Digidentity

The Evolution of Identity





Foreword

The way we understand our own identity has undergone a dramatic shift. Once etched on rudimentary scrolls, its primary function was a utilitarian one: identifying criminals, securing transactions, and deterring fraud.

As societies matured and complexity bloomed, so did the concept of identity. Paper records replaced perishable scrolls - but the digital revolution ushered in the greatest shift. Our identities migrated from dusty archives to virtual. Paper records moved to data streams, manual penmanship to biometric scans, photos to videos.

At Digidentity, we wanted to explore what identity means to people today and how important protecting it is now we live in a digital world. The survey sheds light on how worried people, specifically within the UK and the Netherlands, are sharing their personal information online – delving into how far people are willing to go to protect themselves and how this differs between generations.

Marcel Wendt
CTO and Founder of Digidentity

The overall picture

Humans have always cared about identity, but how identity is verified has evolved rapidly over time. While paper documents still exist, online verification is fast becoming the norm.

This is done to improve security and make it easier for people to store and manage their identity documents. However, this means people are increasingly sharing more about themselves on the internet – and internet-based scams and fraud cases have risen alongside this.

Key data:

Of those who agree (strongly or somewhat) or disagree (strongly or somewhat) in the NL and UK:

70%

believe that losing their phone is like losing their identity.

91%

would like their children or future children to not have to provide so much of their personal information online.

81%

of those in the UK and NL are worried about how much of their identities are already on the internet and wish they could reduce it.

26%

are actively trying to reduce the amount of personal information they share online.

Gender differences

While all genders are worried about sharing details of their identity online, there is a noticeable gender difference shown in the data. Women tend to be more cautious about sharing their data online than men, with 84% of women and 78% of men worried about how much of their identity is already on the internet.

Women are also less likely to give their data away online (53%) than men (62%) in order to get to where they need to be faster. Interestingly, research shows that women are half as likely as men to have their identity stolen due to not oversharing personal details, supporting the data that women are more cautious about what information they share online.

Generational awareness

With younger people growing up in a more digital first world, they are likely to be more used to sharing their identity online. Digidentity's data supports this, with just 57% of 16 - 24 year olds agreeing that protecting their data footprint online is more important than their physical home address, whereas 68% of 55+ agree this is the case. While it's clear all age groups have some level of concern, the older generation are clearly more worried than younger generations.

Younger people are also less worried about how much information they share online. Interestingly, 74% of 16-24 year olds say they are worried about how much of their identity is already on the internet and wish they could reduce it. However, 84% of the 55+ age group also agree to this statement.

One of the most prevalent issues about sharing your identity online is how vulnerable you're left to being hit by scams. However, the data shows that younger generations are also less worried about scams.

Key data shows:

80% of 16 - 24 year olds are worried about identity theft, but

92% of 55+ are

78% of 16 - 24 year olds are worried about data breaches, but

92% of 55+ are

77% of 16 - 24 year olds are worried about fraud, but

89% of 55+ are

UK more worried than Europe about their identity

Research reveals the United Kingdom is disproportionately impacted by online scams compared to other European nations. One study identifies the UK as the country most affected in Europe, while the Netherlands ranks significantly lower at tenth place.

This disparity in risk translates to a difference in national anxieties. The research highlights a clear distinction in concern levels between UK and Dutch citizens:

Unauthorised online banking access:

91% of UK respondents express concern about unauthorised access to online banking services, compared to **78%** in the Netherlands.

Identity theft:

UK citizens exhibit even greater worry regarding identity theft, with **92%** expressing concern about criminals misusing their personal information. This compares to **81%** of Dutch respondents expressing similar anxieties.

Data breaches:

Both nations share a level of concern regarding data breaches, with **92%** of UK citizens and **82%** of Dutch citizens expressing apprehension.

This heightened anxiety in the UK may contribute to a more cautious approach towards data privacy. Only 51% of UK respondents are comfortable sharing personal information for faster online access. In contrast, 69% of Dutch respondents prioritise convenience in this regard.

A disparity between privacy concerns and online behaviour: A call for user empowerment

Digidentity's research reveals a significant discrepancy between citizens' anxieties regarding online data privacy and their actual online behaviour. While a high percentage of respondents in both the UK (90%) and the Netherlands (80%) expressed concern about unauthorised access to online accounts, identity theft, and data breaches, a smaller proportion actively take steps to minimise their online footprint (UK: 27%, NL: 23%).

This asymmetry suggests a potential lack of user agency within the current online ecosystem. To bridge this gap, there's a growing need for a user-centric approach. By empowering users with greater control over their data, for example with an Identity Wallet, a more privacy-conscious online environment will be encouraged. This will not only address user concerns but also foster a more trusting relationship between users and online platforms.

A more digitally secure future

The digital identity landscape is undergoing a significant transformation, driven by advancements in technology and a growing focus on user privacy and security. This evolution presents several key trends that will reshape how individuals interact with the digital world:

Decentralised Identity (DID): The rise of DID systems empowers individuals to take control of their personal data. DID allows users to manage their credentials and decide when and how this information is shared with service providers, fostering a more user-centric approach to data ownership.

Integration of Artificial Intelligence (AI) and Machine Learning (ML): AI and ML will play a more prominent role in identity verification processes. These technologies will enhance accuracy, streamline authentication procedures, and improve adaptability to emerging security threats.

Uncompromising security measures: As the digital identity ecosystem expands, robust security measures will be paramount. Expect advancements in encryption, access controls, and fraud detection to ensure the integrity and protection of individuals' online identities.

Interoperability and standardisation: Increased efforts will be directed towards establishing common standards for digital identity across platforms and industries. This will promote a more interoperable ecosystem, fostering seamless and secure interactions between users and service providers.

Digital wallets and mobile IDs: The widespread adoption of digital wallets empowers individuals to consolidate and manage their digital identity credentials in a single secure location on their mobile devices. This user-friendly approach allows individuals to control the level of information shared for specific transactions, providing greater privacy protection.

These transformative trends within the digital identity landscape hold immense potential to create a more secure, user-centric, and efficient digital ecosystem. As this space continues to evolve, a focus on empowering individuals and prioritising robust security measures will be crucial for building trust and ensuring a thriving digital future.

The future of digital wallets

Despite the UK's strong focus on data privacy, it's lagging behind in adopting Digital Identity Wallets compared to the EU. The UK's delay could be due to a hesitancy to implement a system that, while offering convenience, might raise new privacy questions. While the UK is in talks to bring in its own Digital Identity Wallet system, the process has been slow, and questions remain on how the UKs identity wallet will work with the emerging EU framework.

Using secure wallets, people have an easy and secure way to hold their identity that protects them at the same time. The Digital Identity Wallet includes:

Consent management

The Digidentity wallet can enable individuals to manage their consent for sharing their personal information with third parties. This helps ensure that individuals have control over their data and can choose who has access to it.

Strong identity verification

Digidentity offers strong identity verification services that comply with eIDAS regulations and other industry standards. This helps ensure that individuals' identities are verified to a high standard and reduces the risk of fraud or other illegal activities.

Improved customer experience

By offering a secure and convenient way for individuals to verify and prove their identity and manage their personal information, the Digidentity Wallet can improve the overall customer experience, which will lead to increased customer satisfaction and loyalty. Accessible online or via mobile app, our verification process can be completed anywhere, which is a simple, smooth process that creates convenience.

Secure identity storage

An identity wallet offers a secure and encrypted storage solution for personal identity documents and other sensitive information. This helps ensure that personal data is protected from unauthorised access, while also allowing individuals to easily share their information with trusted parties when required.

Seamless integration

Digidentity's technology and the Digidentity wallet can seamlessly integrate with existing systems and processes, making it easy for regulated industries to incorporate identity verification and KYC into their workflows. This helps reduce the time and cost associated with compliance and improves the overall efficiency of the organisation. Our solution is designed for scale and can handle high volumes of verification requests which means Digidentity is suitable for organisations of all sizes and stages of establishment.

Report methodology

Digidentity commissioned an independent market research company, Censuswide, to survey a sample of 3,017 Respondents across the UK and the Netherlands (2,005 and 1,012 nationally representative respondents respectively) between the dates of 8th January 2024 to 16th January 2024. Unless stated otherwise, all figures were drawn from this poll.

About Digidentity

Digidentity is a pioneer in the digital identity space. The platform has successfully verified over 25 million high-assurance identities, offering the convenience of reuse across multiple services. The platform is designed to make it easy for our customers to verify identities across multiple platforms and services, making it a one-stop shop for all verified identity needs.

The platforms' focus on security, regulatory compliance and interoperability ensures identities are accepted across multiple services, sectors and even borders; providing value for the end user whilst meeting the compliance requirements of the service provider.

We proudly serve as a trusted partner to governments, healthcare providers, and 175,000 corporate businesses, with verified identities from over 180 nationalities. Our commitment to security is evident in our inclusion on prestigious trust lists, including the EU Trusted List, the UK's Digital Identity and Attributes Trust Framework (DIATF) and the Adobe Approved Trust list (AATL).

Digidentity is owned by Solera, the global leader in vehicle lifecycle management software-as-a-service, data, and services. Solera empowers its customers to succeed in the digital age by providing them with a "one-stop shop" solution that streamlines operations, offers data-driven analytics, and enhances customer engagement, which Solera believes helps customers drive sales, promote customer retention, and improve profit margins.