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Insights

Optimising customer UX with cloud-based digital identity

TIM HOPE - CHIEF TECHNOLOGY OFFICER

When I talk to executives about customer identity & access management – CIAM – most people immediately associate it with login pages and passwords, adding friction to the customer's experience. But properly implemented, CIAM is a powerful tool to enable and accelerate digital transformation.

Your CIAM system facilitates your customers' trust in your brand, and it's a key interaction enabler. It's interesting how a simple login form on a single page can have such a big impact on user experience (UX) and conversion rates. A well-designed and properly implemented identity solution will be a UX upgrade because digital identity tools play a vital role in lead conversion.

Tim Hope - Chief Technology Officer

THE ORIGINS OF MODERN IAM

The 1990's view of digital identity was a user name and password. As digital identity has evolved, different data has been attributed different levels of trust. Organisations can have multiple online entities, but for large complex entities, identity management entails multiple software frameworks handling logins across many diverse applications.

Originally CIAM systems were very basic; one account to one customer. In modern digital identity, though, we model the customers' relationships with the business or other customers. For instance, when I log into Service NSW – a public-facing Australian government agency – I can see that I have a driver's license, but I can also see the details of my car registration and my boat license without needing to enter additional login credentials. This is a much richer model than the basic user login situation most legacy online services started with.

LOW-FRICTION IAM SUPPORTS GROWTH

To be competitive in the digital space, companies need to eliminate friction in their UX, but they also need a granular approach to how much data they entrust to each customer. In practice, this granular approach allows me to view my bank balance online without logging in. If I want to see my transactions, I have to log in with my user name and password. And if I want to transfer funds, I need to log in with two-factor authentication, as well.

We need to be able to log in with the right level of trust for specific interactions. That appropriate level of trust is centred around the customer; it's about expectations. For instance: I don't expect to put in a two-factor authentication code if I'm just viewing my bank balance.

When businesses approach digital transformation, they're coming from a history where they used to have multiple login names for each user; a different user name and password for each function. That meant that each business service had its own version of identity protocols, which reflected the business structure, not the customers' needs. The CIAM model is treating the customer as the primary unit rather than the business divisions.

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THE ECONOMICS OF IDENTITY

The most common use cases for digital identity are team members logging into company systems and customers accessing public service portals. It's the latter scenario that offers opportunities for revenue optimisation.

Customers don't necessarily trust all brands equally. Developing a trustworthy brand and reassuring customers that they can trust its online services is a high priority for any modern business. Having visible best-practice digital security goes a long way toward establishing marketplace trust. When you present a cloud-based identity experience similar to those of other trustworthy brands, it inherently nurtures customer confidence.

Online UX standards are set by companies that have invested substantial creativity and financial resources in their online platforms. Contemporary customer expectations are elevated in terms of security, efficiency and the degree to which businesses cater to their personal preferences.

From a business growth point of view, cloud-based identity management enables the personalisation of customer touch-points, but it also streamlines support facilities. An evolved customer identity system will collate information about your customers' interaction history and product experience, so when they talk to sales or support people, there's less time wasted on understanding their situation.

Legacy UX systems store product data, analytics and user preferences in separate locations. A cloud-based system unifies these data sets to give support personnel a more nuanced picture of the customer from the beginning of an interaction. This approach allows a business to tailor it's customer-service to individuals rather than treating all its clients as generic user profiles. Contemporary CIAM tools also ensure that customer information is handled securely and has built-in safeguards to prevent infractions of privacy. Just as data can be collated in a more customised way for each client, levels of access can be implemented as well, so confidential customer data isn't available to team members who don't need access.

With COVID-19 driving online commerce to new heights, there's never been greater demand for efficient, secure digital identity solutions. As people move through the phases of online engagement with your business, from first-touch to conversion and repeat sale, your identity tools are integral to understanding each customer. Additionally, advanced identity management tools grant better cybersecurity levels, which is vital, considering the surge in cybercrime that's accompanied the COVID crisis. CIAM will protect the customers' privacy and security, but it's also personalising their brand experience and making it easier to access your services.

CLOUD IAM IN THE REAL WORLD
The strengths of cloud identity tools are well demonstrated by their utility in government applications.

Service NSW's online portal originally operated across multiple web platforms and backend systems with limited integration. Customers had to keep track of multiple user names and passwords for the various service offerings, creating a high degree of friction in the system.

Service NSW decided to create a customer-friendly web portal for its customers, capable of carrying out multiple customer transactions online in a centralised hub. Service NSW wanted a seamless customer experience that was faster and easier to use but also provided best-practice security standards. The objective was to make it easier for citizens and businesses to access state government services with a 'Tell us Once,' 'Single View of Government' platform.

Service NSW already had more than five million registered users, so they partnered with Versent to help them take their service into a cloud-based platform. Versent addressed Service NSW's digital identity challenges with a rapid cloud migration process. Our team created a new Service NSW AWS environment that unified customer logins in a single-sign-on mechanism.

The AWS platform also allowed Service NSW services to scale automatically based on customer load, meaning faster, more responsive web service. With a simplified user access system, Service NSW customers gained a more straightforward login process. They also benefited from constantly updated security and a more personalised customer experience.

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ITERATIVE DIGITAL IDENTITY

Your digital identity system should deliver a streamlined, secure experience to avoid friction for your customers. Otherwise, you risk frustrating your customers and prompting them to look for another service provider. Crucial customer journey phases like registration and checkout are particularly detrimental to conversion and repeat sales if they're not handled properly. Modern approaches like social login can effectively overcome these problems in many instances, especially in an era where customers increasingly use multiple devices in their relationships with vendors.

According to Adobe Digital Index research, awkward customer login procedures are the "primary obstacle to an effortless cross-device experience" for 24% of people. In fact, Adobe Digital Index found that this friction factor outstripped concerns around the size of device screens or difficulties with data entry.

A modern digital identity platform needs to offer the flexibility of multiple standards: federated authentication, native authentication and strong authentication. These standards are constantly evolving, so the likelihood is that even if your login system is state-of-the-art today, it may be obsolete in two years. To avoid obsolescence, it's vital to employ open standards as well, rather than relying on proprietary standards. One way to solve this problem is with cloud-based IAM with a pattern and automation approach to the implementation solution.

Managing customer identities now necessitates compliance with privacy regulations like the GDPR. Digital identity working in a cloud environment is far easier to upgrade and iterate, so it handles the demands of a changing regulatory environment better than a non-cloud legacy solution. Cloud IAM tools ensure that an organisation is meeting its regulatory obligations automatically, locking in best-practice standards and giving management peace of mind.

The most significant advantage of a cloud-based identity system is that it's inherently scalable and iterative: meaning it's updated constantly. When your customer base expands rapidly, applications and services scale-up, or your authentication requirements change, a cloud system can scale up to meet the challenge. If new and better authentication tools arrive on the scene, a cloud-based system makes upgrading secure and efficient. With a cloud-based digital identity platform, your customers always have a contemporary experience on your platform.

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Want to learn more about evolving your customers' user experience?
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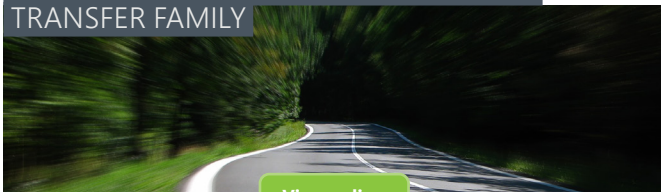
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Is your organisation looking to modernise its legacy data transfer services? If so, you're probably investigating ways to deploy a highly available and scalable solution that can manage in-flight data transmission even during an outage or maintenance.

DATABASE FREEDOM: MOVING FROM ORACLE TO AURORA SERVERLESS
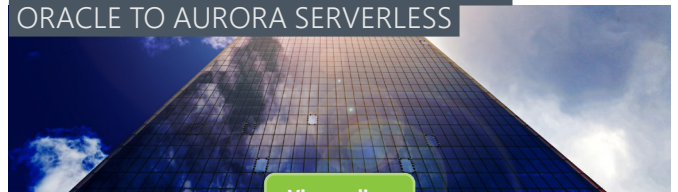
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Is your enterprise looking to modernise its legacy Oracle databases? If so, you're probably investigating how to utilise cloud-native options and move toward new, more strategic data solutions.

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