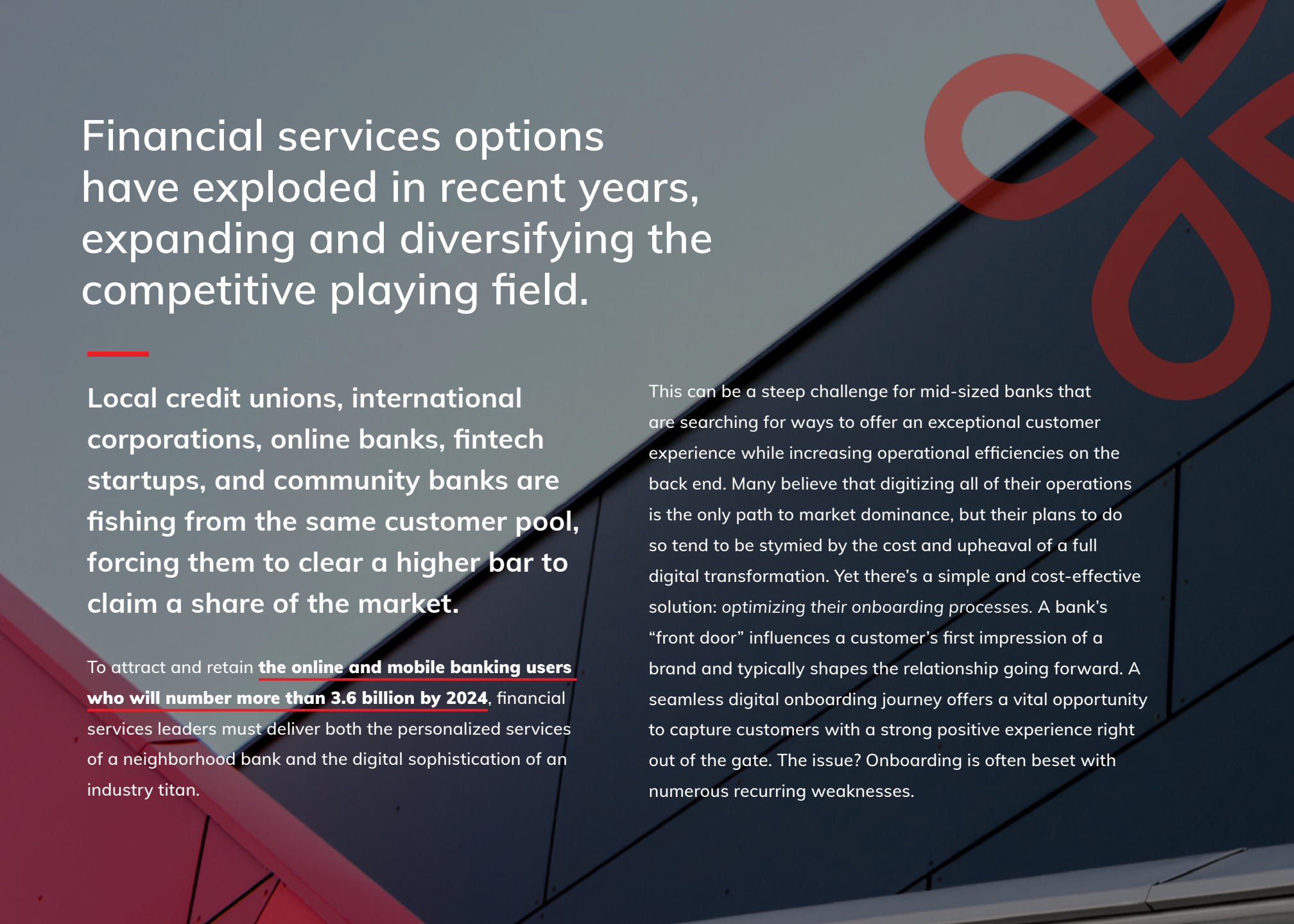




# LaunchPoint™

A Smarter Front Door for Financial  
Services: Increasing Market Share  
with Digital Onboarding





# Financial services options have exploded in recent years, expanding and diversifying the competitive playing field.

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Local credit unions, international corporations, online banks, fintech startups, and community banks are fishing from the same customer pool, forcing them to clear a higher bar to claim a share of the market.

To attract and retain the online and mobile banking users who will number more than 3.6 billion by 2024, financial services leaders must deliver both the personalized services of a neighborhood bank and the digital sophistication of an industry titan.

This can be a steep challenge for mid-sized banks that are searching for ways to offer an exceptional customer experience while increasing operational efficiencies on the back end. Many believe that digitizing all of their operations is the only path to market dominance, but their plans to do so tend to be stymied by the cost and upheaval of a full digital transformation. Yet there's a simple and cost-effective solution: *optimizing their onboarding processes*. A bank's "front door" influences a customer's first impression of a brand and typically shapes the relationship going forward. A seamless digital onboarding journey offers a vital opportunity to capture customers with a strong positive experience right out of the gate. The issue? Onboarding is often beset with numerous recurring weaknesses.

# Onboarding Barriers

Whether they're opening a new checking account, signing up for direct deposit, arranging automatic card payments, or enrolling in other digital banking services, many customers encounter stumbling blocks that can drive them to a competitor. Of those who complete enrollment, **25 – 40 percent of new checking accounts are closed within the first year.**

McKinsey research indicates that for every 10-percentage-point uptick in customer satisfaction, a financial services company **can increase revenue by 2-3 percent**. In analyzing customer satisfaction in onboarding, they found that transparency of price and fees, ease of communication, and ability to track status accounted for 42 percent of their satisfaction; another 34 percent depended on personalization of services, such as “assessment of broader customer needs; products and services received immediately after account opening, such as debit cards and mobile and online banking access; and ease of identifying the needed product.”

## 25-40%

of new checking accounts (who complete enrollment) are closed within the first year.

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## 50%+

of online applications are abandoned because of long, involved processes and funding delays.

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## 70%

of millennials demand a seamlessly integrated experience for digital services across all channels.

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## 75%

of consumers are likely to leave without completing a transaction if they encounter onboarding friction

Yet it's precisely those areas that are difficult for many mid-sized banks to master. Consider that **more than 50 percent of online applications are abandoned** because of long, involved processes and funding delays. Speed isn't the only concern; most customers want omnichannel onboarding, such as the **70 percent of millennials who demand a seamlessly integrated experience** for digital services across all channels. Offering this kind of flexibility and personalization is unfortunately beyond many mid-sized banks' capabilities.

Another common obstacle: the roadblocks inherent in Know Your Customer (KYC) actions. Understanding which customers to onboard (or decline) is critical when it comes to managing regulatory risk and fraud. Onboarding the wrong clients can cost millions.

Consider the fiscal year 2020, when financial institutions across the globe were fined US \$10.6 billion for regulatory non-compliance in KYC and anti-money laundering actions, according to the AML/KYC Tracker by PYMNTS and Trulioo. But **75 percent of consumers are likely to leave without completing a transaction** if they encounter onboarding friction – and flawed KYC solutions can also cost banks millions in lost revenue and growth by driving away desirable clients. When these outdated requirements and rigid rules delay access to their new account, these customers typically grow frustrated and decide to shop around for a faster process.

## The Good News?

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Next-generation technology can dissolve many of these barriers. Instead of hindering their own progress by waiting to unleash a full-scale digital transformation, banks can make small incremental changes in onboarding that drive big rewards over time.

By offering a seamless, sophisticated onboarding journey, banks can captivate customers from the start, and become their financial services partner of choice.





# Successful Onboarding Inside and Out

Historically, onboarding was often defined as the completion of a new account application. These days, customer expectations have risen dramatically – and so the standard for success is much higher and more complex. Today's onboarding litmus test entails not only meeting customer product and service expectations, but operating a highly efficient process ecosystem that accelerates enrollment and replaces time-consuming workflows with faster, automated processes.



Product Needs Are Met



Accelerated Enrollment



Efficient Service Guidance



# The Customer Onboarding Wishlist

From a new customer's point of view, the ideal onboarding experience is flexible, empathetic, and fast – and includes product and service guidance that reflects their specific needs.

## Customers expect institutions to “know” their preferences and deliver personalized recommendations.

Customers complete much of their buying journey through their own research before they engage you. Yet they still expect you, their chosen provider, to intuitively connect your products and services to their profile. They also expect full transparency into product benefits, fees, and limitations.

### Why it Matters

Even a new customer who's enthusiastic about your brand will pause when your system presents them with multiple financial products to select. That suspension offers them time to decide whether your products are worth researching or if they should simply shop around for a competitor who offers easier selection and enrollment. Personalization and recommendations encourage them to continue their journey.

## Speed and simplicity are critical factors.

When customers can't use their account right away, **40 percent abandon the process**. Customers want a simple, intuitive enrollment that doesn't confuse them or require them to navigate a complex path. Even more important: immediate account use. In the age of instant gratification, customers are looking for real-time funding.

### Why it Matters

A customer motivated to visit your branch or website or app usually has a specific transaction they'd like to complete. If your onboarding system forces them to wait – whether that's to verify documentation or finish KYC screening – they are likely to feel frustrated and once again, look for a competitor who will help them complete that transaction that moment through immediate funding options and integration with other products such as debit or credit cards.



## Today's most popular businesses meet customers in their moment – wherever they are and whenever they want to transact.

Omnichannel onboarding offers customers their choice of mobile, desktop, or in person enrollment. This flexibility allows them to capture customers as soon as they make a decision to move forward.



### Why it Matters

Some customers prefer digital banking, some prefer interacting in person with frontline staff, and a full **25 percent of U.S. banking consumers** use both digital and branch banking. To increase market share, your onboarding must cater to them all. Your next new customer may study your website from their office laptop, then start to enroll from their cell phone at lunch, only to get interrupted and resume the process at a branch the following day. They expect that agility from a bank worthy of their business, and your ability to follow their preferences from moment to moment can signal a smooth journey forward.

**Customer satisfaction drops by 2/3 when a consumer is forced to change channels for a 'simple' engagement.**

# Best Practices for Internal Efficiencies

Delivering an exceptional customer experience requires a simple, sophisticated ecosystem of internal processes that boost productivity and empower end-to-end efficiencies. By streamlining backend workflows, teams can refine their front-end offerings through three tools:



## 1 One universal system that can handle personal, retail, and other account types.

When customers are asked to follow different processes for different accounts, it's disruptive and confusing. Training staff on multiple platforms is also more expensive, time-consuming, and creates varying sets of approval and compliance workflows. Adopting one universal system reduces errors and transforms each new account opening into a smoother, easier process.


## 2 The virtualization of processes and engagement.

In our remote world, the wave of processes that once took place through face-to-face interactions often now take place on a screen. From opening accounts to cross-selling new solutions to deepening relationships across the entire customer journey, teams must implement efficient virtual versions of these processes. That includes making data accessible across departments to manage their digital customer base proactively and reactively, as well as changing payment protocols to meet compliance regulations and other controls.

## 3 A reliable, accurate, and flexible KYC solution.

To quickly accept ideal clients, a KYC solution must include verification tools that perform real-time CIP/KYC/EDD actions. End-to-end KYC processes for clients and employees must also be digitized to accommodate omnichannel onboarding. Only by accepting the most desirable clients without delay can banks increase their market share.



The background features two sets of three-dimensional red rectangular blocks. One set is in the top-left corner, and another is in the bottom-right corner. Both sets consist of three blocks of increasing size, creating a sense of depth and perspective. The blocks are a vibrant red color with subtle gradients and shadows.

A Gallup study discovered that when companies successfully engaged customers, they reported 63% lower customer attrition, 55% higher wallet share, and overall **performed 23% better than their competitors**

# LaunchPoint: Intuitive Onboarding Meets Digital Sophistication

In a financial services world driven by the desire for speed and convenience, LaunchPoint takes customers from application to funded account in

**~20 minutes.**

The solution verifies and onboards customers, then selects and activates their product(s) in one session – providing both an easy, customer-driven experience and behind-the-scenes efficiencies that work elegantly with your core systems.

Customers experience an intuitive and convenient experience that quickly finalizes their new account. By providing seamless digital journeys, banks dramatically increase the likelihood not only of full enrollment, but future engagement with their other financial products. Moving fluidly between channels, busy customers can easily access every tool and resource they need, keeping all their financial services engagements in house.

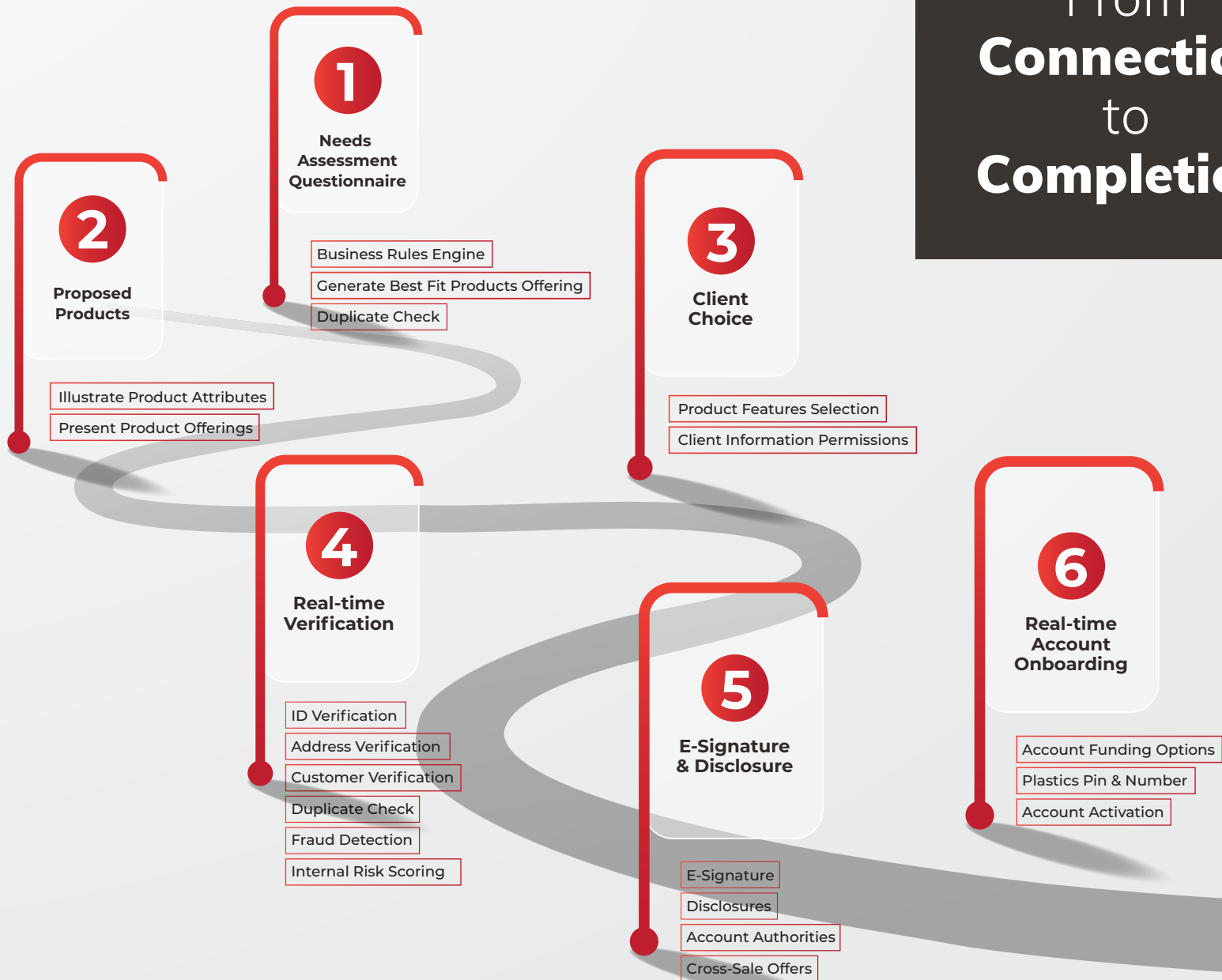
On the back end, LaunchPoint's next-generation technology effectively manages a complex assortment of rules, documents, and compliance requirements.

Embedded in the onboarding experience is a flexible risk model that allows onboarding workflows tailored to client attributes. Teams who program their risk policy into **Rulesware Risk** can define STP workflows that push desirable clients through fulfillment while routing other clients to alternate workflows.

## **The Result:**

Optimized customer journeys for lasting, profitable relationships and expanding market share.

# From Connection to Completion



## The LaunchPoint Advantage

# 8 Tools for Seamless and Smarter Onboarding



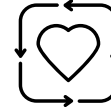
### One and Done in Less Than 20 Minutes

Real-time funding options let customers use accounts immediately.



### Personalized Product Recommendations

Rules engine promotes best-fit products based on customer profile, eliminating guesswork.



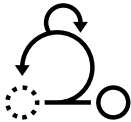
### One Universal System

One system for all products, departments, and account types keeps it simple for staff and customers.



### Advanced Risk KYC Engine

Optimize onboarding through verification tools and intentional STP workflows.



### Flexible Configuration Options

Teams control work routing, analytics, product workflows, and application behavior – tailoring software to their needs.



### Self-service Convenience

24/7 portal access lets customers apply for products, submit documents, check status, or correct information.



### Omnichannel Enrollment – Online, in Branch, or Mobile

Customers can enroll how, when, and where they want – increasing completion rates keeps it simple for staff and customers.



### Separate Role-based Portals

Options for User, Manager, Administrator and Channel Mashup cater to each user's needs.



# Achieving a Quantum Leap in Customer Loyalty

**Banks face a mix of complicated challenges these days, from fintech competitors to ever-changing compliance regulations.**

Upgrading the onboarding experience on the front and back end is a simple win that can benefit staff while attracting the right customers, without the high price tag of end-to-end digital transformation. As a reinvention of the customer experience, digital onboarding can differentiate you from competitors, elevate brand reputation – and increase market share. LaunchPoint offers the best of both personalized service and digital speed, creating a new destination in banking for customers looking for the ultimate financial services journey.

<https://rulesware.com/launchpoint/>

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