Survey of Fintech and Banking Executives Reveals Identity Authentication Risk and Customer Dissatisfaction Top List of Concerns

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authID.ai survey shows 84% of respondents to increase investment in IT security, including identity authentication, in next year

DENVER, Colorado , Nov. 03, 2021 (GLOBE NEWSWIRE) -- authID.ai [Nasdaq: AUID], a leading provider of secure, mobile, biometric authentication, today announced the findings from a survey conducted during the fintech industry conference Money 20/20. More than one-third of respondents indicated they are “highly concerned” about the risks associated with one-time passwords (OTP) and knowledge-based authentication (KBA), such as the seizure of SMS pin codes by cyber criminals or easy-to-guess answers to authentication prompts. This share increases to over three-quarters (80%) when including those “moderately concerned” with those risks.

While one-third of respondents are “highly concerned” about potential customer dissatisfaction with OTP and KBA questions, this figure increases to three quarters (75%) when including those “moderately concerned.” Furthermore, during the next 12 months, 84% of respondents expect that their enterprise will increase their level of investment in IT security, including identity authentication.

“Fintechs, banks, and credit unions are deeply concerned around not only the risks associated with one- time passwords and knowledge-based authentication, but also about customer abandonment due to the friction associated with these legacy authentication solutions,” said Tom Thimot, CEO of authID.ai. “Cloud-based biometric identity authentication facilitates seamless transactions between customers and businesses of all sizes and industries, while protecting customers’ data, transactions, and online accounts from fraud and other cyber risks.”

Other key findings of the survey include:

- Identity authentication is most often conducted with one-time passwords (36%) or a combination of OTP and KBA questions (29%).
- While respondents’ familiarity with facial biometric identity authentication is high (88%), less than one-quarter (22%) currently use this technology.
- More than two-thirds (70%) of respondents are either “highly likely” or “somewhat likely” to consider facial biometric identity authentication as an alternative to OTP/KBA questions during the next year.

The survey was conducted to assess prevailing attitudes and perceptions regarding existing identity authentication solutions and uncover data-driven insights about current and emerging trends in enterprise security. Job titles among the study participants reflect an emphasis upon sales and marketing, C-suite and senior management, and information technology.

Survey Methodology

authID.ai. developed this digital survey in partnership with Market Measurement, a custom market research consulting company. The online survey was conducted between October 25 and 27, 2021, in tandem with the Money20/20 USA conference. All participants were confirmed to have familiarity with identity authentication practices. Study findings are based upon 113 completed surveys.

About authID.ai

authID.ai (Nasdaq: AUID), formerly Ipsidy, provides secure, mobile, biometric identity verification software products through an easy-to-integrate Identity as a Service (IDaaS) platform. AuthID’s suite of self-service biometric identity proofing and authentication solutions frictionlessly eliminate all usernames and passwords through a consent-based facial matching system. Powered by the most sophisticated biometric and artificial intelligence technologies, authID ultimately aims to re-establish security and trust between businesses and their customers by helping to protect sensitive personal data. For more information, go to www.authid.ai.

Media Contact

Erin Harrison The
Bliss Group
eharrison@theblissgrp.com