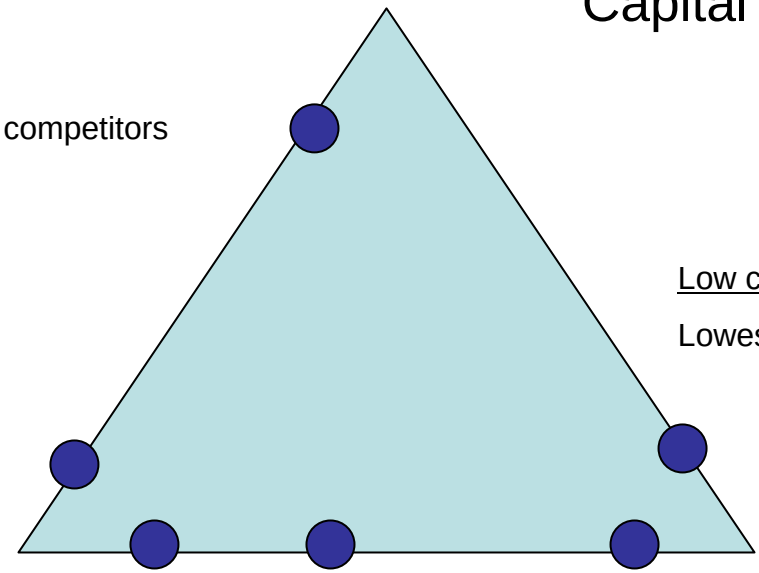
Capital One's Competencies

Restricted access

Increasing barriers to entry from competitors and exit from customers.

Horizontal breadth

The widest coverage of the industry "Shut-off the credit filters"



Low cost

Lowest charge-off of industry

Customer engagement

- Actuarial calculation of customer's life-time NPV in real time
- Testing for customer acquisition, card utilization and attrition
- Horizontal accounting (entry and listing of cohort)
- Detecting "adverse selection"

Customer integration

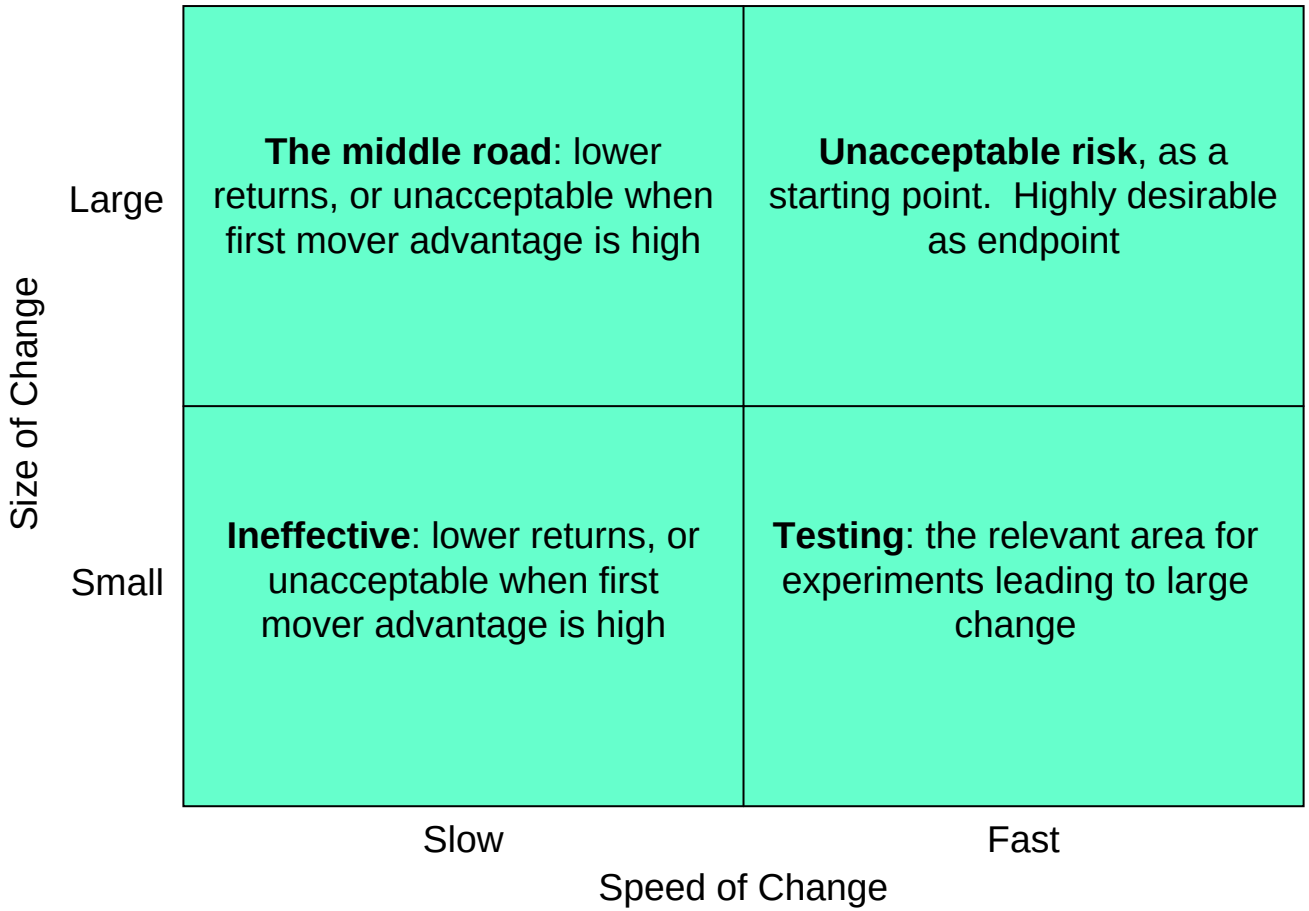
The Power of IBS

Differentiation

95% product < 2 years

- Stream of new products
- Short half-life cycle
- Customized offers

The organizational capabilities

- Entrepreneurial structure and culture
- Information Technology know-how (largest Oracle data base - 40 pages per every American)
- Customer service (30 million inquiries per year). Identify the caller after 1 ring with 70% accuracy. The right call routed to the right associate.
- Recruiting talent (behavioral interviews, case interviews, standardized test)

Experimentation as the Basis for Effective Change