

# Enabling a secure and convenient online banking experience

ONLINE BANKING SOLUTION





### Supported Authentication methods

- OTP tokens (Mini Token, Pocket token, Token One, Desktop Token)
- Display Card
- 3rd party tokens compliant with the Oath OTP standards (HOTP / TOTP)
- Vasco Digipass tokens
- Mobile token
- PC token
- Web Token
- DeviceID (Web Token SDK)
- Strong passwords (full and partial)
- Security questions & answers (full and partial)
- Certificate based authentication (PKI)
- EMV CAP/DPA
- Smart cards running the OTP applet
- Out-of-band SMS (password or verification code)
- Out of band Email (password or verification code)
- Temporary activation codes
- LDAP passwords
- RADIUS authentication
- Matrix cards

### Banking and Financial Services Customers

- BNP Paribas
- Co-operative Financial Services (CFS)
- Federal Reserve Bank of New York
- Fiserv
- Hana Financial Group
- KAS BANK N.V.
- SNS Bank

Online banking is at a cross roads. Adoption rates have begun to level off. There have been a slew of high profile and sophisticated fraud attacks that have undermined customer confidence and damaged the trust on which brands are built. Yet, the success of online banking, and now mobile banking, is more critical than ever as banks seek to balance the increased operational costs of meeting new regulations stemming from the recent financial crisis.

Banks who are successful in persuading customers to enroll in online banking, and take advantage of features, such as online bill pay, can half the average cost of servicing those customers. Such features also provide the launch pad for services, such as personal finance management tools and brokerage. These result in a richer customer relationship, which reduces customer churn and provides additional top line revenue. HID Global works with banks to deploy solutions that help drive adoption and use by providing a secure and convenient online banking experience.

Effective security means more than just strong authentication. Security should be appropriate to the transaction risk. Customers must feel secure without being unduly inconvenienced. The experience should be consistent across different service channels and the approach should accommodate differences across the customer base, such as comfort level with technology and travel habits. Lastly, a solution that supports multiple user populations offers opportunities for cost savings through consolidation of IT infrastructure.

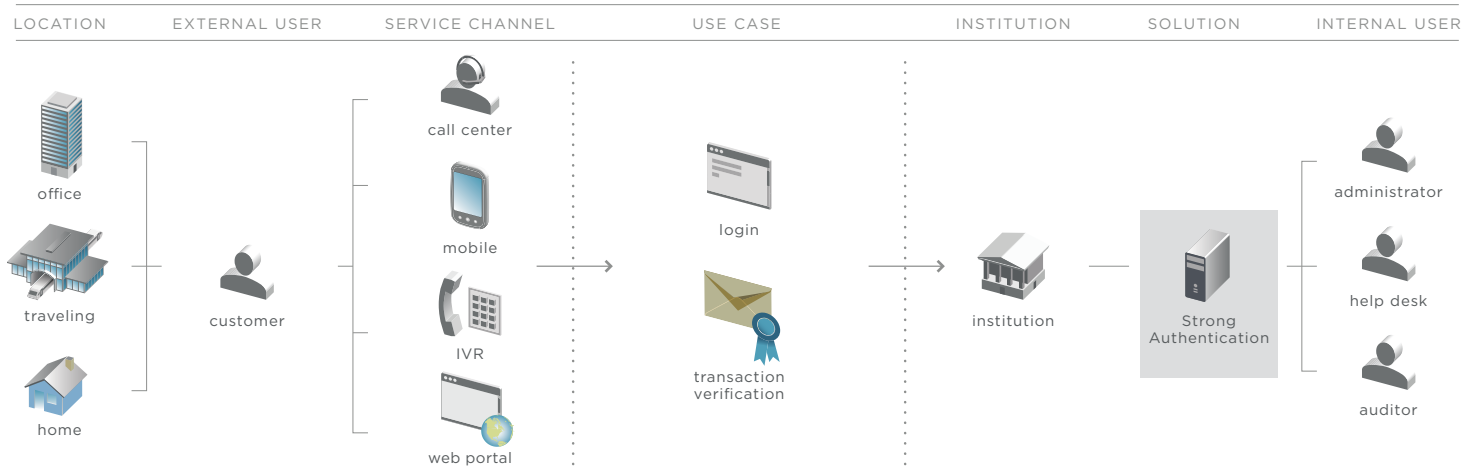
HID Global's Identity Assurance solutions are centered around HID Global's ActivID® Appliance, which protects access to customer accounts through a variety of different methods. HID Global's ActivID Appliance is complemented by a broad portfolio of hardware and software tokens, display cards and other user authenticators. Banks wishing to issue their customers smart cards or USB keys, containing public key infrastructure (PKI) credentials for authentication, document signing and data encryption, can do so using HID Global's ActivID Card Management System (CMS).

Overall, HID Global's Identity Assurance solutions are able to offer customers a complete solution, based on open standards, that is scalable, secure and simple to implement.

**Compliance with mandates:** Secure Access is a fundamental pillar of mandates, ranging from FFIEC to PCI DSS. In practical terms, this means three things: one, proving that the user is who they claim to be (authentication); two, ensuring that the user's access to resources and services is limited to that which they are authorized for (authorization); and three, keeping a trustworthy record of what the user does (audit). HID Global's Identity Assurance solutions enable organizations to address all three of these requirements.

**Customer confidence in online channels:** Customers will only use online banking if they trust it is secure. But preferences and needs will vary across the customer base. By supporting a wide range of different authentication methods, HID Global provides the flexibility to accommodate a variety of user preferences and needs.

## Online Banking Solution Overview



**Brand protection:** Banks and other financial institutions are founded on a trust model that underpins each organization's relationships with its customers. Press coverage highlighting instances where the bank has failed to protect their customers' personal information and account data undermine that trust and erode the overall brand of the bank. Implementing effective security provides a proven defense against unauthorized access to customers Personal Identifiable Information (PII) and account data.

**Customer convenience:** The customer experience needs to be secure and convenient. A versatile authentication model enables the bank to offer the optimum level of security based on the transaction risk level and customers' preferences.

**Fraud Reduction:** In order to protect against sophisticated malware attacks, banks need to put in place transaction verification. HID Global's ActivID Appliance provides a variety of means to achieve this, including short message service (SMS)-based out-of-band transaction validation codes and hardware and software tokens for signing transactions.

**Operational Cost Reduction:** A common platform that supports multiple channels and multiple user communities will lower the total cost of ownership for user authentication, by removing the need to license and operate many different point solutions. HID Global's ActivID Appliance enable cost reductions thorough flexibility. For example, banks that have deployed out-of-band authentication using (SMS) can benefit by moving a subset of willing customers to a mobile soft token,

thereby cutting the cost of sending one-time passwords (by SMS) each time those users authenticate.

Individual lines of business share many common requirements with regard to user authentication, however, there are also some key differences that should be considered within each banking segment.

**Consumer banking** – cost effectiveness and scalability are key, since user volumes tend to be larger. Ease of use is critical to the success of any authentication model. Usage patterns vary substantially.

**Business banking** – transaction values will be higher and, therefore, security needs to be stronger, often driving requirements for transaction-level verification and nonrepudiation. User volumes will be lower, but the number of transactions per user higher. User account relationships are more complex, with many users having access to the same account, but at different levels of authority.

**Private banking** – as with business banking, high value transactions drive requirements for strong transaction verification and nonrepudiation. Customer service is a premium differentiator.

### HID Global's Identity Assurance Solution Benefits

- Build customer trust and confidence across electronic service channels
- Extend reach by securing mobile service channels
- Increase revenue by introducing new, secure online channels
- Control IT costs and improve operational efficiencies across business lines
- Decrease helpdesk costs by enabling easy customer self service
- Improve security by matching authentication strength to transaction risk
- Strengthen compliance with government regulations and industry mandates
- Reduce fraud-related losses by using strong authentication and consistent validation across service channels

*"CFS researched the market for an appropriate provider. HID Global's industry-leading expertise, highly efficient support for EMV CAP authentication, and the ability to use the same authentication infrastructure for multiple business units were key reasons behind our decision to appoint them."*

**Tony Britten,**  
Director of Financial Crime Management,  
Co-operative Financial Services

*"The HID Global Identity Assurance portfolio offered a perfect solution and a good investment in the future because it delivered the highest level of security available with a reusable infrastructure."*

**Johan van der Wal,**  
Client Information Management,  
KAS BANK

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