

GLOBALGATEWAY®

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# Verifying ID documents effectively

End-to-end solutions  
with global reach



Trulioo®

# Getting the best results from ID document verification

## In-person versus online

Traditionally, ID document verification has required an in-person interaction, with the customer coming to a physical location to have their ID checked. This process can be slow and inconvenient for both the customer and the business.

As commerce is increasingly online, digital ID document verification is progressing from an innovative competitive advantage to a necessity. In the digital scenario, photos of ID documents and document holders are verified, either by humans or by software, through automated workflows that check the authenticity of the document.

The global economy is in the midst of a full-blown digital transformation, and identity proofing is the catalyst for ensuring trust online and protecting against fraud, risk and financial crime.

Identity documents — such as passports, driver's licenses and identity cards — currently play an important role in identity verification, straddling the narrowing gap between physical and digital worlds.

The increasing demand for speed, convenience and security from today's mobile-first customer has driven organizations worldwide to adopt new technologies that enable digital identity verification in real time.

## Why verify ID documents?

The hybrid nature of ID documents means that they present both difficulties and advantages when used for verification purposes. Here's a breakdown of reasons why a company might choose ID document verification instead of or in addition to other forms of verification.

### Reduce the risk of fraud

In this era of significant and frequent data breaches, personally identifiable information (PII) is no longer as private as it was before internet use became common. Social media and location tagging have led to people voluntarily sharing more data about themselves than ever before.

For companies that have higher risks and more severe consequences of fraud, such as financial institutions and gaming operations, ID document verification makes it more difficult for fraudulent customers to get through. Even if a criminal has obtained someone's name, address, date of birth and other PII, stealing or forging an ID document presents a much greater barrier to successful impersonation.

ID document verification provides additional protection against fake documents as well. Humans or software can compare the submitted ID to official document templates and check for differences, digital tampering, and discrepancies between the visible data and the data encoded in the machine-readable zone (MRZ).

Finally, biometric authentication can reduce the risk of accounts being opened with stolen ID. Humans or facial recognition algorithms compare a selfie of the person submitting the ID to the photo on the ID to make sure that they match, which provides reassurance that the account opener is also the owner of the ID.

### Increase trust and safety

For online marketplaces, social media platforms and other exchanges, ID document verification can help create a thriving community, where members feel safe interacting with each other.

New users who have to submit their own ID documents are reassured that the company is taking appropriate steps to verify people when they join, which creates a stronger sense of trust. The company itself reduces its risk of admitting bad actors who are looking to exploit the exchange and its members.

### Comply with AML/KYC regulations

Regulated entities need to ensure that they are following the requirements for Anti-Money Laundering (AML) and Know Your Customer (KYC) processes in their jurisdiction.

Depending on the regulations, ID document verification (either in-person or online) can satisfy these regulatory requirements.

For example, in Canada, FINTRAC allows financial institutions to perform identity verification based on documents that are “authentic, valid, and current.” This definition enables the use of ID document verification performed online with digital images as a fully compliant process to help establish identity.

Many regulations use a risk-based approach, so they don't specify exactly whether ID document verification is permissible or not, but rather the assurance level that it fulfills. Regulated entities must perform their own risk-based assessment for each market in order to determine what type of identity verification matches their risk profile.

# Challenges in implementing ID document verification

ID document verification is not usually the simplest way to verify customers, although it can provide more protection against risk.

Working with physical documents creates some practical obstacles that can impact the customer experience. Here are a few of the challenges to consider when employing ID document verification.

## Deterring bad actors without losing legitimate customers

It is important to balance 1) ease and speed of onboarding with 2) the effectiveness of the ID document verification process. Keeping onboarding as convenient as possible helps minimize abandonment — companies don't want potential customers giving up halfway through account creation because it's taking too long or requires too much effort.

But onboarding also needs to achieve the desired amount of risk reduction by optimizing match rates and keeping out bad actors. If the process is so quick and simple that it leads to too many false positives (letting in criminals) or false negatives (keeping out legitimate customers), then it's not an effective verification process.

For higher-risk use cases, ID document verification offers the right amount of friction during onboarding. Submitting ID documents is more involved than just entering identity data, which can discourage bad actors from trying to establish fraudulent accounts. On the other hand, offering up ID for verification is a use case that consumers are familiar with, and the process can be fairly quick and easy when image capture and processing are implemented well.

## Capturing high quality images

To verify ID documents remotely, rather than in person, the document images and selfies must be captured digitally so they can be transmitted to the verification service.

Customers usually find it cumbersome to scan or photograph documents to be uploaded or emailed as separate files. This multi-step workflow can put off even the keenest users.

For effective verification, the document images need to be of high quality. That means there should be minimal glare that would obscure parts of the document. As well, the entire document needs to be captured, with no elements cropped out or excluded from the frame.



Building image capture functionality from scratch can be difficult and time consuming. Many businesses opt to use an SDK from a document verification provider, which can be integrated into their existing digital infrastructure. Some document verification vendors claim to have global coverage, but in reality they excel only in specific regions or countries. To have a truly global solution, a business would have to integrate more than one SDK, which would create additional effort and complexity.

### Keeping images and PII private and secure

The ID document images and their associated PII are subject to regional privacy regulations and must be handled securely and compliantly. These regulations can stipulate how the images and PII are collected and transmitted, where and how long they are stored, and how they are used. Failing to comply with privacy regulations can result in costly fines and damaged corporate reputations.

### Customizing the identity verification workflow

ID document verification is just one method for performing due diligence on customers. Identity data verification (IDV) and business verification can also serve an important role, as they have their own use cases and benefits. Companies that need to customize their verification workflow with multiple services, verification providers, and data sources may find it demanding to vet and integrate multiple technologies whose options are too limited to fulfil all their needs.

As companies grow and regulations evolve, an identity verification workflow also needs to adapt to new markets, new methods of fraud and risk intelligence, and new verification requirements.

For example, verifying ID documents in one country can usually be done well by one document verification provider that specializes in coverage for that country. But companies that have an established international presence or are looking to expand may need to pick and choose among multiple providers to get the best coverage in specific regions.

Fraudsters are constantly finding novel ways to impersonate people and sidestep due diligence. Regulations can become more stringent, requiring additional verification steps or stricter requirements, or updated to allow for new technological solutions. In each of these situations, it's a challenge to modify an existing identity verification workflow so that it continues to manage fraud risk and complies with regulations.

# What does an end-to-end ID document verification solution look like?

To take legitimate customers through a quick and successful ID document verification, the solution needs to include components on both the front and back end.

## Front end

The **user interface** for ID document verification needs to include clear instructions and the appropriate form fields for any user-submitted data.

Built-in **image capture** functionality avoids the friction of asking users to upload images they've scanned or photographed outside the onboarding process.

- Typically, image capture makes use of a **camera app** on the user's computer or mobile device to snap a photo of the front and back of the ID document, as well as a selfie
- **Real-time user prompts** also help boost image quality. For example, a user could be directed to change the angle of the camera to reduce glare or to move the camera back to capture the full document

## Back end

The document images and selfies are submitted to an **ID document verification provider** that performs the verification and authentication.

- Some providers offer **manual verification**, where a human visually examines the document images to determine whether the ID document is valid and legitimate and whether the selfie matches the person pictured on the ID
- Other providers offer **automated verification**, where the document images are assessed by software against a database of document types and characteristics. These providers may also perform automated authentication with facial recognition algorithms



A comprehensive back end also offers **optical character recognition (OCR)**, where the data on the ID document is scanned and converted to digital text that can then be used in the onboarding process or for further identity verification.

To combine ID document verification with identity data verification (IDV) for additional security, the back end must have connections to **trusted IDV data sources** containing PII such as name, address, mobile phone number, and date of birth.

An **API** handles the exchange of images and results between all parties involved: the users, the business itself, and the identity verification services.

A **web portal** or dashboard offers the ability to run one-off verification checks outside of the API process, and it gives access to configuration, analytics, and documentation.

## How GlobalGateway ID Document Verification addresses the challenges

ID document verification is powerful technology for verifying identities online. But not all providers are created equal. Some offer “global” document verification, but does that mean they can deliver the best results in every country you need?

Trulioo GlobalGateway is different — it was built specifically with global customers in mind. By leveraging a marketplace of independent data sources and integrated identity services worldwide, you can substantially increase your ability to reduce fraud, ensure compliance and build trust online.

The unique advantage of GlobalGateway lies in its marketplace approach to identity verification services and data sources. GlobalGateway provides ID document verification, identity data verification, business verification and watchlist screening all in one platform, allowing you to choose from among hundreds of data sources and multiple document verification providers.

Thus, you can customize the ideal verification workflow for your current situation, and adapt that workflow for future growth and regulatory changes, all with minimal integration and engineering effort.

Here are a few examples of how the GlobalGateway marketplace provides specific advantages for ID document verification.

### One image capture SDK gives you access to multiple document verification providers

- The GlobalGateway image capture SDK can be integrated in a matter of minutes, giving you excellent quality capture capabilities with fully mobile workflows
- Trulioo can also provide guidance for building a desktop-to-mobile workflow, which avoids the lower quality results from web cams
- But unlike any other solution, one SDK can be used to capture images for multiple document verification providers that have partnered with Trulioo

### Route transactions to the best document verification provider

- GlobalGateway optimizes document verification performance by routing verification requests to the best provider per country
- GlobalGateway can dynamically route manual verification transactions to the provider with the shortest queue to minimize wait time
- Choose manual or automated document verification depending on your use case, and reconfigure if your needs change. You can also waterfall from automated to manual in order to maximize overall automation without sacrificing the enhanced manual check

### Combine verification services for better risk management and smoother onboarding

- Using OCR, GlobalGateway can extract identity data from ID documents and verify it against trusted independent data sources. This extra verification step further helps to detect fraud by making sure that the person really exists and identifying counterfeit ID documents
- The identity data can also be screened against global watchlists and sanctions lists
- Verifying both ID documents and identity data requires no extra time or effort from your customers when they create accounts, so it decreases risk without increasing friction
- Standardized fields allow you to define and apply rulesets that are vendor-agnostic (that is, not specific to the verification provider), which ensures consistent security. Results from verification providers are mapped to standardized fields

## Conclusion

For companies with international reach and complex verification needs, the ability to access providers and data sources in multiple countries and customize workflows is a strong business asset and proof against future changes.

GlobalGateway delivers a holistic layered approach to identity verification to give you the most effective results:

- Onboard real customers faster
- Turn away fraudsters and bad actors
- Provide exceptional user experience to reduce abandonment
- Operate more efficiently

ID document verification offers powerful technology to verify identities online. Leveraging a global marketplace of independent data sources and integrated identity services substantially increases the ability to reduce fraud, ensure compliance and build trust online.

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**To see how GlobalGateway ID Document Verification can help verify customers with speed and optimal results, please contact Sales to [schedule your live demo](#).**

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