

Salmat VeCommerce



Biometric Identity Verification Study

April 2009

Methodology

Data Collection

- 418 quantitative surveys conducted online and split between consumers in Australia (n=203) and New Zealand (n=215).
- Respondents targeted are the general public in Australia and New Zealand.

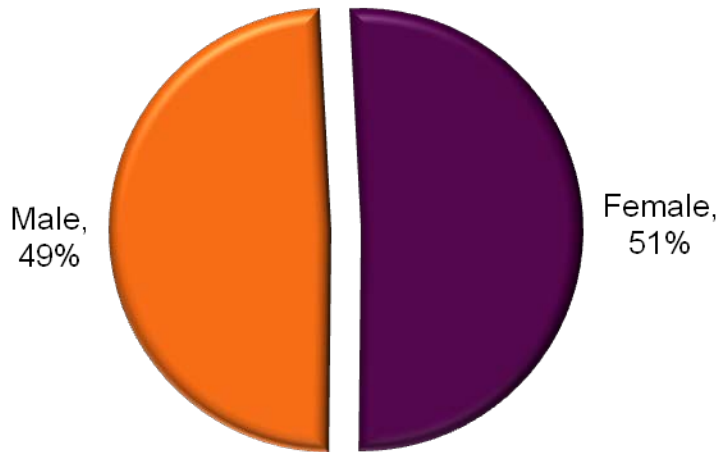
Research Period

- April 2009

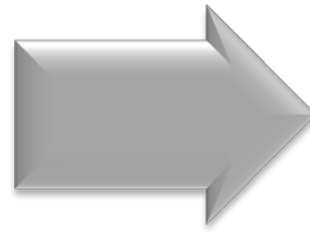


Sample Profile - Australia

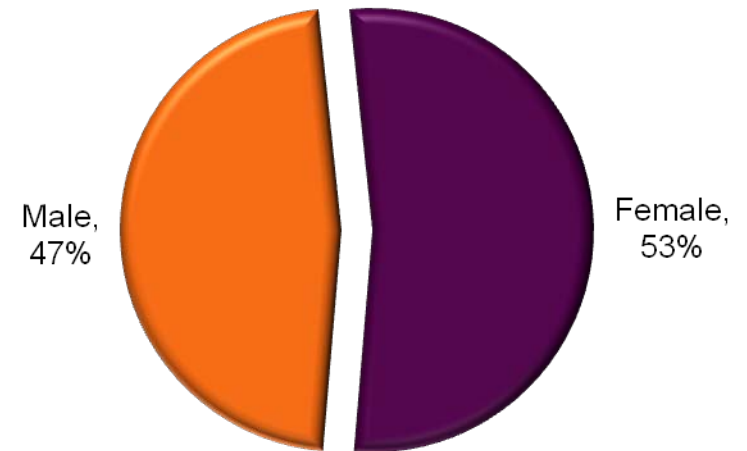
Gender 2008



N=216

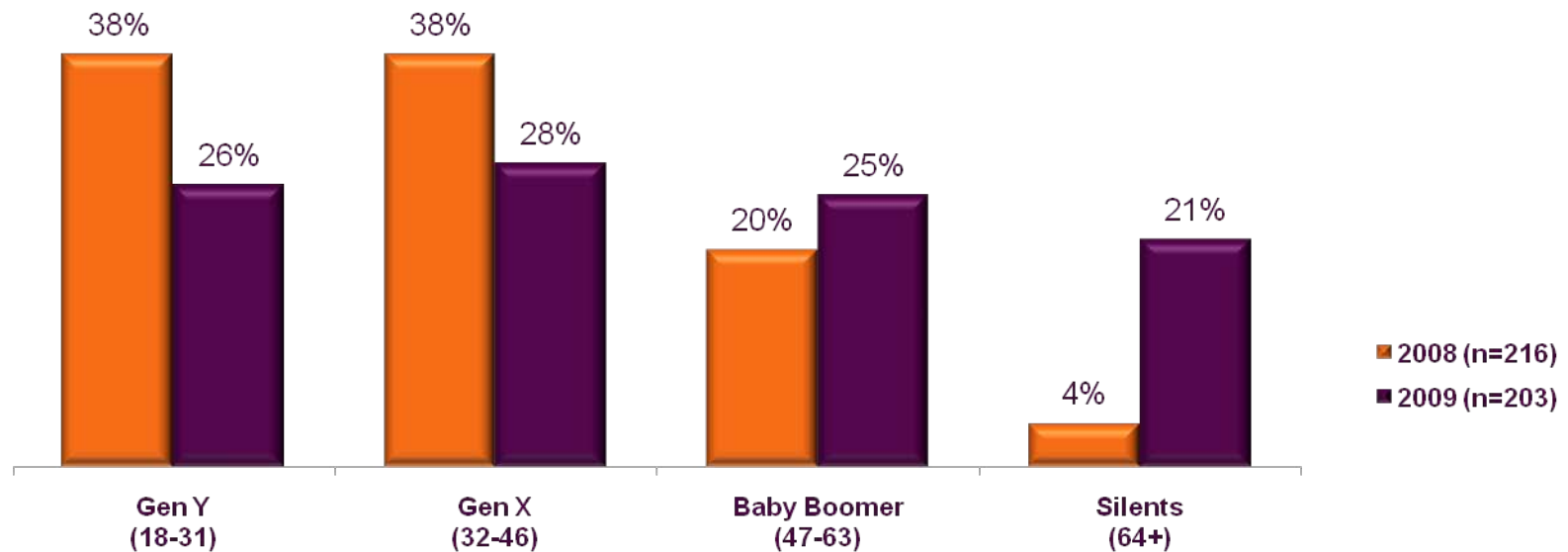


Gender 2009



N=203

Age



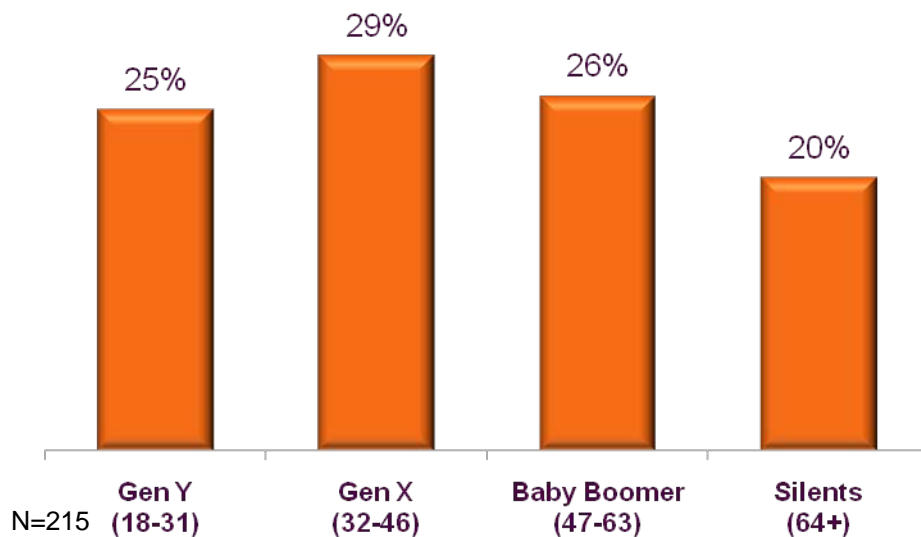
Sample Profile – New Zealand

Gender



N=215

Age



N=215

Income



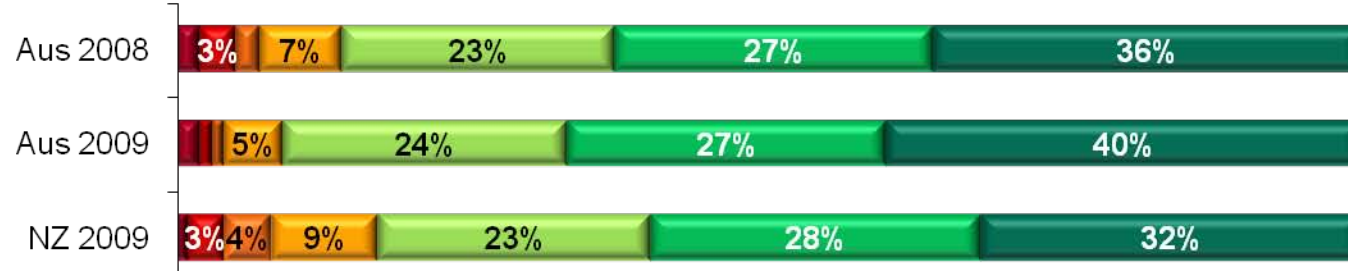
N=196*

Attitudes to identity verification processes

Please rate your level of agreement with the following statements...

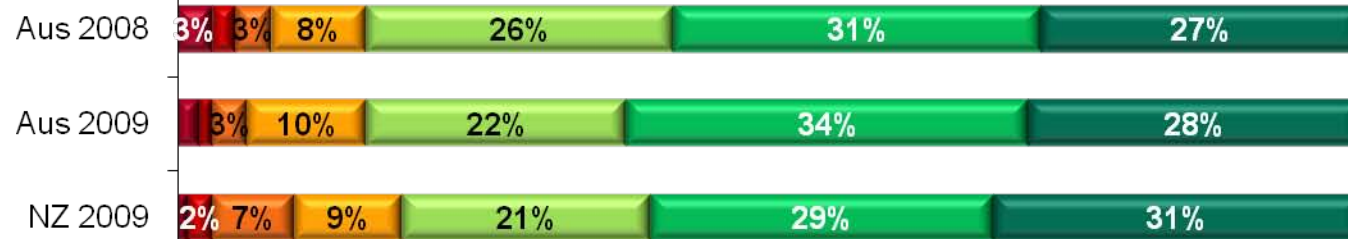
Strongly & Mostly Disagree	Mostly & Strongly Agree
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I'm concerned about fraud and identity theft



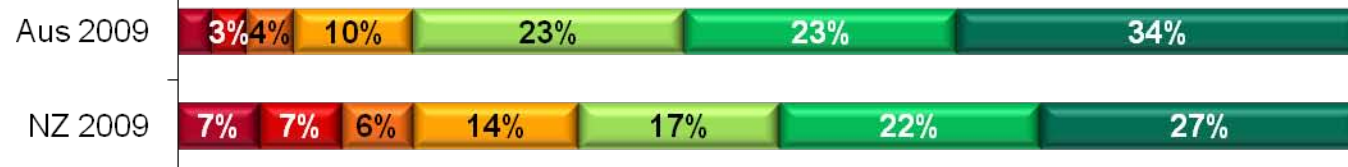
5%	63%
3%	67%
4%	60%

Over the past couple of years I have been more careful about sharing my personal information



5%	58%
3%	62%
3%	60%

I find having to remember multiple PINs and passwords frustrating*



6%	57%
14%	49%

1 (Strongly Disagree) 2 (Mostly Disagree) 3 (Slightly Disagree) 4 (Neither Agree nor Disagree) 5 (Slightly Agree) 6 (Mostly Agree) 7 (Strongly Agree)

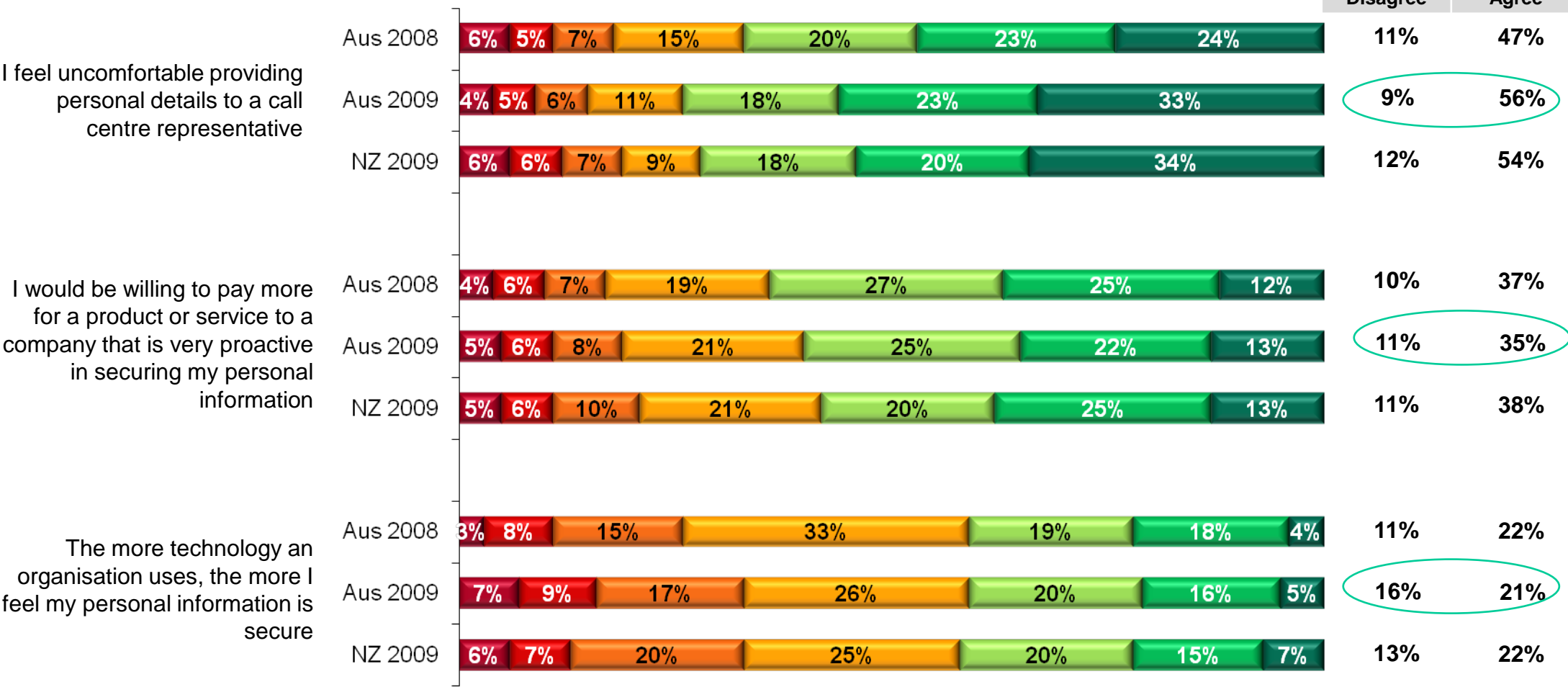
Aus 2008 n=216; Aus 2009 n=203; NZ 2009 n=215

*NB: This statement cannot be tracked as it was not asked in 2008.

Attitudes to identity verification processes

Please rate your level of agreement with the following statements...

Strongly & Mostly Disagree | Mostly & Strongly Agree

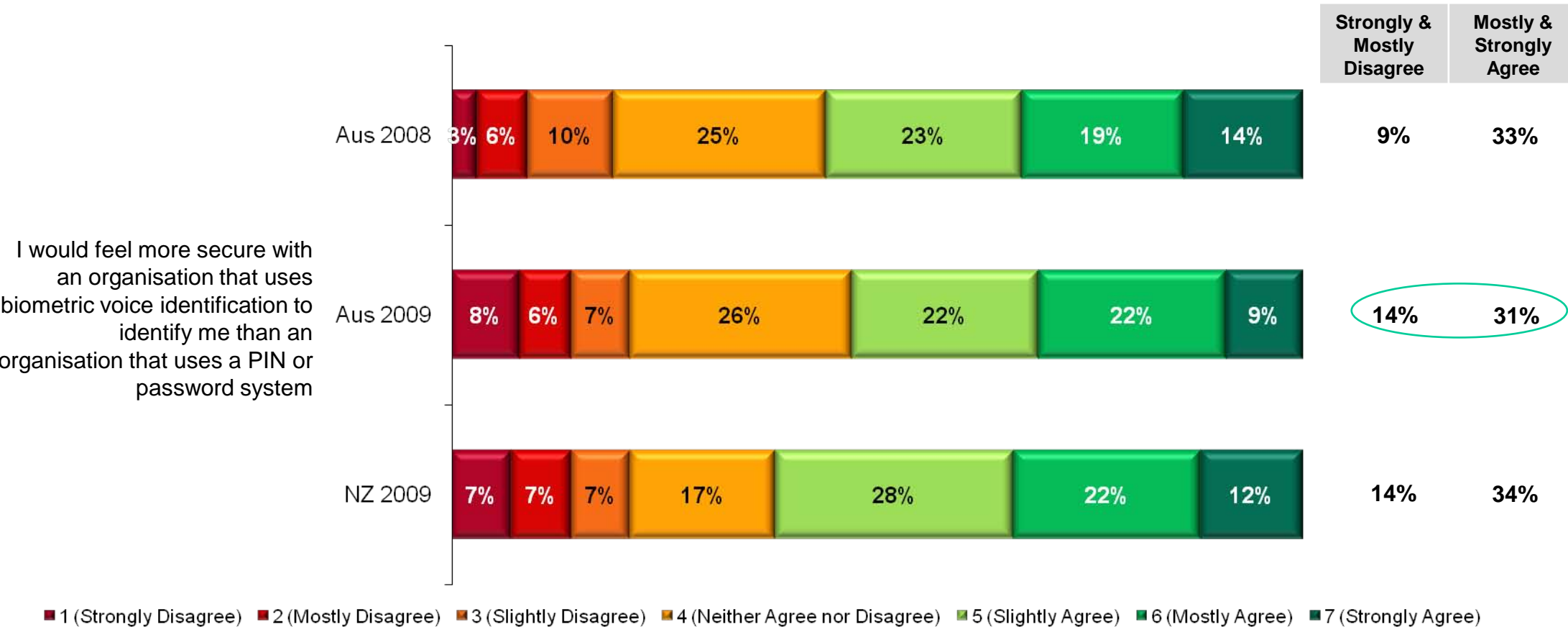


1 (Strongly Disagree) 2 (Mostly Disagree) 3 (Slightly Disagree) 4 (Neither Agree nor Disagree) 5 (Slightly Agree) 6 (Mostly Agree) 7 (Strongly Agree)

Aus 2008 n=216; Aus 2009 n=203; NZ 2009 n=215

Attitudes to identity verification processes

Please rate your level of agreement with the following statements...

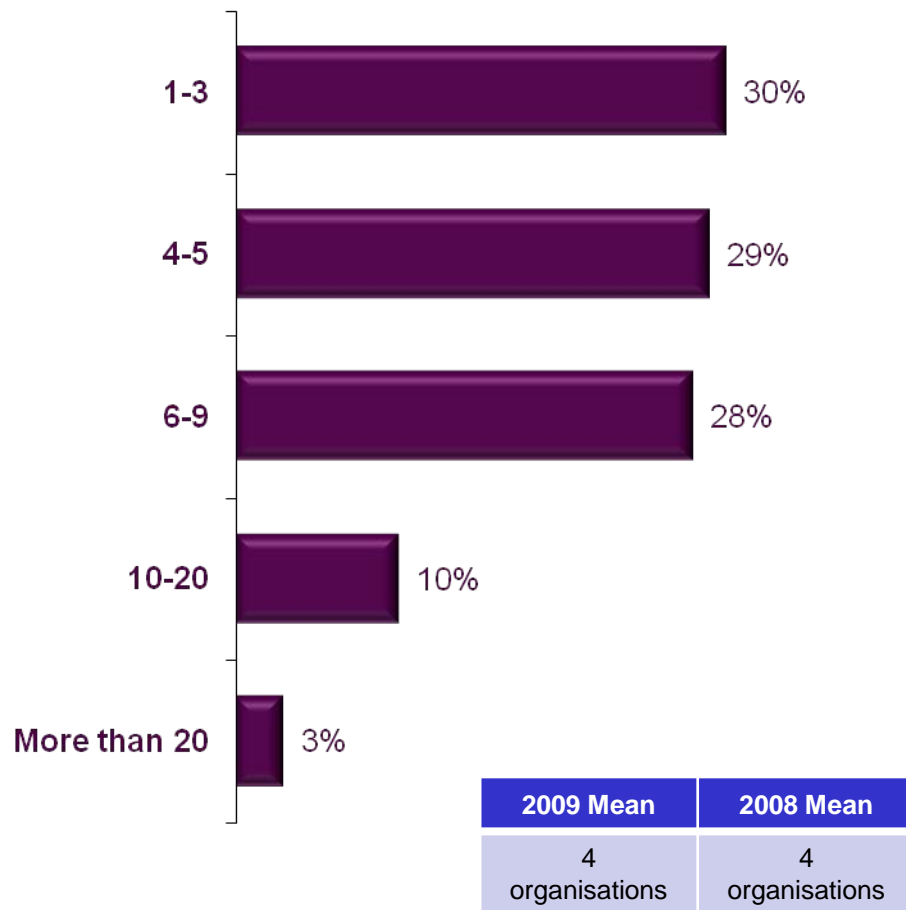


Aus 2008 n=216; Aus 2009 n=203; NZ 2009 n=215

Current identity verification

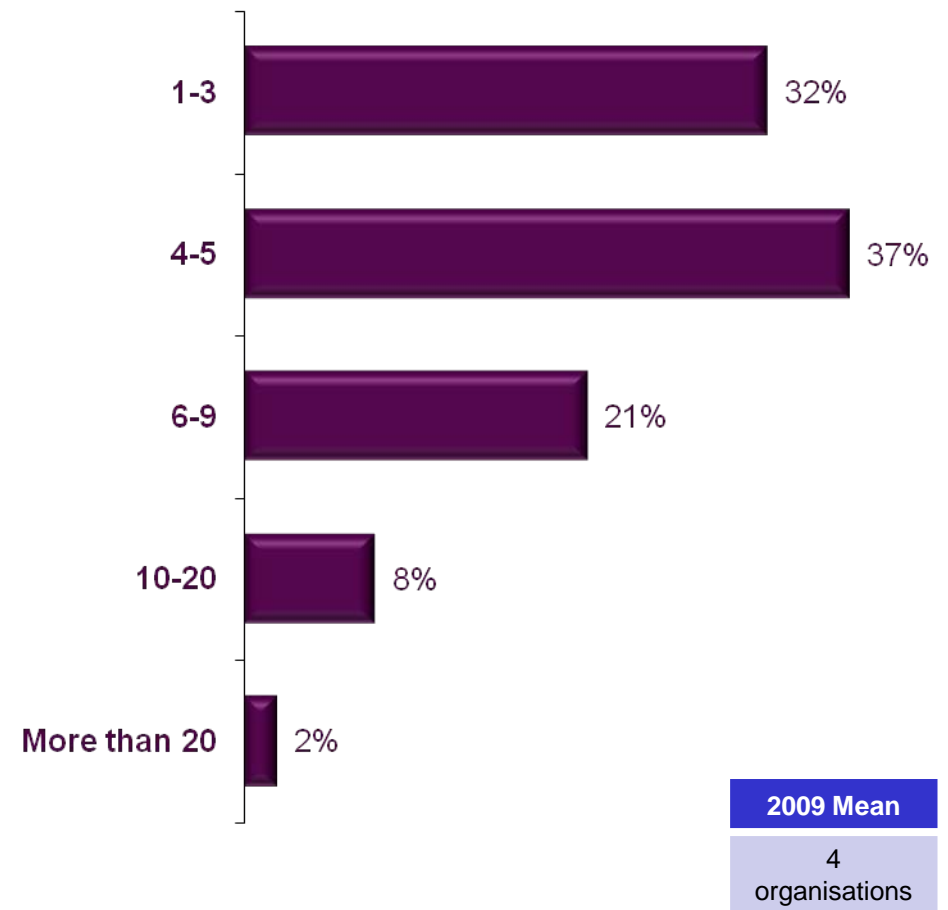
Approximately, how many different organisations do you currently have to use a PIN or password for when you contact them?

Australia



n=203

New Zealand



n=215

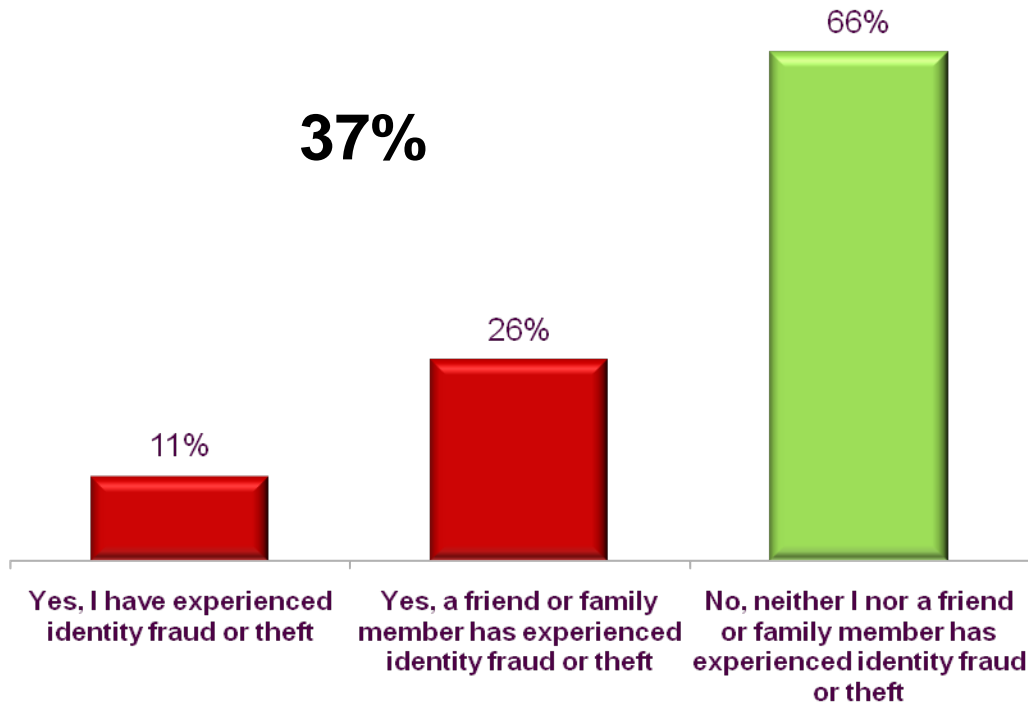
What percentage of Australians/ New Zealanders have directly experienced or know a family member or friend who has experienced identify theft or fraud?



Identity fraud

Have you experienced, or do you know a friend or family member who has experienced, identity fraud or theft?

Australia



n=193

New Zealand



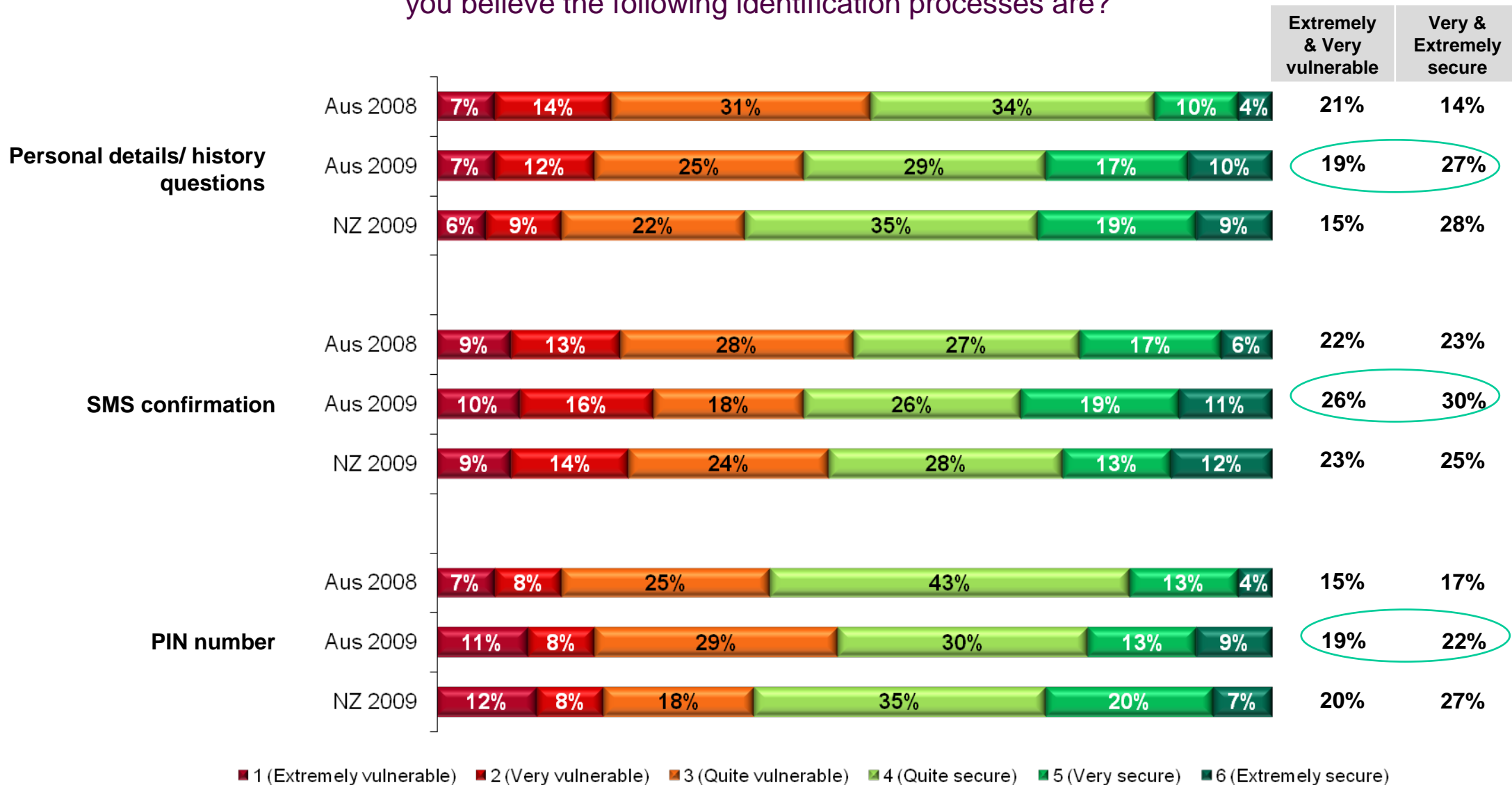
n=198

Perceived security of current identity process salmat



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Thinking about the different ways organisations confirm your identity over the phone, how secure do you believe the following identification processes are?



Aus 2008 n=216*; Aus 2009 n=203; NZ 2009 n=215

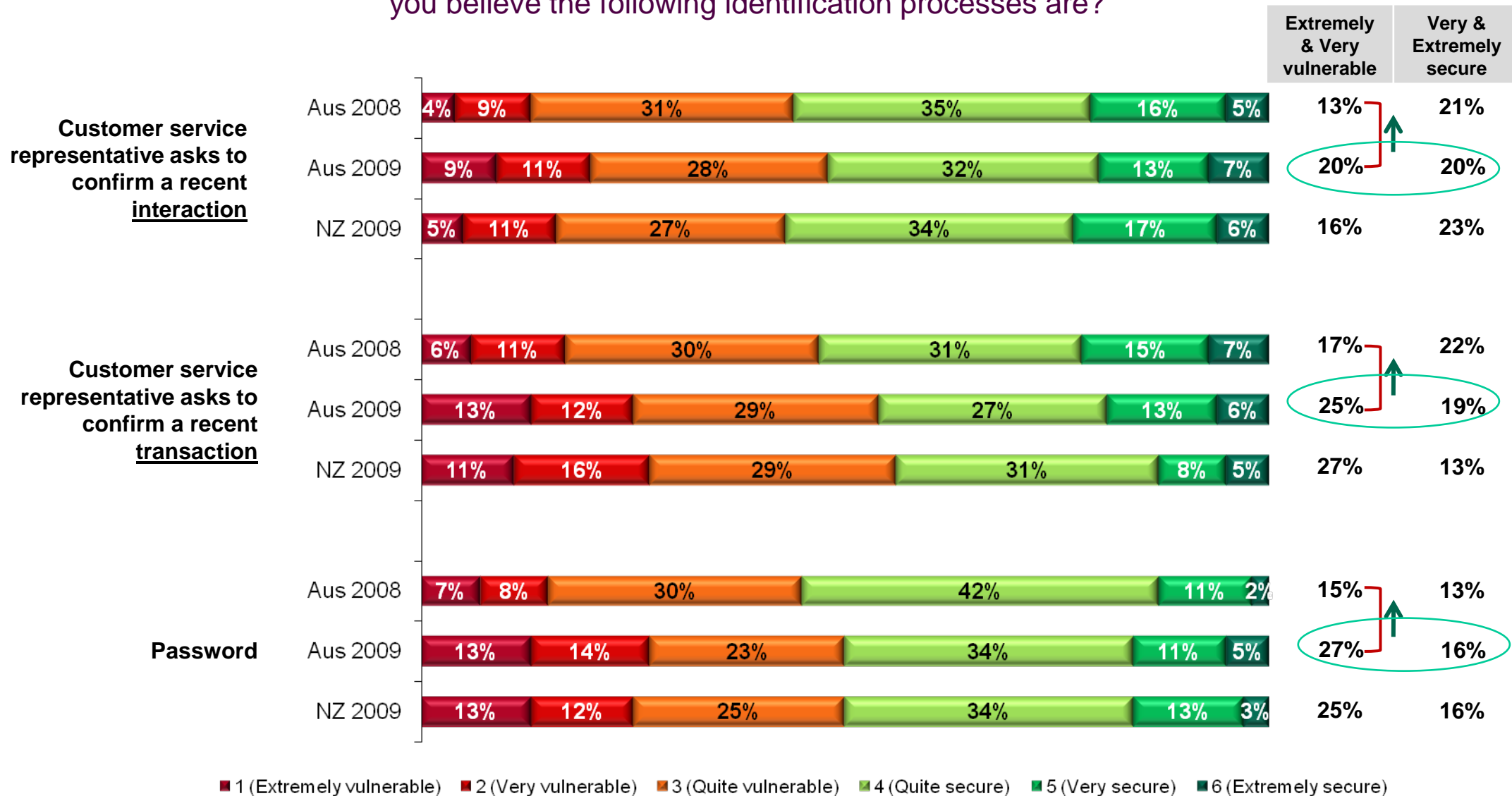
*NB: Number of respondents for 2008 varies as those who 'did not know' were excluded from analysis.

Perceived security of current identity process salmat



vecommerce

Thinking about the different ways organisations confirm your identity over the phone, how secure do you believe the following identification processes are?



Aus 2008 n=216*; Aus 2009 n=203; NZ 2009 n=215

N.B: Arrows indicate statistically significant differences between groups

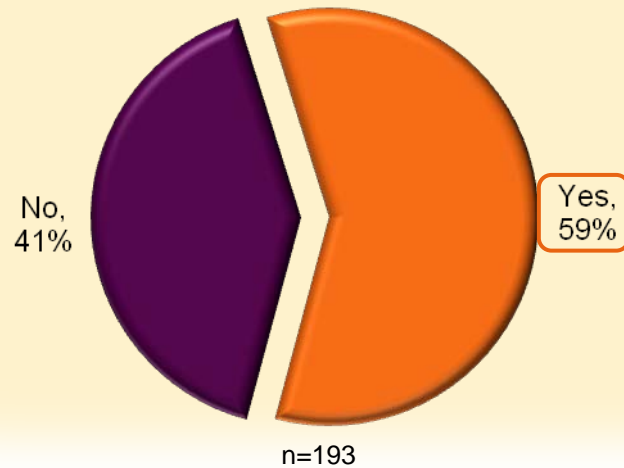
*NB: Number of respondents for 2008 varies as those who 'did not know' were excluded from analysis.

What percentage of Australians stated that someone knows their PINs, Passwords or someone could guess their PINs, Passwords ?

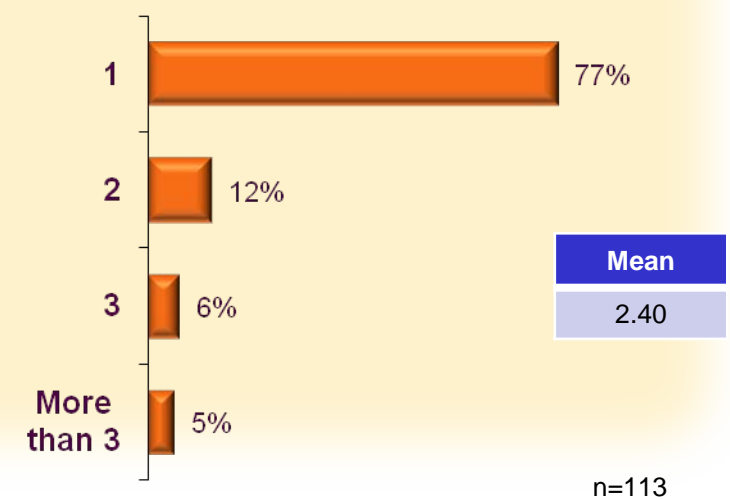


Risk to identity details - Australia

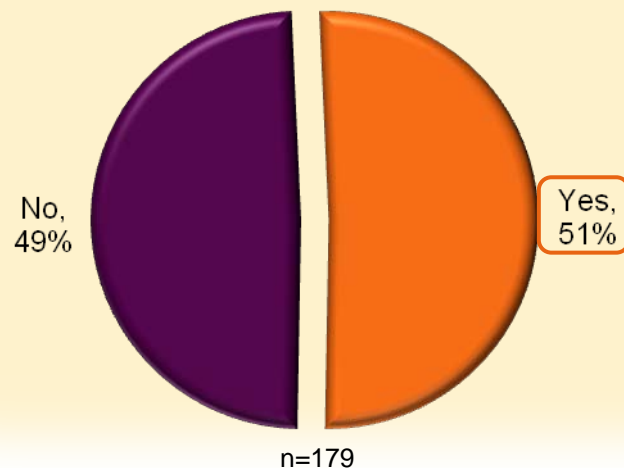
Apart from yourself, do you think anyone else might know your PIN, password or security details?



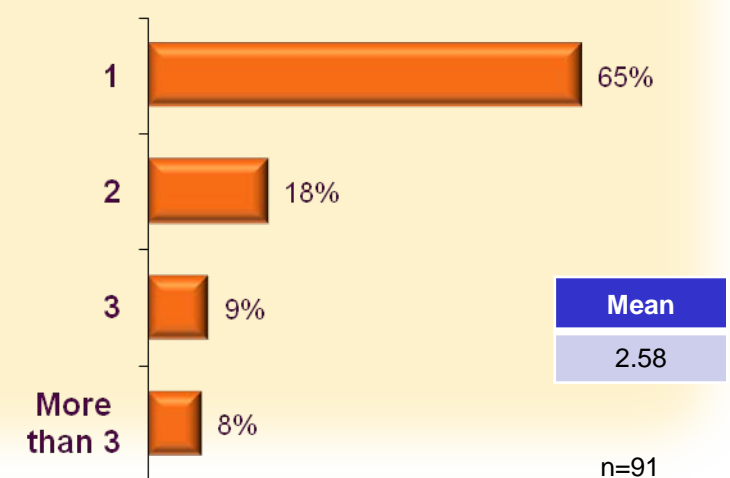
Approximately, how many people do you think might know your PIN, password or security details?



Do you think anyone else might be able to guess your PIN, password or security details?



How many people do you think might be able to guess your PIN, password or security details?



Risk to identity details - Australia

72% of Australia's 22 million population is aged 18+
= **15.84 million** people potentially using
PINs and Passwords

On average, Australians require security details for 4
different organisations
= **63.36 million** active PINs and Passwords

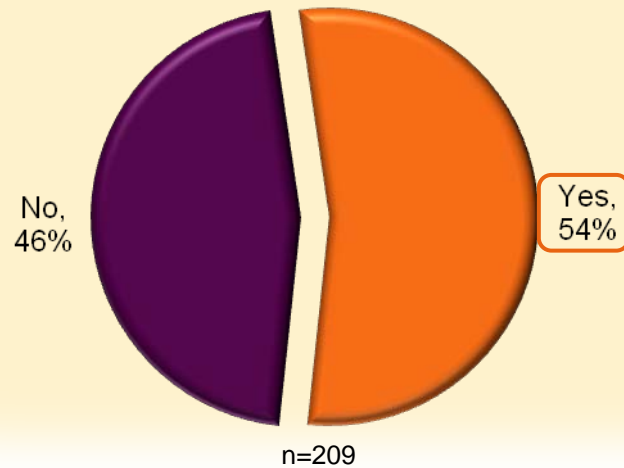
69% of Australians believe their security details are at risk
= **43.72 million** vulnerable PINs and Passwords in the
Australian market

**44 million
vulnerable
accounts**

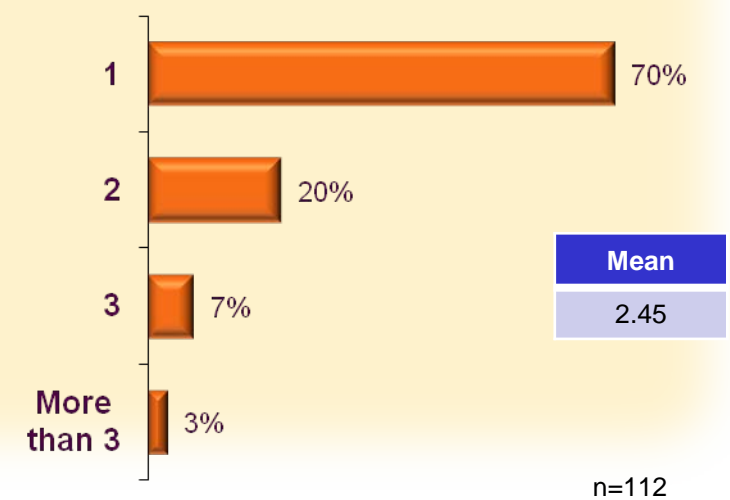


Risk to identity details - New Zealand

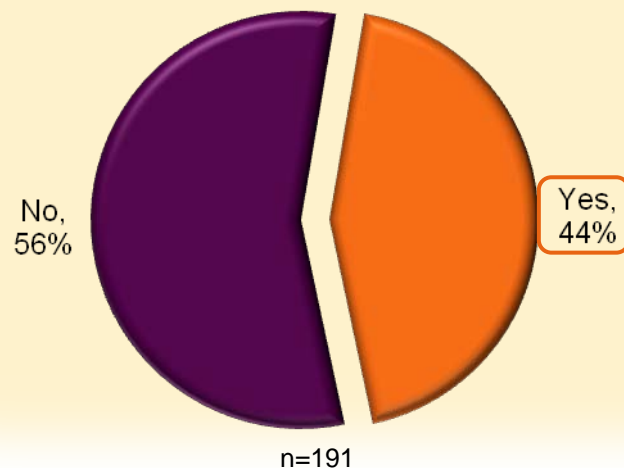
Apart from yourself, do you think anyone else might know your PIN, password or security details?



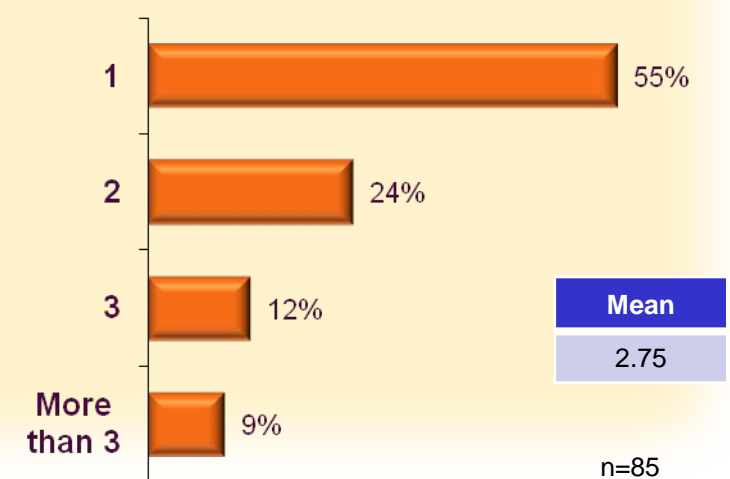
Approximately, how many people do you think might know your PIN, password or security details?



Do you think anyone else might be able to guess your PIN, password or security details?



How many people do you think might be able to guess your PIN, password or security details?



Risk to identity details - New Zealand

71% of New Zealand's 4.3 million population is aged 18+
= **3.05 million** people potentially using
PINs and Passwords

On average, New Zealanders require security details for
4 different organisations
= **12.21 million** active PINs and Passwords

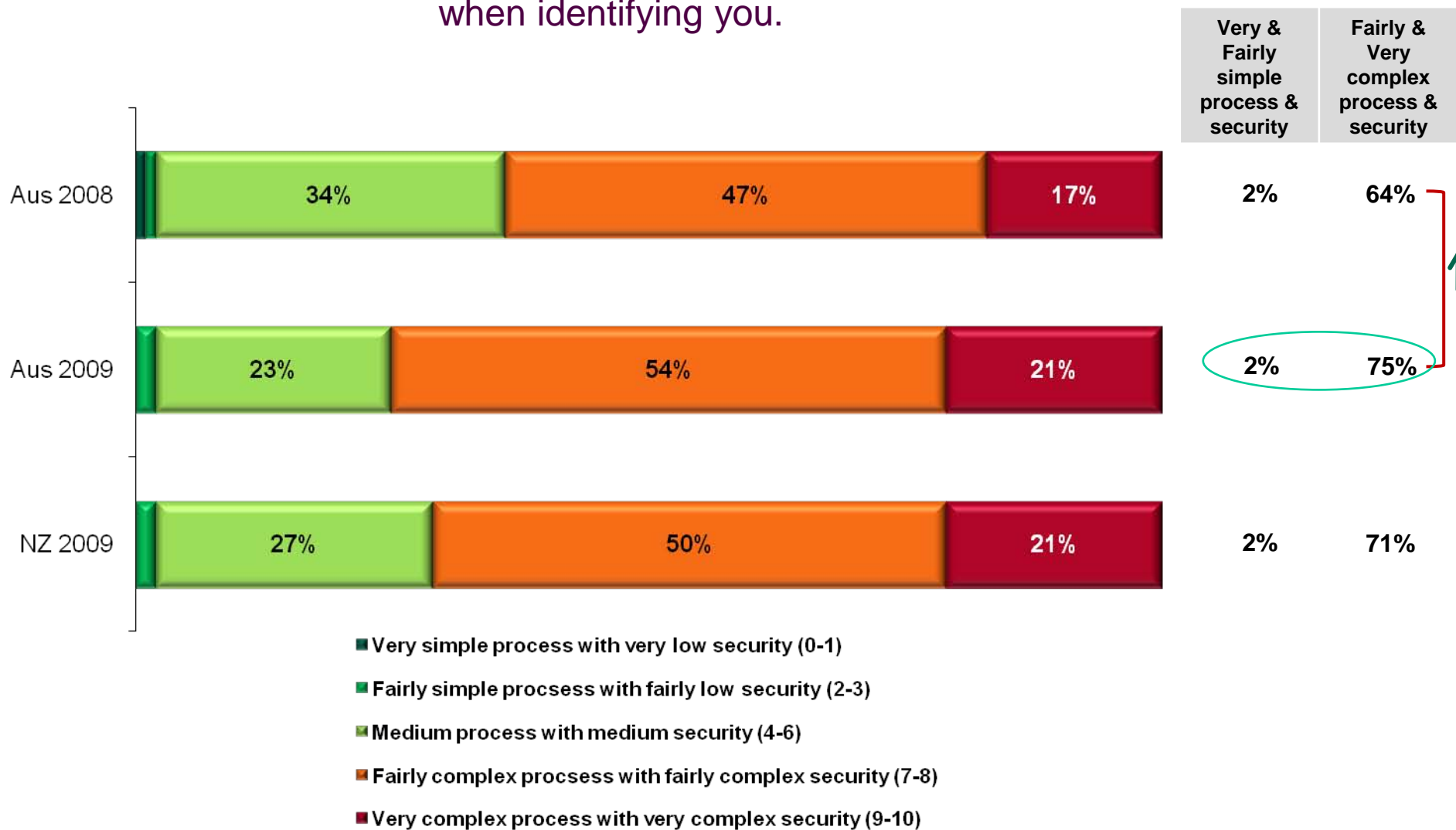
68% of New Zealanders believe their security details are
at risk
= **8.30 million** vulnerable PINs and Passwords in the
New Zealand market

8.5 million vulnerable accounts



Security vs. convenience

Please rate how simple or complex a process you would ideally like organisations to use when identifying you.



Aus 2008 n=216; Aus 2009 n=203; NZ 2009 n=215

N.B: Arrow indicates statistically significant difference between groups

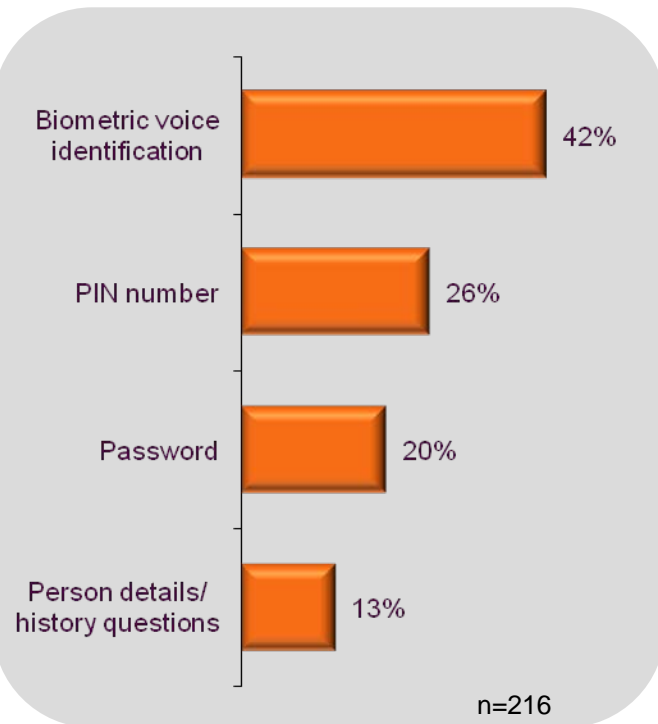
What do you think is the order of preference for identification processes customers would like organisations to use?



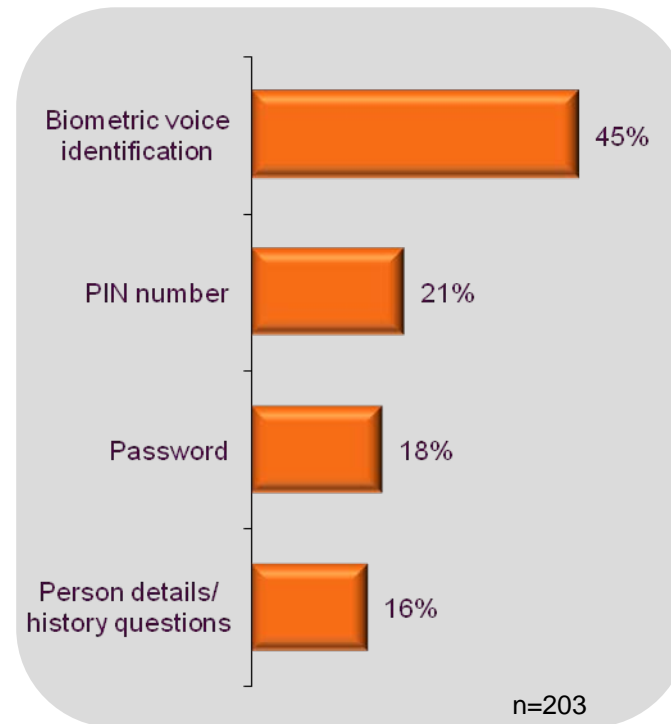
Identity verification preference

First preference identification processes

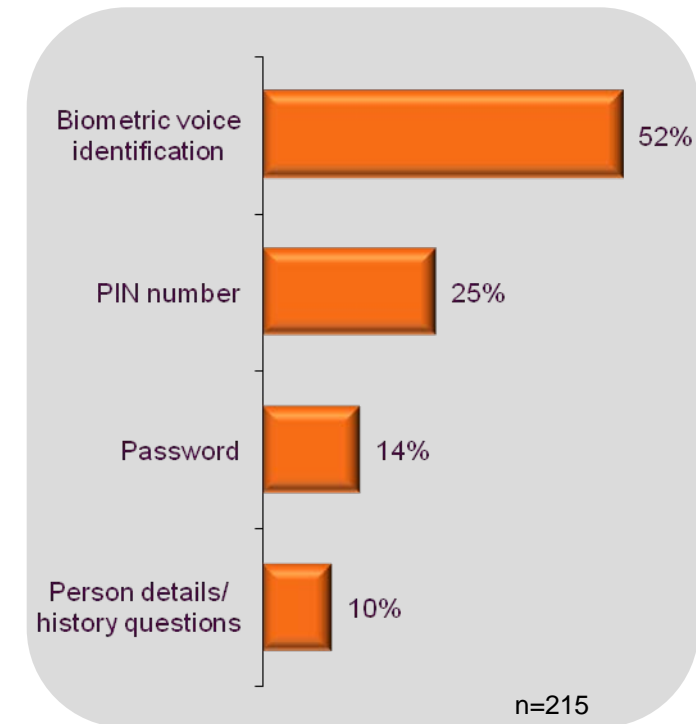
Australia 2008



Australia 2009



New Zealand 2009



Key Insight #1

In this era of greater risk and exposure to identity fraud and theft, consumers appear to be becoming more concerned with issues of security and sharing personal information.

Key Insight #2

The majority of both Australian and New Zealand consumers would feel more secure with an organisation that uses biometric voice identification processes than organisations that use more traditional processes such as a PIN or password to identify their customers.

Key Insight #3

Given the majority of consumers are required to remember security details, such as a PIN or password, for multiple organisations, this raises the issue of forgetting security details and therefore being required by an organisation to supply additional personal information in order to verify identification – something consumers would like to avoid.

Key Insight #4

There is considerable frustration among consumers at having to remember multiple PINs and passwords when dealing the various organisations they are customers of.

Key Insight #5

An increasing number of consumers in the Australian market believe that conventional forms of identity verification, such as PINs, passwords and SMS confirmation, are becoming more vulnerable to fraud, theft or miss-use.

Key Insight #6

Concerns about the use of more traditional verification methods are focussed on the ease with which the personal information could be guessed, the possibility of information being stolen and the use of technology to hack information.

Key Insight #7

There are approximately 43.72 million PINs and Passwords in the Australian market that are considered by consumers as vulnerable or at risk to theft.

Key Insight #8

Highlighting the public's caution towards the more traditional methods of identity verification, biometric voice identification is easily rated as the most preferred method of confirming identity.

Key Insight #9

In order to protect themselves from the perceived lack of security around the identification process, consumers would like to see a shift towards more complex processes with increased levels of security.

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