



Exposing the hidden costs of onboarding

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 facephi

Talking points

- 1 Why CX is King
- 2 Onboarding abandonment
- 3 Decision Point
- 4 Requirements for your onboarding solution
- 5 Facephi

Why CX is King

- CX is the key brand differentiator
- 88% of customers are willing to pay more for a great customer experience
- 84% of companies increased revenue after improving their customer experience

The true cost of onboarding abandonment

- Onboarding abandonment damages revenue, brand reputation, and market share
- **42% of consumers** report abandoning sign-up to a new service because the onboarding process dragged
- **Halving the abandonment** rate can boost customer acquisition by 29% and increase revenue by 26%.

The onboarding process (on mobile or web)

BANK USE CASES

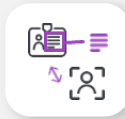
1



The user captures their identity document

- Document Capture
- Document OCR
- NFC Data extraction

3



Identity validations

- Document verification
- Blacklists
- Government databases
- Optional biometrics

2



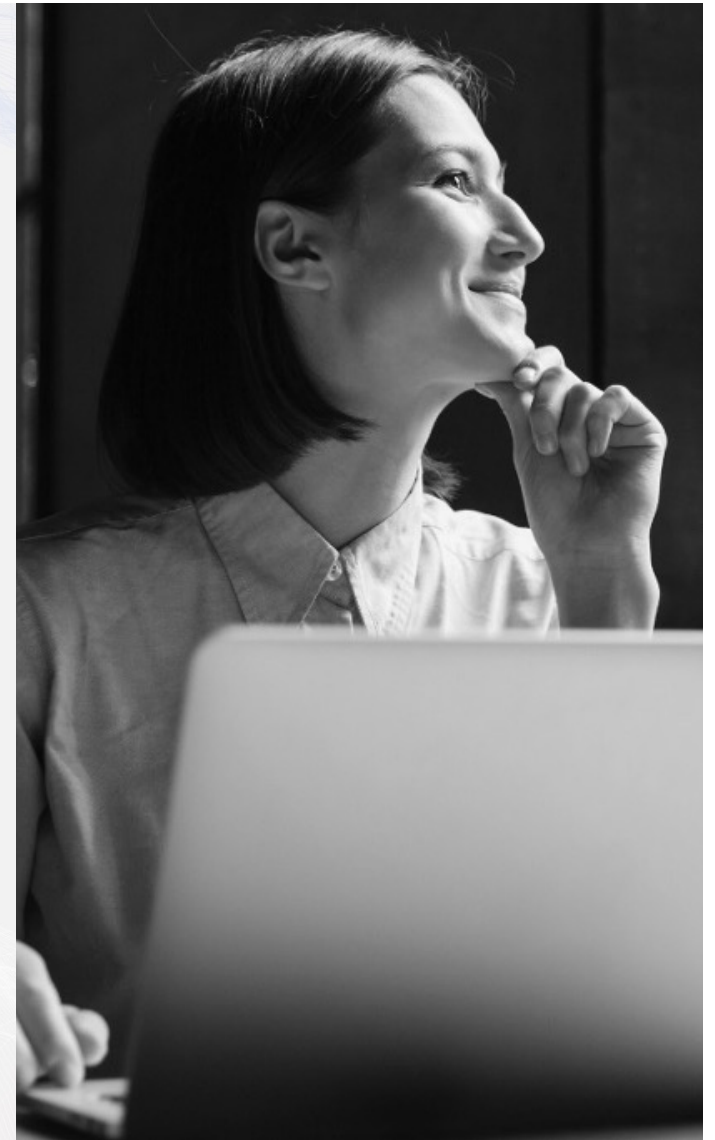
Secure facial capture with liveness test

- Facial Capture
- Liveness
- 1:1 Facial Recognition
- 1:N check (prior onboardings)

4



New account created



The reasons for abandonment

Why users leave remote identity verification process

- Manual document capture
- The need to fill in a form as opposed to an automatic OCR
- Tiresome and unfriendly active liveness test
- Long overall IDV process that takes more than 60 secs
- Cumbersome cross-device process

First Time Success Rate (FTSR) is the key metric to consider.

Onboarding Costs (10K users per annum)

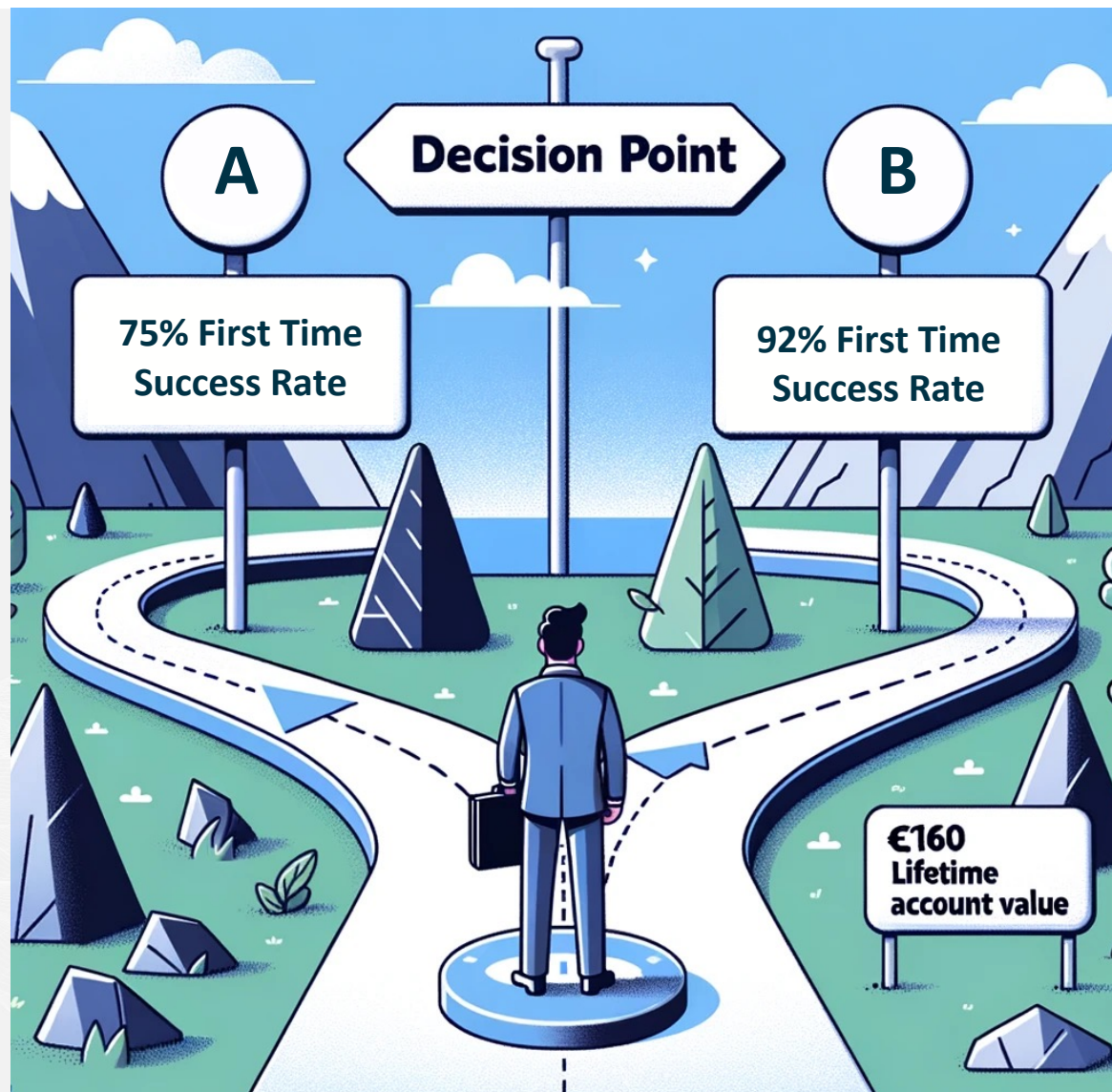
A simple onboarding cost analysis

	Provider A	Provider B
Cost per user	€ 0.80	€ 1.00
Total Onboarding Costs	€ 8,000	€ 10,000

**Provider A is cheaper by € 2,000....
But is it really?**

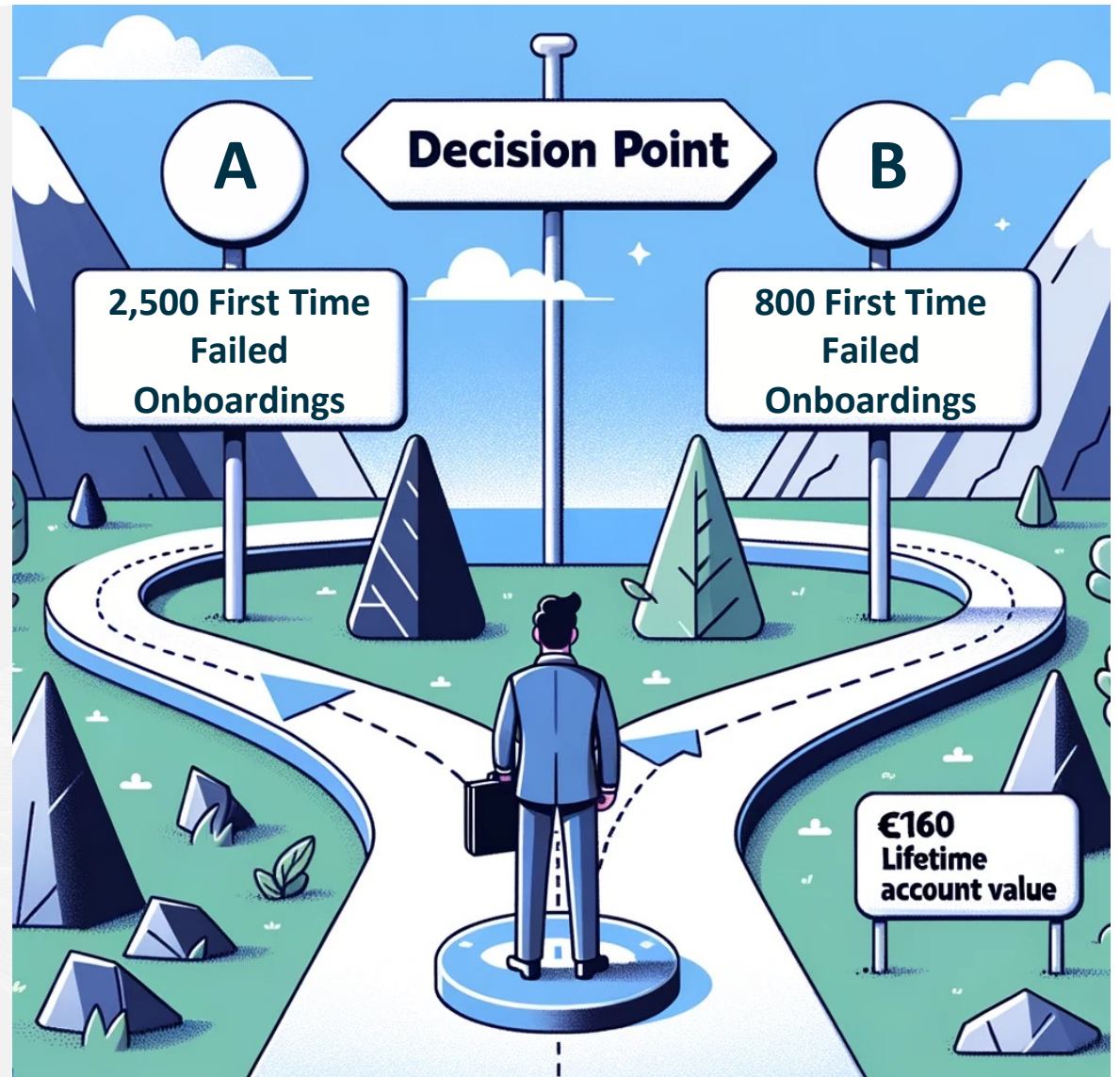
First Time Success Rates

Even if there are higher onboarding costs, a superior first-time success rate (FTSR) significantly reduces the overall financial impact of abandonment, resulting in substantially better earnings.



First Time Onboarding Failures (per 10k users)

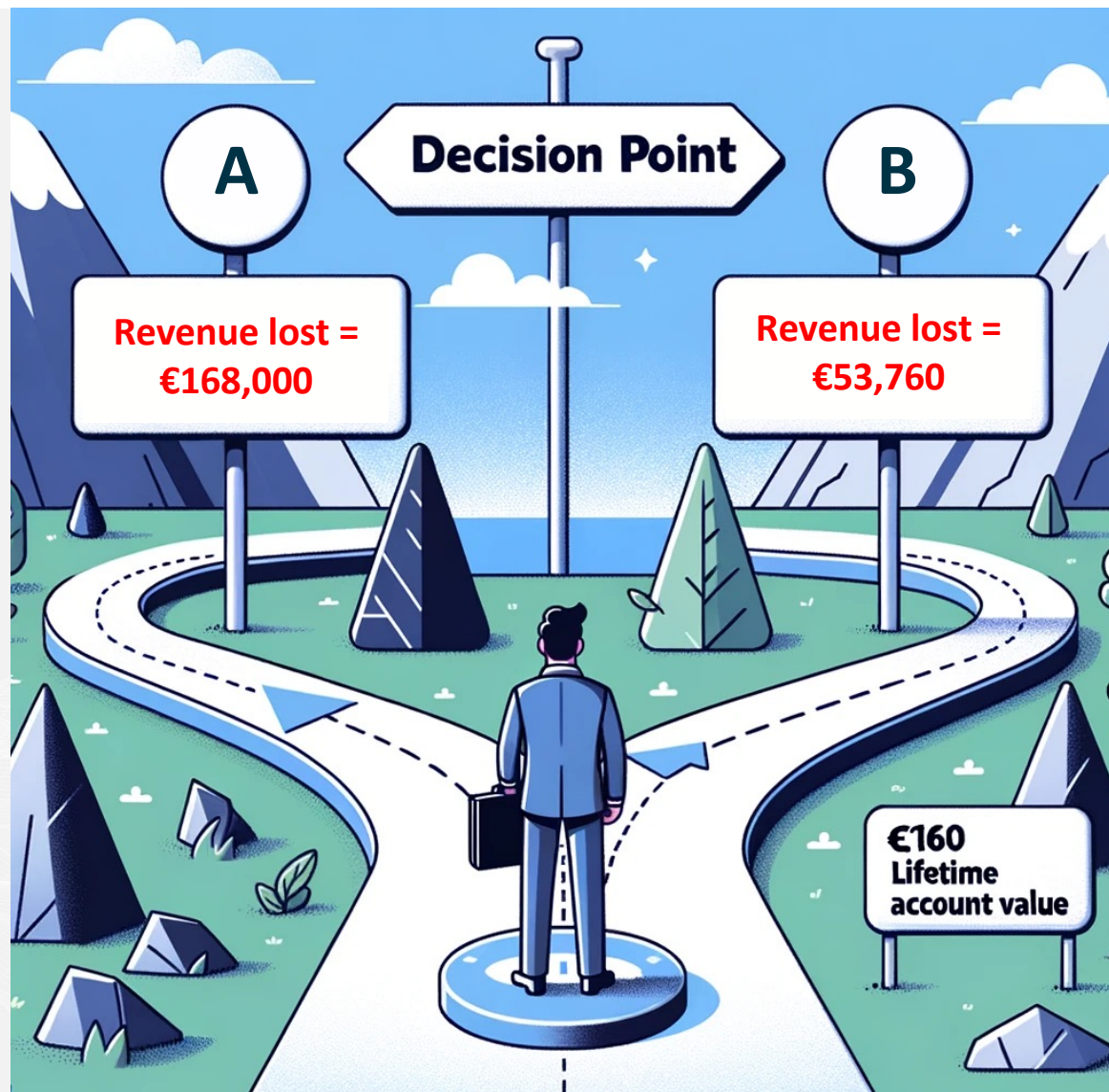
- **Provider A:** 2,500 first-time onboarding failures with 75% FTSR
- **Provider B:** 800 first-time onboarding failures with 92% FTSR
- **€160**
- Lifetime account value (retail customer).



Users Lost to Onboarding Abandonment (per 10k users)

FACT: *42% of consumers abandon sign-up to a new service because of poor UX*

- **Provider A:** 1,050 users lost
- **Provider B:** 336 users lost



Onboarding Costs (10K users per annum)

A comprehensive onboarding cost analysis

	Provider A	Provider B
Total License Costs	€ 8,000	€ 10,000
Total Revenue Lost	€ 168,000	€ 53,760
Total Costs	€ 176,000	€ 63,760

€112,240 saved with Provider B

Other hidden costs

- Manual process costs
- Extra integrations – for web solution, for additional biometrics, for authentication
(if vendor offers only single channel or single biometrics)
- Costs of fraud – financial losses, internal manual checks, regulatory fines
- Higher bandwidth and CPU costs – active liveness solutions will need more frames and data to be sent
- High AI bias

Key things to consider for an onboarding solution

- First Time Success Rate
- Automatic document capture with OCR and NFC reading
- Accuracy rate (low false acceptance/false rejection rates)
- Robust anti-spoofing protection
- Passive liveness with iBeta 2
- Inclusive solution - low AI bias and accessible to people with disabilities and software compatible with older devices

Security & Compliance requirements

CERTIFICATIONS



And local relevant certificates, i.e. Sepblac



Facephi: protecting users' identity

Experts in digital identity verification for KYC and AML compliance



+250
customers



+300M
users



Passive Liveness
0.8 secs



92% First Time
Success Rate



99.998%
accuracy rate



+95% satisfied
customers

Facephi's onboarding solution has proven to:

- Speed up onboarding by 40%
- Cut compliance and operational costs by 50%
- Increase digital account openings by over 35%

World leaders in digital identity verification

Company with the largest number of banks in its client portfolio.

Pioneering company in launching a bank with facial biometrics in mobile, web and ATM banking.

Present in



Financial



Insurance



Health



Public Administration



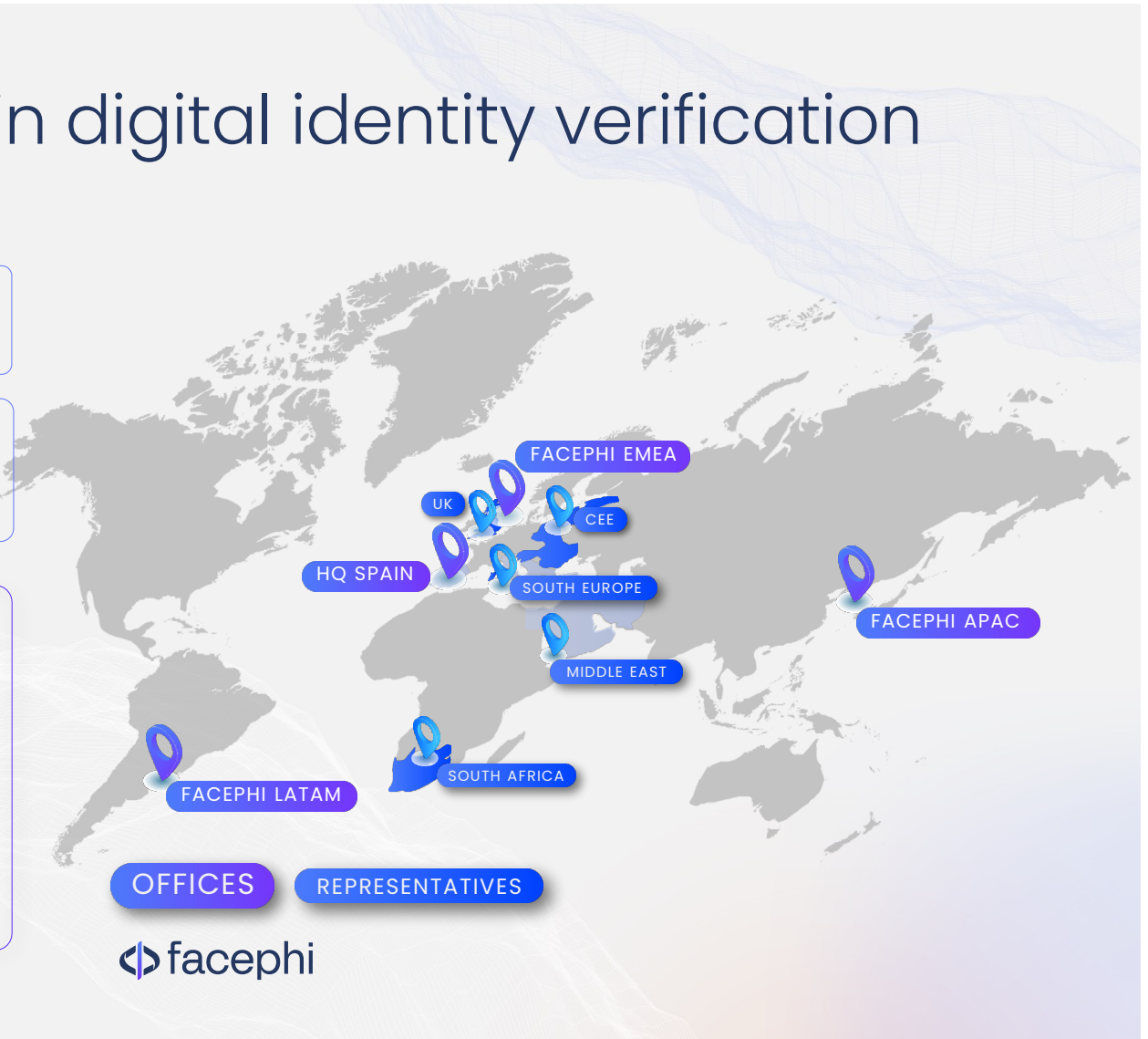
Sport events



Shared mobility



Travel and transport



Clients





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