



€11 MILLION PROJECTED YEARLY SAVINGS WITH NFC DOCUMENT VERIFICATION



BankID is a net-centric digital identity solution provided by Norwegian banks and is used by 4.7 million of Norway's 5.5 million citizens and residents. BankID allows them to securely verify their identity online for a range of services or to securely sign documents.

To get BankID, you need to verify that you are a real person and part of the national population registry with a valid Norwegian or other nation's identity document. BankID had two variants: BankID mobile and BankID net-centric.

BankID mobile, which involved use of a private key stored on the phone's SIM card bound to a person's identity, has been phased out in favour of the BankID net-centric. BankID net-centric, from now on referred to as BankID in this case study, is a centrally stored credential protected by two factor authentication.

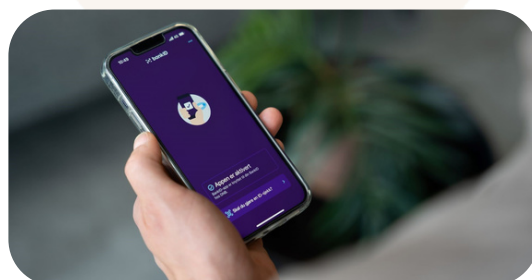
The authenticators are a knowledge element (password) and a possession element in the form of a physical code generator or a bespoke iOS/Android app with a device-bound credential.

THE CHALLENGE

The closure of BankID mobile in 2023 led to a situation where users who lost their authenticators were left with no alternative means to prove who they are remotely at a sufficient level of digital assurance.

BankID were facing high contact centre costs and a time-intensive process during the account recovery procedure. If the user wanted to reset their password, the process of waiting for a contact centre agent and answering security questions took an average time of 10 minutes, a huge cost to both the users and the banks.

Therefore, BankID BankAxept (Bidbax), the organisation behind BankID, decided to transition to self-service account recovery by creating a seamless and fast way for end users to verify their identity remotely at the highest level of assurance. To do so, they needed a form of identity document verification that fulfilled eIDAS High requirements.



THE SEARCH FOR THE SOLUTION

Optical document verification technologies were dismissed due to cost and security concerns. **“With optical there is no guarantee that the image is real and has not been replaced,”** said BankID Product Manager Ove Morten Stalheim.

The rise of generative AI, and the knowledge that large ID document databases are sold on the dark web, meant fraudsters could easily bypass optical checks with a manipulated image. These concerns led Bidbax to research alternative methods of identity verification.

Norwegian police document forgery specialists advised that document defences such as holograms are easy to fake, but the cryptography used in NFC chips remains unbroken. Biometric matching and liveness detection are also critical defences against stolen document abuse.

NFC document chip authentication aligned perfectly to BankID's standing as a Public Key Infrastructure solution. The cryptography in NFC chips verifies data integrity, authenticity, and detects any cloning attempt.

The use of an attested document as a possession element of the user also raises a barrier to scalable remote injection attacks on the facial biometric component of BankID's remote identity verification.

The solution Bidbax selected also needed to be eIDAS compliant to the eIDAS High assurance level, and after extensive vulnerability modelling, NFC chip verification and facial biometrics were selected for remote self-service verification owing to its ability to defend from scalable attacks.

“We needed that dialogue between the device and the document chip - NFC is the only physical document verification that works remotely.” Success for Bidbax in implementing self-service account recovery would mean a significant reduction in contact centre call volume and time taken during the password reset process. Higher conversion rates would offer proof of an improved user experience. The selected solution needed to also fit BankID's core value of centralisation and be easily implementable across all participating banks.

After full technical and regulatory assessment, the next step was to gain executive sponsorship at the level where IT spending and contact centre costs converge. The project would affect customer satisfaction and potential fraud, so it was vital to establish KPIs and balance the trade-offs between customer friction, ID issuer cost, and security.

“TOTAL NUMBER OF CALLS REGARDING BANKID HAS DROPPED BY 35 % PER MONTH FROM LAST QUARTER OF 2024. SELF -SERVICE ACCOUNT RECOVERY HAS MADE A BIG CONTRIBUTION TO THIS. BOTH CUSTOMERS AND AGENTS ARE HAPPIER WHILE WE HAVE MADE HUGE SAVINGS.”

Eika issuer of BankID
Erlend Sundvor, Director
Payments and Infrastructure

THE SOLUTION

Bidbax already used ReadID in their onboarding process. Once Norwegian financial regulators had approved the use of document chips for account recovery, Bidbax quickly implemented ReadID into their account recovery flow also.

Understanding the user journey and the possibilities of ReadID paired with an easy implementation process was key to delivering low customer friction for Bidbax. Bidbax's development team joined Inverid's Customer Success team in the Netherlands HQ. Through this collaboration, Bidbax gained in-depth expertise on implementation and NFC chip reading to build the optimal user experience for self-service account recovery.

"THE CHIPPED DOCUMENT IS THE MOST CRITICAL PART OF THE PROCESS. WE WILL NEVER GO BACK TO THE OLD WAY OF ACCOUNT RECOVERY."

Ove Morten Stalheim,
Product Manager,
BankID Norway

THE RESULTS

Following integration of ReadID, BankID issuers saw password reset drop from the number 1 reason for contact centre calls to number 4, and 70% of users have switched to the self-service flow, creating an annual operational outcome value of around €11 million when fully adopted by all BankID issuers. This is accounted for almost equally by operational cost savings and customer satisfaction. 3.7 million users now use the BankID net-centric app for authentication.

"The number of false rejections is really low, and we see first-attempt conversion rates of 90%, which is at the top level." - Ove Morten Stalheim

By using ReadID to create a secure self-service account recovery process, BankID have improved their user experience and reduced the time taken for password resets by funnelling the majority of their users to the remote flow. The benefits of this are felt throughout BankID as contact centre staff see a large reduction in calls and users recover their accounts in less than half the time of the original method.

