Identity and Data Seminar

Digital Identity: Towards a New Paradigm?

CC7, Fira Gran Via, Barcelona, Spain
Monday 27 February, 2023 | 13:00 – 14:00 (CET)

MWC
GSMA

Agenda

1. The 2023 Digital Identity Landscape
   Cameron D'Ambrosi and Dr. Gilad Rosner, **Liminal**

2. Enabling the future of Digital Identities
   Andrzej Ochocki, **Deutsche Telekom**

3. Q&A and discussion
   Cameron D'Ambrosi and Dr. Gilad Rosner, **Liminal**
   Andrzej Ochocki, **Deutsche Telekom**
   Moderator: Helene Vigue, **GSMA**

Mobile World Congress

The 2023 Digital Identity Landscape

February 27, 2023

The digital future is Liminal. We're guiding the way.

Liminal is a boutique strategy advisory firm serving digital identity, fintech, and cybersecurity clients, and the private equity and venture capital community.

We see the solution to complex digital challenges not only as 'what', but 'how.' We don't just tell you about the destination, we show you how to get there.

We work with amazing companies.

We provide private equity firms, strategic, and investors with independent and actionable advisory to uncover hidden value pools across the digital identity ecosystem.
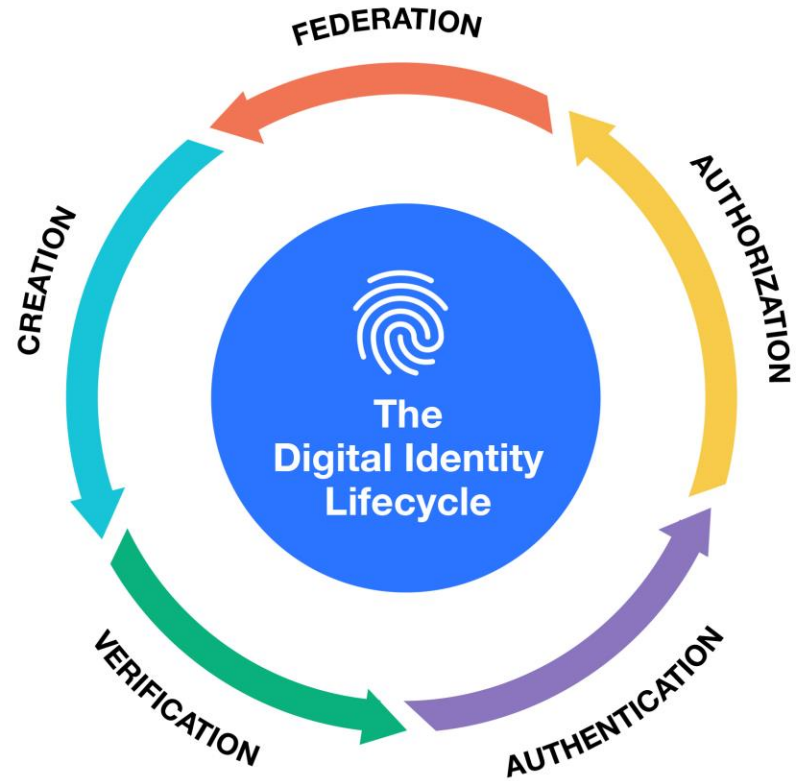
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Private Equity & Investors

Advent International GLOBAL PRIVATE EQUITY · Great Hill PARTNERS · Avenir · Sumeru · ALEPH

Crestview · SPECTRUM EQUITY · Mayfield · PSG · CORSAIR

Strategics & Solution Seekers

airbnb · stripe · Google · Uber · EQUIFAX · Avast

twilio · ENVESTNET Yodlee · experian · KIRKLAND & ELLIS LLP

NortonLifeLock · Gen · SIDEWALK LABS · Allstate IDENTITY PROTECTION · CHASE

Solution Providers

onfido · authID.ai · REFINITIV · jumio · MICROBLINK

GDC GLOBAL DATA CONSORTIUM · BioCatch · SOCURE · DUO · TeleSign

ADVANCE.AI · Prove · SECURE KEY · Contactable · acuant

Our perspective is rooted in the digital identity lifecycle

Rising consumer UX expectations, ongoing data breaches and global regulatory scrutiny are driving the need for privacy-preserving reusable digital identities, anchored increasingly on the needs of the consumer, and not the enterprise.
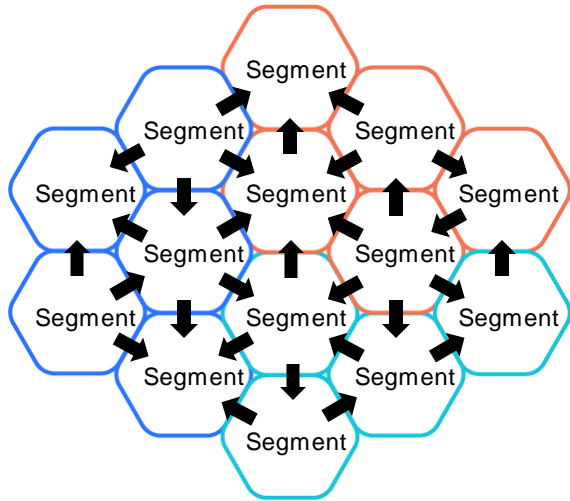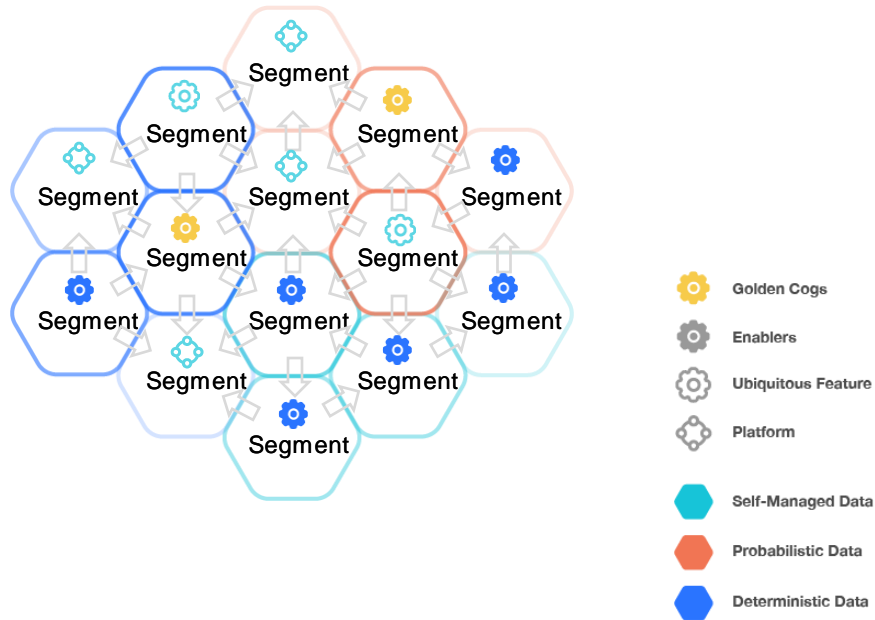

Source: Liminal

A Liminal Landscape is a tool for creative exploration and decision-making

Landscape Process:

1. Define the landscape

2. Discover the dominating market forces

3. Measure relational value

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A Liminal Landscape is a tool for creative exploration and decision-making

Golden Cogs
Enablers
Ubiquitous Feature
Platform

Self-Managed Data
Probabilistic Data
Deterministic Data
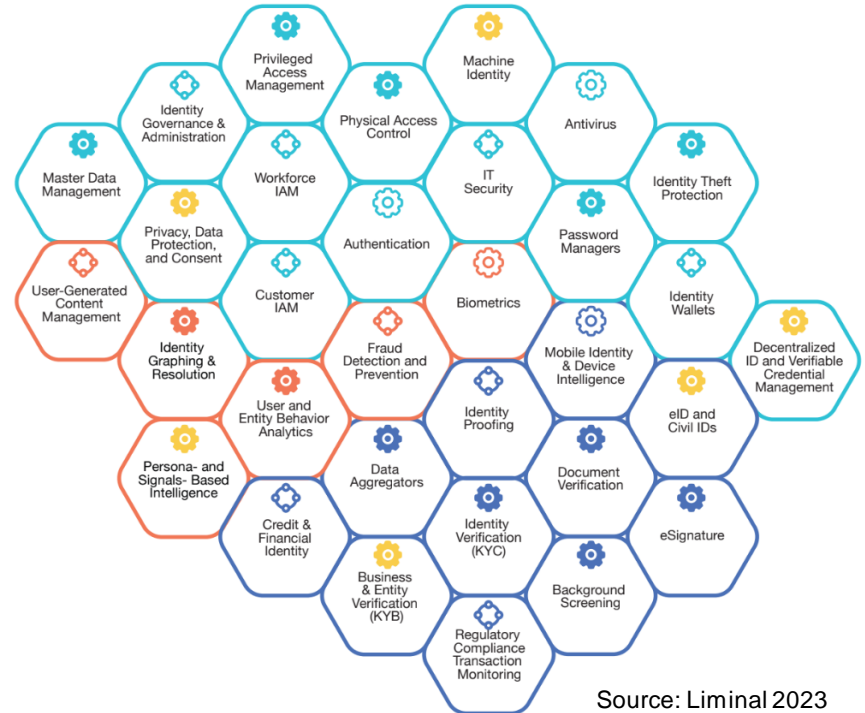
Landscape Process:

4. Identify the platforms, enablers, and features

5. Measure solution segment influence

6. Identify the Golden Cog opportunities

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We've seen significant progress in technological advancements and business model innovation across the digital identity market over the past year

To make sense of an industry landscape dominated by platforms and enablers, we analyze how each company and product in each market segment interacts with and influences other market segments based on dominate data sources.

Legend:
- Golden Cogs
- Enablers
- Ubiquitous Feature
- Platform

- Referential / Self-Managed Data
- Inferential / Probabilistic Data
- Referential / Deterministic Data

Source: Liminal 2023

The 2023 Liminal Digital Identity Landscape

Privileged Access Management

Machine Identity

Identity Governance & Administration

Physical Access Control

Antivirus

Master Data Management

Workforce IAM

IT Security

Identity Theft Protection

Privacy, Data Protection, and Consent

Authentication

Password Managers

User-Generated Content Management

Customer IAM

Biometrics

Identity Wallets

Identity Graphing & Resolution

Fraud Detection and Prevention

Mobile Identity & Device Intelligence

Decentralized ID and Verifiable Credential Management

User and Entity Behavior Analytics

Identity Proofing

eID and Civil IDs

Persona- and Signals- Based Intelligence

Data Aggregators

Document Verification

Credit & Financial Identity

Identity Verification (KYC)

eSignature

Business & Entity Verification (KYB)

Background Screening

Regulatory Compliance Transaction Monitoring

Golden Cogs

Enablers

Ubiquitous Feature

Platform

Referential / Self-Managed Data

Inferential / Probabilistic Data

Referential / Deterministic Data

Source: Liminal 2023

Evolving trends in 2023

Business owners across verticals and geographies leverage digital identity products to create better experiences, improve security, and reduce fraud risk.

Today's buyers prefer full-stack and platform solutions over better point solutions - a significant shift in buying behavior.

What's new this year:

The introduction of *Decentralized Identity and Verifiable Credential Management*

The addition of *Persona and Signals-Based Intelligence (PSBI)*

UEBA was moved across the landscape to better reflect product feature adjacencies

IoT has evolved to *Machine Identity*

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2023 Golden Cogs

Decentralized Identity and Verifiable Credential Management

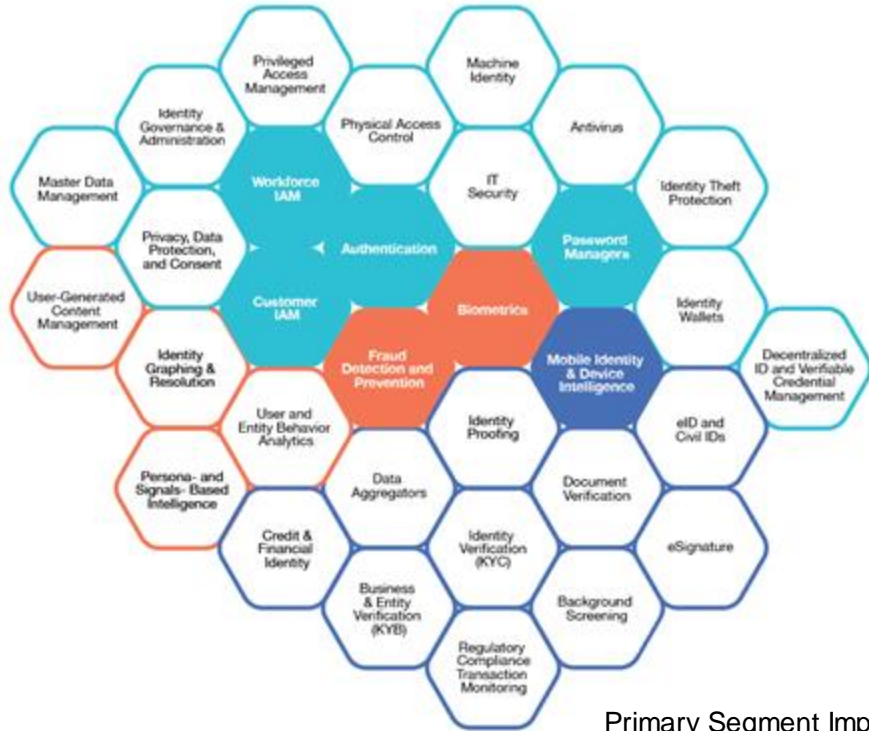*Persona- and Signals-Based Intelligence (PSBI)*

Machine Identity

eID and Civil IDs

Privacy, Data Protection, and Consent

# Consumer Trend:
The death of the password

Primary Segment Impact

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FIDO2 is accelerating passwordless authentication adoption by introducing secure, open standards that are interoperable across a user's devices

Passwordless authentication reduces fraud risk from vectors like phishing and brute force attacks, shifting fraudster focus to vulnerabilities like synthetic identity

SMS OTP volumes will be impacted as platforms deprecate legacy multi-factor authentication in favor of device-based passkeys

Consumer Trend:
The rise of eIDs

Primary Segment Impact
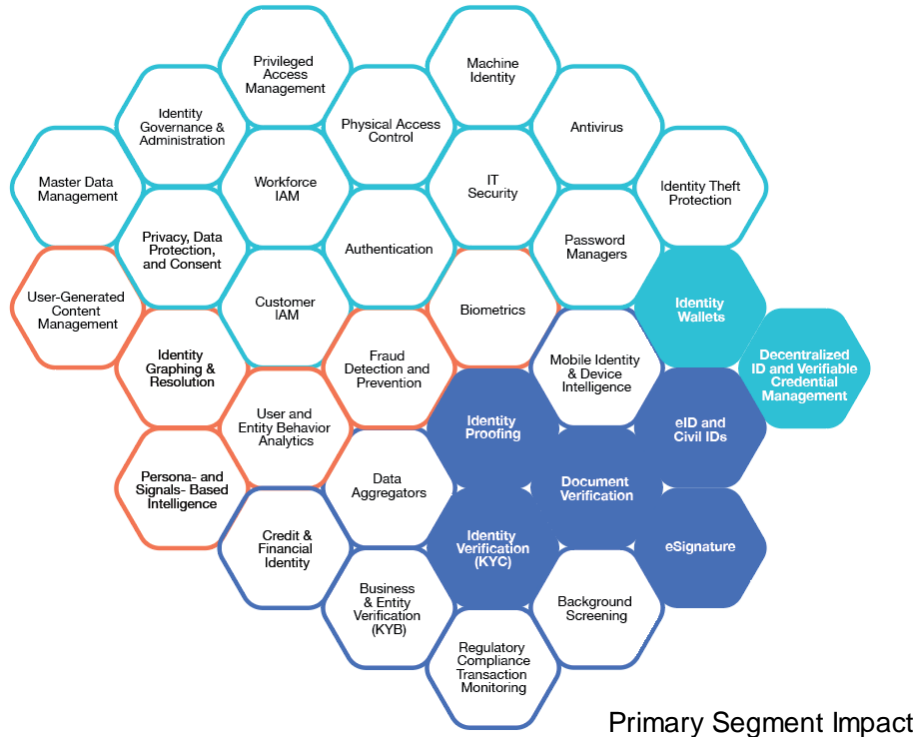
Long-term demand is strong for secure reusable identities as governments and commercial processes go digital

Europe is leading the way with 22 eID schemes active or in development; other global initiatives are launching in the US (state-by-state), UAE, Australia, India, and Singapore

Interoperability is an area of opportunity for the private sector as organizations seek to integrate digital identity schemes into their existing infrastructure

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Follow the trends, access more insights and explore the 2023 Digital Identity Landscape

Enabling the future of Digital Identities

Andrzej Ochocki, Deutsche Telekom AG

MWC2023, Barcelona, 27.02.2023

Enabling the future of Digital Identities

1   Digital Identity paradigm shifts

2   What specific Customer problems do we solve

3   Telcos enabling the EU ID ecosystem

4   Our way forward

Three main paradigm shifts in Identity already happening and we enable them.
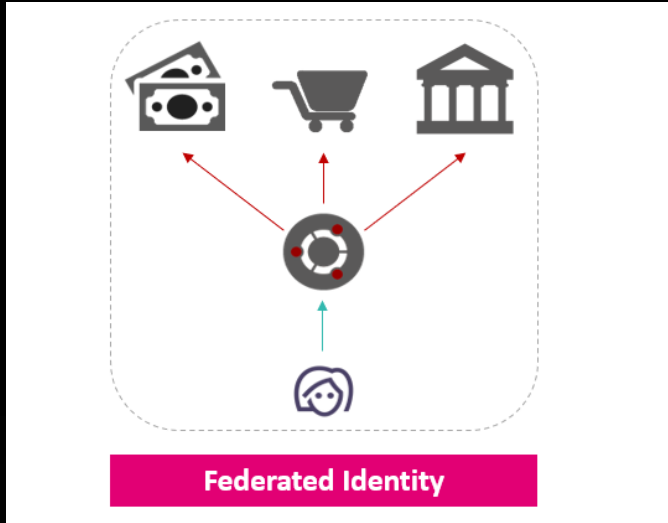
1   **From Federated - to Self Sovereign Identity**

2   **From "GAFAs convenience-based" ID to interoperable Ecosystem based for all citizens**

3   **Mobile Networks and -Technologies becoming "must have"**

From Federated - to Self Sovereign Identity.

Federated Identity

Self-Soverign-Identity

In a federated system the user onboards with and has a set of access credentials with their Identity Provider (IDP) and the IDP asserts the user's identity to SPs.

Self-Sovereign-Identity introduces a new approach in which the user manage their identity themselves and can control what is shared, with whom and for what purpose (privacy).

We enable secure transactions in many everyday situations...

A day in the life of Sophia...

She wants to create an online account. Service Provider (SP) sends an SMS to verify her Mobile Number. To prevent fraud, SP checks if her SIM card hasn't been swapped in the last 24 hours.

While re-registering to her banking app, the bank makes a check if her Mobile Number is the same, she used during the account opening.

During a creation of an Online Payment account, Service Provider verifies the personal data she has entered to prevent fraud.

Her bank is processing a bigger amount cash withdraw from an ATM abroad. To avoid potential fraud her bank verifies if she is really in roaming or in the German's home network.

She tries to transfer her money to a new payee. To prevent fraud her Bank checks if she's currently on the phone (line busy) as indication of possible scam call attack.
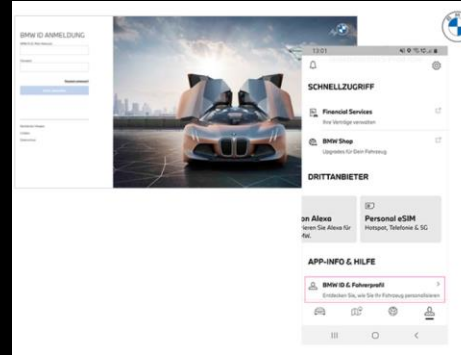
SIM Swap

Silent Network Auth.

KYC Match

Location verification
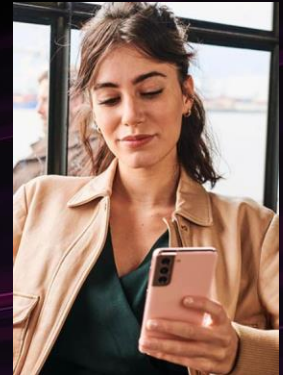
Line busy

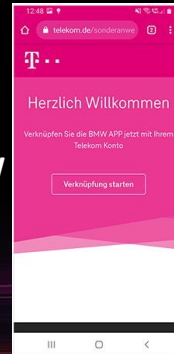# In car eSIM activation & tariff booking with Mobile Connect Seamless Authentication.
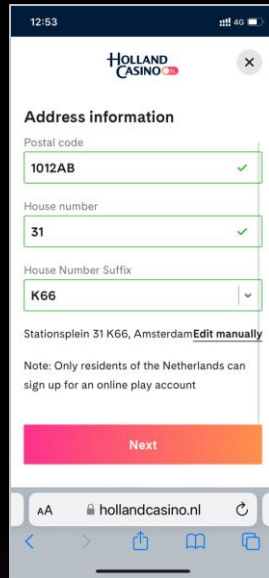
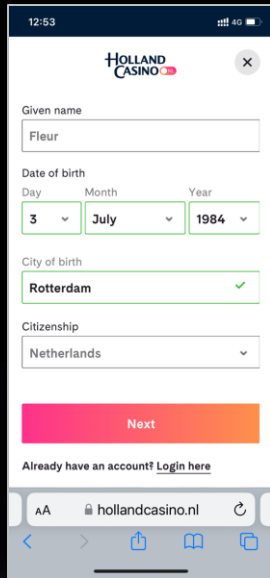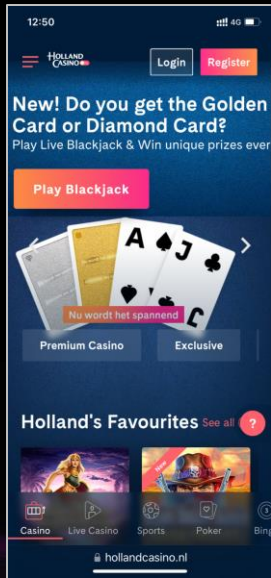**Login with BMW ID**

Binding Mobile Number with BMW account
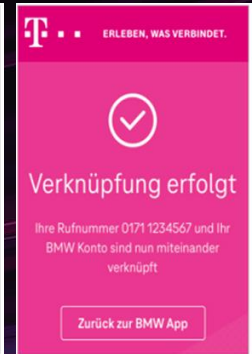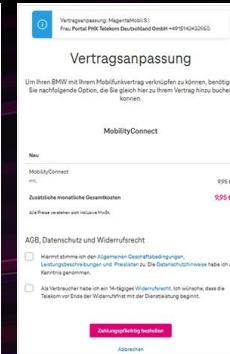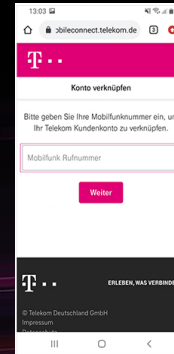
Holland Casino account creation with Mobile Connect KYC Match.

Examples
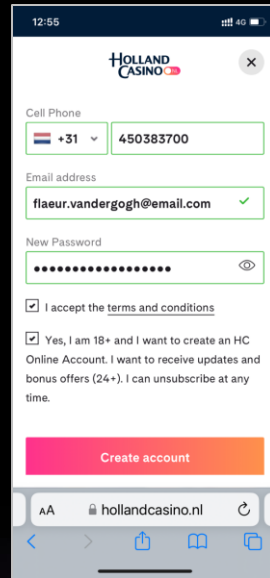
1. Customer types in personal data (Mobile Number, Name, Address, …)

2. Mobile Connect performs KYC Match

   ✓ Holland Casino asks T-Mobile for match / no match vs. CRM data

   ✓ T-Mobile matches hashed data and returns "Yes / No".

3. Holland Casino decides on account creation

We enable the upcoming European ID ecosystem by participating in EU Large Scale Pilot...

POTENTIAL
European Consortium
for Digital Identity

EU ID Large Scale Pilot 2023 – 2025:
- 19 EU Member States + Ukraine
- 149 Partners (public and private)
- Relevant Use Cases

https://www.digital-identity-wallet.eu/

Use Case "SIM eRegistration":
Simplification and full digitalization of SIM Card registration for EU citizens and residents.

User Journey 2)

I buy a new Prepaid SIM-Card at the POS or in the Online Shop and use the EUDI-Wallet for online activation of my Prepaid Card

I share my ID-Data (PID) out of the EUDI-Wallet

Shortly after I can use my Prepaid Card for Calling

EUDI-Wallet
Basis-ID

1) B2C, B2B
2) Prepaid User Journey

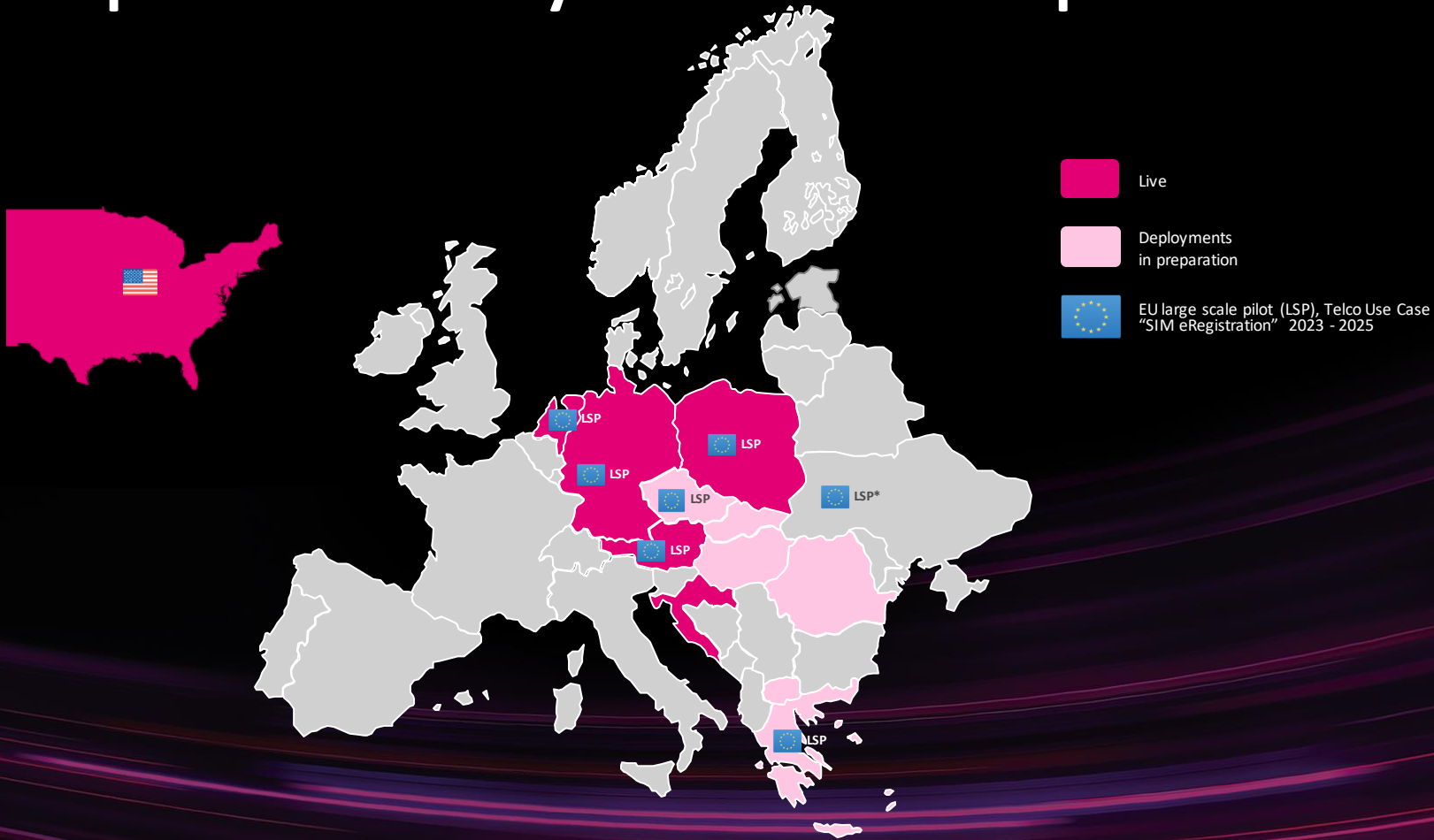# ...and proposing our Mobile Technologies to be used in the Ecosystem.

The Mobile Number (MSISDN):

- Human readable and memorable

- Personal and transferable

- Verifiable credential, issued by MNOs

- Relevant for nearly all relying parties

- Fully managed lifecycles by MNOs

- Secured by the SIM and the network, e.g., for authentication purposes
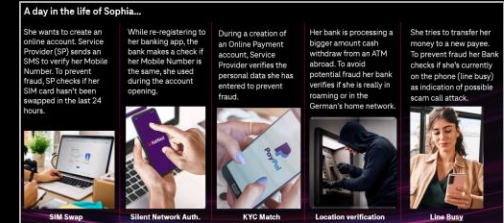
We provide Identity Services in Europe and in USA.

Live

Deployments
in preparation

EU large scale pilot (LSP), Telco Use Case
"SIM eRegistration" 2023 - 2025

LSP

LSP

LSP

LSP*

LSP

LSP

We enable the future of Digital Identities already today!
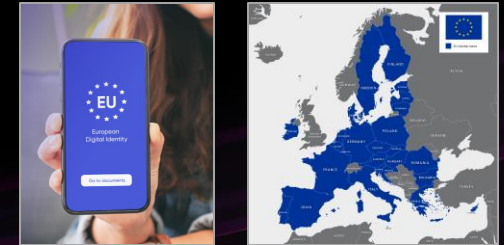
1 We further scale our Identity Services to help solving specific customer problems

2 We enable trusted, interoperable ID ecosystems, e.g., EU ID in Europe

3 Web3 / Metaverse might become additional catalyst for Telco enabled Digital ID

Continue the discussion…

Join GSMA Identity and Data Community