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DIGITAL IDENTITY VERIFICATION BUYER'S GUIDE



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

Opening a checking account in the comfort of your home, ticketless entry to a sports event, unlocking your hotel room with your face, and ordering your favorite cocktail for delivery – all of these are made possible with digital identity verification (IDV). A powerful tool against fraud in remote transactions, digital IDV can also take your customer experience to the next level.

However, there are differences between digital IDV solutions. A digital IDV solution using business practices from 2013 will not meet your needs in 2023 or prepare you for future growth. You need to select a digital IDV solution that increases your revenue by removing onboarding bottlenecks that were present in older solutions, and by reducing fraud that was not detected by outdated technology. In short, a solution that transforms your business.

Are you ready to future-proof your identity verification process and your company?

Here are some key considerations to keep in mind when choosing your next digital identity verification solution. Privacy for your business and your users is a critical consideration that affects the other six key considerations in this paper.

PRIVACY FIRST 

 FULLY AUTOMATED	 POWERFUL ORCHESTRATION
 PROCESSED AT THE EDGE	 FLEXIBLE DEPLOYMENT OPTIONS
 CORE TECHNOLOGY DEVELOPED IN-HOUSE	 SECURE PARTNERSHIPS



PRIVACY FIRST

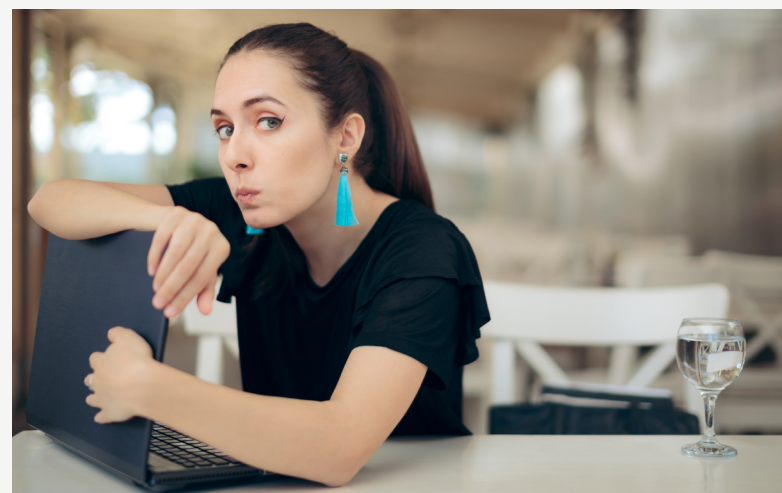
All relationships require trust. Your relationship with your identity provider is no different. For a digital IDV vendor, the key to that trust is a privacy-focused solution.

Your identity provider works with your customer's personal information: biometric information, names, addresses, and government-issued numbers or documents to name a few. And your end users trust you, and your business partners, to keep their personal identifiable information (PII) safe and secure. That's why a commitment to privacy must be the number one goal of a digital identity platform. This helps to ensure that PII is protected and not vulnerable to malicious attacks, and that the IDV solution will remain fully operational with no downtime.

Without an overarching goal of privacy and an architecture specifically designed to enable privacy, a digital IDV vendor shouldn't even pass the sniff test. There

are numerous examples of data breaches that expose PII, result in downtime while the problem is fixed, and require existing users to go through the identity verification process all over again. Your IDV solution should prevent problems, not create new ones.

With privacy as the foundation of a digital IDV solution, you'll see that many of the following considerations build on and support this continuing theme.





FULLY AUTOMATED

Humans make mistakes. In identity verification, human errors could be spectacularly expensive as they grant access to fraudsters or deny access to legitimate users. Neither is good for your business and can cause great organizations to lose their trustworthiness.

Because of the multiple problems with manual identity verification ([see this Incode blog post](#)), constantly improving artificial intelligence (AI) and machine learning (ML) solutions yield better results. According to the National Institute of Standards and Technology (NIST), the best facial matching algorithms are very accurate.

AI and ML-based solutions are also much faster.

Older solutions require armies of humans at call centers to manually verify identities, and any spike in workload requires the vendor to hire even more human verifiers at greater cost. As the workload builds up and the manual verifiers fall further behind, some prospective users will abandon the process, and your company loses revenue. The company can lose even more revenue if the manual verifiers fraudulently acquire applicant PII, or if existing applicants must be re-verified because of a security or procedural lapse.

BENEFITS

- > Delight customers with accurate, quick, and easy onboarding and verification
- > Win customers faster with an up to 5X faster onboarding process
- > Reduce fraud attempts by up to 99%
- > Keep your legal team happy by avoiding privacy risks from human access



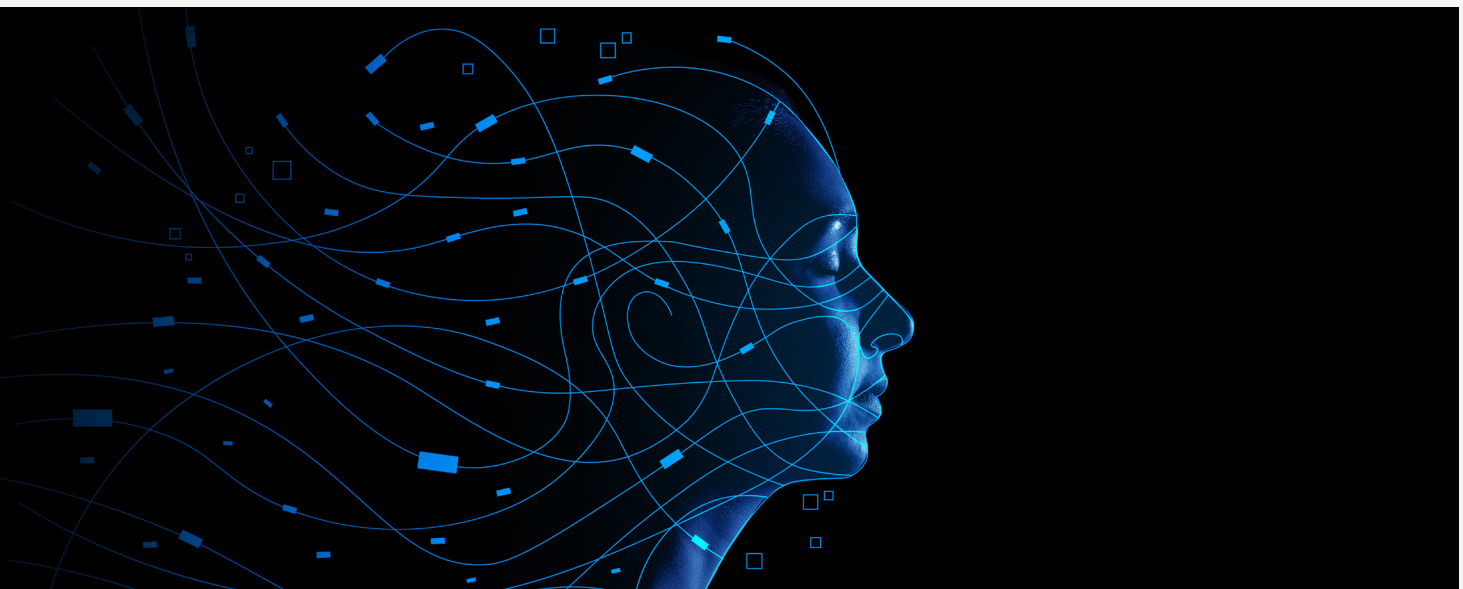
FULLY AUTOMATED

Why pick an error-prone, slower manual option that exposes personal data?

With an automated solution, computing power provides immediate results without delay, and workload spikes can be addressed simply by adding inexpensive computing power. Verifications occur quickly, customers do not abandon the process, and your revenue grows.

Fraud is also eliminated since no human sees your applicants' PII.

Sometimes legal requirements or your own preferences require manual review. In the absence of such restrictions, however, you should select a solution that operates in a fully automated fashion to upgrade your business efficiency and customer service.



PROCESSED AT THE EDGE



“Location, location, location.” It’s not just an adage when choosing real estate; location matters in a digital IDV solution too. More specifically, where data is processed makes a key difference to customer experience and privacy.

Keep in mind that your digital IDV vendor processes sensitive biometric information. The “safest” place in terms of privacy to process this sensitive information is as close to the edge or end user as possible. In this case, it would be on the user’s device. By processing data at the edge, you avoid transferring sensitive data off the end user’s device and exposing yourself to privacy risks.

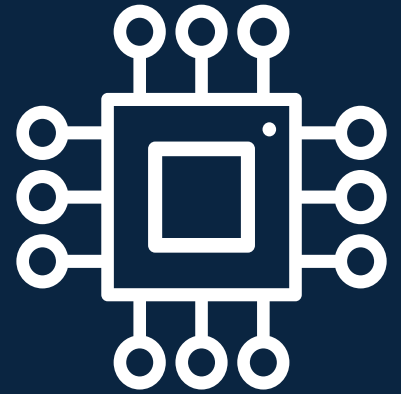
At the same time, processing at the edge proves advantageous for customer experience: it greatly reduces latency. The result is your customer has a better experience and gets answers quicker while you reduce your data risk.

BENEFITS

- > Your customers get quicker access to services with higher performance and low latency
- > Reduce your data risks
- > Easily comply with data regulations without upending processes



CORE TECHNOLOGY DEVELOPED IN-HOUSE



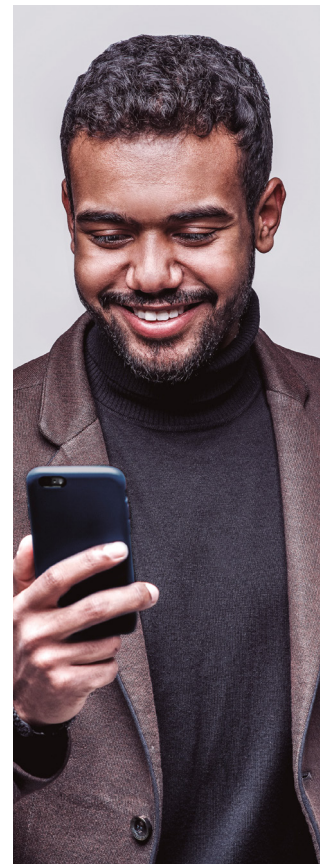
Your organization's needs change as it grows. Processes get updated and a growing number of users must be supported. While there's plenty to keep in mind while growing a business, worrying about how your vendors can scale with you should not be part of it.

Digital IDV vendors who use third-party core technology, such as another vendor's facial matching algorithms, will not be able to move as fast as you do. When you need a new core capability from your vendors, you'll have to wait for both the vendor and the vendor's technology partners to build and roll out updates. You could also lose customers to competitors who already have a similar feature in the meantime. Or perhaps the third-party vendor may go out of business, or refuse to do business with you, potentially causing downtime for your customers as you implement core capabilities from a different vendor.

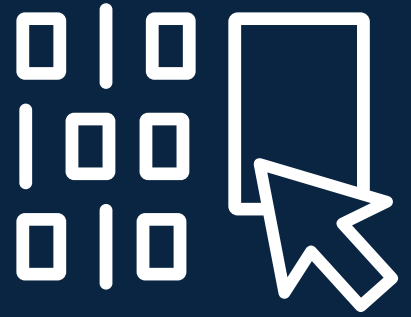
A "one-stop shop" digital IDV solution that builds their own core technology in-house has more control over feature roadmaps and timelines, and over critical features such as facial matching accuracy. They will also be able to adapt and support a growing number of end users without complicated pricing restructures. Choosing a digital IDV vendor with in-house core technology saves you time and lets you scale your business on your timeline, not theirs.

BENEFITS

- > Grow your business without worrying about how your vendors will keep up
- > Give customers the features and experience they want



POWERFUL ORCHESTRATION



Identity verification processes and requirements differ across industries. For example, the requirement to open a bank account remotely is vastly different than signing up for a new customer loyalty program. Even within your own industry, your identity verification processes and requirements are unique to your company.

You may use custom workflows to differentiate against competitors when onboarding or verifying customers. Or, you may want to create a very specific experience for your customers. Choosing a digital identity solution with powerful orchestration capabilities lets you design workflows the way you want, instead of following a vendor's existing template. Ideally, a granular solution should allow you to select among dozens of modules to implement or not implement in your own workflow.

Ideally, the workflow engine should support advanced capabilities such as rule-based conditional logic that allow the user to follow different workflow paths based upon previous results. For example, if a user cannot complete an electronic Know Your Customer (eKYC) validation, the user should not automatically fail enrollment. Instead, the user may be asked to provide identity documents and bio-

BENEFITS

- > Run processes the way you want instead of limiting yourself to a vendor's workflow
- > Add or subtract workflow steps based upon previous responses using rule-based conditional logic, only requiring the additional steps for more risky customers
- > Extend your team's resources with no-code development

POWERFUL ORCHESTRATION



metric information to prove their identity. Similarly, if a user passes initial identity tests and is identified as a low-risk client, the user should be allowed to bypass additional unnecessary tests only needed for high-risk clients.

In addition, a vendor that offers no-code development lets you spend fewer resources to get exactly what you want. Instead of spending more time hiring new developers, give your existing teams the power to build their own solutions.



FLEXIBLE DEPLOYMENT OPTIONS



Everyone is pursuing digital transformation and moving to the cloud. But not everyone moves at the same pace or even have the same goals. You may even have legal or business requirements needing a combination of cloud and on-premises deployments. Or perhaps your industry or customers require fully on-premises architecture options.

Data and privacy laws are also evolving, and future mandates may require a change in business direction to stay in compliance.

Keep your options open by choosing a digital IDV solution with flexible deployment options for cloud, hybrid, and on-premises deployments. This allows your business to grow following its own trajectory and supports future expansion plans.

BENEFITS

- > Deploy anywhere – cloud, hybrid, and on-premises
- > Pass regional and industry compliance mandates with ease





SECURE PARTNERSHIPS

Government and state agencies play a critical role in identity verification. They're the ones holding official identification records and regulating secure access to government databases where identity information is kept.

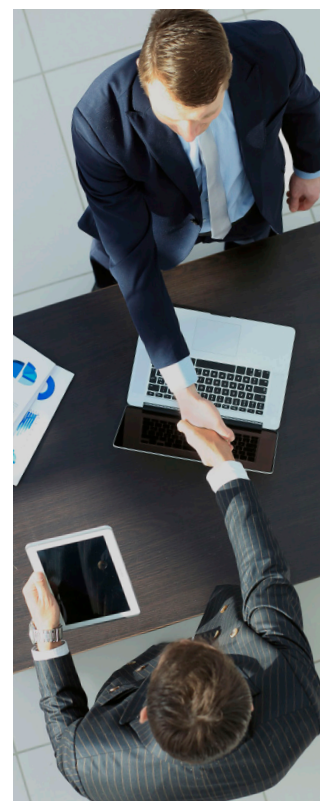
Your organization also benefits from your digital IDV vendor's partnership with these agencies. Digital IDV vendors can verify your users' identities without compromising privacy or transferring sensitive data through these secure partnerships. Instead of sending biometric data, an IDV vendor can ask affirmative (yes or no) questions and get a yes or no response back on whether an identity is valid.

Choosing a digital IDV solution with abundant global partnerships with government and state agencies ultimately reduces your risk of fraud and increases your end users' privacy.

At the same time, global partners can also independently verify the performance of your solution. Examples of such independent verification include vendor participation in the U.S. National Institute of Standards and Technology (NIST) Face Recognition Vendor Test (FRVT), iBeta confirmation (preferably at Level 2) ISO 30107-3 Presentation Attack Detection capability (liveness detection), and independent confirmation of a vendor's compliance with the Association of International Certified Professional Accountants' (AICPA) Systems and Organization Controls 2 (SOC 2) standards.

BENEFITS

- > Lower your fraud rate
- > Keep your customers' data safe and private with verifier-only relationships
- > Ensure vendor adherence to industry performance standards











LEADERS IN IDENTITY VERIFICATION

The right biometric identity and digital IDV solution can transform your enterprise, letting you expand into new business areas, access more customers, and introduce them to delightful, frictionless experiences. Keep in mind that consumer privacy is a must for these experiences,

and your digital IDV vendor should be your first partner in that respect. Choose IDV solutions that can be the anchor for your privacy initiatives, with privacy constructs for access, exposure, and residency built into the architecture, design, and delivery process of the solution itself.

PRIVACY-ENABLED

 Fully Automated	 Processed at the Edge	 Core Technology Developed In-House	 Powerful Orchestration	 Flexible Deployment Options	 Secure Partnerships
Speed and accuracy	High performance	Scalable and agile	Fully customizable	Support for cloud, hybrid, on-prem deployment	Government validated
No human access	No data movement	Customer customization	No-code development	Data compliance	Verifier-only relationships

Considerations for organizations looking to invest in a digital IDV solution.

LEADERS IN IDENTITY VERIFICATION



Incode is a leading identity company powering a world of trust that is reinventing the way humans interact and verify their identity online. With the Incode Omni Platform, a revolutionary AI-driven identity platform with fully automated orchestration capabilities, we create unique end-to-end digital experiences and enable seamless access across multiple channels. Our products focus on onboarding, authentication, and payment verification with a goal of reducing fraud and increasing user conversion. The platform is highly configurable and granular, with over 50 separate modules that you can include or omit from your own workflow. With our platform, our customers enjoy an up to 5x faster onboarding rate and 40% higher customer conversion rate while maintaining a high degree of accuracy with a 99% reduction in fraud attempts. To learn more about the Incode Omni

Platform, please schedule your customized 1-on-1 consultation with an Incode expert. We will complete a thorough needs analysis and prepare a summary of recommendations, along with a proposal.

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