Opening an account from home can be this simple – Swisscom makes digital identification of new customers possible

Becoming a customer at a bank today still involves showing identification at the counter. The Swiss Financial Market Supervisory Authority FINMA is, however, expected to allow digital identification processes from March 2016 on. Swisscom is therefore now offering banks a new service, enabling digital identification and signatures. An initial implementation project with the Valiant Bank has already been launched with the aim of offering customer a way to open accounts digitally following FINMA approval.

Digitalisation allows almost all transactions to be made conveniently and quickly, anytime and anyplace. However, this does not apply when a customer opens an account with a financial services provider. To date, whoever wished to become a client at a Swiss bank or insurance company had to go to the branch office in order to show identification and sign the necessary documents. According to the draft circular 2016/XX "Video and online identification" published on 21 December 2015, FINMA is expected to allow online identification from March 2016 on. To facilitate this, Swisscom is now offering financial service providers in Switzerland and Liechtenstein its new digital service, "Digital Identification & Signing".

Opening an account online in less than 10 minutes

Swisscom is digitalising the opening of customer accounts for banks. Prospective new customers only require an end device with a front camera, along with valid, state-issued identification, in order to use the personal identification by video service. After entering all personal data, the applicant is connected to an identification expert at the Swisscom Call Centre. The expert uses the camera function to take a photo of the customer, along with his or her identity card, and can identify the new customer with the support of the latest technology. Contracts can also be signed digitally using a certificate. As a result, opening an account this way takes less than 10 minutes. The solution allows banks to increase the level of convenience for the customer, improve the customer experience and reduce the workload on the tellers.

Safe and compliant

Digital identification involves examining the features of the identity card and the holder of the card in the same way as when crossing a border. The system evaluates the authenticity of the official ID document and compares the photo and the person. The software recognizes security features such as holograms, 3D photos or the watermarks, and draws the employee's attention to any anomalies. Furthermore, the expert watches for defined patterns of behaviour over the course of the conversation to assess the authenticity of the applicant and in order to catch any potential identification fraud. Following identification, Swisscom transmits the data to the bank using an encrypted, secure connection, and deletes the data from the Swisscom systems. The bank then examines the legal and regulatory requirements (e.g. Money Laundering Act) just as it would when an account is opened conventionally.

Initial implementation project launched

An initial implementation project in cooperation with the Valiant Bank has been launched and is already at an advanced stage. Swisscom is also offering the service for other financial service providers, and is examining its use in other industry sectors. Corporate customers such as banks pay a fee to use the managed "Digital Identification & Signing" service based on each identification process (pay per use).

Establishing a new market standard

Swisscom developed its digital identification process in cooperation with WebID. WebID Solutions is Europe's leading provider of legally compliant online contract conclusion and identification products, and a worldwide pioneer in the face2face online identification segment. Solutions specially developed for e-commerce-oriented industries, from age verification to online contract conclusion, have been offered by WebID Solutions since 2012**.**

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