

MANTL

Digital Account Opening: the Secret to Deposit Growth and Operational Efficiency





In an environment where consumers have a wide range of banking options that are no longer limited to local financial institutions, the ability to offer easy-to-access products and services is critical for banks to maintain existing customers and attract new ones.

Seamless account opening is the name of the game for banks to grow deposits and maximize sales of other products.

Today's bank-customer relationships are started less frequently via branches and more often via digital channels.

The new normal in banking: record outflows and the battle for deposits

Coming into the year, we knew the deposit landscape would be competitive. From April 2022 to May 2023, total deposits at commercial banks fell by just over \$1 trillion. The March 2023 bank collapses then added further pressure for banks to diversify their deposit mix with tougher regulations beginning to roll out. While the collapses proved to the world that money and loyalty move fast, it also emphasized the important role of technology in managing liquidity risk.

The application experience is the first impression of your institution and 58% of people state that they will not bank with an FI that does not offer digital account opening. Now that digital banking is commonplace, having the right strategies, technologies, & partners in place to effectively drive digital deposit growth and raise diversified core deposits is critical.



Fortunately, many banks have already adopted online service options for customers over the past several years. For those who haven't yet, or whose options are outdated, technology exists to offer customers both convenience and peace of mind.

As consumers turn en masse to online services of all kinds, banks need to adopt best practices to ensure that the user experience (UX) is positive and that customers are confident that their safety and privacy are protected.



MANTL's best practice online banking recommendations

As online banking increasingly becomes the norm, banks aren't only concerned about serving existing customers – they're eager to attract new customers who can benefit from the convenience of opening accounts online. These new customers, of course, aren't likely to have established relationships with the bank and can represent different challenges in terms of building trust.

There are a number of [best practices](#) that banks can follow to help boost the odds of earning new business, retaining that business, and prompting positive word-of-mouth recommendations to others.



Make applications as brief as possible

When doing business of any kind, online consumers have come to expect what we've called "[the Amazon experience](#)." The big difference, though, is that choosing a bank is not an impulse decision. Chances are, by the time a consumer comes to your website, they're ready to act – ready to open an account. And they don't want that experience to take a lot of time.

What does "a fast time to open" mean to consumers? It means now. While financial institutions have come to use micro deposits – small test deposits sent from one bank to another to verify an account – this process can take days. Consumers simply aren't willing to wait days to finish a process they've already committed to. Banks need to make funding fast and easy.

They can do that through [Instant Account Verification \(IAV\)](#). IAV lets customers validate their external accounts by verifying their user credentials for those external mobile and online banking institutions in a single sign-on connection. It also avoids the need for them to exit the application screen, preventing distraction and drop off. The process takes seconds. Seconds matter for today's busy consumers.



Instant Account Verification (IAV) lets customers validate their external mobile and online accounts in a single sign-on connection. This process takes only seconds.

Don't cross-sell during the application process

While there are plenty of online best practices that banks can (and should) borrow from the retail industry, the shopping cart concept is not one of them. At least not when they're opening a new account. Consumers don't shop for financial services the same way they shop for tools on Amazon or household goods at Target.

Financial products aren't like household goods. Consequently, shopping for financial products simply isn't the same. Here's why:

- **Consumers don't shop for financial products regularly so they have no experience with a repeatable process they can relate to as they would when shopping for laundry detergent, for instance.**
- **Financial products aren't easy to understand.**
- **Financial products have a bigger, and more long-term, impact on consumers' lives than buying a box of cereal.**

An important best practice: Having a singular focus during the online account opening flow. This will significantly improve the customer experience and increase conversion. You want to provide customers with a clear path to their goal – not distract them with an array of options along the way.

Keep in mind that consumers likely have already done some research before they come to your website. Introducing more choices forces customers to go back to their research process instead of moving them toward finishing the purchase.



Use digital identification methods for faster application decisions

Financial institutions provide some of the best security protection around, both through regulatory protections and the steps that the institutions themselves take to provide a secure environment. With today's technology, knowing your customer doesn't require a 40-question, 20-minute application. In fact, according to user experience expert Peter Ramsey, **the leading fintech platforms are on-boarding customers with just 24 clicks.**

That's because the best online account opening experiences use digital sources to verify a customer's identity in real-time. Further, it's critical for account opening software to enable bank teams to update and improve BSA/KYC/AML decision waterfalls in real-time. This way, compliance teams can constantly evolve their best practices to assess risk, adapt to changes in the regulatory environment, and reduce fraud.

With MANTL, 92% of application decisions are instant. This means customers receive their account information as soon as they submit their application, which on average takes two minutes and thirty seven seconds to complete.



92% of MANTL's online application decisions are instant. Customers receive their account information as soon as they submit their application, which on average takes 2 minutes and 37 seconds to complete.

Automate customer communications

Opening an account is just the first step in what will hopefully be a long-term relationship for the account holder and the bank. But that doesn't happen by chance. This is not a "set it and forget it" process. Ongoing communication is required to maintain awareness, keep customers informed, cross-sell, and encourage long-term loyalty and positive word of mouth.

That level of communication can be time-consuming and costly to manage. It doesn't have to be. Today's technology means that banks can readily, and cost-effectively, automate their customer communications through welcome series, drip campaigns, adverse action emails, and other efforts.

Continued communication pays off. In fact, through the MANTL platform we've seen banks' remarketing emails increase conversion rates by 6%. That leads us to another best practice insight – using advanced analytics to glean important insights into customer behaviors and opportunities for improvement.



With MANTL's help, banks' re-marketing emails can increase conversion rates by 6%.

Leverage insights from advanced analytics

Financial services marketers today have the benefit of advanced analytics to help them monitor channel performance, understand consumer behavior, and improve cross-sell opportunities.

As you apply and test marketing tactics and campaigns, it's important to understand which are performing well and which aren't, as well as identify variations between marketing efforts and responses based on customer attributes and past actions. What services do customers sign up for most frequently after opening an account? What account balances are associated with various actions – e.g. applying for a loan, securing a line of credit, purchasing CDs, etc.? What days of the week, or times of the year, result in the best responses to certain types of initiatives?

Advanced analytics give you access to key information that can help you extend, pull back on, or replicate marketing efforts. Integrated with all major pixel and tracking platforms, MANTL can ingest UTMs, query parameters, and promotion codes to allow full attribution of marketing campaigns. That's the kind of deep dive that marketers need to have access to so their marketing efforts can be as cost-effective as possible.



Importance of real-time core integrations

The term “downtime” has been a common one for many core systems – that need to halt normal online operations to do updates or other batch processes. But downtime isn’t user friendly, especially in a world where consumers have come to expect, in fact demand, 24/7/365 access to their accounts. Fortunately, there’s technology that can make downtime a thing of the past.

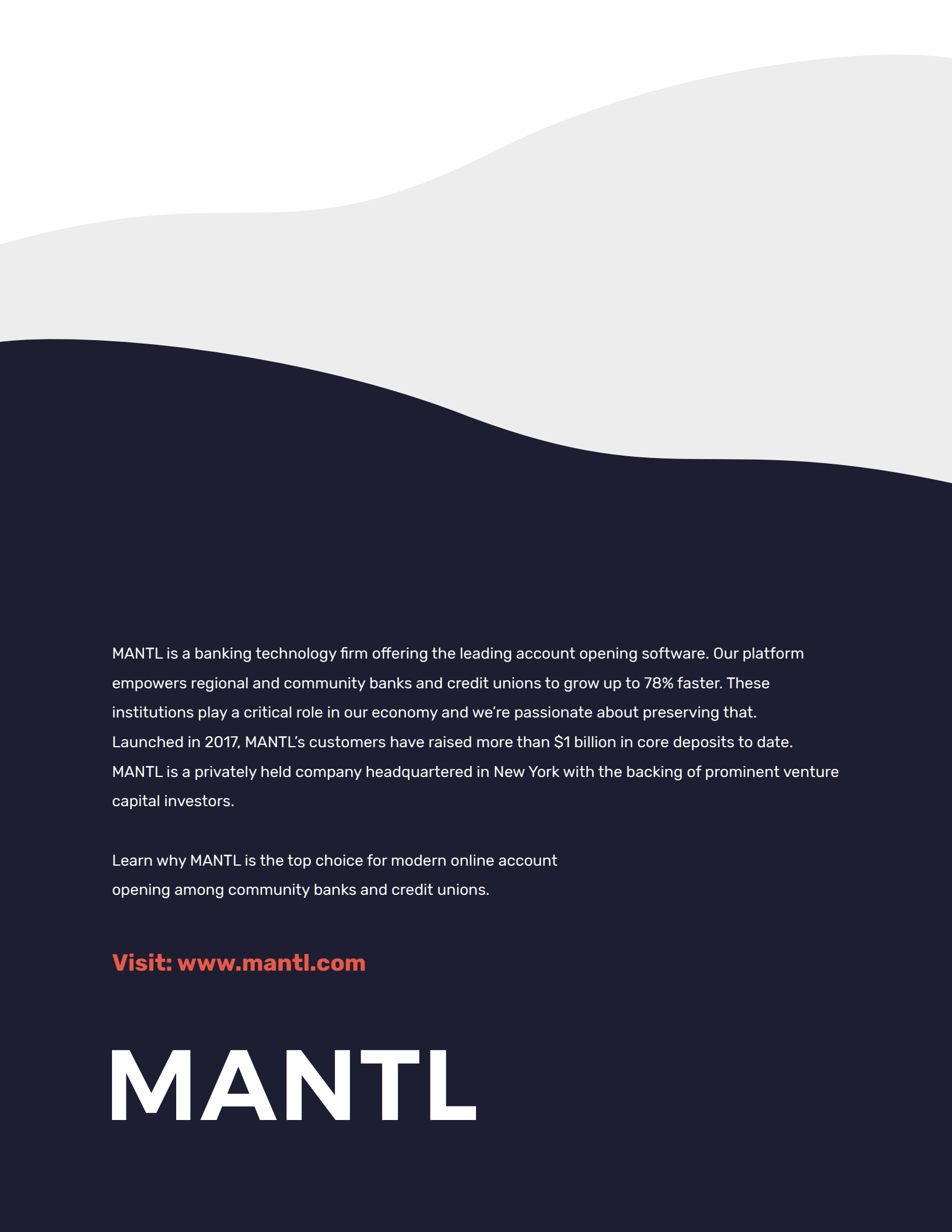
Technology that integrates with your bank’s core should have the ability to protect itself (and consumers) from downtime through a process called **store and forward**. Store and forward allows banks to continue to perform online transactions seamlessly at all times, even when the core system is down. That’s the kind of access today’s consumers expect, and the kind of access MANTL helps you provide.

How does it work?

- MANTL’s technology continues to allow for consumers to open accounts online while the core is down by listening for the core’s “heartbeat.”
- When a “heartbeat” is not heard, MANTL treats the core as a service in pending status and “tanks-up” requests which would otherwise be sent real-time to the core.
- When the heartbeat resumes, MANTL then flushes the “tank” and processes all the stored transactions.
- The customer still gets a message that their account is approved (since MANTL automates 88-92% of KYC and AML decisions), and the bank gets the account booked to the core automatically when the core is back online.

Immediacy, seamless interaction, security, relevant communication, and 24/7/365 service. These are the things that today’s banking customers want, and deserve. MANTL’s technology helps you deliver while also providing you with a reliable, cost-effective, and data driven environment to streamline operations, drive down administrative costs, and keep customers engaged and aware of new product and service offerings.

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MANTL is a banking technology firm offering the leading account opening software. Our platform empowers regional and community banks and credit unions to grow up to 78% faster. These institutions play a critical role in our economy and we're passionate about preserving that. Launched in 2017, MANTL's customers have raised more than \$1 billion in core deposits to date. MANTL is a privately held company headquartered in New York with the backing of prominent venture capital investors.

Learn why MANTL is the top choice for modern online account opening among community banks and credit unions.

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