

2021 Fintech Security Report

November 2021

Prepared by Market Measurement, Inc.



Objective

- Translate an in-depth assessment of attitudes, behaviors and perceptions regarding identity authentication into insights about current and emerging trends.

Methodology

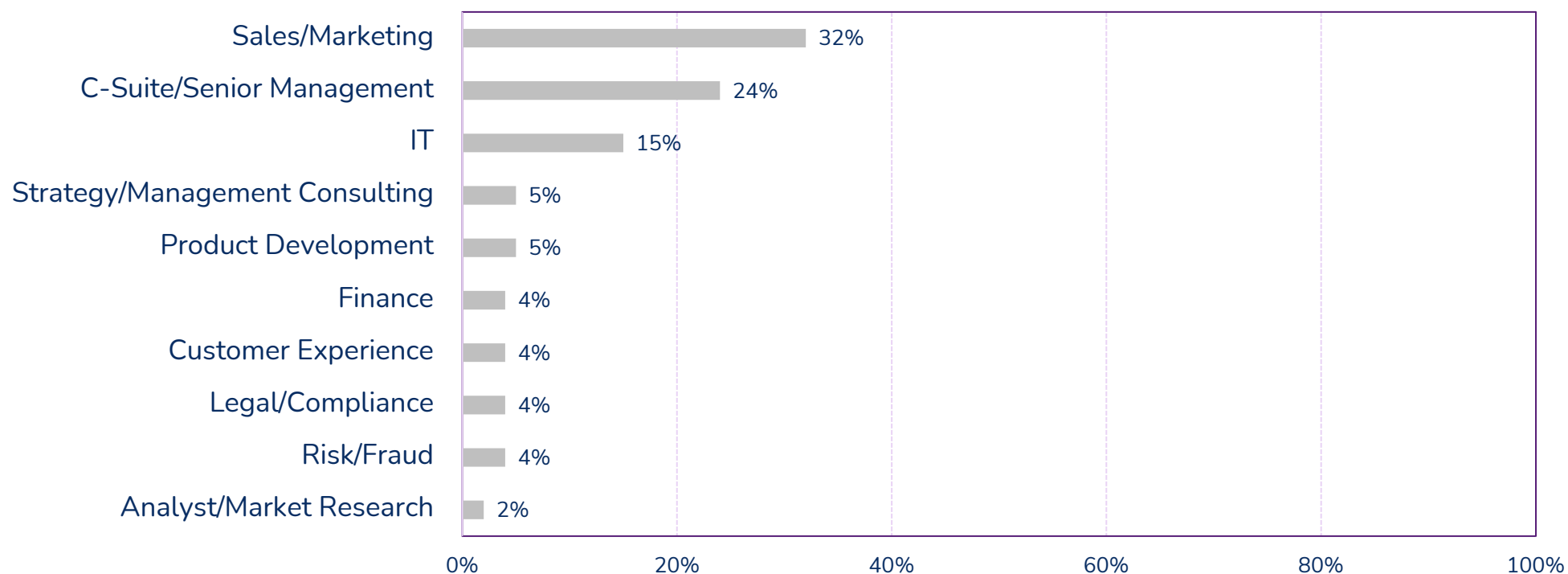
- Self-administered surveys completed by attendees of the Money20/20 event held in October 2021, members of authID.ai's electronic mailing list, and followers of the company's LinkedIn and Twitter profiles.
- All participants confirmed to have familiarity with identity authentication practices.
- Study findings based upon 113 completed surveys.

Survey Results

Observations: Job titles among the study participants reflect an emphasis upon sales/marketing, C-suite/senior management and IT.

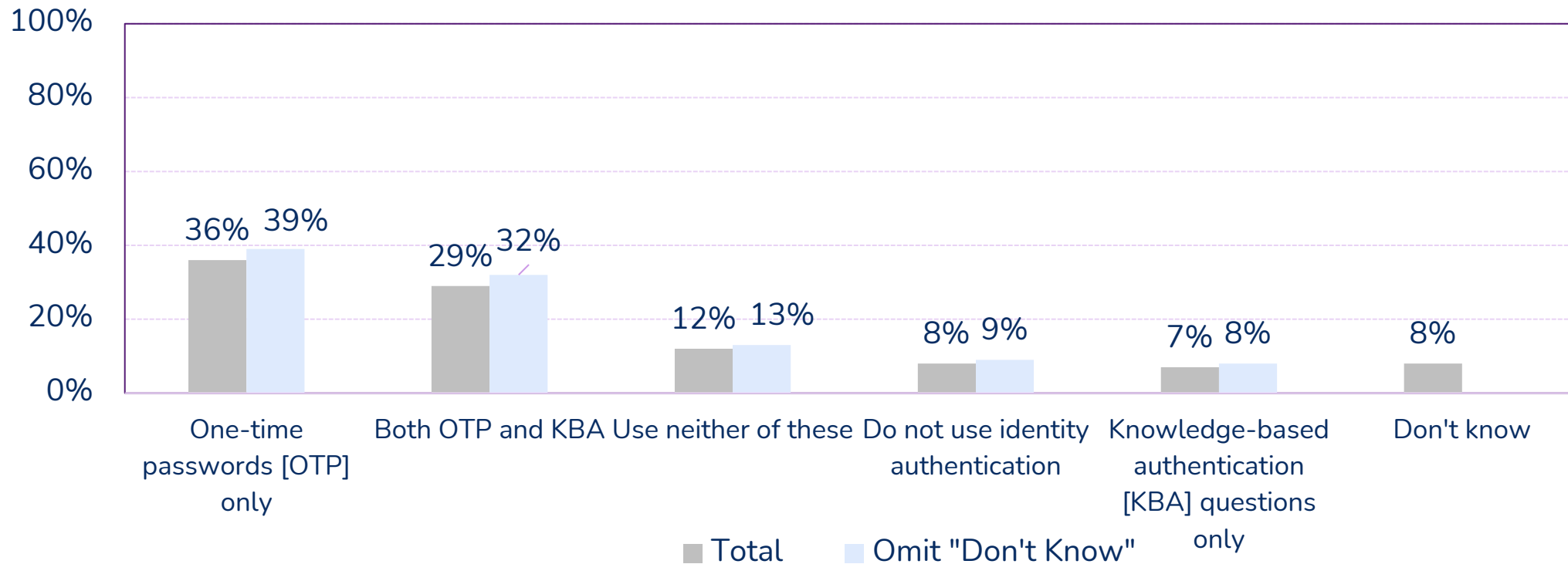


Job Titles Among Study Participants



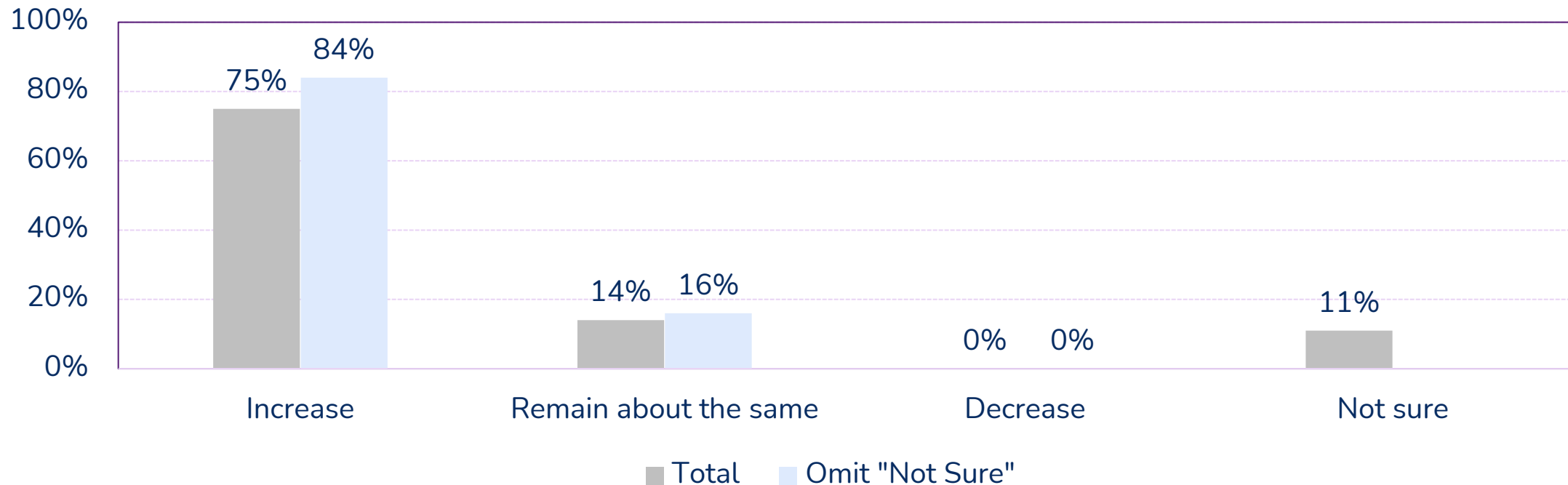
Observations: Identity authentication is most often accomplished using one-time passwords only (36%) or in combination with knowledge-based authentication questions (29%).

Q1: For identity authentication, does your company use:



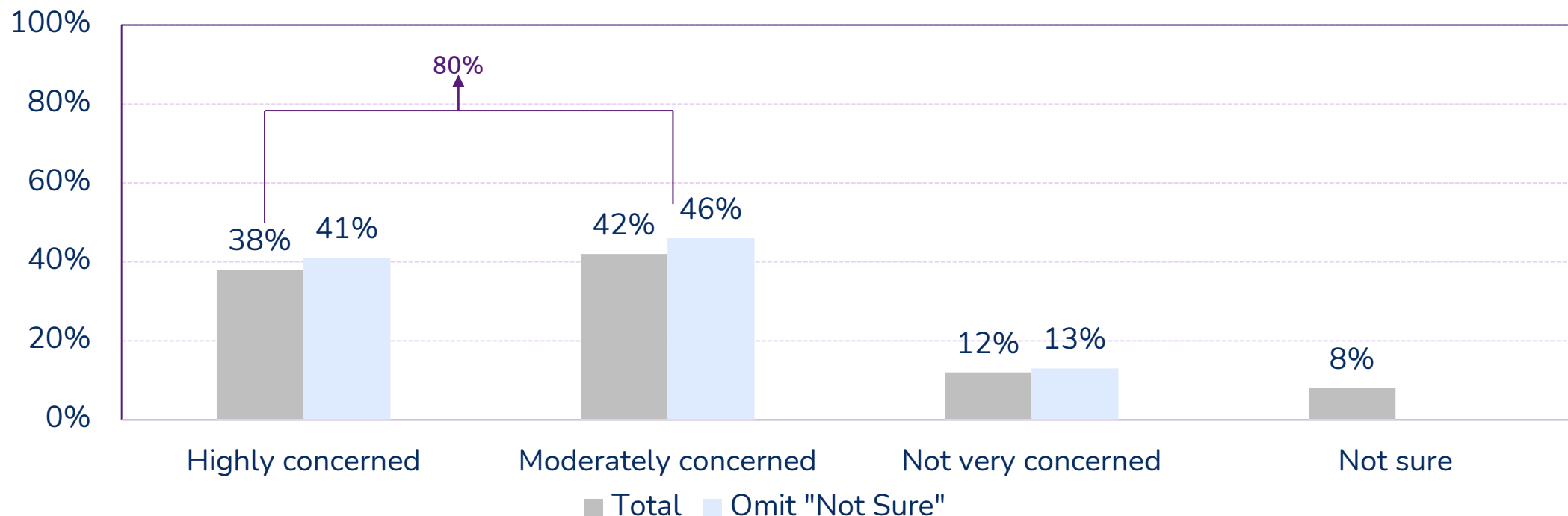
Observations: There are broad-based expectations that investments in IT security will increase during the next year or so.

Q2: During the next year or so, do you expect your organization's level of investment in IT security, including identity authentication to:



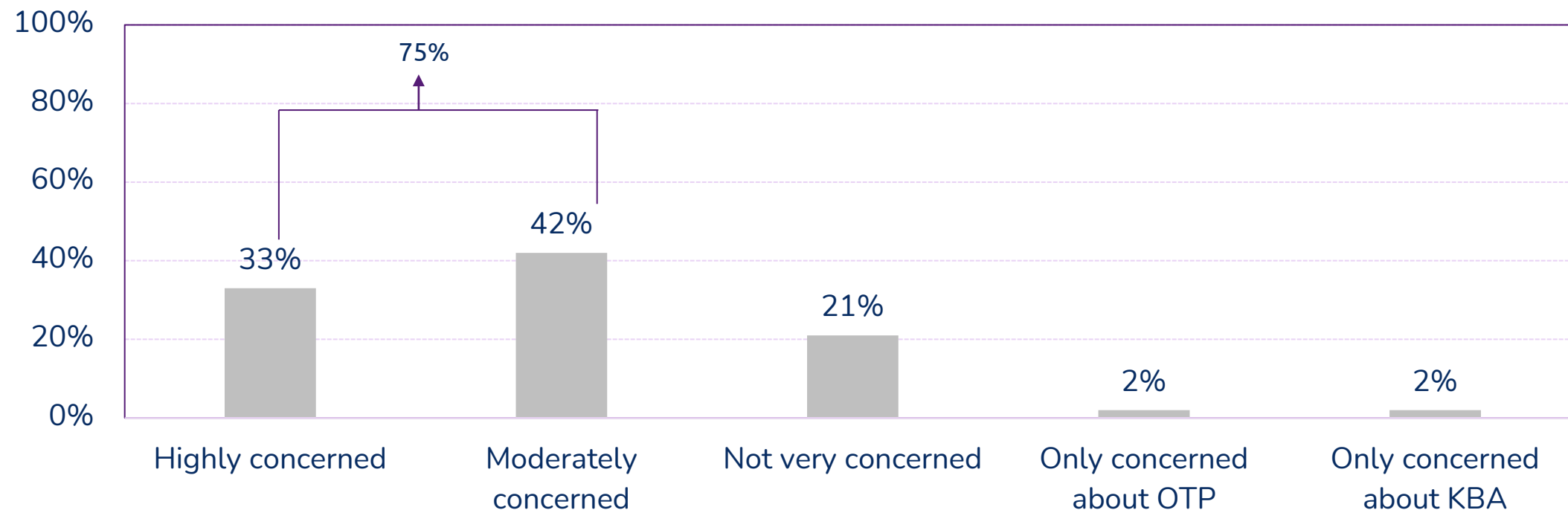
Observations: At least one-third are “highly concerned” about risks associated with OTP/KBA questions, with this increasing to over three-quarters (80%) when including those “moderately concerned.”

Q3: How concerned are you about the risks associated with OTP/KBA questions, such as messages going to incorrect recipients, easy-to-guess prompts, etc.?



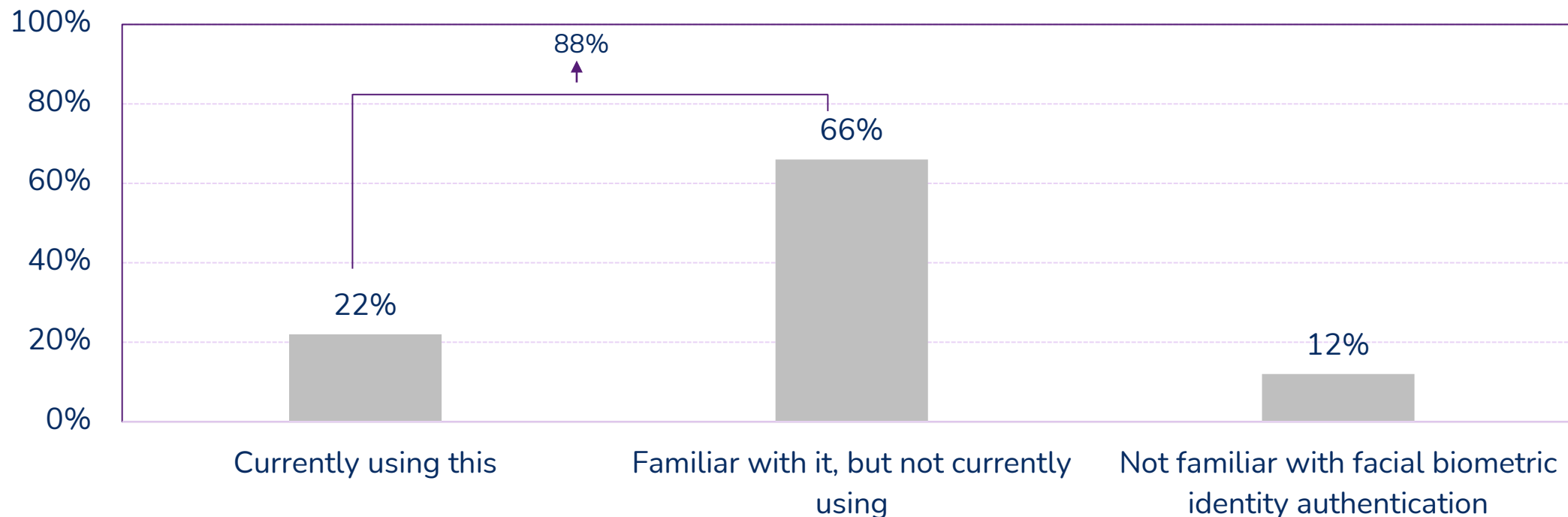
Observations: While only one-third are “highly concerned” about potential customer dissatisfaction with OTP/KBA questions, this increases to three-quarters (75%) when including those “moderately concerned.”

Q4: In general, how concerned are you, or would you be, about potential customer dissatisfaction with OTP and KBA questions?



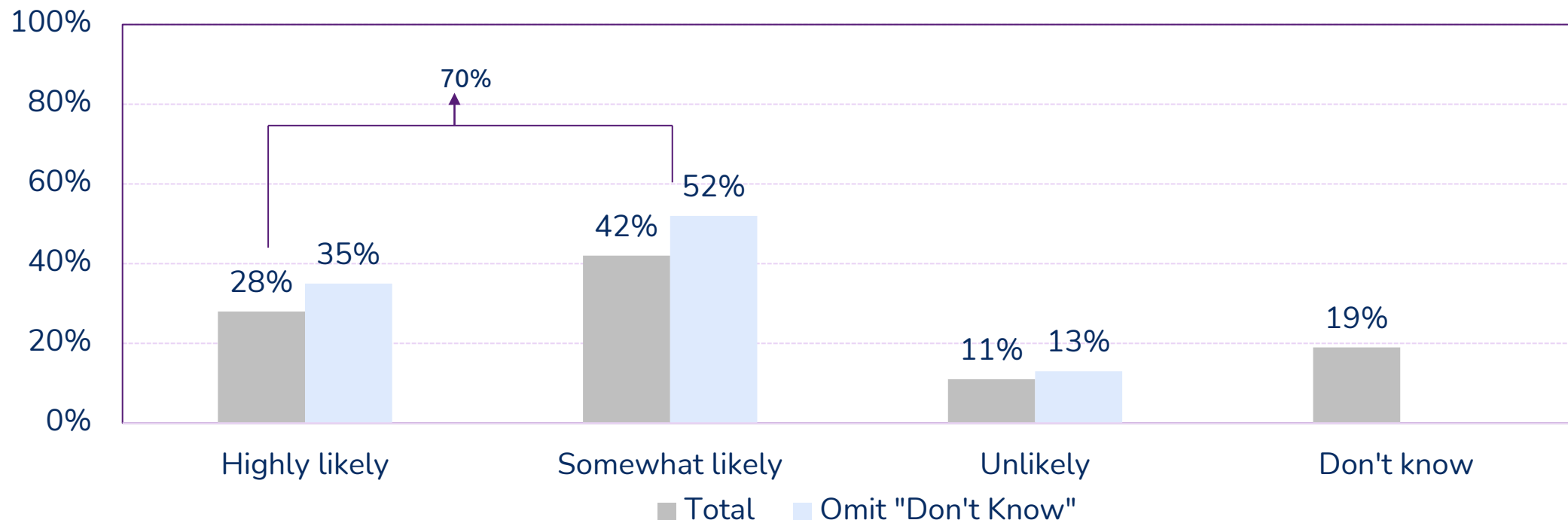
Observations: While familiarity with facial biometric identity authentication is quite high (88%), less than one-quarter (22%) are currently using this technology.

Q5: Regarding facial biometric identity authentication, are you:



Observations: More than two-thirds (70%) are either “highly likely” or “somewhat likely” to consider facial biometric identity authentication as an alternative to OTP/KBA questions during the next year or so.

Q6: During the next year or so, how likely is your organization to evaluate facial biometric identity authentication as a potential alternative to OTP/KBA questions?:





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