Identity and Data Seminar

Mobile Identity APIs: The Road to Success

CC7, Fira Gran Via, Barcelona, Spain
Monday 27 February, 2023 | 11:30 - 12:30 (CET)
Mobile identity APIs
Delivering the next generation of mobile authentication, fraud detection and prevention
Agenda

1. Mobile Identity APIs: gaining momentum
   Helene Vigue, GSMA

2. Unlocking the Power of Mobile Network APIs
   Adri Loloci, Vodafone

3. The Future of Authentication is Now
   Charlie Rowland, Prove

4. Why and how to pursue a Mobile Identity API strategy?
   Moderator: Helene Vigue, GSMA
   Panelists:
   Glyn Povah, Telefónica Tech
   Marc Gonzalez, Twilio
   Gautam Hazari, CTO, Sekura Mobile Intelligence
Mobile Network Operators are increasingly offering mobile identity APIs to businesses

- Based on known availability of account takeover protection (SIM swap) API and/or Number Verify API
- Product naming may vary

Last update: February 2023
The mobile identity API ecosystem is growing to address a growing need

The need for mobile identity continues to grow

Increasingly diverse solutions and players integrate mobile identity APIs

- Mobile intelligence providers
- CPaaS players
- Fraud reduction intelligence platforms
- (Consumer) Identity & Access Management platforms
- Credit scoring
- Risk decisioning platforms

4.7% SMS OTP segment growth 2020-2026 CAGR (1)

$100Mn SIM swap losses Attacks from 10 hackers in US over 2020 (2)

23% Android app retention one day from download (3)

(1) Research and Markets
(2) Europol
(3) Statista
The Open Gateway initiative can help scale Mobile Identity APIs further

Mobile Industry Deploys Open APIs and Prepares for New Wave of Digital Services and Mobile Apps

GSMA Open Gateway will simplify service delivery, provide faster routes to market and spark innovation opportunities for developers and hyperscalers.

27th February 2023

www.gsma.com/open-gateway
The importance of the phone number

Mobile numbers are the most ubiquitous, reliable and durable identifiers of the digital era. They are the ideal digital identity of our mobile world.

• Unique
• Memorable
• Personal

Whenever we sign up for new online services, open a social media account or a bank account we are asked to provide a phone number.
Mobile is the preferred communication channel for fraudsters

Why do the mobile network data signals matter?
Number Verify
“Can you improve the digital experience by replacing SMS OTP with a more secure and convenient alternative?”
Login with Number Verify

[Images of login interface with phone number input and selection options for adults, children, infants, and pets]

Country/Region: United Kingdom (+44)
Phone number: [Format example]

Continue

Search

Who's coming?
- Adults: Ages 13 or above
  - 1
- Children: Ages 2-12
  - 0
- Infants: Under 2
  - 0
- Pets: Bringing a service animal?
  - 0

Clear all
APP Fraud
A national security risk

Have you ever received a call or text from someone pretending to be your bank, HMRC or the police trying to scam you to transfer money?

APP Fraud H1 2020 - H1 2022

<table>
<thead>
<tr>
<th>Period</th>
<th>Gross Loss (£ Millions)</th>
<th>Returned to victim (£ Millions)</th>
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<tbody>
<tr>
<td>H1 2020</td>
<td>£75.00</td>
<td>£0</td>
</tr>
<tr>
<td>H2 2020</td>
<td>£99.70</td>
<td>£0</td>
</tr>
<tr>
<td>H1 2021</td>
<td>£125.80</td>
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</tr>
<tr>
<td>H2 2021</td>
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</tr>
<tr>
<td>H1 2022</td>
<td>£140.10</td>
<td>£0</td>
</tr>
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</table>
The Future of Authentication is NOW
Charlie Rowland - Senior Director, International
Prove is the modern way of proving identity.

Proven Results:

- 79% faster onboarding, 35% abandonment decrease
- $850 million in additional sales
- 75% fraud reduction (relative to attack rate)

Trusted by over 1,000 companies:

- 8 of the top 10 banks
- 3 of the top 5 marketplaces
- 3 of the top 5 retailers
- 2 of the top 3 crypto exchanges
- 2 of the top 3 healthcare companies
U.S. Success Stories:
Prove processes 12 Billion mobile auth (Number Verify) requests annually in the U.S.
What Can You Unlock by Getting Identity Right?

79% faster onboarding
for a leading fintech

35% decrease
in abandonment
for a major card issuer

$850 million in
additional sales
for a Tier 1 bank

35% fraud reduction
(relative to attack rate)
for a leading card issuer
In our customers’ own words...

“"For us, Prove is one of the few...possibly the only...fraud solution we have that actually reduces friction.

What we find so powerful about Prove is it also validates possession of your device. So, as a fraudster, you would not only need to know the information, but you have to prove that you have access to the phone that's being entered, and that's a pretty powerful tool to stop fraudsters.”

Brandt Smallwood
Head of Consumer Lending, Bilt Rewards

“When evaluating an identity verification provider, choose the one that doesn't hinder the customer experience and company growth.

If you want it frictionless, fast, accurate, and trustworthy, Prove is the only one on the market that meets those standards.”

Martin Spusta
CEO, Spark Wallet

“"With the help of Prove's cryptographic authentication model, Synchrony has achieved a substantial increase approval rates, with only a fraction of the fraud when compared to our legacy approach.

Importantly, Prove has contributed to a more-streamlined customer experience, reduced fraud and provided a significant uplift in revenue.”

Mylene Pedone
SVP, Digital, Credit & Authentication, Synchrony
We are catching up quickly!

“Prove allows ~60% of our mobile enrollments to benefit from near real-time, frictionless possession checks in accordance with PSD2-SCA regulation.”
U.S. Mobile Authentication Success Stories: Retail Sector

National Furniture Retailer
Optimizing Account Creation

National Furniture Retailer needed to perform registration and initial credit check for consumers prior to generating contract terms for their furniture rental service. Prove Auth was implemented for initial account generation, securely binding consumers to improve onboarding experience, reduce cart abandonment, and improve transaction security.

Results

90K+
Successful Authentications

Enhanced Onboarding

Reduced Cart Abandonment
TREND: Moving away from RBA towards cryptographic authentication

RBA = Probabilistic

“There is a probability of \( X \) that this is the customer presenting their data.”

- Analyzes signals to compile a **score**.
- Relies on consumer-asserted PII, which is **highly susceptible to bad actors using stolen info**. Forces an enterprise to continuously collect more data.

Cryptographic = Deterministic

“This is my customer presenting the data.”

- Uses **SIM card as a cryptographic key** + **biometric sensors** to confirm device possession.
- Requires little to no consumer action, which means less opportunity for fraud and a **better customer experience**
Thank You

If you have any questions, please come and meet us at our booth #CS94 in Congress Square
Why and how to pursue a Mobile Identity API strategy?

Panel discussion

Glyn Povah
Founder & Director, Global Product Development Smart Digits, Telefónica

Marc Gonzalez
Account Security Specialist, Twilio

Gautam Hazari
CTO, Sekura Mobile Intelligence

Helene Vigue
Identity and Data Director, GSMA
Continue the discussion…

Join GSMA Identity and Data Community