

New survey shows frustrations with authentication processes

Authentication Frustration: How Companies Lose Customers in The Digital Age, a new report by the Business Performance Innovation (BPI) Network and CMO Council, has found that frustration with cumbersome and repetitive authentication processes are overwhelmingly causing consumers to search for brands and digital experiences that securely unify and simplify identity verification.



Image provided

Based on a survey of 2,000 consumers across the United States, Canada, the United Kingdom, and Ireland, the study finds that a huge majority of 81% prefer to do business with companies that do a better job of recognising and verifying their identity "simply, quickly and safely." Over 60% of respondents say they have abandoned business transactions due to authentication frustration.

Problems with passwords remain a major grievance of consumers, who say they strongly prefer physical biometric authentication methods, such as facial and fingerprint recognition. Almost 68% of customers say they have problems remembering and using passwords. 40% of respondents report using at least 11 passwords, including 23% who have 16 or more.



Implementing fingerprint biometrics in the retail industry

Claude Langley 29 Sep 2021



The report is part of a new initiative by the BPI Network and CMO Council, called Unify How You Verify. The initiative is being conducted in partnership with Daon, a global company that deals in identity assurance technology. The thought leadership programme explores the critical business need to simplify and unify the way companies recognise and authenticate their customers and partners across channels of engagement.

In addition to research into consumer attitudes toward current authentication processes, the initiative will include a further report based on interviews and interactions with senior executives and experts in identity management, security, customer support, and e-commerce, on what can be done to improve customer experiences and drive greater revenue, satisfaction

and compliance. The programme will host a webinar discussion on research findings into modernising the customer authentication experience on 27 October. You can register to participate in the webinar <u>here</u>.

The research

"Password pain is hardly a new phenomenon. Yet it continues to be a persistent problem for consumers," said Donovan Neale-May, executive director of the CMO Council and BPI Network. "Businesses and brands need to listen to what consumers are so clearly telling them. Simplify and improve authentication and you will gain customer loyalty and grow your business. Fail to do so, and you can expect greater customer churn and revenue losses."

"Data protection, privacy and identity theft are massive challenges for today's digital business world," said George Skaff, senior vice president of marketing at Daon. "The issue has become significantly more severe in recent months as consumers relied heavily on digital transactions throughout the Covid pandemic. At Daon, we believe companies need to adopt an 'Identity Continuity' model of authentication, in which biometric and non-biometric factors come together on a single platform to create a unified identity experience across the entire customer relationship lifecycle—from identity proofing and onboarding to authentication and recovery."



App-less authentication offers big business, security benefits

Entersekt 28 Sep 2021

Market data shows that consumers have dramatically accelerated their use of digital channels and interactions during the pandemic. A recent study by McKinsey found that global business executives estimate that their digital interactions with customers and partners have accelerated by some three to four years due to the pandemic.

Among other key findings in the Authentication Frustration report:

- 85% of respondents say a difficult authentication process reflects negatively on a company and its brand, including 53% who say it has a 'major' or 'significant' negative impact.
- Financial services companies are a frequent source of authentication frustration. Consumers say the top areas where they encounter difficult identity experiences are; Digital devices (43%), banks (37%), credit and debit cards (29%), and mobile payment services (27%).

Most vexing problems with passwords include:

- Keeping track of numerous passwords (55%)
- Needing to re-create passwords (43%)
- Being asked to strengthen passwords (34%)

• Coming up with new passwords (25%)

Consumers overwhelmingly prefer biometric authentication, including the use of voice, fingerprint, face, eyes, and behaviours:

- 44% say they "absolutely" believe biometric authentication is an easier and better form of verification,
- 34% say they would prefer to use biometrics as long as it is secure,
- Only 10% prefer passwords and other forms of authentication over biometrics.

You can download the complimentary report here.

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