

white paper

Enhancing the Customer Experience with Enterprise-Wide E-Signatures

KOFAX 

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An e-signature platform deployed in multiple channels across the enterprise can advance customer engagement while vastly improving operational efficiencies.

For enterprises of all types, signature requirements are an important part of the *initial, information intensive* customer interactions, i.e., the place where customer loyalty is won or lost. In the past, these companies have relied on paper-based processes, which require either in-person signatures, postal and shipping services, or fax and email to validate documents. Even transactions that are initiated online often require paper-based signatures to finalize transactions.

Whether a transaction is simple or complex, automating the signature process can greatly improve operational efficiencies for large organizations. More importantly, an enterprise-wide e-signature solution can significantly enhance the customer experience during that essential *First Mile™* of customer interaction.

What Are E-Signatures?

Electronic signatures have also been referred to as digital signatures. While these terms are often used interchangeably, they are in fact complementary. An electronic signature is the electronic representation of your intent to sign. A digital signature, on the other hand, is a mechanism to secure electronic data. Together, e-signatures and digital signatures offer a secure, legally binding way to sign.

An e-signature can be obtained online, in person, or while mobile using any signature method, including:

- A handwritten, biometric electronic signature
- Clicking “I Agree” during an online process

- Taking a photograph at the time of signing and embedding it in the document

Both the United States and the European Union passed measures to promote “a reliable system of electronic signatures that works across countries to increase the security of electronic commerce.” In Europe, the 1999 *E-Signature Directive* established the legal framework for electronic signatures and certification services. In 2000, the United States enacted the *Electronic Signatures in Global and National Commerce Act*, also known as the e-signature bill, which specified that the use of an e-signature is as legally valid as a traditional signature written in ink on paper.

In the years following these two measures, use of e-signature technology started slowly but has since expanded. According to Gartner, the overall market for e-signature software and services grew from an estimated \$111 million in 2010 to \$164 million in 2011—a 48 percent compound annual growth rate. Market growth continues to build, in part due to customer demands that have increased in both scope and complexity.

Changing Customer Preferences

When considering whether to adopt electronic signature technology, changes in customer behavior are a relevant factor. The idea of “convenience” in banking, for instance, is undergoing a shift away from branch locations and toward digital products and services that mesh with consumers’ “smart” mobile-empowered lives. In fact, a recent CEB TowerGroup study shows that consumers are increasingly banking in online and mobile channels rather than in-branch.

These days, most customers expect the ability to carry out transactions whenever and wherever they are.

Eliminating manual signature processes and replacing them with an e-signature solution enables customers to complete transactions in one fluid, less error-prone

process, regardless of the channel used. Furthermore, eliminating the need to print, route and archive paper reduces costs, including paper stock and storage, couriers, mailing and shipping.

An important point to note is that *not all e-signature technologies are created the same*. Ensuring a consistent user experience across all channels while at the same time safeguarding sensitive financial information requires a highly secure, enterprise-wide e-signature solution.

Making the Right E-Signature Technology Decision for the Enterprise

An enterprise-wide e-signature solution with the ability to deploy in multiple channels offers many advantages, including improved customer experience, lower training costs and a faster ROI.

By supporting all signature types, including click-to-sign, handwritten, fingerprint, and photograph, an enterprise-wide e-signature solution delivers a consistent customer experience, regardless of the business channel chosen. Providing customers with flexible opportunities to carry out transactions around the clock improves a financial organization's competitive advantage.

Because the underlying technology is the same for all channels, an enterprise-wide e-signature solution eliminates the need to maintain several solutions from various vendors. This attribute enables financial organizations to quickly and cost-effectively deploy the solution throughout the business. Because the technology can accommodate all situations, an organization can roll out the solution one channel at a time if desired. Once the e-signature software is a known solution internally, implementing new e-signing processes will be quick and easy.

An enterprise-wide e-signature solution with the ability to deploy in multiple channels across the enterprise offers many advantages, including a more consistent user experience, lower training costs and a faster ROI.

To unlock the full potential of an e-signature solution, choose an enterprise-class solution with the following key features:

- 1. Offers multiple deployment options.** A wide range of deployment options within one e-signature technology across your entire enterprise reduces the IT resources needed to implement and maintain the solution and facilitates adoption by employees.
- 2. Supports multiple e-signature types.** The best solution offers support for click-to-sign, biometric handwritten signature, fingerprint, and photograph. According to Gartner, by 2016, more than 50% of enterprises with international footprints will select products from vendors offering multiple signature types.
- 3. Works with all e-signature capture devices.** The right technology solution offers support for a variety of capture devices, including iPads, Android and Windows tablets, tablet PCs, smartphones and signature pads, to meet customer preference.
- 4. Incorporates an industry-standard digital signature format.** A solution that leverages the ISO 32000 Standard to produce a nonproprietary e-signature will only require a PDF Reader to verify the validity of the signature. This eliminates the need to purchase and maintain additional software to verify the integrity of the document.
- 5. Provides an open architecture.** Easy-to-use software developer kits facilitate the integration of e-signature software with other core business applications such

Case Study:

Life Insurance Company Enhances Agent Productivity with E-Signature-Enabled Sales Tool

In 2011, the AIA Group, a market-leading life insurance company in Asia Pacific, began rolling out its interactive point of sales system (iPoS). Today iPoS is in use in 10 markets in Asia, including Taiwan, Singapore, Malaysia and Indonesia. AIA in-field agents use the system to present, complete and e-sign insurance documents, such as policies, customer declarations, and agent reports. AIA also uses the iPad's integrated camera to capture and insert a photograph of the customer's identification card or supplementary documents such as medical reports.

iPoS Components

Completely Paperless: iPoS enables agents to present marketing material electronically. In addition, the system captures a secure, biometric handwritten signature and facilitates electronic payment.

Anywhere, Any Time: iPoS can work in both a connected or disconnected mode. Agents who are meeting clients in remote areas where connectivity is an issue can continue with the e-process and sync with the system when back online.

Once and Done: iPoS guides the agent and the customer through the e-process, including the fact finding and the analysis of the customer's financial health to recommend the right product. There is no need for multiple visits.

Results

- **Fast submission process:** With iPoS, the submission process went from 1 to 2 days down to just a few hours.
- **Cost reduction:** AIA has reduced expenses on the cost of paper products, courier charges and storage by implementing a paperless process.
- **Meet industry regulations:** The use of a biometric e-signature enables AIA to meet regulatory requirements. SignDoc captures the unique biometric data of each signer, including speed, strength and style of each stroke.
- **Customer-friendly process:** Electronically signing on the iPad offers an easy and technically-savvy process that customers enjoy, enhancing their experience with the brand.

as account-opening platforms, archiving, email, and document management systems.

6. **Delivers maximum security.** Automating high-value transactions requires a high level of security. For large financial institutions, this typically means hosting the solution behind the firewall.
7. **Verifies document integrity and provides an audit trail.** A key advantage of e-signatures is the ability to detect if the document was changed post-signing and view the process audit trail. Having this critical information at the document-level enables vendor independence and the confidence that documents can be verified now and in the future.

Final Thoughts

A recent Forrester Research report titled, *Trends 2014: North American Digital Banking*, indicated that "digital strategy has risen rapidly up the agenda at most North American banks in the past year." Other studies echo the Forrester report, stating that more and more top-level executives in multiple industries are doubling down on online, smartphone and tablet initiatives.

According to a recent global banking study by the Aite Group, two key opportunities for banks to increase productivity and enhance customer service have emerged as potentially fast wins: in-branch tablet-based banking and multichannel integration. However, to fully leverage the technology investment inherent in these two initiatives, financial organizations must consider an e-signature solution.

The bottom line is that large organizations must focus on IT innovations that increase integration among channels, significantly increase productivity and enhance customer service while reducing operational costs. In the end, the time and effort involved would be well-invested, allowing companies to evolve into leaner, more agile and more customer-centric organizations.

About Kofax

Kofax® is a leading provider of smart process applications for the business critical First Mile™ of customer interactions. These begin with an organization's systems of engagement, which generate real time, information intensive communications from customers, and provide an essential connection to systems of record (large, enterprise applications and repositories not easily adapted to contemporary technology). Kofax improves the customer experience and reduces operating costs for increased competitiveness, growth and profitability.

For more information, visit kofax.com.