

# 5 success factors for onboarding more good customers faster



For many business leaders, delighting customers while preventing fraud is challenging. Is it possible to do both? We're happy to tell you that it is. This eBook outlines 5 success factors for maximizing the onboarding experience and 9 specific actions that organizations can take to get more good customers onboarded faster without compromising security. We'll also explain how many of these tactics don't just improve user experience, but security as well.

**Ready to learn more? Keep reading.**



# The onboarding balancing act

In a digital-first world, it's more important than ever to establish that customers are whom they claim to be. With fraud on the rise, the absence of robust identity verification and KYC processes can lead to financial losses, compliance failures, and reputational damage.

However, onboarding is not just about keeping bad actors out, it's about letting good customers in. Unfortunately for many companies, the journey is inefficient, disconnected, and riddled with roadblocks that frustrate customers and cause them to abandon the process entirely. According to a Signicat survey, 55% of customers abandon onboarding within the first 15 minutes. Once you hit the 20-minute mark, you'll have lost 70% of them. This failure to convert good customers comes at a significant cost in the form of lost revenue.

The use cases for proving one's identity digitally are expanding beyond opening financial accounts to employee onboarding, checking in to a hotel or for travel, ordering grocery delivery, online gaming, and more.

## Successful onboarding requires balancing competing business goals and requirements:

- **Increase customer acquisition:** Consumers expect immediate, secure access to digital services. Too much friction during onboarding lowers conversion rates.
- **Reduce fraud and risk:** Modern security strategies and technologies are necessary to fight sophisticated fraud. A 2021 Transunion study reports that worldwide digital fraud in financial services grew 33% YoY. Travel and leisure, gaming, and telecommunications also experienced significant increases in fraud.
- **Meet compliance requirements:** While financial services organizations are bound by KYC and AML regulations, companies across industries benefit from regulatory guide rails designed to curtail fraud, abuse, and other criminal activity.



**Following are 5 success factors** and 9 tactics to help you tackle the competing goals and requirements associated with digital onboarding. Learn how to strike the right balance. Your business and your customers will thank you!

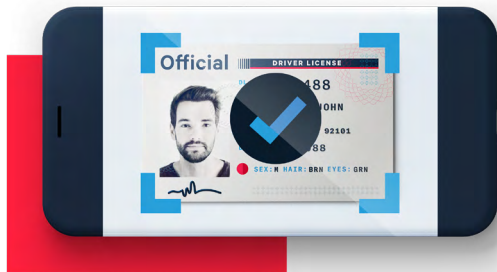
- 1** Reduce time and effort to onboard
- 2** Strike the right balance between security and convenience
- 3** Provide flexibility in the onboarding process to increase conversions
- 4** Deliver an intuitive, cohesive, and inclusive user experience
- 5** Build trust from the outset and inspire confidence in your brand

# 1 Reduce time and effort to onboard

Unfortunately, it's still far too common for companies to have antiquated onboarding processes that don't fit with consumers' busy lives or meet their expectations for easy access. Worse still, resolving issues that arise during these processes often results in verification taking days or even weeks longer than necessary. Today's digital consumers won't think twice about signing up or opening an account with an alternative vendor that can meet their needs faster. Below are recommended tactics you can implement to ensure a fast and frictionless onboarding process that delights customers and improves acceptance rates.

## **TACTIC:** Ensure a complete view of performance data

Ensure the solution you choose accurately detects fraud without high false positives. Most technologies can be configured to minimize fraud during identity verification. Really good solutions are exceptionally accurate at detecting fraud without using methods that result in a high percentage of good customers being held-up or denied access. Friction in onboarding is a huge cause of abandonment due to additional verification steps which may include escalation to a human agent for review. For some organizations, this can add hours or days to verification and consumes costly resources.



## **TACTIC:** Provide guided journeys and real-time feedback to prevent confusion and frustration

Provide customers with a simple guided workflow as well as dynamic feedback and messaging throughout the onboarding journey. This will shorten the time it takes to reach the onboarding finishing line. Start your process with a customized welcome screen that sets expectations for the process and what customers will need to complete it. Consequently, it's an effective way to deter fraudsters from even trying to circumvent security.

Use a platform that can adapt to multiple user personas and customize each journey. This will enable today's modern consumer to follow a fast, straight-through linear journey while slower applicants may use a hub page for more support and guidance.

Journey guidance may include tips, prompts, and tools that alert customers to problems as they arise, such as issues with the image captured or incomplete steps and assists them in resolving the issues.

# 1 Reduce time and effort to onboard cont.

## **TACTIC:** Reduce friction upfront with superior image capture

During identity verification, applicants may be required to take a photo of their identity document and a selfie to prove they are whom they say they are. Capturing a high-quality image isn't as easy as it may seem, leading to a terrible customer experience and even abandonment

An intuitive auto-capture experience helps ensure a high-quality image is taken the first time. The solution should analyze key quality conditions such as glare, brightness, and document alignment and provide users with instant feedback. Data shows that guided auto-capture significantly improves image acceptance rates over manual capture – reducing retries, delays, and abandonment.

## **TACTIC:** Imperceptibly detect identity spoofing with passive liveness detection

When using face biometrics for authentication, accuracy is no longer a concern. However, spoofing attacks in the form of printed photos, videos, deepfake images, and 3D masks are a significant threat. Whereas facial recognition can accurately answer the question, “Is this the right person?”, it doesn't answer the question, “Is this a live person?” This is the role of liveness detection.

When selecting liveness technology, look to eliminate extra steps and friction with a modern solution that works passively in the background vs an active solution that relies on the user's movements in response to challenges such as nodding, blinking, smiling, or correctly positioning one's face in a frame. Unlike passive solutions that determine liveness in less than 1 second, active liveness is shown to have a negative impact on new customer acquisition, with companies reporting abandonment rates as high as 50% at this step.



## 2 Leverage data and optimization tools to help strike the right balance between security and convenience

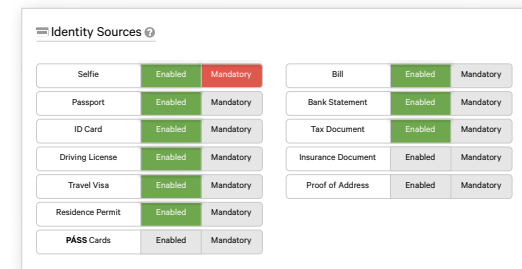
### **TACTIC:** Take a risk-based approach using configurable confidence thresholds

Customer onboarding journeys should be customizable and allow confidence thresholds based on the risk profile of each unique application or use case. A platform with a wide range of verification data sources will help an organization control with greater confidence the decisioning levels when onboarding or re-verifying customers. Having a journey that can adapt to risk scenarios fluidly and without interruption means that an applicant can be onboarded quickly, without feeling overwhelmed by excessively rigorous checks when unnecessary.

The ability to leverage multiple signals simultaneously lessens the burden on customers to prove who they are and strengthens

the accuracy of score or result. Orchestration of signals that are optimized for each use case dramatically improves the customer experience and improves accuracy of results when it's needed most.

“Data Search First” features help remove unnecessary KYC steps where customers have a partial database match and automate fuller KYC steps for customers that have no match or fraud warnings from the database check process.



Identity Sources		
Selfie	Enabled	Mandatory
Passport	Enabled	Mandatory
ID Card	Enabled	Mandatory
Driving License	Enabled	Mandatory
Travel Visa	Enabled	Mandatory
Residence Permit	Enabled	Mandatory
PASS Cards	Enabled	Mandatory
Bill	Enabled	Mandatory
Bank Statement	Enabled	Mandatory
Tax Document	Enabled	Mandatory
Insurance Document	Enabled	Mandatory
Proof of Address	Enabled	Mandatory

## 3 Provide flexibility in the onboarding process to increase conversions

### **TACTIC:** Enable customers to seamlessly restart the onboarding process

Customers are busy, things come up, and distractions happen. Enabling customers who pause the process to pick up where they

left off is a powerful tactic for increasing conversions. Select a platform with customizable outreach tools designed to re-engage customers using email and/or SMS reminders that encourage them to complete onboarding. Outreach tools can also be used to tell users who drop off due to a problem, what went wrong and how to correct the issue.

## 4 Deliver an intuitive, cohesive, and inclusive user experience

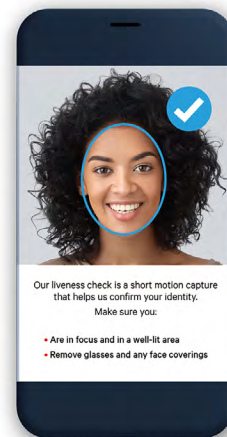
### TACTIC: Support customers' preferred channels for onboarding

Historically, KYC regulations have resulted in narrow customer onboarding journeys that fail to understand the varied ways that customers want to interact with the organization. Some customers will want to onboard with their laptops while others prefer mobile apps. An ideal experience enables the flexibility for users to start on one device and seamlessly switch between their devices when completing an application in more than one session. This is the reality of digital experiences today, so it's essential that you select a solution with omnichannel support. If you deliver convenience and continuity to your customers, they'll be far more likely to see the onboarding journey through to the end.

### TACTIC: Make digital onboarding accessible for everyone, at any time

Even organizations with a focused geographical presence serve diverse customers. Offering customers the ability to onboard in their preferred language can make a huge difference. A platform with the ability to configure language settings for different journeys makes supporting multiple languages easy.

Additionally, the ability to conveniently onboard from anywhere should be available to all people including those with sight, movement, dexterity, hearing, and cognitive disabilities. Look for capabilities for visually and physically impaired people such as screen reader optimization, focus indicators for people that may not be able to use a mouse, and the flexibility to save and continue later.



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## 5 Build trust from the outset and inspire confidence in your brand

### **TACTIC:** Customize the KYC interface to match the brand

Digital commerce is more competitive than ever so when your customers choose to work with your organization, customizing the KYC interface to reflect your brand is a powerful way to create a strong first impression and build trust. A journey fully customized to reflect your brand minimizes the likelihood that people will abandon the application before the transaction is completed. Consistent branding also removes uncertainty when users find themselves being asked for information in an environment that they aren't familiar with.

Seek a platform that allows complete design customization and control, including logo, fonts, colors, icons, and messages, for a truly white-labeled journey.



# Summary

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Organizations spend resources and money on customer acquisition, so it only makes sense to invest in a modern onboarding experience that is designed for maximizing the conversion of good customers.

One caution when looking at abandonment rates is that It's important to understand that not all abandonment is unwelcome. Having a modern onboarding process with document verification, biometric matching, liveness, and more will cause some bad actors to drop off during the process and that's what we want!

This eBook presented 5 success factors and 9 tactics for reducing abandonment during onboarding. The common theme across all 9 is that they put the customer at the center of the onboarding journey. By partnering with the right KYC provider, you get to control and create an optimized onboarding experience for your customers while minimizing risk and meeting KYC and AML regulatory requirements.

## Learn how Mitek can help

Mitek is a global AI-based identity solutions provider. Our platform combines a comprehensive set of native and external identity verification signals with powerful orchestration and configuration tools; allowing organizations to quickly create tailored onboarding, lower operational costs, and reduce onboarding friction.

Find out more at [miteskysystems.com](https://miteskysystems.com)

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