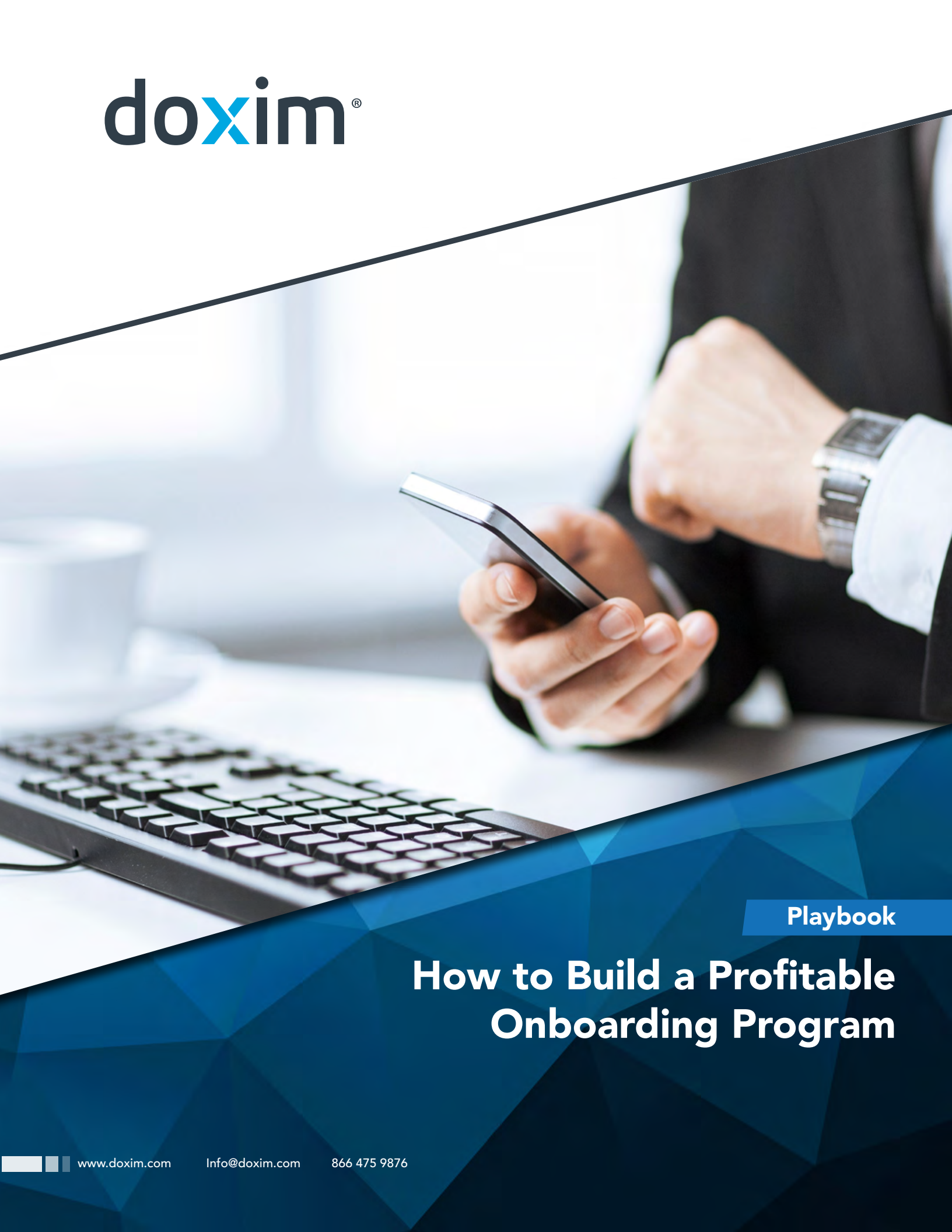
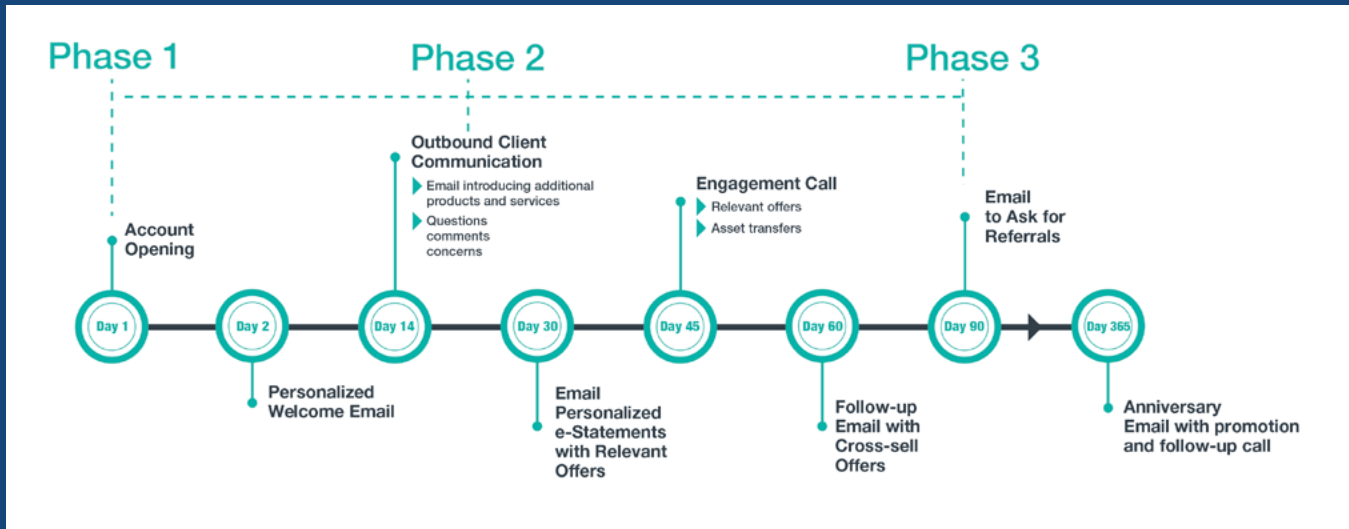


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**Playbook**

# **How to Build a Profitable Onboarding Program**



The three phases of customer onboarding

A smart, structured onboarding program during the first three months of the customer lifecycle is the key to unlocking customer value for your community financial institution. Why's that? Because 81% of successful cross-selling takes place in the first 90 days of onboarding, with 60% in the first month alone<sup>1</sup>. If you aren't communicating effectively with your new customer during this time period, you are leaving money on the table.

Given the importance of the onboarding period, it's startling to learn that 45% of banks and credit unions don't have any sort of structured onboarding process in place<sup>2</sup>. But this oversight means you have an opportunity to pull ahead of the competition. By implementing even a simple onboarding program, you can bring immediate and lasting rewards to your credit union or community bank.

Ready to get started? We've broken the customer onboarding period into three segments, each with unique objectives and specific challenges to overcome.

<sup>1</sup> Benchmarking Study, Bai Research and Marketech Systems International

<sup>2</sup> Digital Banking Report 2017

# Account Opening

## The First Step Towards Profitable Onboarding

### THE GROWING IMPORTANCE OF DIGITAL ACCOUNT OPENING

**40%** of retail banking customers now report that they prefer to conduct their banking activities through exclusively digital channels. Want them to work with your CFI? You'll need the right account opening solution. DIY digital banking customers are notoriously picky, and won't be satisfied by anything other than a streamlined, purpose-built process that can be completed fast, without switching channels.

Today's financial services customers have access to more options than ever, and they aren't shy about moving from one provider to the other. To be their chosen financial institution, you need to make sure they can complete their account application whenever and wherever they choose, or they may go elsewhere. And if you want to succeed, you need to offer them a fast, effortless first experience that sets the stage for a strong relationship.

Unfortunately, the onboarding process is often negatively impacted by an account opening experience that includes stacks of paperwork, multiple branch visits, redundant data requests, and delays during account approval and funding. This doesn't leave much time for any personal conversations, or for performing a customer needs assessment to inform your later cross-selling activities.

But if you start strong by digitizing your account opening process, you can:

#### Set The Stage For Future Success

- Make time to get to know your new customer (or understand your existing customer's changing financial situation). This will help you identify financial needs you can address during future cross-sell initiatives. For example, a customer might note she's considering a house purchase in six months, getting married, or getting ready for retirement.

- Take the opportunity to identify additional products that may serve the customer's needs, and open them during the same session, so customers don't have to come back a second time.
- Build questions about communication preferences, life stage and aspirations right into your account opening workflow, so data about customers is captured consistently by all employees across all channels.

#### Provide A Great First Experience Across All Channels

- Digitization enables you to offer omni-channel onboarding. Your customers will appreciate being able to open accounts through their preferred channel, whether that's on the branch, on the phone, out in the community at an event, or self-serve online from home.
- Prevent errors and speed onboarding by doing everything you can to minimize manual data entry, from ID capture by camera, to intelligent data reuse, to postal and zip code lookup
- Use safe, secure e-signatures to provide an end-to-end seamless – and paperless digital experience

# Building Loyalty and Increase Engagement (1-3 Weeks)



“Effective onboarding and activation that emphasizes customer engagement can help financial institutions boost profitability by **\$212** per customer”

– Javelin  
Strategy & Research<sup>3</sup>

To retain and grow your customer relationships after account opening, you need to strike while the iron is hot and encourage the customer to maximize their use of your products, or they may never fully make the switch from their old service provider. Give your new customers the guidance they need, and offer them incentives to increase their involvement with your bank or credit union. Here are some simple ways to encourage engagement amongst your new customers:

**Entice customers** to use bill pay, online banking, direct deposit, and eStatement services by offering incentives, like free air miles for setting up a service, or an entry in a prize draw for choosing eStatements. Your goal is to have the account that was just opened become a primary account in the customer's life.

**Make it simple** for new customers to access FAQs about their new product. Automate this outreach via emails or online resources like videos and quick guides, or you risk frustrating customers and increasing abandonment rates.

**Use a multi-channel approach** to new customer orientation. Beyond email, also consider integrating a welcome phone call, SMS text messages, online and mobile banking messages. You can develop a customer orientation “journey” that uses all these touchpoints, and then queue a lot of it up in your CRM, so every customer is automatically contacted.

**Don't underestimate the value of offline channels** to offer your customers that personal touch either. One effective strategy is to send out a welcome kit by mail, with a personalized message that speaks to the new customer. This kit should outline how to enjoy the services they have already subscribed to and highlight the value of other services they might want to consider. Adding a personalized welcome message on their first statement, inviting them to get in touch with any questions they might have is a great adjunct to the main welcome message.

<sup>3</sup> “Convert ‘Silent Attrition’ into Banking Engagement and Profits” Javelin Strategy & Research 2015



# InFirst FCU Sees Success With Email Based Onboarding Program

**infirst** Federal Credit Union  
MEMBERS FIRST. PARTNERS FOREVER

**Welcome!**

Dear %%377-Name%%,

Thank you for joining InFirst Federal Credit Union. As a member you are part owner of a premier financial institution. A wide array of products and services are available for you and your immediate family.

- Great rates on [checking accounts](#), [loans](#), [share certificates](#), [mortgages](#), and [credit cards](#).
- Convenient services such as [Mobile Banking](#), [Online Banking](#), [E-Statements](#), [Bill Pay](#) and [Premier Teller](#).
- Easy access to your funds with over **5,000 shared credit union branches** and over **55,000 surcharge-free ATMs**.

We are here to help you and your family achieve your financial goals.

Welcome to the credit union,

Your Team at InFirst FCU

703.914.8700 / 540.644.9515 / 800.328.1500

## Welcome

**infirst** Federal Credit Union  
MEMBERS FIRST. PARTNERS FOREVER

**Bank when you want to.**

We have many convenient services that make it easy to track your money and keep in touch with your credit union.

**Mobile Banking & Deposit**  
Tap our App! Use your mobile device to make deposits, pay bills, check your balances, transfer funds and more! Download our free App today.

**E-Statements**  
View, print or save your electronic statement in Online Banking. Save yourself time and clutter by stopping paper statements.

**Online Banking & Bill Pay**  
It's easy to transfer funds between accounts, pay your bills, and check your balance - all without leaving home or work.

**Premier Teller**  
Have questions regarding your accounts? Call 888.960.6185. Click [here](#) for Premier Teller Menu Options.

**Shared Banking and ATMs**  
You have access to over 5,000 shared credit union branches and 55,000 surcharge-free ATMs nationwide to access your money when and where you need it.

703.914.8700 / 540.644.9515 / 800.328.1500

## Banking Options

**infirst** Federal Credit Union  
MEMBERS FIRST. PARTNERS FOREVER

**Fee Free Checking**

We've created several checking accounts that offer competitive rates and member benefits. Find the account that's best for you.

**Ultimate Checking**  
Earn **2.00% APY\*** on your checking account.

**Unlimited Checking**  
Make as many ATM and debit transactions as you want with unlimited access to more than 36,000 surcharge-free ATMs.

**Teen Checking**  
Teach your teen to manage money and take control of his future. Steer clear of fees with unlimited ATM and debit card transactions.

\*APY = Annual Percentage Yield. Rates subject to change without notice. Certain terms and conditions may apply. Dividends are computed on the daily balance method. Fees may reduce earnings. Rate tiers are as follows: 2.00% APY applies to the portion of the balance from \$0.01 to \$10,000.00. The portion of the balance from \$10,000.01 to \$15,000.00 will earn 1.00% APY. The portion of the balance over \$15,000.00 will earn 0.15% APY as long as qualifications are met each month. 0.15% APY will be earned on all balances if qualifications are not met. Dividends earned will be deposited into the member's prime savings account. Rates effective 2/1/15.

703.914.8700 / 540.644.9515 / 800.328.1500

## Introduction to Checking Accounts

**infirst** Federal Credit Union  
MEMBERS FIRST. PARTNERS FOREVER

**We've got money to lend.**

Whether you need to transfer high-interest credit cards, buy a new car, or if you are in the market for a new house, we can help.

**Credit Cards**  
Transfer high interest credit cards to a [Visa® Rewards](#) card for **0.80% APR<sup>1</sup>** for the first 12 months. Plus earn points<sup>2</sup> for your purchases.

**Auto Loans**  
Find the car of your dreams and finance it with us. Sign up for E-Statements and Direct Deposit and rates can go as low as **1.39% APR<sup>3</sup>**. We also offer several car [buying services](#) to assist you and help make the right choice.

**Personal Loans**  
We've got rates as low as **6.99% APR<sup>4</sup>** on personal loans.

**Mortgages**  
If you are interested in purchasing a new home with a low rate we can help. [Calculate](#) how much house you can afford.

**Home Equity Loan**  
A Home Equity Line of Credit can be used to consolidate debts, make large purchases, or pay off school loans. Consolidate all those small payments into one loan payment and the interest may be tax deductible<sup>5</sup>.

703.914.8700 / 540.644.9515 / 800.328.1500

## Help with Different Loans

The email-based onboarding program at InFirst FCU helps new customers feel right at home. This series of 7 emails over 60 days also resulted in the following cross-selling successes:

- 18% added at least one new product/service as a result of the campaign
- Number of deposit accounts grew 24%
- Deposit balances increased by over \$425,000

# Value-Added Communications and Personal Recommendations (1-3 Months)



In a recent Gallup study it was found that **66%** of financial service customers felt the offers they receive were 'general' in nature, and that **53%** of customers already had the product being promoted.

Your new customer is onboarded, and is deriving real value from the account(s) they've opened. But their onboarding journey shouldn't end there. Recent research by JD Power indicates that the most effective onboarding programs connect with customers more than seven times in the first six months<sup>4</sup>. So to keep them satisfied, you'll need to keep in touch.

This customer desire for contact represents a great opportunity for you to do some cross-selling, using the data you gathered during account opening to make personalized, highly relevant offers to them. A word of caution here, though –your cross-selling efforts must be needs-based. Too often, banks and credit unions expend tremendous effort on wooing new customers, and then dump a raft of untargeted offers in their laps once they've signed on. That doesn't help anyone, and certainly doesn't make for a great customer experience with your institution.

By moving beyond product-driven cross-selling strategies, to an "advisory" model, based on identifying problems and helping customers address them, you'll give your CFI a competitive advantage. A recent industry study indicated that 39% of financial institutions simply market a standard set of services to all new customers<sup>5</sup>. Their lack of personalization and targeting during the onboarding process, coupled with the fact that 45% of banks and credit unions don't have any sort of structured onboarding process in place, represents a fantastic opportunity for your organization to move ahead of the pack.

<sup>4</sup> JD Power 2015 U.S. Retail Banking Satisfaction Survey

<sup>5</sup> 2017 Digital Banking Report

<sup>6</sup> 2013 Gallup U.S. Retail Banking Survey

# 4 Steps To Customer-Centric, Data-Driven Cross-Selling



The future of cross-selling is personalization. Today over **93%** of FIs agree that providing value-added services to customers based on data-driven insight will be "crucial to their long-term success<sup>7</sup>".

Follow these four key steps to create a cross-selling strategy that uses analytics to identify and address unmet needs:

- 1. Establish realistic goals** for products per household, household lifetime value, and retention, and develop a process for reporting on progress. Also establish goals around customer satisfaction scoring, and ensure these are understood to be as important as your sales targets.
- 2. Develop customer segmentation** using both data captured during onboarding and later, as the customer uses their account. Consider demographics (e.g. age, gender), channel preference (in-person, phone, email), life stage, and product ownership mix. For existing customers, leverage a business analytics tool to mine the data you already have and identify cross selling opportunities.
- 3. Build product offerings** around the needs of these segments, and ensure there's a strong, customer-centric value proposition for all products in the cross-sell program. Include an incentive to remind customers that you value their business, and tell them specifically why they've qualified for the offer.
- 4. Utilize consistent, coordinated cross-sell campaigns** across all channels including online and through your CRM at branches and call centers. Email is a fantastically cost-effective channel to use for cross-selling, but following up with the most engaged customers via phone can also help your staff close more deals, more efficiently.

<sup>7</sup> "The Future of Retail Financial Systems", 2016 Cognizant, Marketforce & Pegasystems

# A Proven Way To Unlock Customer Value

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Customers still have the same basic financial needs as always, but today more financial institutions than ever are vying for their business. This ever-increasing competition means new customer acquisition has never been so difficult and costly. So when a customer decides to do business with your institution, it is imperative you go out of your way to engage and retain them with a comprehensive onboarding process.

The good news is an effective onboarding strategy delivers ROI very quickly. In fact, financial industry expert Jim Marous now estimates that the value of each retained household exceeds \$400<sup>8</sup>, when the cost of acquisition is added to the value of a new customer relationship. Add your increased cross-sell revenue to that amount, and you can see why successful onboarding covers the cost of solution deployment in a very short period, and puts you on the path to lasting customer profitability before you know it.

<sup>8</sup> Ways to Succeed With New Customer Onboarding, Jim Marous 2016



# Build Strong, Profitable Relationships Right From Day One

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Schedule a call with a Doxim expert and we'll show you the tools and techniques you need to make the right first impression, every time.



**CHAT WITH A DOXIM EXPERT**

**doxim**<sup>®</sup>

Doxim is a leading provider of SaaS-based customer communications and engagement software for banks, credit unions, and wealth management firms. Doxim's Customer Engagement Platform helps financial institutions transform their client experience, communicate effectively throughout the client lifecycle and improve cross-sell and upsell activities that drive increased wallet share. The platform addresses key digitization challenges, from automated account opening, through improved, personalized communications to anytime, anywhere content access, tailored to a client's channel preferences. This eliminates costly traditional paper-based, manual processes and enables cost-effective provision of an omni-channel experience that delights customers and improves their long-term loyalty. Find out more at [www.doxim.com](http://www.doxim.com).