

Media Release

Biometric authentication favoured by Asia's Top 1000

(10 January 2018 – Singapore) Biometric and pattern-based authentication are rapidly gaining acceptance among Asian corporates amid rising concern over identity theft and fraudulent activity, new research by East & Partners Asia has found.

Nearly a third of all large corporates across Asia believe biometric, which uses a consumer's unique biological traits including finger print, voice, face and iris to verify their identity, is far more secure and expect to use it in the near future - a big jump up from the 3.2 percent who currently use it.

This is in part due to the proliferation of biometric technologies in consumer mobile devices such as fingerprint scanning capability, allowing consumers to grow accustomed to the technology.

A further 15.8 percent prefer a behaviour analytics approach that relies on distinctive patterns derived from user's keystroke, swipe or mouse movements. This indicates that Asian corporates have a receptive attitude toward new technologies, especially when it comes to payment authentication methods.

The research is based on direct interviews with 947 chief financial officers (CFOs) and corporate treasurers from the Top 1,000 institutions across ten key markets in Asia including China, Hong Kong, India, Indonesia, Malaysia, the Philippines, Singapore, South Korea, Taiwan and Thailand.

The results of this research have been released prior to the [East & Partners Asia Open Markets Briefing](#) on 16 January 2018, at which additional insights to these payment market dynamics are being presented.

According to the research, passwords are gradually becoming a thing of the past. While two in five CFOs in Asia say they are comfortable with using password to secure payments, most do not foresee continued use in the future, signalling a significant shift in security culture.

A similar trend is evident in approaches using security tokens and one-time access codes, the predominant authentication system used in corporates accounts, but to a lesser extent. In the near future, only 38.9 percent of corporates in Asia will choose these traditional authentication methods – down from 52.7 percent today.

Token and verification code use will remain common, but as new authentication methods emerge, these will take a back seat. Biometrics and pattern-based authentication will serve as the next layer in multi-factor authentication, supplementing rather than replacing security tokens and one-time access codes.

"For payment service providers, success will hinge on offering a fast, secure and frictionless payment solution without compromising on customer's personal data. The key perhaps lies in grasping a better understanding of the trade-off between convenience, security and privacy needs from a user point of view," said East & Partners Analyst, Sangjiita Yoong.

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About the research

This study is based on primary research conducted by East & Partners Asia in the 4th calendar quarter of 2017. A total of 947 Top 1,000 Asian institutions have been involved, with the individuals responsible for their firms' transaction banking relationships directly interviewed by East & Partners Asia. The Top 100 Institutional segment customers as measured by annual revenues in each of the ten Asian markets were targeted for interview.

The geographical coverage includes China, Hong Kong, India, Indonesia, Malaysia, the Philippines, Singapore, South Korea, Taiwan and Thailand. This study delivers outcomes from this unique and original analysis of large corporate attitudes, behaviours and outlooks towards payments technology.

About East & Partners Asia

East & Partners Asia is a leading specialist market research and consulting firm in the business, corporate and investment banking markets of Asia Pacific, works across 10 countries in the region delivering both multi-client and proprietary market analysis services to two sectors - Financial Services and Travel Hospitality.