



Giesecke+Devrient
Creating Confidence



Case study

Convego® tap: How G+D helped a major bank authenticate with ease

Transforming the payment card into a solid security solution

Around the world, banks are standardizing on hardware: credit and debit cards with an inbuilt chip. The chip-and-PIN dynamic familiar to billions of consumers enables payment authentication at every retail outlet, from the largest grocery store to the smallest – providing excellent security and fraud protections.

But the possibilities of such cards go beyond chip-and-PIN payments. The combination of a user secret/credential (such as a passcode or biometric), alongside a hardware identifier (the card itself) enable PSD2-compliant two-factor-authentication for a range of use cases.

A European banking giant saw the possibilities, and asked Giesecke+Devrient (G+D) to assist with a solution for several customer challenges. Rollout of the solution was fast and effective – giving the bank both immediate and ongoing cost reductions. Here's how they did it.

What is Convego® tap?

A strong authentication solution for banks and other organizations issuing payment cards, also known as “chip and PIN”, Smart Cards, or IC cards. The common factor is an integrated microchip that enhances security overall.

Payment cards are mostly used at POS terminals, whether inserted and combined with a PIN, or a single contactless tap. Convego® tap expands their potential, enabling the user to authenticate with a simple tap of the card on their mobile phone – across a range of use cases, including onboarding to services, new card activation, and high-value payment authentication.

It's secure for the bank – and near-effortless for the bank's customers.

More than €27bn

revenues driven by more than 50m customers

About the client

This European Community bank is one of the world's largest cooperative financial institutions; consisting of a network of both local, regional and international branches.

The bank was founded in the 19th Century to provide local businesses with reasonable credit and have a strong reputation for continuously providing innovative solutions when it comes to payment methods.

It is a large financial sponsor of its country's economy and one of the leading players in Europe. It is also considered a hugely important bank by the Financial Stability Board.



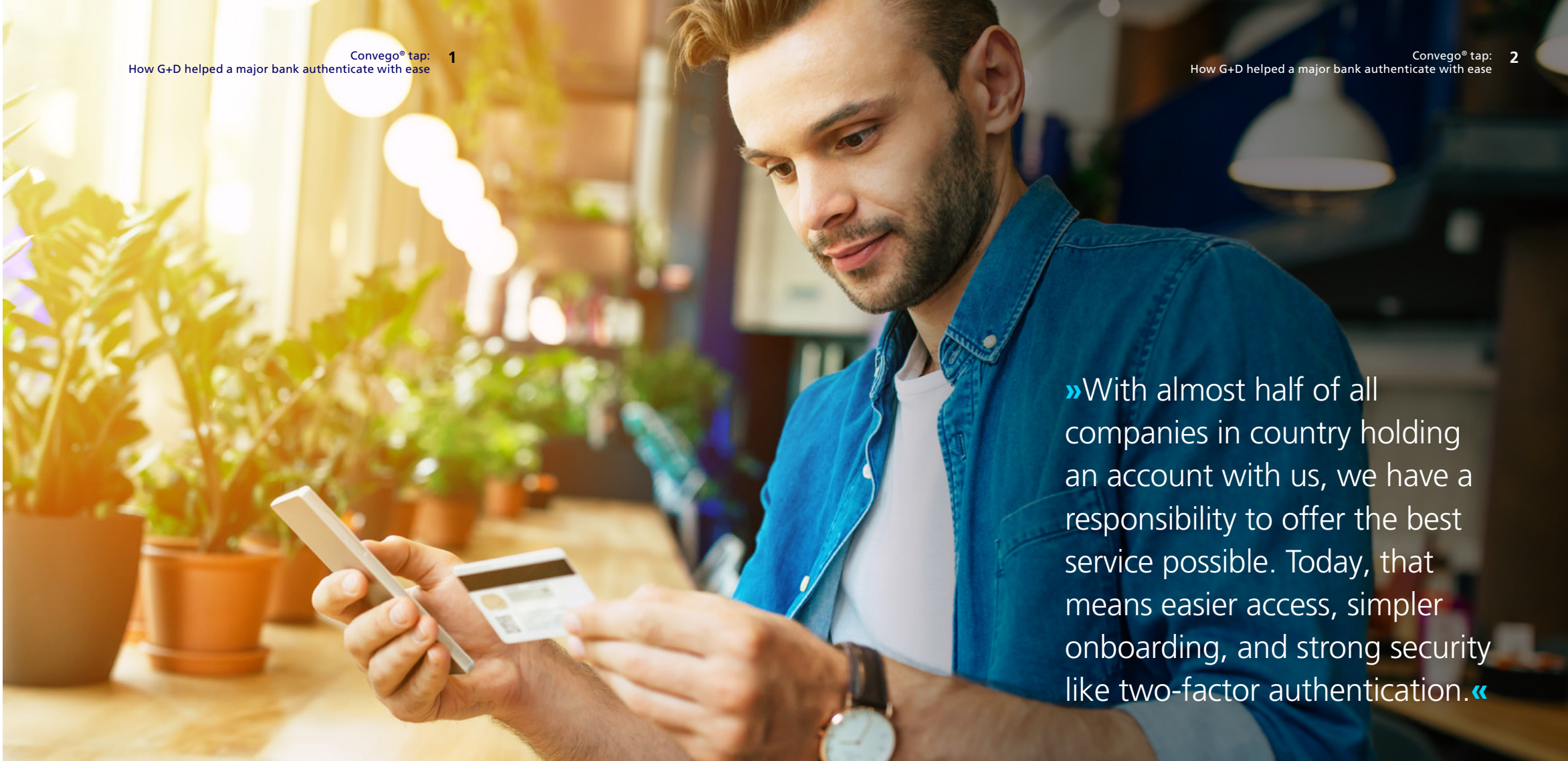
A smarter approach to Strong Customer Authentication

Authentication for many retail payments is now a settled subject: tap your card and make payment. It's simple and low-cost for both payer and payee. But other factors surrounding the card – verifying the customer's identity and activating the card once received remain a cost center for many banks.

Convego® tap from G+D offered the bank the means to avoid many such costs – like the activation codes sent out by letter, or the need to wait in a bank queue by making use of the basic feature of any contactless payment card: it's not a simple piece of plastic, but an intelligent device in its own right.

In fact, such cards are ready-made security solutions waiting to be leveraged, with the tools for authentication and identification already in the wallets of over a billion consumers. And it's inherently PSD2-compliant, meeting the legal requirements for two-factor authentication in many countries.

The bank wanted to explore Convego® tap's advantages across a trio of use cases: app onboarding, card activation, and additional security for high-value transactions.



Convego® tap: 1
How G+D helped a major bank authenticate with ease

Convego® tap: 2
How G+D helped a major bank authenticate with ease

»With almost half of all companies in country holding an account with us, we have a responsibility to offer the best service possible. Today, that means easier access, simpler onboarding, and strong security like two-factor authentication.«



Easier app onboarding: authenticate with a tap

With over half of all account holders using mobile apps to access their accounts, it's vital for any modern bank to offer a simple and secure banking app. But on first use, such an app needs to do two things: authenticate the account holder and recognize the account linked to that user, so the app can be associated with both. Known as "customer onboarding".

Convego® tap makes this easy. Instead of answering challenging questions, making a call to Customer Service, or even waiting for a letter to arrive in the mail, the customer enters their online banking login credentials, then simply taps the card against the phone when requested.

Because it confirms two security factors – the customer's knowledge of their login credentials and possession of the card itself, this process is PSD2-compliant, providing both Strong Customer Authentication and meeting legal requirements. For the user, it's little different to making a card payment.

For new account holders, the simplicity of this "Out of the box experience" for onboarding is quick and simple. The solution is currently available on Android phones, with customized versions for other devices on the way.



New card activation: strong security from the start

Many essential customer verifications – like activating a new card – have long meant calling a service desk or visiting an ATM. Convego® tap lets users verify a new card for use at their convenience, again within the bank's own mobile app.

Bypassing physical branches or service desks has multiple advantages. The frictionless experience boosts both usage of existing services and conversion rates to new ones, saving time and creating greater customer satisfaction. With as many benefits for the bank itself: lower customer acquisition costs, lower costs of physical infrastructure, and opportunities to build new revenue streams and drive transaction flows – all the while deepening the customer relationship.

A single tap when logged in verifies the card, activating it for use. At no time does the customer experience leave the bank's user interface; the G+D solution is transparent to the user.



High-value transactions: peace of mind for larger payments

A third use case implemented by a major bank involved higher-value payments such as transferring a sum to someone else's account from within the banking app.

Other market solutions include app-level password generators and challenges, or hardware "dongles", increasing complexity. With Convego® tap, the bank customer simply taps the contactless payment card on the app to prove ownership of the account and associated rights, allowing the payment to go ahead.



Benefits of Convego® tap

-  SCA with PSD2-compliant two-factor authentication
-  Optional support for FIDO UAF
-  No additional hardware / dongles required
-  Easy integration with other services like Cloud payments
-  Fast and effective rollout, with no major customization issues
-  Cost savings and customer opportunities from a frictionless experience
-  Bank's own app strengthens brand recognition in combination with card

Conclusion: elegant and simple

Customers and bank alike are excited by Convego® tap, citing an easier experience that simplifies daily life in an ever-expanding variety of situations – turning a once-cumbersome process into a frictionless interaction. Despite its ease of use, Convego® tap is secure, meeting all legal requirements for multi-factor models like PSD2 and FIDO. By using the contactless payment card itself as the hardware authentication device, it simplifies the process for users—while reducing costs and complexity for the bank. Above all, Convego® tap promotes trust and comfort between bank and customer – strengthening the relationship at every point of contact.

»Our unique solution combines ease of use, a high level of security and great cost-efficiency in an unprecedented manner. Since existing cards can also be used for strong authentication in a similar way as for contactless payments, end users profit as much as banks do.«

Jukka Yliuntinen, Head of Digital Payment Solutions at Giesecke+Devrient

Why choose Giesecke+Devrient (G+D)?

G+D technology is used effortlessly by billions of people every day. With more than 700 global banks putting their trust in G+D and our offerings, we enable secure, convenient, and trouble-free transactions used everyday by millions of people. Our safe payments technology, elegantly combined with smooth customer experiences throughout the whole customer journey, contributes to better business performance and stronger reputations for every financial institution using our services. It's true customer obsession for our clients. Ask us how we can help you!

Creating confidence

Giesecke+Devrient (G+D) is a global security technology group headquartered in Munich. As partner to organizations with highest demands, G+D engineers trust and secures essential values with its solutions. The company's innovative technology protects physical and digital payments, the connectivity of people and machines, the identity of people and objects, as well as digital infrastructures and confidential data.

G+D was founded in 1852. In the fiscal year 2020, the company generated a turnover of 2.31 billion euros with around 11,500 employees. G+D is represented by 74 subsidiaries and joint ventures in 32 countries. Further information: www.gi-de.com.



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