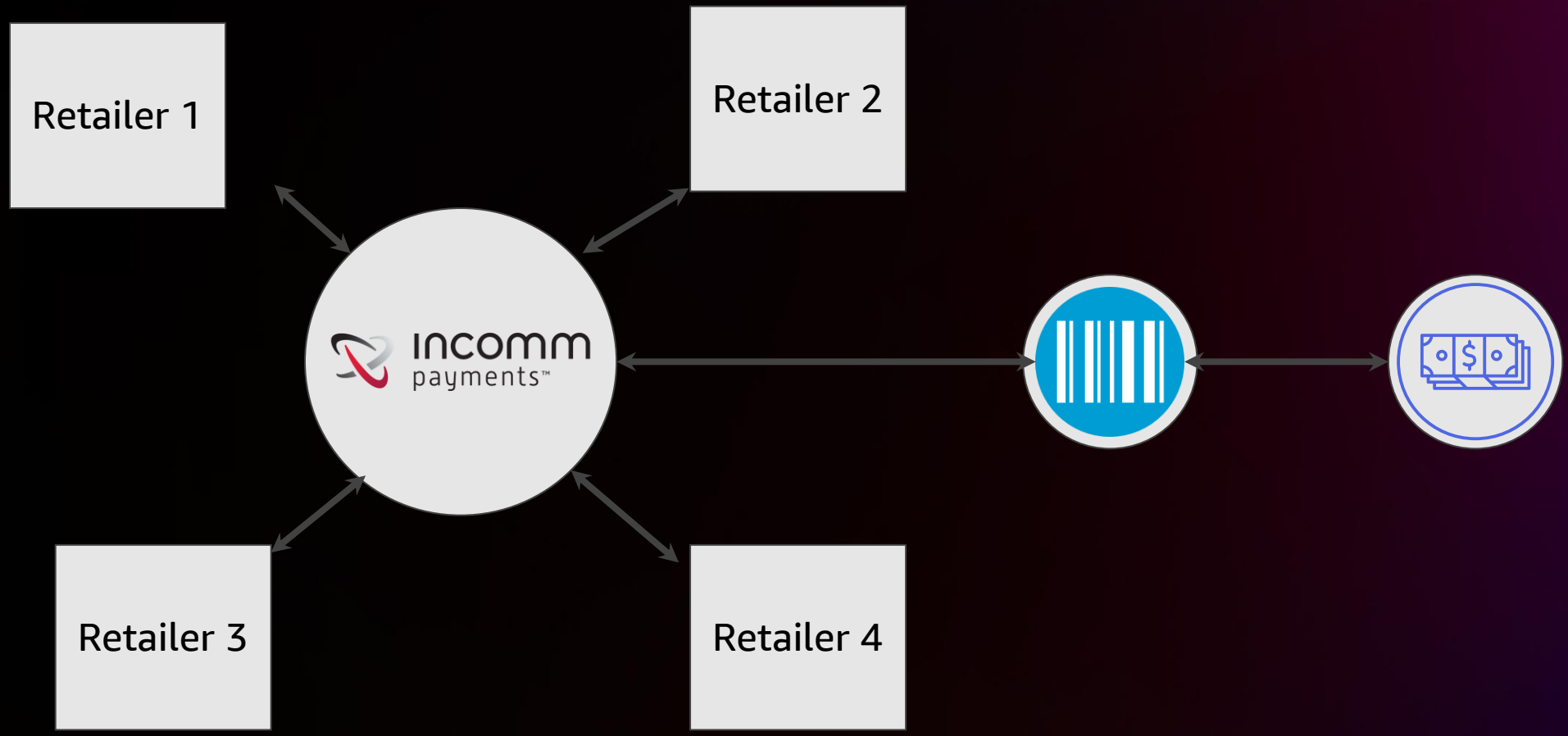
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Scaling like software: Going from 0 to ~10K



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Using InComm and AWS, we can scale up to any footprint that we need



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Getting there …

Seamless integration to customers' lives

Available everywhere

Make it trustworthy

Available anytime

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Being available 24/7 and working flawlessly matters

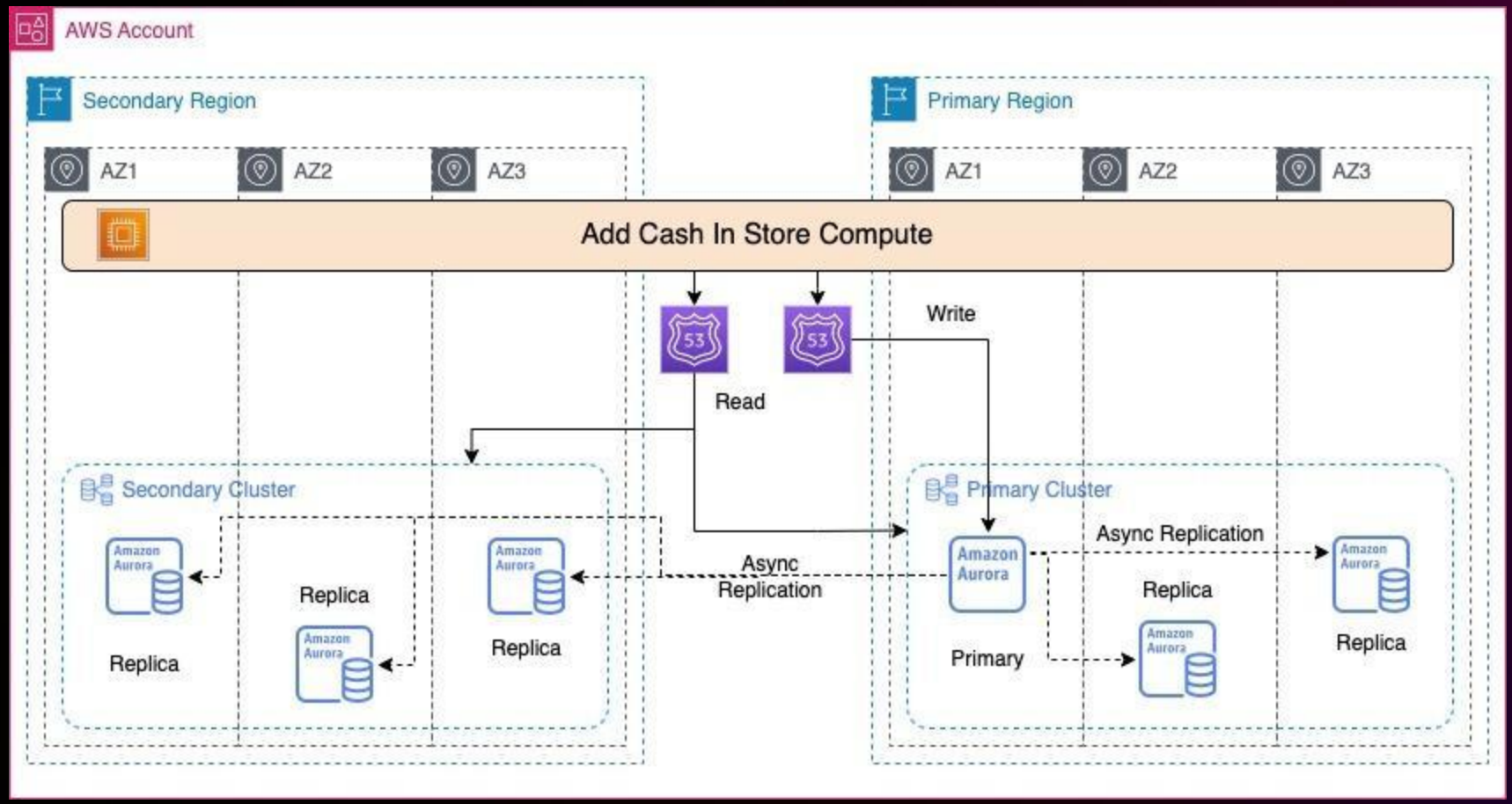






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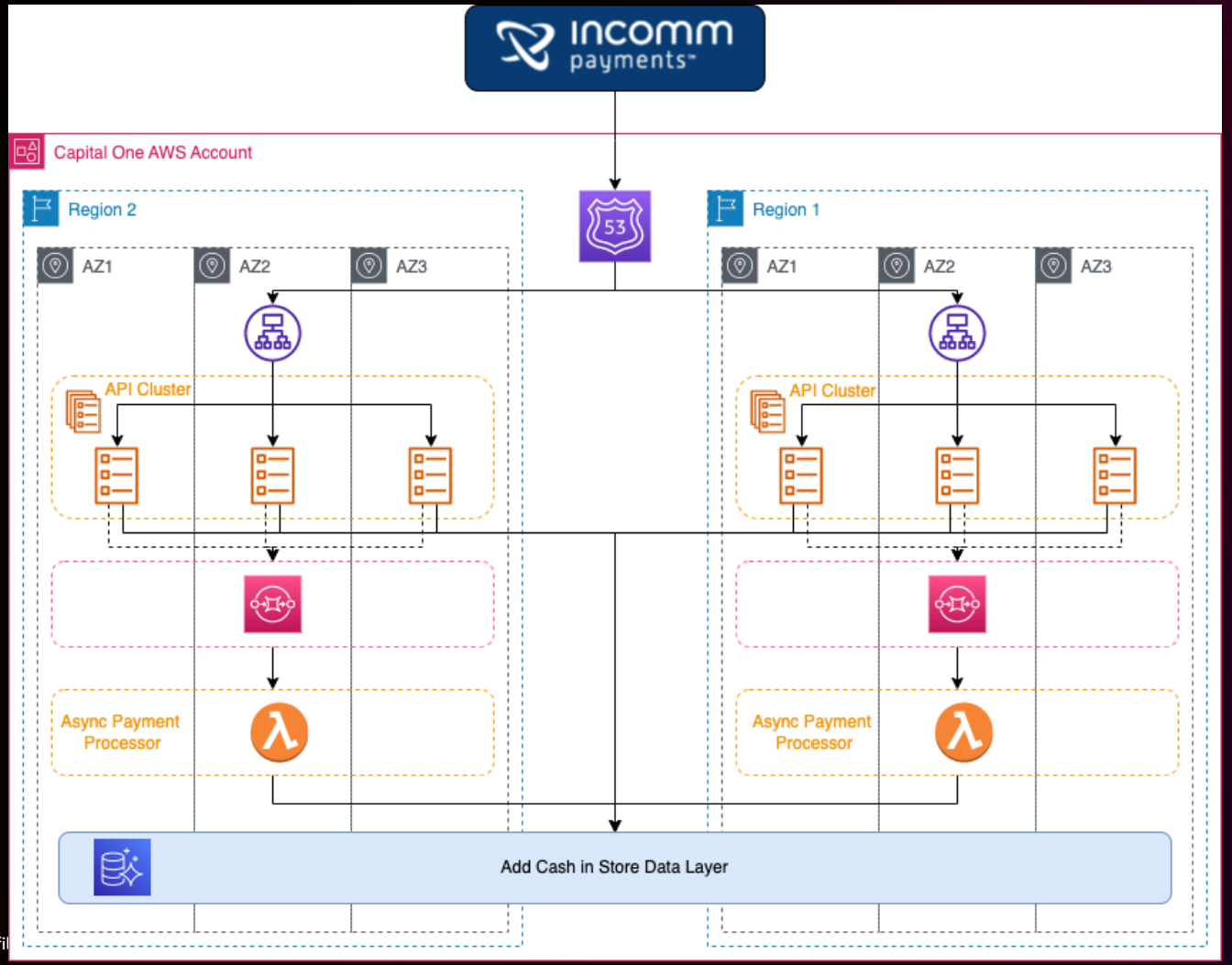
Digital availability 24/7 meant leveraging the power of AWS for regional resiliency



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‘Add Cash’ also has to remain performant to get customers on with their daily lives

Transactions at the POS must be validated within seconds



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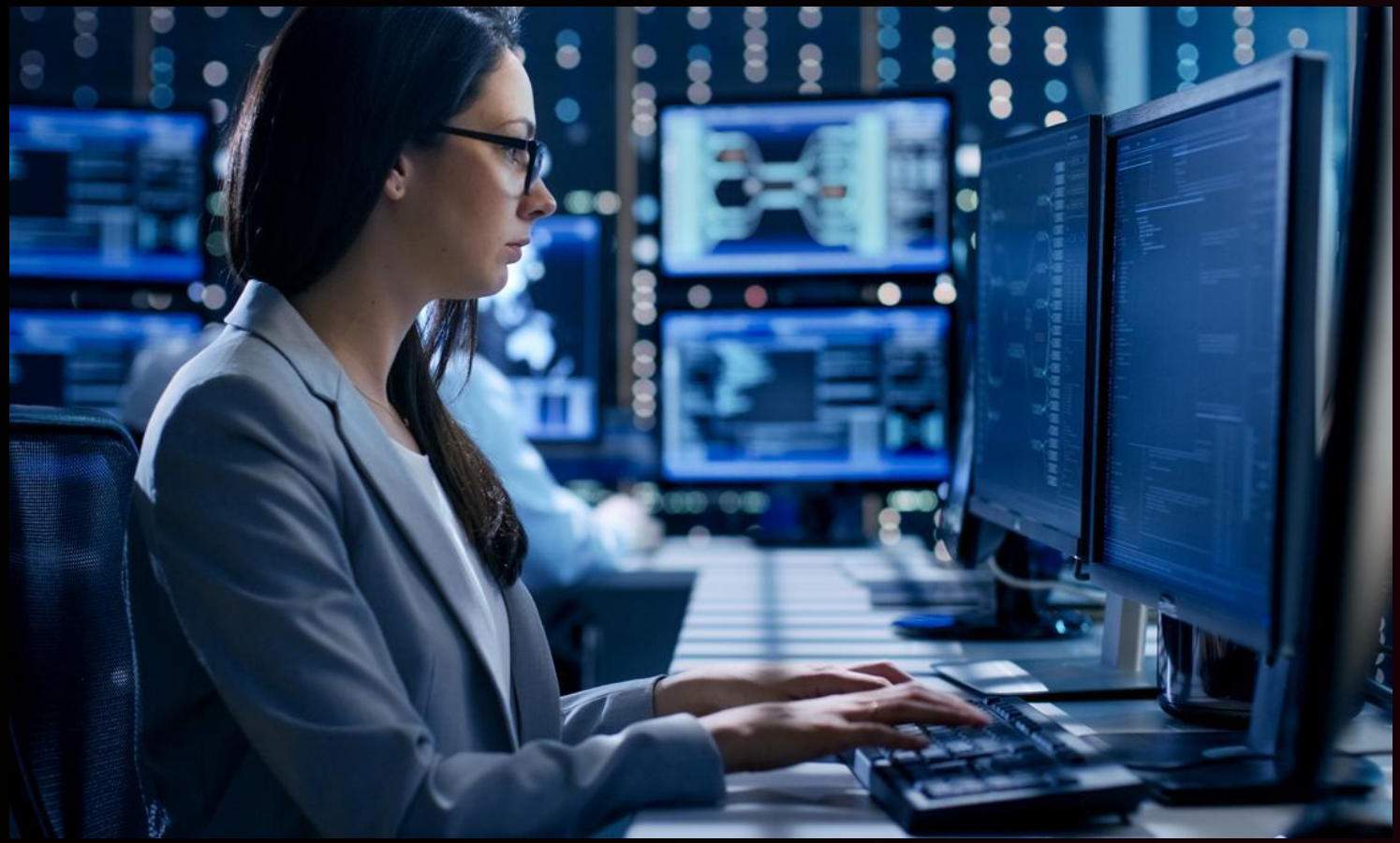
With multiple integration points, obsessing over every cent is critical

Each integration point is a chance for failure: alerting & monitoring becomes foundational



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Making the downstream experience a component of MVP closes servicing gaps



Real-time

Seamless integration

Faster resolution

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In conclusion

Thinking “outside the branch” enables solving critical customer needs

Cloud-based software solutions enable scaling and integration with new capabilities not previously possible

Developing the right architecture pattern is critical upfront to drive availability & reliability

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