

Product/Business Analyst Case Study

Improving Digital Banking Onboarding & KYC

Product/BA Case Study: Regulatory Compliance & User Journey Optimization



Industry
FinTech



Platform
Digital Banking App



Focus
Onboarding & KYC

Dollar/USA

₹ 28.20 / ₹ 28.49

Euro

₹ 32.95 / ₹ 33.44

Open a Deposit

Open my money box

QR code scanner

Notifications

Cashback

Other

Case Study Overview

01

Context & Problem

FinTech onboarding challenges: security-heavy KYC/AML, long confusing flows, user drop-offs

02

Objectives & Constraints

Reduce confusion & drop-offs while maintaining KYC/AML compliance and data protection

03

Journey Analysis

Mapping current onboarding flow and identifying friction points from external user perspective

04

UX Improvements

Progress tracking, clearer failure feedback, and in-app status updates within regulatory bounds

05

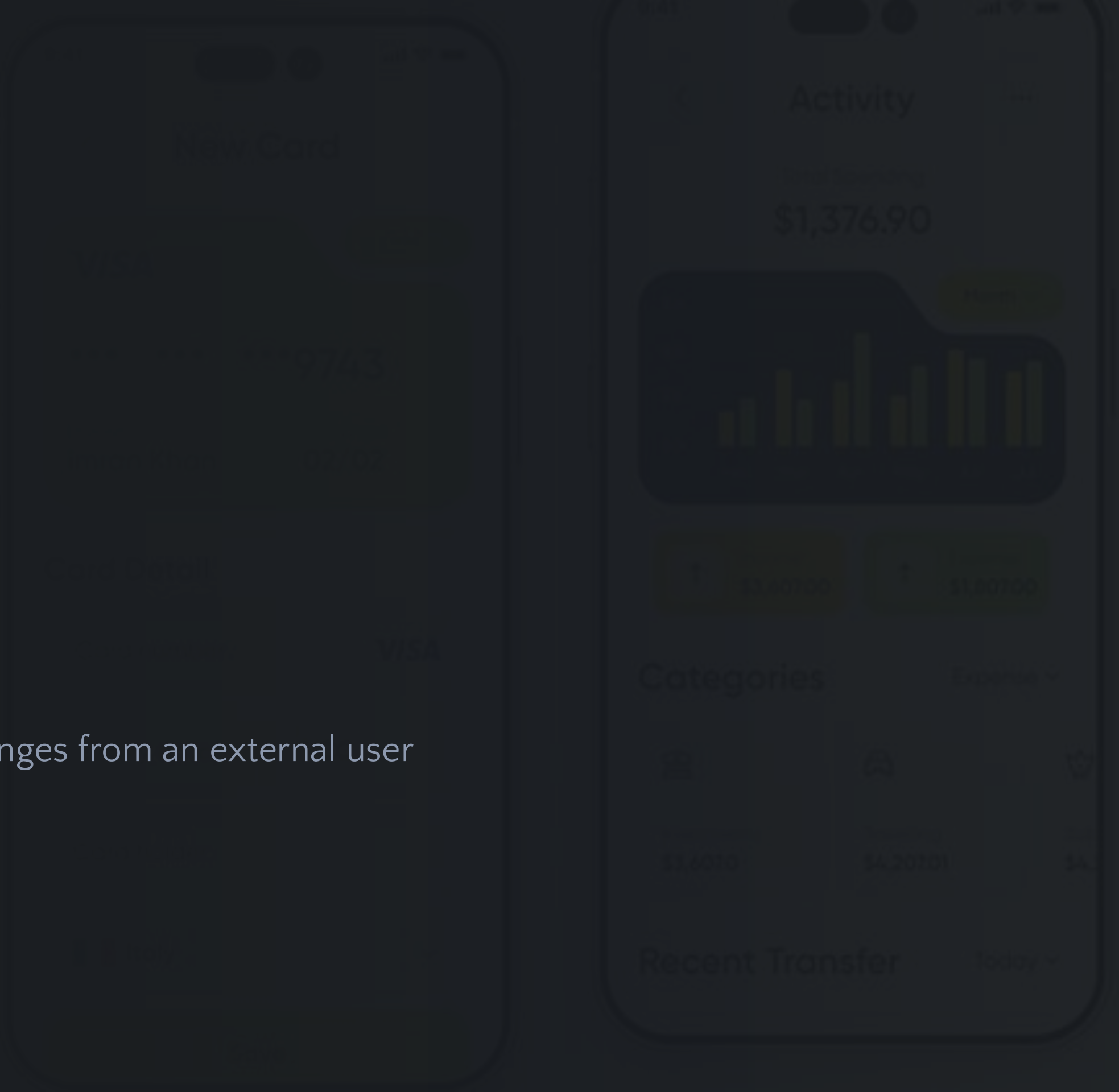
Impact & Learnings

Success metrics (5-10% completion increase, 15-20% support reduction), BA skills applied, balancing UX with regulatory constraints

01

Context & Problem Definition

Understanding FinTech onboarding challenges from an external user perspective



Digital Banking Onboarding Context



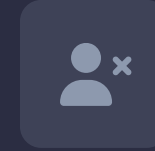
Digital Banking Landscape

Analyzed leading digital banking apps (Revolut, Monzo, N26) from external user perspective



Regulatory Complexity

Security- and compliance-heavy processes (KYC/AML) create inherent friction for users



User Experience Gap

Onboarding is often long and confusing, leading to significant user drop-offs and frustration

Role & Approach

This case study approaches the problem from a **Product/Business Analyst** perspective, focusing on balancing user experience improvements with strict regulatory requirements.

Journey Mapping

Current state analysis from user perspective

Friction Analysis

Identifying pain points and drop-off moments

Regulatory Awareness

KYC/AML compliance and constraints

UX Solutions

Communication and transparency improvements

User Pain Points in KYC Process



Lack of Context

Users don't understand *why* certain data/documents are required

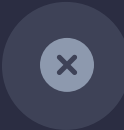
Impact: Users feel suspicious, abandon process, contact support



Uncertainty & Delays

Confusion when KYC is "under review" with *no* clear ETA

Impact: Anxiety, repeated support contacts, app abandonment



Rejection Handling

Rejections (blurry ID, mismatch) without clear guidance

Impact: Frustration, multiple attempts, user churn

Business Impact of Poor Onboarding



User Drop-offs

High abandonment at each step



Support Contacts

"Why is my verification pending?"



Negative First Impression

Poor brand perception

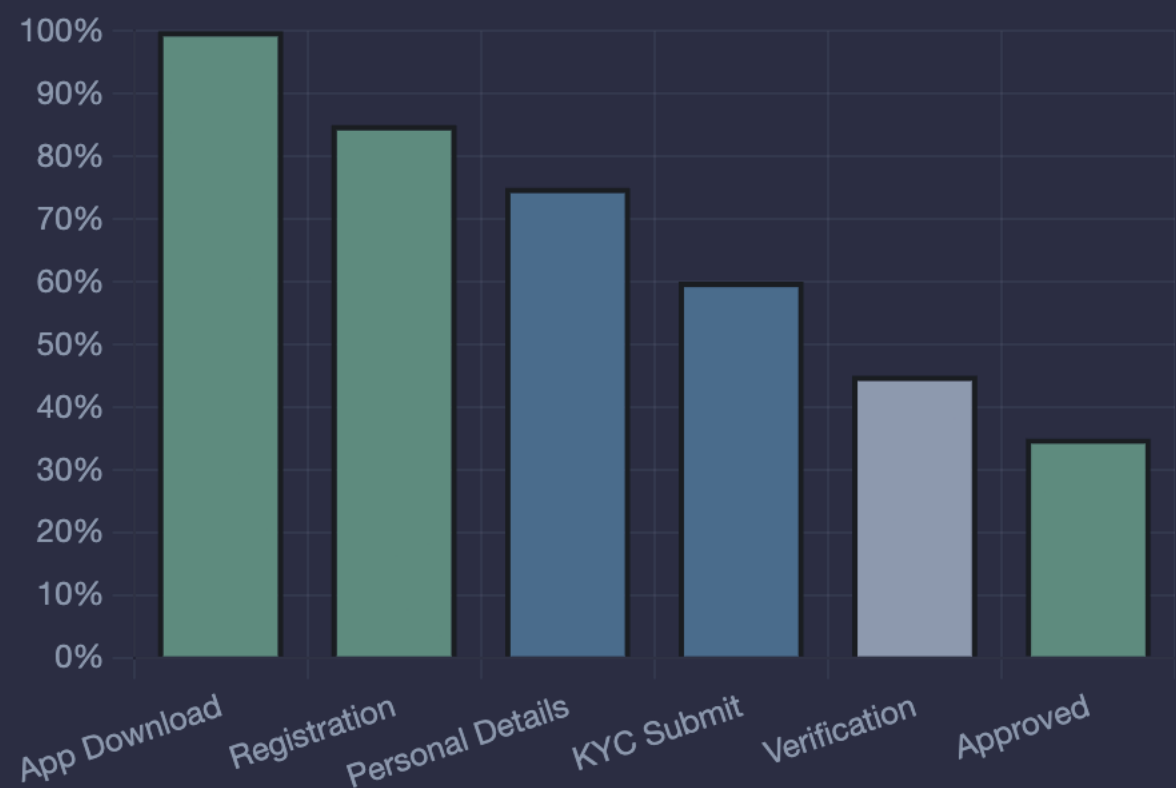


Competitive Disadvantage

Users choose competitors

Business Impact of Poor Onboarding

Onboarding Funnel Drop-offs



Typical Pattern: Each step loses 10–20% of users, with major drop-offs at KYC submission

User Drop-offs

High abandonment rates at each onboarding step, particularly during document submission and verification waiting periods

Industry Benchmark: 30–40% overall onboarding abandonment

KYC-Related Support Tickets

High volume of "Why is my verification pending?" and "What documents do I need?" inquiries

Typical: 25–35% of total support volume

Compliance Overhead

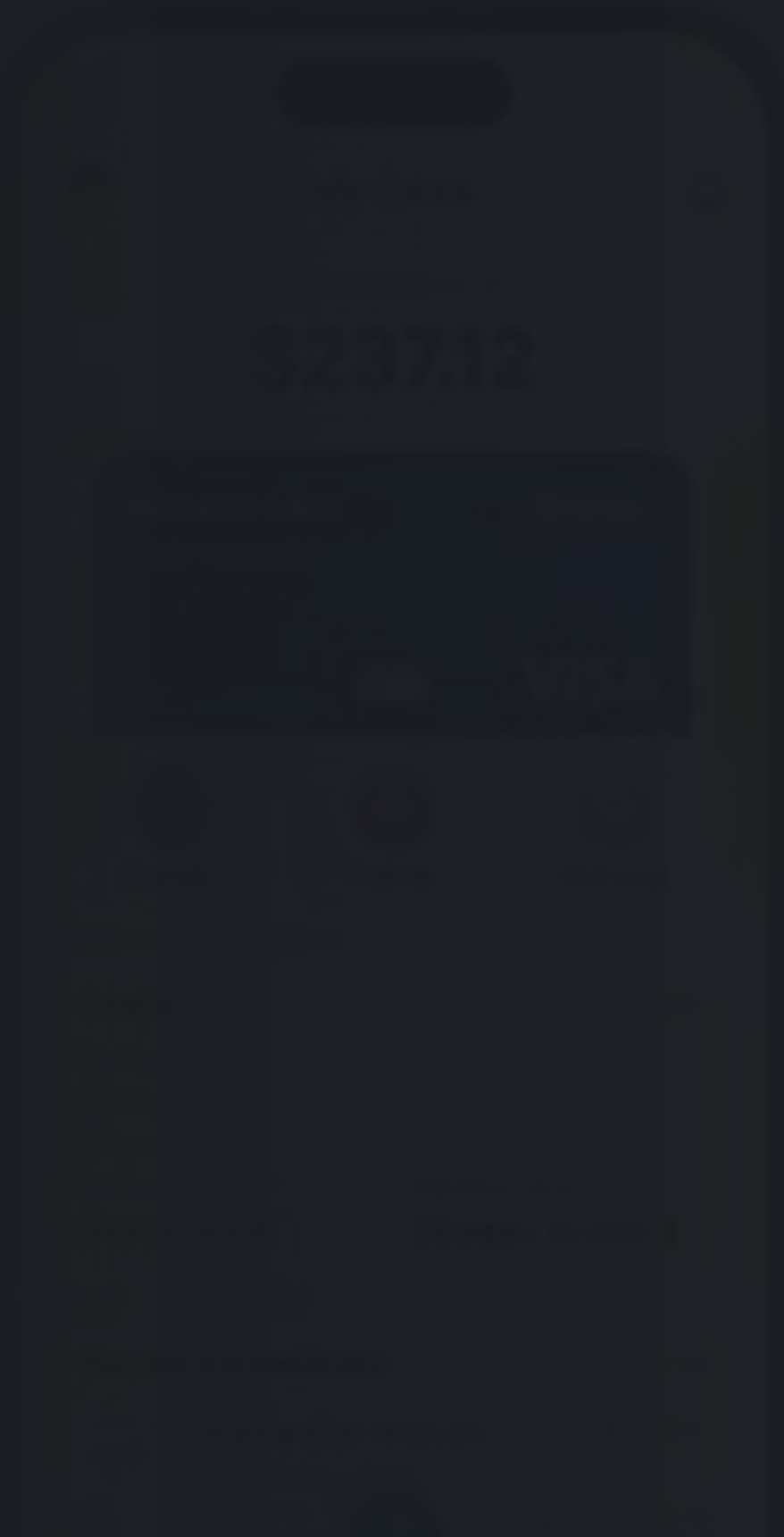
Poor quality submissions create additional manual review work for compliance teams

Cost: High manual review and rework

03

Current Journey Analysis

Mapping friction points from external observation



Current Onboarding Journey Map

Based on external analysis of typical digital banking apps, the onboarding journey consists of 7 main steps, each presenting opportunities for UX improvements.

1	<div>App Download & Country Selection</div> <div>User downloads app, selects country, accepts terms</div> <div>Low Friction</div>
2	<div>Phone Number & Email Verification</div> <div>OTP verification, standard registration process</div> <div>Low Friction</div>
3	<div>Personal Details Entry</div> <div>Name, DOB, address – may require manual typing</div> <div>Medium Friction</div>
4	<div>KYC: ID Document + Selfie/Video</div> <div>Document capture, biometric verification – major drop-off point</div> <div>High Friction</div>
5	<div>Address Verification (Sometimes)</div> <div>Utility bill upload or other proof of address</div> <div>Variable Friction</div>
6	<div>Application "Under Review"</div> <div>Waiting period – highest anxiety and support contacts</div> <div>High Friction</div>
7	<div>Account Approved / Rejected</div> <div>Resolution</div>

Friction Point Analysis

Limited Explanation of Requirements

Each KYC step lacks context about why it's required, leading to user suspicion and abandonment

Example: "We need your ID to comply with EU regulations" vs. just requesting document

Vague "Under Review" States

No clear timeframe provided for verification process, causing anxiety and repeated support contacts

Impact: Users contact support within hours, check status repeatedly, consider competitors

Generic Error Messages on Failure

"Verification failed" without specific reasons or actionable next steps, leading to frustration and churn

Example: Should specify "ID photo was blurry" or "Name doesn't match profile"

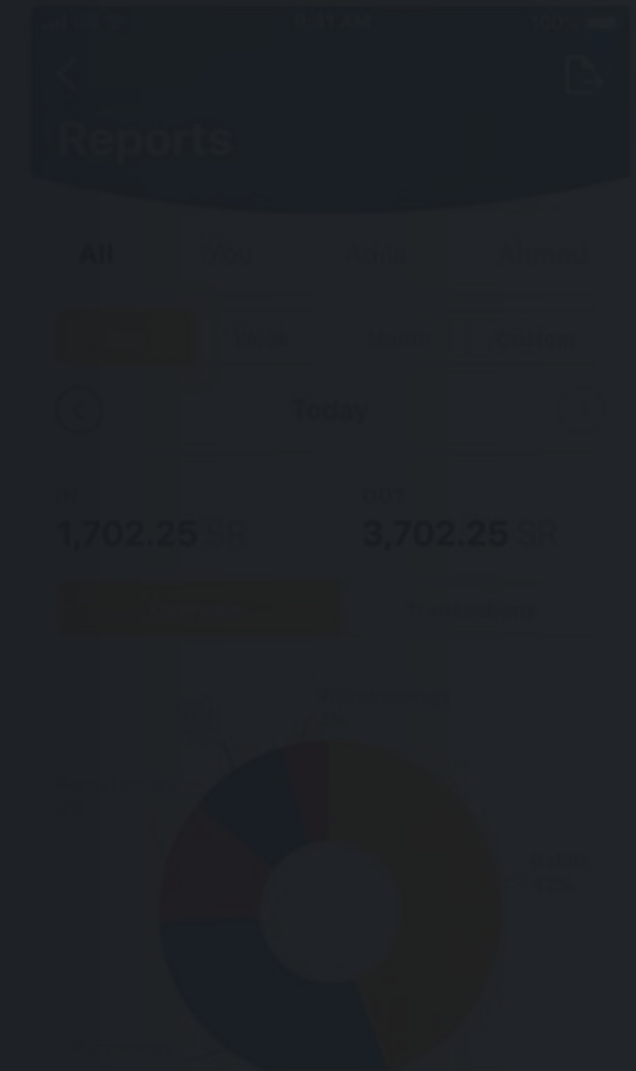
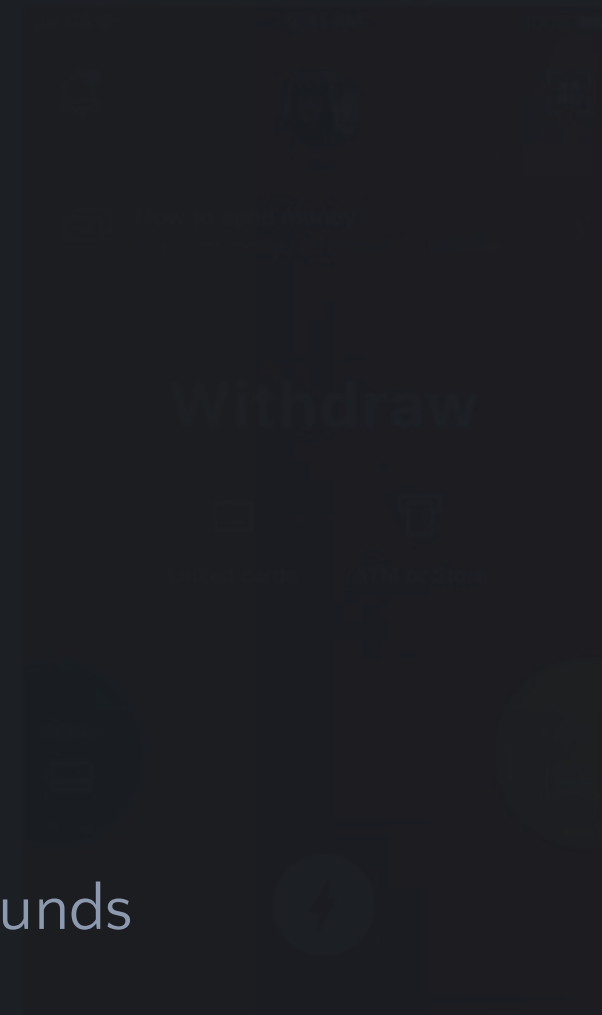
Friction Point Summary

Step 3: Personal Details	Medium
Step 4: KYC Submission	High
Step 5: Address Verification	Variable
Step 6: Under Review	High

04

Proposed Improvements

UX and communication enhancements within regulatory bounds



Clearer Progress & Expectations

☑️ Progress Tracker

Add visual progress indicator during onboarding to reduce anxiety and set expectations

- ✔️ **Step X of Y:** "Step 2 of 5 - Verify your identity"
- ✔️ **Visual Progress:** Progress bar or completion percentage
- ✔️ **Context:** Brief explanation of each step's purpose

🕒 Time Expectations

For each KYC step, show estimated completion time to manage user expectations

- ✔️ **ID Verification:** "Typically under 5 minutes"
- ✔️ **Manual Review:** "Usually 2-24 hours"
- ✔️ **Why Needed:** "To comply with EU regulations"

Sample User Story

As a new user,

I want to see where I am in the onboarding process and how long each step usually takes so that I know what to expect.

Acceptance Criteria

- 1 Progress tracker shows **current step and remaining steps**
- 2 Each step displays **estimated time** (e.g., "Typically under 5 minutes")
- 3 Regulatory explanations are **legally compliant** but user-friendly
- 4 Progress is **persistently visible** throughout the onboarding flow

Better KYC Failure Feedback

Specific Error Messages

Replace generic "Verification failed" with specific, actionable reasons that users can address

Before (Generic)

✖ "Verification failed. Please try again."

After (Specific)

✔ "Your ID photo was too blurry to read."

✔ "The name on your ID doesn't match your profile."

Clear Next Steps

Provide actionable guidance on how to fix the issue and successfully complete verification

Photo Quality Issues

"Retake your photo in good lighting, ensure all text is clear"

Name Mismatch

"Update your profile name to exactly match your ID"

Document Type

"Please use a passport or national ID card"

Sample User Story

User Story

As a user whose verification failed, I want to know the specific reason and what to do next so that I can successfully complete onboarding.

Acceptance Criteria

- ✔ Error messages specify exact issue (blurry photo, name mismatch, etc.)
- ✔ Each error includes actionable next steps
- ✔ Messages are legally compliant and reviewed
- ✔ User can retry immediately with guidance

In-App Status & Notifications

Live Status Screen

Replace vague "under review" with detailed status and estimated completion time

- ✓ **Queue Position:** "You're #47 in queue"
- ✓ **ETA Display:** "Estimated: 4-6 hours"
- ✓ **Current Stage:** "Automated checks complete"

Proactive Notifications

In-app notifications when status changes or additional documents needed

- ✓ **Verification Complete:** Push notification
- ✓ **Additional Docs:** "Please upload proof of address"
- ✓ **Delays:** "High volume - longer than usual"

Sample User Story

As a user waiting for KYC review,


I want to see a clear status and get notified when it's done so I don't have to contact support.

Acceptance Criteria

- 1 Status screen shows **detailed progress** (queue position, ETA)
- 2 Push notification sent when **verification is complete**
- 3 In-app notification if **additional documents** are needed
- 4 User can **check status anytime** in app without contacting support

User Stories & Acceptance Criteria

Translating UX insights into actionable development work through detailed user stories, demonstrating the Product/Business Analyst approach to backlog management within regulatory constraints.



User Story: Progress Tracking

As a new user, I want to see where I am in the onboarding process and how long each step usually takes so that I know what to expect.

Acceptance Criteria

- Progress tracker shows current step and remaining steps
- Each step displays estimated time (e.g., "Typically under 5 minutes")
- Regulatory explanations are legally compliant but user-friendly
- Progress is persistently visible throughout flow



User Story: Failure Feedback

As a user whose verification failed, I want to know the specific reason and what to do next so that I can successfully complete onboarding.

Acceptance Criteria

- Error messages specify exact issue (blurry photo, name mismatch)
- Each error includes actionable next steps
- Messages are legally compliant and reviewed
- User can retry immediately with guidance

Regulatory Considerations in User Stories




Legal Review

All compliance-related copy must be legally vetted before implementation



Generic Fallbacks

Some messages may need to remain generic if legally required



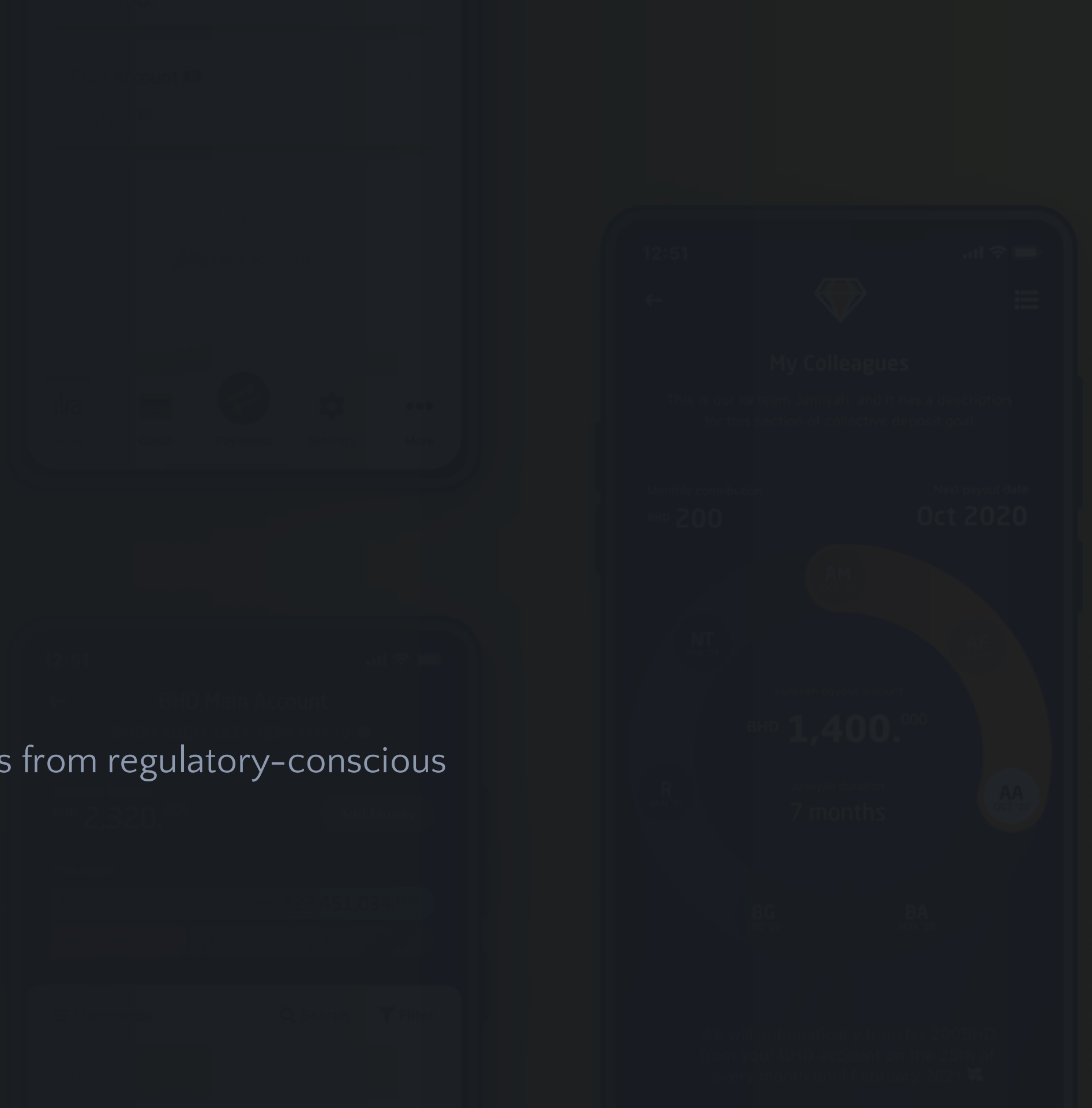
Data Protection

Privacy-compliant status updates without exposing sensitive information

05

Impact & Learnings

Measuring success and product/ba insights from regulatory-conscious design



Success Metrics & Targets

Primary KPIs

Onboarding Completion Rate

+5-10%

From current baseline

KYC Support Tickets

-15-20%

"Why is my verification pending?"

Time to Activation

-25%

From signup to fully verified

Measurement Framework



Onboarding Completion

Track drop-off rates at each step, overall completion from download to approved account



Support Volume

Number of KYC-related tickets, average handling time, first contact resolution rate



Time Metrics

Time to complete each step, total onboarding time, verification processing time



User Satisfaction

CSAT for onboarding experience, NPS from recently onboarded users, app store reviews



Customer Acquisition Cost

Lower drop-offs reduce cost per acquired customer



Support Team Efficiency

Reduced KYC tickets free capacity for complex issues



Competitive Advantage

Superior onboarding experience differentiates from competitors



Compliance Confidence

Better guidance reduces submission errors and rework

Skills & Tools Applied



User Journey Mapping

Mapped current onboarding flow from external user perspective

- ✓ 7-step journey identification
- ✓ Friction point analysis
- ✓ Drop-off moment identification



Requirements Writing

Clear problem statements and user stories with regulatory awareness

- ✓ User-centered story format
- ✓ Measurable acceptance criteria
- ✓ Constraint documentation



Regulatory Awareness

Understanding KYC/AML basics and balancing UX with compliance

- ✓ KYC/AML requirement knowledge
- ✓ GDPR compliance awareness
- ✓ Legal review process understanding

UX Copy & Communication

Focus on clear, empathetic communication that explains complex processes

- ✓ Plain language for regulatory explanations

Prioritization & Impact

Translating journey insights into prioritized backlog with measurable outcomes

- ✓ Impact-driven prioritization (5-10% completion target)

Key Learnings

01

Balance UX with Regulatory Constraints

How to *balance user experience with regulatory constraints* by finding creative ways to improve communication and transparency within compliance boundaries.

Key Insight

Communication beats simplification

Application

Explain why, don't skip steps

02

Communication Reduces Support Load

How *better communication and status updates* reduce support load by proactively addressing user anxiety and providing self-service information.

Key Insight

Anxiety drives support contacts

Application

ETA reduces "where's my verification?"

03

Journey to Prioritized Backlog

How to translate a user journey into a prioritized backlog by identifying high-impact friction points, defining measurable targets, and creating actionable user stories.

Key Insight

Journey maps reveal priorities

Application

Focus on 3 high-friction steps

Product/Business Analyst Impact

How user-centered analysis within regulatory constraints creates FinTech competitive advantage



5-10% Onboarding Completion Increase

Through progress transparency and clearer guidance



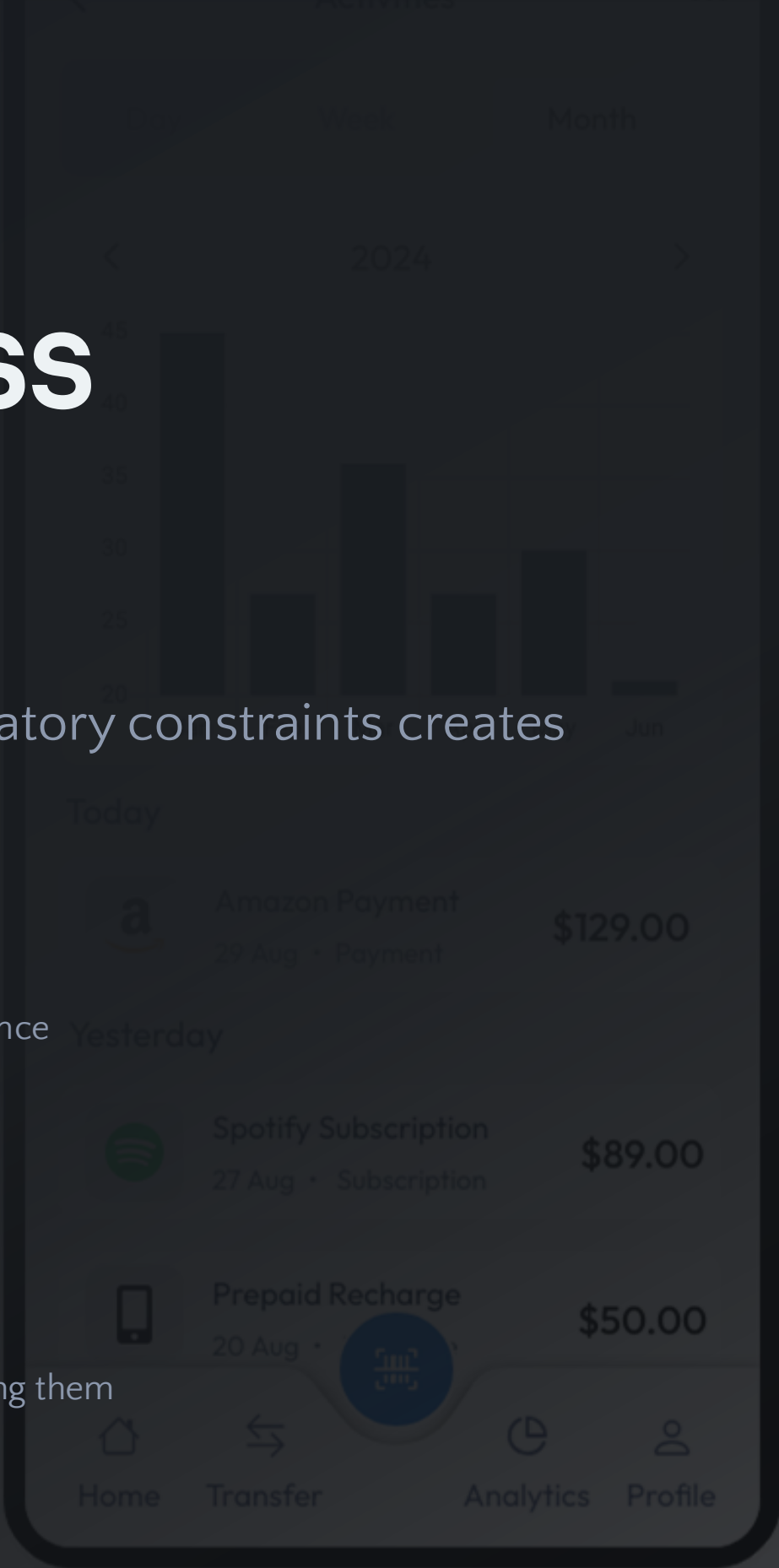
15-20% KYC Support Reduction

Proactive status updates eliminate uncertainty



Regulatory Compliance Maintained

Better UX within legal constraints, not by bypassing them



The image shows a mobile app interface for a payment screen. It displays the Spotify logo, the text 'Subscription • Music', and the amount '\$89.00'. Below this, there is a card number '**** * 7652' and the amount '\$13,321.00'. A numeric keypad is visible with digits 1 through 9, 0, and a backspace icon. At the bottom, there is a 'Send' button and a right arrow icon.