OneSpan

Bring a Human Connection to Remote Banking, Insurance, and Financial Services

OneSpan Sign Virtual Room

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Finding a Competitive Edge in the "Anywhere Economy"

The social distancing protocols and COVID-19 pandemic radically altered customer preferences as individuals and organizations sought to avoid in-person meetings and limit exposure. The result was a dramatic adoption of remote processes through online and mobile channels in industries like banking and insurance. High-value processes such as account opening, wealth management, and life insurance applications transitioned to entirely remote processes.

With the initial disruption of the pandemic now past, financial institutions must find a competitive edge in the new "Anywhere Economy". Consumers have come to expect the ability to conduct all of their business remotely with any device they choose and at their own convenience. What was once a differentiator has become a necessity.

The challenge today is how to provide a superior customer experience within the confines of remote digital processes. To do so, organizations must deliver the same level of customer service normally offered in-person through their online, mobile, and call center channels.

Remote Channel Consumer Preferences Before COVID-19 and Today

Before

15%

had used a video call to communicate with an advisor

Now

46%

are willing to do a video call to communicate with an advisor

Now

35%

prefer a video solution to a face-to-face meeting

EASY　　　　　　　　　　　　　　　　　**MORE COMPLEX**

| Online | Mobile | Contact Center | Branch |

LESS HUMAN INTERACTION　　　　　　　**MORE HUMAN INTERACTION**

Key Questions of the Post-Pandemic Era

- What does the future of in-person financial services look like?
- How do we reimagine the branch experience and incorporate touchless technologies and processes?
- What's the best way to verify identities of consumers who are increasingly remote?
- What's the role of advisors and agents in remote channels?

Shifting Consumer Behaviors

Financial institutions traditionally relied on face-to-face interactions with customers to complete complex, high-value agreements. But in our increasingly remote world, a new set of requirements needs to be considered to achieve the same level of trust and engagement. Institutions that can securely engage and transact with their remote customers will have a clear advantage over those that are unable to replicate the in-person experience.

According to research from Aite Group*, as financial activities get more complex, consumers tend to turn to channels where they can get human help and assistance. Despite a surge in all-things "digital", customers still value the human connection. That's why a human-digital hybrid approach in the financial services industry will be an important combination.

There is burgeoning demand for a human touch. Accenture** notes that comfortability with and even desire for online video conferencing solutions is growing. Before COVID-19, 15% of consumers had used a video call to communicate with an advisor. Now, 46% said they would be willing to do so, and more importantly, 35% now prefer a video solution to a face-to-face meeting.

* Aite Group, "The Rise of Digital-First Banking", Q1 2020.

** Accenture, "2020 Accenture Global Banking Consumer Study: Making Digital Banking More Human", 2020.

Why video-enabled communications?

While banking, insurance, and other financial services historically involved a human element, the digital space has taken away the human touch from the experience. That's why recreating the in-person experience with video-enabled communications and blending the value of human and digital assistance is the next frontier in customer engagement.

One of the biggest consumer pain points is the time it takes to complete lengthy account opening, life insurance policies, and investment application forms. Consumers often need assistance and a personal touchpoint to understand and get through terms and conditions. By providing a virtual face-to-face channel to connect with your customers, your institution can help customers get the financial help they need to complete complex agreements — conveniently and in a contact-free environment.

Why identity verification & authentication?

In an in-person setting, before customers are walked through lengthy application forms, their identity needs to be verified. The same is true for a virtual environment. Financial institutions need to satisfy Know Your Customer (KYC) requirements when engaging with customers remotely.

The method of identity verification and authentication used to affirm an individual's identity is ultimately a risk management decision that your institution needs to undertake, but it's important that you have a wide range of options in your toolkit that you can choose from. Look for a solution that enables you to verify the identity of both known customers, as well as unknown individuals that your institution does not already have an established relationship with.

Why co-browsing?

"Co-browsing" is much more than just screen sharing. It enables you to review documents simultaneously, guide your customer through multi-step agreement processes, pass control to different participants, and fill out and sign forms together. The goal is to recreate a face-to-face interaction — as if you were signing a paper-and-pen agreement in-person.

This premium experience enables you to address your customers' questions in real time, build rapport, and avoid back-and-forth phone and email conversations — eliminating Not-In-Good-Order (NIGO) errors in contracts and other types of agreements. It enables you to avoid unforeseen obstacles (i.e., misunderstanding of terms and conditions) that could slow down the completion of the agreement or cause the customer to abandon it completely.

Why legally binding agreements?

As with any electronically signed document, it's important to be able to prove intent and ensure document integrity. This includes providing comprehensive audit trails that capture every action taken and making it easy to verify e-signed documents to ensure no changes have been made to the document since it was signed.

But what's different about a "virtual" agreement process is that you have additional electronic evidence at your disposal. Video-enabled signing sessions can be recorded to demonstrate what was signed and by whom. This helps to strengthen your compliance position with electronic evidence clearly illustrating that the relevant disclosures, waivers, and conditions were explained to your customers before signing.
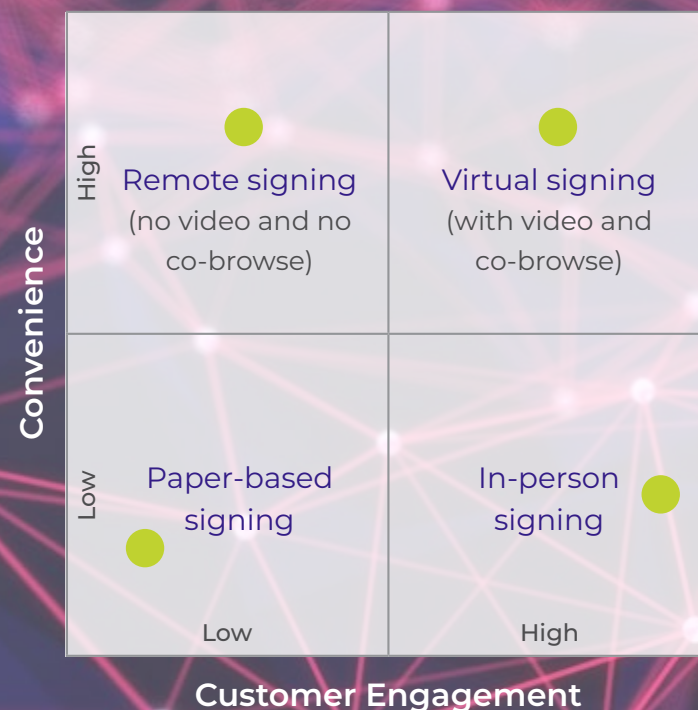
Use Cases

Modernizing the customer experience and enabling your employees to securely engage and transact with customers virtually benefits retail banking, corporate banking, wealth management, automobile financing, and insurance. The OneSpan Sign Virtual Room can help streamline customer onboarding and support your most complex remote interactions with e-signature, live videoconferencing, and rich collaboration capabilities — all available in a single solution. We empower your advisors and agents to keep the transaction moving forward and close the deal.

Delivering digitally optimized experiences through human-assisted, virtual signing helps banks and insurers provide personalized service and answer customers' questions in real time. It won't be suitable for all e-signature use cases, but it is an opportunity for financial institutions, especially with external sales teams, to maintain the human touch and strengthen customer relationships for complex and high-value financial agreements.

Banks, insurers, and other financial institutions using OneSpan solutions have seen significant benefits, including:

- **BMO:** Improved customer experience with new account openings in <8 minutes
- **Wright-Patt Credit Union:** Lenders saved ~50 minutes per loan
- **OneMain Financial:** No missing signatures — workflow rules capture all 35 signatures/initials required
- **Munich Re:** Agents streamlined life insurance policy issuance from 30 days to 10 minutes
- **Top 10 North American Bank:** Wealth management advisors close business with the customer in a single meeting, whether remotely or in the branch

Let's explore several use cases where human-assisted remote agreements play an important role in financial services.

44%

of customers abandon account opening processes during the qualification stage*

Account Opening and Maintenance

Digital customer acquisition and growth are top priorities for retail and corporate banks. The challenge is that it's often difficult for consumers and business clients to complete the application process in a single-sitting. There are countless actions and verifications needed — the customer needs to show up, have various forms of ID on hand, and then sign a number of lengthy application forms.

In a virtual face-to-face meeting, your advisors can help customers open accounts and manage changes to existing accounts – in real time. This includes e-signing account opening agreements, credit and financing applications, transaction and account maintenance forms, product transfer forms, and more. Instead of multiple back-and-forth email or phone conversations to address questions and complete these activities, solutions like the OneSpan Sign Virtual Room can help provide real-time assistance and ensure customers get the help they need to complete applications and forms in a single session. Moreover, comprehensive audit trails and the option to record the virtual session enables banks to easily demonstrate compliance.

* Cornerstone Advisors, "Reducing Friction in Online Account Opening with Digital Identity Verification" 2021.

Wealth Management

Wealth management relies heavily on in-person interactions between financial advisors and their customers — whether that's in a branch or at their client's home or office. The need to modernize advice delivery is key to meeting increased client expectations for convenience and personalization. Digital engagement increased 7-10x across leading wealth managers following the onset of the pandemic*. Wealth management firms now need novel ways to meet their customers in the virtual world to continue to build trusted relationships and support their overall wealth management needs.

Solutions like the OneSpan Sign Virtual Room can help wealth management firms recreate the face-to-face meeting to collaborate and complete a wide range of contracts such as investment strategy agreements, transfer of assets, IRA and 401k rollovers, and change of beneficiary forms. Offering a premium online experience gives advisors an opportunity to attract and retain customers who are increasingly digitally savvy. This is a win-win for advisors and their customers. Customers get the financial help they need from the convenience of their home or office, and advisors get access to a new, high-touch channel to engage with customers and ultimately win them over.

* Oliver Wyman, "Wealth Management | Global: After the Storm" 2020.

> "Time is of the essence for wealth management firms to embrace the new normal and invest in staff and infrastructure in order to keep up with client behavior and faster-moving competitors. Firms that miss this queue risk losing market share and possibly become acquisition targets."

AITE GROUP
TOP 10 TRENDS IN WEALTH MANAGEMENT, JANUARY 2021

MotoNovo FINANCE

Learn how MotoNovo Finance's customers can now complete financing applications at home or on-premises at the dealership.

Read the case study

Automobile Financing

The auto leasing and financing industry was flipped on its head when the COVID-19 pandemic hit, because it historically relied on in-person dealerships to meet with clients to finance car loans. The requirements for financing vary for each lender, but most have a similar process that involves making a trip to the dealership, interacting with the lender, verifying the client's identity (e.g., driver's license), proving income (e.g., check stub), and completing asset financing paperwork.

91% of dealers believe a strong digital presence is important to their overall sales strategy, but 83% do not have a dedicated digital strategy*. The OneSpan Sign Virtual Room can help address the evolving digital engagement requirements in the auto financing industry — with live videoconferencing, ID verification, data capture, e-signature, and vaulting. The solution gives control over the selling process by enabling agents and the Finance & Insurance (F&I) manager to host virtual meetings with remote clients and walk them through financing agreements requiring signatures. Clients can upload supporting documentation to allow for immediate processing of the car loan or lease and dealers have a new source for meeting their monthly quotas.

* PWC, "Auto Finance Is Going Digital, Are You Ready?"

Use Case

Insurance

For a long time, the traditional insurance business model has proved to be resilient. But it can no longer resist the digital pressure being applied by consumers. The COVID-19 pandemic has forced many insurers, especially ones reliant on a large external agent team, to adapt and reduce their dependence on paper and in-person visits. This includes modernizing the way in which insurers and broker-dealers interact with clients to complete new business applications, disclosures and policies, and insurance claims.

With the OneSpan Sign Virtual Room, insurance companies and agents can onboard both personal and commercial customers and conduct policy and claims reviews in their preferred channel — at home, in the office, or virtually anywhere. Built-in live videoconferencing, e-signature, and rich collaboration capabilities enable agents to assist customers in completing and signing routine paperwork — ensuring data is captured accurately the first time. A wide range of identity verification and authentication options provides a high level of identity assurance and helps mitigate the risk of fraud.

"LIMRA research revealed carriers expanded their accelerated and automated underwriting, expedited use of e-signatures and delivering digital policies, and encourage video conferencing for customer meetings. All of these changes streamlined the process for consumers to buy life insurance."

ROB SIMS
MANAGING DIRECTOR AND PARTNER, BCG

Other Virtual Signing Use Cases

Call center channels

Call center agents can leverage the Virtual Room to walk customers through and sign complex, multi-step agreements in real time using live videoconferencing and co-browsing capabilities.

In-branch channels

Bank tellers, advisors, and agents can meet with clients in the branch or host a virtual room session on-the-fly. They can tailor the experience based on whatever channel is most convenient to the client.

Digital-only businesses

Digital-only banks and insurers now have the ability to go head-to-head with traditional institutions with a branch presence. Hosting a virtual session gives them a new, high-touch customer engagement channel to attract and retain customers.

Recreate the Power of a Face-to-Face Meeting Virtually

In today's anywhere economy, the human element is more important than ever. The OneSpan Sign Virtual Room enables financial institutions to re-create the power of the face-to-face meeting and complete financial agreements that require human assistance. It helps you deliver a secure and interactive experience to guide customers through the financial agreement process and effectively close the deal. The Virtual Room accomplishes this by bringing together electronic signature, web-enabled videoconferencing, and rich collaboration capabilities in one comprehensive solution.

Your customers get the financial help they need from the convenience of their home or office, and your organization gets access to a new, high-touch channel to engage with customers as humanly as possible.

Solution Highlights

- **Fast and Convenient:** Built-in videoconferencing eliminates the need for in-person meetings to review and sign documents.

- **Real-time Assistance:** Give customers the personalized attention, answers and help they need in real time.

- **Fully Branded Experience:** Add your logo and colors to the e-sign process to keep the spotlight on your brand.

- **Secure Agreements:** Bank-grade security, digital signature encryption, and strong identity proofing capabilities ensure data and documents are always secure.

- **Strong Electronic Evidence:** Strengthen security and compliance with vendor-independent audit trails with the option to record the virtual signing session.

- **All-in-One Solution:** Built-in e-signature, videoconferencing, and rich collaboration features remove the need to patch multiple solutions together.

How It Works

The OneSpan Sign Virtual Room offers your organization an opportunity to deliver the quality of service your customers enjoyed from in-person meetings:

01. Prepare → **02.** Invite → **03.** Authenticate → **04.** Review → **05.** Sign
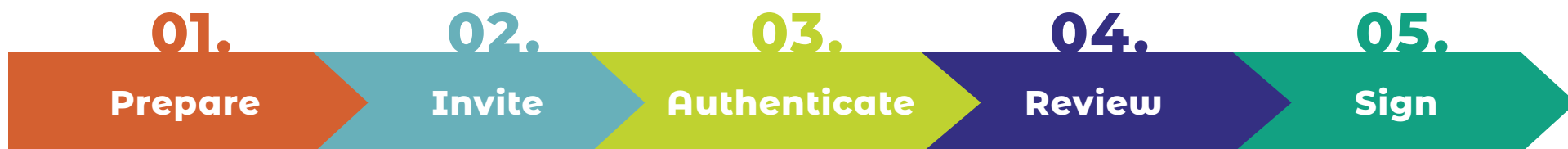
1. **Prepare:** Upload documents or select pre-defined templates. Add signers. Set the date and time for the virtual signing session.

2. **Invite:** Signers join the Virtual Room by clicking the link in the email invitation.

3. **Authenticate:** Signers verify their identity using the selected authentication method (optional).

4. **Review:** The host and signers enter the video-enabled Virtual Room. The host helps signers understand the agreement in real time.

5. **Sign:** Guided workflows provide signers with easy-to-follow cues. Signers initial and sign the document. Signers download a copy of the e-signed documents.

Requirements Checklist

Make sure the solutions you evaluate are able to support all of your e-signature use cases — across all of the geographies and channels your business serves. This includes remote signing, in-person signing, as well as human-assisted virtual signing use cases.

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Requirements

As your organization evaluates how to deliver these types of human-digital blended experiences, there are a number of requirements to consider. This section will help you carefully evaluate criteria, so that you will be able to make an informed decision. This includes:

- **Video-enabled communications** to help mimic, as closely as possible, a face-to-face environment where you can add the human touch and develop a relationship with your customers;

- **Strong identity verification and authentication** options to ensure you know exactly who you're transacting with and that all participants in the agreement process are who they claim to be;

- **Co-browsing** to facilitate real-time collaboration, review the terms and conditions, and reduce missing and incorrect information in account applications and forms;

- The ability to create a **legally binding agreement** backed by comprehensive audit trails to satisfy legal and compliance requirements.

"As we come out of this pandemic, customers will continue to use digital, but when that moment is there, when they need a human, we'll be able to connect them to a human being. That's our approach in terms of how we're thinking about digital and that human connection"

ANKIT BHATT
EVP AND CONSUMER CHIEF DIGITAL OFFICER - US BANK

Key questions to ask when evaluating virtual e-signature solutions

Questions on the signer experience

1. Does the solution allow you to host a videoconferencing session with multiple participants to replicate an in-person signing experience?

2. Does the solution allow you to simultaneously review documents on-screen in real time (co-browse)?

3. Does the solution allow you to pass control to individual participants when it's time for them to e-sign?

4. Does the solution provide a guided experience with visual cues for signers?

5. Does the solution enable you to fully brand the signer experience with your logo and colors?

6. Can the solution scale across all channels (e.g., branch, in-person, call center, online, mobile, virtual face-to-face)?

Questions on the sender experience

7. Does the solution allow you to schedule virtual signing sessions with customers?

8. Does the solution allow you to configure required and optional signatures, as well as allowing witnesses to participate in signing sessions?

9. Does the solution allow you to capture forms data and link that data to other apps and systems?

10. Does the solution allow you to capture simple, advanced, and qualified e-signatures?

11. Does the solution provide an open API and SDKs to enable developers to easily integrate the technology into their own applications?

Key questions to ask when evaluating virtual e-signature solutions

Questions on security, identity, and compliance

12. Does the solution allow for the following signer identification methods?

- ID document capture
  (e.g., driver's license)
- ID document verification
- Facial comparison
- Liveness detection
- SMS

- Q&A
- Knowledge-based authentication (KBA)
- European eIDs
- Local digital certificates
  (e.g., stored on smartcards, tokens, etc.)
- Remote digital certificates issued by trusted authorities

13. Does the solution provide an audit trail that captures all actions taken (e.g., identity verification method, verification result, number of attempts, what was signed, by whom, when, etc.)?

14. Does the solution enable you to capture a video recording of the virtual signing session?

15. Does the solution enable you to ask signers to upload required documentation and attach it to the e-sign session?

16. Does the solution enable you to meet the legal requirements in countries that have enacted e-sign laws and regulations (e.g., ESIGN, eIDAS, etc.)?

17. Does the solution ensure the integrity of the e-signed document by tamper sealing documents after each signature is applied?

18. Does the solution visibly invalidate documents if any changes are made?

19. Can the solution be deployed in a public cloud, private cloud, and on-premises behind my firewall?

Why OneSpan?

OneSpan has a strong focus in helping transform how organizations do business by securely digitizing the delivery and execution of contracts and other types of agreements. We bring decades of experience helping leading banks, insurers, and government organizations eliminate legacy paper-based processes and fill gaps in their digital business workflows.

The OneSpan Sign Virtual Room can successfully humanize the digital experience, empowering you to meet changing consumer preferences and reestablish the competitive edge your investments in customer experience once provided.

The Anywhere Economy is here to stay, and with the Virtual Room, you are free to meet your customers wherever they wish to meet you.

Why now?

In a McKinsey & Company article, "Reshaping Retail Banking for the Next Normal", the author predicts significant digital preference acceleration over the next three years. This could translate to 25% fewer bank branches. Call centers may see 30% less customer-centric and lower value-added activities. Most importantly, as the remote advisory channel matures, that channel is expected to manage and conduct 35% of complex financial services.

This stresses the need for a comprehensive collaboration and remote engagement solution, as it will become a permanent fixture in the online and remote channel in the coming years.

About OneSpan

OneSpan helps protect the world from digital fraud by establishing trust in people's identities, the devices they use and the transactions they execute. We make digital banking accessible, secure, easy and valuable. OneSpan's Trusted Identity platform and security solutions significantly reduce digital transaction fraud and enable regulatory compliance for more than half of the top 100 global banks and thousands of financial institutions around the world. Whether automating agreements with identity verification and e-signatures, reducing fraud using advanced analytics, or transparently securing financial transactions, OneSpan helps lower costs and accelerate customer acquisition while improving the user experience. Learn more at OneSpan.com.

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