Prove

How Smart Marketers Are Boosting New Customer Sign-ups and Revenue with Prove Pre-Fill™

Marketers Know They Need to Leverage Modern Identity Techniques to Reduce Abandonment

It's no secret that marketers find friction-creating identity verification disruptive to their goals. With consumers' "need it now" expectations at an all-time high, slowing them down for even a few seconds to verify their identities can cause them to abandon, resulting in lost revenue. At the same time, account opening fraud is one of the fastest-growing types of identity fraud, costing companies millions of dollars and skewing marketing analytics. Therefore, properly vetting a potential customer's identity at the time of onboarding is a top priority for companies, but how can marketing and fraud professionals balance their objectives to sign up as many new customers as possible while also protecting against identity fraud?

Today's customers expect easy and instant digital experiences	**82%** of consumers expect immediate responses[1]	**75%** of customers expect companies to use new technologies to create better experiences[2]

| Cumbersome identity verification processes are an often-cited customer pet peeve | **47%**
who began applications on mobile did not complete them, citing "poor UX and confusing fraud processes"[3] | |
| | **40%**
Abandonment rate for online bank account opening[4] | **76%**
E-commerce cart abandonment rate[5] |

Using Identity Verification Tools as an Opportunity to Accelerate Revenue

In the past, identity verification and authentication technology such as passwords, security questions, and texted one-time passcodes have been the

enemy of new customer acquisition, causing friction and disrupting the customer experience. *Today, more modern marketers are realizing that they can use specialized identity verification tools to their advantage in order to better the customer experience and drive revenue.*

Marketers who use the latest identity verification technologies such as authenticated data auto-fill are giving their companies a tremendous competitive advantage. For example, recent case studies show that companies using more innovative solutions for immediate credit card approval gained **hundreds of millions in additional annual revenue** (see case study section on page 12).

> **"Companies that are embracing innovation are winning market share via digital transformation,"** says Aite Group Senior Analyst Shirley Inscoe. **"Consumers want fast, simple, and secure experiences. Companies winning the CX battle are increasing their revenue, delighting their customers, and increasing brand loyalty."**

Industry Trends

Emerging Trends

Rapid migration to digital creates a digital-first world

Race by companies to make all services digital

High consumer expectations for "simple, secure processes"

The challenge of optimizing the customer experience

Risk of abandonment and lost revenue – companies need to book more "good" accounts

Managing costs by streamlining and reducing manual operations

Strengthening digital controls to reduce fraud

The Unprecedented Shift to All Things Digital and Increased Customer Expectations

More consumers are shifting to transacting digitally than ever before. At the same time, consumer expectations have increased. For example, consumers expect to perform all manner of services via their preferred digital channel. And they want to complete these services quickly, with the fewest steps, clicks, and keystrokes. In any industry served digitally, organizations need to meet consumer expectations, or the consumer will abandon the activity or transaction.

The implications of higher consumer expectations are critically important: **increased revenue for those that "get it right" and lost revenue for those that don't.** There are certainly examples of companies that have embraced modern techniques and technologies to win this battle, and the positive impact on their sales and revenue benefit is staggering.

While digital experiences used to be preferred by only specific demographics in the past, such as Millennials, digital-first preference increasingly applies to all consumers.

And companies now need to enhance experiences even further to ensure consumers feel comfortable performing tasks online and feel secure.

"Those organizations winning the CX battle are the most likely to be successful. The evidence is becoming overwhelming. Almost one in four (23%) C-suite respondents rank CX optimization as the foremost opportunity for 2020."[6] The focus on customer experience will continue to be a priority for years to come.

Application Abandonment

Risk of Losing Potential Customers and Revenue Due to Cumbersome Experiences

Losing a potential customer during the application process is one of the greatest threats to revenue. In the digital-first world, many different industries are being impacted by customer impatience with application experiences, including e-commerce, financial, healthcare, and insurance. Consumers will abandon application processes if they are cumbersome or time-consuming.

Abandonment Rates by Industry

Based on averages across 500 leading global brands, here are the key cart abandonment and remarketing stats from July, August, and September 2018. These rates represent the percentage of customers who left behind their orders instead of purchasing.

Total 76.9%

75.80% — Retail

73.50% — Fashion

81.10% — Travel

75.70% — Finance

77.90% — Non-Profit
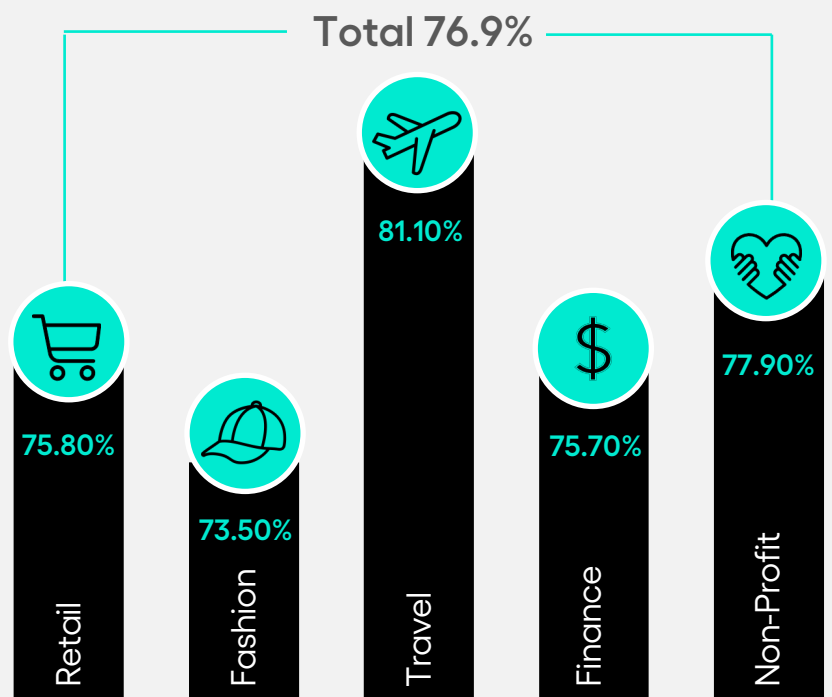
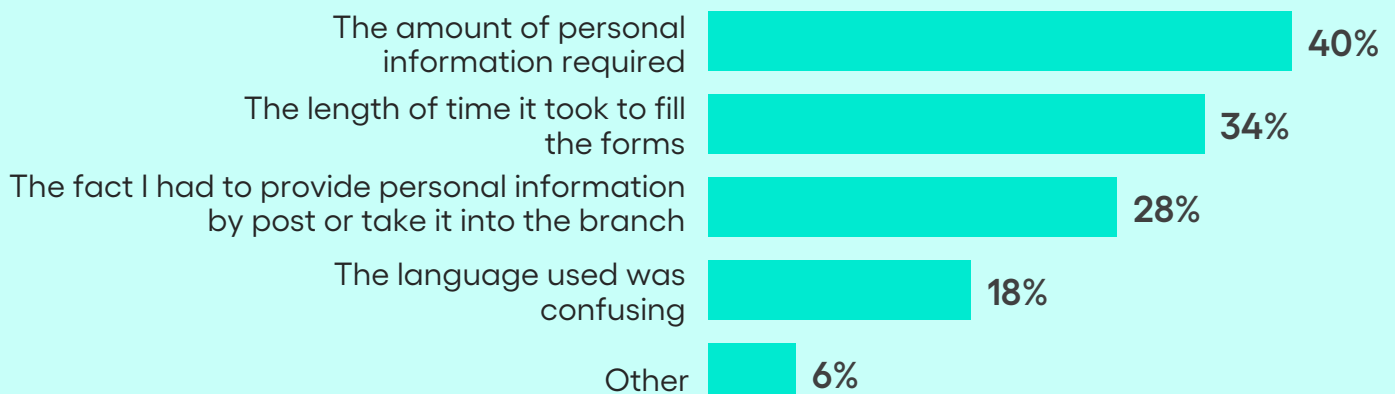Source: SaleCycle; "[Infographic] The Remarketing Report"

Financial

There is a massive opportunity for financial institutions to gain an edge against competitors by redesigning digital channels to serve customers who increasingly want to conduct business on mobile phones and online. As digital activity volume grows, there is still room to innovate when it comes to features such as digital account opening and real-time approvals. Consumers demonstrate their demand for a frictionless application service that operates seamlessly and in real-time **by abandoning experiences involving cumbersome and lengthy application times.**

According to SaleCycle's Remarketing Report, financial application abandonment rates averaged 75.7% across all channels; digital, call center, and branch. [7] Specific to digital applications, a study by Signicat showed that nearly two-thirds of European consumers abandoned digital banking applications in 2020.[8]
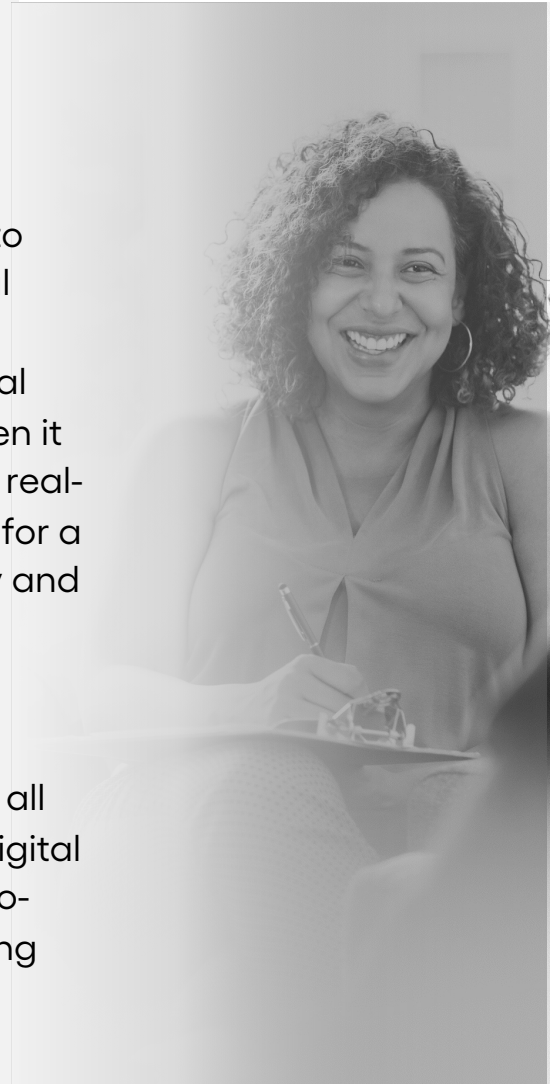
Prior research by Signicat[9] concluded the reasons for abandonment were as follows:

The amount of personal information required	40%
The length of time it took to fill the forms	34%
The fact I had to provide personal information by post or take it into the branch	28%
The language used was confusing	18%
Other	6%

Consumers did not want to take the time to fill in their personal information, take the time to fill in the forms, and were confused by the process. Organizations need to create an application process that consumers can complete instantaneously and with little input.

Why People Abandon Online Financial Product Applications

Security concerns	10%
Form length	11%
Advertising or upselling	27%
Unnecessary questions	29%
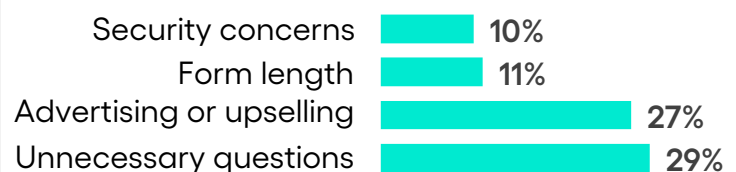
Not all answer choices shown.
N=406 people who have abandoned an online form
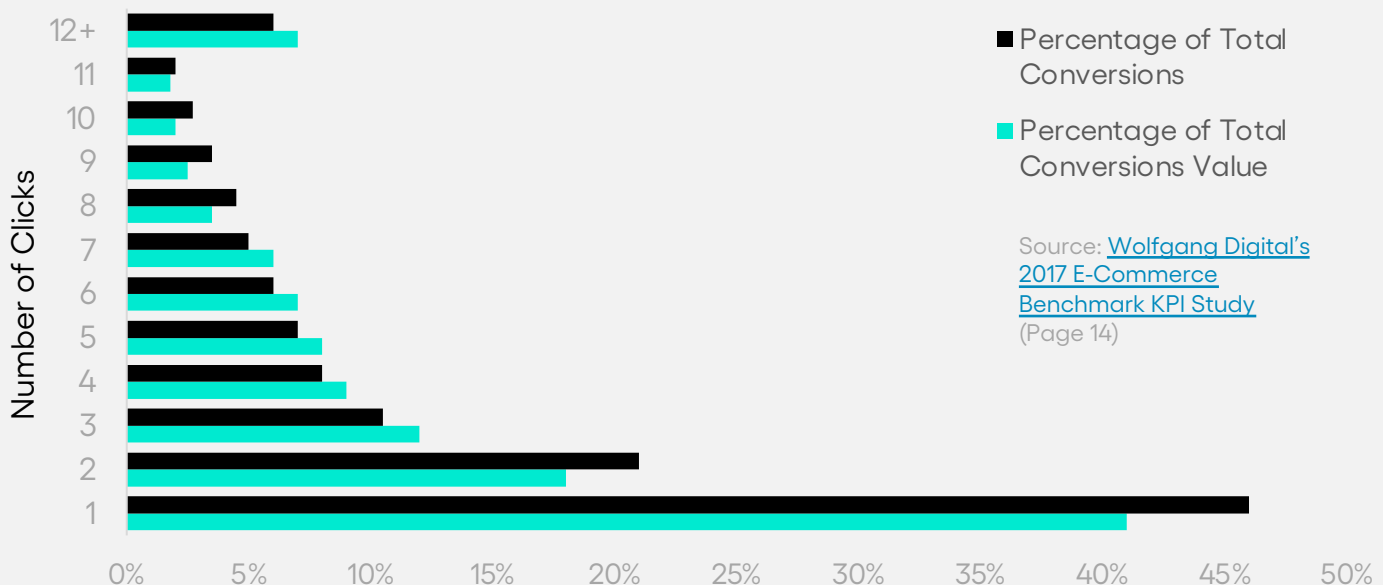Source: The Manifest – UX of Online Forms Survey, 2018

E-Commerce

Consumers expect smooth digital experiences, yet most e-commerce checkout flows are cumbersome and require too many clicks and keystrokes that lead to abandoned purchase transactions. In a single year, cart abandonment is responsible for $4.6 trillion in lost e-commerce sales,[10] with abandonment rates averaging nearly 76%.[11]

Consumers want to minimize the time required to create an account at checkout. 24% of shoppers will walk away from a purchase if there isn't a guest checkout option, and, adding to checkout woes, 18% of shoppers will leave if the checkout process is too complicated.[12]

However, suppose the account creation process is simple and secure for consumers. In that case, nothing is easier for returning shoppers than having established an account so that checkout is a breeze for all subsequent transactions.

More Clicks = Fewer Conversions

Legend:
- ■ Percentage of Total Conversions (black)
- ■ Percentage of Total Conversions Value (teal)

Source: Wolfgang Digital's 2017 E-Commerce Benchmark KPI Study (Page 14)

Healthcare

Healthcare consumers are comparing digital experiences across platforms and industries, and their expectations of what is a good experience, a bad experience, or an exceptional experience are evolving rapidly.[13]

Healthcare consumers desire personalization, knowing what their options are in the simplest, fastest way possible. Patient registration is often the first experience with a provider, so the importance of having a simplified digital registration process in place versus lengthy and redundant paper-based forms is critical. With a simplified experience, a consumer can verify their information and update it if desired.

Healthcare providers have a major challenge with contactability. One reason for challenges with contactability is the inadequate collection of customer information during onboarding, as well as, of course, the challenges of maintaining customer phone, address, and email changes for those customers over time.

The Bottom Line: Consumers Dislike Filling Out Forms
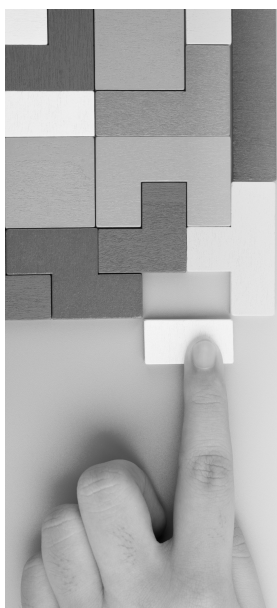
One of the reasons consumers abandon application processes is the dislike for filling out forms, such as entering your personal information manually in an online application.

Online form abandonment is a frequent experience. The majority (81%) of people have abandoned at least one online form, with over half (59%) indicating that they have done so within the last month.[14] Consumers note security concerns, form length, and unnecessary questions as reasons for abandoning forms.

How to Use Prove Pre-fill™ to Drive Revenue & Reduce Abandonment

Modern Identity Techniques Build a Simple and Secure Application Experience

Companies are looking to improve the velocity and efficiency of their consumer onboarding experience while simultaneously preventing identity fraud at the front door. One way to accomplish this is by securely auto-filling *authenticated* consumer information on application forms using Prove Pre-fill.

Auto-filling Consumer Information

Prove Pre-fill is an identity solution that removes the customer burden of application data entry by populating applications with verified data and delivering authenticated digital identities to supercharge application velocity. Auto-filling consumer information also mitigates identity fraud and reduces costly manual reviews.

Choosing the Right Auto-fill Data Sources

There are important considerations when choosing data sources. Using legacy data sources results in stale data; due to past breaches, fraudsters often leverage this data to create synthetic identities using a particular consumer's information or using parts of real data from several identities.

An alternative, effective technique leverages phones and the power of phone numbers to modernize account creation processes by shaving clicks and keystrokes that kill conversion.

Auto-filled identities can be sourced and verified using **Phone-Centric Identity** information linked with other data sources strong enough to meet KYC requirements for financial institutions and regulatory requirements within different industries. The result is auto-filled PII data that is highly accurate and privacy-focused.

When selecting an auto-fill solution, it is also essential for the solution to work across all channels where consumer interactions may occur, including mobile apps, mobile web, desktops, tablets, and call centers.

Benefits of Prove Pre-fill:

- Increases the number of new accounts
- Reduces manual operations costs with straight-through processing
- Reduces fraud losses and manual operations to review red flags
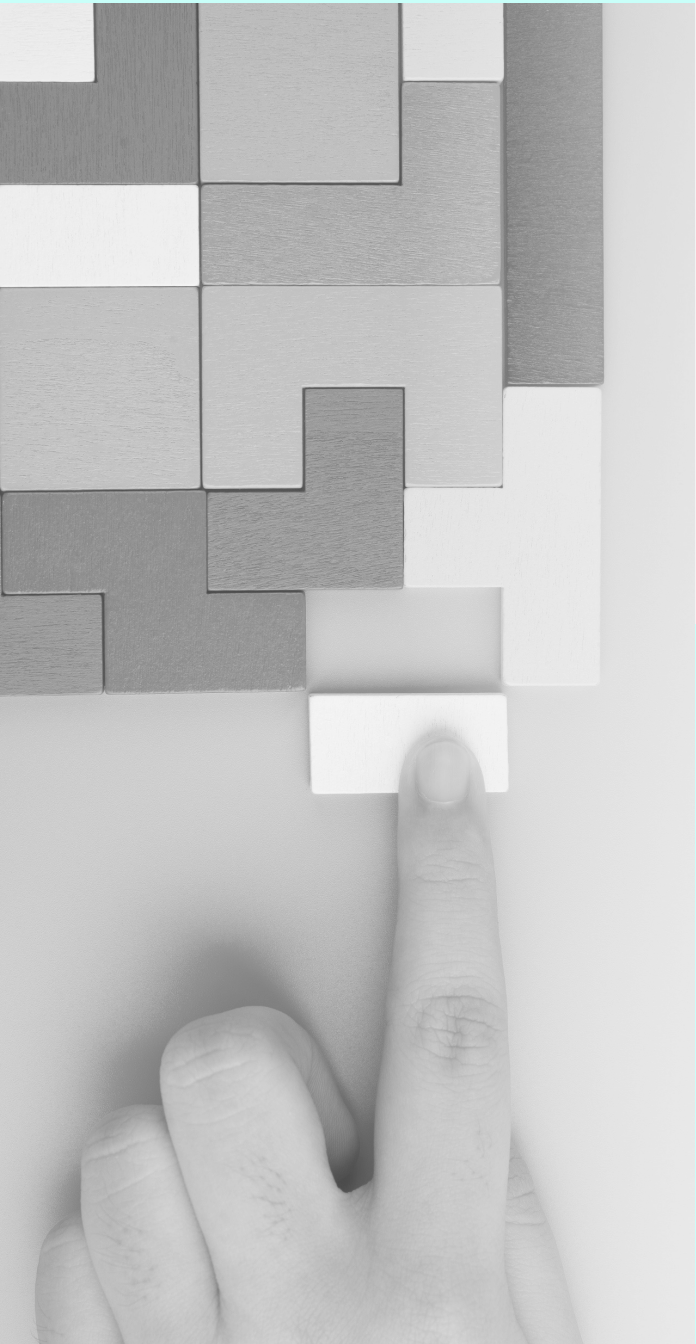- Creates the ability to auto-fill PII for over 90% of consumers who opt in

Significant Results:

- Increase in application completion
- Increase in overall approval rate
- Reduction in fraud, since fraudsters typically opt out

The Simplified Experience with Prove Pre-fill
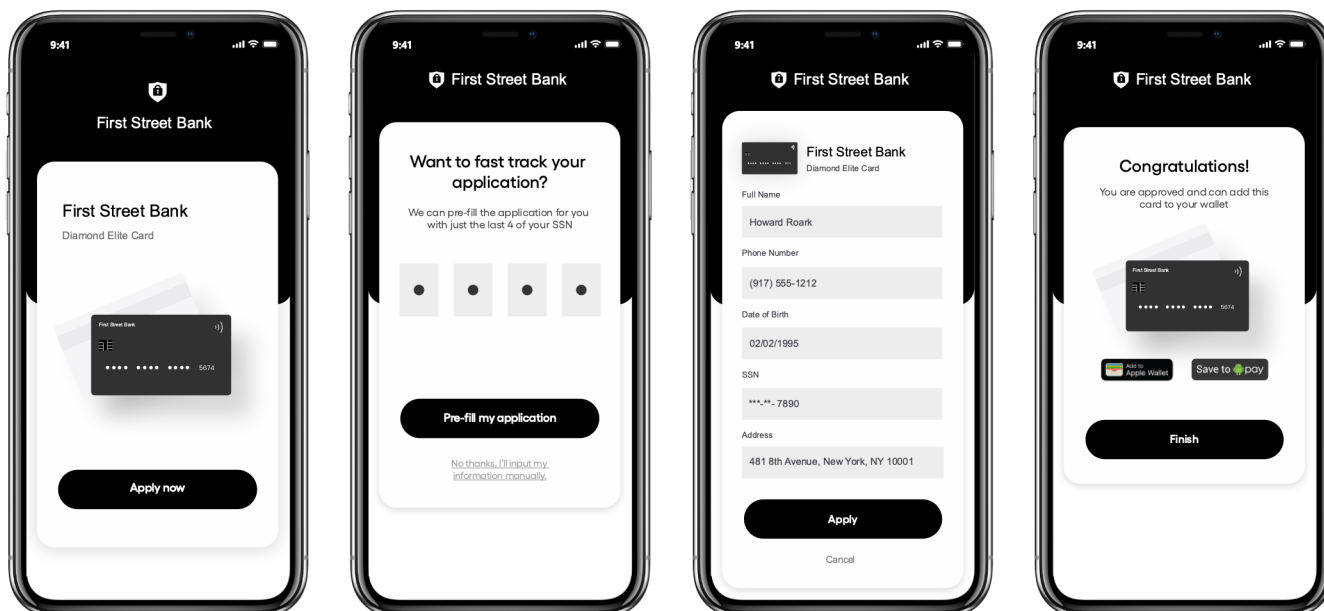
The Results

How do legitimate consumers react to Prove Pre-fill?

Auto-fill is becoming a common practice and is evolving to an expectation. Consumers appreciate the simple, secure, and fast experience of completing an application quickly. As this is the beginning of the customer journey, it "sets the tone" that your company has invested in its digital platform to optimize the consumer's experience, creating a very positive first impression. Almost all customers will choose to leave the auto-fill "as is" if the data source is accurate and will move forward with their application.

How Prove Pre-fill Mitigates Fraud

Because bad actors do not possess the victim's actual phone, they cannot pass the security hurdle to auto-fill, thereby forcing the bad actors to fill out their applications manually. Organizations may adjust risk thresholds for auto-fill opt-outs, where there is lower volume, to scrutinize these applications more closely because fraud aligns more often to the non-auto-filled population.

Tier 1 Success Story Using Prove Pre-fill

A tier 1 US bank wanted to boost its pass rates for immediate digital card application approval. By removing friction and making the application process easier and faster, Prove Pre-fill increased new accounts, **driving $200 million in additional annual revenue.**

Prove Pre-fill delivered authenticated digital identities and verified data to supercharge application velocity. It also reduced the number of keystrokes by 80% by auto-filling the application with name, address, full SSN, and date of birth. Additionally, the bank's confidence in Prove Pre-fill's strong identity authentication impacted their minimum credit requirements, further accelerating revenue.

Marketers who want to accelerate their revenue need to create a "fast lane for good consumers." Auto-filling securely gives companies the confidence to roll out the red carpet for legitimate consumers while thwarting fraud at the front door and reducing identity theft to near zero. The reason: you can't auto-fill a victim's name without having their phone. It is also an easy way to stop attempted fraud, as fraudsters will opt out of the initial auto-fill to enter their information.

"We've integrated Pre-Fill, and it's a phenomenal solution that drives real results. It not only increases the completion rate and helps you increase sales, but it does all the fraud work in the background, so it doesn't impact the customer experience, AND we saw a significant decrease in the fraud rate. We've had amazing results."

– SVP, Digital Credit & Authentication, Tier 1 Issuer

Conclusion

Globally, in all aspects of the new digital economy, consumers increasingly expect companies to intuitively deliver a personalized, simple, and secure digital experience. The most critical aspect to winning in this digital transformation to maximize revenue is to ensure that customers complete the application process without abandonment. By embracing new and innovative techniques such as Prove Pre-fill, marketers can help their companies delight customers and increase revenue.

Interested in learning more about how Prove Pre-fill can increase revenue and enhance your onboarding experience? **Get in touch with us here.**

Prove
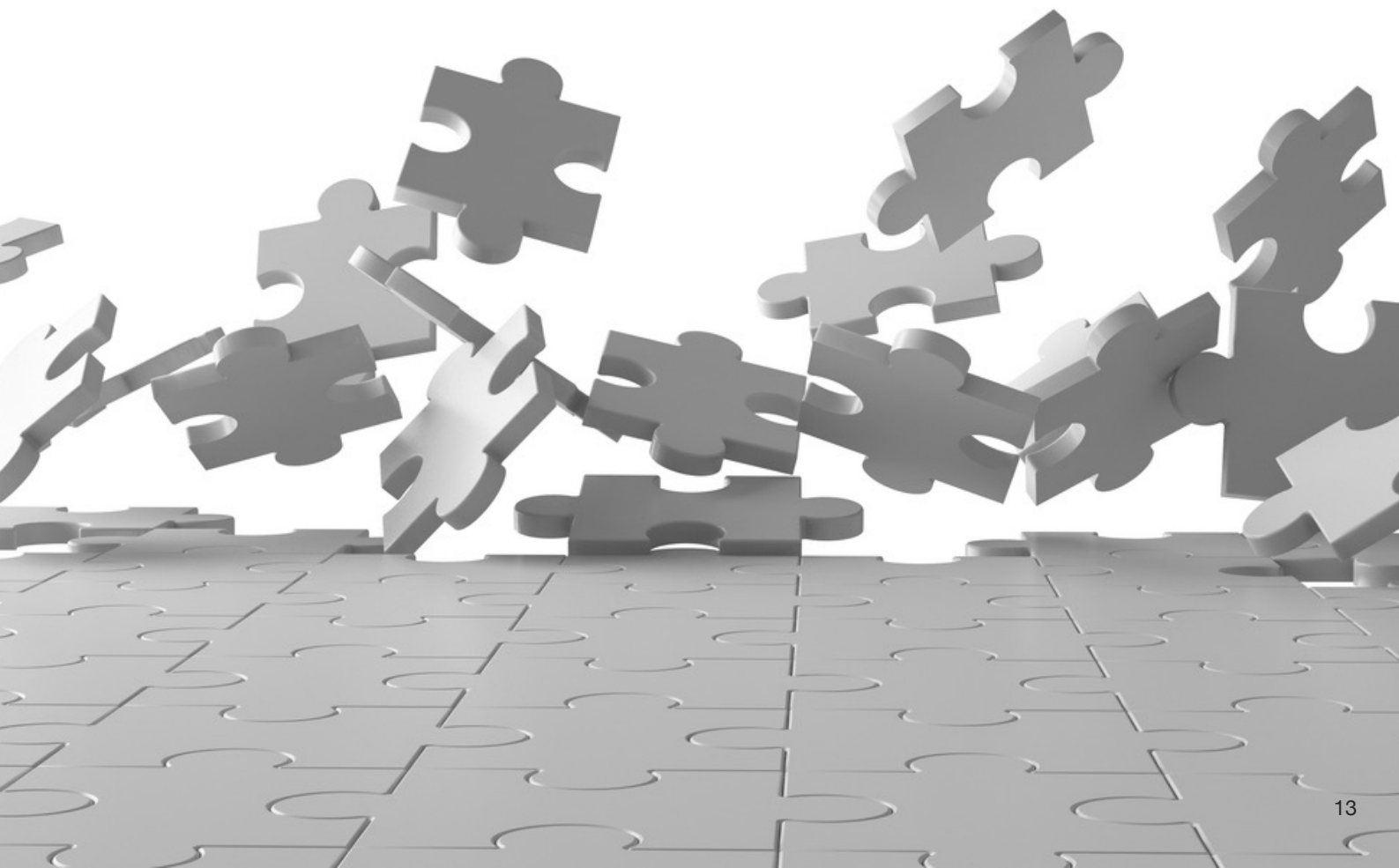
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