



# CLICK & COLLECT WHITEPAPER

We have seen a lot of discussion around the 'Click & Collect' functionality. There are some facts and some key points which any organisation needs to consider before they embark on the 'Click & Collect' (C&C) road.

C&C is an ideal complement for the 'Travel Money Online' as well as for the e-money & m-money environments. Certain decisions do need to be made to allow an economical pilot to be deployed.

The first of these questions is - Do you utilise OEM software or Third party software? Here Retail-FCL has worked on the two options and can summarise the key points:

## OEM

Using the OEM solution is expensive and time consuming, at the same time this solution is 100% dependent on the OEM i.e. you must go back to them each time you want changes to the functionality which normally means more cost. Typically the costs for an OEM solution are in the region of £100,000 for development. This is before any CSB or in-house development.

## THIRD PARTY

Here we have taken one of the potential third party software solutions. There is an initial development cost of £15,000 to £20,000 depending on your in-house solution.

So at a development level the third party solution is by far the most advantageous. Other benefits here include the fact that you are in charge of the solution and the interface, so any new functionality is purely dependent on your own resources.

## LINK / CSB VERSUS CLOSED LOOP

### LINK / CSB SOLUTION

Next we must look at the additional development costs around LINK, this includes CSB work and your own work.

From our experience you would need to budget another £125,000 to gain LINK/CSB approval for the build and software changes. However for a closed loop solution you do not need CSB approval, nor do you need certification for the new build.

The down side is that the ATM cannot be used for walk up business. However this does have its benefits especially when it comes to the cash management, as now you have no conflicting demands for the cash in the ATM.



## CLOSED LINK SOLUTION

This leads us to the most economical solution - which is a closed loop solution.

If we assume we will utilise third party software in a closed loop environment then we have a function, which becomes very focused on fulfilment of online orders.

If a cost of £3.00 is allocated to the fulfilment of the order via an ATM as opposed to home delivery then we estimate a breakeven of 300 transactions is enough to cover the costs of the ATM, cash, management etc. This equates to 10 transactions per day or 1 per hour.

## THE SOLUTION PROCESS

The solution process now becomes quite simple:

1. Customer orders money online for collection at an ATM;
2. Customer needs to be pre-registered to comply with KYC requirements;
3. Pre-registered customers will have registered an online authentication word or code;
4. Once online order is approved the customer is issued with a six digit unique PIN by text;
5. The customer goes to the ATM at the pre-defined time and initiates the transaction;
6. Customer is asked for their UPIN, which they enter, this is authenticated with the online system;
7. The customer then is also asked for their memorable information as the final step in the authentication; foreign currency is then dispensed.

Machines that could be used for such 'Click & Collect' transactions include the Self Serve 16. Certain other factors need to be considered when using C&C fulfilment, each location needs a redundancy plan or another ATM within walking distance, as we have to accept that technology can fail.

Once a plan has been established C&C can open up several market sectors:

- 24x7 airport, train and other travel locations i.e. service outside bureau hours
- Corporate market becomes hugely attractive
- Basic enhancement to the normal delivery options