Financial Crime and Compliance

SPARK Matrix™:

Identity Capture and Verification, 2023

Market Insights, Competitive Evaluation, and Vendor Rankings

June 2023

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Executive Overview

This research service includes a detailed analysis of the global Identity Capture and Verification solution market dynamics, major trends, vendor landscape, and competitive positioning analysis. The study provides competition analysis and ranking of the leading Identity Capture and Verification vendors in the form of the SPARK Matrix™. This research provides strategic information for technology vendors to better understand the market supporting their growth strategies and for users to evaluate different vendors' capabilities, competitive differentiation, and market position.

Market Dynamics and Overview

Quadrant Knowledge Solutions defines Identity Capture and Verification as:

"Software that verifies and authenticates the user in real-time to prevent impersonators from committing fraud. In digital identity verification, the solution connects and collates data from government databases, utilizes liveness detection methods including biometric verification and facial recognition to determine the genuineness of the individual. These solutions verify user identities, control fraud, and meet regulations. "

In today's digital world, it is imperative for organizations to continuously verify an individual's identity, they are dealing with. Organizations are trying to eradicate risk by identifying IT and cyber risks in real time. Traditional identity verification methods such as usernames, passwords, knowledge-based authentication (KBA), and two-factor authentication and secret questions used by KBA solutions are also uncovered through simple social media searches. In addition, 4-to-6-digit codes for SMS-based two-factor authentication have also been intercepted owing to the technological advancements that have enabled fraudsters to successfully breach the security. Hence, FIs are increasingly looking for integrated solutions in a single framework that provides complete identity verification services for financial institutions to seamlessly verify identities while protecting Personally Identifiable Information (PII) and complying with PCI-DSS, preventing identity fraud, while complying with regulations, and minimizing the overall operational costs. Identity Capture and Verification solutions leverage technologies, including artificial intelligence, machine learning and deep learning to accurately authenticate, verify and process large volumes of identities of the users. The solutions also utilize Optical Character Recognition (OCR) technology to extract information from documents including photo image to match the identity of the individual with the selfie. Identity Capture and Verification solutions also comply with various regulations such as KYC, AML, PCI-DSS, and eIDAS (electronic IDentification, Authentication, and trust Services).

Modern identity verification solution utilizes AI and Machine learning backed solutions which provides robust, flexible, scalable, and reliable architecture, enabling organizations to implement the solution based on their unique needs and business requirements.

Some of the major identity capture and verification functionalities include ID verification, document verification, facial biometric verification and liveness detection, expert review, omnichannel support, and such others.

- **ID Verification:** The Identity verification allows enterprises to capture, extract, and analyze ID data to authenticate government-issued identification documents like passport, driver's license, national ID, or biometric recorded on a user's registered mobile phone and aids in determining the genuineness of the individual. Today, a variety of technologies are utilized to acquire and verify identities. Here are a few of the most typical- Optical Character Recognition (OCR) to extract data from identification documents including passports, licenses, and ID cards, Biometric technology is a type of identification verification involves distinctive physical traits, such as fingerprints, facial recognition, or iris scans, Knowledge-based authentication (KBA), Two-factor authentication (2FA) includes using two different authentication methods, such as a password and a text message code sent to a user's phone, to confirm a user's identity, Blockchain technology for safe and decentralized identity management. Also, the feature enables the scanning of passports' Near Field Communication (NFC) chips, Machine Readable Zones (MRZ), and back of driver's license barcodes.

- **Document Verification:** The solution allows organizations to quickly extract critical data from supporting documents like utility bills, credit cards, and bank statements that are scanned from their smartphones and verify them against the data in the pre-verified ID documents to give an additional layer of security. This capability also offers multi-language support and can extract data in Latin-based characters that are written in English, Spanish, French, and Italian.

- **Facial Biometric Verification and Liveness Detection:** The solution offers the ability to extract biometric data from a facial image and create a standard dataset for future reverification. The image from the pre-verified submitted ID is compared with the image taken from a selfie to determine the genuineness of the individual. The liveness detection capability offers the ability to determine the genuineness of the selfie and thwarts spoofing attacks by fraudsters who use the photo, video, or another substitute of the genuine person’s face to bypass the selfie requirement. This capability can also detect liveness by using pupil tracking and iris recognition to detect and prevent digital identity theft and fraud.

- **Data Tagging and Audit:** The solution offers the ability to intelligently tag big data by training machine learning models to tag ID images such as scuffing, hole punch, glare, and more during checks. This tagging helps algorithm-fed machine learning models become smarter, faster, and can recognize patterns automatically. The solution also provides the ability to audit the data periodically to ensure the verification engine is correctly flagging fraudulent IDs and passing

good customers promptly. This audit serves as a dominant check and helps improve system accuracy.

- **Omnichannel Support:** The solution offers the ability to support multichannel implementations, including native mobile apps (SDK), mobile, web, and more. It facilitates users to securely interact with the organization through any platform, channel, or devices like a tablet, smartphone, browser, or app. The solution enables organizations to securely verify or reverify the digital identities of individuals connecting through any channel and provides them a convenient experience.

Competitive Landscape and Analysis

Quadrant Knowledge Solutions conducted an in-depth analysis of major identity capture and verification vendors by evaluating their products, market presence, and value proposition. The evaluation is based on primary research with expert interviews, analysis of use cases, and Quadrant's internal analysis of the overall Identity Capture and Verification market. This study includes an analysis of key vendors, including AU10TIX, Authenteq, Ekata (A Mastercard Company), Experian, GBG, ID.me, Idemia, IDmission, IDVerse, iProov, Jumio, LexisNexis, Mitek, Onfido, Pipl, Thomson Reuters, Trulioo, TransUnion, Trust Stamp, and Xydus (Paycasso).

Jumio, GBG, Onfido, Trulioo, IDVerse, Mitek, IDEMIA, LexisNexis® Risk Solutions, ID.me are the top performers in the global identity capture and verification market and have been positioned as the top technology and emerging leaders in the 2023 SPARK MatrixTM analysis of the Identity Capture and Verification market.

Jumio offers Computer vision, Machine Learning, Artificial Intelligence and biometric-based identity capture and verification solutions through its Jumio KYC Platform to verify the digital identities of new and existing users automatically and instantly. Jumio offers comprehensive and scalable solutions to remotely verify real identity in real-time by utilizing advanced AI and identity experts and curbing identity fraud.

GBG offers an AI-powered identity capture and verification software titled ID3global which uses Optical Character Recognition (OCR), to verify liveness and physical and digital tamper detection. The solution is well integrated with Document Verification solution IDscan that instantly validates the individual. IDscan offers a comprehensive solution that includes IDscan library, physical tamper detection, digital tamper detection, smart capture, forensic document experts, NFC, FaceMatch, and A4 document capture.

Onfido provides AI, ML-powered, and hybrid model-based identity capture and verification The product provides document verification, biometric verification, and facial reverification leverages facial recognition and compares the photo of the government-issue ID with short live video of the who has submitted the ID.

Trulioo offers Identity Verification solution to verify the identities of individuals across channels while ensuring security. The company offers global identity capture and verification products through its solutions which collaborates with in-house solutions including digital identity verification, Identity Document Verification, Image Capture and Passive Liveness check, and Low Code Integration.

IDVerse formerly known as OCR Labs provides identity capture and verification solution which captures the document captured image face image to be used for validation to check the authenticity of the document. The company offers an identity capture and verification solution through its platform solution titled IDV.

Mitek offers an automated, AI/ML-powered identity capture and verification solution titled Mobile Verify to detect identity fraud and verify customers rapidly and more accurately. The solution combines linked and layered automated technologies with forensic experts to effectively capture and verify the identities with high assurance to increase approval rates while ensuring compliance, such as AML, KYC, GDPR, and PSD2.

IDEMIA offers an Identity Proofing platform for data extraction and verification against an authoritative data source. Solution uses biometric and document capture through dedicated hardware.

LexisNexis Risk Solutions offers an identity capture and verification solution titled TrueID® which verifies essential personal information such as name, address, date of birth or social security. The solution is easily configurable and provides robust identity coverage that allows organizations to quickly verify user information and validates whether the person is genuine or not.

ID.me solution leverages machine vision to extract content and uses advanced machine learning technologies for liveness detection. The product provides mobile network operator SIM verification, document verification, facial recognition and biometric matching to effectively verify the individuals.

Vendors such as Thomson Reuters, Experian, TransUnion, and Ekata (A Mastercard Company), are positioned as strong contenders. These companies provide comprehensive service capabilities and are rapidly gaining market traction across industry and geographical regions. These businesses are also aware of upcoming market trends and have developed a comprehensive roadmap to capitalize on future growth opportunities. Furthermore, these businesses are primarily concerned with catering to large and complex organizations.

Thomson Reuters provides identity capture and verification solution titled CLEAR ID Confirm to quickly identify and validate subject identities. The solution allows organizations to compare user information against the constantly updated public and proprietary data to verify the identity and minimize fraud while ensuring compliance. The solution detects false identities by including risk flags such as passport MRZ verification, death records, unwanted SSNs, OFAC listing, and other businesses associated with the same FEIN in searches.

Experian offers an identity capture and verification solution which verifies name, address, email address and phone number that can be checked against existing databases.

TransUnion offers an identity capture and verification solution titled TruValidate. The solution verifies identities using the information provided by the customer which includes credit data, public data, and device data.

Ekata (A Mastercard Company) provides a SaaS based Pro Insight solution which helps organizations to manually review transactions. The solution uses advanced ML algorithms which help organizations manually review transaction, consumer attributes such as phone, email, name, and physical address.

Vendors such as iProov, Pipl, AU10TIX, IDmission, and Xydus are positioned as contenders. These companies provide comprehensive service capabilities and are rapidly gaining market traction across industry and geographical regions. These businesses are also aware of upcoming market trends and have developed a comprehensive roadmap to capitalize on future growth opportunities. Furthermore, these businesses are primarily concerned with catering to large and complex organizations.

iProov offers an identity capture and verification solution which uses a face biometric scan to verify whether the person is genuine or not by matching the image from a photo ID. iProov's Face Verifier authenticates users face against a pre-enrolled biometric template.

Pipl offers an identity capture and verification solution titled Trust Insights, which helps organizations to identify trustworthiness of an identity by checking the email addresses, mobile phone numbers, and social usernames to detect robust integrity signals.

Au10TIX offers a fully automated identity capture and verification solution to verify identities, reduce identity fraud, operational costs, and increase conversions. The solution leverages technologies including deep learning, biometrics, and data science to scan, classify, extract, and authenticate ID documents.

IDmission offers an identity capture and verification solution titled Identity. The solution provides authentication of documents and extracts data utilizing Artificial Intelligence Character Recognition (AICR) technology. The company provides another solution, Identity Plus that allows the user to add a selfie utilizing its unique passive liveness biometric technology. Additionally, the company provides comprehensive identity verification service through its Identity-as-a-Service (IDaaS) to organizations requiring comprehensive Identity suite.

Xydus offers complete identity verification through its product to register for a new account. The solution is leveraged with AI and ML purely algorithm-based verification and authentication derived from government-issued documents that include the face. The product utilizes facial recognition technology to compare the photo on a government-issued ID with a short live video capture of the individual submitting the ID.

Vendors such as Authenteq (Acquired by FNZ group) and Trust Stamp are positioned as emerging aspirants. These companies provide comprehensive service capabilities and are rapidly gaining market traction across industry and geographical regions.

Authenteq (Acquired by FNZ group) provides AI-powered, fully automated eKYC® and identity verification platform. The solution leverages data extraction by Optical character recognition (OCR), the technology can read and decode technology documents from different languages.

Trust Stamp offers an identity capture and verification solution titled Trust Stamp. The solution leverages computer vision algorithms used for information extraction from identity documents and utility bills to pre-fill forms or validate previously entered information. The solution is well integrated with Trust Stamp Capture which captures the live picture, and the document photo is matched against the live facial capture.

Identity Capture and Verification vendors are focusing on improving their technology value proposition to curb identity fraud and account takeover through enhanced detection, prevention, and advanced identity capture and verification solution. Identity Verification vendors are increasingly incorporating machine learning and artificial intelligence technologies to improve the accuracy, speed, and scalability of the Identity Capture and Verification solution. Vendors continued efforts in enhancing the awareness and overall value proposition in terms of enhancing Identity Capture and Verification functionalities to prevent complex fraud attacks are driving the adoption amongst mid-sized and large enterprise organizations across sectors.

A majority of the Identity Capture and Verification vendors are specialized either in providing purpose-built on-premises or cloud-based identity verification solutions. Considering the rapid market growth and adoption of cloud-based identity verification solutions, Identity Capture and Verification solution providers have either built capabilities or are partnering with cloud-based service providers for integrated offerings to support hybrid deployments.

Key Competitive Factors and Technology Differentiators

The following are the key competitive factors and differentiators for the evaluation of Identity Capture and Verification solutions and vendors. While a majority of Identity Capture and Verification solutions may provide all the core functionalities, the breadth and depth of functionalities may differ by different vendors' offerings. Driven by increasing competition, vendors are increasingly looking at improving their technology capabilities and overall value proposition to remain competitive. Some of the key differentiators include:

The Sophistication of Technology Capabilities: Cybercriminals are taking full advantage of the availability of cutting-edge technology to carry out increasingly sophisticated crimes. Therefore, organizations are emphasizing robust and effective Identity Capture and Verification solutions which can ensure compliance and prevent frauds & risks. Users should evaluate an Identity Capture and Verification platform that offers end-to-end automated identity verification capabilities. The platform should offer key modules, including ID verification, document verification, facial biometric verification and liveness detection, a hybrid approach using AI and human intelligence, and omnichannel support. Most of the vendors are offering these functionalities and continue to invest heavily in further enhancing their platform with AI, ML, and Automation technologies.

The platform should also offer tools for risk management and continuous monitoring while helping organizations to meet the necessary regulatory and compliance needs. An Identity Capture and Verification platform must enable organizations to identify risks by utilizing the risk-based approach to verify the user in the identity verification. Organizations may evaluate Identity Capture and Verification platforms that offer a robust workflow automation capability, including e-signature support, downstream authentication, and fraud detection capabilities to support the digital identity lifecycle covering both pre-and post-onboarding, data privacy and audit trails.

The platforms also support KPIs such as average response time of verification and error rates under the industry benchmark, verification capabilities, orchestration and coverage including flexibility and scalability, region-wise verification coverage for a few documents, full coverage of multiple verification methods, generate alerts on associated risks, help identify and prioritize risks, and ensure compliance adherence. Additionally, the vendor’s customer value proposition may differ in terms of ease of deployment, ease of use,

price/performance ratio, support for a broad range of Identity Capture and Verification use cases, and global support service.

The Breadth of Identity Capture and Verification Solutions: Users are advised to conduct a comprehensive evaluation of different Identity Capture and Verification platforms and vendors before making a purchasing decision. Users should employ a weighted analysis of the several factors critical to their specific organizational requirements and industry verticals. User organizations' requirements of key Identity Capture and Verification features may differ based on industry vertical, horizontal processes, compliance requirements, user size, and such others. Users should also look for an Identity Capture and Verification solution with a history of successful large-scale deployments and carefully analyze the existing case studies of those deployments. This should form the basis for preparing best-practice for Identity Capture and Verification deployments. Identity Capture and Verification technology capabilities differ between different vendors' offerings in terms of ease of deployment & use, workflow management, and process automation capabilities, ease of customization, scalability, security, technology integration, analytics & reporting, support for a broad range of use cases, and such others. Based on our continuous feedback from a wide range of customers, most of the Identity Capture and Verification Platforms customers face challenges related to long implementation, the overall usability of Identity Capture and Verification solutions, lack of flexibility in making changes, issues related to configuration versus customization to suit their organization-specific processes, and such others. Additionally, customers also face challenges like expensive identity verification solutions, difficulty in deciding the accuracy of identity verification, data accessibility and management issues, and conforming with data protection and privacy regulations.

Video Verification: Video verification employs an AI-powered algorithm to analyze and authenticate the government-issued ID provided by the user. It captures a real-time selfie using liveness detection technology and compares it with the photo on the ID to ensure identity verification. Additionally, the video verification process can be recorded and submitted to financial institutions as evidence of KYC compliance.

Document Library: The solution interfaces with a database that stores document images and data to verify identity and authenticate the genuineness of individuals. Certain vendors maintain this library to enhance the efficiency and accuracy of verification processes. These vendors capture data from IDs and documents and store it as datasets in their repositories.

Workflow Management: Workflow management helps in enabling data collection and facilitates enterprise collaboration, communication, configurable notifications with

customized messaging, communications, accountability, reviews, and remediation. The ease of creating and changing an existing workflow is an important technology differentiator for the Identity Capture and Verification platform.

Blockchain Becoming Go-To Technology: Few organizations are embracing advanced technologies to automate and improve identity verification processes. They achieve this by establishing a decentralized and secure system for managing digital identities. Identity systems based on blockchain technology can also facilitate cross-border identity verification, which is crucial in today's globalized society. Identities may be validated across several countries and jurisdictions via blockchain, making the procedure more seamless and efficient. Blockchain technology also ensures the security of the process of record-sharing. Traditional methods like usernames, passwords, Knowledge-based Authentication (KBA), and two-factor authentication (2FA) are no longer secure as fraudsters have easily been able to hack them through the dictionary and brute force attacks.

Organizations are adopting decentralized identity solutions enabled by blockchain technology, offering users increased privacy and control over their personal information. These solutions provide auditable, traceable, and near real-time verifiability of user data, benefiting businesses with enhanced security and streamlined operations. The blockchain-based solution is platform-independent, interoperable, and leverages robust algorithms to validate identities. Furthermore, it enables users to share crucial data only with their explicit consent.

Maturity of AI, ML, and Advanced Analytics: The application of AI and machine learning has emerged as the most important trend across all enterprise and business systems to transform operations and provide intelligent insights. Users should evaluate vendors' existing maturity as well as the roadmap around these technologies. Identity Capture and Verification platforms' capabilities differ significantly by leveraging AI and machine learning capabilities. Leading Identity Capture and Verification vendors are utilizing the powerful capabilities of AI in unifying a large volume of disparate data, identifying process anomalies or irregularities, identifying, and predicting risks, and such others.

Global Regulations and Compliance Requirements Becoming Increasingly Complex: Various factors, including the increase in new ways of identity theft, increasing costs to maintain legacy solutions, and increasing automation in identity verification, are transforming the identity verification landscape. The regulations are becoming more complex globally, and organizations must focus on creating strong security infrastructure and implementing the best practices. Various compliances such as PCI-DSS, KYC compliance, and AML compliance help organizations upgrade security, protect identity

verification processing, manage risks, prevent information theft or misuse, as well as avoid fraud and risk that may result in huge penalties and negative publicity. Moreover, advancing regulations are compelling organizations to redefine their KYC processes and drive the identity verification market.

As global identity verification is growing rapidly across industries, organizations are expected to face complexity while achieving compliance. According to GDPR, the organization must ensure that the enterprise data is gathered legally. Furthermore, the organizations must monitor and protect the data from misuse and exploitation. Failure to do so will attract huge penalties. Thereby, organizations are required to be accountable for all sensitive data in their possession and its access. Due to these stringent regulations, global organizations are implementing robust identity verification solutions to avoid and prevent security breaches and strengthen compliances with global regulations.

Integration and Interoperability: Seamless integration and interoperability with vendors' existing technologies are among the crucial factors impacting technology deployment and ownership experience. An Identity Capture and Verification platform should offer seamless integration and interoperability with other modules in the vendor's portfolio to provide a comprehensive identity verification experience.

The platform should be able to support multiple deployment types such as an SDK or APIs as per their use cases. It should also offer real-time processing and provide instant verification results. The platform providers should be able to access unified data sources required for identity verification by seamlessly integrating with third-party data providers and partners like government databases, international watchlists, credit bureaus, or even mobile network providers to curb fraudulent activities.

Vertical-Specific Solution Capabilities: While selecting the right technology platform, users should look for the vendor's expertise in delivering industry-specific Identity Capture and Verification solutions. Identity Capture and Verification vendors are often knowledgeable about their technology platform; however, their expertise and experience may vary with industry-specific expertise in understanding their unique business requirements. Identity Capture and Verification vendors need to focus on strengthening their industry-specific expertise in understanding the industry's unique business challenges and regulatory landscape and accordingly bundle their industry-specific Identity Capture and Verification solution portfolio. This is expected to help vendors in gaining increased visibility and attention in the specific industry verticals.

Vendor's Expertise and Domain Knowledge: Organizations should conduct a comprehensive evaluation of numerous Identity Capture and Verification solutions and vendors before making a final decision. Organizations should evaluate vendors' expertise

and domain knowledge in understanding their unique business problems, use cases, industry, and region-specific requirements. Users should look for ease of use, comprehensiveness of the offering, solution's flexibility to adapt to constant market changes and regulatory requirements, minimizing the total cost of ownership, and transparency.

Organizations should look for solutions providing a unified view of risks across the organization. Organizations should also consider an effective solution that swiftly provides appropriate information vital to making the right decisions. Users must watch out for integrated solutions offering comprehensive coverage with a continuous and holistic view of vendors, the associated accounts, and the risk factors. Users should also look for a solution with a history of successful large-scale deployments and carefully analyze the existing case studies of those deployments. This analysis should form the basis for preparing the best practice for Identity Capture and Verification platform deployments.

Technology Vision and Roadmap: As the digital realm expands, so does the ever-evolving threat landscape, encompassing cyber-attacks, online infiltrations, targeted assaults, and a range of fraudulent activities aimed at organizations. Users should carefully select the right technology partner as per their digital transformation roadmap, specific use case, and emerging fraud trends. Users should also choose the appropriate technology partner as per their requirements, risk exposure, and digital transformation roadmap. Organizations should carefully evaluate the vendor's existing technology capabilities along with their technology vision and roadmap to improve overall satisfaction and customer ownership experience for long-term success.

SPARK Matrix™: Strategic Performance Assessment and Ranking

Quadrant Knowledge Solutions' SPARK Matrix provides a snapshot of the market positioning of the key market participants. SPARK Matrix provides a visual representation of market participants and provides strategic insights on how each supplier ranks related to their competitors, concerning various performance parameters based on the category of technology excellence and customer impact. Quadrant's Competitive Landscape Analysis is a useful planning guide for strategic decision makings, such as finding M&A prospects, partnerships, geographical expansion, portfolio expansion, and such others.

Each market participant is analyzed against several parameters of Technology Excellence and Customer Impact. In each of the parameters (see charts), an index is assigned to each supplier from 1 (lowest) to 10 (highest). These ratings are designated to each market participant based on the research findings. Based on the individual participant ratings, X and Y coordinate values are calculated. These coordinates are finally used to make SPARK Matrix™.

Technology Excellence	Weightage
ID and Document Verification	25%
Document Library	10%
Types of documents supported	15%
Facial Biometric Verification and Liveness Detection	10%
Fraud Prevention Techniques	10%
Omnichannel Support	8%
Competitive Differentiation Strategy	7%
Integration & Interoperability	10%
Vision & Roadmap	5%

Customer Impact	Weightage
Product Strategy & Performance	20%
Market Presence	20%
Proven Record	15%
Ease of Deployment & Use	15%
Customer Service Excellence	15%
Unique Value Proposition	15%

Evaluation Criteria: Technology Excellence

- **ID and Document Verification**: Verification accuracy, lower false positives, AI-enabled automation, ML model sophistication
- **Document Library:** Owning and maintaining the document library to verify submitted documents.
- **Types of documents supported**: Types of documents verification supported.
- **Facial Biometric Verification and Liveness Detection**: Sophistication of biometric data extraction, liveness detection accuracy.
- **Fraud Prevention Techniques**: Test for document tampering, physical tampering check, digital tampering check, ML techniques used.
- **Omnichannel Support**: Supports multichannel implementation to facilitate users to connect with the organization through any platform (Eg: Tablet, smartphone, browser, or app).
- **Competitive Differentiation Strategy**: USPs and competitive advantage
- **Integration & Interoperability**: Ease of integration with other internal modules and API-based integration with third-party data providers and partners, government databases, international watchlists, credit bureaus, mobile network providers, and more.
- **Vision & Roadmap**: To what extent does the product vision align with its buyers' needs in terms of acquiring, satisfying, and retaining customers? Does the vision promote a strong focus on the customer and a positive customer experience? How well does the vision align with current and future customer preferences? Does the company have a clear plan in place for implementing its vision through product improvements, innovation, and partnerships within the next year? Does the company possess the necessary resources and abilities to accomplish its planned roadmap?

Evaluation Criteria: Customer Impact

- **Product Strategy & Performance**: Evaluation of multiple aspects of product strategy and performance in terms of product availability, price to performance ratio, excellence in GTM strategy, and other product-specific parameters.
- **Market Presence**: The ability to demonstrate revenue, client base, and market growth along with a presence in various geographical regions and industry verticals.
- **Proven Record**: Evaluation of the existing client base from SMB, mid-market and large enterprise segments, growth rate, and analysis of the customer case studies.
- **Ease of Deployment & Use**: The ability to provide superior deployment experience to clients supporting flexible deployment or demonstrate superior purchase, implementation, and usage experience. Additionally, vendors' products are analyzed to offer a user-friendly UI and ownership experience.
- **Customer Service Excellence**: The ability to demonstrate vendors' capability to provide a range of professional services from consulting, training, and support. Additionally, the company's service partner strategy or system integration capability across geographical regions is also considered.
- **Unique Value Proposition**: The ability to demonstrate unique differentiators driven by ongoing industry trends, industry convergence, technology innovation, and such others.

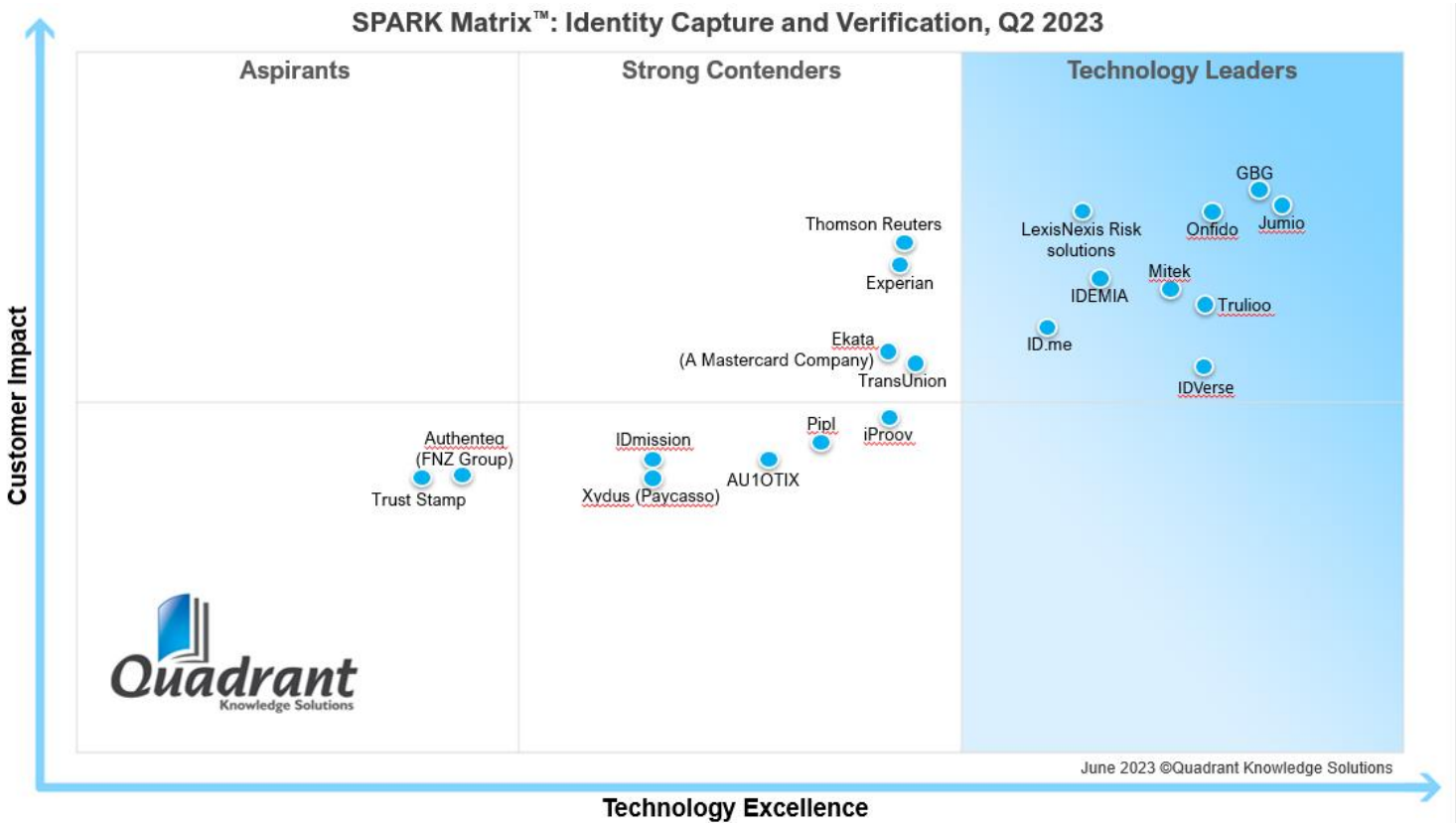
SPARK Matrix™:

Identity Capture and Verification, 2023

Strategic Performance Assessment and Ranking

Figure: 2023 SPARK Matrix™

(Strategic Performance Assessment and Ranking)
Identity Capture and Verification Market



Vendors Profile

Following are the profiles of the leading identity capture and verification solution vendors with a global impact. The following vendor profiles are written based on the information provided by the vendor's executives as part of the research process. Quadrant research team has also referred to the company's website, whitepapers, blogs, and other sources for writing the profile. A detailed vendor profile and analysis of all the vendors, along with various competitive scenarios, are available as a custom research deliverable to our clients. Users are advised to directly speak to respective vendors for a more comprehensive understanding of their technology capabilities. Users are advised to consult Quadrant Knowledge Solutions before making any purchase decisions, regarding identity capture and verification technology and vendor selection based on research findings included in this research service.

IDVerse

URL: https://idverse.com/

Founded in 2018 and headquartered in Australia, IDVerse (formerly known as OCR Labs) uses generative AI to deliver an end-to-end SaaS solution for identity verification & fraud protection for businesses globally. The company offers an identity capture and verification solution through its platform solution titled IDV, which collaborates with various in-house solutions to provide identity verification and user authentication.

The solution offers comprehensive capabilities, including document verification, biometric verification, and reauthentication to verify users in real-time. IDVerse maintains a library of global verifications and signals to verify identities like passports, driving licenses, and other government-issued IDs.

Analyst Perspectives

Following is the analysis of IDVerse's offerings in the global Identity Capture and Verification market:

- IDV's document verification capability offers data extraction and authentication that enables organizations to easily verify individual IDs. The solution leverages Optical Character Recognition (OCR) technology to automatically extract and verify the ID documents. The solution also stores this ID data in an in-house repository for future re-verification. The solution can read machine-readable zone (MRZ) data and decrypt barcodes from IDs to quickly extract and verify the data associated with the individual. The capability utilizes a proprietary Document Fraud Analysis (DFA) that examines data points to verify the authenticity of a document by barcode analysis, alignments of card elements, typography type, spacing and consistency checks, symbol checks, color checks, hologram checks, and font color checking.

- IDV's biometrics verification allows organizations to verify selfies using liveness checks and comparing the facial biometrics with the photos on the IDs to prevent identity theft.

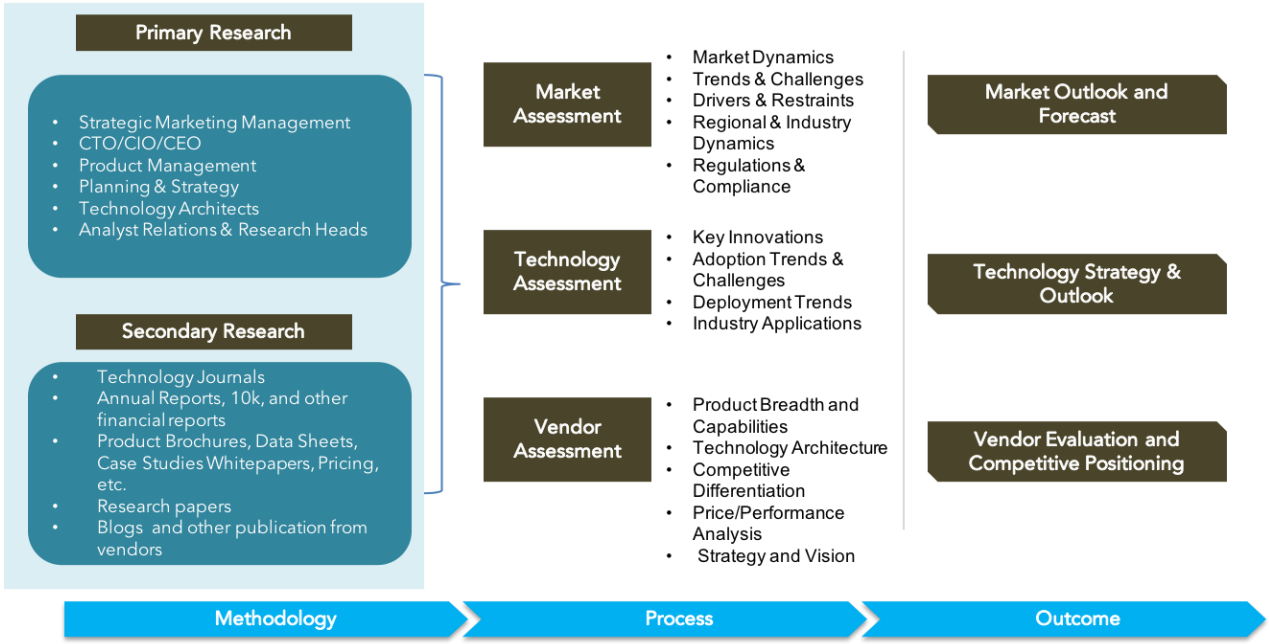
- The solution is flexible and meets the IAL2/AAL2 identity proofing and authentication standards to comply with federal and state-level requirements as per NIST guidelines. Additionally, the solution allows organizations to verify

customers in real-time and helps in faster approvals, increasing trust and reducing fraud while ensuring compliance.

- The primary differentiators of IDVerse's identity verification solution include zero bias AI, deepfake defender, facial tokenization, and IDOps to optimize the identity verification features, thus meeting the technical and business needs of the organization.
- IDVerse has a strong presence in EMEA, followed by the NA and APAC. The solution serves a variety of industry verticals, including financial services and healthcare. The solutions support various use cases, including user onboarding, user verification, identity verification, document validation, age verification, face login, liveness, and fraud detection.
- IDVerse may face challenges in competing with the larger and well-established players in the identity capture and verification market. However, with its sophisticated platform capabilities, robust product strategy, and roadmap, the company is well-positioned to retain its position in the global identity capture and verification market.
- From the product roadmap perspective, IDVerse is focusing on continued enhancement in ongoing authentication and providing full journey insights for all its products. The company continues to focus on zero bias AI, generative AI, facial tokenization, and IDOps. The company will also continue to make improvements in customer onboarding and expand to cover all relevant ID documents in the present markets to enhance detection and improve user experience.

Research Methodologies

Quadrant Knowledge Solutions uses a comprehensive approach to conduct global market outlook research for various technologies. Quadrant's research approach provides our analysts with the most effective framework to identify market and technology trends and helps in formulating meaningful growth strategies for our clients. All the sections of our research report are prepared with a considerable amount of time and thought process before moving on to the next step. Following is the brief description of the major sections of our research methodologies.



Secondary Research

Following are the major sources of information for conducting secondary research:

Quadrant's Internal Database

Quadrant Knowledge Solutions maintains a proprietary database in several technology marketplaces. This database provides our analyst with an adequate foundation to kick-start the research project. This database includes information from the following sources:

- Annual reports and other financial reports
- Industry participant lists

- Published secondary data on companies and their products
- Major market and technology trends

Literature Research

Quadrant Knowledge Solutions leverages on several magazine subscriptions and other publications that cover a wide range of subjects related to technology research. We also use the extensive library of directories and Journals on various technology domains. Our analysts use blog posts, whitepapers, case studies, and other literature published by major technology vendors, online experts, and industry news publications.

Inputs from Industry Participants

Quadrant analysts collect relevant documents such as whitepaper, brochures, case studies, price lists, datasheet, and other reports from all major industry participants.

Primary Research

Quadrant analysts use a two-step process for conducting primary research that helps us in capturing meaningful and most accurate market information. Below is the two-step process of our primary research:

Market Estimation: Based on the top-down and bottom-up approach, our analyst analyses all industry participants to estimate their business in the technology market for various market segments. We also seek information and verification of client business performance as part of our primary research interviews or through a detailed market questionnaire. The Quadrant research team conducts a detailed analysis of the comments and inputs provided by the industry participants.

Client Interview: Quadrant analyst team conducts a detailed telephonic interview of all major industry participants to get their perspectives of the current and future market dynamics. Our analyst also gets their first-hand experience with the vendor's product demo to understand their technology capabilities, user experience, product features, and other aspects. Based on the requirements, Quadrant analysts interview with more than one person from each of the market participants to verify the accuracy of the information provided. We typically engage with client personnel in one of the following functions:

- Strategic Marketing Management
- Product Management
- Product Planning
- Planning & Strategy

Feedback from Channel Partners and End Users

Quadrant research team researches with various sales channel partners, including distributors, system integrators, and consultants to understand the detailed perspective of the market. Our analysts also get feedback from end-users from multiple industries and geographical regions to understand key issues, technology trends, and supplier capabilities in the technology market.

SPARK Matrix:
Strategic Performance Assessment and Ranking

Quadrant Knowledge Solutions' SPARK Matrix provides a snapshot of the market positioning of the key market participants. SPARK Matrix representation provides a visual representation of market participants and provides strategic insights on how each supplier ranks in comparison to their competitors, concerning various performance parameters based on the category of technology excellence and customer impact.

Final Report Preparation

After finalization of market analysis, our analyst prepares necessary graphs, charts, and table to get further insights and preparation of the final research report. Our final research report includes information including competitive analysis; major market & technology trends; market drivers; vendor profiles, and such others.