Identity Hub: Solution paper for digital banking

Modern banks are focusing on digital channels to add more services to their retail service portfolio. By enhancing these channels with richer options, they can extend their services beyond payments and account management to increase their customer engagement and meet new expectations. Retail banking is becoming a broad digital platform for all kinds of services.

In addition to an adequate IT infrastructure, this will require a new, user-friendly, flexible, and customizable CIAM platform that can operate within such a diverse architecture.

TrustBuilder provides such a solution. If banks pursue the right strategy, and with sufficient speed, those that pioneer innovative, user-centric ID solutions will reap a host of benefits including a boost to their corporate reputation and market share.

Solving the security versus usability challenge

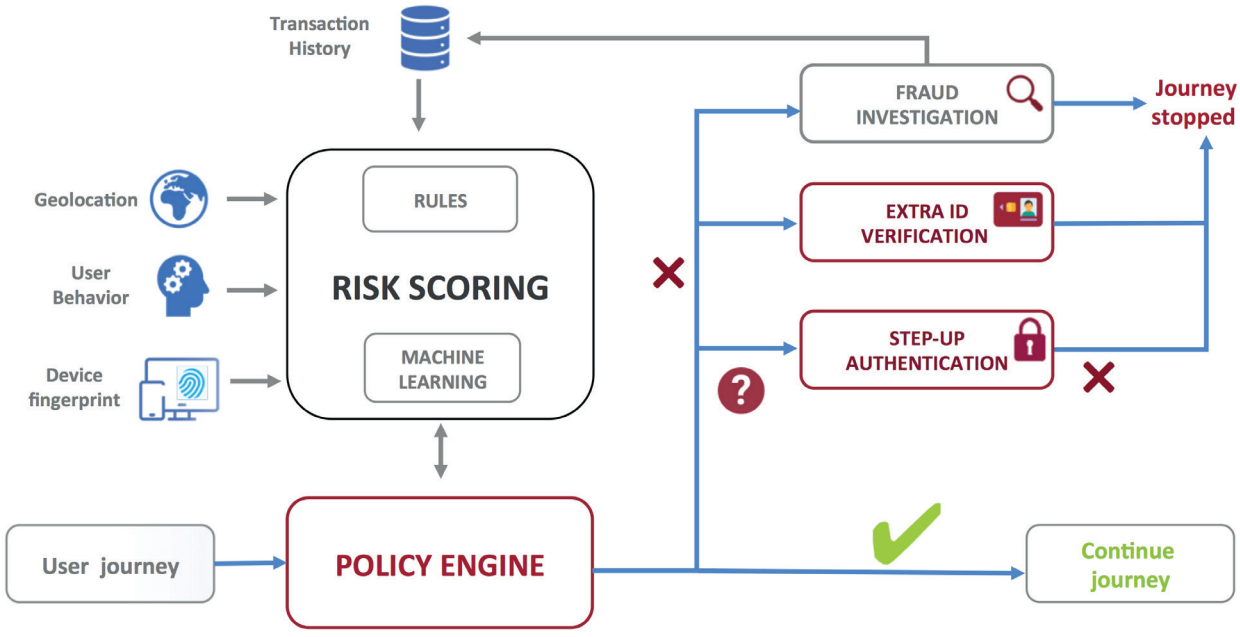
As consumers demand more convenience with new services, most of them still value convenience and security as equally important. Banks also face an increasing number of cyber-attacks, calling for higher levels of security. Financial institutions must also ensure their security deployments comply with new regulations, such as GDPR or PSD2.

As mobile has now become such a prevalent channel, the entire financial ecosystem is being shaken up. The equation is complex, yet banks should address the following challenges:

- providing state of the art security to the web and mobile channel,
- allowing all other transaction channels to be secured with the mobile,
- providing unrivalled convenience for banks' customers and the level of trust required for digital financial services to spread.

As there is clearly no one-size-fits-all authentication experience, banks should use **dynamic risk evaluation,** assessing the context of each transaction. According to the risk scoring, the appropriate authentication method can then be enforced for user sign on, in real-time.

Dynamic risk assessment may take various forms, such as performing automated third-party ID verification checks, taking into consideration the device profile, IP address, geolocation, user behaviour analytics of even transaction history.



Solving the investment protection versus innovation challenge

To offer the ideal digital journey, banks should put innovative solutions on the market quickly, and greatly enhance their agility.

At the same time, the pressure to reduce the cost of operations remains very high.

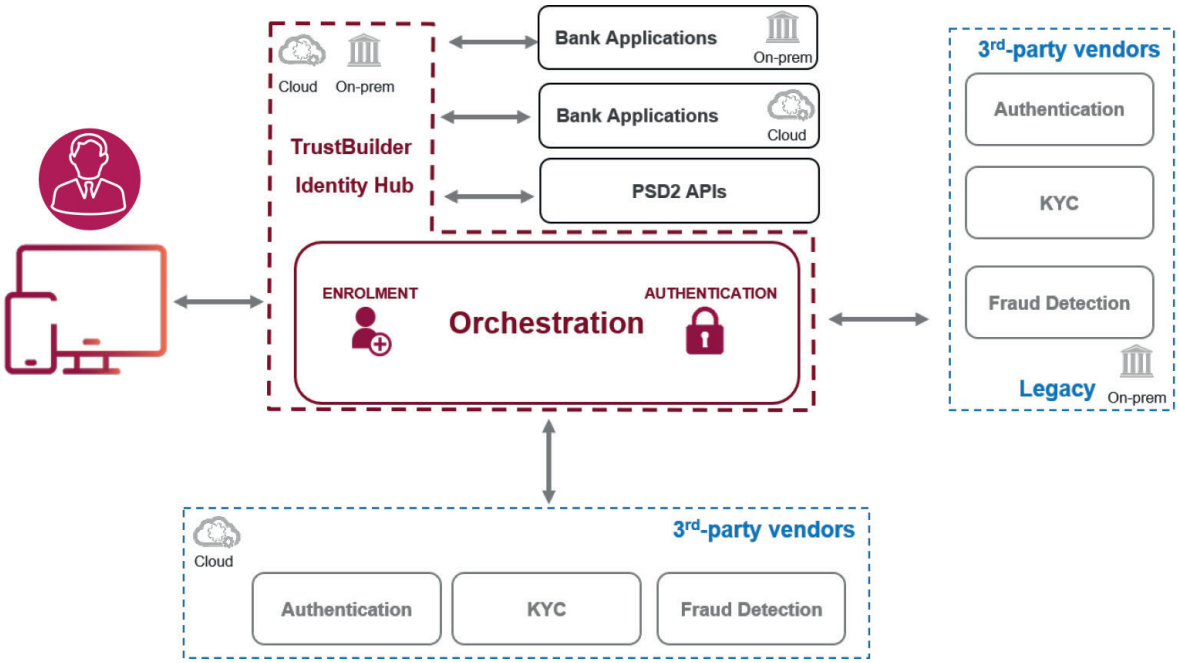
Public Cloud-based authentication solutions are an obvious way to solve the challenge :

Indeed, **agile innovation** can be achieved as the cloud can increase banks' ability to innovate by enhancing agility, efficiency and productivity. It can also help banks to reallocate resources away from IT infrastructure administration, and towards innovation and fast delivery of products and services to market.

To help banks gain further agility, TrustBuilder Identity Hub alleviates many of the identity control functions from the banking applications. By removing most of the identity orchestration functions and vendor specific integrations from applications, it allows banks to focus on enhancing their core banking offerings.

TrustBuilder as the ID orchestration platform

TrustBuilder Identity Hub is an ID orchestration platform that offers a whole suite of integrated mechanisms for **enrolment** and **authentication** for leading third-party vendors. To fully achieve adaptative authentication along the customer journey, the ID orchestrator requires integration of identity corroboration, online fraud detection and **access management** capabilities[2] as well.



The **cost savings** public cloud solutions can offer are significant, especially given the reduction in initial capital expenditure compared to traditional IT infrastructure.

As vendors active in digital authentication and ID verification enrich their cloud offerings, banks should consider these as serious options to explore.

Indeed, these **cloud solutions** clearly address the functional need for adaptative authentication, and further helps to lower risks associated with infrastructure (capacity, redundancy).

Additionally, with the help of the TrustBuilder Identity Hub platform, they can provide best-in-class secure integration with the banking applications.

It allows banks to get all the benefits of these authentication, fraud detection and ID verification vendors, across Web, Mobile and APIs, with **little impact** to existing applications, be it on premise or in the cloud, proprietary or third-party software. Integration with TrustBuilder Identity Hub is future-proof; when vendors introduce or evolve any functionalities that would impact their protocols, APIs or authentication mechanisms details, then business **applications will remain untouched**.

[1]Source: British Bankers' Association (BBA), 2018

[2]Source: Gartner, Inc. Transform User Authentication With a CARTA Approach to Identity Corroboration , ID G00345217, November 2018

Investment protection

While banks should build innovative solutions, the pressure to reduce the cost of operations remains very high. Therefore, banks usually introduce new solutions using a hybrid transformation model: new technology is introduced, usually on the front-end, while banks leverage legacy systems.

For each process, banks carefully consider which ones are still fit for purpose and can be reused. For instance, the existing ***digital Identity verification*** process for national residents might be satisfactory but inappropriate for foreign customers. Likewise, if a bank just invested in a new ***fraud detection*** solution, there would be a significant incentive to feed it into a customer contextual authentication process.

Multi-vendor and legacy landscape

Innovative applications and services must work hand in hand with solutions from third-party vendors and legacy systems. As banking applications are no longer monolithic but have evolved into a mesh of interconnected applications, APIs and microservices, both on-premise and in the cloud, integrating this complex landscape can be simplified by providing an independent orchestration layer. This layer becomes the central hub for identity enrolment and intelligent authentication. This simplifies banking applications, as it removes most of the ID orchestration functions, and mitigates any issues from technical dependencies with legacy systems and 3-party vendors.

Managing the transition

The key to ensuring immediate user adoption lies in properly introducing new user-centric functionalities, and replacing older ones promptly. Numerous transition scenarios are possible: flash, limited in time, with/without user consent, or even permanent coexistence.

Transition scenarios are strictly business driven, so they should not be hindered by the technical limitations of each vendor's solution but fully controlled by the orchestration engine. Likewise, as some identity services and even some banking services are delivered from the **cloud**, independent orchestration should be prioritized to minimize the impact.

A tailored transition strategy is simply configured at the ID orchestration layer, and is enforced by the Identity Hub, with full transparency for banking applications.

About IDHub

TrustBuilder IDHub is a modular platform for web, mobile, and cloud access management, SSO, multifactor authentication, context-aware and attribute-based authentication, authorization, and identity federation. Its virtual appliance form factor allows for flexible, automated deployment on-premises or in the cloud. This includes taking advantage of Docker container orchestration frameworks like Kubernetes or OpenShift on applications.

About TrustBuilder Corporation

TrustBuilder Corporation is a European product vendor of a state-of-the-art Identity and Access Management (IAM) solution.

The company brings on board almost 20 years of experience in implementing IAM solutions. Its IDHub is an innovative IAM/CIAM platform that overcomes challenges today's Web- and API-Access Management tools face, whilst remaining userfriendly and flexible. Based in the heart of Europe, the company's customers manage over 40 million digital user identities.

For more information go to **www.trustbuilder.com**