

Solution Brief

Zumigo DeRiskify InstaAuth Passwordless Login Reduces Friction in e-Commerce Onboarding, Sign-in

Zumigo DeRiskify InstaAuth solution allows merchants to offer a seamless, passwordless sign-up/sign-in option to their shoppers. This solution enhances user experience, improves conversion, and increases security around customer account information.

In today's rapidly digitizing marketplace, businesses face a dual challenge of preventing fraud while ensuring a seamless user experience. With the increasing prevalence of online fraud, establishing trust and verifying customer identity is essential. According to the Merchant Risk Council, the estimated share of total e-commerce revenue lost to payment fraud is 3% annually - which impacts a business' bottomline.

Traditional verification methods can be cumbersome and alienate customers, impacting conversions and loyalty. If conversion rate is lowered by even 1%, that can mean a loss of a hundred sales per month for a website that averages 10,000 monthly visits.

Zumigo DeRiskify InstaAuth provides an innovative solution, specifically designed to help merchants streamline identity verification during onboarding and sign-in, ensuring that legitimate customers can swiftly access services while fraudulent attempts are mitigated effectively.

Fraud Challenges During the Onboarding and Sign-in Process

Increasing Fraud Complexity : Cybercriminals are continually evolving their methods, making it difficult for businesses to keep up with the latest fraud tactics. Traditional fraud detection often relies on static information, such as passwords and knowledge-based authentication, which are vulnerable to phishing attacks and data breaches. This outdated approach can result in false negatives, allowing fraudsters to gain unauthorized access; and false positives, inadvertently blocking legitimate customers.

Balancing Security and Customer

Experience: With the rise in fraud comes a need for robust security measures; however, many of these add friction to the onboarding and sign-in process. In a competitive landscape, delays or overly complex verification steps can lead to abandoned registrations, reduced engagement, and lost revenue. Businesses require a solution that protects against fraud but is invisible to genuine customers, preserving the simplicity and flow of the onboarding and sign-in process.

High Cost of Fraud and Account Takeovers

(ATOs): Fraud, especially account takeovers, is a costly problem for businesses. Not only does it result in direct financial losses, but it also

1. 2024 Global eCommerce Payments & Fraud Report by The Merchant Risk Council (MRC), in collaboration with Visa Acceptance Solutions and Verifi

damages the business's reputation, leading to customer churn and an overall lack of trust. ATOs, where fraudsters access legitimate accounts, can also skew customer data, impacting marketing efforts and personalization accuracy. These threats demand a reliable and efficient method to assess identity without compromising the customer journey.

Limitations of Traditional Fraud Prevention

Techniques: Many existing fraud prevention tools rely heavily on user behavior or historical data, which may be outdated or irrelevant for fast-moving digital transactions. These tools struggle to verify new customers or assess the legitimacy of identity in real-time, often resulting in security blind spots. There is a growing need for a dynamic solution that adapts to each customer, ensuring that every onboarding or sign-in attempt is assessed individually and accurately.

Zumigo Solution Offers Innovation in Frictionless Sign-up/Sign-in

Instant Mobile Identity Verification:

Zumigo DeRiskify InstaAuth connects directly with global carriers, allowing businesses to verify customer identity based on real-time network information, such as device and account ownership, and SIM card details. This technique is highly effective in combating SIM swap fraud and other forms of ATO by ensuring that the person accessing the account is the device owner and is in possession of the device. This real-time verification is seamless, adding a layer of security without requiring the user to perform additional steps.

Adaptive Authentication Flow:

Zumigo DeRiskify InstaAuth offers an adaptive approach to fraud prevention, adjusting its security measures based on the assessed risk of each session. Low-risk customers experience a streamlined onboarding and sign-in, while high-risk interactions trigger multi-factor authentication (MFA) or additional verifications. This adaptive flow ensures that businesses do not compromise on security but can still provide a frictionless experience for trusted customers.

Reduction of False Positives: With traditional fraud prevention systems, legitimate users often find themselves wrongly flagged and facing delays. Zumigo DeRiskify InstaAuth's reliance on dynamic mobile identity and device signals greatly reduces these false positives. By validating identity based on real-time data, merchants can confidently grant access to legitimate users, reducing friction and enhancing trust in the customer experience.

Easy Deployment:

Zumigo DeRiskify InstaAuth is available on shopping platforms including Shopify and BigCommerce. It integrates smoothly with merchant stores, making it easy for businesses to enhance their fraud prevention strategy. Merchants can quickly deploy advanced identity verification with minimal setup and technical resources, helping them to protect their business from fraud while maintaining a frictionless experience for their customers. Zumigo DeRiskify InstaAuth is also available as an API for direct integration into custom e-commerce platforms.

Summary

Zumigo DeRiskify InstaAuth provides merchants with a powerful tool to enhance security while maintaining a frictionless customer experience. By leveraging real-time mobile identity verification, risk scoring, and adaptive authentication, Zumigo DeRiskify InstaAuth allows businesses to confidently prevent fraud during onboarding and sign-in. This approach to security preserves customer trust, reduces financial losses, and strengthens the digital journey for both the business and its users.

Coupled with Zumigo DeRiskify OrderRisk solution, merchants can secure their transactions at checkout and eliminate chargebacks.

With Zumigo DeRiskify solutions, merchants can meet the challenges of today's digital fraud landscape and continue to grow their business securely and efficiently.

About Zumigo

Zumigo is on the frontline of digital identity verification that helps the world's largest enterprises protect transactions, devices and accounts. With a multi-layer approach, Zumigo validates users against a unique identity intelligence network that spans global carrier providers, authoritative third-party data sources, and payment information. Learn more at www.zumigo.com.