



Accertify
AN AMERICAN EXPRESS COMPANY



When Nationwide Building Society introduced banking app authentication, adoption rate was about 32%.¹ With Accertify, adoption has increased to over 70%.²

^{1,2} Based on client data 2022.

Customer Overview

NBS is the world's largest building society as well as one of the largest savings providers and a top 3 provider of mortgages in the UK.¹

It is also a major provider of:

- ✓ current accounts
- ✓ credit cards
- ✓ ISAs
- ✓ and personal loans

NBS has around 15 million members.²



¹ <https://www.microfocus.com/media/case-study/nationwide-building-society-cs.pdf>

² https://en.wikipedia.org/wiki/Nationwide_Building_Society



The Situation

When Payment Services Directive Two (PSD2) and Strong Customer Authentication (SCA) regulations were enacted, NBS was one of many financial organisations throughout the EU that began looking for solutions to help them comply with the new rules.

Fraud management is a big concern for financial institutions like NBS. Emerging market trends showed that device as a factor would be important. NBS knew it was essential to select a solution to minimise authentication-led friction for customers using mobile banking. The NBS management team knew this was the only way they could retain its customer base and maintain its competitive position in the marketplace.

NBS chose to host the solution in its own data centre to reduce risk whilst introducing a new service. The team also wanted to work with a provider that could help ensure the security of members' device details and other client data.



The Solution

Prior to Accertify, NBS used two-factor authentication (2FA), one-time passwords (OTPs) and passcodes that were less secure and easier for fraudsters to socially engineer. The fraud management team evaluated various solutions but found that most were immature and in the early stages of development. The team wanted a robust, proven solution to support its flagship servicing capabilities.

Mobile-as-a-Factor (MaaF) was central to the NBS authentication strategy and a critical piece of SCA compliance. NBS opted to use MaaF to authenticate almost all banking app transactions in conjunction with a biometric credential to complete (2FA). For members, this meant less friction without compromising security.

NBS selected Accertify to help ensure a secure environment and a great user experience. Accertify accurately identifies mobile devices to enable “member-to-device” binding. This allows the device to be a “possession element” (something a user has) in a 2FA instance. Accertify also scans the device for malware and assesses the overall integrity of the device (root detection etc.) to help discern whether the device is secure - another PSD2 compliance requirement.



Implementation

Implementation included an extensive discovery phase and numerous workshops to define the best possible utilisation of the solution.

The Accertify team provided white glove implementation service throughout the process and worked closely with the NBS project management team from inception to go-live.

Accertify also ensured NBS had access to its device intelligence experts throughout the project, which enabled them to fully utilise Accertify Device Intelligence from the beginning of the Request for Proposal (RFP) process through deployment.

The team held weekly meetings and twice-weekly syncs at critical phases, plus ad-hoc technical review meetings required by NBS. The Accertify team supported NBS at every stage of the project and any concerns were addressed in a swift manner.

NBS uses Accertify Device Intelligence for MaaF for PSD2 compliance purposes. In addition, Accertify's device solution provides malware, crimeware and root/jailbreak detection. As part of the ongoing service, Accertify supports the regular updates required from iOS and Android operating systems.



Results

Since implementation, NBS has an effective MaaF solution that is central to its eCommerce response to SCA. Members can authenticate online card payments in the banking app much more securely than they could with 2FA and OTPs alone.

Customer feedback indicates they appreciate the enhanced security and the increased acceptance rates support this. When NBS first introduced banking app authentication, they saw an adoption rate of about 32% - this rate has now increased to over 70%.¹

Since NBS has met PSD2 compliance obligations, the company will continue improving and enhancing authentication capabilities. One priority is creating a dynamic, risk-based approach to authentication by better utilising Accertify's device data. The NBS management team feels that incorporating the data into the company's risk decisioning process will make it possible to vary authentication friction levels by transaction type and the amount of risk involved.



We held the Accertify team accountable for exercising an extremely high level of competency because the MaaF initiative was, and still is, very important to NBS's authentication strategy. They met our needs and delivered as promised." *David Gordon, Senior Product Owner*

¹ Based on client data.





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