

A photograph of a man with dark hair, a beard, and glasses, wearing a light blue button-down shirt. He is smiling broadly while looking at a tablet computer he is holding with both hands. The background is a blurred office or modern building interior.

THE  
**T** R A N S A C T I O N  
**E** F F O R T  
**S** C O R E <sup>TM</sup>

**DRIVING REVENUE THROUGH  
REDUCED CUSTOMER EFFORT**

# THE EXECUTIVE SUMMARY

Many financial institutions have some portion of their application process on line but it's sometimes confusing and tedious for customers to complete. This is a lost opportunity for acquisition and revenue.

One of the major problems with reducing friction, or effort in digital transactions, is it's tough to know where to begin and exactly what needs fixing.

The ideal solution is to quantify the amount of effort in a transaction, although most marketers would probably shake their heads and say that's impossible – friction is an intangible that can't be measured.

There's a new way to measure the effort required by a prospect to complete a digital sales transaction: the Transaction Effort Score™ (TES).

By analyzing each of the small hurdles in a digital transaction, an overall "score," or TES, is generated. Banks are using TES to reduce abandonment by 20-50 percent and increase completion rates by 38 percent or more.

*In this paper, you'll learn how the Transaction Effort Score can quantify the friction in your transactions to increase acquisition rates and revenue.*

# WHY FRICTION IN DIGITAL TRANSACTIONS

## INCREASES ABANDONMENT

*Every customer that clicks 'Apply Now' on your website is expressing a genuine interest in opening a new checking account.*

That makes it critically important for the transaction process to be as easy, or "frictionless," as possible. It is now common knowledge that reducing the amount of effort required by customers is a leading indicator of satisfaction and loyalty – even more so than conventional wisdom that organizations should go "above and beyond" to delight customers.

By asking prospective customers to complete a long, confusing loan application form, you're requiring a great deal of effort on their part, and they're more likely to abandon it altogether.

Conversely, if an application can be quickly completed from a mobile phone and doesn't require an in-person visit, you'll have a higher completion rate and a potential new customer.

It's the equivalent of a consumer filling up their shopping cart at a retail store and walking out the door without buying anything – a lost opportunity for customer acquisition and revenue.



# HOW THE TRANSACTION EFFORT SCORE MEASURES & REDUCES FRICTION

How do you improve the digital transaction experience and reduce customer effort?

It's difficult to know where to start and exactly which aspects need improvement. It's an area often seen as a murky intangible that's challenging to quantify and manage. There's now a new way to measure and reduce friction in the customer experience: the Transaction Effort Score™ (TES).

The Transaction Effort Score is a patent-pending approach for measuring the effort required by a prospect to complete a digital sales transaction, such as a loan application or account opening.

Each of the small hurdles required

to complete the transaction are analyzed and an overall "score" is generated.

*Transaction Effort Scores are driving big improvements in completion and new customer acquisition rates for financial institutions including reducing abandonment by 20-50 percent.*

For example, a mid-size Australian bank wanted to improve its credit card application completion rate of 18 percent. Its online application process generated a TES of 964 and highlighted significant pain points for customers.

In just one week, the application experience was re-designed, resulting in a TES of 307 and a completion rate of 38% – more than double the previous rate.

Calculating a TES for your digital financial transactions opens a world of new possibilities. You're now able to understand exactly what's getting in

your customers' way of completing transactions. Changes can be made to lower your score, which can increase completion and customer acquisition rates, sales, and revenue.



# UNDERSTANDING

## THE TRANSACTION EFFORT SCORE

One of the Transaction Effort Score's most useful aspects is that it is a leading indicator to identify changes and improvements before customers even complete your digital transaction. Other effort indicators, like the Customer Effort Score™ (CES), are lagging, because they're calculated based on feedback after the customer has completed a transaction.

A CES might tell you that customers are unhappy, but it's too late to go back to those transactions and address their concerns.

The Transaction Effort Score, on the other hand, can identify areas for improvement and measures how large-scale and incremental

adjustments will affect your TES.

TES is powered by industry data from global institutions including central banks, large investment firms, government entities, and insurance companies.

It was created through real-world testing and feedback and developed from a combination of proven models from the outsourced data entry industry and web design best practices.

*TES has been tested with financial institutions and continues to be refined as more data is obtained from real-world experimentation.*

# 6 KEY FACTORS

THAT INFLUENCE YOUR TRANSACTION EFFORT SCORE



## TOO MANY QUESTIONS

Be certain to only ask for exactly the information you require and nothing more. Every question you ask *increases* your score.

## HARD QUESTIONS

If you require information that the customer will need to look up, ask those questions closer to the end of the application. Asking too many difficult questions *increases* your score.

## IN BRANCH VISIT

Requiring customers to visit a branch or office at anytime during the process *increases* your score.

## SAVE & RESUME

A customer may need to stop and complete their application later. Offering Save & Resume *decreases* your score.

## MOBILE FRIENDLY

Supporting a mobile responsive experience *decreases* your score.

## DIGITAL DOCUMENTS

Allowing your customer submit documents electronically and support for digital signatures *decreases* your score.

NEXT STEP  
**LEARN YOUR  
 SCORE**  
 USING OUR TES CALCULATOR



## SELECT YOUR PRODUCT

01

Your personal score is calculated based on a single product. You will want to determine which product you would like to analyze.

Don't worry, you can use the calculator more than once if you would like to analyze multiple products.

## ANSWER A FEW QUESTIONS

02

The TES Calculator asks a few simple questions about your digital transaction process.

The entire survey takes less than two minutes!

## LEARN YOUR SCORE

03

There's no long wait period. You will learn your score instantly.

Additionally, you will be provided with details about how your score was calculated.

*Get started reducing friction and increasing completion rates in your digital transactions with the Transaction Effort Score Calculator.*

[Calculate Your Score](#)



## ABOUT AVOKA

Avoka's cloud-based platform, Avoka Transact, is a digital business platform used to accelerate customer acquisition and increase business agility in financial services, government, and other industries.

By focusing on the customer-centric portion of digital banking transformation, Avoka achieves speed-to-market for digital and mobile customer acquisition.

Using our "design once, deploy anywhere" platform, business units create their omni-channel

initiatives and control outcomes without long development cycles.

Founded in 2002 in Sydney, Australia, Avoka has won numerous industry awards for its innovative customer experience solutions.

Avoka has digitized over 100 million transactions spanning more than 16,000 sales and service projects.

*Avoka is based in Denver, CO United States; London, England; and Sydney, NSW Australia.*

[www.avoka.com](http://www.avoka.com)