

FROST & SULLIVAN

IDEMIA

2022
COMPETITIVE
STRATEGY
LEADER

GLOBAL DIGITAL IDENTITY
SOLUTIONS INDUSTRY

Best Practices Criteria for World-Class Performance

Frost & Sullivan applies a rigorous analytical process to evaluate multiple nominees for each Award category before determining the final Award recipient. The process involves a detailed evaluation of best practices criteria across two dimensions for each nominated company. IDEMIA excels in many of the criteria in the digital identity solutions space.

AWARD CRITERIA	
<i>Strategy Innovation</i>	<i>Customer Impact</i>
Strategy Effectiveness	Price/Performance Value
Strategy Execution	Customer Purchase Experience
Competitive Differentiation	Customer Ownership Experience
Executive Team Alignment	Customer Service Experience
Stakeholder Integration	Brand Equity

The Expansion of Digital ID and the Need for Digital Verification

Founded in 2017 and headquartered in France, IDEMIA provides cutting-edge identity technologies to governments and enterprises spanning 180 countries globally. The company is a trusted leader in biometrics and the digital identity industry; IDEMIA helps clients create safer environments across industries for credentializing, authenticating and analyzing identities. Through proprietary identity technologies which are backed by the latest advancements in biometrics, cryptography, systems, data analytics, and smart devices, IDEMIA unlocks seamless and unique journeys for consumers and citizens around the world. In 2018 and 2020, Frost & Sullivan recognized IDEMIA for its efforts in addressing unmet needs and implementing best practices and remains impressed with the company’s continued innovation and sustained leadership. Frost & Sullivan’s research identifies IDEMIA as a growth leader that clearly goes a step further than traditional digital identity solutions. The company focuses on ensuring total continuity and complete security between the physical and digital worlds and puts its identity technologies at the service of a simpler and safer world. Further research recognizes the gaps in identification and authentication and finds that an estimated one billion people could not prove their identity in 2018.¹

¹ Frost Radar™: Digital Identity Solutions, 2021 (Frost & Sullivan, December 2021)

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Furthermore, trends in the market show that countries strive to establish robust and unique identity documentation for their citizens. The rapid digitalization of economies exposes a broader attack surface for identity data exploitation. Therefore, identity management must evolve practices to protect connected devices and enterprise systems against sophisticated attackers.

Grabbing the attention of Frost & Sullivan’s industry analysts year after year, IDEMIA remains one of the top innovators through its use of combined biometric modality solutions that use facial, iris, and fingerprint biometrics all at once. As global industry regulations continue to mature, the market looks to erase the silo approach and make digital IDs a means for authentication and verification across multiple industries and use cases. Government-issued identity is the most trusted form of identity authentication - either physical or digital. Because governments provide the most trusted digital IDs, countries and their governments that adopt digital ID programs must securely implement them to industry standards in accordance with a country’s private and public ecosystem, so citizens can seamlessly utilize and benefit from their physical and digital IDs.

Having successfully implemented over 135 online and offline identity programs across the world, IDEMIA meets the needs of governments for securer and more agile citizen databases, ID documents, and online authentication of citizen identities. The company’s modular approach to digital ID accommodates each country’s specific regulatory environment. It enables the deployment and management of a reliable digital identity system, either based on an existing government-held identity database or a national ID document. IDEMIA’s digital identity solutions help streamline the administration processes for governments and develop new channels of communication with citizens and residents. IDEMIA digital identity solutions also play a strategic and trusted role in brokering ecosystem relationships between governments, relying parties such as banks, mobile operators and consumers.

Foresight with Insight: Knowledge Breadth, Strategic Depth

IDEMIA’s primary mission is to help people access and manage their identity faster, safer, and more securely. In 2021, the company further strengthened its value proposition and commitment to securing identity and enabling a safer and trusted world. The company continues efforts to pave its digital ID roadmap by building trust with its customers and improving upon existing identity management solutions. IDEMIA provides physical and digital ID credentials, foundational ID systems, and enrollment and authentication solutions. The company competes with some of the top players in the digital ID space. It continues to offer a robust and extensive suite of products to its public and private clients. IDEMIA offers governments an end-to-end digital ID solution that takes a modular approach to support all countries and easily integrates into existing infrastructures.²

² <https://www.idemia.com/wp-content/uploads/2021/01/digital-id-solutions-for-governments-idemia-brochure-202011.pdf>

Frost & Sullivan's own research identifies how IDEMIA taps into available growth opportunities by leveraging its global footprint in managing national ID systems, government and private enterprise trust, and biometrics and artificial intelligence expertise. IDEMIA's technology implementation also helps the company continue its industry-leading strides.

Because its biometrics brings robust added value to digital ID by being unique, universal, and verifiable, IDEMIA ensures that its solutions bring customers the needed level of trust and confidence. The company delivers foolproof identity-checking capabilities based on its combined facial, iris, and fingerprint biometrics authentication capabilities. Due to its evolving and knowledge-based experience in biometrics, IDEMIA is a strategic contender in the market, making the company a direct and preferred partner of choice according to Frost & Sullivan. Across an impressive client base, IDEMIA has lasting partnerships with Changi Airport in Singapore, and Interpol in France, including a range of other private enterprises such as banks and mobile operators.³ Expected to go live in 2022, the company, in partnership with Sopra Steria, is assisting eu-LISA in Estonia by implementing new biometric European Entry/Exit systems to protect European borders further.⁴ The company also notes a strategic partnership with Bosch Building Technologies that brings opportunities for identity management in building management and the enterprise segment. Frost & Sullivan believes IDEMIA is undoubtedly prepared for today's demands and exceptionally positioned for tomorrow's needs. The company's clear strategic vision and execution underpin its partner of choice status and sustainable growth for years to come.

Building Trust through a Customer-centric Approach

With its customer-centric corporate philosophy, IDEMIA operates on the central tenet that its success depends on both client and partner satisfaction. This philosophy permeates the company's daily practices. Frost & Sullivan's research finds that in regards to overall growth, IDEMIA is quick to adapt to a slower growth trajectory because of its intense focus on hardware-based products and increasing competition in the digital identity market in civil, financial services and aviation domains.⁵ However, with its modular approach to Digital ID either leveraging an ID system or an ID document- IDEMIA can nicely secure a solid presence in these sectors.⁶ India's Aadhaar program emerged in 2010 under the management of the Unique Identification Authority of India as the world's largest identity program that created a single database for India's population with the help of IDEMIA. To make the system reliable, each citizen acquired a 12-digit identification number, an Aadhaar number, verified through facial and iris scanning, ten fingerprints, and the citizen's biological information. As of 2021, IDEMIA reports that the program issued more than 1.3 billion Aadhaar numbers across India's population (over 95%), and amid the COVID-19 pandemic, the project successfully supported the Indian government during the distribution of government aid funds.⁷

³ <https://www.idemia.com/wp-content/uploads/2021/01/digital-id-solutions-for-governments-idemia-brochure-202011.pdf> (Accessed April 2022)

⁴ <https://www.idemia.com/press-release/idemia-and-sopra-steria-chosen-eu-lisa-build-new-shared-biometric-matching-system-sbms-border-protection-schengen-area-2020-06-04> (Accessed April 2022)

⁵ Frost Radar™: Digital Identity Solutions, 2021 (Frost & Sullivan, December 2021)

⁶ Ibid.

⁷ <https://www.idemia.com/wp-content/uploads/2021/01/digital-id-solutions-for-governments-idemia-brochure-202011.pdf> (Accessed April 2022)

In the United States, four states (Oklahoma, Mississippi, Delaware and Arizona) have already introduced Mobile ID wallet to their residents with IDEMIA. The Mobile ID wallet application enables citizens to create a digital version of their physical driver's license easily accessible on their smartphone. Where compliance and regulations remain a top focus for IDEMIA, the company ensures that it follows the ISO/IEC CD 18013-5:2019 standard for personal identification guidelines with mobile driver's licenses.

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IDEMIA has recently announced that it will enable acceptance of state IDs and driver's licenses in Apple Wallet at TSA Airport checkpoints. IDEMIA is also extending its footprint within the French ID ecosystem with a new mobile application for the national digital ID program that will make it easier for French citizens to prove their identity online. The company is also providing a high-end national digital ID system to the Kingdom of Morocco which allows

various public and private sectors to verify the identities of Moroccan citizens wishing to access their online services based on the national eID card. In addition, IDEMIA is partnering with the Colombian and Chilean governments with its field-proven Mobile ID wallet.⁸ These notable success stories prove how effective the company's strategies resonate with its customer base.

Moreover, IDEMIA meets with clients to assess their specific needs and develop tailored solutions with roadmaps for seamless execution. It offers traditional customer satisfaction surveys on each program. The company's support teams operate in offices in Morocco, Singapore, and Colombia, offering local government support to build lasting relationships. This foundational approach establishes ongoing trust with customers for long-lasting relationships extending throughout the service lifecycle.

A Foot in the Present and an Eye on the Future

Since its inception, IDEMIA's sterling reputation and customer-centric framework led to its coveted preferred partner status. Over the years, it added new customers to its established base. The company will continue to invest in and support the needs of national governments to understand the types of technology and solutions set in place to ensure the success of their national ID programs. Given the company's brand reputation across governments, IDEMIA addresses its ability to reach across markets with a strong presence in the civil ID market, managing the digital journey and enabling digital ID.

As Frost & Sullivan reflects on its findings, it is clear that IDEMIA remains one of the top contenders in the biometrics industry. While research concludes that the post-pandemic industry landscape will witness an uptick in digital ID and biometric-based solutions, IDEMIA will likely find new opportunities for government, smart cities, and airport customers.⁹

Frost & Sullivan believes the company is well-positioned to drive the digital identity space into its next growth phase, capturing market share and sustaining its leadership in the future.

⁸ <https://www.idemia.com/wp-content/uploads/2021/01/digital-id-solutions-for-governments-idemia-brochure-202011.pdf> (Accessed April 2022)

⁹ Frost Radar™: Digital Identity Solutions, 2021 (Frost & Sullivan, December 2021)

Conclusion

Frost & Sullivan believes that innovation and growth opportunities drive future success; many factors contribute, yet having a competitive strategy is critical. IDEMIA clearly understands this core concept and is leading the digital identity market due to its focused strategies, helping it to outpace competitors. IDEMIA ensures an unmatched customer and partnership experience. Competing head-to-head with the industry's leading players in digital identity, the company remains one of the top innovators because of its combined use of biometrics modality and hardware-based solutions for both private and public sector clientele.

IDEMIA has a global footprint, working with governments around the world and enabling trust through national identity systems, including its Mobile ID wallet solutions that prove its ability to meet the needs of customers and strengthen its growing partnerships. By utilizing its expertise in biometrics, the company has maintained strategic partnerships with market participants and continues to increase its success with customers. Overall, IDEMIA develops and implements its strategies and approach with its customers in mind, securing its position as a trusted partner and market leader and enabling the company to tap into nontraditional biometrics markets in the future.

With its strong overall performance IDEMIA earns the 2022 Frost & Sullivan Global Competitive Strategy Leadership Award in the digital identity solutions industry.

What You Need to Know about the Competitive Strategy Leadership Recognition

Frost & Sullivan's Competitive Strategy Leadership Award recognizes the company with a stand-out approach to achieving top-line growth and a superior customer experience.

Best Practices Award Analysis

For the Competitive Strategy Leadership Award, Frost & Sullivan analysts independently evaluated the criteria listed below.

Strategy Innovation

Strategy Effectiveness: Effective strategy balances short-term performance needs with long-term aspirations and overall company vision

Strategy Execution: Company strategy utilizes Best Practices to support consistent and efficient processes

Competitive Differentiation: Solutions or products articulate and display unique competitive advantages

Executive Team Alignment: Executive team focuses on staying ahead of key competitors via a unified execution of its organization's mission, vision, and strategy

Stakeholder Integration: Company strategy reflects the needs or circumstances of all industry stakeholders, including competitors, customers, investors, and employees

Customer Impact

Price/Performance Value: Products or services provide the best value for the price compared to similar market offerings

Customer Purchase Experience: Quality of the purchase experience assures customers that they are buying the optimal solution for addressing their unique needs and constraints

Customer Ownership Experience: Customers proudly own the company's product or service and have a positive experience throughout the life of the product or service

Customer Service Experience: Customer service is accessible, fast, stress-free, and high quality

Brand Equity: Customers perceive the brand positively and exhibit high brand loyalty

