AiteNovarica

PROVE PRE-FILL

HOW LEADING FIRMS ACCELERATED ONBOARDING TIMES BY UP TO 79%

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SHIRLEY INSCOE

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IMPACT REPORT

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MARCH 2022

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SHIRLEY INSCOE

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SUMMARY AND KEY FINDINGS

- This Impact Report explores Prove's Pre-Fill product and the experience of three firms deploying Pre-Fill to improve their customer onboarding process while also verifying consumer identities to mitigate account opening fraud. All three companies were seeking an improved customer experience during mobile onboarding as well as higher acquisition rates.

- Outcomes achieved by the companies using Prove Pre-Fill included much faster application completion times, higher acquisition rates, and an improved customer experience while mitigating fraud:

  - Company A reported a 78.7% decrease in average onboarding completion time (47 seconds to 10 seconds) with Prove Pre-Fill as well as a 28.8% increase in total applications approved (from 73% to 94%).
  - Company B said that its append rate is now "significantly higher" with Prove Pre-Fill, and its application completion rate doubled (with Prove Pre-Fill used in conjunction with another vendor).
  - Executives with Company C credit much of the company's new patient registrations to the use of its user-friendly mobile registration process powered by the Pre-Fill product. Company C experienced a 151% increase in new patient registrations since Prove Pre-Fill was implemented.

- Other qualitative feedback from executives whose companies implemented Prove Pre-Fill include the following:

  - The implementation process was "easy" and "seamless," and the product is described as "user-friendly."
  - Since implementation, identity verification is working well, and fraud "has not been an issue."
  - In terms of customer support, Prove was described as having a "good customer support system" and being "very responsive."
  - Prove Pre-Fill was selected as a result of extensive testing whereby Prove Pre-Fill "won the deal over the other vendors that participated in the testing."

- In addition to mitigating account opening fraud by verifying the consumer's identity, Prove Pre-Fill improves consumer application completion rates by minimizing the number of keystrokes required to be completed by the consumer, which increases

the speed of the onboarding process. In most cases, only two data fields (e.g., mobile number, last four digits of the Social Security number) must be keyed by the applicant to result in very accurate identity verification and a seamless experience.

- Leveraging its extensive Phone Identity Network (PIN), Prove is able to verify the identity of the consumer and automatically fill in the rest of that person's information on the application, eliminating the need for the consumer to type all the data (e.g., address, date of birth.) This reduces much of the friction during the mobile onboarding experience.

- The COVID-19 pandemic spurred the U.S. to transform rapidly to a digital-first mentality, forcing millions of consumers to adopt digital methods out of necessity. Fortunately, a large majority of consumers liked digital channels once they tried them; as one example, 88% of consumers who tried online or mobile banking for the first time were very or extremely satisfied with it.

- This Impact Report was sponsored by Prove, a provider of identity verification and authentication solutions. Information related to each of the three companies' implementation and use of Prove Pre-Fill are detailed anonymously in the case studies for confidentiality purposes.

INTRODUCTION

In recent years, many U.S. consumers have migrated to digital channels through a desire to use them or by being forced to use them by the COVID-19 pandemic. Closure of in-person facilities during the pandemic spurred terrific increases in digital banking, e-commerce, and healthcare in 2020. Fortunately, a large majority of consumers welcomed the new experiences of banking and shopping online as well as virtual healthcare visits. To attract new customers in a digital environment, firms must offer an easy, fast onboarding process so consumers don't get frustrated and abandon the process. Firms that make the onboarding process easy for consumers—whether it be for a credit card application, opening a checking account, or opening a healthcare account—will enjoy a competitive advantage.

This report explores the experience of three firms that have deployed the Prove Pre-Fill solution: what led them to implement Pre-Fill, the implementation experience, the lessons they learned, and the results they have achieved.

METHODOLOGY

This report was sponsored by Prove, a provider of identity verification and authentication solutions used by eight of the top 10 banks, three of the top five retailers, two of the top three cryptocurrency exchanges, two of the top three healthcare companies, and six of the top 10 insurance companies in the U.S. This Impact Report is based on telephone interviews with executives from Prove as well as five executives from three companies that have implemented Prove's Pre-Fill product and have observed improved results in their client onboarding process. Information related to each of the three companies' implementation and use of Pre-Fill is detailed anonymously for confidentiality purposes. In addition, some data in this report is based on an online research survey conducted in December 2020 among 1,994 U.S. consumers.

THE MARKET

During the COVID-19 pandemic, when many banks and businesses had to close their facilities or significantly curtail operating hours, and many healthcare organizations were overwhelmed, U.S. consumers turned to online and mobile channels out of necessity. While many consumers had migrated to digital channels previously, the pandemic forced millions more to use mobile and online channels for the first time to perform critical activities such as banking, shopping for necessities, scheduling virtual medical appointments, and more. The world may never return to the same state as what existed prior to COVID-19. The firms that prioritize investments in serving customers through digital and mobile channels have benefited and will continue to do so. Table A highlights a few recent key market trends.

TABLE A: THE MARKET

MARKET TRENDS	MARKET IMPLICATIONS
U.S. consumers have adopted digital channels and are using more functionality online than ever before, largely due to the pandemic forcing them to use digital channels for healthcare, banking, shopping, etc. during closures and restricted hours of many firms beginning in 2020.	While many consumers gravitated toward digital channels in recent years, the pandemic forced many consumers to try digital activities for the first time. Many had positive experiences and plan to continue to use mobile and online channels going forward.
Many consumers like digital channels and are using them to apply for new account relationships in banking, healthcare, and e-commerce.	Unless online applications are simple and fast for consumers to complete, they may abandon the process. Particularly in the mobile channel, the small keyboard can be an impediment to keying a lot of data.
Firms that enable new digital relationships to be established easily will enjoy a competitive advantage.	Consumers won't tolerate inconvenience; they may get frustrated and abandon a lengthy application process. Transforming the mobile or online application process to be simple, easy, and fast will lead to many more completions, which may translate to a higher acquisition rate.

Source: Aite-Novarica Group

U.S. consumers love their mobile devices to the extent they almost never leave home without them. Having access to a device at all times makes it convenient to take action when consumers learn about a new opportunity or recall that they want to do a specific thing. While there may always be a segment of people who prefer to complete a paper application, an increasing percentage prefer the convenience of applying online—often using their mobile devices. One advantage of doing things online is that consumers can apply for a new account or relationship at their convenience and not have to schedule an appointment or take time away from their routine. Mobile devices offer consumers 24/7 convenience, but many firms haven't yet taken steps to make applying online simple and easy.

Consumers wanting to use their mobile devices for applications presents a big opportunity to firms that seek to acquire new customers or patients. When consumers apply online, there is no person involved in taking an application, automatically making it a less-expensive process. However, firms can realize additional benefits. An online application eliminates the need to take data from a paper application and input it into a system, reducing the potential of manual keying errors. Keying errors may lead to having to contact an applicant to correct data, which delays application approval and may frustrate the applicant.
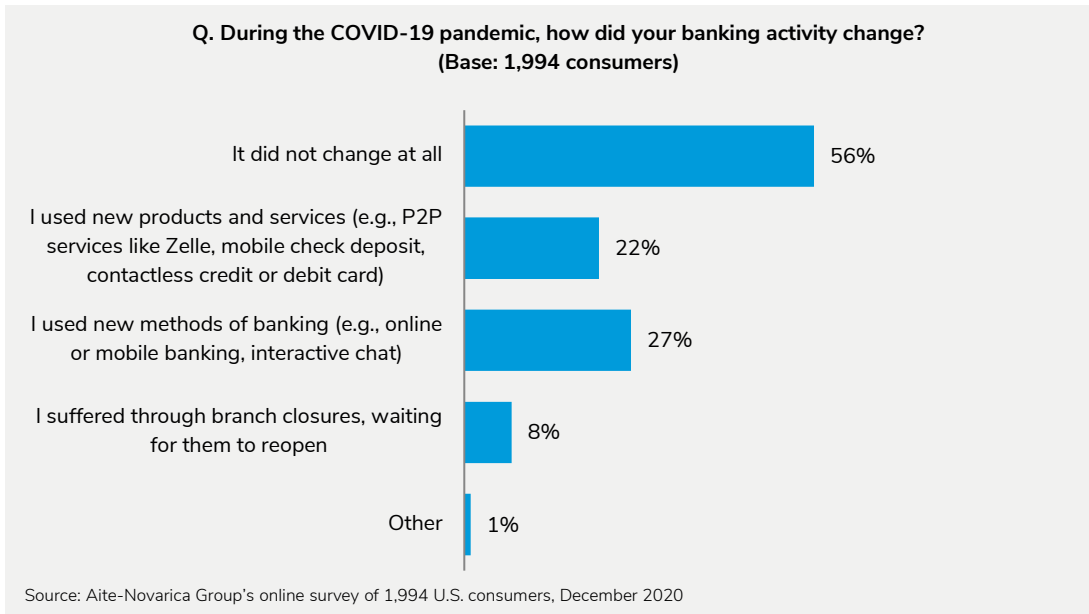
THE U.S. DIGITAL REVOLUTION

Consumers have been gravitating to digital channels in recent years, but the COVID-19 pandemic forced millions of additional people to give online and mobile channels a chance. The silver lining is that most consumers really enjoyed using digital channels once forced to try them. As one example, in the financial services industry, many consumers tried online or mobile banking for the first time when bank branches were closed or were operating under substantially reduced hours. Many consumers who previously had no desire to use mobile devices, computers, or tablets to conduct financial activity did so for the first time. Similar circumstances (i.e., stores being closed) led millions of people to shop online for the first time or increase their online shopping[1] and try other digital activities they previously had no interest in, such as telehealthcare.

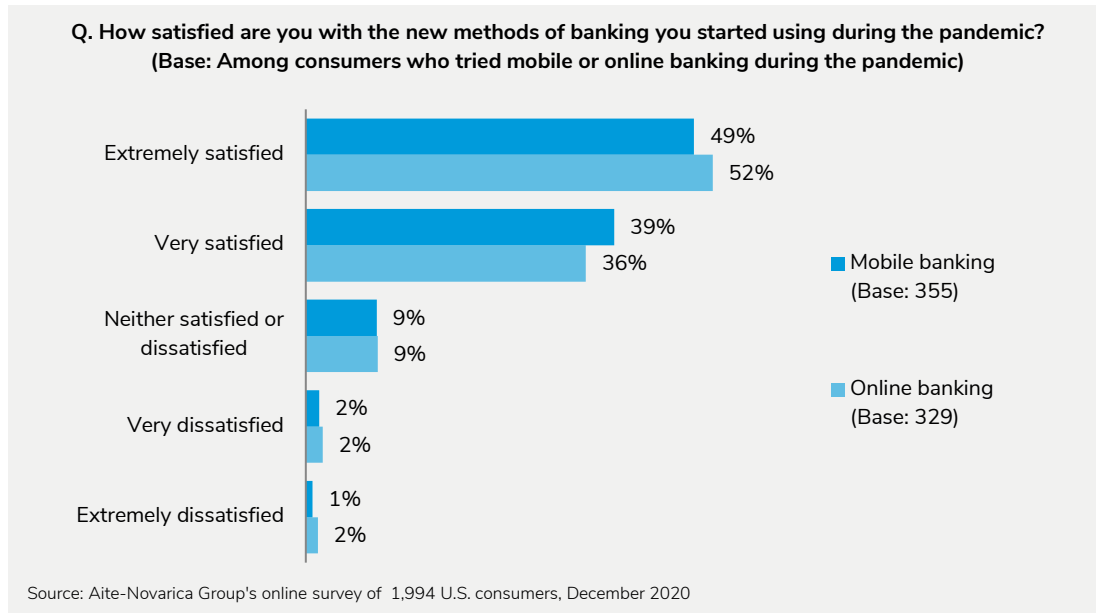[1] "Global E-commerce Jumps to $26.7 Trillion, Fueled by COVID-19," United Nations News, May 3, 2021, accessed December 7, 2021, https://news.un.org/en/story/2021/05/1091182.

Over a quarter of U.S. consumers (27%) tried a new method of banking during the pandemic (Figure 1).

Q. During the COVID-19 pandemic, how did your banking activity change?
(Base: 1,994 consumers)

Response	Percentage
It did not change at all	56%
I used new products and services (e.g., P2P services like Zelle, mobile check deposit, contactless credit or debit card)	22%
I used new methods of banking (e.g., online or mobile banking, interactive chat)	27%
I suffered through branch closures, waiting for them to reopen	8%
Other	1%

Source: Aite-Novarica Group's online survey of 1,994 U.S. consumers, December 2020

After trying new mobile or online banking methods, the vast majority of consumers were happy with the experience and plan to continue to use these methods even after branches reopened for business. Fully 88% of these new digital banking users described themselves as very or extremely satisfied with the new method of banking they tried (Figure 2). This huge breakthrough in digital users may have taken many years to achieve without the hardships caused by the COVID-19 pandemic.

FIGURE 2: SATISFACTION LEVELS WITH DIGITAL BANKING AMONG NEW USERS

Q. How satisfied are you with the new methods of banking you started using during the pandemic?
(Base: Among consumers who tried mobile or online banking during the pandemic)

Extremely satisfied — Mobile banking: 49%, Online banking: 52%
Very satisfied — Mobile banking: 39%, Online banking: 36%
Neither satisfied or dissatisfied — Mobile banking: 9%, Online banking: 9%
Very dissatisfied — Mobile banking: 2%, Online banking: 2%
Extremely dissatisfied — Mobile banking: 1%, Online banking: 2%

■ Mobile banking (Base: 355)
■ Online banking (Base: 329)

Source: Aite-Novarica Group's online survey of 1,994 U.S. consumers, December 2020

PROVE PRE-FILL: AN INSIDE LOOK

Prove's Pre-Fill product addresses a specific need in the application process. It enables the firm to verify the identity of the applicant to mitigate account opening fraud and eliminates the necessity of manually keying a lot of needed data by the applicant. Pre-Fill can seamlessly and reliably fill in the applicant's required information. Prove also recently began offering Know Your Customer checks at no additional cost as part of its Prove Pre-Fill solution.

Founded in 2008, Prove is a provider of identity verification and authentication solutions that helps companies reduce friction and fraud from their digital and mobile channels. The Prove Pre-Fill solution securely auto-fills online applications with verified customer data and enables businesses to reduce the required number of form fields that customers are asked to fill in. It provides consumers and businesses with an improved user experience and a more secure application process. By auto-filling the information in an authenticated manner, Prove Pre-Fill streamlines the customer experience and verifies the identity of the individual simultaneously, enabling more new account openings and reducing application abandonment. This is truly a win-win for both the consumer and the firm desiring new clients.

Prove Pre-Fill is integrated directly into the client's new account application process through a set of available APIs. The integration occurs in the background, so all the branding is that of the client company. While the applicant is entering minimal identifying information, the Prove Pre-Fill platform triggers a series of validations in the background to verify the applicant's identity. It verifies possession of the device, real-time risk behavior, and tenure of the phone's reputation score to prevent fraud. These possession and reputation steps are performed by Prove to verify the individual's identity and then pre-populate the consumer's personal identity information in a matter of seconds. Highly accurate data is provided to ensure a streamlined process.
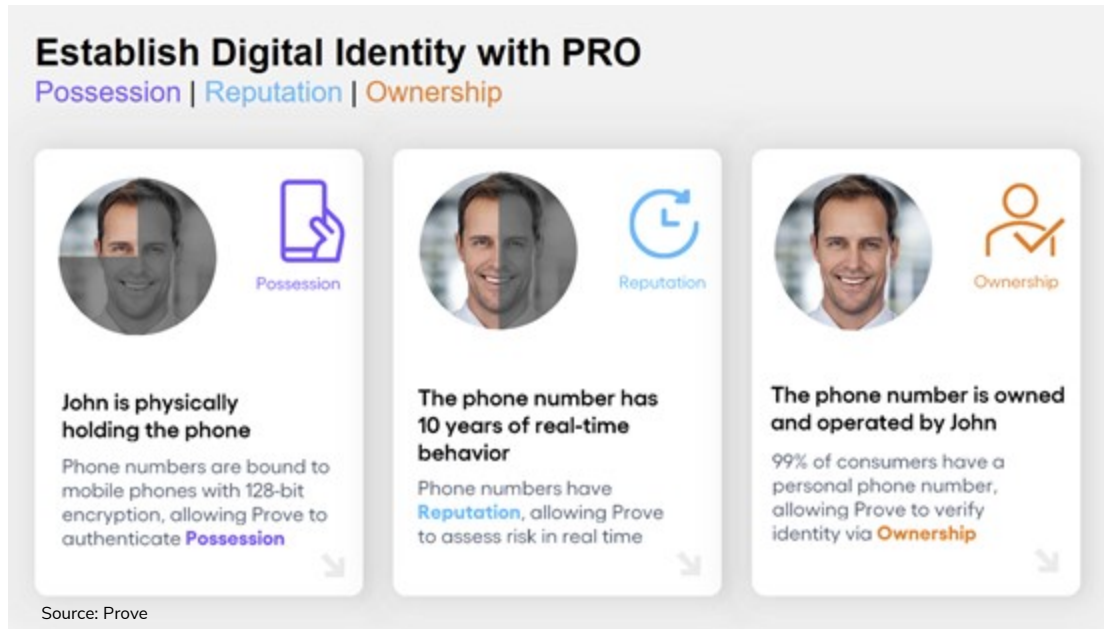
Figure 3 shows the process that occurs while an applicant is using a mobile device to apply for a new account. The checks being performed in the background are fast and transparent to the applicant.

FIGURE 3: PROVE PRE-FILL ACCOUNT OPENING EXPERIENCE

Source: Prove
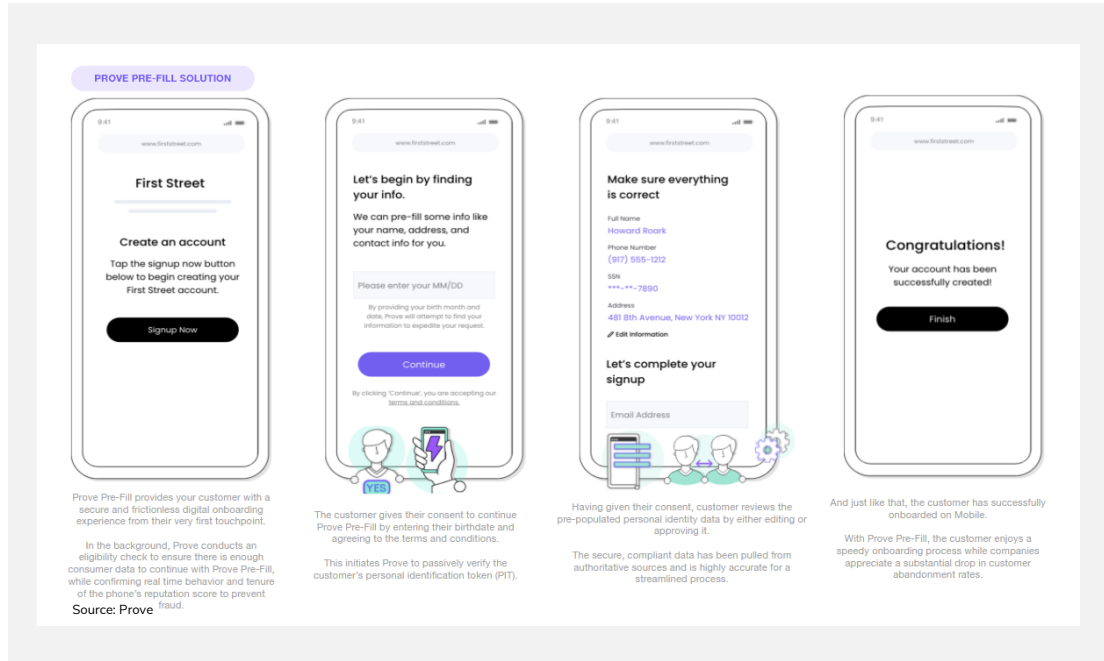
In the background, during the application process, Prove Pre-Fill utilizes a three-step process known as "PRO" to ensure the identity of the applicant. These three steps—ensuring possession of the device (P), examining the reputation of the telephone number (R), and determining that the phone number is owned by the applicant (O)—are shown in Figure 4. These steps and additional tests performed are essential to the identity verification process offered by the Prove Pre-Fill solution.

Establish Digital Identity with PRO
Possession | Reputation | Ownership

John is physically holding the phone
Phone numbers are bound to mobile phones with 128-bit encryption, allowing Prove to authenticate **Possession**

Possession

The phone number has 10 years of real-time behavior
Phone numbers have **Reputation**, allowing Prove to assess risk in real time

Reputation

The phone number is owned and operated by John
99% of consumers have a personal phone number, allowing Prove to verify identity via **Ownership**

Ownership

Source: Prove

More than 1,000 companies use Prove's solutions globally. The following sections of this report describe the experiences of three firms that have successfully implemented Prove's Pre-Fill product, which vastly improved their application processes, leading to much-improved customer experiences, higher acquisition rates, greater operational efficiencies, and ultimately, increased revenue. For each company, the executives interviewed stated the Pre-Fill implementation and integration within its existing framework was simple and straightforward, all of which was facilitated by the guidance and support of Prove. Since implementation, identity verification is working well, and the executives stated that fraud "has not been an issue."

CASE STUDY A: LEADING FINTECH FIRM

Company A operates globally as a technology company in the payments industry. It also provides fraud prevention products to financial institutions and merchants, offering both its in-house developed capabilities as well as those from partnering firms to detect and prevent fraud.

Prior to using Pre-Fill in the U.S. market, Company A used and offered strong identity verification via a document verification product. A consumer took a photo of a government-issued photo ID (e.g., driver license or passport), then took a selfie during

the onboarding process. The consumer's document was validated as authentic through a variety of tests, a liveness test was performed, and the selfie was matched to the photo on the ID document to ensure it was the same person. While this identity verification process worked very well, the user experience was intensive and time-consuming. If the lighting wasn't good, photos had to be retaken, and other issues could arise that would require consumers to redo other steps. Overall, the process was not as customer friendly as the one enabled by using Pre-Fill. Requiring every new applicant to go through the initial process was not desirable and an alternative was desired for some use cases.

While improving the customer experience was the primary driver for using Pre-Fill, Company A set forth other requirements, included the following:

- Adequate identity verification coverage

- Accurate results

- Cross-channel coverage

- Performance

If any data is stored, privacy requirements must also be met.

Approach and Implementation

Some use cases for Company A are regulated and require strong identity verification; in those situations, the legacy process will continue to be used so that the face and identity can be bound to the photo ID. Not all use cases require this, so Pre-Fill was selected to be used in nonregulated or lower assurance use cases. Company A's client firms can choose to use either or both of these methods based on their unique needs.

Company A states that Prove's Pre-Fill product is very user-friendly, which is the primary reason it was selected to offer to client firms for identity verification purposes. An executive with Company A states that consumers are using digital channels more than ever before, and many people want to use their mobile phone. If the consumer starts an application on the phone, Prove can quickly and easily verify the possession of the mobile device. In addition to the mobile number verification, all that is required is a date of birth or the last four digits of the Social Security number, eliminating the need to type in many additional data fields on a mobile device's small keyboard. Other identity verification processes can be completed in the background without impacting the

consumer. Typically, Pre-Fill is one layer in performing strong identity verification, and the product is not usually used in isolation.

Prior to deciding to use Prove's Pre-Fill solution, Company A verified the efficacy of services to ensure response times were adequate and that a very high percentage of consumers would be covered. With Prove's assistance, a market test was done with strong results that ensured the product would scale to meet demand and meet all of Company A's requirements. The team did extensive load testing; Pre-Fill met all the required benchmarks. Once the contract was signed, technical integration was very easy and was completed in about two to four weeks. Pre-Fill is used only in the U.S. portion of Company A's global markets.
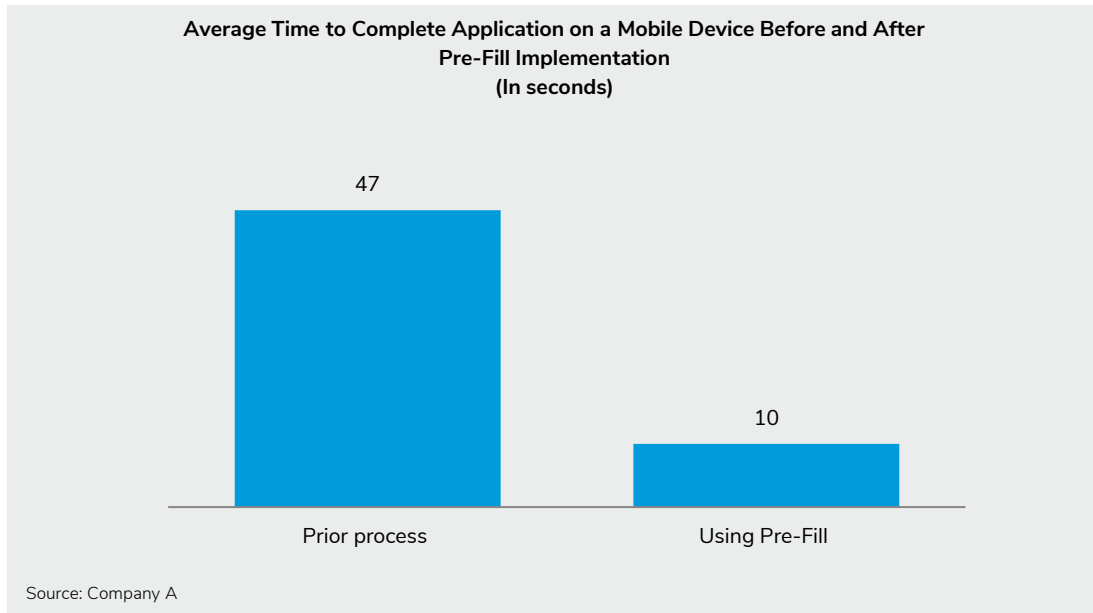
Outcomes and Lessons Learned

After offering Pre-Fill to Company A's clients, one early adopter achieved positive results, as illustrated in Figure 5 and Figure 6.[2]

One important metric is reflected in Figure 5: the time it takes for an applicant to key all the data into the application using a mobile device. As the chart shows, the time required to complete identity verification in the application was reduced dramatically when Pre-Fill was used to verify identity data fields such as name, mobile number, street address, city, state, and ZIP code. Previously, this process took an applicant approximately 47 seconds to complete; using Pre-Fill, it takes 10 seconds (a 78.7% decrease).

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2   Chart comparisons are to the process in place prior to the adoption of Pre-Fill and after implementing Pre-Fill.

FIGURE 5: COMPANY A—AVERAGE APPLICATION COMPLETION TIMES ON A MOBILE DEVICE

Average Time to Complete Application on a Mobile Device Before and After Pre-Fill Implementation
(In seconds)

Source: Company A

Another important metric is the percentage of applicants who complete the entire application and are approved. In this instance, the approval rate increased from a percentage in the low 70s to the mid-90s (Figure 6). Again, this demonstrates substantial improvement after implementing Pre-Fill.

FIGURE 6: COMPANY A—AVERAGE MOBILE APPLICATION APPROVAL RATES

Source: Company A
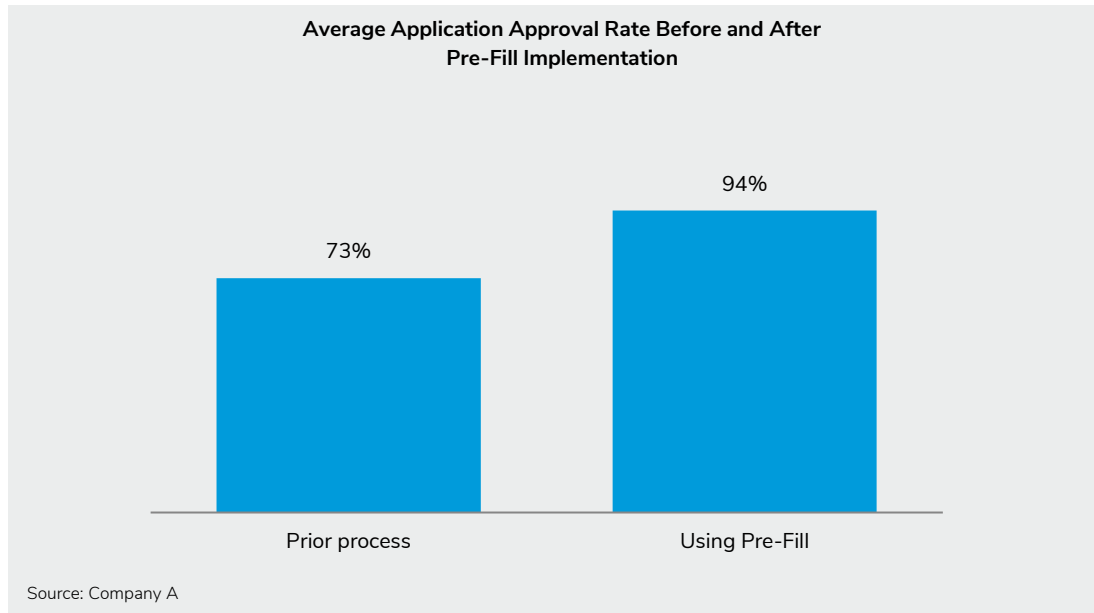
The executive at Company A stressed that it really pays to do your homework. Testing is recommended, and Prove is willing to do such testing with firms to demonstrate the results Pre-Fill can deliver. Company A plans to use Pre-Fill going forward for different use cases, and it also plans to use it in other delivery channels in the future.

CASE STUDY B: GLOBAL PAYMENTS AND LENDING SOLUTIONS FIRM

As a global provider of data-driven customer loyalty, marketing, and payment solutions serving large consumer-based industries, Company B is using Prove's Pre-Fill product as one component of its process for onboarding new consumer credit card accounts.

Prior to using Pre-Fill, this firm was requiring consumers to type in all the data fields as they completed a credit card application. The company used its own internal data as well as another vendor (for identification verification purposes) during the onboarding process. Pre-Fill replaced the existing vendor, but another solution was also implemented in conjunction with Pre-Fill as part of the identity verification "waterfall" process. The company continues to use its own data, then a third-party vendor, and then Pre-Fill (when and as needed) to curtail onboarding costs.

Approach and Implementation

Company B had a strong desire to optimize the onboarding process for consumers by reducing the number of keystrokes consumers had to make to apply for a credit card. The company's other goals for the onboarding project were as follows:

- Reduce the abandonment rate during the application process

- Increase the application completion rate

- Contain cost to the fullest extent possible

Internally, the project team worked with the company's buying team to identify vendors to consider, and they evaluated several other vendor solutions as part of their process. The final selection came down to performance. Prove was provided with a data set by the company that it ran through Pre-Fill. The append rate and quality of the data returned (names and addresses) won the deal over the other vendors that participated in the testing. Cost was another big consideration, and another solution was implemented along with Pre-Fill to reduce the number of queries sent to Prove after implementation.

The implementation process was easy, and there were no major issues. Prove personnel were very responsive when questions arose. Pre-Fill is used across channels regardless of the type of device (mobile phone, laptop, desktop, tablet) the consumer uses, and the consumer only has to key in the mobile number and the last four digits of the Social Security number to apply for a credit card. Additional data may be sent to Prove (added from the company's internal data).

Outcomes and Lessons Learned

Company B reported that its append rate is significantly higher after Pre-Fill implementation than in the previous environment. The application completion rate doubled after implementing Pre-Fill and the other third-party vendor solution. While Pre-Fill was described as "costly," the client also commented that "you get what you pay for," alluding to the high quality of data Pre-Fill returns.

Company B is very pleased with the results achieved with Pre-Fill, and it will consider expanding usage to other use cases in the future if the price point makes that feasible. It would like to have easy access to transactional reporting and plans to request that from

Prove. Based on its experience, Company B definitely recommends using Pre-Fill to other businesses as well as working with Prove as a vendor partner.

CASE STUDY C: A LEADING HEALTHCARE FIRM

Company C is one of the largest not-for-profit healthcare firms in the U.S. In 2019, the state law in which the company is headquartered was changed to allow new patients to register for service through the client portal. Historically, only existing patients could use the portal, so this legislative change represented a huge opportunity for Company C to acquire new patients. Company C recognized that many consumers want to use their mobile devices, so it sought a solution that would be very user-friendly to new patients registering via mobile devices. The company began working with Prove to ensure an efficient, easy process for new patients to download the app, register via the portal, and conduct a virtual patient visit.

Approach and Implementation

As Company C looked for a solution to enable new patients to register quickly and easily through its portal, the two primary requirements were efficiency and a great customer experience. Company C views its portal today as its "go to" place—where people can establish an account or check on an existing account. By offering virtual visits, people don't ever have to visit a physical clinic. This increases the number of patients the company can care for tremendously.

Company C did consider a number of other products during the selection process, but these solutions primarily relied upon knowledge-based authentication (KBA) questions, which are often difficult for consumers to answer correctly. KBA questions may be defeated by determined fraudsters, allowing fraud to occur. The other solutions also lengthen the registration time, which might lead to more applicants dropping out of the process. Prove's Pre-Fill product uses all the data Prove has on file, along with device information and other factors to speedily authenticate the identity of the consumer. KBA questions take much longer for consumers to respond to, and the pass rate among consumers is lower than what Prove provided. The deciding factor for Company C to select Prove was the customer experience that Pre-Fill provided and executives deemed superior to KBA.

Company C started its implementation in August 2019, and it was completed by the end of October, so in total, it took about three months. Minor kinks were ironed out during
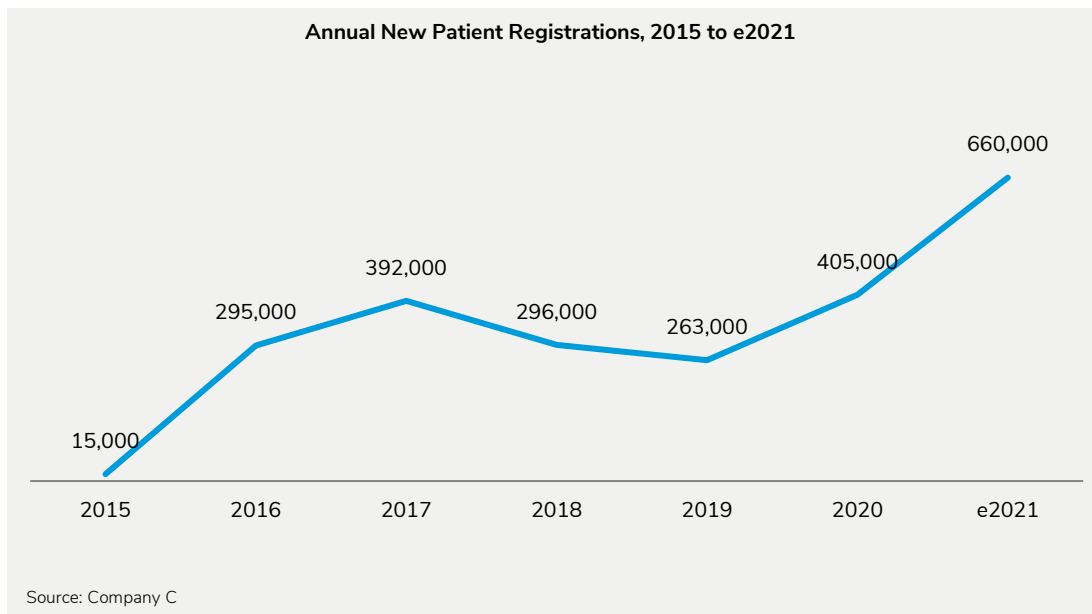
November and December. Executives said they reached a steady state by January of the following year. When the shutdown related to the COVID-19 pandemic occurred in March, executives were so thankful the project was completed beforehand.

Overall, the implementation was described as seamless. Prove has a process in place, and a specific contact was assigned to respond to questions or issues. Prove also has a good customer support system, and problems have been rare according to company executives.

Outcomes and Lessons Learned

Pre-Fill was put in use in November 2019. Although Company C did not track performance or maintain specific key performance indicators before and after its Pre-Fill implementation, it reported that about 55% of new patient registrations are handled through Prove's Pre-Fill product currently. Executives with Company C credit much of the company's growth by new patient registration to the use of its user-friendly registration process powered by the Pre-Fill product (Figure 7). As depicted, Company C saw a 151% increase in new patient registrations since Prove Pre-Fill was implemented.

FIGURE 7: COMPANY C—NEW PATIENT REGISTRATION GROWTH

Annual New Patient Registrations, 2015 to e2021

Year	Registrations
2015	15,000
2016	295,000
2017	392,000
2018	296,000
2019	263,000
2020	405,000
e2021	660,000

Source: Company C

No negatives related to the Pre-Fill implementation or ongoing use of the product come to mind to executives at Company C. In fact, they stated that other vendors need to be held to higher standards because Prove has set such a high bar.

Pre-Fill requires that the consumer have a mobile phone, and many prospective patients do not have one for socio-economic reasons. Many also lack a driver's license they can use for identity purposes. Company executives have discussed this with Prove because they desire to serve all consumers, and they are currently exploring options. Expanding the coverage will make the Pre-Fill product even more valuable to Company C.

CONCLUSION AND KEY TAKEAWAYS

Many types of firms constantly seek new customer relationships and have some type of application process—firms in financial services, healthcare, insurance, and many others. The benefits achieved by companies implementing new digital onboarding and identity verification tools, as evidenced within Prove's Pre-Fill product, can be advantageous. With today's U.S. consumers increasingly using their mobile devices, it is important for all firms to offer an easier and simpler application process for consumers. As the time to act is now, firms should consider the following:

- Assess the effectiveness and efficiency of your current onboarding and identity verification processes, especially the impact to application processing, approval, and abandonment rates. Scan the market for innovative tools appropriate to your business model and target customer market.

- Understand the competitive advantage that can be achieved by improving the customer experience and making it easier for consumers to complete your online application.

- Conduct multiple proofs of concepts and consider testing with Prove to determine whether current results can be improved significantly. Compare the current identity verification process (in terms of time required, consumer experience, and reliability) to a new approach powered by Prove's Pre-Fill product.

- If the proof-of-concept results warrant a change, determine what the implementation process would require and how long it would take to use Pre-Fill in your company's environment.

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