

A woman with long brown hair, wearing glasses and a dark blazer over a white shirt, is looking down at a tablet computer. She is in a modern office with a glass and steel ceiling structure. The background is bright and slightly blurred.

## **SIX WAYS BANKS CAN FIX THE CUSTOMER ONBOARDING GAP**

 Lightico

## Consumers Expect Instant Seamless Service

Today's consumer is used to the experience delivered by completely digital ecosystems such as Google and Amazon, which offer convenient end to end purchasing in real time, accessible from anywhere, at any time. They've come to expect the same experience from banking services and products as well.

So, when banks require new customers to download forms to print, sign, and fax, or be in contact with a service representative multiple times, or come into a physical branch, it's no wonder customers look elsewhere for an easier solution or simply forfeit that service.



# Banks Are Failing to Meet Those Expectations

Not surprisingly, 40% of consumers surveyed abandoned the onboarding process when they had applied for a bank account. They cited too lengthy a process, time-consuming authentication, and difficulty in filling out forms, among the top four reasons. Another survey of customers that abandoned a mobile banking activity detailed that **45%** gave up on pursuing the activity entirely, **18%** completed the activity using another channel, **7%** opened an account at another bank, and **5%** stopped or reduced activity with that bank.

Clearly, if banks can't deliver a fast and seamless onboarding experience, and in particular a mobile one, customers will try their luck at another financial services provider or simply give up on pursuing that service at their bank. In fact, according to Forrester over 64% of banks reported lost revenue due to problems in their current onboarding processes.



## Regulatory Requirements and Legacy System Constraints Have Created a Gap

One of the biggest challenges banks face in creating the onboarding experience that consumers expect is increasingly stringent and complex regulatory requirements to meet Anti-Money Laundering (AML) and Know Your Customer (KYC). Banks must complete intensive checks for money laundering and fraud before they agree to handle a customer's money, otherwise they could face stiff penalties. Therefore, customer identity authentication and due diligence are becoming more intensive and time-consuming. Another challenge is rigid outdated legacy systems that are often too fragile a base to develop such a streamlined compliance processes.

# Six Ways Banks Can Close the Onboarding Gap

Given the gap between customer expectations and the current reality, banks must find ways to streamline their onboarding process in order to stay competitive. Here are 6 interventions they can do now.



## 1

### Provide An Intuitive, Completely Mobile Solution

Today's consumer expects to access banking services quickly, anywhere, and at anytime, as is the trend with other consumer services. That means that any onboarding solution must include a mobile format for **all** steps in the process.

While existing bank customers may use a dedicated mobile application for day-to-day transactions, prospective customers are reluctant to download a specific application. They don't have the time or patience to 'figure it out'.

Banks should be looking for immediate and complete ways to onboard customers, especially by way of their mobile phones. New technologies are available that enable a customer to start and finish the entire onboarding through a simple text message on his mobile phone. Clicking on a link in the message opens a secure portal for interacting and completing all onboarding steps - with no need to break the customer journey for printing, signing, or uploading and emailing supporting documents and identification.

## 2

### Simplify ID Collection and Authentication

New regulatory requirements around AML and KYC are challenging for banks and their customers. Specifically, they require potential customers to submit documentation and identification to verify and authenticate their identity. In many instances, these are submitted in person or require customers to scan and email or login to confusing portals. Either way is cumbersome and time-consuming and leaves room for clerical mistakes.

With advanced ID verification and authentication solutions that include fully automated KYC, a customer can simply use his mobile phone to photograph and instantly submit pictures of his face and driver's license for approval.

New solutions also enable customers to fulfill compliance requirements from a mobile phone. Customers can snap a picture of their identification and complete picture-based verification. Onboarding time is slashed, the risk of fraud is reduced, and the strictest of ID&V requirements are completed instantly.





### 3

## Remove the Paperwork Burden with Smart eForms

Long and complicated PDF forms can be daunting. They must be downloaded, completed, and then scanned in or uploaded again, requiring numerous touchpoints. Delays are caused by mistakes and omissions, especially when there are many detailed fields to fill in. Service reps on the other end find it difficult to read handwritten fields.

With Smart eForms, customer completion rates are much higher. eForms that are mobile-optimized, simplified in their presentation, and leverage auto-fill and CRM-prefill, are easy to complete. And if needed, service reps can offer assistance while viewing the same eForm at the same time with the customer.

Simplified and collaborative Smart eForms ensure that formwork is completed in real time without omissions that would otherwise cause delay. eForms can then be submitted instantly from any device. Other benefits include presenting Terms & Conditions in an eForm format, instead of having a service rep read them from a script. Customers can read for themselves and approve faster. eForms save time, improve completion rates and accelerate the customer journey.

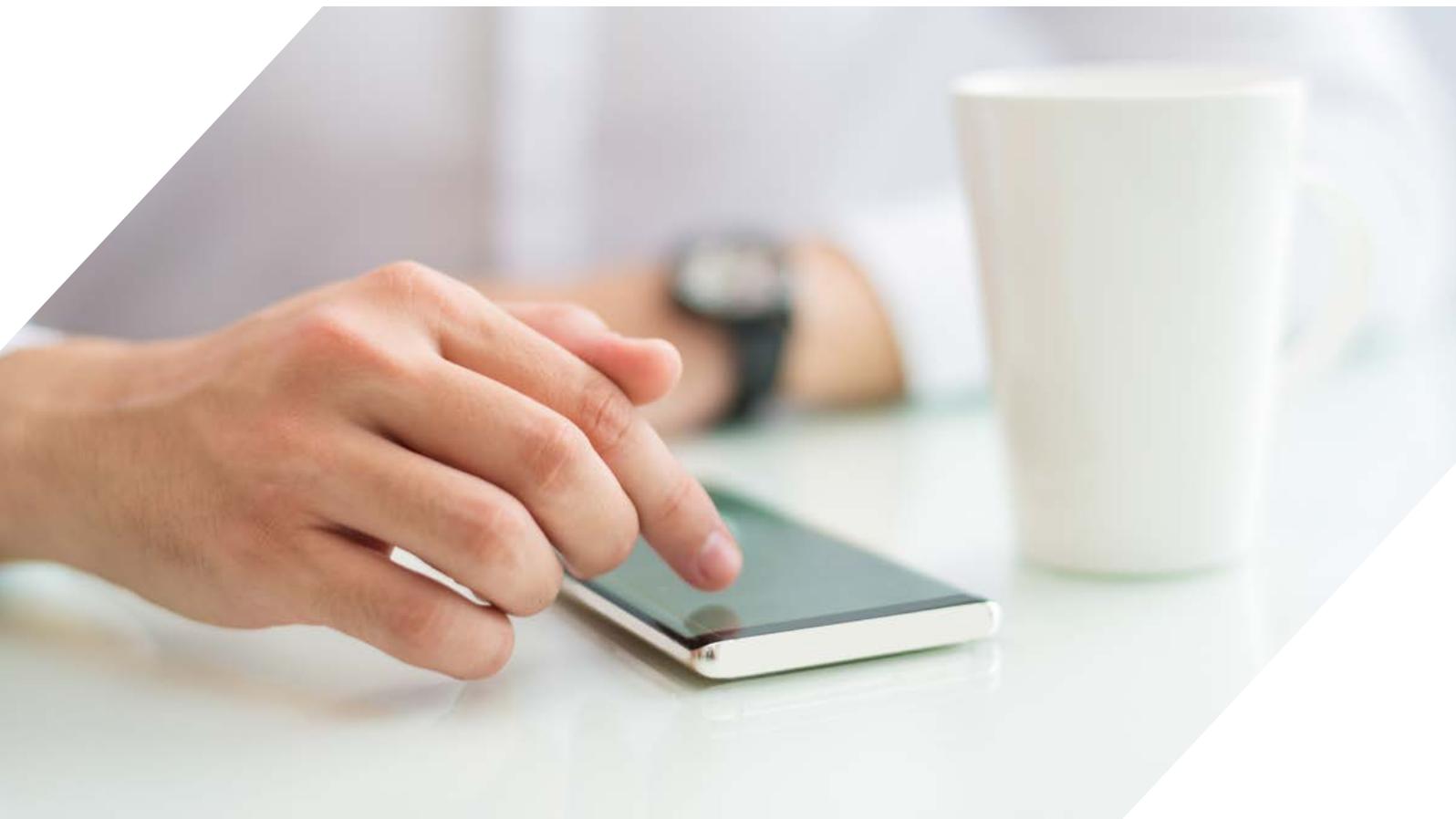
## 4

## Move to Instant Digital eSignatures and Consent

Signing forms and obtaining consent is commonly required for financial service customers. However, traditional approaches are slow, costly, error prone, and risky.

Banks that require customers to download, print, sign, and scan or fax their consent forms, are losing business. These steps are time-consuming, require a number of different devices, and discourage completion of the onboarding process. Additionally, eSignatures that are sent to a customer's cluttered email inbox often go unnoticed, and if opened, appear daunting. Most will not be signed or returned.

New solutions enable banks to obtain legally-binding customer consent instantly, from anywhere. By clicking on a link in a simple text message received on a mobile phone, a customer can access a secure document. Then, with the help of a service rep on the line, they can sign that document with the simple swipe of a finger on the phone screen itself. Because the process is so easy and fast, banks can close more sales - slash costs, and reduce cycle time and compliance exposure. eSignatures accelerate the customer's compliance and sales journey.





## 5

### Enable Real-Time Collaboration with Service Reps

With so many different steps, forms, rules, and nuances in the onboarding process, customers understandably become confused and frustrated. They will either require more contact points with the bank to complete the process, or they will abandon and forfeit the service altogether. Either way, banks lose out to higher administrative costs and lost sales.

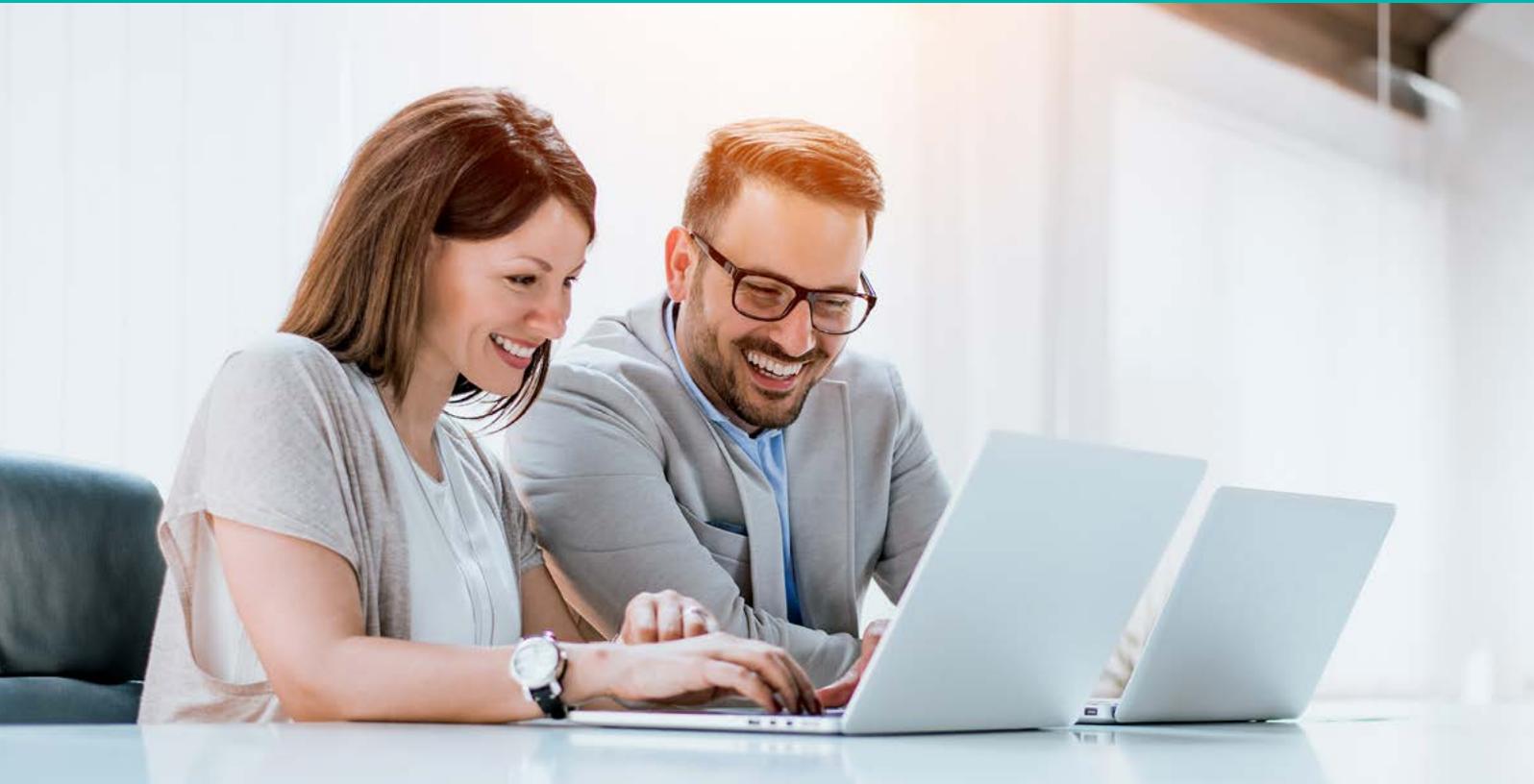
However, with real-time collaboration, service reps can help a potential new customer navigate the onboarding process. Customers can view the application on their cell phone while speaking to a rep who shares the same active screen view. Reps can guide a customer through the most challenging parts of any application and questions along the way.

## 6

### Enable Real-Time Collaboration with Service Reps

Banking technology is built on reliable, scalable, and compliant legacy systems. Often times these systems pose a difficult challenge when it comes to building or incorporating new innovative solutions that can streamline onboarding. As a result, banks have a difficult time driving the much-needed customer experience that delivers results.

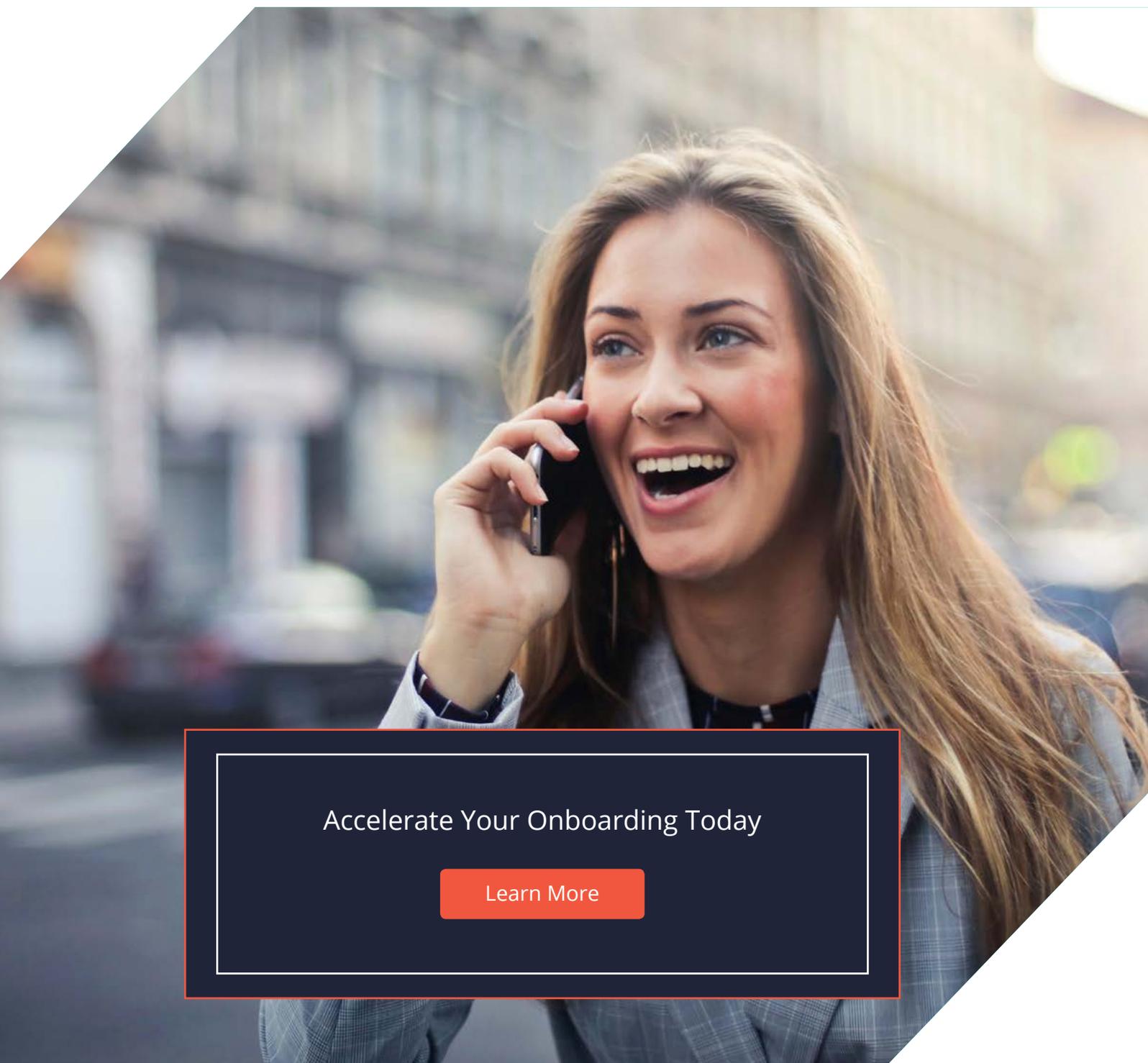
In order to address the challenges posed by legacy systems, banks can leverage the use of secure APIs. Proven and robust APIs allow the systematic deployment of innovative solutions across business lines to completely digitize and streamline onboarding while maintaining the highest level of security certification.



**A simplified digital onboarding process will increase the likelihood of customer engagement throughout the sales journey. With the right solutions, banks can quickly and economically increase new customer acquisition and upsell more products and services to existing customers.**

# About Lightico

Lightico is a customer experience solution that enables contact center agents to accelerate sales and service requests to address business-critical CX gaps. Lightico's solution streamlines company processes and improves customer experience in the critical last mile of customer journeys.



Accelerate Your Onboarding Today

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