

The Differences Between Identification, Verification, and Authentication

With the rising increase of globalization, there is a high rate of data breaches, compliance mandates, and identity theft, making it difficult for organizations and industries to establish trust online.

From the identification of a customer to ensuring the person logging into or using your online services is the person you think they are, there has never been a more urgent need to get it right. Identification, verification, and authentication each play a role in your ability to keep your online channels free from fraud, maintain compliance with KYC/AML (Know Your Customer/Anti-Money Laundering) and other identity-related regulations, and deliver a positive customer experience.

In this article, we will clarify the differences between identification, verification, and authentication. This article will expose your mind to how you can apply it to your business.

IDENTIFICATION

Identification is the ability to uniquely and independently identify a user that is in the system. It is the process of presenting an identity to a system. Identification answers the "who are you?" question; this could happen by you showing up in a particular system, picture, or document. A good example is a driver's license or a passport.

In most online transactions, consumers identify themselves by inputting their name, contact number, or email address on a web form. If users are purchasing an item online, they might have to provide their credit card details and billing address. Identification can also take the form of providing a username during the login process, placing your finger on a scanner, giving your name on a guest list, or any other format in which you claim identity to gain access. This only needs to occur once per authentication or access process.

For business owners, it is advisable not to rely on the identification process alone; this can be likened to having a username without a password. It's always safe to be sure of the person you are interacting with and make sure they are whom they claim to be. This is where verification comes in.

VERIFICATION

While Identification asks, "who are you?" verification takes it one step further and asks, "are you actually whom you say you are? In simple terms, verification means to ensure the information provided by an individual is accurate and is associated with a particular individual. Meaning, yes, this is a person's date of birth, or address, or password, Etc. It does not verify the actual

person, just the information. Companies and organizations use this verification method to prove that you exist by checking electoral registers, the credit bureau, trusted databases, Etc.

AUTHENTICATION

Authentication is the ability to prove that a user or application is who or what it claims to be. This could be by asking dynamic Knowledge-Based Authentication questions that would be difficult for a different individual to answer. That individual must answer the questions correctly to be able to access the account/application, or a one-time password is sent to their mobile phone. Biometrics has made this process easier for customers and safer for businesses.

These terms may seem similar, especially when they are applied in one transaction. However, they have their differences. The primary difference between them is that identification relates to the provision of identity, verification confirms that all the information provided by an individual is accurate, while authentication relates to the checks made to ensure the validity of a claimed identity. Simply put, the identification process involves claiming an identity; the verification process is the linking of an individual to the information they provide, whereas the authentication process involves proving that identity.