

# How online identity verification can help MNOs reach the full potential of eSIM technology

# CONNECTIVITY

# IDENTITY

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Combining digital identity verification techniques with eSIM devices and Remote SIM Provisioning technologies will enable MNOs to offer their subscribers the completely digitized experiences that they expect.

## Online identity verification: securing remote customer touchpoints

The telecom industry has been undergoing its **digital transformation** for many years, but like in most other businesses, this transformation **has vastly accelerated** with the COVID-19 pandemic. Today, consumers are using their mobile devices (including laptops and tablets) more than ever—replacing many physical touchpoints with their digital equivalents.

As business processes and customer interactions evolve, eSIM technology will enable telcos and other service providers to keep pace with change and offer new types of services. **Securing these digital touchpoints** with digital onboarding and verification technology will be the key to ensuring that both customers and service providers benefit fully from the eSIM offering throughout the subscriber lifecycle.

## The eSIM revolution

An eSIM, or “embedded SIM,” offers the same services as a physical SIM without the need for a SIM tray or removable component. eSIMs (otherwise known by the technical term “eUICC”) are **embedded in a mobile device** and can connect subscribers to any mobile network operator (MNO) that offers eSIM services. With an eSIM device, subscribers can install a digital profile via a mobile operator, and then select and activate a data plan within just a few minutes.

eSIM technology offers **an out-of-the-box experience** for consumers, providing instant connectivity without having to wait for a physical SIM or go to a shop. Now they can subscribe to telecom plans anytime and anywhere—from the comfort of their own home or on-the go, such as when travelling abroad.

Momentum for eSIM technology is accelerating in the consumer market. According to GSMA<sup>1</sup>, the number of eSIM devices commercially available for purchase reached 110 models at the end of 2020, across smartphones, laptops, smartwatches and tablets. With **2.4 billion eSIM smartphone connections expected worldwide by 2025** (33% of total smartphone connections), eSIM support will soon become an indispensable offering for MNOs.

However, there is no point in being able to instantly and remotely provision eSIMs, if customers still have to visit a retail store and meet an agent to verify their identity. In order to truly meet the expectations of today's digital-first customer, telcos need to master their digital touchpoints from the very first customer interaction.

## How mobile operators can onboard their subscribers remotely

Online identity verification will enable telcos to securely and conveniently onboard their subscribers and activate a subscription without the need for them to visit a brick-and-mortar location.

**The digital onboarding process** (also referred to as electronic Know Your Customer or eKYC processes) could be performed entirely from a user's own device, via the carrier's application or its web page. Once a user selects their desired data plan, they could use their phone camera to scan various **identity documents** and register their **biometrics** via selfie or fingerprint scan. While relatively simple for the user, these checks actually involve **a series of verifications** for document authenticity, user liveness, as well as watchlist screening. They ensure MNOs that new subscribers are who they claim to be, and that they have not previously been involved in fraudulent activity.

By using **eKYC services combined with an eSIM**, customers can start using mobile services immediately after they complete their application, wherever and whenever they wish. This will enable telecom operators to fully embrace, capture and monetize the new opportunities presented by eSIM.

## Beyond mobile connectivity: unlocking the potential of eSIM

eSIM represents a significant shift in marketing strategy for mobile operators. This technology offers the possibility to **reach customers wherever they are, whenever they want**, in new and more personalized ways.

Using methods such as QR codes, MNOs can meet their subscribers while in-air, on the ground, or even underground on public transportation. Subscribers need just to scan the code with their devices and follow **a few simple steps to activate a plan** and start benefitting from services.

One could argue that since customers will be able to switch between networks and offers more easily than ever before, this could increase churn rate. Nevertheless, if mobile network operators are able to provide the superior experiences that their customers expect, they are likely not only to gain and retain more customers but also to **activate more connected devices**. Therefore, most telcos view eSIM not as threat, but as an incredible opportunity for to **create new business models and services**, and generate new revenue streams by upselling and cross selling multiple plans to the consumer.

As the line between physical and digital touchpoints continues to blur, the ability to adapt to change and offer consumers the **personalized, digital-first experiences** they're seeking can be the differentiator that sets one service provider apart from all others on the market.

<sup>1</sup> eSIM: State of the consumer market and the road ahead (gsmaintelligence.com)