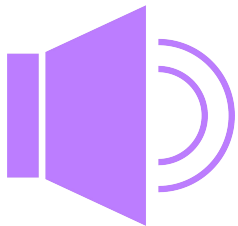


Regula

Digital Nomads: a Challenge or Business Opportunity?

Global Research Takeaways
October, 26 2023

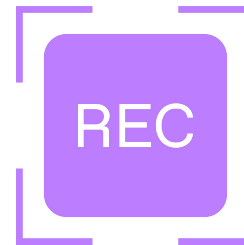
Housekeeping



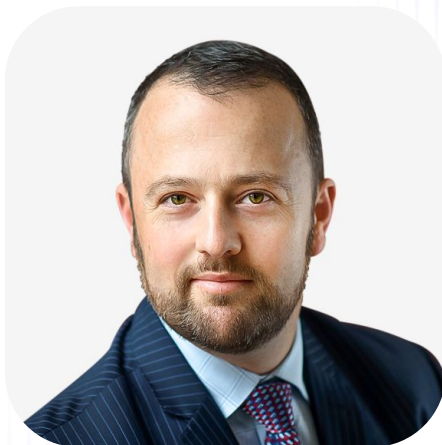
Trouble with audio?
Try dialing in!



Submit your questions live
for our Q&A at the end



We're recording!
We'll email you the link



Name/Surname

Henry Patishman

Business role

**Executive VP of Identity
Verification Solutions
at Regula**



Name/Surname

**Catherine
de Kiewiet**

Business role

**Associate Director
at SAPIO Research**



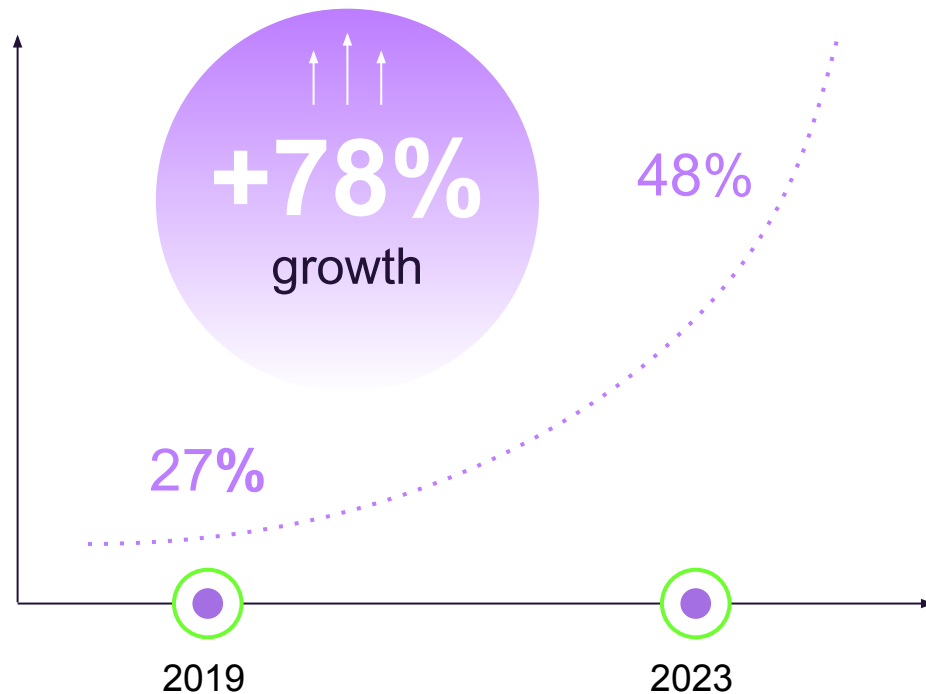
Why the Digital Nomads Trend is Important?

Rapidly growing new target group for many industries:

- Noticeable trend that is not yet fully understood/ evaluated by business
- New challenges/ opportunities for existing business processes

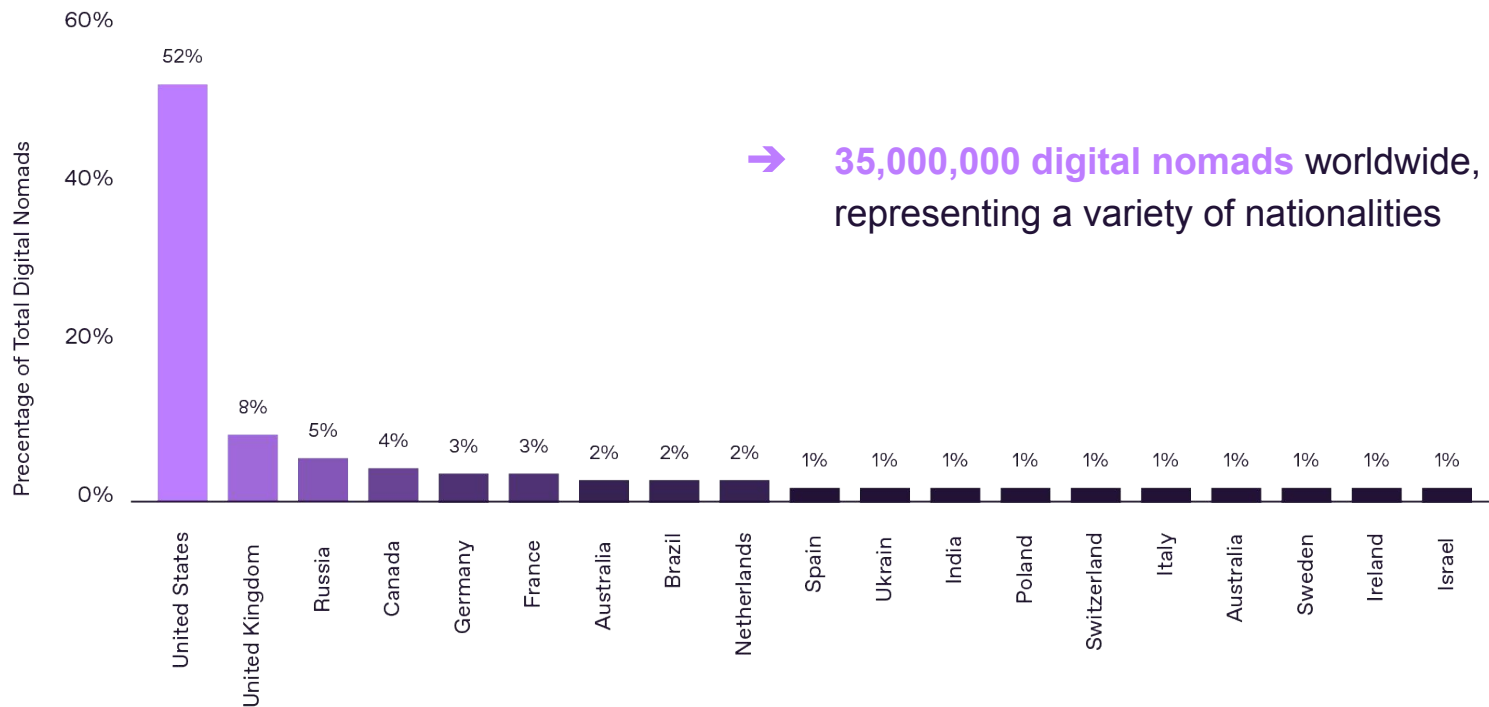
Digital Nomad Statistics

- By year-end **2023**, **48%** of knowledge workers will be working hybrid and **fully remote** - up from 27% in 2019.
- By the end of **2026**, digitization and automation of work will increase the total available market of **fully remote** and hybrid workers to **64%** of all employees, up from 52% in 2021.

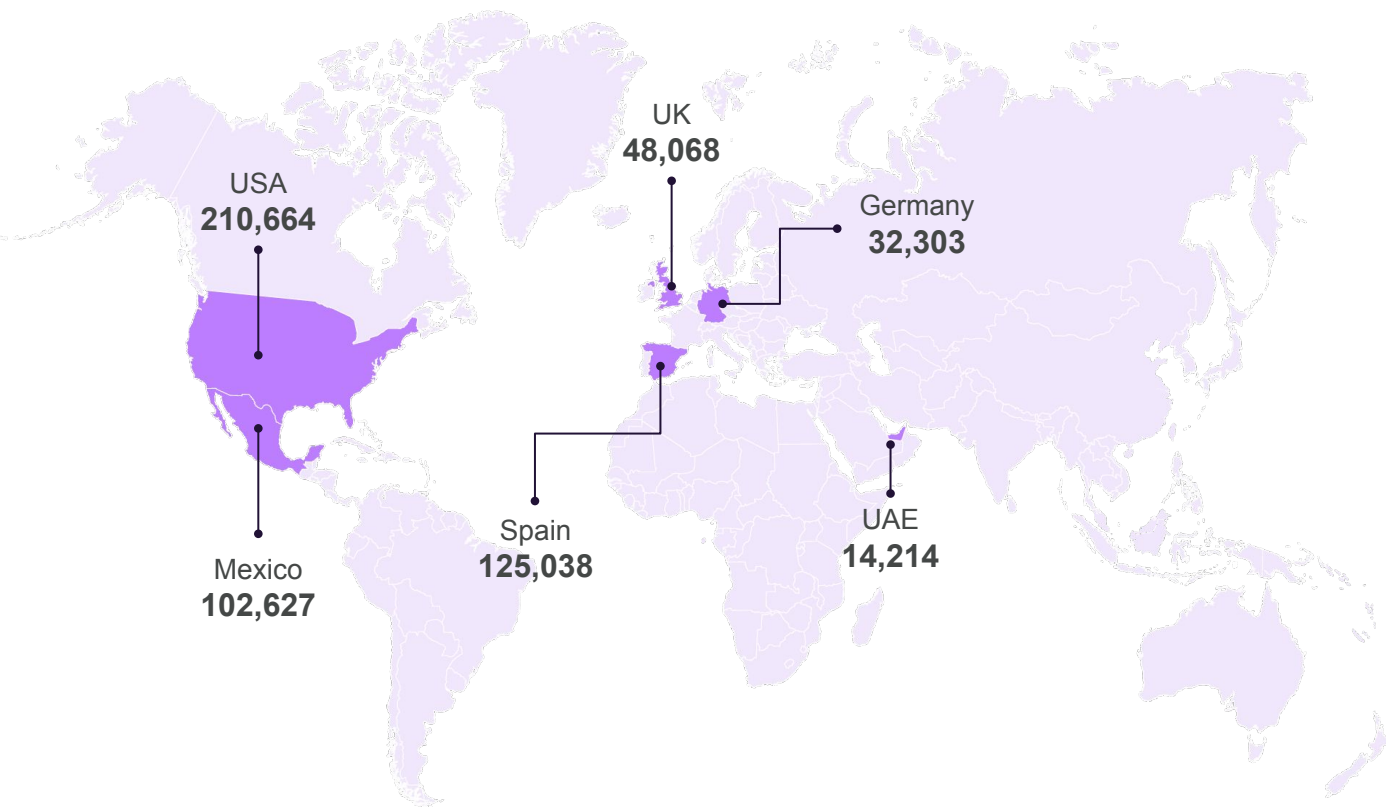


Source: Gartner Forecast Analysis: Knowledge Employees, Hybrid, Fully Remote and On-Site Work Styles, Worldwide

Country of Origination, Digital Nomads



Digital Nomads Expansion



This map considers the estimated number of posts geotagged in each location extrapolated from a sample of **26000 posts** with the **#digitalnomad** hashtag

Other countries with high number of Digital Nomads:

- Thailand - 123,729
- France - 94,690
- Indonesia - 91,963
- Portugal - 82,998
- Italy - 49,304
- India 45,286

Time for a poll!



Regula and Sapio Research - Methodology

Global survey by Regula and Sapio

Research:
Cost of Digital Nomads

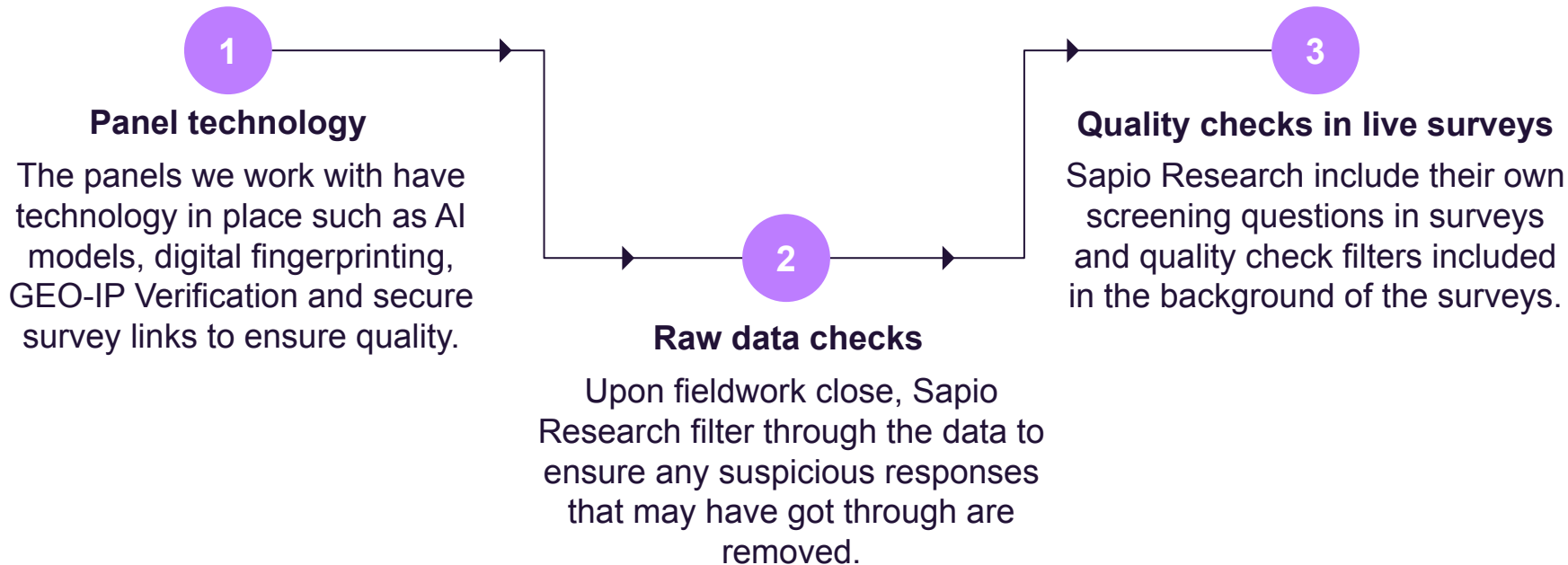
- The survey was conducted among 750 Fraud Prevention Decision Makers and 750 Digital Nomads from the US, UK, Germany, Spain, UAE and Mexico.
- The interviews were conducted online by Sapio Research in September 2023 using an email invitation and an online survey.





Research Methodology

Sapio Research has access to over 100 million people across the world in 150 countries.





About the Research - Respondents Profile

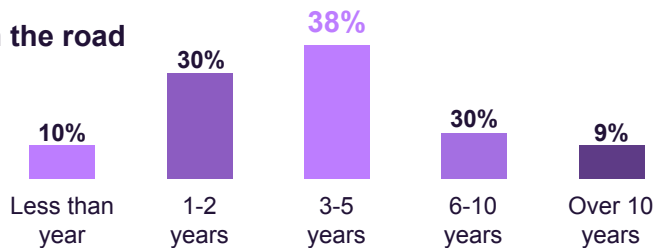
750 Digital Nomads



750 Business Decision Makers



Time on the road



Company sectors top 3:

Travel and Hospitality : **18%**
Software/Tech : **17%**
Financial and Banking Services : **15%**

SMBs 66%

Large enterprises 34%

Gender



Age

Less than 45 - **80%**
45+ - **20%**

Gender



Age

Less than 45 - **77%**
45+ - **23%**



Why We Surveyed Both Business and Digital Nomads

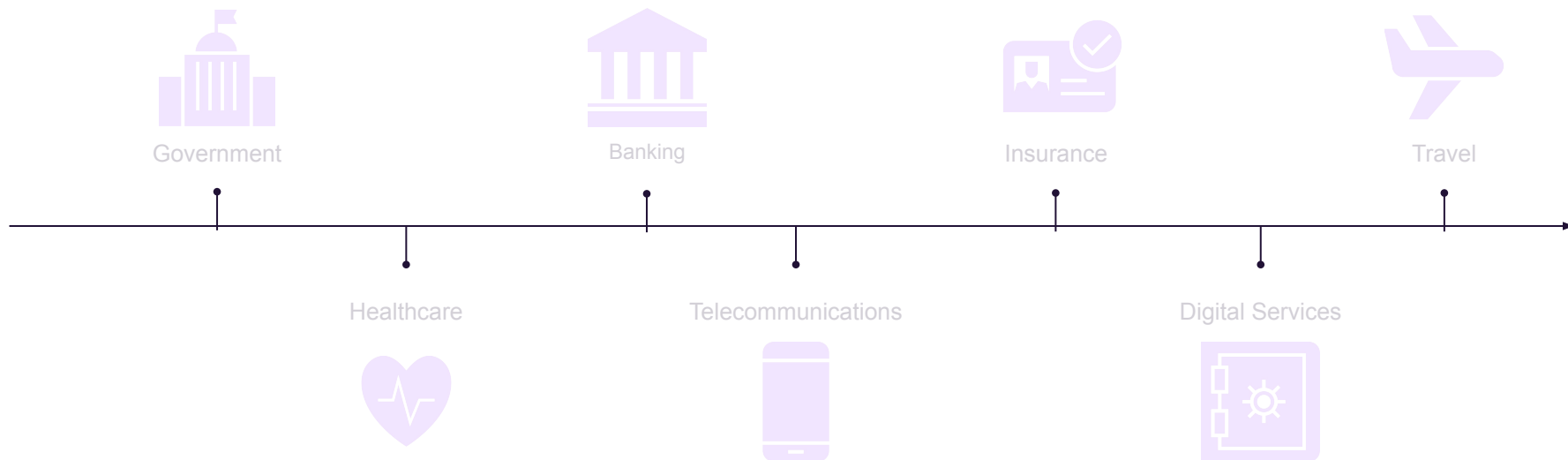
- Businesses have their own challenges and digital nomads have their experience using different services in different industries during their journey
- To understand the trend deeply we need to be familiar with both sides of this process

Time for a poll!

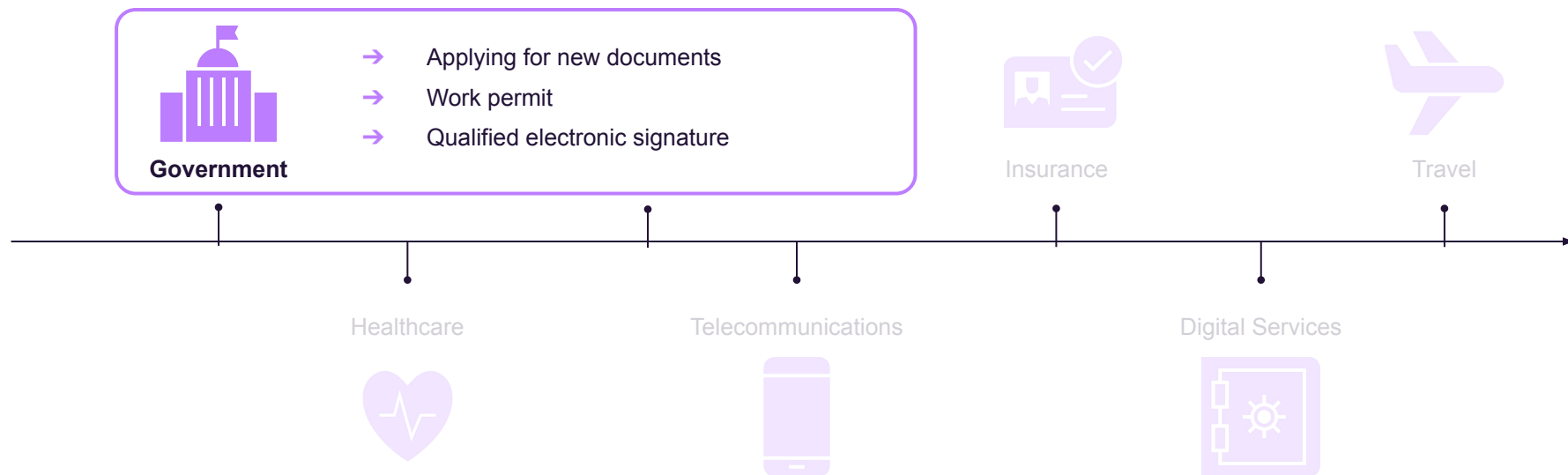


Challenges for ID Verification for Digital Nomads

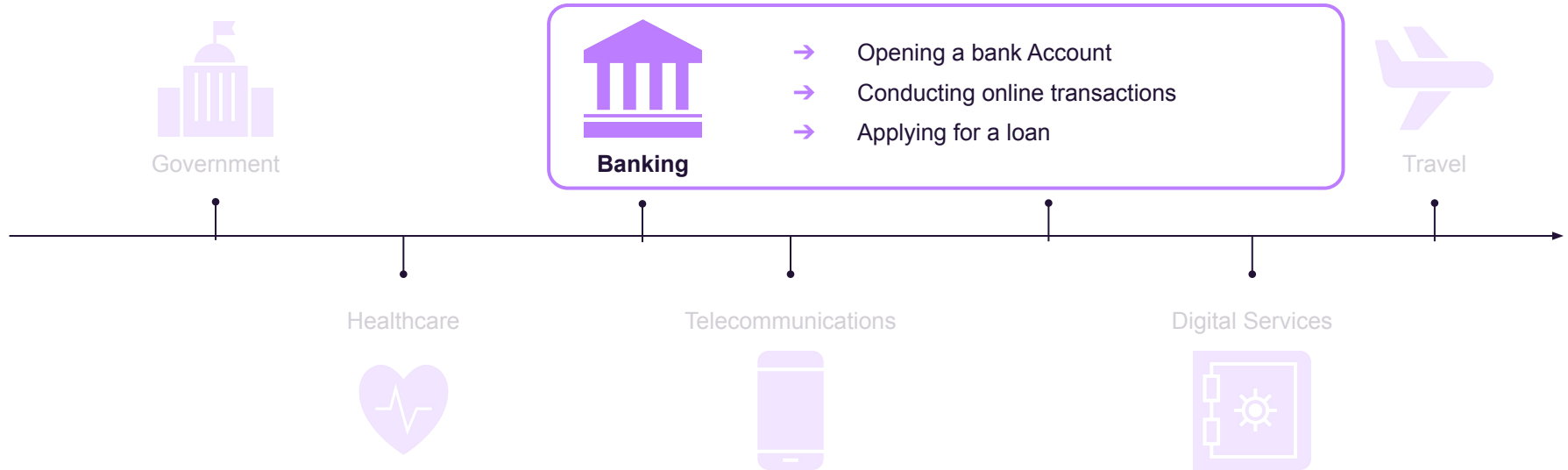
Digital Nomad IDV-related Use Cases



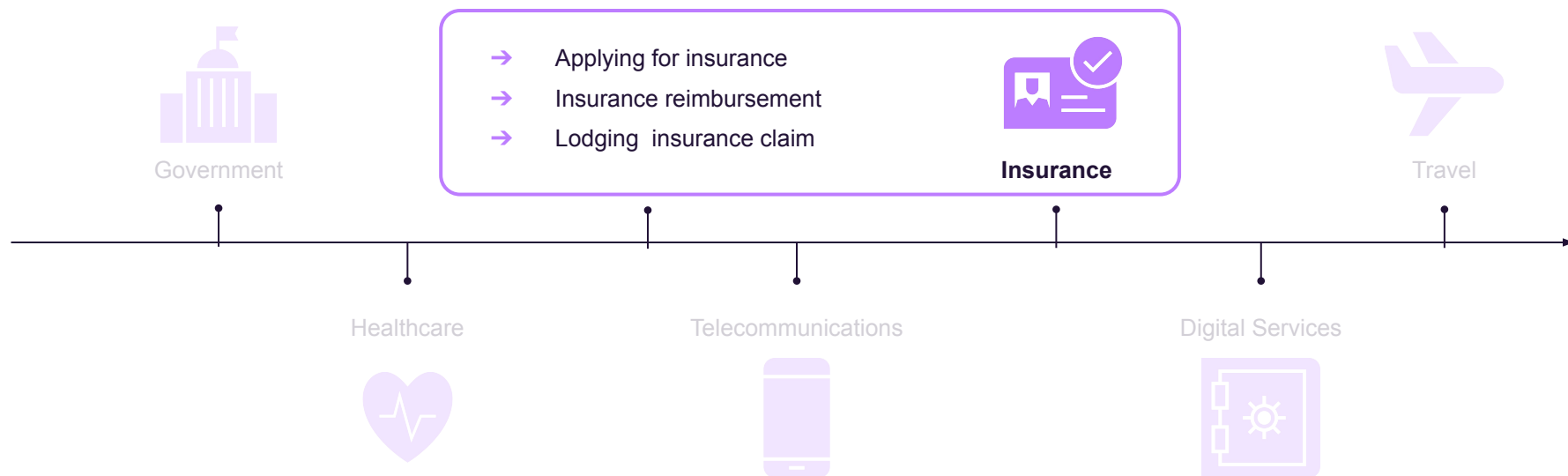
Digital Nomad IDV-related Use Cases



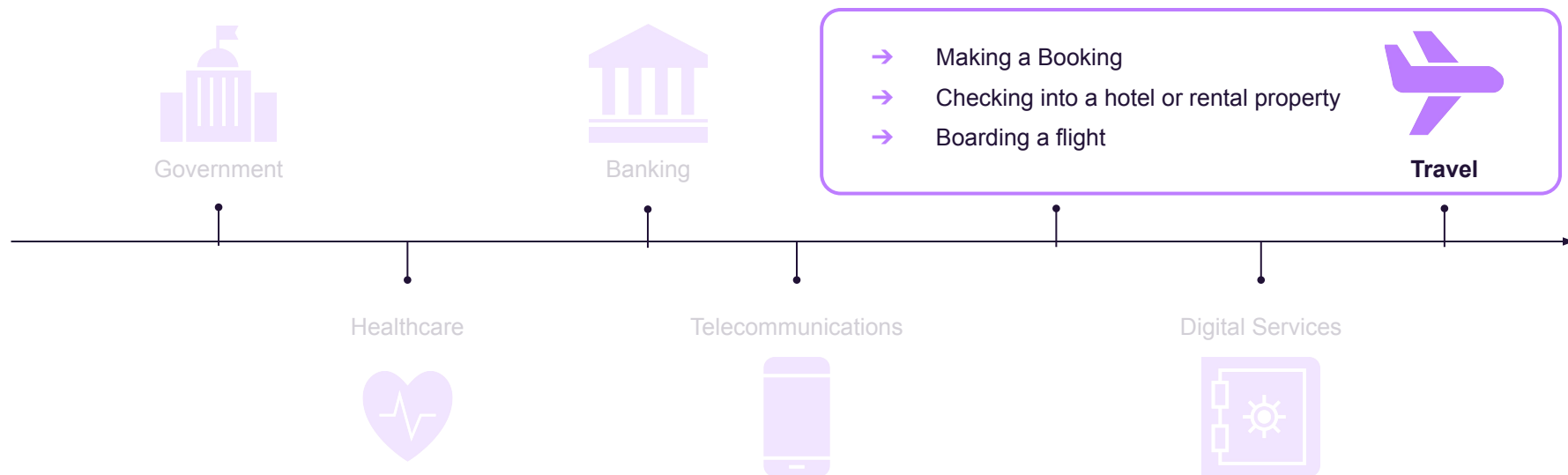
Digital Nomad IDV-related Use Cases



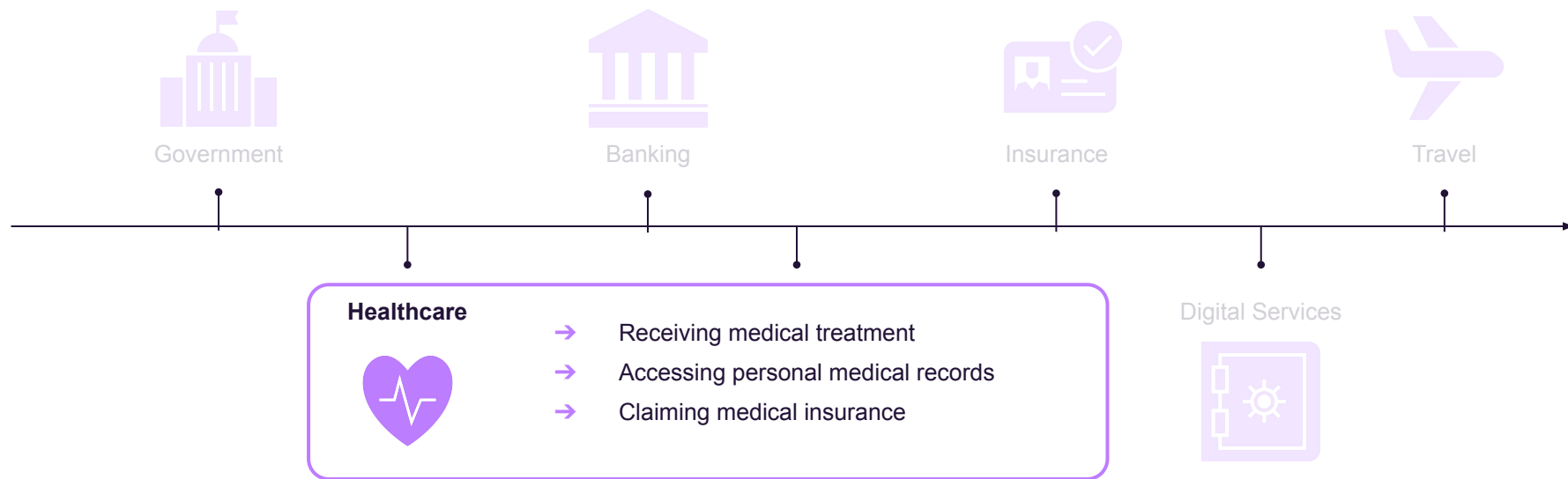
Digital Nomad IDV-related Use Cases



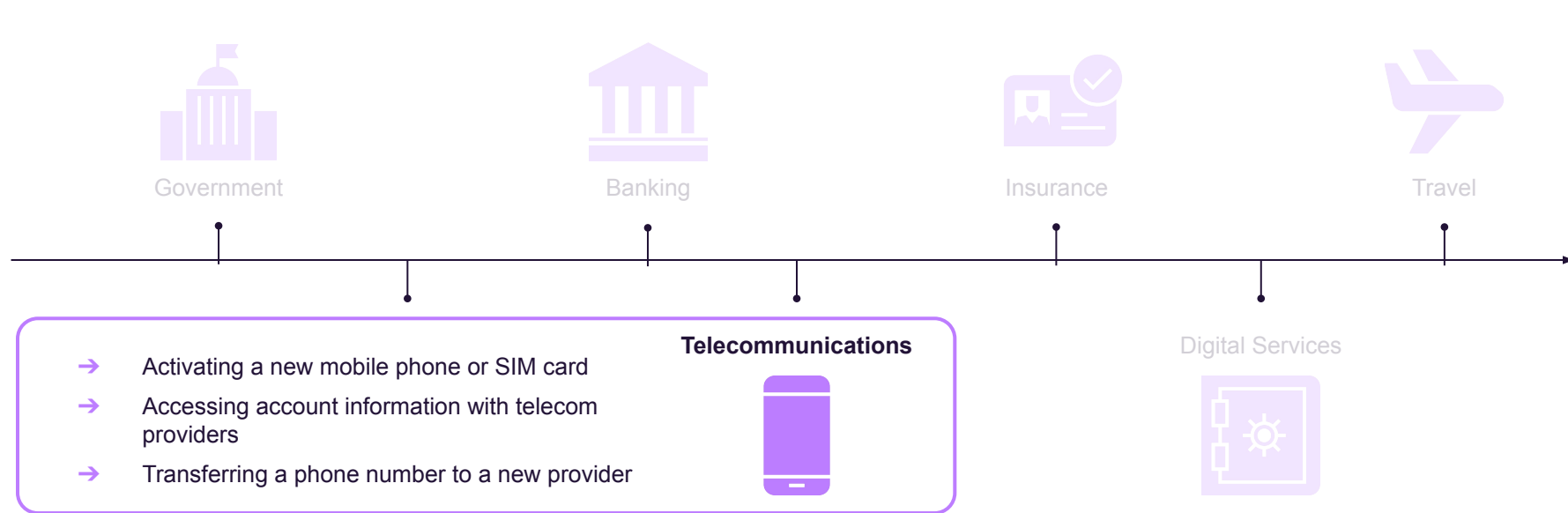
Digital Nomad IDV-related Use Cases



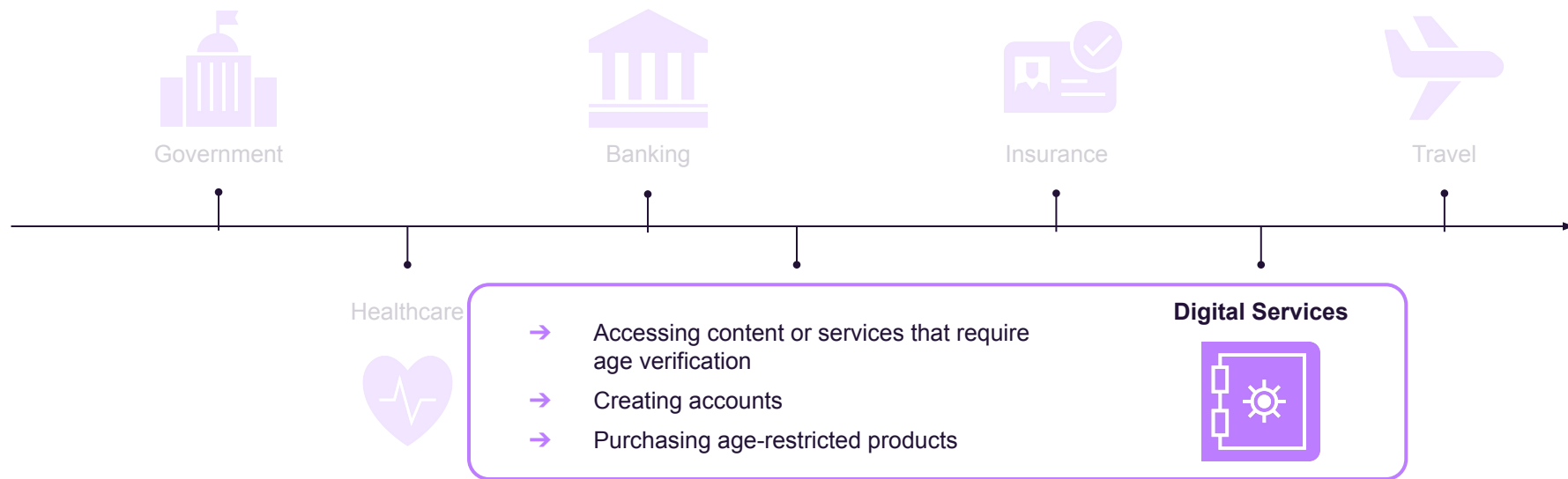
Digital Nomad IDV-related Use Cases



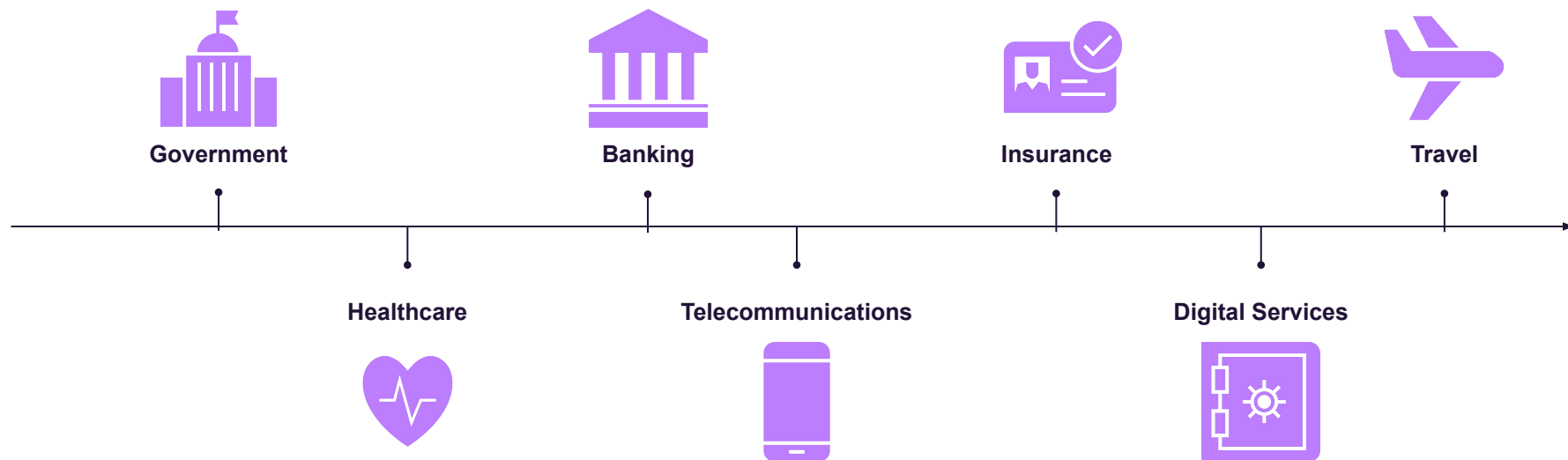
Digital Nomad IDV-related Use Cases



Digital Nomad IDV-related Use Cases

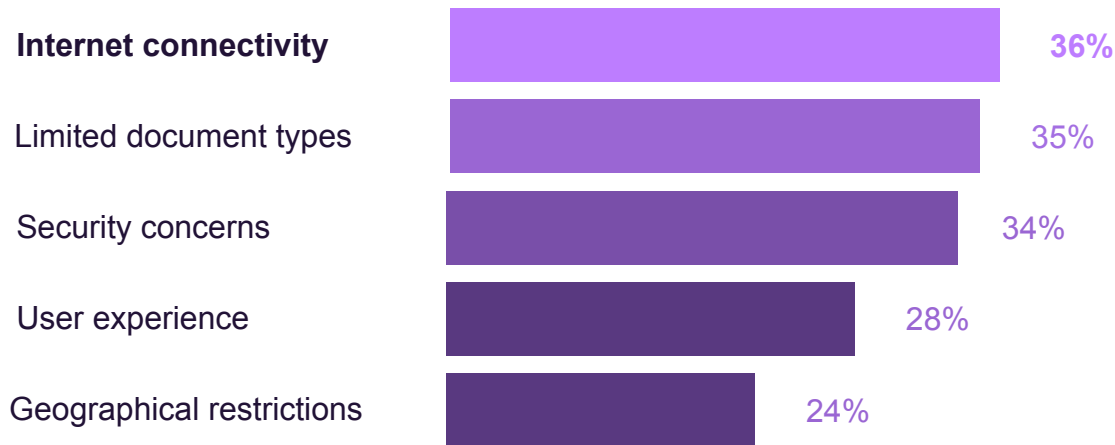


Digital Nomad IDV-related Use Cases





What Aspect of the ID Verification Process Causes the Most Frustration for DN?



Q. As a digital nomad, what aspect of the ID verification process causes you the most frustration? Select up to three.



Biggest Risk with ID Verification



Document loss or theft

1

Constantly moving from one place to another increasing a risk of losing important ID documents or having them stolen



Identity theft

2

Providing personal identification documents to various institutions increases the risk of identity theft if sensitive info fall into wrong hands



Remote verification

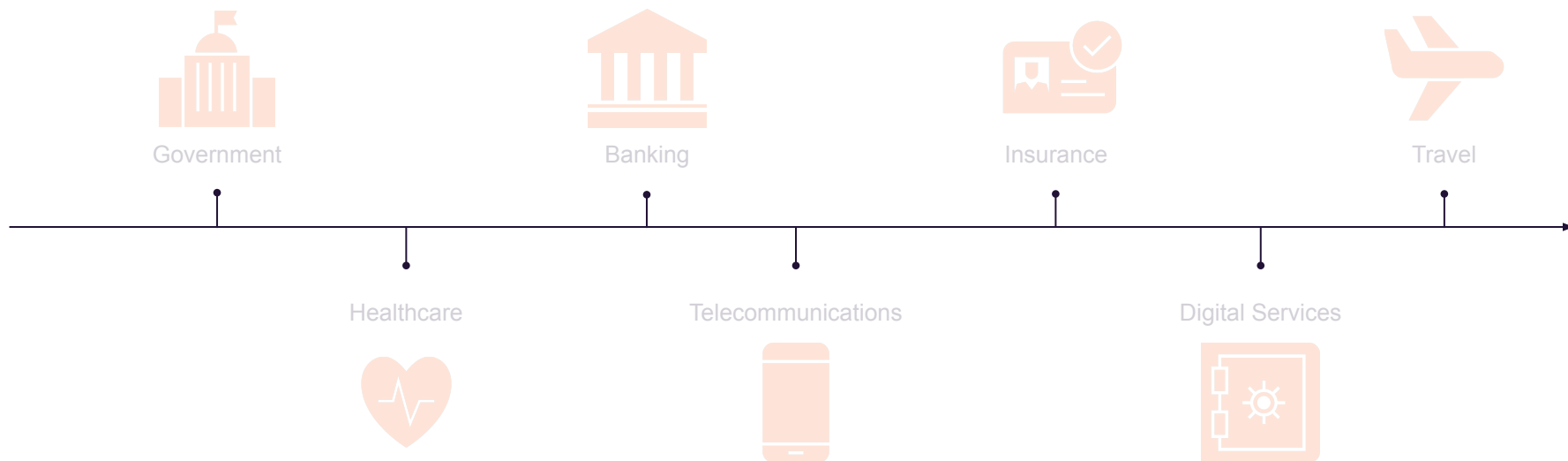
3

Reliance on public Wi-Fi networks can expose digital nomads to hacking attempts and other cybersecurity threats

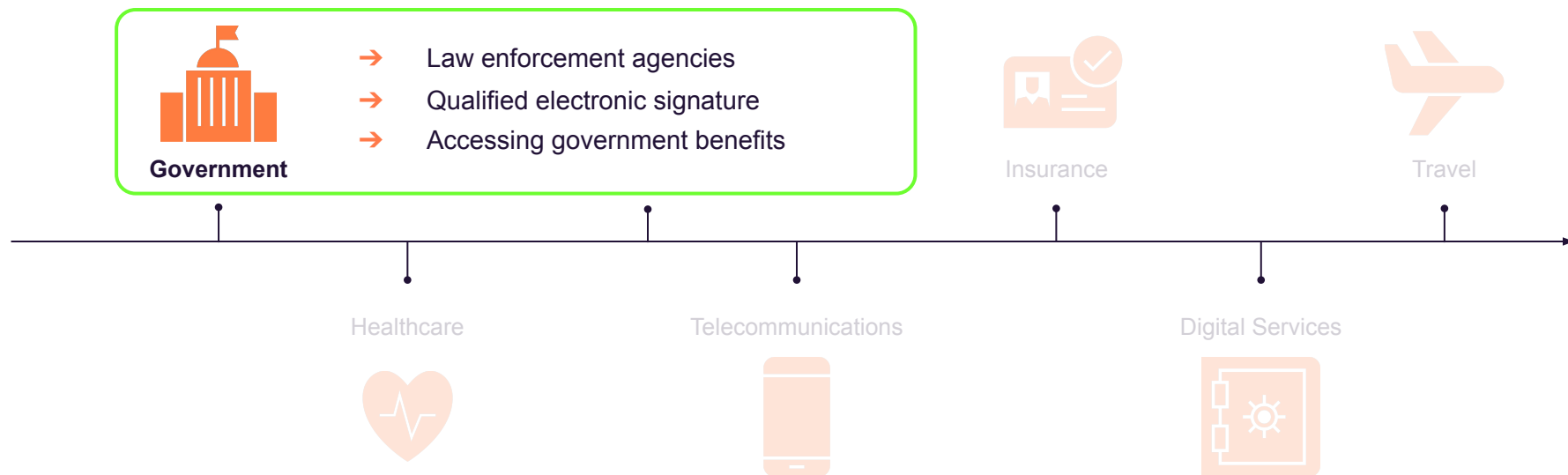
Q. What is the biggest risk you associate with ID verification processes as a digital nomad? Select one.

Opportunities, Challenges and Risks for Business

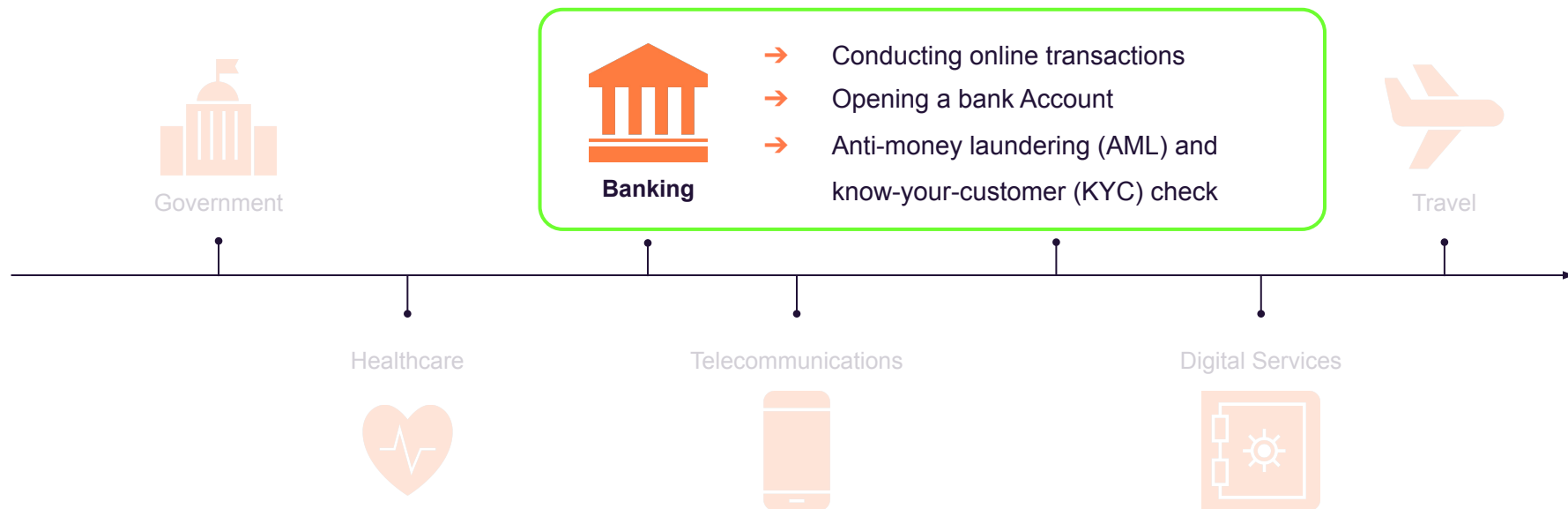
Digital Nomad IDV-related Use Cases - Business View



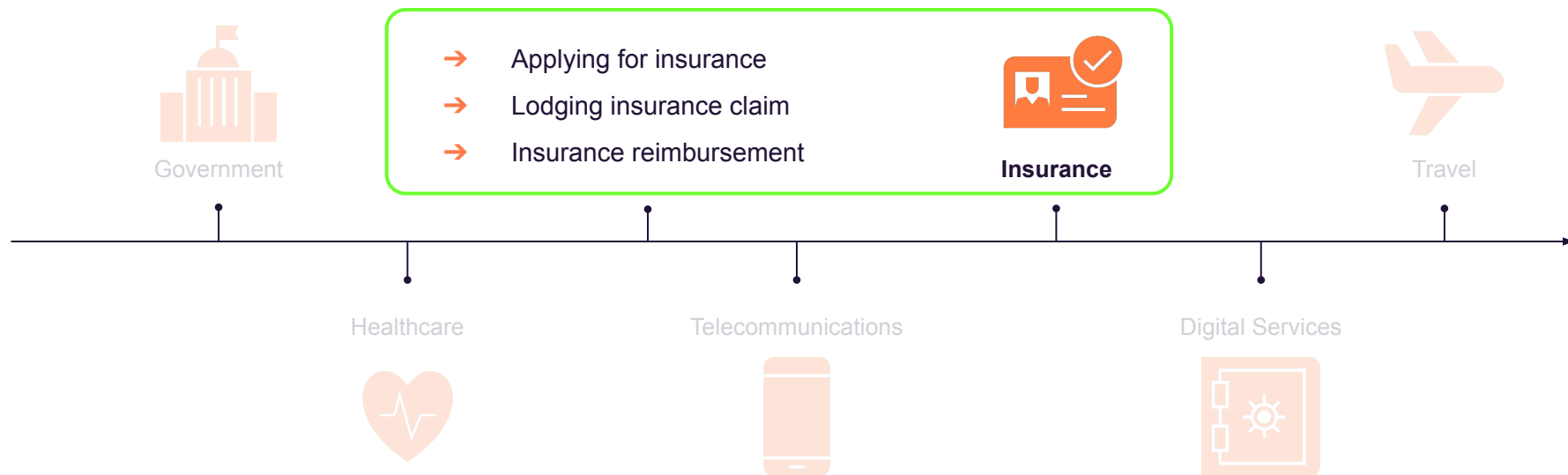
Digital Nomad IDV-related Use Cases - Business View



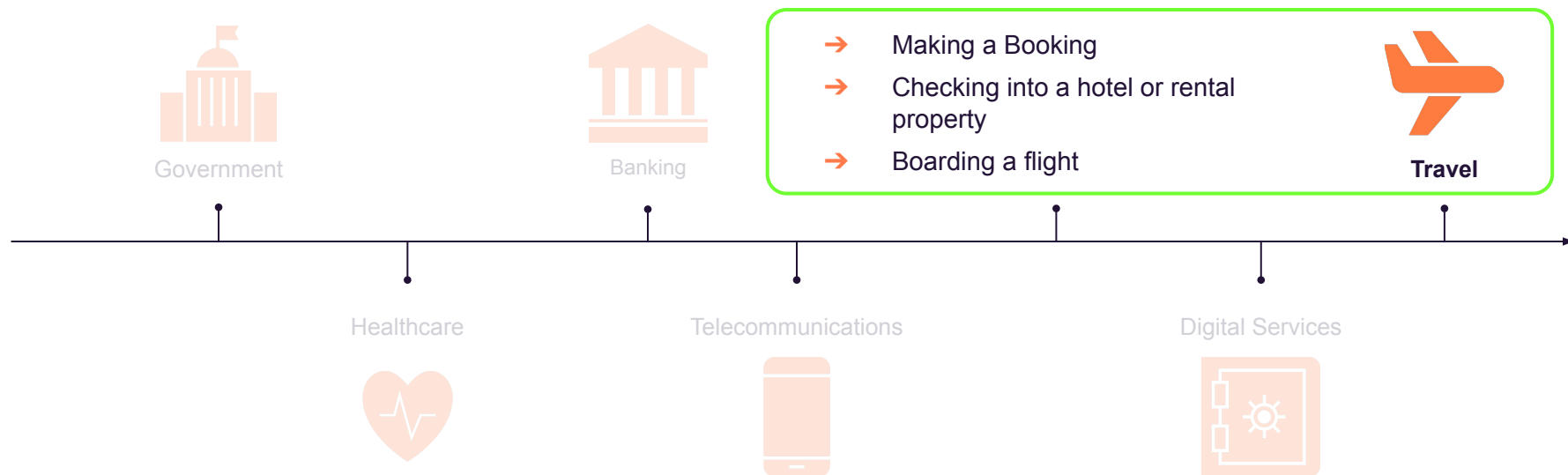
Digital Nomad IDV-related Use Cases - Business View



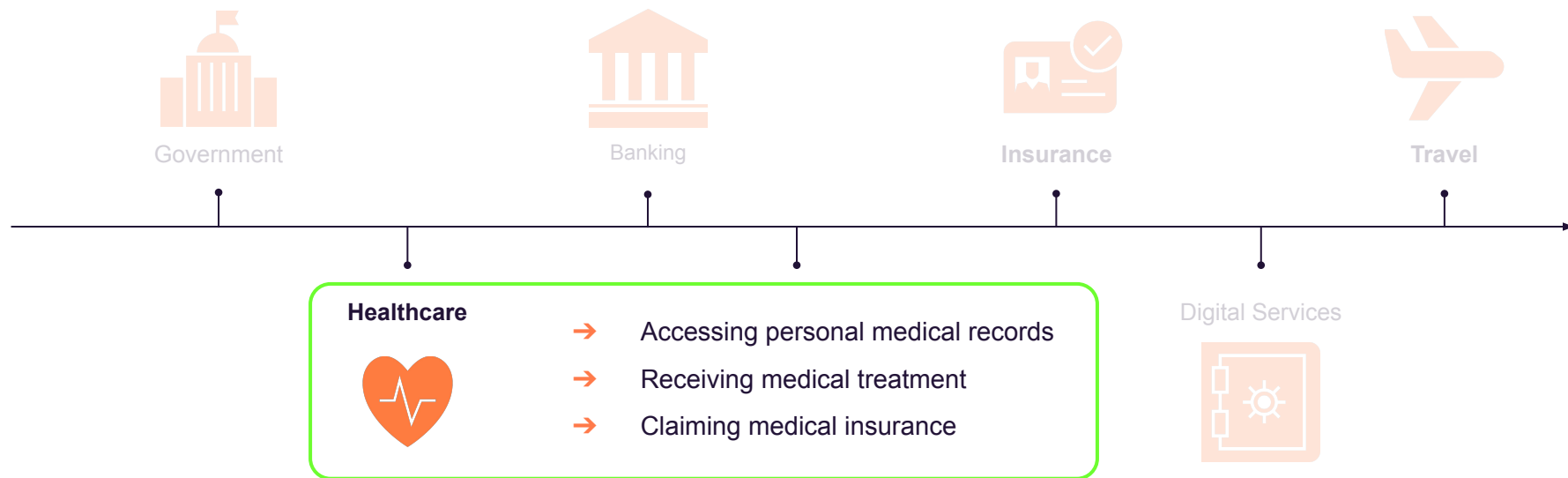
Digital Nomad IDV-related Use Cases - Business View



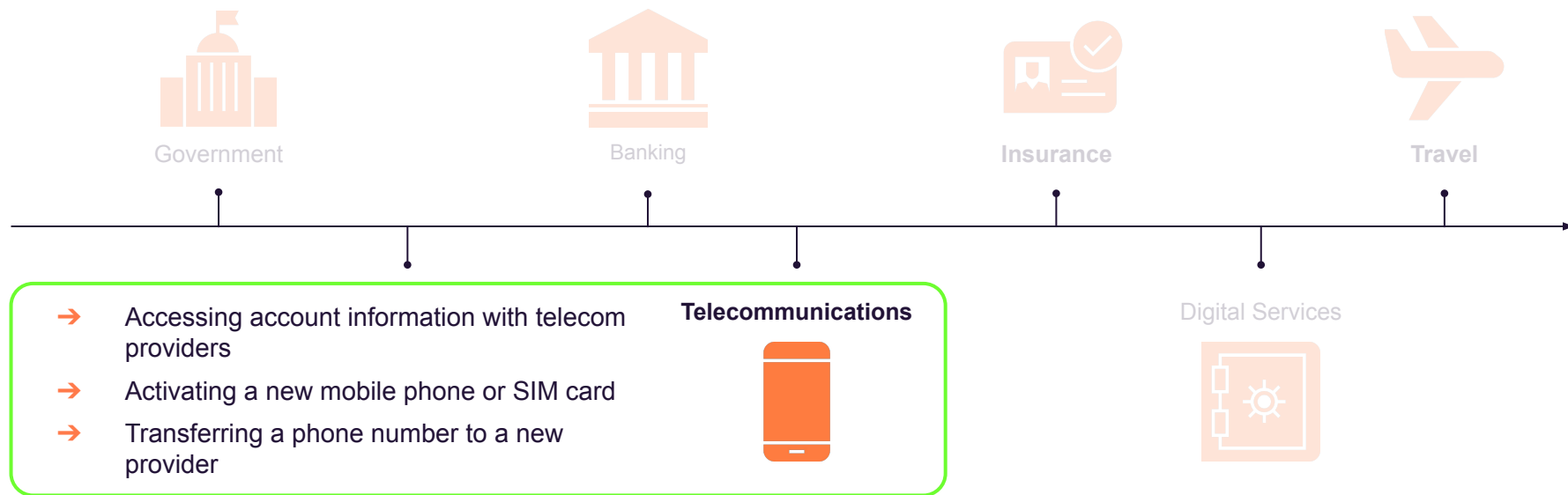
Digital Nomad IDV-related Use Cases - Business View



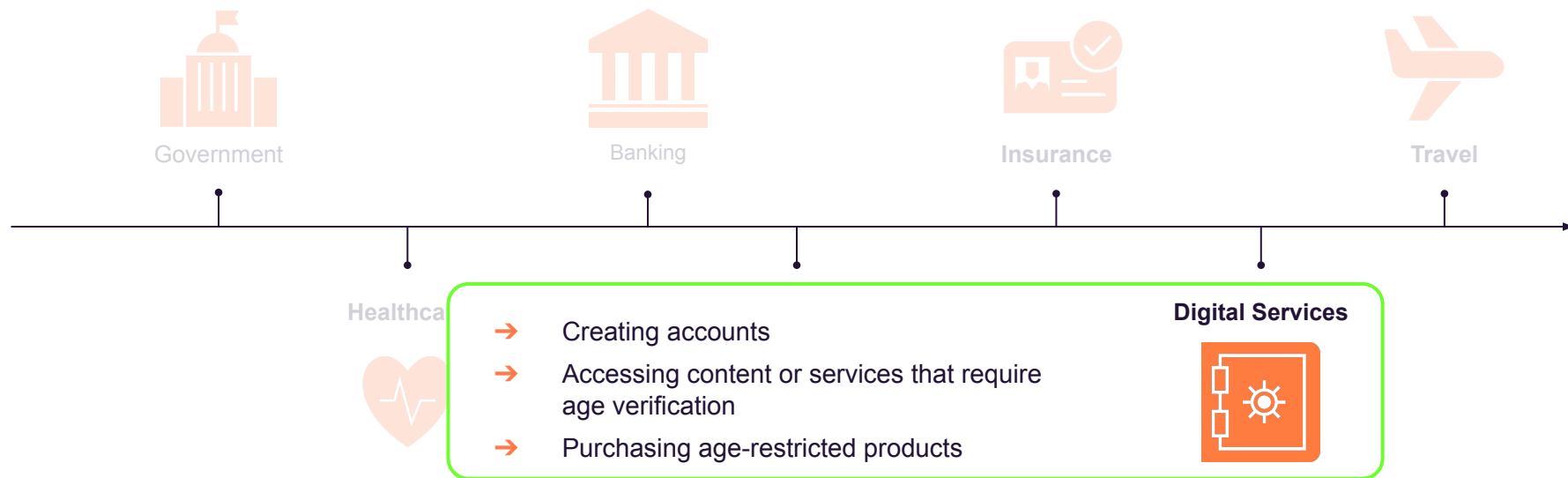
Digital Nomad IDV-related Use Cases - Business View



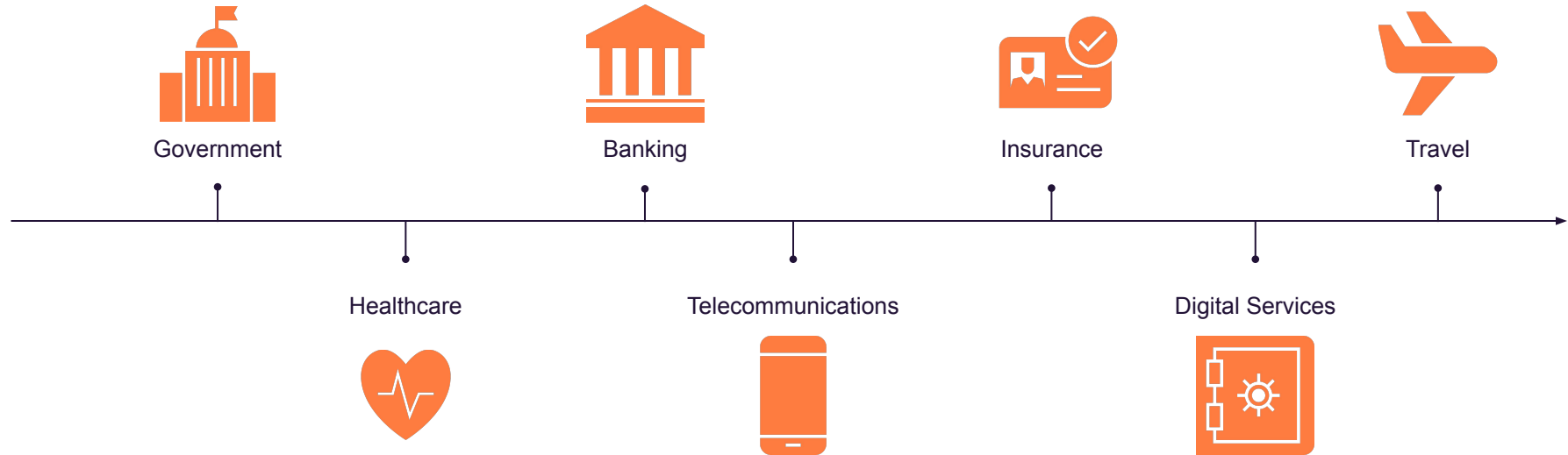
Digital Nomad IDV-related Use Cases - Business View



Digital Nomad IDV-related Use Cases - Business View

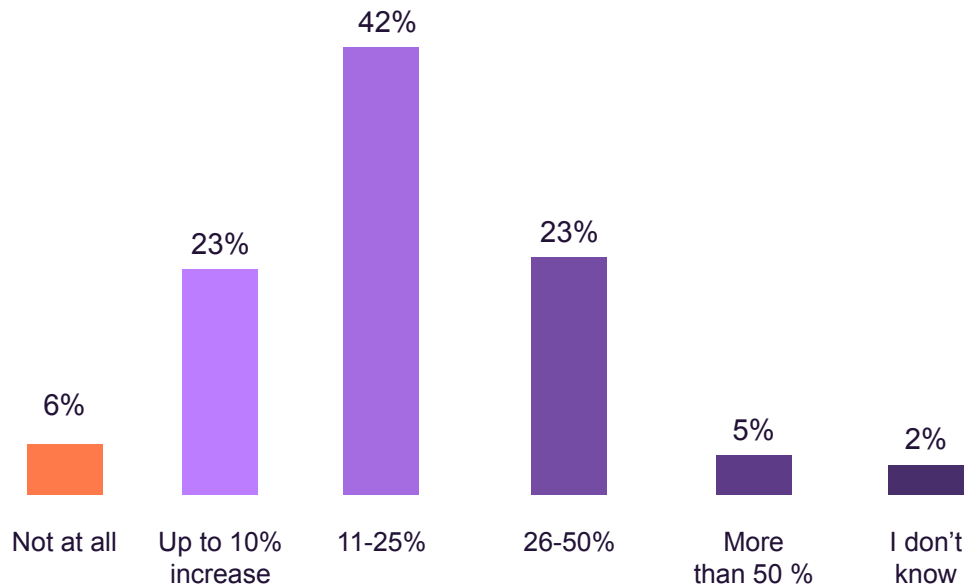


Digital Nomad IDV-related Use Cases - Business View





Significant Increase of Foreign Documents' Verification Cases



- **70%** of companies see the increase more than 10%
- 56% in USA, 60% in UAE and 48% in UK believe that number or foreign documents verification cases are increased more than 20%
- The most significant this trend we see in USA - **90%** answered that number or foreign documents verification cases are increased more than 10%

Q. Has the number of foreign documents' verification cases at your organization grown since Summer 2021? Select one.



>700 mln
passengers

>160
destinations

~30 seconds
takes check-in

Customer Success Story



Challenge

AirAsia, the Asia Pacific region airline group, following their strategy to fully digitize the airline, aimed to provide a seamless travel process for their guests. The airline's main goal was to introduce contactless check-in/boarding procedures to mitigate risks related to Covid-19.



Solution

Regula Document Reader SDK was embedded in the airasia Super App and became its core element for identity verification of AirAsia's passengers. Regula's solution makes the process of self check-in fast, reliable, seamless, and paperless.



Result

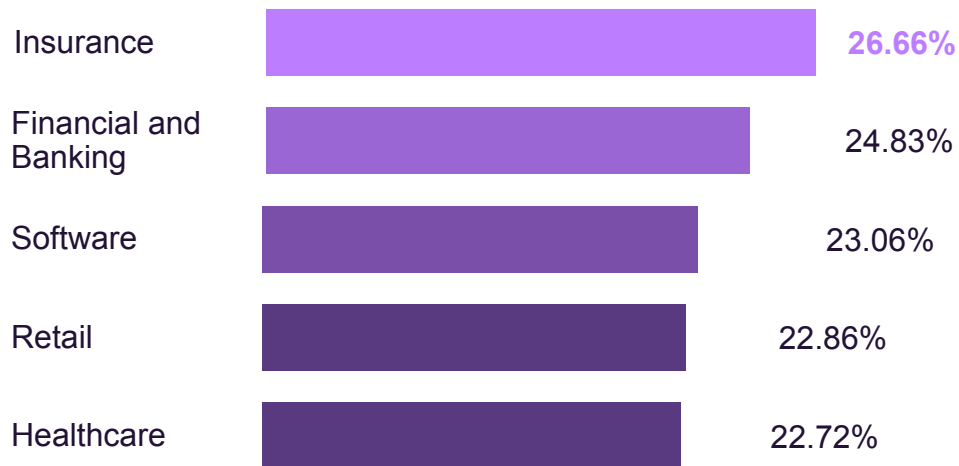
The number of seamlessly enrolled passengers into FACES program is growing fast as digital technology continues to take the hassle out of air travel in the post-Covid world. Identity data is accurately extracted and cross-compared in a matter of seconds. It helps spot alterations of data and detect forgeries.

[Read more](#) →





Top Industries with largest Number of Document Verification Cases



- We surveyed 14 industries
- There's no big gap here between first five
- The lowest is Travel and Hospitality(15%)
- Telecommunication has one of the lowest indicator (17%).

Q2 Has the number of foreign documents' verification cases at your organization grown since Summer 2021? Select one (Fraud Decision Makers)

Customer Success Story

> **Challenge**

The bank wanted to replace real-time video interviews with a totally new process for opening accounts and accessing banking products.

> **Solution**

Regula Document Reader SDK is responsible for ID verification, and Regula Face SDK is responsible for comparing the document portrait with a selfie.

> **Result**

Onboarding for new customers is now available right from their mobile banking app, anytime and anywhere.

The largest private
bank in the world

Fully automated
process

24/7 availability

Takes a few
minutes

Top Scenarios Where Foreign Document Verification Cases are Increased



Visa application



Opening a new bank account



Applying for insurance



Making a booking



Receiving medical treatment



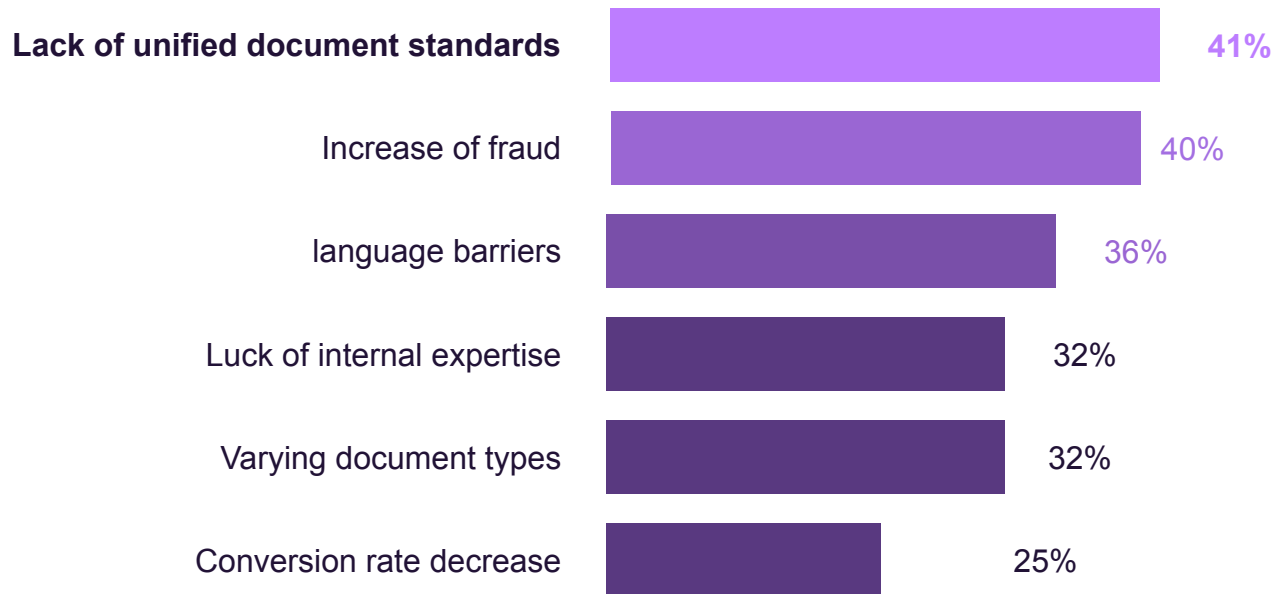
Creating accounts in digital services



Transferring a phone number to a new provider



Top Challenges of IDV for Business



Q. What are your primary challenges when it comes to identity verification for digital nomads? Select up to three.

Customer Success Story

> Challenge

In 2019 FRIENDi mobile moved its customers to the Ooredoo network to enhance network connectivity and offer better services to their customers. To complete this task, all FRIENDi customers had to exchange their old SIM to the new “Super SIM”. All customers had to resubmit their ID for collection and activation of their new SIM.

> Solution

Regula Document Reader SDK was integrated for the processing and verification of the identity documents. It was also used for the activation of new customer accounts, network portability, and additional tasks for FRIENDi Mobile’s functionality.

> Result

Regula solution was very reliable and delivered as per FRIENDi expectations. It was also used for activating new customers, network portability, sim change, and many other operations.



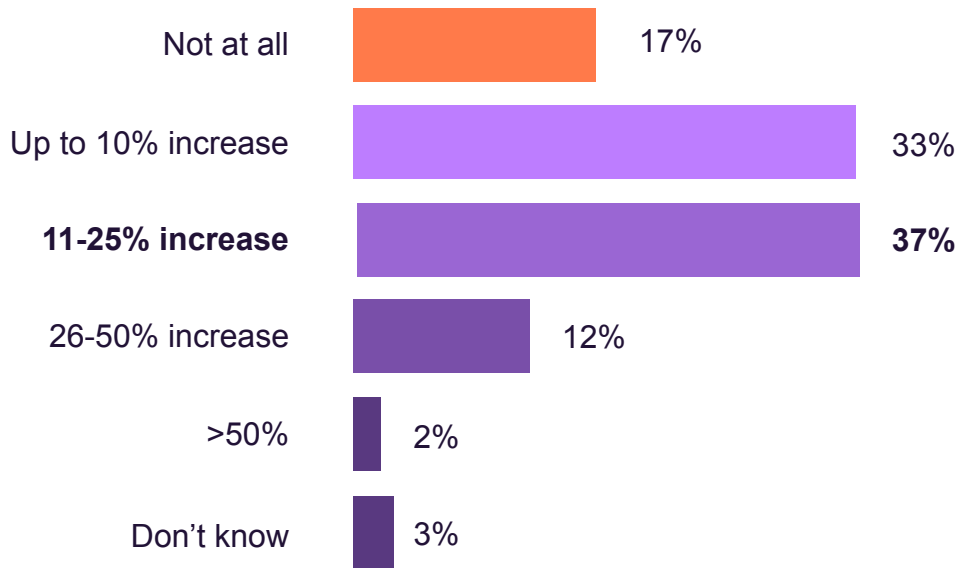
Telecom service
provider

ID processing
and verification

New customers
activation



How Digital Nomads Trend Influences Fraud?

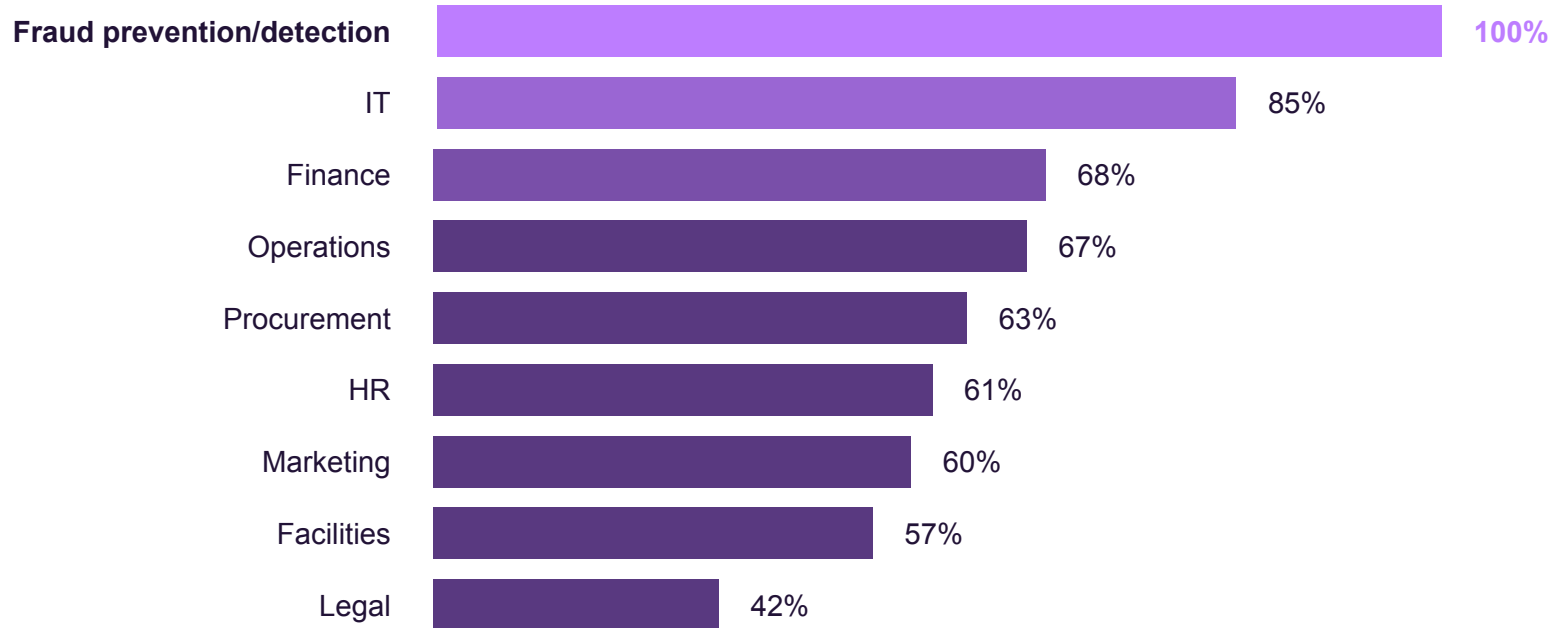


- 80% noticed fraud increase
- Germany is the most affected country - 87% see fraud increase
- Mexico and Spain are less affected - 62 and 66%
- Banking and insurance are most affected industries

Q. Does the digital nomad movement impact the number of fraud cases (forged or counterfeit documents) in your business?



Fraud Topic Affects Everyone



Q. Which of the following do you have decision making authority over? Select all that apply.

Customer Success Story

> Challenge

- Remote client onboarding
- Only real live physical document should be accepted.

> Solution

- Regula Document Reader SDK for remote ID verification
- Document liveness check with holograms detection to effectively recognize fraud literally at the doorstep.
- Hologram verification together with screen capture detection ensure the documents are authentic and that the applicants don't take pictures of IDs from a computer screen.

> Result

Accurate and fast identity verification during the onboarding process and increased security and client loyalty. The bank increases the client base and improves the NPS score.



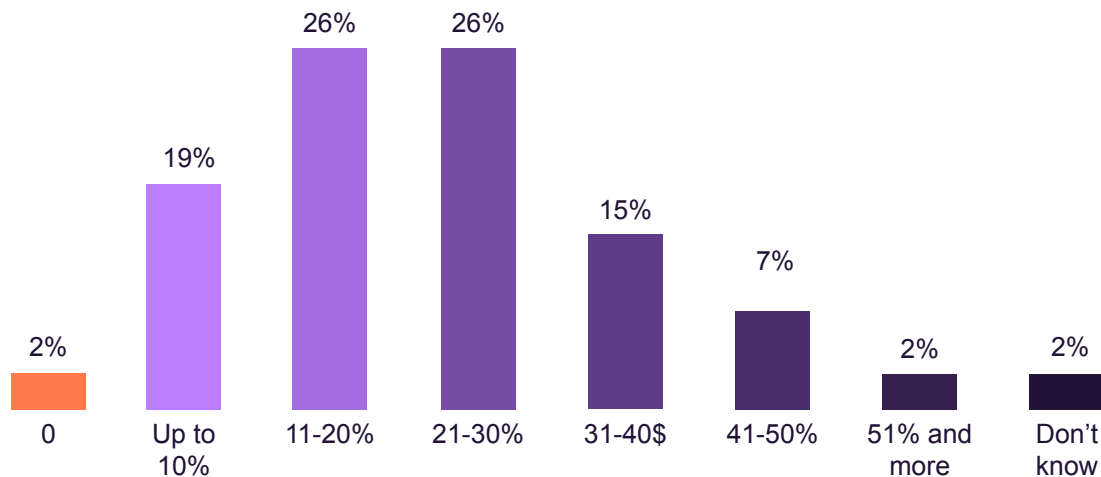
COVID-19
challenges

Client base
expansion

NPS score
improved



Is Digital Nomads a Challenge or Business Opportunity?

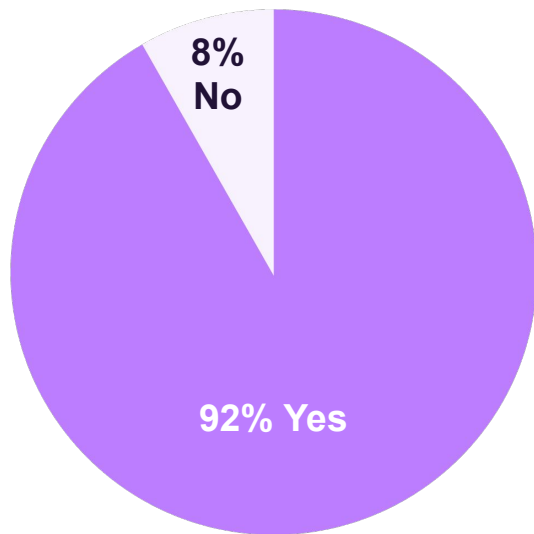


Q. What percentage of new business revenue can be attributed to digital nomads? Select one.

- **76%** surveyed noticed > 10+% new business revenue attributed to digital nomads
- Decision makers attribute an average of 22% increase in revenue to digital nomads
- 62% surveyed in USA see more than 20% new revenue attributed to digital nomads
- Banking, insurance and retail are the most affected industries



A Secure IDV Solution is Essential for Success

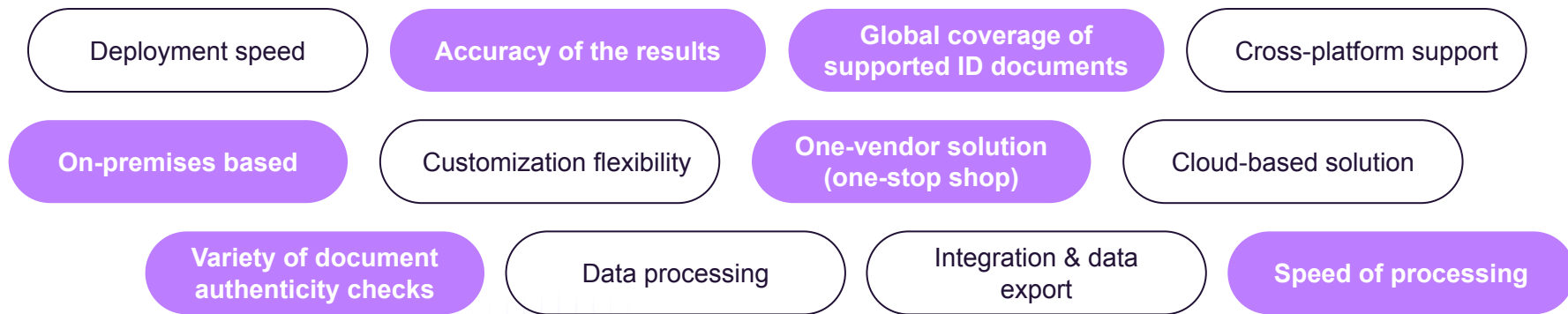


92% of organizations plan to increase IDV spendings in the next 1 to 3 years

Q. Are you planning IDV spendings to be increased in the next 1-3 years?



The Most Important Considerations for Choosing a Document Verification Solution



Q8. Which of the following are most important when choosing a document verification solution?

Regula Offering - Complete IDV Process

Identity Document Verification

Regula Document Reader SDK

1. Capture

2. Assessment

3. Extraction

4. Verification

+

Biometric Verification

Regula Face SDK

5. Selfie Capture
and PAD

6. Comparison

7. Identification

Server-side RFID verification

Hologram detection

99% of requests processed in
less than 1 second

Automatic document type
detection

13,000 + document templates

247 countries and territories
covered

Cross-platform

Automatic authenticity checks

Retake rate close to 0%

OCR 130+ languages
supported

User-friendly UI, great UX

Key Takeaways

- Digital Nomads is growing market which is transforming business
- This process has a lot of challenges, but also a lot of opportunities for business
- IDV solution is essential to successfully meeting those challenges and take advantage of opportunities





Questions?

Thank you!



kate.johnson@regulaforensics.com

Regula

Decades of Forensics for Seamless Identity Verification.
Bringing together 30 years experience in forensics, border control
and business, to create industry standards to trust and follow.

