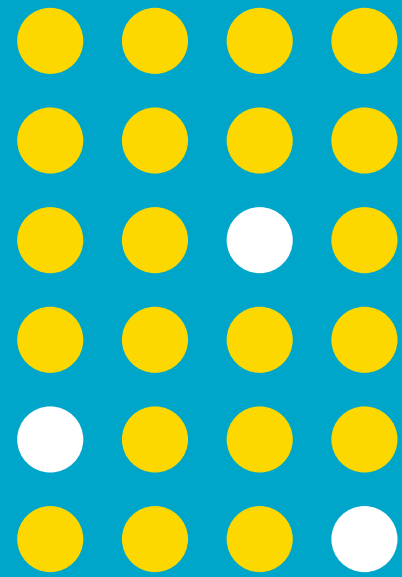


Insight Guide

Omnichannel Authentication for the E-Commerce Industry



Omnichannel for E-commerce

With a few clicks, today's consumer can order a latte on their phone, skip the line at their favorite coffee shop and pick up their beverage at the counter. They can order a ride, track the car's approach, pay with one click and leave a review before the car even pulls away. Why would consumers expect anything less from their online shopping experiences?

The new competitive landscape

This evolution in customer expectations has implications for all industries, but is especially impactful for online retailers. A BigCommerce study found that the average e-commerce conversion rate for U.S. online stores is between 2% and 3%, indicating that fewer than 4 out of every 100 site visitors will make a purchase. Therefore, any increase or decrease in customer friction can have a significant impact on the bottom line.



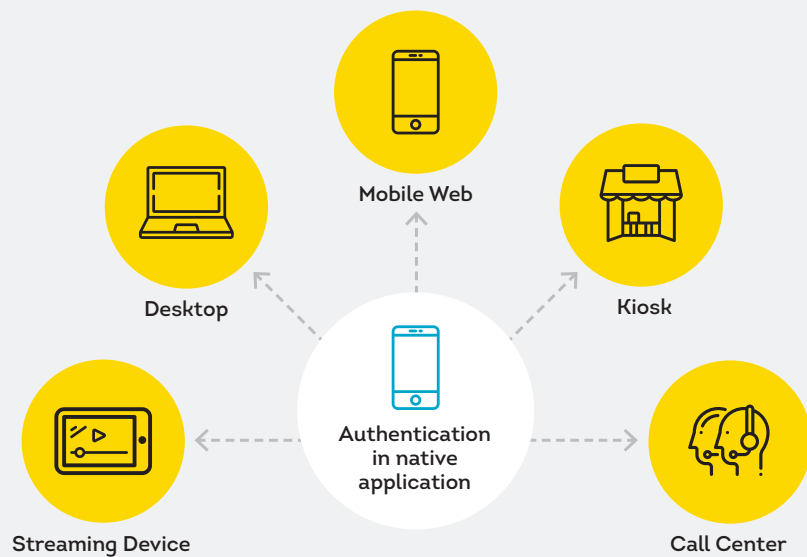
The current state of multichannel for retail

Multichannel for retail doesn't just include shopping. It also refers to delivering digital content, managing shared services, engaging in marketplaces, and managing users, all while preserving the customer experience. Of course, this is easier said than done. For instance, one of the world's largest retailers has done an amazing job of understanding the customer journey and providing value to customers through new services, but the rapid scaling of these services have also led to increased customer friction. Here are some common examples of friction that today's online shoppers face:

- Many services require the customer to create and remember yet another unique username and password.
- For streaming services such as video, customers have to use a tiny remote to input complex usernames and passwords.
- In the case of order pickup centers, customers are emailed or texted a unique pickup code, which has to be keyed into the keypad or via barcode scanner at the locker location.

There's no doubt that the current multichannel approach provides services that customers value, but it can also add friction — resulting in a fragmented, high-friction user experience.

Omnichannel retail experience





From multichannel to omnichannel

TransUnion's multifactor authentication solution simplifies the in-person and online customer experience by providing consumers with a variety of authentication options. By enabling users to rely on one point of access for all channels, you can significantly reduce customer friction and decrease abandonment rates while delivering a consistent authentication and login experience.

Mobile at the center of the omnichannel experience

Global e-commerce has become dominated by mobile and continues to head in that direction, as evidenced by a 32% increase in mobile commerce transactions in 2019.¹ The ubiquity of mobile devices in e-commerce makes them essential for creating a consistent customer experience across all access channels, putting them at the core of an omnichannel customer experience. With mobile multifactor authentication integrated directly into your native application, customers can choose from authentication methods such as biometrics, pin codes, circle codes and Bluetooth proximity detection, right from the user's device.

¹TransUnion consortium data

²Pew Research Center data, 2019 - <https://www.pewresearch.org/internet/fact-sheet/mobile/>

³Eurostat data, 2020 - <https://ec.europa.eu/eurostat/databrowser/view/tin00083/default/table?lang=en>

According to a Pew Research Center survey on American smartphone ownership, conducted in 2019:²

81% of the population now owns a smartphone

96% of 18- to 29-year-olds now own a smartphone

92% of 30- to 49-year-olds now own a smartphone

79% of 50- to 64-year-olds now own a smartphone

Eurostat data found that in the EU in 2019:³

94% of 16- to 24-year-olds use mobile devices to access the internet

82% of 25- to 54-year-olds use mobile devices to access the internet

49% of 55- to 74-year-olds use mobile devices to access the internet

Customers gain true omnichannel access across every touchpoint. You gain flexibility and adaptability, while retaining your own branding. And everyone gets the latest in secure multifactor technology.

Customization for all all customer segments

Online retailers are tasked with balancing the preferences of a widely-varying customer base, which is why flexibility and customization are key to a successful omnichannel solution. TransUnion's multifactor authentication solution increases this flexibility for customers by running in conjunction with existing authentication methods, such as username and password or SMS. This allows e-commerce organizations to slowly roll out new authentication methods as they build trust with customers without increasing friction. This extensible MFA platform also enables you to efficiently update and adapt to future changes, such as new authentication technologies, new vulnerabilities, or evolving threats.

Best of all, you can deliver this customer experience in your own branding, using the look, feel and style your customers have come to expect from your mobile applications. Our lightweight SDK can be deployed right through your own application, managing all digital and physical authentication and authorization processes from there. Now you can create a unified, simplified, and friction-right customer experience that offers the flexibility needed to make omnichannel work for your business.

The Aite Group
found that:

95% of millennials were either very willing or somewhat willing to use new identification methods besides passwords such as fingerprint, retinal scans or facial scans.

64% of seniors were either very willing or somewhat willing to use new identification methods besides passwords such as fingerprint, retinal scans or facial scans.

42% of respondents would not utilize a banking or payment app without biometric authentication, of those that had previously used biometrics

Get in Touch

Find out more about our authentication and fraud prevention solutions. Contact us for a demo or visit iovation.com

About TransUnion Global Fraud & Identity Solutions

TransUnion is a global information and insights company that makes trust possible in the modern economy. We do this by providing a comprehensive picture of each person so they can be reliably and safely represented in the marketplace. As a result, businesses and consumers can transact with confidence and achieve great things. We call this Information for Good.®

TransUnion Global Fraud & Identity Solutions unite both consumer and device identities to detect threats across markets while ensuring friction-right user experiences. The solutions, all part of the IDVision with iovation suite, fuse traditional data science with machine learning to provide businesses unique insights about consumer transactions, safeguarding tens of millions of transactions each day.



Portland Office

555 SW Oak Street, Suite #300
Portland, OR 97204 USA
PH +1 (503) 224 6010
EMAIL info@iovation.com

United Kingdom

PH +44 (0) 800 058 8731
EMAIL uk@iovation.com

iovation.com