

IMPACT NOTE

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Tiffani Montez
+1.617.338.6045
tmontez@aitegroup.com

Account Opening: Run It Like You Own It



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INTRODUCTION

Consumer preferences for how they research products, how they select the right product that meets their needs, and how they purchase products have changed significantly. As customers increasingly migrate to the digital channels, many U.S. financial institutions (FIs) will be forced to rethink their account-opening experience. However, many FIs do not have the proper metrics in place to understand how their account-opening experience is performing and where they have opportunities to reduce friction in the process.

At the same time, some consumers still rely on the branch to open accounts. Many FIs are exploring how they take advantage of consumers' increasing preference of opening new accounts online and their tendency to use multiple channels during the research and buying process. The FIs that have recognized that their account-opening experience is a differentiator have a continuous focus on making the experience better and better. The most successful FIs run their account-opening experience like a business by using rich analytics that uncover insights and are making small incremental improvements to the customer experience.

This study focuses on current trends that shape the account-opening experience, the metrics needed to manage account-opening experiences, and best practices in account-opening design. The objective of this study is to provide banking executives a framework for measuring their account-opening success and strategies to increase application completion that will push more customers through the finish line.

METHODOLOGY

This Impact Note contains analyses from 24 in-depth Aite Group interviews with senior executives at banks, vendors, and various consulting firms worldwide that are responsible for the branch experience, that are refining their branch strategy, or that are considering optimizing the account-opening and onboarding experience within the next couple of years. Interviews for this study were conducted from January to May 2019. Executives contributing to the research have extensive business or IT responsibilities and titles that include chief executive officer, chief management officer, executive vice president, vice president, senior vice president, and director.

THE MARKET

Consumers use multiple channels in their everyday retail experiences—to do research on a mobile device, to look at products in a store, to check whether that store has the best price, and then to decide in which channel to buy that product. Consumers follow the same process when they shop for FI products and services. As more and more consumers migrate their banking activities to the digital channels, they expect to be able to research products and buy products just as easily as they can in the retail world. Table A outlines the main challenges with today's account-opening process.

Table A: The Market

Market trends	Market implications
More consumers want to apply using the digital channels.	As customers are performing more banking activities in the digital channels, FIs are under pressure to implement account-opening and onboarding solutions.
Digital experiences are not fully optimized.	Although most FIs have had an online application experience for a decade, many have not optimized their mobile application experience. This makes it hard for consumers to be able to apply for a new banking product on a mobile device.
Account-opening performance is tracked in channel silos.	Oftentimes, the branch and contact centers are managed by a different leadership team than the digital banking channels. As a result, FIs do not have a consolidated view of application completion rates across channels.
Consumers continue to use multiple channels in their interactions.	Consumers use multiple channels in their everyday retail experiences, and they have the same expectation that they can switch channels throughout the product education and buying experience. Most FIs still lack the ability to allow a customer to seamlessly move from channel to channel to complete an application.

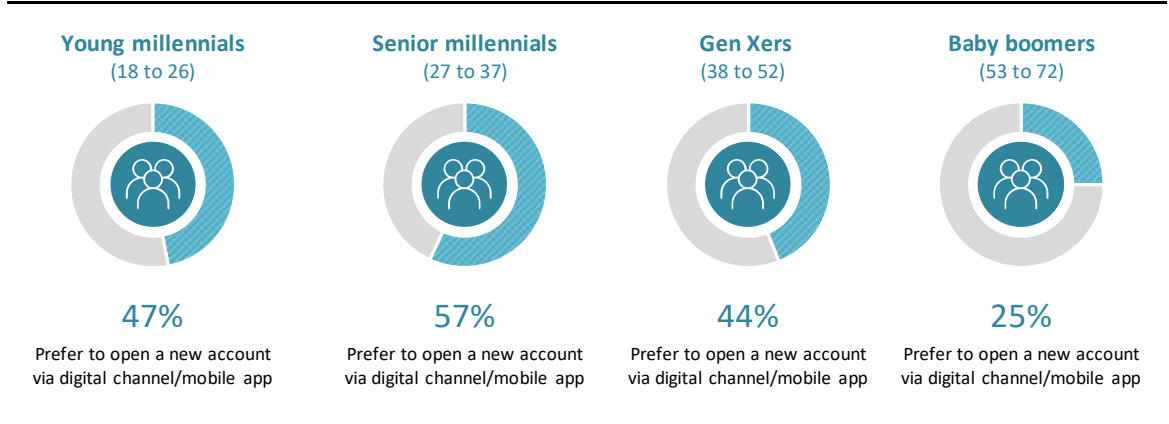
Source: Aite Group

Consumers' preference for applying for a product through a digital channel has increased over time. According to the FIS Performance Against Customer Expectations (PACE) study in 2019, 37% of consumers indicate they prefer to open a new account via a digital channel/mobile app.¹

1. "Direct-to-Consumer Banks Overtake Traditional Banks in Customer Satisfaction, New FIS Study Shows," April 16, 2019, accessed May 17, 2019, <https://www.figlobal.com/about-us/media-room/press-release/2019/direct-to-consumer-banks-overtake-traditional-banks-in-customer-satisfaction-new-fis-study-shows>.

The percentage of consumers who prefer to open a new account via digital channels/mobile app is higher with millennials, who are pressing FIs to build a digital application experience to support this generation (Figure 1). And while they prefer to use the digital channels, in many instances, consumers still use multiple channels during the research, account selection, and even account-opening tasks.

Figure 1: Consumer Preference for Opening Accounts in Digital Channels

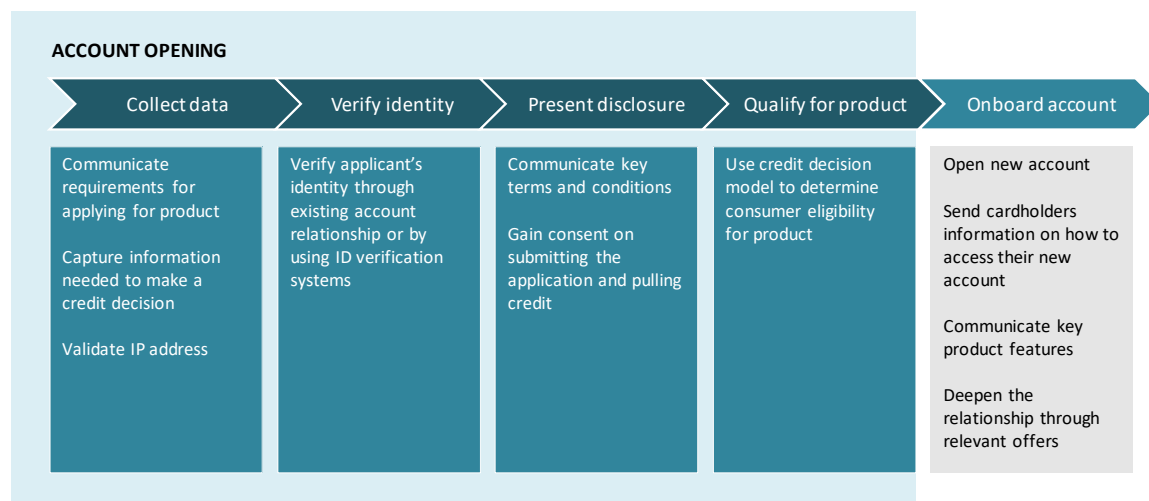


Source: FIS PACE Study, 2019

ACCOUNT-OPENING AND ONBOARDING PROCESS

In the interviews Aite Group conducted for this report, we spoke to digital banking executives about their account-opening experience. Figure 2 highlights the different steps in the account-opening and onboarding process. These steps may differ by channel, as the branch and call center may use a different process and even different platforms than the digital channels—online, mobile, and tablet. The next sections of the report focus on breaking down challenges of account opening, how to measure the effectiveness of your experience, factors that may influence your results, and strategies to win back customers or win their business. This report will only focus on the first four steps—account opening.

Figure 2: The Account-Opening and Onboarding Process



Source: Aite Group

OPPORTUNITIES TO OPTIMIZE THE ACCOUNT-OPENING EXPERIENCE

Over the years, most FIs have built an account-opening experience in all the channels—branch, contact center, and digital (online, mobile, and tablet). As channels have emerged, FIs have screen-scraped the experience from the branch channel and ported it over to the new channels. In other words, the contact center application process mirrors the branch channel, and the digital account-opening experience, with some exceptions, follows the same process flow as the branch and the contact center. Most account-opening experiences have focused on making it easy for applicants to move through the application process as quickly as possible with the goal of reducing the number of applicants who abandon an application. But many challenges that are driving high application abandonment still exist in the process.

The following are significant challenges in the account-opening and onboarding process:

- **Marketing offers:** One factor that helps drive the success of the account-opening process is making the right offer to the right customer. If a marketing offer is not aligned with a customer's needs or preference, that may cause the prospect to not take action on the offer or review the offer, or maybe even to start an application out of curiosity and then abandon the application process.
- **Product education and value proposition:** Today's online and mobile experiences provide consumers little information on why certain products are right for them, how products can help them meet their financial goals, or how the account-opening process works. As a result, many consumers are forced to educate themselves on products and services. Oftentimes, consumers start an application to learn more about the process and then abandon the application. This "one-click wonder" behavior impacts FIs' account-opening conversion rate—driving higher abandonment rates.
- **Replication of offline process:** Most online and mobile application experiences mirror the branch and call center processes, which were developed from manual, paper-based processes. Account-opening experiences need to be redesigned to focus on balancing risk while making it easy for applicants to quickly move through the applicant process.
- **Lack of mobile-first design:** Most digital account-opening experiences aren't following a digital-first approach. Rather, the account-opening experience replicates the experience that exists in other channels. Digital banking executives have a significant opportunity to use the unique features of a mobile phone to transform how consumers apply through a mobile device.
- **Omnichannel:** Many FIs have different account-opening platforms for each of their channels—branch, contact center, online, and mobile. Given that there are different platforms, their existing solution makes it difficult if not impossible to deliver an omnichannel experience. This will become a larger issue as FIs begin to deliver on branch transform strategies that hinge on breaking down the barriers between the branch and digital channels.
- **Multiproduct experience:** Many FIs are not able to allow an applicant to apply for more than one product in one application. That makes it difficult for FIs to deliver on product bundles or even fulfill relationship pricing.
- **Wet signature requirements:** Over the years, FIs have required that applicants provide a wet signature, either by coming into a branch to provide a signature or by mailing in a signature card. This is challenging for applicants who apply online. Electronic disclosure and signature have helped this process, but many FIs still require that the applicant provide a wet signature in addition to the electronic signature. Many FIs are beginning to explore eliminating the wet signature in place of an electronic signature.

- **Employee account-opening experiences are suboptimal:** Many FIs' customers have a better sales account-opening experience than their employees. For example, many bankers' and contact centers' sales application process is the same solution that has been used for a decade and was built on a paper process that has not been streamlined in years. As FIs try to recruit millennials, this will become a bigger challenge for FIs' training and retention activities as younger generations have grown up as digital natives.
- **Lack of digital account-opening experiences:** During this study, we reached out to many FIs to learn more about their account-opening experiences. A few things emerged during the interview process: We learned that many FIs—particularly community banks and credit unions—still do not have online and/or mobile application experiences. In addition, participants indicate that their customers can only apply for products through online banking.

ACCOUNT-OPENING PERFORMANCE TRACKING

Banking executives also struggle with not having the right reporting available to manage their account-opening experience and being able to extract insight on where the process can be optimized. Banking executives indicated the following challenges with tracking account-opening performance:

- **Limited ability to extract actionable insights:** There is limited reporting to be able to extract actionable insights that can pinpoint areas in which applicants are dropping out of the application and why. Basic reporting exists to indicate the percentage of applications that are complete, but either the reporting or the tools to dive deeper into application abandonment do not exist. In other words, some banking executives do not have access to application funnel metrics, do not have the ability to understand differences between application completion for authenticated versus nonauthenticated applications, and do not know how many applicants with saved or abandoned applications have come back later to complete an application.
- **Little reporting on offline channel application performance:** When Aite Group asked participants about application conversion for the branch or call center account-opening process, they indicated that reporting does not exist or that the process is managed by another group, so there is no insight into the account-opening performance for the offline branch and call center channels.
- **Limited insight on application completion rate difference by marketing campaign:** Some marketing executives indicate they have limited understanding of how the application completion rate differs based on marketing campaigns. They only have insight into how many accounts may have originated from a marketing effort—giving little insight into the relationship between the account-opening process and marketing effectiveness.

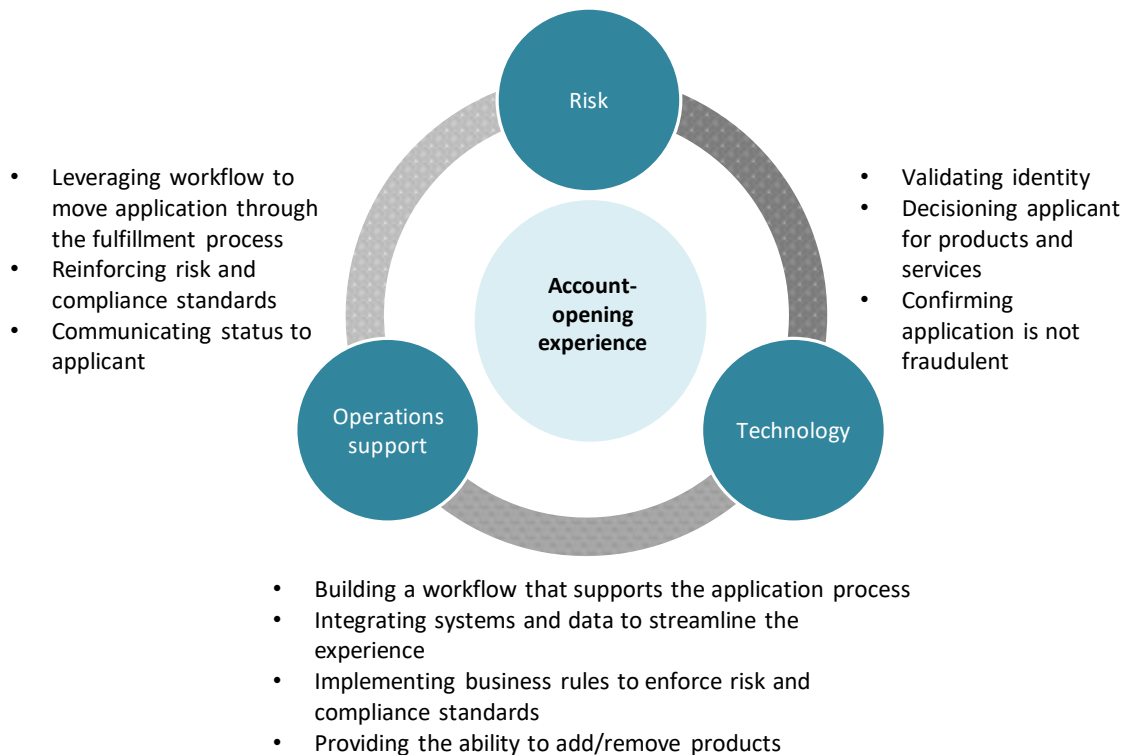
- **Channel-attribution metrics:** Many banking executives indicate that they do not have channel attribution metrics that allow them to see what channels an applicant used before finally completing an application. This information would allow marketing executives to optimize their marketing campaigns and respective calls to action or marketing channel mixes.
- **Organizational challenges:** Many FIs have a different leadership team for the physical channels—branch and/or contact center—and the digital channels—online, mobile, and tablet. As a result, sales efforts are not orchestrated across channels, and they do not have the ability to understand when and where an applicant has left off in the process and how they can encourage an applicant to complete an application.

INFLUENCERS OF ACCOUNT-OPENING SUCCESS

The account-opening experience is primarily driven by three factors (Figure 3):

- **Risk:** The application experience is designed in a way that confirms a customer's identity, verifies the application is not fraudulent, and captures the right level of information to render a credit decision. And this requires the art of balancing the ease of applying with implementing the right checks and balances to ensure the FI does not expose themselves unnecessarily.
- **Technology:** The right technology means that FIs can quickly modify workflow, integrate to new systems and data to streamline the process, and enforce compliance and risk rules.
- **Operations support:** In the background, the process needs to be able help move the applicant through any exception or underwriting processing and create transparency in those processes.

Figure 3: Three Factors That Influence the Application Experience



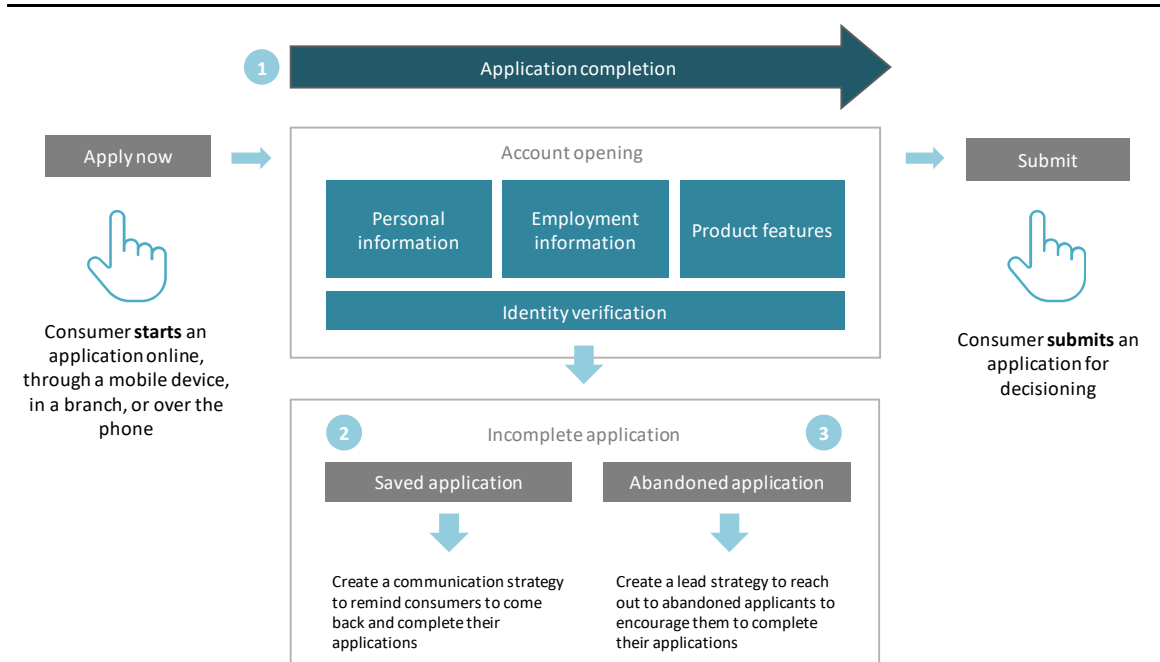
Source: Aite Group's interviews with 24 executives, January to May 2019

ACCOUNT-OPENING PERFORMANCE

Marketing executives have spent their time and marketing budget driving customers to apply for financial products and services, but where the rubber meets the road is in the account-opening experience. And despite the best marketing messaging and offers, a large portion of consumers still abandoned their application during the process. While some of the application abandonment can be tied to “one-click wonders,”—consumers who click on the offer and start an application out of curiosity—consumers who are interested in applying may still abandon an application because the process is too complicated, the process is too long, or they don’t have the information they need to finish the application. Figure 4 demonstrates the application process, how it’s measured, and the opportunity for banking executives to win back consumers who did not complete an application:

- **Application conversion:** Application that is started and submitted
- **Saved application:** Application that is not completed and saved
- **Abandoned application:** Application that is not completed and not saved

Figure 4: Application Conversion Metrics



Source: Aite Group’s interviews with 24 executives, January to May 2019

ACCOUNT-OPENING PERFORMANCE MEASUREMENTS

For banking executives to evaluate the effectiveness of their account-opening process, it’s important to focus on measuring the completion rate and the other supporting processes and capabilities that can drive higher completion rates. For example, many FIs provide applicants the ability to save and resume an application and have built lead capture and management

programs around the applicants who abandon their application during the process. Because save-and-retrieve capabilities and application abandonment lead-capture strategies can play a key role in winning back applicants who have not completed their application, banking executives should also measure the success of these capabilities and processes to determine if they can be optimized to encourage applicants to complete their applications. Table B outlines various sales application performance metrics and strategies that can help increase application completion.

Table B: Account-Opening Performance Metrics

Application metric	Measurement	Measurement considerations	Strategies to improve application performance metric
Application completion	Total number of applications started divided by the total number of applications completed or submitted	<p>The definition of what is considered a started application varies by FI. Many FIs have different views on what is considered a started application (e.g., first page or the first time a customer enters information into the first page of the application).</p> <p>Conversion rates can differ for authenticated and nonauthenticated applicants.</p>	<p>Streamlined application flows for authenticated or prequalified consumers</p> <p>Remote document capture</p> <p>Mobile identity validation and verification</p> <p>Performing page- and field-level analysis to determine where applicants are dropping out of the application and if the flow can be optimized to reduce fallout</p>
Saved applications	Total number of applications that are started, saved, retrieved, and submitted	<p>Ease of saving and retrieving the application, specifically the authentication for retrieving a saved application, should be considered.</p> <p>Accessibility of saved application for existing consumers in online or mobile banking should be considered.</p> <p>Retention time of the saved application should be considered.</p>	<p>Follow-up strategy to remind consumers to complete their saved application</p> <p>Incentive for completing application</p> <p>Integration of saved application into public site (targeted banner or shopping cart) or online and mobile banking</p>

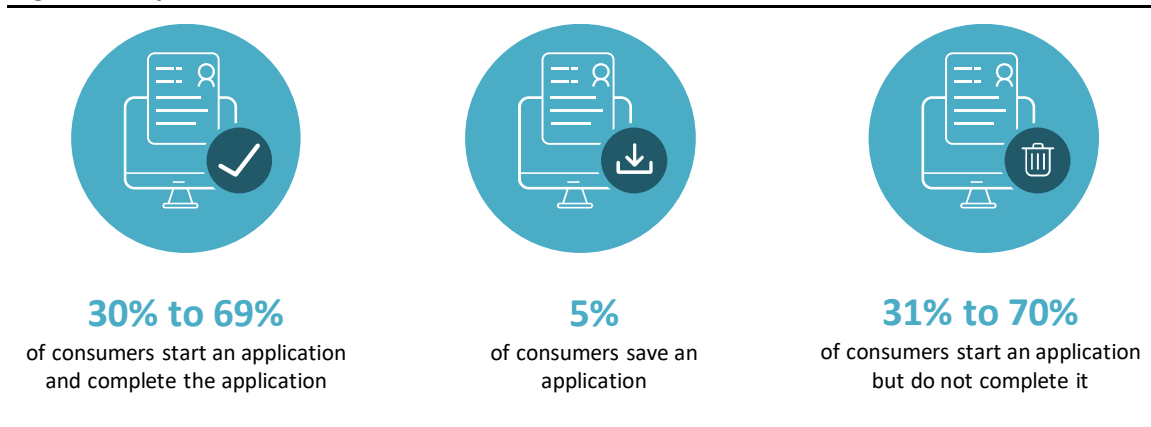
Application metric	Measurement	Measurement considerations	Strategies to improve application performance metric
Abandoned application	Total number of applications started divided by the total number of applications not completed, submitted, or saved	<p>FIs should determine when an application is captured as a lead—first page of the application or later in the application process.</p> <p>The ability to score the lead based on where the customer abandoned the application and how much information they provided should be considered.</p>	<p>Lead management strategy and follow-up methods</p> <p>Ability to tie abandoned application back to marketing campaign for optimization efforts</p>

Source: Aite Group’s interviews with 24 executives, January to May 2019

KEY INDUSTRY ACCOUNT-OPENING SUCCESS METRICS

Aite Group interviewed executives to determine the average range for application completion, the percentage of applicants who save an application, and the percentage of applications that are abandoned. While the completion rate varies by the size of the institution (potentially an indication of the influence that digital investment has on application completion rate), Aite Group observed that the completion rate was also driven by the FI’s risk tolerance, the technology it uses, and the process the FI uses to follow up on incomplete applications. Figure 5 shows the average completion rate, the percentage of applications that are saved, and the inverse rate of application completion versus application abandonment. The metrics in Figure 5 include all products and the digital channels.

Figure 5: Key Metrics



Source: Aite Group’s interviews with 24 executives, January to May 2019

The success of account opening differs by FI type, risk tolerance, the technology used, and the process the FI uses to follow up on incomplete applications. The other ways that success differs are by product and channel. The following are the differences in application measurement as well as challenges in measuring account-opening success:

- The application completion rate varies by product, with banking executives' digital checking applications having a 20% to 45% abandonment rate, credit card applications having a 55% to 60% abandonment rate, and auto loan and personal loan applications having a 20% to 26% completion rate.
- The interviews uncover that most FIs do not measure application completion for the branch or call center calls, although some executives believe that given the human assistance in these channels, the completion rate was near 95%, leaving 5% of abandoned applicants with no follow-up to win their business.
- Some banking executives and even technology solution providers believe that there is no reason to provide applicants the ability to save an application for less complex products, such as checking accounts, savings accounts, and credit cards. They state that this capability is not important because the application process is quick and easy—they indicate it only takes minutes to complete an application. While this seems reasonable, the high application abandonment rates indicate that perhaps it's not as quick and easy as they believe. And what is lost without the capability of saving an application is the ability to retarget abandonment applicants—essentially, leaving potential revenue on the table.

STRATEGIES TO WIN BACK ABANDONED APPLICANTS

The account-opening completion rates clearly indicate plenty of opportunity for FIs to optimize their existing application experiences. While banking executives should be focused on removing the friction in the account-opening process by exploring new technology and new concepts to transform it, plenty of low-hanging fruit will allow banking executives to reduce the number of applicants that are abandoned during the process. Below is a list of tactics that executives can use now to help stop the application abandonment leakage:

- For a situation in which more than one applicant is applying for a product, the primary applicant may not have all the information needed to fill in the information for the joint/secondary applicant. In this situation, the ability to save an application makes it easy for the applicants to come back and complete the application when they have all the information. Some FIs are also exploring allowing the primary applicant to “invite” the joint applicant to complete his or her portion of the application.
- The FIs that indicate that they allow an applicant to save an application have a communication process to remind applicants by email to complete their application. Most FIs follow up with applicants within 30 days via emails, which are sent at day three, seven, 14, and 28. The number of days FIs save an application varies from 60 days to indefinitely.
- The FIs that capture abandoned applications as a lead have used varying tactics to try to win back these applicants. The common strategy is to send an email to applicants encouraging them to apply. A more sophisticated strategy shared was scoring the lead based on how far along the applicant abandoned the application. In

other words, the further into the application an applicant got, the higher the lead was scored, and the high-scoring leads were routed to a banker or call center for an outbound call. The applicants that abandoned an application early in the process were given lower scores and were sent emails at days three, seven, 14, and 28.

- FIs also indicate that they use retargeting to present banners on the public website, in online banking, and in mobile banking to remind applicants who saved or abandoned an application to go back and complete their application.
- Although most FIs state they have an omnichannel strategy, few have account-opening experiences that allow a consumer to start an application, save it, retrieve it, and complete it in any channel. Given the high abandonment rate, omnichannel save-and-retrieve capability will allow a banker or contact center agent to remind customers about the application during branch visits or inbound/outbound calls, pick up the application where the applicant left off, and complete it. On the opposite side of the spectrum, applicants who start an application in a branch or on the phone with an agent and do not complete it can retrieve and complete the application from a digital channel when they get home.

TECHNOLOGY PROVIDERS

While having the right reporting in place can help FIs uncover opportunities to optimize their existing application process, plenty of new technologies can help reduce additional friction. And in some cases, new technology can help transform the account-opening and onboarding process. Aite Group has put together a list of use cases and vendors that have solutions that can help banking executives transform the account-opening and onboarding process. Table C is not intended to be an exhaustive list of all of the use cases nor a list of all of the technology needed or vendors in this space; rather, it highlights a short list of possibilities for how a digital account-opening and onboarding experience can be transformed. The use cases in Table C do not contain examples of the verify identity step, as some of the use cases and vendors are included in other stages of the process.

Table C: Technology That Can Transform the Digital Account-Opening and Onboarding Experience

Stage in process	Use case	Examples of vendors
Collect data	Determine the right product for a customer based on use, credit history, financial goals, consumer data, and reason for needing the account.	Accenture, Acxiom, Albert, BankSight, Beyond the Arc, Brighterion, Capco, CustomerMatrix, Datameer, Deloitte, Deluxe Marketing Solutions, DemystData, dunhumby, Eloqua, Epsilon, Equifax, Experian, EY, Feedzai, FICO, FIS, Fiserv, Harland Clarke, IBM, ID Analytics, KPMG, Marketo, Marquis, Merkle, Nielsen, NGDATA, NinthDecimal, Novantas, Oracle, PwC, Personetics, Radius, Segment, Smart Engine, SAS, Syncrement, TransUnion, Vantage, and Zylotech
	Identify any other complementary products or services based on the customer's existing account ownership or goals.	
	Guide consumers through the application process and educate them on ancillary services or other products that help to meet financial goals.	3Cinteractive, Abe AI, Active.Ai, Avaamo, Bold360, Bond.AI, Brighterion, Clinc, Conversation.one, Finn AI, Humley, IPsoft, Kasisto, Kore.ai, NCR, Next IT, Nuance, Ondot Systems, Payjo, Pegasystems, Personetics, ServiceNow, TalkBank, Tata Consultancy Services, and Wally
	Respond to consumers' questions about what type of product is right for them.	
	Help consumers understand what information is needed to apply for a product.	
	Complete the application by using voice recognition to answer questions in the application.	
	Streamline the application process to reduce the amount of data a consumer needs to enter through document capture and verification.	Acuant, AriadNext, IDology, Jumio, LexisNexis Risk Solutions, Lexmark, Mitek, OneSpan, Onfido, and Paycasso

Stage in process	Use case	Examples of vendors
Present disclosures	Present disclosures and allow a consumer to accept or sign disclosures.	AriadNext, DocuSign, eSignLive, Signicat, and OneSpan
Qualify for product	Evaluate credit risk and/or qualify for a product.	CU Direct, ChexSystems, CoreLogic, Equifax, Experian, FICO, Finicity, ID Analytics, LexisNexis Risk Solutions, MicroBilt, TransUnion, VantageScore, and Zoot Enterprises
	Verify application is not fraudulent.	Brighterion, DataVisor, Feature Analytics, Featurespace, Feedzai, FICO, IBM, ID Analytics, iSoft, LexisNexis Risk Solutions, Risk Ident, SAS, Simility, ThetaRay, and Wipro
Onboard account	Allow consumers to take pictures of bills to set up bill payments.	Allied Payment, AriadNext, FIS, Fiserv, Jack Henry & Associates, Kofax, LexisNexis Risk Solutions, Mitek, and TIS
	Identify any other complementary products or services based on the customer’s existing account ownership or goals.	Accenture, Acxiom, Albert, BankSight, Beyond the Arc, Brighterion, Capco, CustomerMatrix, Datameer, Deloitte, Deluxe Marketing Solutions, DemystData, dunnhumby, Eloqua, Epsilon, Equifax, Experian, Feedzai, Fenergo, FICO, FIS, Fiserv, Grow Solutions, Harland Clarke, IBM, ID Analytics, KPMG, Marketo, Marquis, Merkle, NGDATA, Nielsen, NinthDecimal, Novantas, Oracle, PwC, Personetics, Radius, Segment, Smart Engine, SAS, Syncrement, TransUnion, Vantage, and Zylotech
	Use a chatbot or interactive assistant to walk customers through the account setup process.	3Cinteractive, Abe AI, Active.AI, Avaamo, Bond.AI, Brighterion, Cline, Conversation.one, Finn AI, Humley, IPsoft, Kasisto, Kore.ai, NCR, Next IT, Nuance, Ondot Systems, Payjo, Pegasystems, Personetics, ServiceNow, TalkBank, Tata Consultancy Services, and Wally

Source: Aite Group

To make all of this work, the technology needs listed in Table C must integrate with a sales application platform, commonly through an application program interface (API). Aite Group has put together a snapshot of the vendors in this space (Table D).

Table D: Sales Application Platform Vendors

Capability	Examples of vendors
Sales application platform	Avoka, Backbase, BankSight, Bottomline Technologies, CU Direct, Digital Onboarding, FIS, Finastra, Fiserv, Gro Solutions, Intellect Design Arena, Jack Henry & Associates, MeridianLink, Newgen, nCino, Oracle, Terafina, Zenmonics, and Zoot Enterprises

Source: Aite Group

As FIs review the snapshot of the sales application platform vendors, they should note that one of the pain points of the sales application process is that bankers and contact center agents often use a different sales application platform than consumers use in the digital channels. This makes it challenging for an FI to get to an omnichannel strategy and allow a customer to move through the banking experience how and where they want, and, in some cases, an FI's customer has a better sales application experience than the FI employees. For example, many bankers' and contact centers' sales application processes have been used for a decade and were built on paper processes that have not been streamlined in years. This will become a bigger challenge for FIs' training and retention activities as they try to recruit younger generations—which have grown up as digital natives—to work for them.

ACCOUNT OPENING: SUCCESS METRICS NEEDED TO MANAGE THE EXPERIENCE

The FIs with the highest application completion rate could cite application performance metrics off the top of their heads. They also share that they have dedicated resources that look at these metrics every day to identify issues, dissect the data to pinpoint areas in which the application could be further optimized, used A/B testing to try new concepts, and implemented concepts that helped drive higher completion.

On the other side of the spectrum, some FIs either did not have reporting in place or their reporting was not deep enough to uncover insight that may be contributing to lower applicant completion rates than their peers. Table E outlines how application completion rates can be dissected to extract insight into performance and opportunities to optimize the account-opening process.

Table E: Account-Opening Metrics

Application measurement	Additional measurements that can provide insight
Application completion	<ul style="list-style-type: none"> • Completion rate for authenticated (prefilled with digital banking credentials) versus nonauthenticated applications • Completion rate among digital channels—online, mobile, and tablet • Application completion by marketing campaign • Page-level analysis to see where applicants are abandoning the application and how much time they are spending on each page • Field-level analysis to uncover where consumers may be getting errors in the application that could lead them to abandon the application • Heat map to determine differences by location and even differences by location and device type • Channel attribution
Saved application	<ul style="list-style-type: none"> • Percentage of applications saved by channel and by product • Percentage of applications that are saved, retrieved, and completed • Average number of days it takes for an applicant to retrieve and complete an application • Percentage of applications started in a digital channel and completed in a branch or call center, and vice versa • Percentage of saved applications that are part of a retargeting campaign that are retrieved and completed

Application measurement	Additional measurements that can provide insight
Abandoned application	<ul style="list-style-type: none"> • Percentage of abandoned application leads that, as a result of an outbound branch or contact center call, are completed • Percentage of abandoned application leads that, as a result of an email campaign, are completed • Percentage of abandoned application leads that are part of a retargeting campaign and are retrieved and completed

Source: Aite Group

The FIs that have had success with their application completion rate indicate they have built dashboards that provide this level of report. In addition, many banking executives that have dashboards state they can pull in additional data points to see if they can find ways to tighten up the process further to reduce abandonment or even lower fraud.

Another tactic that digital banking executives use to pinpoint areas of opportunity to optimize their application experience is digital session monitoring and recording. Companies such as Glassbox and IBM, through their Tealeaf solution, allow executives to monitor what customers did in the digital account-opening process (by recording and playing back) or what the customer is doing in real time to gain further insight into the account-opening experience.

CONCLUSION

Running an account-opening business like you own it means that FIs will have to begin to measure the various aspects of the account-opening experience, and also solve some fundamental issues in the process. Whether you are an FI just implementing a digital account-opening experience or are trying to orchestrate an account-opening experience across all your channels, the following are a few considerations to help you get started:

- **Run it like you own it.** To do that, you must have the right tracking and metrics in place to identify issues, understand opportunities to optimize the process, test, and learn. As more consumers continue to use the digital channels to open new accounts, the ability to slice and dice reporting to uncover insights will become more important.
- **Optimize your existing digital sales processes.** In the short term, work on mastering the basics to increase application conversion rates. Focus on streamlining the application to only ask questions necessary to render a credit decision, implementing capabilities such as the ability to save and retrieve applications to minimize application abandonment.
- **Create lead-capture programs.** Given the number of applicants who save an application and don't return to complete it and the number of applicants who abandon applications, FIs have significant opportunity to win those applicants' business. Start small by sending emails to encourage applicants to complete their application and then move on to more sophisticated strategies, such as an outbound call campaign or routing leads to a banker.
- **Begin implementing more robust capabilities.** As the pace of technology changes increases and consumers become more comfortable with trying new technology, FIs have an opportunity to stitch together technology in a way that makes it quicker and easier for an applicant to apply.
- **Invest in employee account-opening experiences.** Some FI employees are using the same account-opening process that FIs have had in place for a decade or longer. Now is the time to give your employees a quick and easy account-opening solution and, at the same time, increase the amount of applications completed.
- **Implement an omnichannel strategy.** Omnichannel is important, as it gives consumers a way to move between channels seamlessly. As FIs take on branch transformation and move toward a digital-first approach, they must break down the barriers between physical and digital channels, and omnichannel is a key capability to do that.

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CONTACT

For more information on research and consulting services, please contact:

Aite Group Sales

+1.617.338.6050

sales@aitegroup.com

For all press and conference inquiries, please contact:

Aite Group PR

+1.617.398.5048

pr@aitegroup.com

For all other inquiries, please contact:

info@aitegroup.com