



## **Securing Identity: The Key to Mobile Commerce Revolution**

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September 2014*

- Challenges and Trends
- About Experian
- Our role today
- Improvements to Identity Assurance in the mobile commerce
- Experian's Precise ID
- Experian's role in the biometrics space



# Which Segment is the Identity Serving?

Role of biometric within segment

## 3<sup>rd</sup> Party Identity Market Segments



**"In a world of post-modernism, it is no longer clear that any one identity is 'real'."**

- Charles Raab, Prof. of Government in the School of Social and Political Studies, University of Edinburgh\*

\* source. Identity is the New Money by David Birch, page 37



# Integrating Mobility Engagement with Biometrics

“It is estimated that more than 90% of the people worldwide have mobile phones keep them within three feet of themselves 24 hours a day” - The New Digital Age, Eric Schmidt

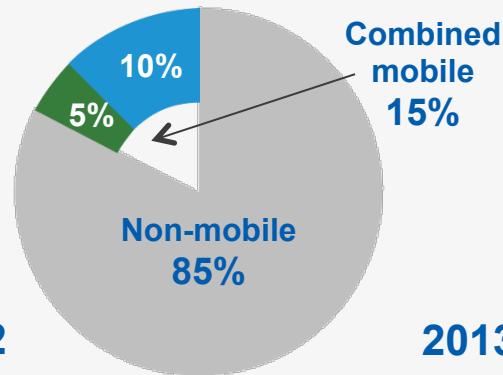
## Mobile commerce

# 35%

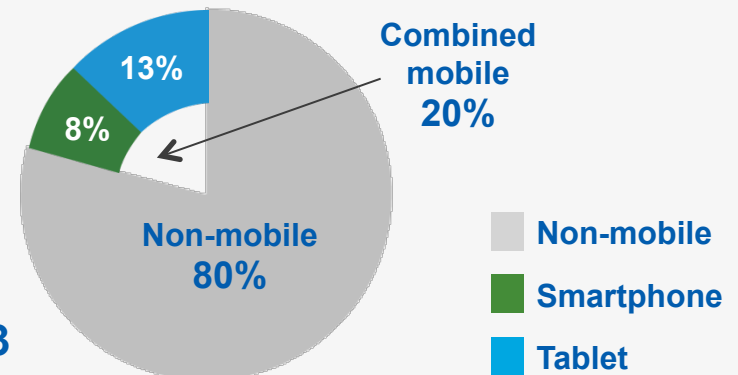
Year-over-year growth  
in mobile commerce

Source: 41<sup>st</sup> Parameter study  
(December, 2013)

2012



2013



Non-mobile  
Smartphone  
Tablet

# 36%

of U.S. organizations interact  
with customers in five or  
more channels.

Source: Experian, The 2013 Digital Marketer (2013)



## Evolution of payment

Mobile payment options used by smartphone owners



**15%**  
SMS text  
message to a  
business



**14%**  
Mobile Web  
payments or  
WAP



**11%**  
Direct mobile  
billing



**5%**  
Waving the  
phone at a  
payment kiosk



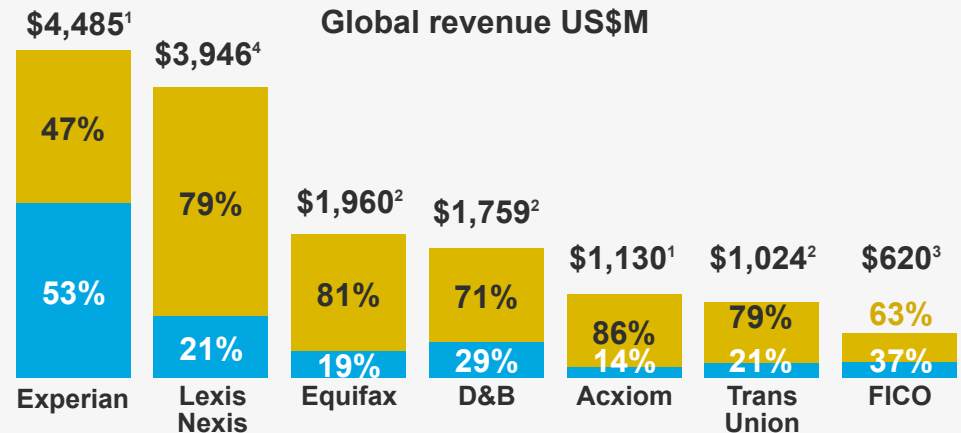
# Global Experian

A company with local competencies and local clients

## Corporate fact sheet

- Approximately \$4.7 billion in revenue
- 17,000 employees in 40 countries
- Clients in 90 countries
- Traded on the London Stock Exchange (EXPN)
- Corporate headquarters in Dublin
- Operating headquarters in Costa Mesa, Sao Paulo, and Nottingham

## Competitor comparison



<sup>1</sup> Year ended 31 March 2012

<sup>2</sup> Year ended 31 December 2011

<sup>3</sup> Year ended 30 September 2011

<sup>4</sup> Year ended 31 December 2011 Reed Elsevier Annual Report; adjusted revs to US\$ based on Dec exchange rate <http://www.exchange-rates.org/HistoricalRates/A/GBP/12-31-2011>

Argentina  
Australia  
Austria  
Belgium  
Brazil  
Bulgaria  
Canada  
Chile

China  
Costa Rica  
Czech Republic  
Denmark  
Estonia  
Finland  
France  
Germany

Greece  
Hong Kong  
India  
Ireland  
Italy  
Japan  
Malaysia  
Mexico

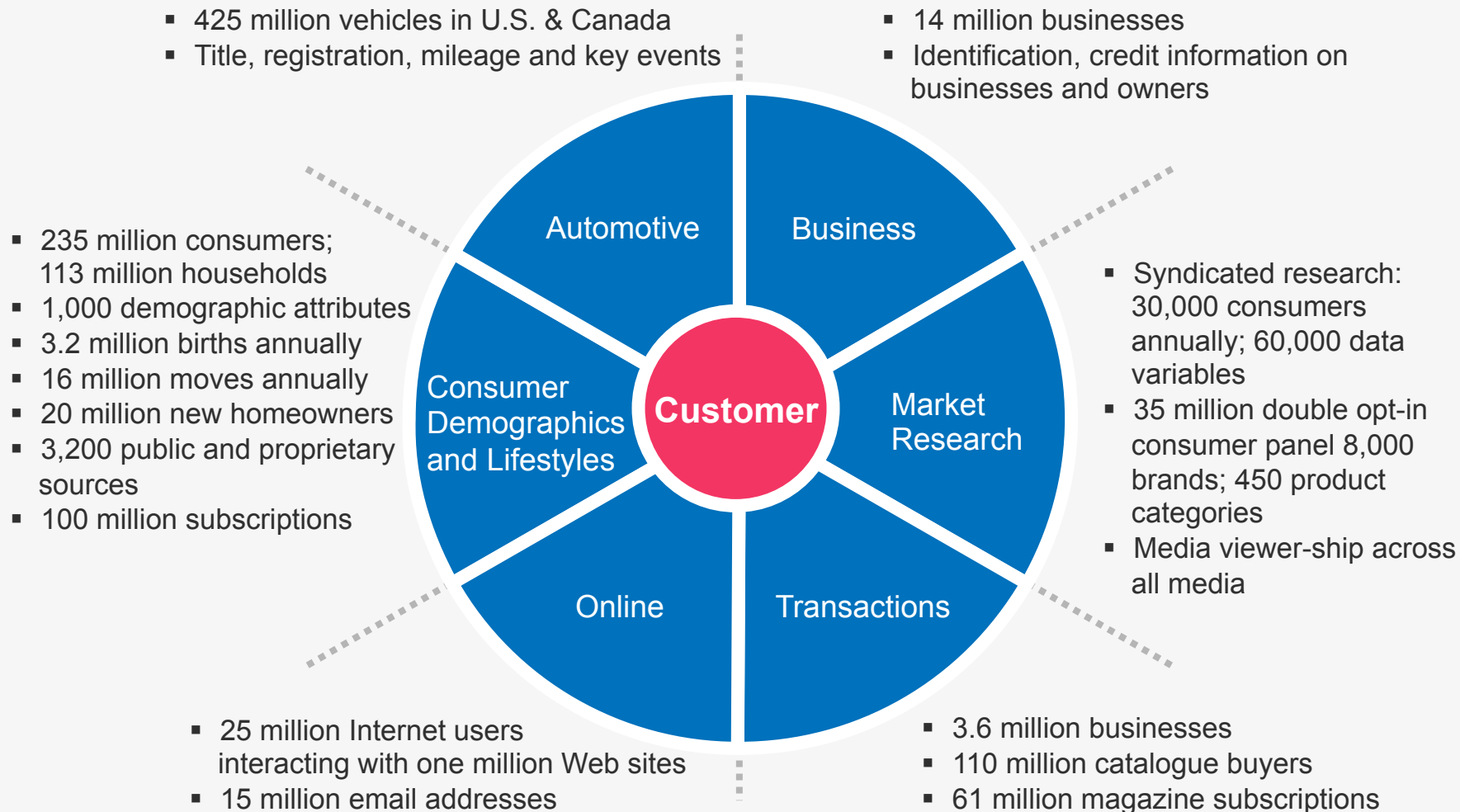
Monaco  
Morocco  
Netherlands  
New Zealand  
Norway  
Poland  
Russia  
Singapore

South Africa  
South Korea  
Spain  
Sweden  
Taiwan  
Turkey  
United Kingdom  
United States



# Experian Consumer Data

## The Largest and Highest Quality Information Resources





# Experian's role today in Identity Proofing

- Kantara Certified Identity Proofing Component solution for LOA2 and LOA3
  - ▶ Used independently or in conjunction with a Credential Management Solution
- ID proofing now the standard for enrollment and account opening in the US
  - ▶ Private Sector – Most major financial institutions
  - ▶ Public Sector – Large Government Entitlement Agencies (SSA, VA, CMS)
  - ▶ Healthcare – DEA ePrescribing ID Proofing for controlled substances
- Attribute Verification for Federal Credential Exchange models (FccX)
- Device ID - Acquisition of 41<sup>st</sup> Parameter (true device intelligence)
- Biometrics: Partnership with BioKey for fingerprint application
- IDaaS
  - ▶ Providing incremental levels of identity assurance based on customer need
  - ▶ Single platform hosted environment



# Improving identity security in a mobile environment

- Solution Drivers:
  - ▶ Increased mobile commerce
  - ▶ Consumer demand for daily use
  - ▶ Desire for cost effective and user friendly solution
  - ▶ Ability to integrate stronger algorithms
  - ▶ Ability to leverage cloud-based capabilities
  
- Challenges:
  - ▶ Establishing permissible use of data
  - ▶ Consumer acceptance and trust
  - ▶ Aligning enrollment practices with existing guidelines (NIST 800-63)
  - ▶ Promote user adoption
  - ▶ Meet the price point consumers are willing to pay





# Experian's Precise ID Characteristics

- Past performance and vertical market focus
  - ▶ 500+ existing clients, over 5 million identity proofing transactions per week
    - Top 10 financial institutions in production today along with federal agencies and healthcare companies *This touches real people!!*
- Singular platform to deliver vast capabilities
  - ▶ Internal data and scores
  - ▶ External callouts in real-time to 3<sup>rd</sup> parties (Client and/or vendor data)
- Breadth of data
  - ▶ Credit and non-credit blend
  - ▶ Data at rest at Experian
    - Familiarity, analytics sandbox, and validation access
  - ▶ Historical view to identity – not just point-in-time



## Experian's Precise ID characteristics (con't)

- Analytics
  - ▶ Dedicated, best-in-class modeling and consulting team
  - ▶ Models for enrollment, existing customers, 3<sup>rd</sup> party fraud, 1<sup>st</sup> party fraud
- Performance monitoring
  - ▶ Customized reporting, consulting packages, custom analytics
- Knowledge IQ functionality
  - ▶ Question categories
  - ▶ Alignment with analytics
  - ▶ Question flexibility
    - Progressive questions, custom text, configurable weighting decisioning criteria
- What can we do to make it better?



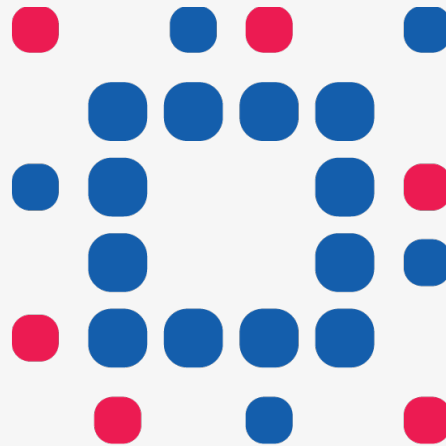
# Expanding Experian's role in the Biometric space

- First generation - ID proofing required at time of biometric enrollment
  - ▶ Ensures that the person registering or enrolling their biometric is who they claim to be
  - ▶ Critical step in the acceptance and use of a biometric
  - ▶ Can be done in-person or remotely
- Next generation – Experian BaaS – Biometrics as a Service
  - ▶ Hosting or brokering a biometric associated with an identity for ID Proofing
    - Hosted biometric can be used in ID Proofing
      - ▲ UK ID Assurance Program. (Experian is a certified supplier)
      - ▲ Always on an opt-in basis, as a means to elevate the security of an individual's identity
    - Broker position for biometric data exchange (Currently underway in Brazil)
      - ▲ In Brazil the 'broker model' works because the Government already has biometric databases. The State Governments see an opportunity to sustain additional identification projects by selling biometric verification to the market. An accreditation procedure has been defined, allowing this to happen in a secure manner, without compromising data privacy issues (the private entities only get a yes/no response)



# Expanding Experian's Role in the Biometric Space

- **Someone** needs to be a trusted commercial authority for biometrically verifying identities
  - ▶ Otherwise, Identity Proofing remains entirely data driven
  - ▶ Experian is already a highly trusted, consumer facing authority and perfectly positioned to offer this enhancement to allow consumers to secure their own identity against ID theft.
- Businesses have indicated to analysts that they would use biometrics if the trustworthy enrollment were handled for them
  - ▶ A patient enters the hospital, and their identity proofed biometric enrollment is available in the cloud to verify against (vs. spending lots of time trying to confirm their ID before giving care) and then use to perform ongoing identification as a patient safety measure.
  - ▶ A consumer enters a car dealer and verifies their identity using their fingerprint before a loan is issued, instead of wasting time with documents and faxing license copies around.



Experian<sup>SM</sup>  
A world of insight