

# Passkeys: The road to simpler passwordless authentication

With the way today's customers shop and access sensitive financial data online, passwords no longer cut it for keeping online transactions safe.

Luckily, there's a new technology available called passkeys. Passkeys have a similar function to passwords, but don't be fooled. They're in a league of their own, far easier to use, and leaps more secure.



## What is a passkey?



Passkeys are a new form of technology that enable more secure sign-ins to apps and websites. Passkeys leverage FIDO, a globally recognized authentication standard, to prove the person signing in is

who they say they are, and that they're the person who's meant to gain access.

Not only are passkeys more secure than passwords, but

they're far easier to use and offer an unbeatable user experience (UX). Unlike passwords, which often require a long, complex alphanumeric code, passkeys use biometric authentication, such as fingerprint scanning or facial recognition, to verify users.

To set it up, users simply choose the passkey authentication option on enabled apps and websites, then select the authentication type native to their device. This could be the same one used to unlock their device, for example.

## Passkey technology supports modern, secure banking

Card-not-present (CNP) fraud is forecast to reach over \$49 billion globally in 2030.<sup>1</sup> But passkeys offer a welcome way of securing online banking transactions and reducing fraud.

*"Unlike passwords, passkeys are resistant to phishing, are always strong, and are designed so that there are no shared secrets." – FIDO Alliance*

Passkeys use the same technology that keeps authorization secure when a customer types their credit card details into a

website. These cryptographic keys operate from the device customers use to authenticate themselves (like their mobile phones) and are managed by the device's operating system (OS), which means there's no password data to intercept, steal or buy, and no database for fraudsters to hack.

And, once a passkey is set up once, customers can log in quickly and easily with their chosen method of biometric authentication on that device or any other synchronized profile using their passkey. In other words, a passkey created on an app would also work on the web, for example.<sup>2</sup>

The familiar UX and functionality saves time and offers peace of mind.

<sup>1</sup> Nilson Report, Issue 1209, 2021.

<sup>2</sup> Passkeys are currently only available for iOS but will be available for Android and Chrome, as well as Microsoft, by the end of 2022.

# A comparison: Why passkeys are better than passwords

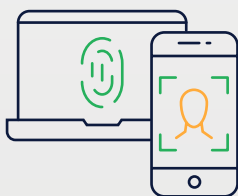
| Capability      | Passwords  | Passkeys  |
|-----------------|--|---|
| User experience | A hassle to create, remember, and retrieve.                                  | Requires just biometrics. Offers a consistent UX across devices.                                |
| Security        | Easily hackable. Passwords can be phished or bought.                         | More secure. Passkeys are not stored in a database so cannot be intercepted, stolen, or copied. |
| Portability     | Could be reused but puts users at extremely high risk of fraudulent attacks. | Once a passkey is created, it auto-syncs across devices that use the same OS.                   |
| Compliance      | Not compliant with global regulations like FIDO, PSD2, and SCA.              | Compliant and aligned with global best practices.   |

## Passkeys: The future of passwordless authentication?

While certain challenges do still exist, the pros of passkeys far outweigh the cons. Yes, passkeys are currently only available on FIDO-enabled, iOS devices – but that will change in time. In parallel, adoption across different websites and institutions will pick up, as will gaps in coverage for those with different technology preferences.

The experts at FIDO Alliance agree: Today's passkey reality is far more secure than passwords ever were or ever will be. Not only do they block phishing attempts but offer a far superior – and familiar – experience, especially for those with modern devices.

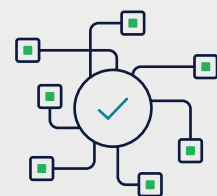
**Passkeys also offer a far more advanced form of multi-factor authentication (MFA) than SMS OTPs and app-based implementations, and enable:**



Broader adoption of more secure FIDO authentication.



More secure and user-friendly online payments.



Cross-channel authentication solutions.

## Leveraging innovation to create simpler, safer authentication experiences

Speak to one of our **experts** to learn more about enabling passkeys and other authentication solutions.

Or visit our **website**.

