

Comprehensive Identity Security is the Key to Winning Over and Keeping Consumers



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CHAPTER 1:

The importance of the customer experience, data and trust

How customers interact with a business has an impact on many business issues, primarily brand reputation and trust. The demand for an immediate and direct digital journey runs parallel with expectations for high levels of security.

The power of a few clicks or taps, and “your order is complete” is a testament to the power of the modern digital services that link and drive online business. As such, the modern web and mobile experience now perform any transactional task, from ordering a pizza to a holiday, getting insurance or signing up for a new service using fast, efficient and secure technology, often via a strong customer experience. If brands can’t provide this, customers will simply go to another business that does it better.

And, with hackers always looking to break those secure chains, and as private data travels back and forth across networks, people will only use services they trust as well as being easy to use.

Just one point of failure could cause reputational damage, lose business and bring a company crashing down. A recent [PWC customer experience report](#) shows how companies can lose 25% of their business due to just one bad experience.

While security should never be a compromise, businesses make trade-offs every day. They give new recruits access to complex, mission-critical systems and data. They move applications to the public cloud without rigorous security in place, and make other privacy or security compromises in the drive for operational efficiency, cost savings or similar reasons.

When it comes to customer security, businesses must balance the need for a strong user experience and security and cut down the risk factor. CIAM represents a valuable investment and solution as part of wider digital business or security efforts.



CHAPTER 2:

The power of a strong customer journey and experience

At the same time as businesses improve security, consumers want fast access to their services, and to be recognized and protected on their journey through a store or service with quick and easy checkout. Many consumers believe that as long as there is that little padlock (or the latest equivalent) backstopping any transaction, they're secure.

In reality, a customer journey can involve many partner and third-party services with secure gateways moving data between applications, and multiple identification steps to validate identity for a transaction.

Consider someone logging onto a fashion store with their Facebook or Twitter social media account, paying with PayPal and tracking their one-hour delivery through a courier firm. If that happens almost invisibly, consumers remain happy and believe the business is doing its job in providing security, across the site, store, app or other touchpoints.

But with recent regulatory shifts, the need for a unified approach to identity and security is growing. New rules mean people will face **more online checks** as part of new strong customer authentication (SCA) and anti-fraud efforts. For more valuable transactions, buyers are seeing a rise in the use of SMS PIN codes, using their mobile banking app to prove their identity among other methods.

These features use various services and features to protect both parties, they include:

- End-to-end encryption
- Use of face or fingerprint recognition
- Single Sign-On
- Social media log-in
- Consent management
- Multi-Factor Authentication (MFA) by SMS, email or app
- Protection of private and personally identifiable information
- Proof of identity



For any customer-facing business, CIAM solutions offer these features in a coherent, unified platform to minimize the amount of friction for a transaction, while providing an automated, self-service system – one that integrates with other services to authorize transactions and delivers always-on security and dashboards for compliance and fraud monitoring.

80% of data breaches are the result of weak and stolen passwords -
World Economic Forum

CHAPTER 3:

Overcoming the dilemma of security needs without creating a complex UX

When it comes to end-user and customer transactions, from account creation, money transfers to ordering an online shop or concert tickets, customers appreciate the need for security but still want to complete transactions quickly with that vital strong customer experience.

That experience can be aided by pre-population of information and avoiding trying to remember passwords or log-in details. Similarly, it's best to avoid checkouts that redirect to validation sites or pop-ups – which even from reputable institutions tend to look cheap or unintuitive and can impact the user experience.

For any business, there are various pieces of the identity and access puzzle that can be used as part of an ad hoc solution, bringing with them their own complexity and risk issues. Alternatively, firms can invest in a dedicated CIAM solution that delivers integrated features, benefits and reporting, streamlining operations with the latest and strongest security to protect consumers and the business.

CIAM tools also come with analytics tools and dashboards to help the business improve its overall security posture or as part of a digital business initiative that will grow and evolve with the company's customer access and security needs.

**1 in 3 customers will
leave a brand they love
after one bad experience**
- PwC



CHAPTER 4:

What to look for in a CIAM solution

As with any technology solution, CIAM products continue to evolve to meet business needs, comply with changing regulatory landscapes and make use of the latest developments in web/cloud security. Forrester's [2020 CIAM report](#) identifies the following key trends:



Enable seamless, frictionless customer privacy and consent management



Integrate with Identity Verification (IDV) solutions



Scale to large numbers of users in both technology and price

A CIAM solution can simplify customer interactions while making it easier for the business to manage growing digital and transaction workloads. A strong CIAM will integrate with your existing business customer and e-commerce applications across online properties. At a high level, it will also provide the tools that management and leadership need to ensure legal compliance with market regulations and an overview of application success and value.

At an operational level, CIAM links your applications to customer relationship management and databases to provide an improved and overall view of the customer. This can deliver a unified customer profile, managing their opt-in/out preferences and ensuring that any security touchpoint is handled in the most appropriate manner

Additionally, CIAM can help build a better picture of the customer, enabling sales and marketing to deliver improved messaging, without breaching privacy regulations, adding broader value to the business.

CIAM solutions can also provide compliance and accurate messaging in line with global and local regulations as businesses sell around the world. Businesses will need to understand the differences when operating under the European Union's General Data Protection Regulation (GDPR) or California's Consumer Privacy Act (CCPA) to Australia's Consumer Data Right (CDR) and many others, protecting consumers wherever they reside. With data regulator fines on the increase, and increasing threats against all businesses, CIAM products that can automate rights issues will be valuable in protecting data and services.

And, as new security concepts like perimeter-less defenses, zero-trust and others emerge, businesses will expect their CIAM providers to integrate these into their services to deliver improved security and stronger customer service, all without impacting the user experience.

For operators, the automation features of CIAM enable them to focus on key tasks and not high volumes of maintenance. From automated password resets and update requests to automated support, brands with millions of customers find CIAM tools taking up much of the workload, while fast-growing businesses with fewer IT resources can still thrive as they grow, without being bogged down in minor tasks.

Being able to simplify the customer journey and deliver assured security and quality can reduce friction and grow trust in an increasingly complex security landscape.

CHAPTER 5:**Winning business and customers with CIAM**

A strong CIAM experience for users not only protects them and the business, but it will also help develop customer loyalty through an exceptional and seamless digital experience. Consumers have seen enough poor identity features over the years to recognize and value a well-presented and effortless one.

This provides the business benefits of reduced customer service interactions, a likelihood that consumers will make more transactions, increasing revenue and issues of fraud or error can be dealt with faster.

When it comes to fraud the increasing use of fake websites, SMS messages and other methods will increase customer awareness of scams, and they will expect increased awareness from the firms they do buy from or use their services.

While customers might not care much about the world of CIAM, they are increasingly concerned about their data, privacy, user consent and data regulations. They will come to recognize the safety of CIAM as a concept, and it becomes another tech term they should identify and acknowledge the security it brings.

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