

DIGITAL BANKING REPORT

Number 275
New Customer Onboarding White Paper

Editor/Publisher

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Issue

January 2021 — DBR 275

Cost: Individual report: Complimentary; Enterprise-wide license: \$1500
Part of subscription

Size

24 pages, 15 tables/charts

Ordering

Online at <https://www.digitalbankingreport.com/dbr/dbr275/>

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By phone at +1 216-218-4257

Abstract

The concept of reaching out to consumers after they have opened a new banking relationship is definitely not a new strategy. But, as more consumers than ever are using digital channels to open new accounts, the importance of a cross-channel engagement strategy has never been more important to the depth and revenue potential of the relationship.

Despite the importance of early engagement, only half of the organizations surveyed have an onboarding process in place, and even in those organizations, the process has not been optimized for the cadence or sequence of communication desired by customers. In the most basic programs, organizations may do a three-step program including a phone call, an email, and a direct-mail letter in the first 30-90 days after an account is opened. Research shows that this isn't adequate.

With consumers increasingly desiring real-time personalized communication about what products and services are best to open at different points of the customer journey, banks and credit unions should no longer use a one-size-fits-all strategy. Instead, the onboarding process should reflect collected insights around engagement behavior to determine the 'next best action' for the building of a genuine win-win relationship.

As an example of an insight-driven strategy, Capital One revamped its entire onboarding experience, working to provide a personalized, dashboard-style onboarding web-page from which new customers set up and manage their own account. Consumers build their own relationship based on their individual needs. This engagement process helps Capital One to capture valuable insight into consumer needs very early in the relationship.

Wells Fargo & Bank of America have landing pages dedicated to onboarding new customers, while also using multi-step engagement processes using channels including direct mail, email, mobile banking engagement as well as voice banking.

Bank and credit union customers want you to "know them, understand them and reward them." There is no better time to let the consumer know that you will exceed their expectations than during the time immediately during and after account opening. And with the majority of consumers hardly ever visiting the branch office either as part of or after account opening, the need to digitally engage with the new account holder has never been greater. Not doing so can be very costly, both in terms of zero return on account-acquisition costs and lost future revenues on the new relationship.

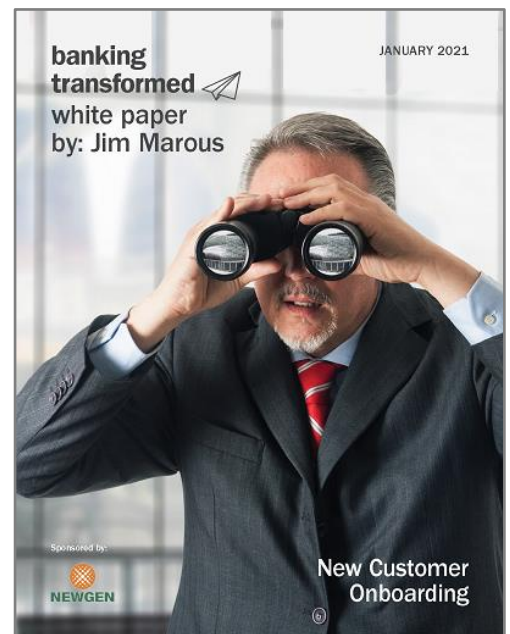
Focusing only on the cross-sell of additional services misses the bigger, and potentially more important, component of satisfaction — the customer's end-to-end experience. It is important to look at customers' experience through their eyes — during every step of the customer journey.

The onboarding communications process should not be just a one- or two-step thank you. The digital engagement customer journey can be long, across multiple channels and touchpoints, often lasting months. Welcoming a new customer and building engagement through an onboarding process is a perfect example of how to improve the customer experience beyond the use of the customer care.

It should be a highly personalized journey that builds in different ways for different customers.

The challenge for many financial institutions will be to move from product silos to customer silos. The individual product and service owners that manage the communication touchpoints within a bank or credit union can lose sight of what the customer sees (and wants). This is why we recommend that financial services organizations use a single centralized team to coordinate early communications that are built using multiple channels and delivered with the customer experience front and center.

It is hoped that this white paper from **NewGen Software** can assist in creating the springboard for future onboarding success.



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