Customer Onboarding Drivers and Pain Points
Survey Methodology

The survey was conducted by Sapio Research in October 2022 on behalf of ABBYY among 1,623 IT decision makers across the UK, US, France, Germany, and Japan. The purpose of this research was to reveal insights into customer onboarding drivers, why onboarding processes need to change, and what businesses need to do to address customer pain points—by activating the right mix of the human factor alongside automation.
Table of contents

Key findings........................................................................................................................................................................4
Individual question analysis.......................................................................................................................................................9
Specific breakdowns by countries and sectors.....................................................................................................................22
Overview of global respondents.............................................................................................................................................27
About ABBYY........................................................................................................................................................................35
Key findings
Nightmare abandonment rates

High abandonment rates and main drivers:

• 9 out of 10 organizations are experiencing up to 40% abandonment rates at onboarding, and some even more. Another 5% have a complete lack of insight into their onboarding process, abandonment rates, and where abandonment is occurring within the process.

• The top three factors that contribute to people dropping out during the onboarding process are:
  - There are too many steps to get through (29%)
  - Identity proofing and affirmation (26%)
  - Too many manual steps (26%)

• Banking is the sector experiencing the highest abandonment rates at onboarding, with almost 1 in 4 dropping out!

Decision makers believe if abandonment was reduced by 50%, it would increase customer acquisition by 29% and increase revenue by 26%. Onboarding can easily be monitored, evaluated, and improved with intelligent automation. Reducing abandonment rates requires a more user-friendly and streamlined process with less steps and less manual input for customers.
Negative impact on business outcomes

The result of onboarding abandonment are lost customers and business opportunities.

- Missing out on business opportunities (37%)
- Losing potential customers to competition (33%)
- Struggling to attract new customers (31%)

To stay ahead of the competition, businesses must avoid losing potential customers during the onboarding process. The onboarding process must be simple and pleasant. Businesses must strive for a better way.
Need for technology transformation

Changes already made or planned for onboarding processes:

- Although changes to onboarding appear to be leaning towards adding technology to current processes (44%), it is evident that human interaction is still part of the process (34%)
- Process intelligence (21%) and intelligent document processing (IDP) (21%) are the top two measures that are being planned for onboarding
- Modifying the onboarding process with more technology appears to have improved overall customer experience (43%) and increased customer retention (37%)

Decision makers clearly state that automation technology that streamlines the proofing and affirmation of identities, IDP to effectively capture important information from documents and process mining for process insight and improvement, in addition to the human factor, will help onboard more customers. These intelligent process automation solutions improve the overall customer experience and retention, and eliminate tedious manual entry.
A better way for efficient onboarding processes

• The survey shows how ineffective customer onboarding can lose a customer before they even begin using a product or service. If the process isn’t friction-free, the customer may decide the pain of onboarding isn’t worth the marketing promises.

• The more time-consuming and complex an onboarding process appears, the higher risk of churn. There are several issues that typically cause clients to drop out during the customer onboarding process, costing a business new customers and the revenue stream that comes with it.

• Onboarding processes need to change and businesses need to address customer pain points by implementing the right mix of the human factor alongside automation.

• Businesses need to digitally transform ineffective onboarding methods by leveraging intelligent automation tools for identity proofing and affirmation, process improvement, and mobile document capture to empower customers to choose any channel they prefer to complete their onboarding.
Individual question analysis
How do you onboard new customers / constituents / citizens?

Whilst almost a third onboard their clients / constituents personally, the majority use a combination of self-service and personal onboarding (43%).

- Combination of self-service and personal onboarding: 43%
- Personally, in the branch: 30%
- By self-service (e.g., online): 19%
- Hand-signed documents by postal mail: 6%
- We don’t have a process that onboards new customers: 1%

52% - UK
33% - France
What is your abandonment rate at onboarding i.e. ‘people dropping out during their current onboarding process’ of Customers / Constituents?

9 in 10 organizations experience up to 40% abandonment at onboarding

<table>
<thead>
<tr>
<th>SECTOR</th>
<th>MEAN</th>
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<tbody>
<tr>
<td>Banking / financial service</td>
<td>23%</td>
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<tr>
<td>Retail</td>
<td>21%</td>
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<td>Government</td>
<td>20%</td>
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<tr>
<td>Transportation and Logistics</td>
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<tr>
<td>Technology</td>
<td>20%</td>
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<td>Energy</td>
<td>20%</td>
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<td>Non-profit</td>
<td>20%</td>
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<tr>
<td>Insurance</td>
<td>19%</td>
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<tr>
<td>Hospitality</td>
<td>19%</td>
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<tr>
<td>Manufacturing</td>
<td>18%</td>
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<tr>
<td>Education</td>
<td>18%</td>
</tr>
<tr>
<td>Healthcare</td>
<td>16%</td>
</tr>
</tbody>
</table>
What mix of technology and human interaction does your onboarding involve?

Onboarding involves slightly more technology (55%) than human interaction (45%), except in Japan where the reverse is true.

### Breakdown by Percentage
- **100% human interaction**: 6%
- **25% automated / 75% human interaction**: 16%
- **50% automated / 50% human interaction**: 37%
- **75% automated / 25% human interaction**: 33%
- **100% automated**: 8%

### MEAN

<table>
<thead>
<tr>
<th></th>
<th>USA</th>
<th>UK</th>
<th>Germany</th>
<th>France</th>
<th>Japan</th>
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<tbody>
<tr>
<td>Technology</td>
<td>56%</td>
<td>57%</td>
<td>60%</td>
<td>58%</td>
<td>40%</td>
</tr>
<tr>
<td>Human Interaction</td>
<td>44%</td>
<td>43%</td>
<td>40%</td>
<td>42%</td>
<td>60%</td>
</tr>
</tbody>
</table>
What factors do you believe contribute to people dropping out during your current onboarding process?

There are various factors that contribute to people dropping out during the onboarding process, the biggest (29%) is that there are too many steps.

- Too many steps: 29%
- Providing identity and identity proofing information: 26%
- Too much manual entry: 26%
- Too slow / takes too much time: 25%
- Insufficient communication: 25%
- Lack of a human element: 24%
- Too much repetition of required information: 24%
- Don't have the necessary information or documents to hand: 21%
- Need to download an extra app: 18%
How important do you believe onboarding is as part of the customer experience and entire customer journey?

More than half (54%) believe that onboarding is a very important part of the customer experience and entire customer journey.
What business consequences did you experience due to customer abandonment during the last year?

Consequences that were experienced due to customer abandonment at onboarding are: missing out on business opportunities (37%), losing potential customers to competition (33%) and struggling to attract new customers (31%).

- Missed out on business opportunities: 37%
- Lost potential customers to competition: 33%
- Struggled to attract new customers: 31%
- Couldn’t achieve financial revenue goals: 21%
- Our image suffered: 19%
Have you done anything to change your onboarding?

Changes to onboarding appear to be leaning towards adding technology to current processes (44%)

- We have made our onboarding process entirely based on technology: 15%
- We have added some technology to our current process: 29%
- We have added some human interaction to our technology process: 26%
- We have implemented a mix of technology and human interaction to the process: 20%
- We have made our onboarding process entirely based on human interaction: 4%
- None of the above: 6%
Which of the following measures have you currently put in place for onboarding?

Although changes to onboarding appear to be leaning towards adding technology to current processes, it is evident that human interaction is still currently in place for onboarding (34%).

- Adding more human interaction to our onboarding process: 34%
- Identity proofing and verification technologies: 30%
- Mobile Capture technologies that enable self-service: 27%
- Intelligent document processing (IDP) technologies (automatic capture, recognition, extraction and auto-fill of text from documents into the app): 27%
- Process intelligence (process mining to better understand and improve the onboarding process): 26%
- Composable applications (mini applications added to technology stacks to perform specific use cases): 23%
- Chatbots: 19%
- Robotic process automation (RPA) technologies: 19%
- None of the above: 6%
Which of the following technologies are you planning to put in place for onboarding?

Process intelligence (21%) and intelligent document processing (IDP) (21%) are the top two technologies being planned for onboarding.
What effect has modifying your onboarding process had on your business?

Adding technology to change onboarding processes appears to have improved overall customer experience (43%) and increased customer retention (37%)

<table>
<thead>
<tr>
<th>BASE</th>
<th>We have made our onboarding process entirely based on technology</th>
<th>We have added some technology to our current process</th>
<th>We have added some human interaction to our technology process</th>
<th>We have implemented a mix of technology and human interaction to the process</th>
<th>We have made our onboarding process entirely based on human interaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>BASE</td>
<td>237</td>
<td>478</td>
<td>425</td>
<td>327</td>
<td>63</td>
</tr>
<tr>
<td>Improved overall customer experience</td>
<td>43%</td>
<td>33%</td>
<td>35%</td>
<td>41%</td>
<td>30%</td>
</tr>
<tr>
<td>Increased customer retention</td>
<td>39%</td>
<td>29%</td>
<td>34%</td>
<td>37%</td>
<td>29%</td>
</tr>
<tr>
<td>Reduced workload of employees</td>
<td>30%</td>
<td>33%</td>
<td>29%</td>
<td>33%</td>
<td>27%</td>
</tr>
<tr>
<td>Attracted more customers</td>
<td>32%</td>
<td>32%</td>
<td>25%</td>
<td>31%</td>
<td>24%</td>
</tr>
<tr>
<td>Reduced the abandonment rate</td>
<td>35%</td>
<td>30%</td>
<td>28%</td>
<td>27%</td>
<td>22%</td>
</tr>
<tr>
<td>Process improvement in all customer interactions</td>
<td>32%</td>
<td>23%</td>
<td>28%</td>
<td>25%</td>
<td>27%</td>
</tr>
</tbody>
</table>
What difference would it make to your company in the following areas if the abandonment rate was reduced by 50%?

If the abandonment rate was reduced by 50%, most decision makers believe it would increase customer acquisition by 29% and increase revenue by 26%.

- We would increase customer acquisition by 29%.
- We would spend this portion more on staff.
- It would increase revenue by 26%.
- We'd add this proportion of more services.
To what extent would brand reputation improve if the abandonment rate was reduced by 50%?

32% believe that brand reputation would improve greatly if the abandonment rate was reduced by 50%
Specific breakdowns by country and sector
Have you done anything to change your onboarding?

Changes to onboarding appear to be leaning towards adding technology to current processes in most sectors. All industries consider the human factor important and want a mix of both, only financial services lean more towards an exclusive technology solution (56%).

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<thead>
<tr>
<th></th>
<th>Manufacturing</th>
<th>Financial Service</th>
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<th>Technology</th>
<th>Retail</th>
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<tbody>
<tr>
<td><strong>BASE</strong></td>
<td>203</td>
<td>202</td>
<td>165</td>
<td>118</td>
<td>105</td>
<td>411</td>
<td>136</td>
</tr>
<tr>
<td>We have made our onboarding process entirely based on technology</td>
<td>11%</td>
<td>22%</td>
<td>12%</td>
<td>12%</td>
<td>18%</td>
<td>16%</td>
<td>15%</td>
</tr>
<tr>
<td>We have added some technology to our current process</td>
<td>30%</td>
<td>34%</td>
<td>33%</td>
<td>26%</td>
<td>29%</td>
<td>30%</td>
<td>25%</td>
</tr>
<tr>
<td>We have added some human interaction to our technology process</td>
<td>26%</td>
<td>21%</td>
<td>30%</td>
<td>26%</td>
<td>29%</td>
<td>24%</td>
<td>24%</td>
</tr>
<tr>
<td>We have implemented a mix of technology and human interaction to the process</td>
<td>21%</td>
<td>17%</td>
<td>20%</td>
<td>25%</td>
<td>17%</td>
<td>20%</td>
<td>18%</td>
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<tr>
<td>We have made our onboarding process entirely based on human interaction</td>
<td>4%</td>
<td>3%</td>
<td>2%</td>
<td>3%</td>
<td>3%</td>
<td>5%</td>
<td>6%</td>
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<tr>
<td><strong>TECHNOLOGY</strong></td>
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<td>TECH</td>
<td>41%</td>
<td>56%</td>
<td>45%</td>
<td>38%</td>
<td>47%</td>
<td>46%</td>
<td>40%</td>
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<tr>
<td>HUMAN INTERACTION</td>
<td>30%</td>
<td>24%</td>
<td>32%</td>
<td>29%</td>
<td>32%</td>
<td>29%</td>
<td>30%</td>
</tr>
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<td>MIX OF TECH AND HUMAN INTERACTION</td>
<td>21%</td>
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<tr>
<td><strong>BASE</strong></td>
<td>1623</td>
<td>402</td>
<td>403</td>
<td>314</td>
<td>304</td>
<td>200</td>
</tr>
<tr>
<td>It wouldn’t improve</td>
<td>14%</td>
<td>15%</td>
<td>16%</td>
<td>10%</td>
<td>14%</td>
<td>17%</td>
</tr>
<tr>
<td>It would improve slightly</td>
<td>54%</td>
<td>42%</td>
<td>53%</td>
<td>59%</td>
<td>61%</td>
<td>60%</td>
</tr>
<tr>
<td>It would improve greatly</td>
<td>32%</td>
<td>43%</td>
<td>31%</td>
<td>31%</td>
<td>25%</td>
<td>24%</td>
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What difference would it make to your company in the following areas if the abandonment rate was reduced by 50%?

If the abandonment rate was reduced by 50%, customer acquisition would be increased the most in most countries and sectors

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<th>BY SECTOR</th>
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<td>We would increase customer acquisition by</td>
<td>25%</td>
<td>34%</td>
<td>26%</td>
<td>26%</td>
<td>28%</td>
<td>32%</td>
<td>31%</td>
</tr>
<tr>
<td>We would spend this portion more on staff</td>
<td>24%</td>
<td>35%</td>
<td>26%</td>
<td>26%</td>
<td>27%</td>
<td>32%</td>
<td>29%</td>
</tr>
<tr>
<td>It would increase revenue by</td>
<td>24%</td>
<td>32%</td>
<td>20%</td>
<td>25%</td>
<td>24%</td>
<td>29%</td>
<td>29%</td>
</tr>
<tr>
<td>We’d add this proportion of more services</td>
<td>22%</td>
<td>33%</td>
<td>23%</td>
<td>22%</td>
<td>23%</td>
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<td>We would increase customer acquisition by</td>
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<td>24%</td>
<td>28%</td>
<td>22%</td>
<td>21%</td>
</tr>
</tbody>
</table>
Overview of global respondents
Country

- UK: 25%
- USA: 25%
- Germany: 19%
- France: 19%
- Japan: 12%
Age group

- 18 - 24: 12%
- 25 - 34: 28%
- 35 - 44: 32%
- 45 - 54: 17%
- 55 - 64: 9%
- 65+: 6%
Gender

- Female: 30%
- Male: 70%
Customer Onboarding: Drivers and Pain Points

Sector

Technology: 25%
Manufacturing: 13%
Banking / financial service: 12%
Government: 10%
Retail: 8%
Insurance: 7%
Healthcare: 6%
Transportation and Logistics: 6%
Hospitality: 4%
Education: 4%
Energy: 3%
Non-profit: 1%
Job titles

- IT manager/IT director: 26%
- CEO (chief executive officer): 20%
- IT team leaders: 10%
- Director of technology: 9%
- CFO (chief financial officer): 7%
- COO (chief operating officer): 7%
- CTO (chief technology officer): 6%
- CMO (chief marketing officer): 5%
- CIO (chief information officer): 5%
- CDO (chief digital officer): 5%
Decision making responsibility

- **I am the main decision maker**: 53%
- **I am one of many decision makers**: 37%
- **I have influence in decisions**: 10%
Number of employees in organization

- 1 - 99: 23%
- 100 - 249: 18%
- 250 - 499: 17%
- 500 - 999: 20%
- 1000+: 22%
About ABBYY

ABBYY powers intelligent automation. We reimagine the way people work and how companies accelerate business by delivering the intelligence that fuels automation platforms. Our solutions transform enterprise data and empower you with the insights you need to work smarter and faster.

We help more than 10,000 companies globally, including many of the Fortune 500, to drive significant impact where it matters most: customer experience, profitability, and competitive advantage.

ABBYY is a US-based global company with offices in 15 countries.

For more information, visit www.abbyy.com/contacts/ and follow us on LinkedIn, Twitter, Facebook, and Instagram.
**ABBYY Vantage**

**ABBYY Vantage** is a comprehensive platform that applies AI to understand your documents in a fast and simple way. Vantage makes today’s digital worker and processes smarter by delivering skills that read, understand, and extract insights from documents, helping enterprises accelerate digital transformation.

**ABBYY Marketplace**

The **ABBYY Marketplace** provides a rich collection of document skills, connectors, and assets, which enhance and extend the ABBYY Vantage platform and accelerate the digital transformation and automation initiatives of enterprises of any size, industry, and geography. Skills developed both by ABBYY and by the ABBYY partner network cover various document types, use cases, and languages and can be either fully trained and ready to go, or a framework, providing the basis for customers to adjust to specific requirements and train their own document skills.
**ABBYY Timeline**

**ABBYY Timeline** features advanced process mining and task mining technology using the latest artificial intelligence (AI). It enables businesses to automatically build an interactive digital twin of their processes, analyze them in real time to identify bottlenecks, and predict future outcomes to facilitate decision-making of technology investments.

**ABBYY Proof of Identity**

**ABBYY Proof of Identify** provides an automated solution for both instant document-centric identity proofing and affirmation. Built on the ABBYY Vantage platform that leverages cognitive services and AI, no longer is there a need to engage with multiple vendors for all the necessary components. The self-service approach allows your customers to use your onboarding and similar processes, anytime and from anywhere. Plus, the out-of-the-box solution is a drop-in component for your existing website or portal, allowing easy integration. Not only does this ensure compliance, it reduces fraud, delivers an excellent customer experience, and ultimately benefits you and your customers.