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Becoming Current: Leap Forward with Cloud-Native Card Issuer Processing

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Case Study: Current

The best way to understand how an issuer processor contributes to the success of a card program is to follow one fintech's evolution as a modern, cloud-native banking technology platform.

About Current

Current is a financial technology company founded in 2015 with the goal of helping everyday Americans not always well served by the traditional banking system. The company launched its first product, a teen debit card, in 2017. It provided teens with the power of a debit card and gave parents a modern way to teach their children money management skills. The teen card product is the first of many innovative products, followed by personal spending accounts, which include a secured charge card that builds credit history, paychecks up to two days faster with direct deposit, fee-free overdraft, a rewards program, savings pods, and tools for money management. Current plans to continue meeting the evolving needs of its members by offering more liquidity and potentially credit cards in the future.

Since the launch of its first product, Current has grown to five million members and anticipates continued growth into the future. Investors also have taken notice of Current's success and the value it brings to the market. The company has raised more than \$400 million in funding from investors.

The Current Advantage

Technology is critical to Current's success. Current launched under the premise that the only way to own its destiny is to own its core platform. Developing a proprietary core banking instead of relying on a core banking provider, was almost unheard of in 2015, but has become a critical factor in Current's success. This decision to build a horizontally scalable, cloud-native core platform has paid dividends.

"Consumer mindsets have shifted, and they are gravitating toward digital capabilities. Owning our technology allows us to provide one of the best digital-native products in the market and is a key driver in our tremendous growth." - Trevor Marshall, CTO

The company's modern core banking platform provided it with total control of its destiny. It allows Current to react to market changes more quickly and at a lower cost than many of its competitors. The core platform is more advanced than those built 30 or more years ago. The platform also provides control over the entire experience for its members without an

intermediary to work through. Current designs, builds, tests, and launches products and features as the needs of its members change.

The platform's value is further evident in strong member growth, which has been astronomical in neo-bank terms and seems to accelerate with each new product launch.

Continually focused on innovation, the company recognized in 2020 that its cloud-native core could provide even more value if paired with an equally capable, cloud-native debit card processing platform that could also support a range of card products. This recognition led the company to consider new approaches and strategies for card processing.

Finding the Right Provider

Current required a modern card processing platform to unlock the full benefits of its core banking platform. After careful and rigorous consideration, the company's leadership determined that Visa DPS was the strong partner it needed to grow its card business. Visa DPS is one of the largest processors of Visa debit transactions globally, and Visa is the card network for both Current's debit and secured charge cards—extending the value of the relationship.

One hurdle existed, however. Current required API capabilities that Visa DPS did not yet deliver but were planned for the launch of Visa DPS Forward. A digital issuer processing platform built with REST APIs and designed to integrate with modern digital banking cores to create unique card programs and payment solutions, DPS Forward is Visa's answer to the evolving market. Recognizing the immediate need for DPS Forward led Current and Visa to work together to finalize the platform to meet the needs of Current and other card issuers seeking a modern card processing platform. And after months of hard work, Current was one of the first clients to go live with a full suite of solutions running at scale with Visa DPS Forward.

Implementation and Conversion

Moving millions of card records and data from one card processor to another is a huge project with significant risk. In fact, card issuers may remain on an aging platform indefinitely to avoid the internal and external impact of a card program conversion. Current, however, had already decided transition was necessary for its evolution and understood that doing the hard work now would set it up for continued success in the future. The company also needed to accomplish the migration with minimal impact to members, leading it to choose a live card conversion and avoid a mass card reissue. While a standard practice with card platform conversions, mass card reissues can lead to a negative cardholder experience and decrease card activation and usage.

After months of preparation and days of migrating and synchronizing data via APIs, the actual conversion took only hours, with the majority of that time spent on fine tuning merchant networks to ensure debit card transactions were processed to the correct endpoint. The availability of APIs was instrumental in this change and allowed the company to avoid moving data via batch files. In addition, because DPS Forward is cloud-native, it scaled immediately as card volume shifted. The conversion was virtually seamless and a huge success.

“During the migration, we updated the routing of four different networks to Visa DPS Forward in a live environment,” said Abhishek Pandey, Head of Technical Program Management, Current. “We cut over all networks in about 12 hours, but the 12 hours was the result of nearly 16 months of meticulously planned engineering work and intense preparation of every minute detail to ensure there would be no disruption in our services.”

Results

Current has gained many benefits by moving to DPS Forward. It reduced card issuing and processing expenses, and the company now has access to more data and features than ever before. Services like Risk Scoring and Visa Advanced Authorization (VAA) for Visa and non-Visa networks are integrated into the DPS Forward platform which helps Current make better decisions. The benefits of these tools and the additional data available through DPS Forward led to an almost immediate improvement in member experience. According to Current leadership, the company saw a 5 percent decrease in member inquiries during the very first week it was live with DPS Forward. This figure has continued to improve since launch as Current has taken advantage of additional data and value-added features to further reduce false declines and other issues that drive member inquiries.

Current sees many opportunities on the horizon. The rich set of APIs and the flexibility of the DPS Forward platform are allowing Current to test new use cases and create innovative products and features that its members cannot find anywhere else. Current is also excited about the prospects of utilizing 3DS (3-D Secure protocol) and taking advantage of the DPS Forward platform's ISO 20022 compatibility, which will help it prepare for upcoming industry changes.

In addition, going live with DPS Forward enabled Current to quickly deploy digital capabilities from Visa. Current went live with Visa's Digital Enablement SDK for in-app push provisioning in just six weeks. Current also sees opportunities to deploy additional capabilities through the SDK, such as Subscription Manager.

Current Chief Technology Officer Trevor Marshall shared the company's excitement about the future, stating "Right now, the market only sees the tip of the iceberg. We can't wait to unlock all the potential of this new partnership."

About Visa DPS Forward

Visa DPS is one of the largest issuer processors of Visa debit transactions in the world. For more than two decades, Visa DPS has focused on making processing easier for its issuing customers. Visa DPS helps issuers stay innovative, agile, and deliver at scale. Visa DPS connects and supports payment processing needs, from speed to authorization and fraud protection, and more.

DPS Forward is Visa DPS' most lightweight, modular suite of issuer processing services built for cloud-native clients and integration with digital platforms, allowing issuers and Fintechs to create a powerful, digital-first payment solution. Its suite of capabilities can be deployed as modules so that issuers can rapidly create and launch innovative solutions. Ready for the future, DPS Forward is also the first issuer processor to leverage ISO20022 for card payments.

About Visa

Visa (NYSE: V) is a world leader in digital payments, facilitating transactions between consumers, merchants, financial institutions and government entities across more than 200 countries and territories. Our mission is to connect the world through the most innovative, convenient, reliable and secure payments network, enabling individuals, businesses and economies to thrive. We believe that economies that include everyone everywhere, uplift everyone everywhere and see access as foundational to the future of money movement.

Learn more at [Visa.com](https://www.visa.com).

About Current

Current is a premier U.S. fintech platform dedicated to empowering Americans in their pursuit of a brighter financial future. We strive to transform lives by offering innovative and motivational solutions tailored to our members' immediate needs, with the flexibility to evolve alongside them and unlock opportunities for enhanced financial growth. To learn more, visit <http://www.current.com> or download our app on the App Store or Google Play.

About Datos Insights

Datos Insights is an advisory firm providing mission-critical insights on technology, regulations, strategy, and operations to hundreds of banks, insurers, payments providers, and investment firms—as well as the technology and service providers that support them. Comprising former senior technology, strategy, and operations executives as well as experienced researchers and consultants, our experts provide actionable advice to our client base, leveraging deep insights developed via our extensive network of clients and other industry contacts.

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