

Icon UK - The positive impact of platforms on conversion and retention rates (Session 4/5)

Business Reporter asked Icon UK about how anti-fraud tools can actually drive customer conversions and retention.

In this session, we're going to discuss how anti-fraud tools can drive conversion rates and customer retention and improve the ROI of deployment. We've discussed already some of the many types of fraud that businesses suffer, including application fraud and identity theft. But there are so many other types of fraud.

How can your solutions both prevent and improve outcomes in general?

The technologies discussed can be used as point solutions against many types of fraud, for example, onboarding identification and ongoing authentication, also by replacing physical meetings today used by financial advisors, notaries, and the like. But when the same solution platform is used to tackle many different process types, it becomes a competitive advantage investment. It enables all-in-one completion of contracts and transactions.

How does all-in-one completion improve customer experience?

Time-poor wealthy individuals or millennials are intolerant of poor-quality, quasi-digital processes. So 85% of contacts may drop out if not managed as a whole end-to-end transaction in one go. No breakout discontinuity in the solution is essential for maintaining engagement and transaction completions. Smart meetings are convenient for all, removing the need to travel or for a wet ink signature.

What role do humans play in detecting fraudulent behaviour?

Humans have high empathy, which is a driver of trust and can integrate many different processes from different systems. We're also good at detecting certain types of fraud, given the right points of comparison and supporting tools. But humans are costly when they don't have the right tools or training.

So it's about the way in which the tech is used to support business outcomes. If a human-assisted process cost 10 times that of a robo process, but is 20 times more effective, why would a business start with a robo-only model? Humans should either be used for scheduled consultations in regular transactions for strong empathy and relationship building, like in financial advisory uses, or to assist step-up processes from web and chat transactions for AML or KYC, for example, or should be focused on the highest-risk exception management in one-off transactions.

Tools that give organisations the ability to easily schedule or step up from chat or voice channels into remote, human, face-to-face meetings and interactions gain significant competitive advantage and have more sophisticated capabilities to combat fraud.

What's the ROI of smart meeting platforms?

Payback comes from a number of areas, increased business through higher completion ratios, more available time, more broader geographic reach, reduced and avoided costs with less travel, paper, postage, scanning, follow-ups to obtain signed documents, or less compliance effort checking paperwork. We assess these against your data. It's surprisingly affordable when taken as a platform. And analysis commonly shows a 10 times ROI with a payback period of just months.

What are regulators doing to encourage greater adoption of these technologies?

In the UK, the current activity by the Law Commission reviewing the electronic execution of documents and similar financial services industry reviews shows that there's an immediate impetus for change. Some of the perceived barriers, such as e-signing, are now clearly shown to be not obstacles at all in most cases. Digitally integrated customer-first systems might just become a wider reality sometime soon.

But regulators demand high standards and good compliance. Both in France and Germany banks are having to re-identify tens of thousands of customers as their AML and KYC processes are judged insufficient, with both reputational impact and fines imposed on both challenger banks like N26 and most of the established large French banks.