



# The Definitive Guide for **Next Generation** eSign Solutions



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## Executive Summary

eSignatures have become the standard way of contracting since the E-SIGN Act affirmed the legality of the eSignature in 2000. Yet a lot has changed in the 20 years since the eSignature gained official legal status, making it necessary to reimagine the eSignature for today's mobile, instant world.

A tremendous portion of consumers' tasks can now be completed via smartphone. Yet in 2000, few people could have predicted that we would be hailing shared car rides, transferring money, navigating the roads, and ordering all manner of goods from a small handheld computer. Digital transactions meant computer-based transactions. As a result, the eSignature solutions that evolved during the early 2000s were centered around adding signature lines to PDFs, which are designed for laptops and computers.

Today, customers want entire transactions managed effortlessly from anywhere. They want to be able to easily accomplish tasks on the go from their smartphones, and are frustrated when they can't. They expect clarity and are easily defeated and deflated by cumbersome processes. They expect to complete all aspects of a transaction — signatures, forms, document submission, ID verification, and payments — quickly and instantly.

Despite their clear advantages over physical paperwork, first-generation eSignature solutions cannot deliver this experience — as evidenced by the reality that fewer than 50% of consumer contracts are completed. It is a business imperative to understand and fix the issues that are hurting completion rates, and consequently sales and servicing.

Only a next-generation eSignature solution can provide the customer-centric solution needed to manage end-to-end transactions. By simplifying, contextualizing, mobilizing and guiding the signature collection process, businesses are getting more contracts signed, and faster.



## Background: The Rise of First-Generation eSignature Solutions

Technological advances in recent years have led to the development of much more efficient ways of doing business. eSignatures emerged as part of the larger digitization trend with the digitization of forms and their associated consent. In the late 1990s, one way that companies sought to address customers' changing expectations was by incorporating eSignatures into their business transactions. In 2000, when a U.S. federal law known as the Electronic Signatures in Global and International Commerce Act (ESIGN Act) was passed, electronic signatures were given the same legal standing as wet ink signatures in many domains. Around the same time, similar laws were passed in countries around the world. This legal recognition further fueled the rapid adoption of eSignatures in businesses.

Today, many organizations use eSignature software to record legal signatures and lock in documents such as sales contracts or employment paperwork that an employee, partner, or client needs to provide. Adoption of eSignature solutions continues to grow, with the number of worldwide eSignature transactions growing by 850% from 89 million in 2012 to 754 million in 2017.

But the winds have changed once again, with customers demanding even greater convenience and automation than first-generation eSignatures could provide. And this is where we find ourselves today.



## First-Generation eSignature Problems: Outdated Channels and Interface

Businesses were quick to adopt digital signatures because of the immediate efficiency wins. Digital signatures enabled businesses to contract remotely and without the paper overhead. And, with further legal backing, the business adoption of eSignatures continued to grow.

Yet despite the continued proliferation of eSignatures, first-generation eSignature solutions are no longer as effective as they used to be. In fact, eSignature completion rates have now dropped to 50% as companies struggle to get customers to sign documents sent via email. For businesses that rely on consumer consent and signatures, this low completion rate leads to lost sales, wasted costs, and compliance risks.

After analyzing and diagnosing hundreds of thousands of eSignature transactions, we have identified the following core issues with first-generation eSignature solutions:



### Not Instant

Is it easy to use? If your clients are required to scan documents, they're more likely to abandon the entire eSignature process. To boost completion rates, it's crucial that your users' experience be seamless, particularly for on the go customers, so that they can complete any task directly from their mobile phone in one shot.



### Not Natively Mobile

While it's easy to access email through a mobile phone, that doesn't mean it's easy to download and fill out PDFs and similar documents via mobile. Customers who attempt to do so must go through a dedicated service and open forms and documents that are not optimized for their phones. Once they do get to the document, the process of filling out information and signing is cumbersome and frustrating. Moreover, customers are no longer inclined to download apps for single purposes like signing a contract.



### Lack of Context

When contracts are finally opened and received via email, they are assessed independently and without the surrounding discussion and excitement a good call center agent can create. This delayed evaluation breeds doubt and second thoughts.



### Unguided

Contracts are by their nature intimidating. Whenever a financial commitment needs to be made, there is an element of trepidation. Opening, understanding and navigating a contract and its legalese can be daunting for even the most confident consumer. The pre-digital signature era, with all its shortcomings, had the advantage of face-to-face interactions with sales agents who could manage doubts and field questions. First-generation eSignatures often throw the baby out with the bathwater, doing away with agent guidance during the signing process. As a result, customers often lose their way in the last mile of unguided contracting.





## Next-Generation eSign Advantages: Intuitive Interfaces for Mobile Customers

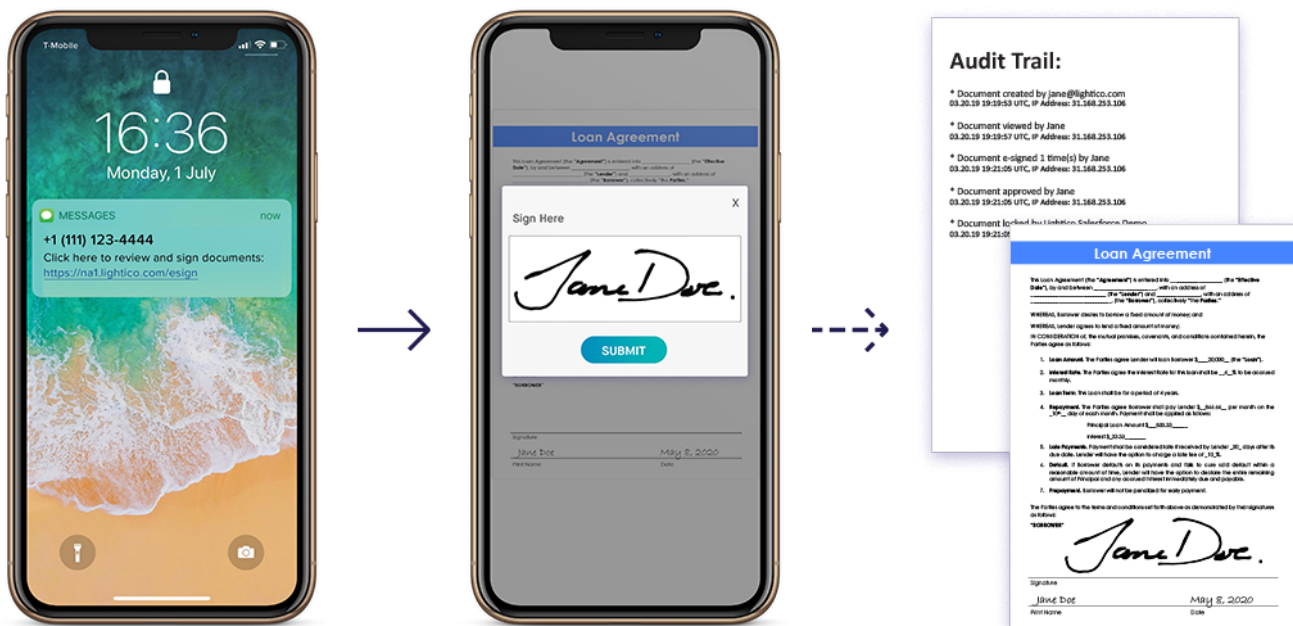
First-generation eSignature solutions continue to dominate due to their familiarity. Yet many companies have started to understand their deficiencies in today's dynamic, mobile world, and are searching for better alternatives — particularly in B2C industries. The good news is that next-generation eSignature solutions were created from the ground up to meet the needs of modern consumers and the businesses that serve them.

Unlike first-generation eSignature solutions, these contenders are built around the understanding that consumers' attention spans are short, distractions are everywhere, and time is of the essence when selling to and servicing customers.



## How it Works

Here is how a next-generation eSignature transaction typically works:



1. A call center agent sends a text message containing a link to the customer.
2. The customer opens the text message link, where they are able to fill out eForms, upload documents, send ID for verification, and provide an eSignature with the swipe of a finger.
3. Simultaneously, the agent can guide the customer through the process to ensure everything is completed correctly and any questions are answered.
4. The document is stored securely in the CRM with a legally binding, time-stamped audit trail.



There are numerous benefits of next-generation eSignature solutions. Namely, they are:



## Instant

Companies can collect eSignatures from customers in real-time via text message, when their interest is at its highest. No waiting for emails, downloading clunky apps, or scanning documents with ink signatures.



## Mobile-optimized

Customers glide through the eSignature process by filling out forms, reviewing documents, and providing signatures on a clean interface that's designed specifically for a smartphone experience.



## Contextual

It's much easier for customers to sign contracts when there's a friendly and helpful agent on the other side of the call who can answer questions and provide reassurance. Next-generation eSignature solutions bring the human touch back into the equation without requiring in-person visits.



## Agent-guided

Customer error, confusion, and misunderstanding is eliminated as agents guide customers through the quick and simple signing process via phone conversation. This prevents time-consuming rework due to mistakes.



## Secure and Compliant

Eliminating risk is a top priority for today's compliance-minded enterprises. Next-generation eSignature solutions maintain the highest levels of security and compliance, meeting or exceeding the standards of regulations including:

- ISO 27001
- UETA ACT
- AS
- PCI DSS level 1
- ESIGN ACT
- Entrust Datacard
- GDPR
- HIPAA

Furthermore, next-generation eSignature solutions create a tamper-proof, time-stamped record along with a full audit trail each time a signed document is submitted. In this way, convenience and compliance can go hand in hand.



## Robust Against Fraud

Customers can only provide their eSignature once their ID has been verified. They are instructed to snap a picture of their photo ID, take a live selfie, and upload both into the mobile session. An AI algorithm analyzes the two images and confirms whether there is a match.



## Sign Once, Tap the Rest

For a better and faster experience, customers and agents can draw or type their signature once then simply tap to paste the signature in the required places without having to repeatedly draw their signature.



## Supportive of Multiple Signatures

Some customer transactions require consent from multiple parties. With next-generation eSignature solutions, multiple individuals can provide their signature with no added steps or complications. Reminders are sent to signatories and the status of everyone's signature is visible to agents and signatories, ensuring fast turnaround time.



## Intuitive for All Consumers

Next-generation eSignature solutions are well-suited for all customers, including senior citizens and less tech-savvy individuals. Unlike clunky PDFs, it's intuitive for customers to complete the process. While next-generation eSignatures are ideally suited for smartphones, customers can also choose to provide their signature via an intuitive computer interface.



## Can be Integrated Into Existing Workflows

Next-generation eSignatures can be quickly and easily integrated into companies' existing workflows, CRMs, agent toolbars, and third-party business applications using an API. The interface can be white-labeled with the company's brand for a seamless customer experience.

## The ROI of Switching to a Next-Generation eSignature Solution

Companies are often reluctant to switch over to a solution that's merely a shinier version of what they already work with. The old adage "If it's not broken, don't fix it" comes to mind. Fortunately, next-generation eSignature solutions offer a true competitive advantage for customers who make the switch from first-generation providers. In fact, we've found that many companies that have switched to next-generation eSignatures achieve 90% completion rates following the transition.



### Accelerate Sales and Service Cycle Times

Effortless signing shortens cycle times and reduces customer touchpoints. By making it easy and instant for customers to review and sign, businesses lower the risk of losing prospects during sales processes, increasing close rates and removing agent frustration.



### Improve Customer Loyalty With Smooth Onboarding

Next-generation eSignatures remove the frustration of clunky processes and deliver the speed and convenience that your customers expect. Customers no longer need to wait for emails and agents no longer need to chase. As a result, NPS tends to rise.



### Simplify and Bolster Consent Compliance

Adopting a next-generation eSignature solution is the fastest, simplest way to capture legally binding signatures and consent in the moment — wherever customers are. Full audit trails eliminate legal risk and ensure compliance.



## The Bottom Line: Next-Generation eSignatures are for a Mobile-First World

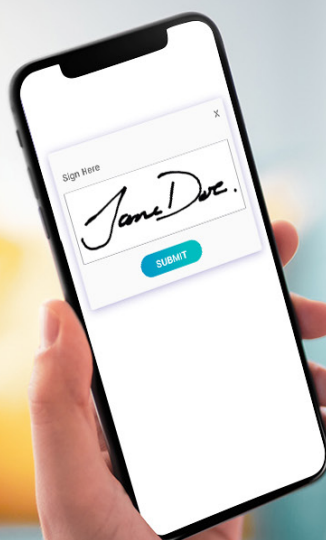
Next-generation eSignatures that are part of a wider, customer-centric system are making it possible for agents to instantly collect documents, forms, ID, payments, and of course eSignatures while customers are on the phone. When customers are able to effortlessly and instantly sign documents using the channel they're most comfortable with, their smartphone, everyone wins.

Customer satisfaction grows, and frustration diminishes.

Agent productivity is boosted, and less time is wasted.

Conversion rates jump, and bounce rates decline.

With more competition and shorter customer attention spans than any time in history, speedy, frictionless transactions are the key to securing new business and maintaining existing business. Next-generation eSignature solutions are an essential weapon in the customer lifecycle.



# What Lightico eSignature Customers Are Saying



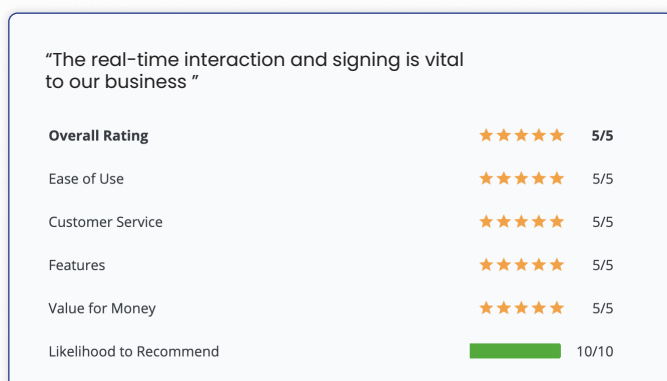
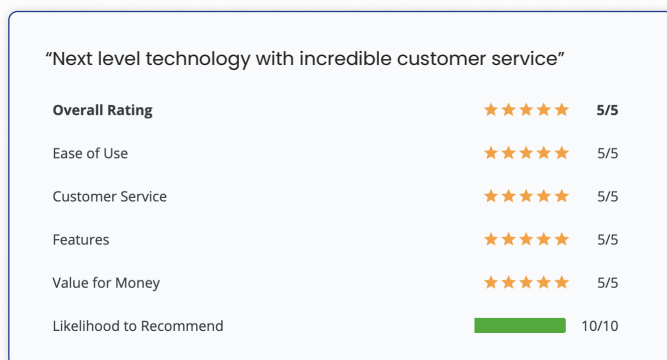
*We looked at every player in the market to digitize our processes — none of them really had that exceptional service feel and ease of use that could apply to all of our customers. We chose Lightico because of the ease of use and text message approach. It's a familiar, but powerful interface.*

Mark Murray  
Business Systems Liaison  
Happy State Bank

*Since implementing Lightico's solution, Platinum's deal time has been slashed by 4 days and has enabled the services teams to be more efficient, resolving all customer requests immediately, so we can live up to our core value of putting customers first.*

Armando Hidalgo,  
Director of Servicing  
Platinum Auto Finance

## Capterra Reviews



## G2 Reviews

★★★★★ Jun 03, 2020

**"Really Simple to Use & Great for Customers"**

★★★★★ Jun 08, 2020

**"Day to day work made easy"**

★★★★★ May 20, 2020

**"Brilliant system and easy to use"**

★★★★★ May 13, 2020

**"Clarity between Employee and Customer can't get better!"**

# Learn how Lightico can upgrade your customer consent process.

Try the interactive experience



Lightico

First Name: Jane

Last Name: Doe

Phone: 432 536 0001

Email: janedoe@gmail.com

Signature: *Jane Doe.*

SUBMIT

## About Lightico

Lightico is an award-winning SaaS platform that empowers businesses to accelerate customer journeys. With Lightico Digital Completion Cloud™, companies leverage no-code workflows to collect customer eSignatures, documents, and payments, and authenticate ID in real time — straight from the customer's smartphone. As a result, businesses enjoy faster and shorter sales and servicing cycles, boost NPS, and significantly improve their completion rates.

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