

LIVE WEBINAR

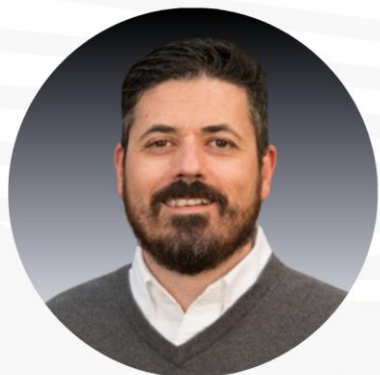
How to **Onboard** Customers in Under 2 Minutes

Learn MidWestOne Bank's strategy for swift onboarding and fraud prevention.

October 16, 2024 | 11 AM Eastern

The webinar will begin shortly.

- 1) Attendees will be muted.
- 2) Enter questions in Q&A section or chat.
- 3) The webinar is being recorded and will be shared.
- 4) Slide deck will be shared.



Chris Howell
VP, Business Solutions
Temenos



Heather DeStefano
SVP Director, Digital Innovation
MidWestOne Bank



Derek Corcoran
VP, Financial Services
RCG

05:00

OUR AGENDA FOR 2 MINUTE ACCOUNT OPENING



Derek Corcoran

VP Financial Services @ RCG

- ▶ *The current state of Digital Account Opening in banking*
-



Heather DeStefano

SVP Digital Innovation @ **MidWestOne** Bank

- ▶ *Tell the MidWestOne Digital Account Opening story covering WHY, HOW and SO WHAT*
-



Chris Howell

VP Business Solutions Group @ Temenos

- ▶ *Demonstrate the MWO 2 Minute Account Opening*

LET'S MAKE SURE WE'RE ON THE SAME PAGE

Account Opening / Onboarding is the **critical tipping point** between your Bank / Credit Union's Marketing and Servicing

Create Awareness &
Attract Customers

MARKETING

Convert Browsers
into Customers

ONBOARDING

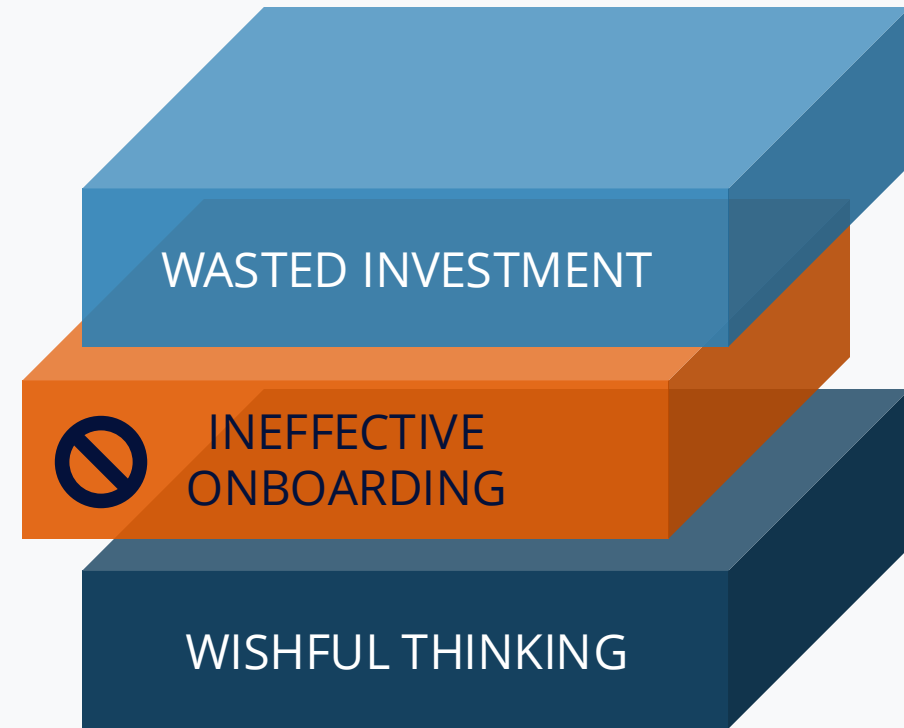
Service Current
& Future Needs

SERVICING

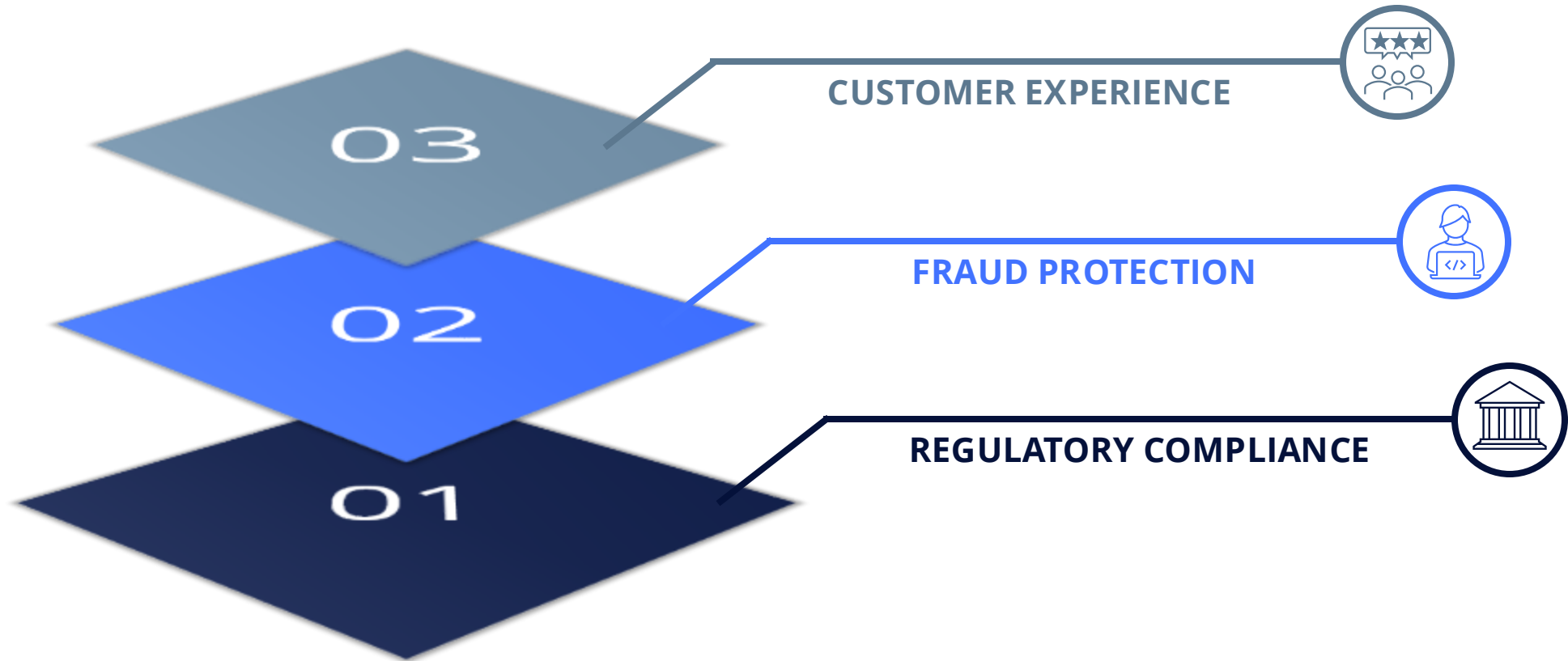
LET'S MAKE SURE WE'RE ON THE **SAME PAGE**

If your **ONBOARDING** is not effective:
(Hard, Inconvenient, Too Risk Adverse...)

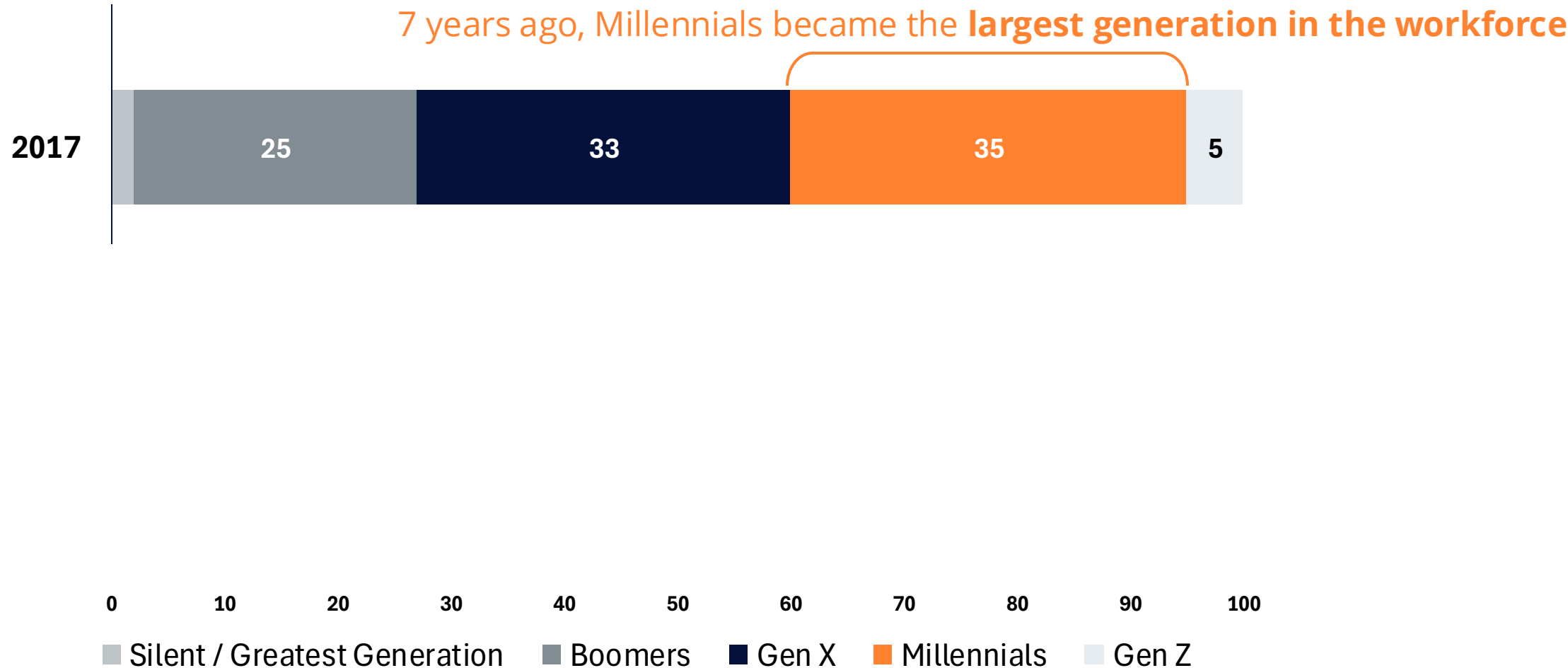
- **MARKETING** is a wasted investment
- **SERVICING** is wishful thinking



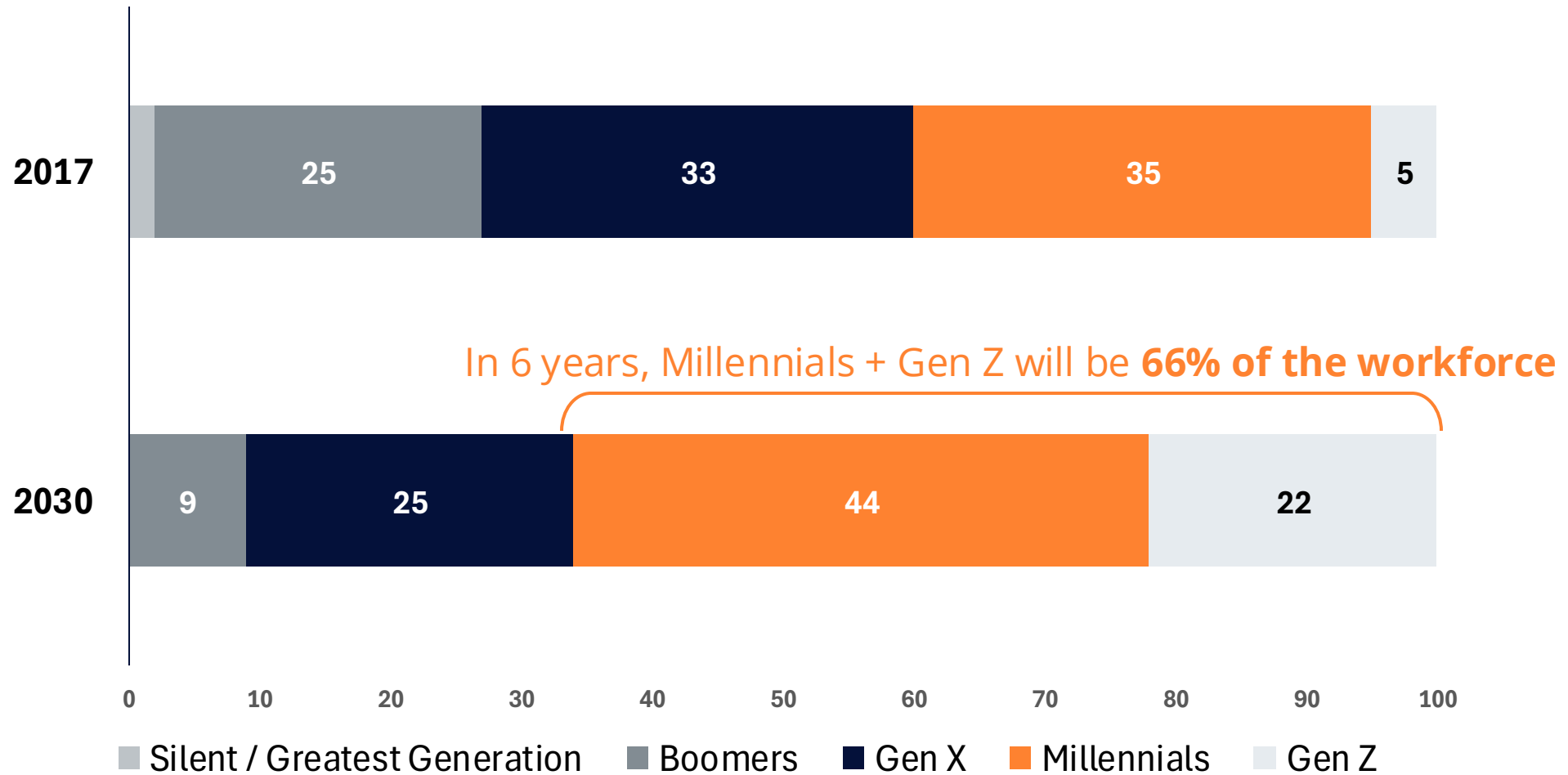
THE **NEEDS** OF BANK ONBOARDING



YOUR CUSTOMERS HAVE CHANGED...

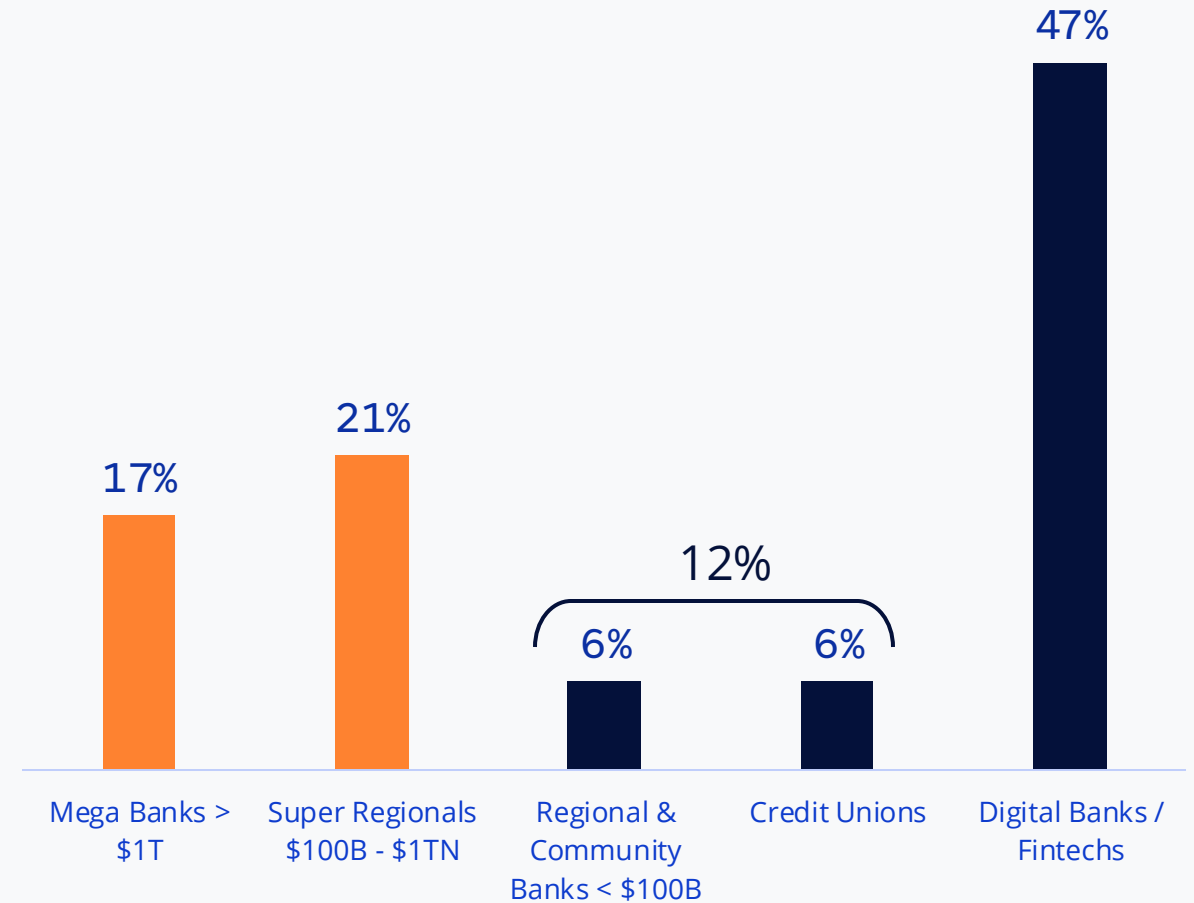


YOUR CUSTOMERS HAVE CHANGED...



WE'RE ALREADY SEEING THE IMPACT...

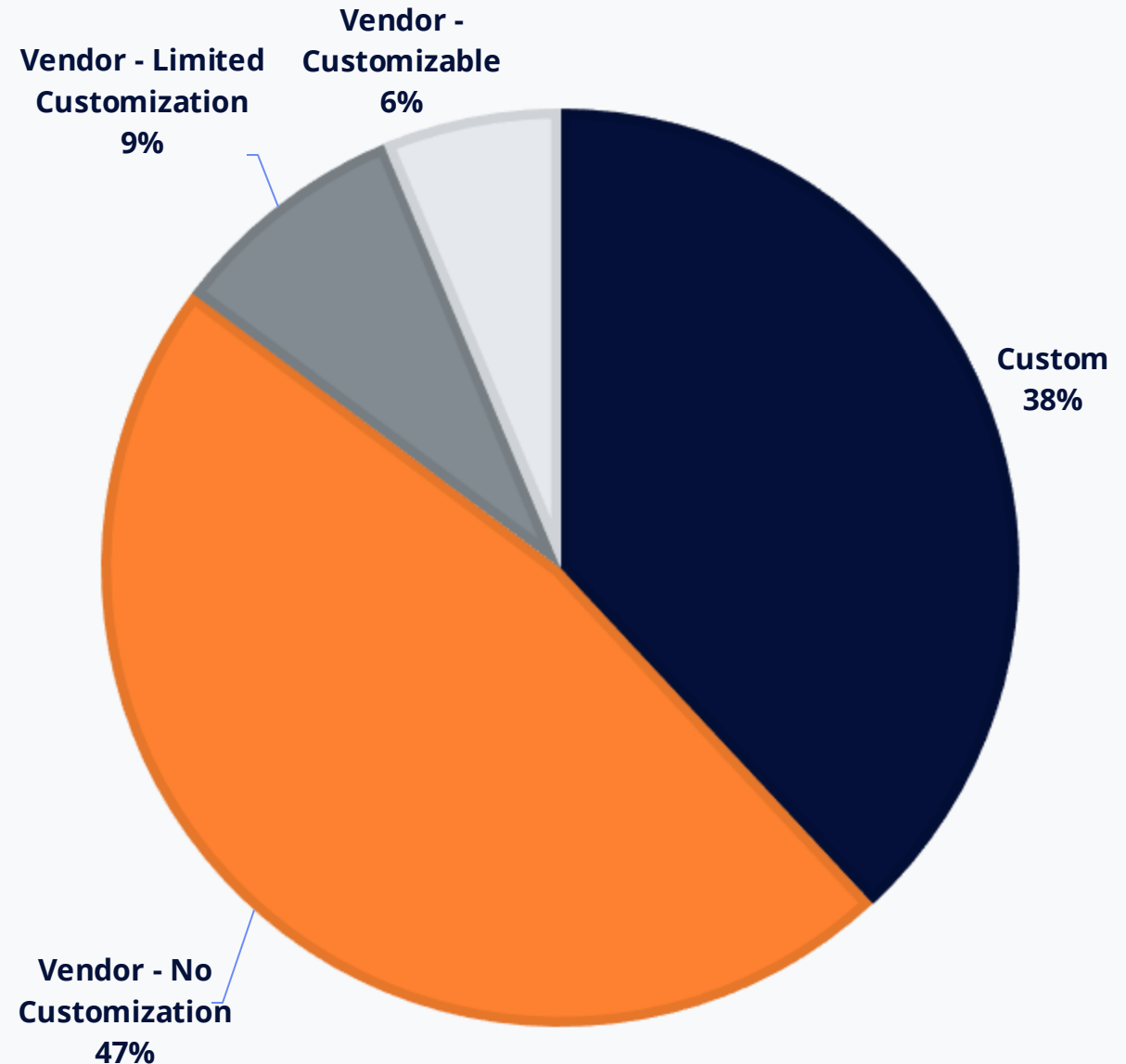
% New Checking Accounts
Opened 2023



BUT VENDOR SOLUTIONS ARE LETTING US DOWN...

Of the Top 200 FIs in the US (> \$7.8B), 56% use DAO solutions with Limited / No customization capabilities

- **NO CUSTOMIZATION:** 47%
- **LIMITED CUSTOMISATION:** 9%



MIDWESTONE WANTED TO DO BETTER

FOUNDED: 1934

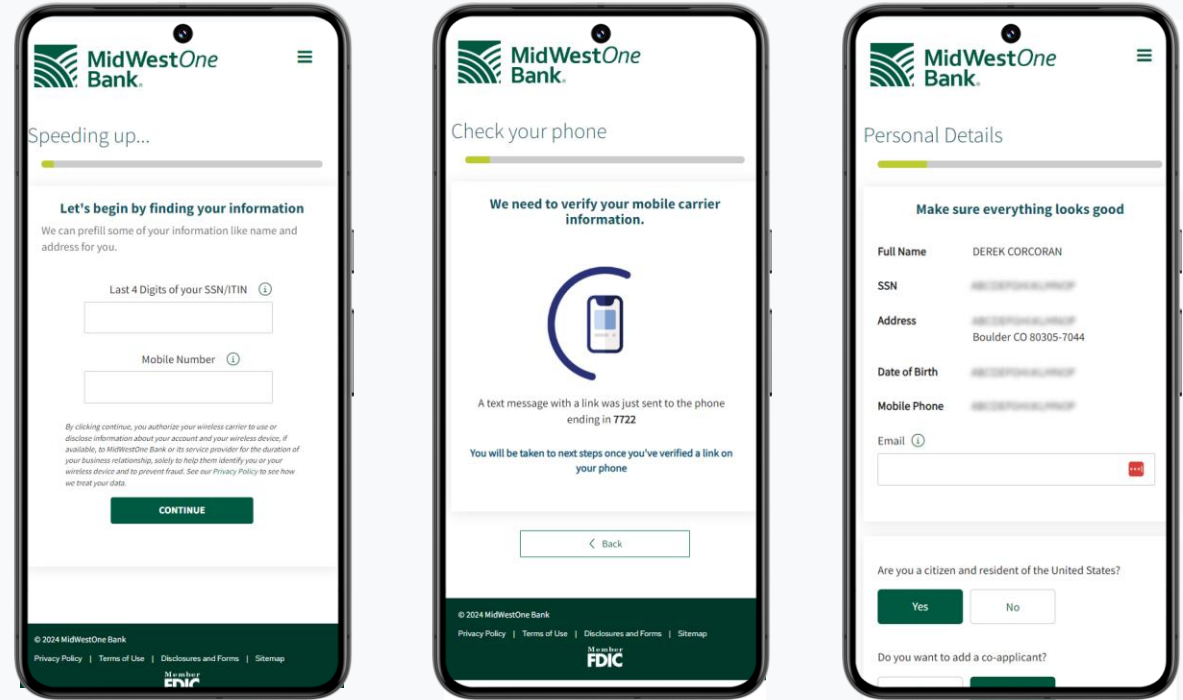
SIZE: \$6.6BN COMMUNITY BANK

HEADOFFICE: IOWA CITY

OFFICES: 50+ branches
Iowa, Minnesota, Wisconsin,
Colorado



MIDWESTONE WAS NOT SATISFIED WITH THE STATUS QUO...



- ✓ 2-Minute Account Opening
- ✓ 63% Completion Rate
- ✓ Reduced Fraud



MidWestOne
Bank.



Heather DeStefano

SVP - Director of Digital Innovation

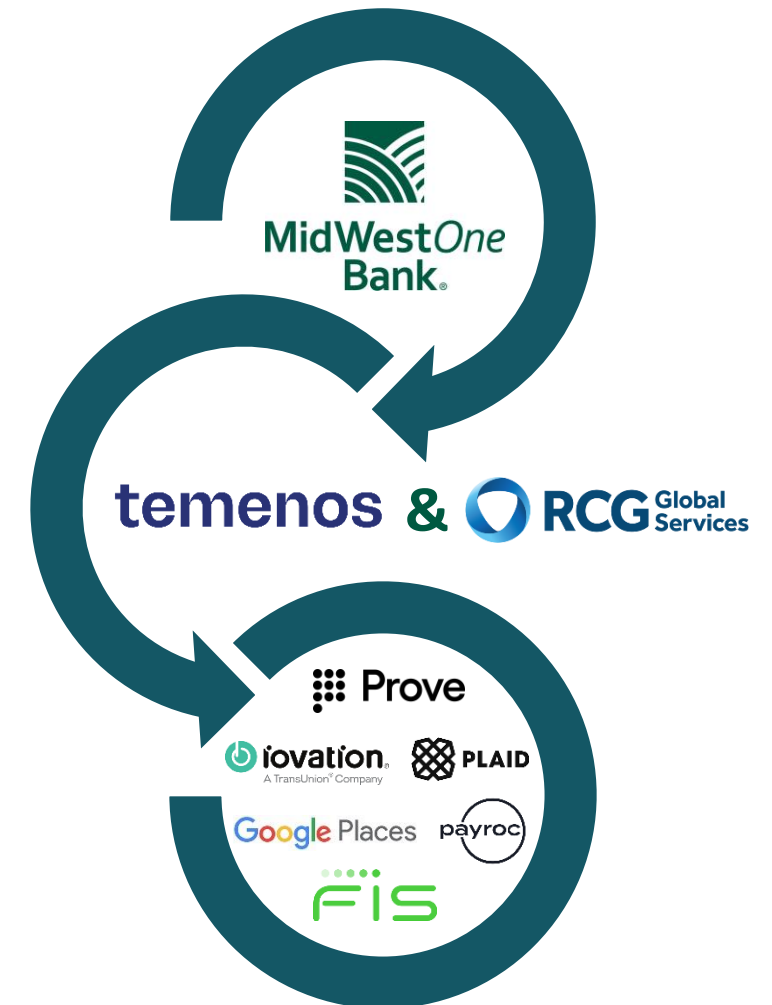
Where we came from...

- In 2022, MWO had online account opening. Employees ‘touched’ *EVERY application*
- Our core and DAO solution were from the same vendor, but not integrated for STP
- August 2022, MWO issued an RFP to vendors for a “*comprehensive depository account opening platform*”
- The goal was to select a solution that could deliver
 - *Best in class digital account opening experience*
 - *Future proof solution that was extensible (e.g. additional LOB's, fintech partners, etc.)*
 - *Capable of supporting In-Branch and Business accounts*



How we got here...

- MWO selected Temenos Journey Manager (TJM) for Onboarding & Account Opening
- MWO engaged RCG Global Services (*formerly Woodridge*) to implement TJM and integrate with our core / online banking
- The bank chose a combination of fintech and big-tech partners to provide fraud, identity and funding capabilities
 - *iOvation: Device Fraud Check*
 - *Prove: Mobile Verification & Prefill*
 - *Google Places: Address Verification*
 - *FIS: IDV and Qualifile Checks*
 - *Verafin: AML*
 - *Plaid: Account Verification*
 - *Payroc: Money Movement (ACH)*



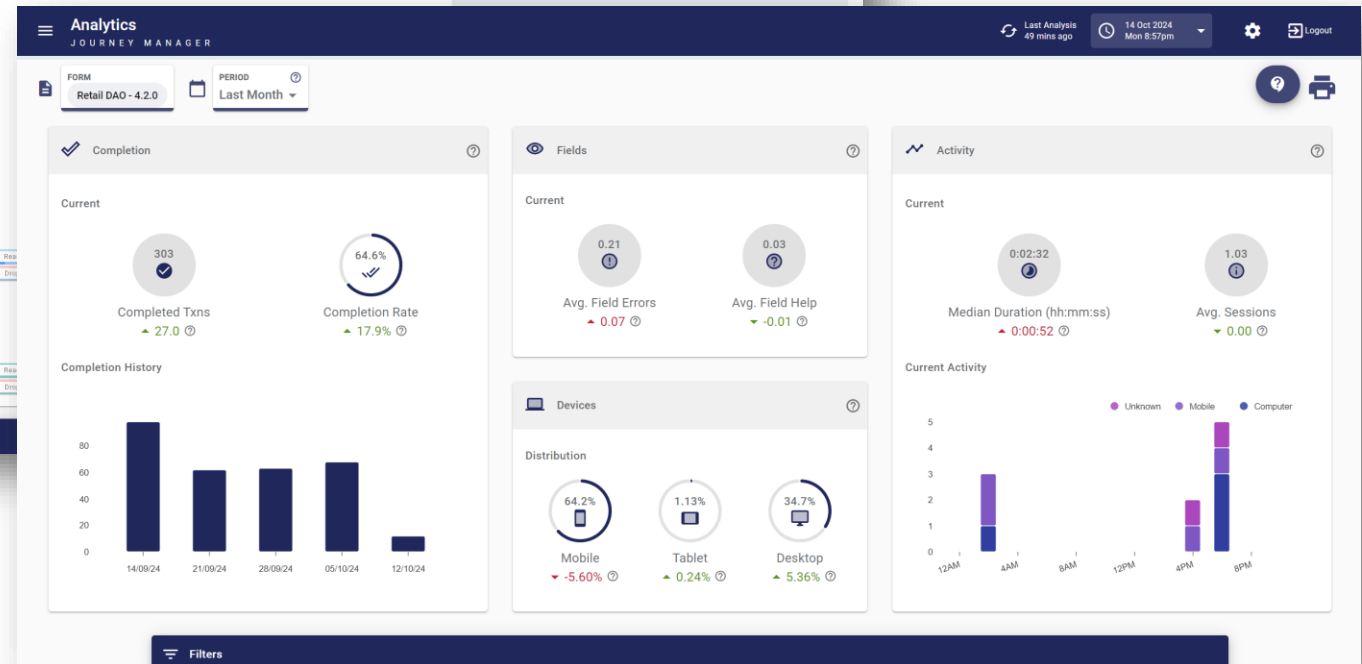
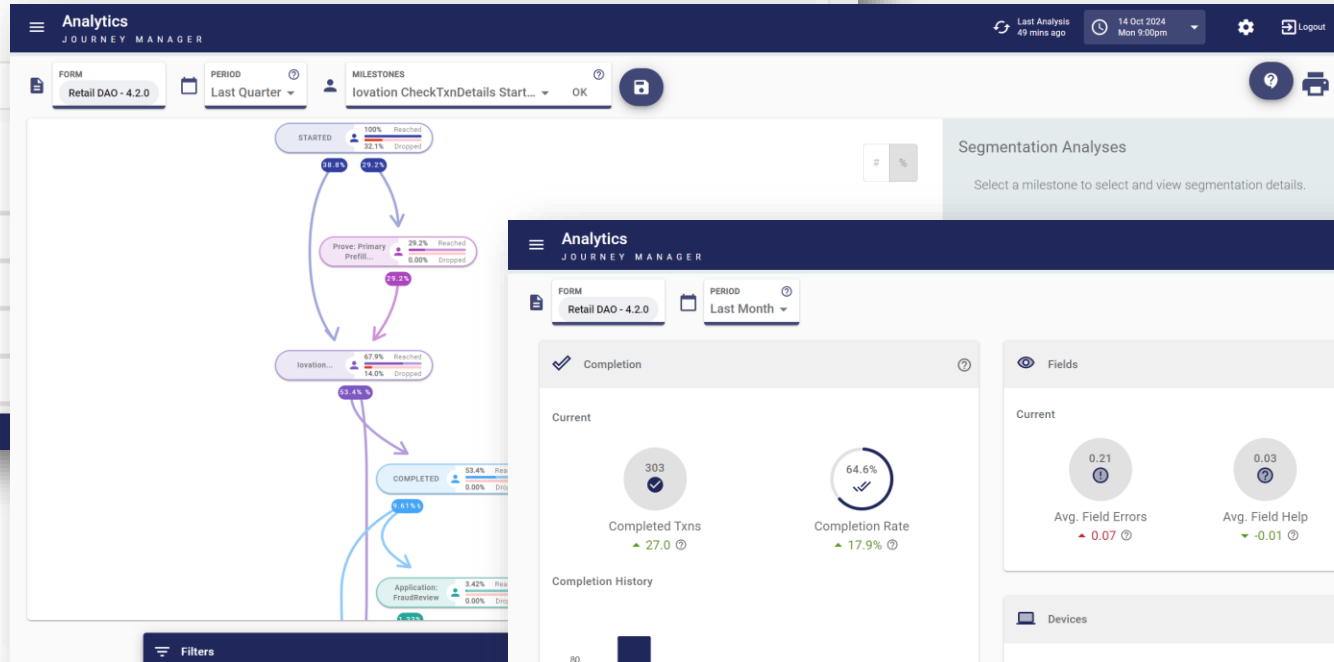
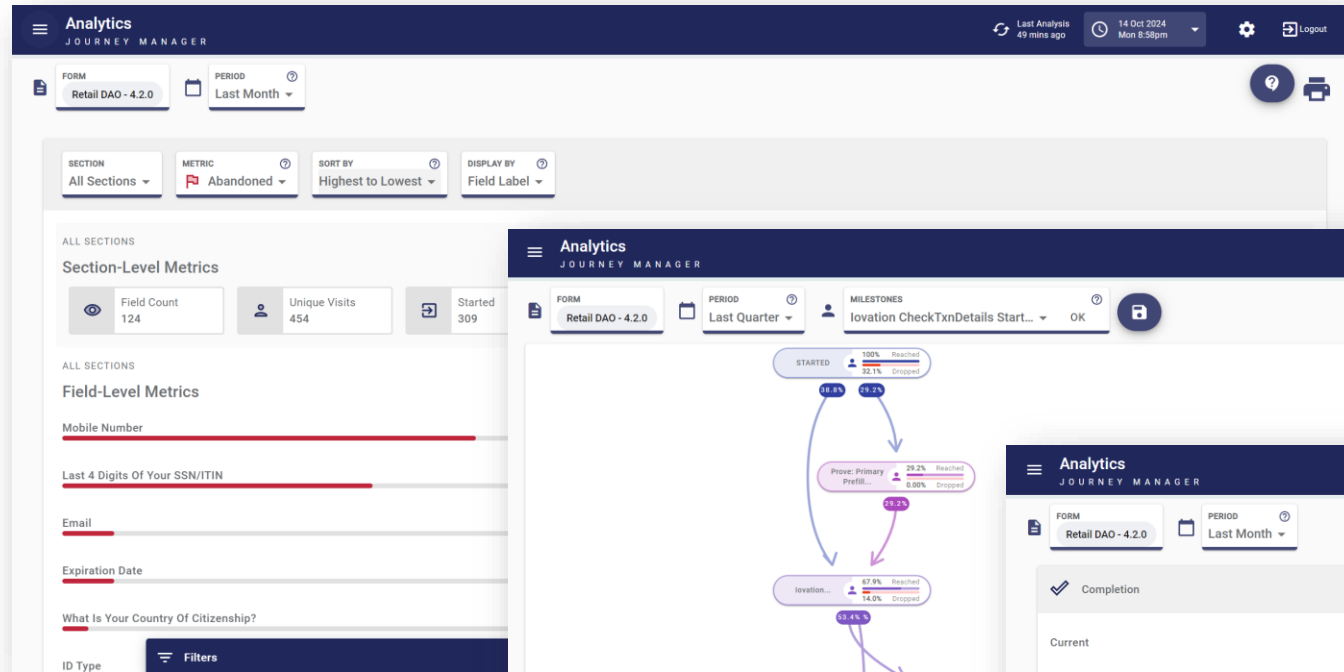
What we created...

- Account Opening in 9 screens for DDA (8 for SDA), up to Funding
- The last 4 screens do not require 'Data Entry'
- Prove mobile verification and prefill is mandatory
 - Reduces effort
 - Increases accuracy
 - Reduces fraud

The image displays a sequence of 9 mobile app screens for MidWestOne Bank account opening, connected by a large orange arrow. The screens are:

- Speeding up...**: "Let's begin by finding your information. We can prefill some of your information like name and address for you." Fields for Last 4 Digits of your SSN/ITIN and Mobile Number.
- Check your phone**: "We need to verify your mobile carrier information." A graphic of a phone with a checkmark. Text: "A text message with a link was just sent to the phone ending in 7722. You will be taken to next steps once you've verified a link on your phone."
- Personal Details**: "Make sure everything looks good." Fields for Full Name, SSN, Address, Date of Birth, Mobile Phone, and Email. A checkbox for "Are you a citizen and resident of the United States?" and a checkbox for "Do you want to add a co-applicant?".
- Residential Address**: Fields for Street, Unit, City, State, and Zip. A checkbox for "I have lived at this address for less than 12 months" and a checkbox for "I want to provide a different mailing address".
- Before we continue**: "We need to ask a couple of questions." Radio buttons for employment status (Employed, Self Employed, Unemployed, Student, Foreign Student, Retired, Homemaker, Minor, Disabled). A text field for "What was/is your occupation?". A checkbox for "Technology Professional". A checkbox for "Employment Income". A checkbox for "Bank Draft". A checkbox for "Grants/Scholarships". A checkbox for "Retirement/Dividend Income".
- Your Consent**: "Electronic Notice and Consent Agreement." Text about opening an account online and receiving disclosures. A checkbox for "I, DEREK CORCORAN, have reviewed the eSign disclosure and agree to receive account disclosures electronically."
- W9 Attestation**: "Under penalties of perjury, I certify that:" followed by a list of statements about tax identification number, backup withholding, and IRS Form W-9. A checkbox for "Under penalties of perjury, I, DEREK CORCORAN, certify that all of the above four statements are true."
- Disclosures and Agreements**: A list of statements to be agreed to, each with a checked box: "I attest that I have reviewed and agree to the MidWestOne Deposits Terms and Conditions", "I attest that I have reviewed and agree to the MidWestOne Electronic Funds Transfers Your Rights and Responsibilities", "I attest that I have reviewed and agree to the MidWestOne Funds Availability Policy", "I attest that I have reviewed and agree to the MidWestOne Substitute Checks and Your Rights", "I attest that I have reviewed and agree to the MidWestOne Consumer Fee Schedule", "I attest that I have reviewed and agree to the MidWestOne Power Checking Truth in Savings disclosure", and "I attest that I have reviewed and agree to the MidWestOne Privacy Policy".
- Account Options**: "Power Checking" section with checkboxes for "Order a debit card" and "Enroll my account in e-statements, E-statements allow you to access your statements faster, safeguard your private information, and waive paper statement fees associated with some accounts including, Free Checking, Power Checking, and HSA accounts. Click the box to enroll in e-statements, leave the box unchecked to receive paper statements." Below this is the "Occasional Overdraft Privilege (ODPS) Elections" section with radio buttons for "Enroll in Occasional Overdraft Privilege Service (ODPS)", "Enroll in Occasional Overdraft Privilege Service (ODPS) Plus ATM and Debit Card Transactions", and "Opt-Out of Occasional Overdraft Privilege (ODPS) Coverage".

How it's performing...TJM Behavioral Analytics



How it's performing...Key Analytic Metrics

- Completion rates avg 63%
- Time to complete avg 2 minutes (2' 14" for this period)
- Average number of sessions is 1.02, meaning only 2% of customers save/resume
- Mobile Account Opening is dominating
- Recognizing reduced New Account Fraud



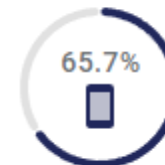
Completion Rate



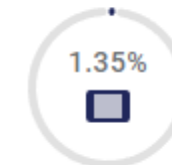
Median Duration (hh:mm:ss)



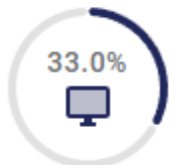
Avg. Sessions



Mobile



Tablet



Desktop

Lessons learned...

PARTNERS ARE CRITICAL

All large projects have challenges
Collaborating with partners solves them

RECOGNIZE ORGANIZATIONAL IMPACT

Digital projects have wide-ranging impacts
Early stakeholder engagement creates ownership

IN-PERSON WORKSHOPS MATTER

Its hard to build relationships over Teams
Relationships ↔ Communication ↔ Issue Resolution

CHANGE IS HARD – BUT WORTH FIGHTING FOR

Solutions like Prove.com deliver superior experiences
And they're worth fighting for when concerns arise

Where to next...

CONTINUOUS IMPROVEMENT

Design Changes
Fintech Services
Regulatory Compliance (e.g. FDIC Logo)

EXPLORING OTHER LINES OF BUSINESS

Branch Account Opening
Consumer Lending
Business Banking
Private Banking



temenos

Temenos Journey Manager & The MidWestOne Experience



What is Journey Manager?



A Platform for building, managing and continuously improving onboarding journeys



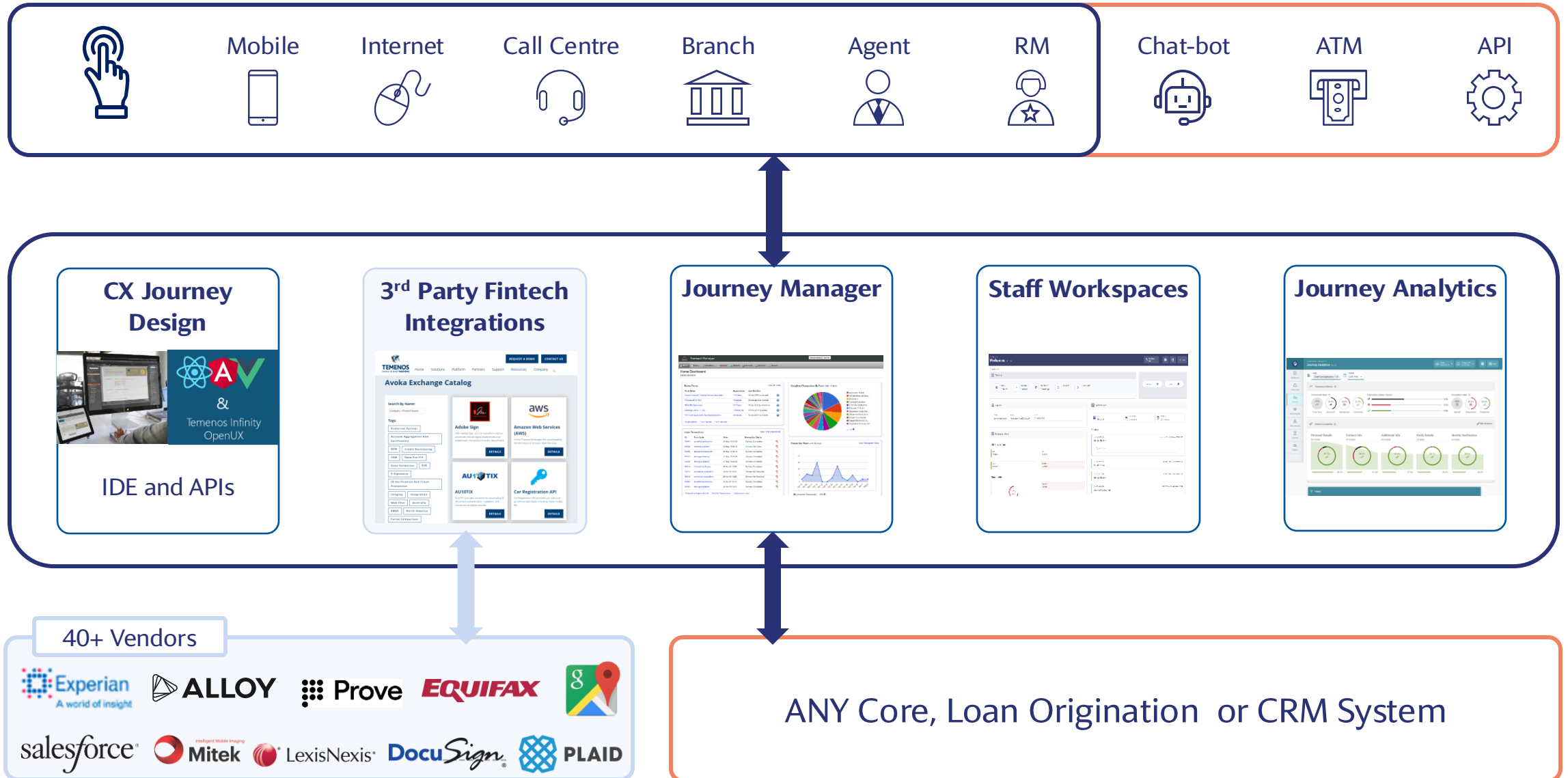
Offers accelerators to improve productivity



Seamless omni-channel experience for end users, bankers, and provisioning team

Temenos Journey Manager

temenos



DEMONSTRATION



THIS IS WHAT WE DO FOR CLIENTS DAILY AT RCG



2 min account opening with 63% completion



Increase conversion rate by 42%



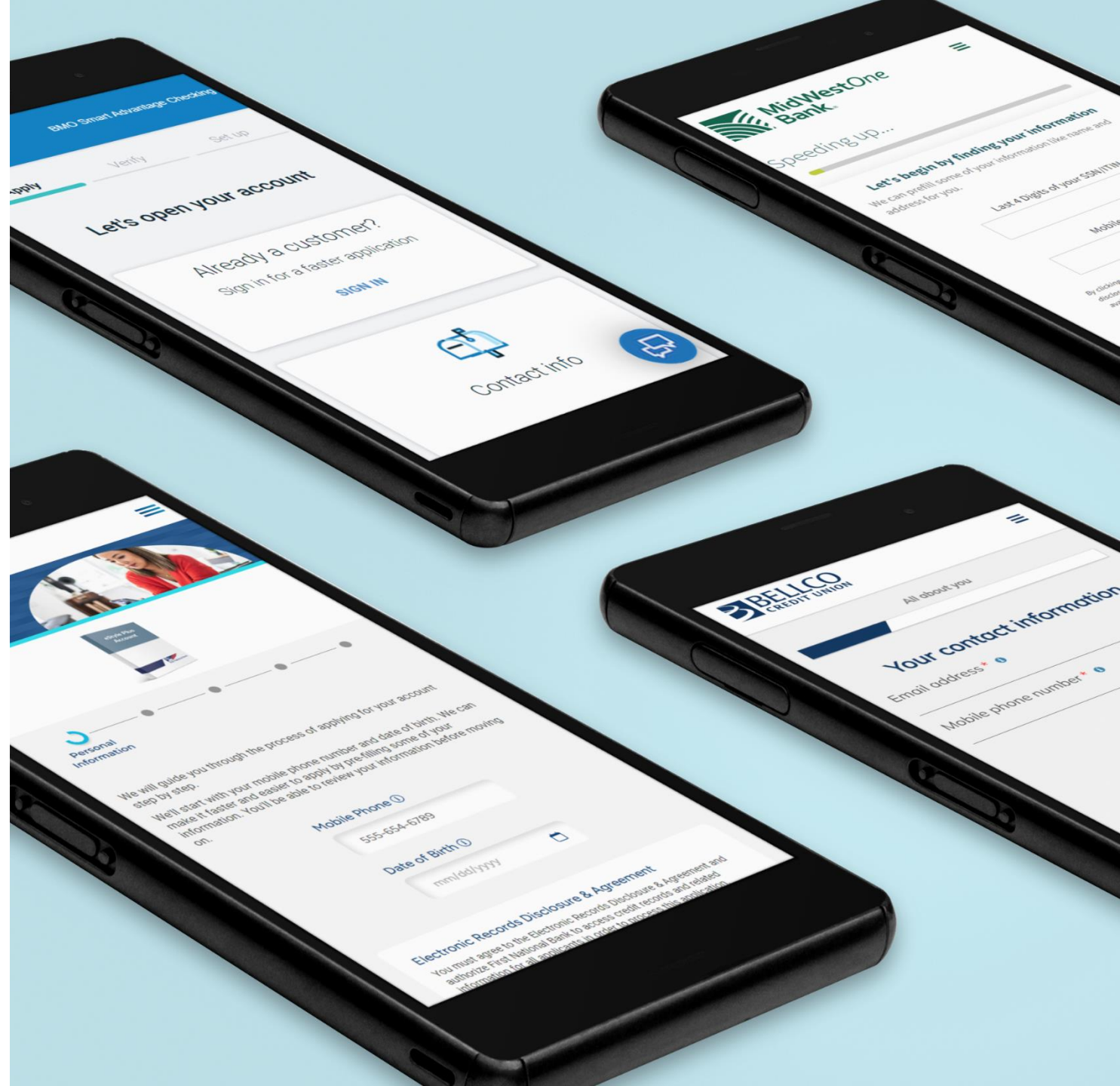
Add \$600M in deposits in 6 months



22 mins Business onboarding (from 2 weeks)



Reduce manual reviews by 51%



Thank **you** for joining!

Why is 'improving conversation rates' on a new account so important?

Scan to find out.

