

DRIVING AMAZING DIGITAL EXPERIENCES.

The New Currency in Financial Services.

2018

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Introduction: **CHANGING TIMES**

Once upon a time, the financial services sector had a reputation for being among the more conservative users of technology. Understandably obsessed with risk and hidebound by regulations and culture, banks, insurers and others were slow to adopt new technologies. When cloud computing emerged to refashion the way companies deploy and consume IT, FSI participants were not keen to be among pioneers, just as they had erred on the side of caution with other major technology waves.

Today, however, the situation has been reversed. Under attack from start-ups that are unencumbered by decades (or even centuries) of legacy systems, applications and thinking, financial services giants are learning that they have to move at speed — and even to forget a lot of what they have learned.

The new banks, lenders, brokers, aggregators and fintechs are forcing their hands and both incumbents and newcomers are adapting to a new world where change is everywhere.

Digital experiences are the new FSI currencies and only by applying the ease of use and sense of delight that consumers have with smartphones, online retailers, social networks and others can companies succeed. By applying digital tools throughout the end-to-end journey, FSI firms can accelerate the process of getting solutions to market, recoup return-on-investment and make experiences slicker, more convenient and faster.

In this report we'll examine the role of digital document workflows. These will play a huge part in streamlining processes and, ultimately, improving the customer and employee experience while at the same time saving costs, reducing latency, enhancing loyalty and creating brand value.

Only **37%** had committed a budget towards digital transformation in 2017.^[1]

Respondents who agree with the statement "We are a digital-first organisation".^[2]

22% Media.

19% Technology.

9% FSI.

	THEN	→	NOW
	Channels	Retail, phone	Omni-channel
	Location	Fixed	Mobile
	Account	Print statements	Web-based
	Payments	Direct debit, standing order	Real-time online transactions
	Speed of transaction recognition	Multi-day	Close to real-time
	Back-office processes	Slow, clunky	Fast, slick
	Visibility	Opaque	Transparent
	Queries	Phone/Retail	Bots, online
	User experience	Basic	Automated, flexible, attractive
	Competition	Staid, old	Dynamic, highly competitive
	Lending	Asset-based	Crowdfunded too
	Consumer attitude	Mostly brand-loyal	Flexible, likely to jump on deals

Digital Document WORKFLOWS

Document workflows in the FSI sector can still be glacial and that slowness has a major impact on the success of competitors and customer happiness. If processes drag on or are frustrating then FSI institutions will struggle to recognise revenues in timely fashion, mistakes creep in and customers walk away to rivals that can provide a slicker way for them to see their accounts, create new ones and take advantage of new terms and conditions.

Not everything in the world will be digitised but even face-to-face meetings for complex transactions or discussions can be facilitated more efficiently through digital means and FSI companies need to digitise wherever possible in order to accelerate processes and delight employees and customers.

6 billion signature transactions per year through Adobe Sign and Adobe Document Cloud.

Using Adobe Sign, vehicle leasing provider Arval, part of BNP Paribas Group^[3], developed a smooth digital workflow to process about 3,000 contracts a month. Arval routinely manages banking information, direct debit payments, and other financial details and is subject to the same high standard of regulations as other financial institutions. The feedback from users has been outstanding, with customers lauding the flexibility to sign a document from any browser, mobile phone or tablet, and not have to worry about finding a printer. Dealers and brokers have been equally impressed and no longer find themselves in the administrative intensive role of shuffling paperwork between Arval and customers.

Mobile world^[4]



75% use smartphones on public transport on the way to the office.



68% use smartphones while having family dinners.



37% use smartphones for work emails.

ELECTRONIC and DIGITAL SIGNATURES

Despite all the excitement about frictionless financial services, 80 per cent of our business document processes experiences still rely on paper, according to IDC.^[5] These processes demand we post forms or be physically present to give consent and sign off on contracts or transactions and they're not just inconvenient and yawningly slow, they also mean there is greater risk of errors creeping in.

Electronic signatures provide a convenient alternative to paper processes, but businesses need to understand the different alternatives and terminology. The simplest kind of electronic signatures offer basic signer authentication which is perfectly adequate for many electronic processes. For more sensitive matters requiring stronger signer authentication and proof of intent to sign, businesses may choose signatures based on certificates issued by third-party trust service providers that confirm the identity of the signer. These certificate-based signatures are more commonly known as digital signatures and, in Europe, can be classified as Advanced (AES) or Qualified (QES) electronic signatures depending on the level of authentication

used to issue the certificate. These digital signatures are changing the face of assent and trust by providing virtual 'fingerprints' that authenticate a specific sender with the signature.

With digital signatures and workflows, processes that once took three weeks take three hours, signatures are processed 21 times faster, and ROI is 383 per cent, according to Forrester Research.^[6] These processes cover everything from back-office internal processes such as hiring staff to customer on-boarding, for example where new bank accounts, mortgages, loans or other agreements are agreed, and switching deals.

Digital signatures in Europe took a huge stride forward in July 2016 when the Regulation on Electronic Identification and Trust Services for Electronic Transactions in the Internal Market (commonly known as eIDAS) harmonised the EU framework for their use. Today, they are finally becoming a significant and growing part of the fabric of the digital world.

"eIDAS established a new legal structure for electronic identification, signatures, seals and documents throughout the EU."^[9]

But digital signatures don't just help save costs and speed up processes. Don't forget the consumer experience: Goldsmiths, University of London found that 50% of consumers would buy from an unknown brand if the consumer experience is strong^[7] and eight out of 10 consumers stay loyal to brands that offer delightful experiences.^[8] Convenience is, depending on country, ranked by 53 to 65% of respondents as the most important consideration when making a purchase in Europe.

Digital signatures are convenient and becoming universally accepted. They provide an audit trail that helps with compliance and they don't even require a full signature — even an 'X' will do. Today, however, digital signatures still have plenty of opportunity for growth as adoption takes off. We can expect them to become mainstream quite quickly, however, as digital natives who are less likely to have a conservative mistrust of the technology come to dominate the workforce. We believe that in three to five years, most of us will be using digital signatures on a daily basis.

10 reasons to use e-signatures:

1. Rapid return on investment.
2. Efficiency and speed.
3. Regulatory compliance.
4. Improve customer and employee experience.
5. Improve productivity.
6. Reduce costs.^[10]
7. End-to-end digital workflows.
8. Reduce environmental impact.
9. Reduce data error.
10. Increase security.

Tips checklist when starting out with digital signatures:

- ✓ Identify processes which could benefit from different kinds of electronic signatures.
- ✓ Start small but keep the bigger picture in mind.
- ✓ Consider partnering — choose a trusted vendor with a proven success rate.
- ✓ Understand legal requirements for different kinds of electronic signatures — requirements can vary based on your country laws or regulatory landscape. Look for vendors that have a deep understanding of the laws and can assure you their systems will comply with your specific requirements.
- ✓ Decide which level of signer authentication is appropriate for each process.
- ✓ Look for an interface that's easy to learn and use, implement, and integrate with existing workplace software. Not all integrated solutions are created equal.
- ✓ Top-rated security standards are a must. Your solution should keep your data and documents safe wherever they go.
- ✓ Ask Adobe for help.

Taking **FRICTION** out of processes with **DIGITISATION**

How can workflows be digitised? Here are some real-world examples of FSI digital workflows in action:

Customer service. Bots, live chat and screen sharing can replace many face-to-face meetings or support phone calls.

Booking appointments. Face-to-face meetings, video calls or phone meetings can be booked and, for the last two, conducted online.

Digital forms. These help avoid errors by providing conditional fields that limit responses, for example the quantity of numbers that can be entered for a bank account. Customers can also provide feedback to correct errors and improve forms.

Encryption. Agents send encrypted document links to customers to build in security and authentication.

Digital signatures. These complete the process and get rid of the need for finding physical branches, or physically mailing documents. For FSI players, they remove the need for back-office handling and scanning of paper documents.

When mapping these workflow journeys, experienced campaigners recommend assembling a SWAT team encompassing legal experts and compliance officers as well as technology and business process experts. They also report that companies that fully digitise workflows can expect huge efficiencies.

Customer experience is the number-one way FSI companies will seek to differentiate themselves over the next five years. ^[11]

36% Customer experience.

19% Customer service.

14% Product/service innovation.

10% Product/service quality.

The **PROBLEM** with **PAPER** and **MANUAL** processes

- ✘ Paper requires human data entry, which is slow and can require physical presence.
- ✘ Legacy processes deter strong relationships and put off tech-savvy users.
- ✘ Digital transactions are critical to completing a great customer experience with no last-stage wrinkles.
- ✘ Time to ROI is far superior in digital.
- ✘ Customers and employees today are mobile and prefer to be served where they are — everyone expects a great experience on every device.
- ✘ Searching for and accessing paper documents is time consuming, expensive, error prone, risky & frustrating.
- ✘ Integration with digital back office systems is manual and can be in disparate systems and across siloed functions.^[12]

“Credit applications are signed and returned in an average of 17.3 minutes — a huge gain compared with paper applications.”

—Jonathan Back, Chief Financial Officer and Operations Director, Diners Club UK and Ireland.^[13]

The Adobe **SOLUTION**

Digitising FSI services is mandatory today in order to stay competitive. But not all digital journeys are created equal. Services that require extensive intervention from IT or software developers to make tweaks risk falling into disuse or remaining suboptimal. Also, bespoke or in-house systems might lack key features such as the ability to identify where users abandoned the online service, or personalisation capabilities that will lead to more customer/employee satisfaction over time.

As financial services institutions seek growth in the face of rising operational costs, more demanding compliance and security requirements, and more exacting demands from customers, they are realising that implementing a cloud-based digital document communications solution delivers a critical competitive edge.

Adobe Document Cloud is a complete solution that encompasses a broad portfolio of capabilities including PDF, e-signatures, mobile apps, cloud services, and document protection, tracking and publishing. With Adobe Document Cloud, financial

services institutions gain the ongoing support and reliability of Adobe, one of the world's largest Software as a Service (SaaS) companies.

We work across digital platforms and disparate systems to join up account acquisition, enrolment, onboarding and insights to give the FSI sector a better understanding of customers and employees, and to give users transparent insight into their finances.

Complex forms and interactions are transformed into intuitive, engaging experiences that take place anytime, anywhere and on any connected device. These forms can also be adapted without IT intervention based on insight and feedback, with new features or usability changes simply added.

Adobe Sign meets customer demand for anytime, anywhere signing on mobile and the web while complying with the most stringent e-signature laws and regulations in the world. Digital signatures offer the highest level of assurance for signer authentication and document integrity, and Adobe has worked with leading technology providers to

deliver the world's first open standard for cloud-based digital signatures. This enables FSI companies to work with the digital ID provider and deployment method which best meets their particular regulatory and compliance requirements, making deployment easier than ever.

Find out more at:

<https://acrobat.adobe.com/uk/en/>

and

<https://acrobat.adobe.com/uk/en/use-cases/digital-enrollment.html>

Adobe can HELP

Adobe Document Cloud helps organisations worldwide transform document processes and deliver compelling digital experiences to engage customers, get business done faster, and compete more effectively.

Seamlessly integrating into your existing enterprise systems and business applications, Adobe Document Cloud solutions empower departments across your organisation to increase operational efficiency, reduce risks associated with human error, and create intuitive end-to-end digital experiences.

Learn more: <https://acrobat.adobe.com/uk/en/>

^[1] 2017 Digital Trends in Financial Services and Insurance, Econsultancy.

^[2] 2017 Digital Trends in Financial Services and Insurance, Econsultancy.

^[3] Simplifying the car leasing process. Arval drives quality experiences for customers and partners with efficient Adobe Sign workflows, 2017.

^[4] 2017 Digital Trends in Financial Services and Insurance, Econsultancy.

^[5] Business transformation through smarter document workflows, an IDC InfoBrief, April 2016.

^[6] The Total Economic Impact of Adobe Sign, Forrester, May 2017.

^[7] Reinventing loyalty: understanding consumer behaviour in the experience era, September 2017.

^[8] Reinventing loyalty: understanding consumer behaviour in the experience era, September 2017.

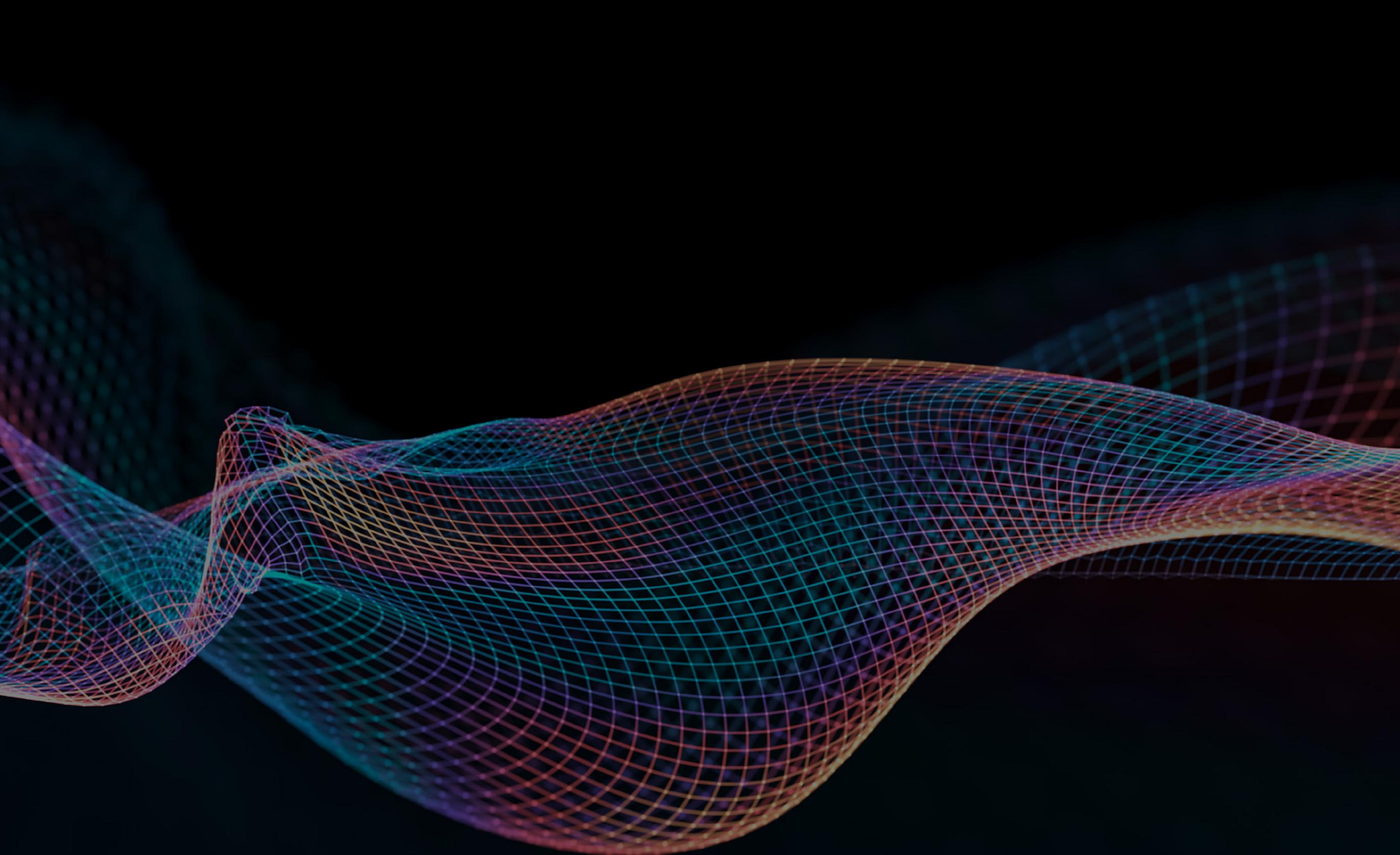
^[9] Global Guide to Electronic Signature Law: Country by country summaries of Law and enforceability.

^[10] Your signature move: five great reasons to make electronic signatures a part of your business, 2017.

^[11] 2018 Digital Trends in Financial Services, Econsultancy.

^[12] Business transformation through smarter document workflows, an IDC InfoBrief, April 2016.

^[13] Diners Club UK and Ireland impresses customers with fast service. Company speeds up corporate credit applications with Adobe Sign, boosting efficiency and customer satisfaction, 2016.



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