

# ASSOCIATING LLOYDS BANKING GROUP WITH ISSUING AN IDENTITY ASSURANCE CREDENTIAL THAT ALLOWS ACCESS TO GOVERNMENT SERVICES

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**Calsign**<sup>TM</sup>

OIX UK is the UK arm of a global organisation and works closely with the Cabinet Office on the Identity Assurance Programme. Its goal is to enable the expansion of online identity services and adoption of new online identity products. It works as a broker between industries designing, testing and developing pilot projects to test real use cases.

# Executive Summary

This project examines in a short, agile discovery process, a circle of trust between the customer, their bank and Government and how this can be applied to everyday digital transactions. By linking services between the bank and Government how does the customer react and is trust maintained? Is a circle of trust possible and if it is, does it hold benefit for all parties?

The concept is that a bank, in this case Lloyds, issues a 'digital identity' to its customer, in this case a Callsign. The customer is then able to assert their new digital identity in two transactional scenarios - retail and Government. The testing looked at whether the customers wanted a digital identity from their bank, and whether they saw it as a positive feature. Cabinet Office was specifically looking at whether a digital identity could be issued and understood outside the context of a public sector transaction. In addition could identity assurance be built up over a series of ecommerce transactions, therefore reducing the need for a lengthy registration process at the point of a public sector transaction?

Banks have long been the holders and guardians of personal information relating to their millions of customers such as name, address, phone numbers, financial history, etc. Moreover they go through rigorous verification processes to ensure this information is accurate and that their customers are who they say they are (in compliance with Anti Money Laundering (AML), and Know Your Customer (KYC) regulations). As the digitisation of daily life continues to develop at a pace, including the growth of mobile banking, it seems natural for banks to examine ways in which they can help their customers to access a range of services in a way that is safe, secure and convenient for the individual, and provides accurate and trustworthy identity data for the relying party.

The assumption in this project is that Lloyds Banking Group is able to issue a digital identity that meets a number of facets of the Cabinet Office Good Practice Guides and is sufficient for retail transactions. When the customer comes to transact with public services, where the digital identity needs to achieve the government standards, additional verifications are conducted. However, this step building process means that the customer is not faced with a single lengthy verification piece at any transaction.

This Project found that there is indeed a distinct possibility to create a circle of trust between a customer's bank and their Government held information. Overwhelmingly the customers reacted positively describing Lloyds with Callsign as an intuitive and convenient service. Customers found a link between their bank and Government as providing additional security and were highly trusting of it. This coupled with the convenience and speed of the transactions was of benefit to all parties.

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## 1. Background and Hypothesis

This project was initiated on behalf of Lloyds Banking Group, in partnership with Callsign, as a collaborative project with the UK Cabinet Office through the Open Identity Exchange UK (OIX UK). The project supports the goals of the Identity Assurance Programme (IDAP), which in turn support the “digital by default” strategy for citizen/government transactions. The following question was tested:

*“ What is the response from the customer to Lloyds Bank being the issuer of a digital identity ( in this case a Callsign) for online services, specifically GOV.UK?”*

### OBJECTIVES AND METHODOLOGY

The key objectives of this project were:

#### Lloyd’s Objectives

- To test the customer (in this instance current Lloyd’s customers) proposition and perception of Lloyds being a provider of a digital identity that can be used in multiple spaces online.
- To test how coherent the proposition is.
- To test how the customer feels about Lloyds having a direct relationship with Government.

#### Government Digital Service Objectives

- To test customer appetite (in this case a citizen) for being issued a digital identity by an external provider with whom the user has an existing relationship in this case a bank.
- To test whether being issued a digital identity outside the context of a public sector transaction offers a better user experience.
- To test whether identity can be built up to the necessary level of assurance easily and more effectively reducing the current registration.

#### Callsign Objectives

- To test whether Callsign makes it easier for customers to access (register & login) online services.
- To test the customer’s perception of an innovative new digital identity

service offered to them by a third party, in this instance their bank.

- To test the customer's trust of using a digital identity, in transactions that include multiple brands.

This paper presents key findings from consumer testing and commercial analysis and provides independent conclusions.

## LIMITATIONS AND OUT OF SCOPE

The initial phase of user testing was focussed specifically on participants' reaction to the concept of Lloyds Bank issuing their customers with a digital identity (Lloyds with Callsign), testing the use of this and the relationship of all the parties involved. Therefore, when participants identified discrepancies in the user journey, small changes were made accordingly, however, the user journey is not the focus of analysis for this white paper. In addition the following areas of interest are also important to mention, however, were not the focus of this research:

- The understanding of Callsign as a brand was not the focus of the testing. This was the first time participants had come into contact with Callsign as a brand and therefore it was unrealistic for users to have a solid understanding of the product.
- The understanding of Callsign as an Identity Provider in the GOV.UK user journey was not measured. Users were not asked what the Identity Providers branding meant or what an Identity Provider was.
- Levels of assurance were not measured i.e. going from Level of Assurance 1 (LoA 1), when the digital identity is initially issued at Lloyds, to LoA 2 at the GOV.UK transaction. However, interested parties (not consumers) will be able to access information showing a commercial value of applying an LoA1+ digital identity at the retail transaction.
- Only 18 people were taken through the journey - this means that this white paper should be considered as qualitative evidence only.
- All the people tested were Lloyds Bank mobile banking customers therefore their understanding of digital transactions was high. People who would be considered in need of digital assistance were not invited to participate.

## METHOD SUMMARY

The concept of Lloyds with Callsign as a potential future product was tested across three user journeys firstly signing into Lloyds online banking to register a Lloyds with Callsign ; second, using that Lloyds with Callsign in an online retail experience and finally, using that same Lloyds Callsign to carry out a government digital transaction. This tested if citizens had a propensity to use a digital identity, issued by their bank, as a method of identity assurance, the usability aspects of this, and the reaction to their bank issuing them with such a service.

The research was carried out over two days in a Lab, with 18 participants in total. All of the participants were Lloyds Bank mobile banking app users and self-reported as “confident”.

The wireframe journey went through the following steps:

### Journey 1 Sign up

- 1) User starts on the signin page of Lloyds Bank online banking.
- 2) After signing in the user is presented with information about Lloyds with Callsign.
- 3) The user has the option to find out more about Lloyds with Callsign.
- 4) The user registers for a Lloyds with Callsign.
- 5) The user is presented with Terms & Conditions.
- 6) The user is successfully registered with Lloyds with Callsign.

### Journey 2 Retail

- 1) The user is on the “ your basket” page of an online retailer.
- 2) The user needs to arrange for delivery (and in the second test group, payment as well).
- 3) The user is presented with two choices, to use their Lloyds with Callsign or to fill in their details within an online form.
- 4) The user chooses their Lloyds with Callsign and is asked for their Lloyds Callsign user name.
- 5) The user receives a push notification on their mobile phone from Lloyds mobile banking app.
- 6) The user is asked to approve access to the app.
- 7) The user is asked for their PIN number (that they use for their mobile banking app).

Test No	Method	Sample	Scenario type	Recruitment method	Specification
1	Moderated	6	Sign in to online banking  Arrange for delivery of goods through an online retail site  Renew driving license on Gov.UK	Specialist agency	User of Lloyds mobile banking app
2	Moderated	12	Sign in to online banking  Payment of goods through an online retail site  Renew driving license on Gov.UK	Specialist agency	User of Lloyds mobile banking app

Methodology and sampling table (1)

*"What is the response from the customer to Lloyds Bank being the issuer of a digital identity (a Callsign) for online services, specifically GOV.UK?"*

**The hypothesis**

- 8) The user confirms that their information is correct and that they are happy to share that with the retailer (name, address, mobile and email).
- 9) The user is taken back to the screen with all of their delivery address information populated.

### **Journey 3 GOV.UK**

- 1) The user needs to renew their driving licence and is on the registration/ sign in page of GOV.UK.
- 2) The user has already registered with GOV.UK and so needs to sign in via one of their identity providers. They have the option of 5 different identity providers, with Lloyds with Callsign being one.
- 3) The user is asked to input their Callsign user name and receives a push notification on their mobile phone via the Lloyds Bank mobile banking app.
- 4) The user is asked to approve access to the app.
- 5) The user is asked for their PIN number (that they use for their mobile banking app).
- 6) The user confirms that they are happy to share their personal information with GOV.UK (name, address and DOB).
- 7) The user is presented with information about themselves that Lloyds Bank have shared with GOV.UK via Callsign.
- 8) The user is asked to have a second form of identity ready, as they are accessing Government services in this instance, their passport. The user inputs information from their passport.
- 9) After this second form of verification the user has been given access to renew their driving license, having been presented with their personal information that the DVLA have populated on the page.

Total average time for users was 20 minutes to complete all three transactions.

## **2. FINDINGS**

### **USE TESTING GROUP 1**

#### **Initial reactions**

During this user journey customers were presented with the opportunity to register for a Lloyds with Callsign in a manner that reflects a normal user journey on Lloyds Bank online banking. They logged into a dummy account following the normal process and were then presented with information about Lloyds with Callsign in a promotional screen that Lloyds use to offer customers other products and services. Brands of retailers and associated services were included, to give the use case of Lloyds with Callsign some context, however they were so prominent that consumers believed they were being offered something by Lloyds or

*"This is the way that everything is going now. Just one click and everything is done or shared. I suppose I am not that sceptical so I would use it"*

given access to a suite of offers and promotions. As this was a distraction from our key objectives we resolved to reduce the size and prominence of the branding and removed secondary references for the next round of testing.

Participants were confused that the scenarios didn't include payments. In both the retail transaction and in the government transaction participants thought that logically their Lloyds with Callsign would have a payment mechanism which they could apply when relevant. This happened much more in the retail transaction 90% of the participants assumed they were going on to pay as part of the scenario. In the GOV.UK scenario of renewing a driving license, due to an amount (£20) being visible on the first wireframe, participants also questioned the option to use Lloyds with Callsign to pay.

Within the GOV.UK scenario there was also confusion about whether Lloyds with Callsign was being used to register for an Identity Profile or to just sign in to the site.

These initial reactions lead to some key changes being made in the design of the wireframes for Group 2 testing.

## **Overall reactions**

Participants responded to Lloyds with Callsign positively, seeing it as both easier to use and more convenient, as well as it being a sensible and logical idea that a bank (with whom you already have trust) would be a provider of digital identity.

Whilst some participants didn't initially comprehend what Lloyds with Callsign was during registration, once they were using Lloyds with Callsign within the retail and GOV.UK scenarios, the concept and the benefits became clearer. These were predominantly cited as about convenience, however when prompted to consider what else Lloyds with Callsign was doing, particularly in the GOV.UK scenario, participants also identified the additional security it provided whilst giving third parties access to information.

100% of the participants in Group 1 were comfortable with their bank providing Lloyds with Callsign as a digital identity service, and as a result having a direct relationship with government. Both the Government and their bank were referred to as trusted parties and therefore a relationship that involved sharing information between the two didn't concern participants.

*100% of the participants in Group 1 were comfortable with their bank providing Lloyds with Callsign as a digital identity service, and as a result having a direct relationship with Government.*

## USE TESTING GROUP 2

In response to findings from user testing with Group 1, the following changes were made to the user experience:

- The positioning and the scale of the associated logos were decreased so that participants didn't get derailed from the process by thinking that Lloyds Bank was trying to sell them promotions and offers.
- A payment option was included in the retail scenario.
- The sign in process to GOV.UK was made clearer.

### Initial reactions

With the introduction of a payment element in the retail use scenario, the perception of Lloyds with Callsign as a payment function dominated participants' understanding. This distracted from the original research objectives with only 10% of participants making a clear statement link between Lloyds with Callsign and digital identity provision. However, as with the first round of testing, the key terms customers used were around speed, convenience and security.

### Overall reactions

Again there was no concern about the relationship between Lloyds and GOV.UK, although users were not clear (but also were not prompted) on how data was being transferred and to whom.

Participants saw the value of Lloyds with Callsign in terms of its convenience. "It's really easy to use" was the primary reaction participants had in regards its usability. Whilst testing this was not an objective of the research, the ease at which people used the service did also have an impact on the value they saw in it, and then in turn how they felt about Lloyds providing it to them as a service. It was also seen to save time and reduce the need to remember passwords.

*Lloyds with Callsign was overwhelmingly experienced during the testing as not only convenient but "innovative", "elegant" and "where things are heading".*

Participants had a mixed response to the question "who owns Callsign?" This question was asked to further establish how users felt about Lloyds providing the service rather than their comprehension of Callsign. Those participants that understood Callsign as a separate entity were enthusiastic about its potential to be used in multiple scenarios and valued Lloyds offering it as a service. Some participants who had the impression that Callsign was a Lloyds product, trusted it

more because of this. However, all of these responses about perceptions of ownership were prompted and at no stage during the testing did a participant question who Callsign was. As many participants talked about their trust in Lloyds, then Callsign was also trusted by default.

The most common response from participants when asked what Lloyds with Callsign does was that it's for quick payments. Once the payment option was introduced for this second round of use testing, within the retail scenario, each participant selected to pay via Lloyds with Callsign on their mobile phone rather than going back on to the website to input information.

Lloyds with Callsign was repeatedly described as being not only convenient but “innovative” “ elegant” and “ where things are heading”. These sentiments were representative of how participants felt about Lloyds during and after the testing process. When asked about how their impressions of Lloyds had changed, if at all, from before and after the use testing, participants recognised that Lloyds was “being innovative” and was “trying to make something easier for their customers.” Two participants said that it hadn't influenced their perception of Lloyds at all (they were indifferent) but all other participants had been positively influenced in how they perceived Lloyds.

In terms of the introduction of Callsign as a provision from Lloyds, participants would like to be introduced to it through other marketing communication channels and not necessarily at the point of logging in on the Lloyds banking site. This was seen as obstructive by task-orientated users, who were not open to distraction.

## Trust & Privacy

All of the customers were Lloyds Bank mobile banking users, therefore they had an established and trusted relationship with the bank. This trust was voluntarily and repeatedly referenced by participants, in relation to both the bank and Government. This made participants more willing to trial a new product/brand (the Lloyds with Callsign ) without the need to learn more about it before using it for the first time.

*"I have been with Lloyds for 20 years so I totally trust them. With Government it's less about trust but more about security. So between the two I feel totally unphased by this."*

A lack of privacy in social network based identity solutions is often noted as reason for not using them, where there is concern that these networks will broadcast their habits. A fundamental principal of the Lloyds with Callsign proposition is not only to deliver more convenience and security, but importantly to ensure that the customers' privacy is always maintained. It is noteworthy to highlight that none of the customers raised privacy as an issue. Based upon customer feedback the combination of Lloyds and Government created an inherent level of trust.

### 3. LEARNING

There were several surprising elements which arose from the testing which had not been considered in this original hypothesis.

Personal information held by the bank is not always the most relevant or the most necessary information that is needed by the customer within different transaction contexts. For example, when participants were arranging for a delivery within a retail transaction, the address information held by their bank, and therefore populated on to the system, was not necessarily the address they wanted delivery to go to.

*"I am impressed that Lloyds is providing something like this. It is the way things are going and I like to know that my bank is keeping up with that."*

The association with Lloyds Bank reassures people, and they see Lloyds as accountable if anything was to go wrong. This makes using a new service more acceptable. Two out of the 18 participants were unsure about the product, however they both reflected that their nervousness and suspicion was simply a reflection of the product being new, and that over time their trust in it would develop.

**“ I wouldn’t do it until it was more well known or until I understood it.”**

People want and expected payments to be part of the benefits of the Lloyds with Callsign possibly because Lloyds is part of their payment journey. The first test group were surprised by the lack of payment function, anticipating it within the journey as a natural follow on. When payments were introduced the users did not explicitly talk about identity again, but seemed to wrap identity and payments into one entity.

### 4. BENEFITS

**The benefits to the consumer are:**

- Convenience, ease and the need to remember fewer passwords.
- The additional security.
- Time saving in regards filling out long forms online.

**The benefits to Lloyds are:**

- Customers were delighted and surprised by what Lloyds Bank was offering them in this context.

- All of the participants talked about innovation in relation to the product and associated that with Lloyds as the issuer, which in turn could increase customer engagement and customer stickiness with the brand.
- The customers were happy with a link between retailers, GOV.UK and their bank.
- All those tested said they would use it.
- There is potential commercial value for Lloyds Bank within this proposition.

**The benefits to GOV.UK and Government are:**

- It demonstrated that users are happy to be issued a digital identity outside of the GOV.UK arena.
- This could alleviate the branding confusion users currently experience at the registration process for identity assurance in current GDS private beta.
- That where a bank issues an identity, supplying verified information to an estimated Level of Assurance this can drastically reduce the step up to Level of Assurance 2 when the user reaches a government transaction.
- This could reduce the registration time at the GOV.UK step.
- If digital identity is issued outside of Government and also applied outside of government it could mean take up and recognition is higher.

If digital identity is issued outside of Government and also applied outside of government transactions it could mean take up and recognition is higher.

**The benefits to Callsign are:**

- Introduction of a new product and brand to enable quicker and broader adoption amongst both consumers and businesses.
- To introduce an agnostic product to customers and relying parties.
- That participants understood how to use Callsign and an indication they want to use it in the future.
- That participants believed that using Callsign was more convenient than existing processes, e.g. filling out long forms and recalling many passwords.

## 5. CHALLENGES

The scope of this work didn't cover testing user understanding of identity within the GOV.UK site. The reaction of participants to their bank (Lloyds) providing a service that verifies them with Government provoked only positive or indifferent reactions. However, further exploration is probably needed, including reversing the journey to start at GOV.UK to see if this relationship and trust between Government and a customer's bank holds.

The user journey was simplified and started at a certain point in the journey that meant explaining complicated issues around identity providers and identity assurance could be avoided. This will no doubt have an impact on the user if this project moves to the next stage.

The user journey's testing concentrated on commercial scenarios and it would be interesting to add in nonpayment services e.g. booking an appointment in order to assess how the user then relates their bank to the transaction.

Consumers were unfamiliar with Callsign, it is something new and therefore awareness needs to be built around it. The value of Callsign beyond its function to make payments needs to be emphasised.

There are numerous tweaks needed in the journey e.g. on the retailer scenario the consumer would normally expect to have an option of alternative delivery address.

There are FCA (Financial Conduct Authority) rules that determine the type of payment instrument that can be used within the use journey. Clarity on this would be needed in order to take the prototype through to the next phase.

## 6. NEGATIVES

12 % of participants said they would "never click on this" although the pop up prevented a sense of choice

When people log into online banking they are very task focused (action oriented) and not welcoming of distractions therefore sign up to a digital identity may need some marketing from the issuer.

"It's one of those things that I can imagine using once other people I know are using it. It's new, I've never heard of it, so that makes me nervous, but I can see it will take off."

100% of the participants in the study were “confident” users and already familiar with Lloyds online banking the first web page that they arrived on. The reassurance of this would have influenced how they received the rest of the user testing materials. At the next stage, the use testing needs to include those that are “less confident” users.

## 7. CONCLUSION

In evaluating the data collected as part of this project it is important to acknowledge that this research is qualitative in nature and drawn from a small sample that is not representative of the population as a whole. Going forward with this project would require further testing with a wider sample of users, with specific demographics targeted.

This was a highly successful piece of research to ascertain consumers propensity to their bank being an identity provider. There was an overwhelming response from participants that this was an intuitive tool to use. In addition, most participants were only positive that Lloyds Bank was taking steps to introduce something that worked so well, was so easy to use, and that was giving their customers additional security.

The issuance of identity from Lloyds Bank was a clear benefit to their customers. In addition none of the 18 tested were alarmed or concerned about the application of their digital identity to access government services with most seeing a logical link.

Customers identified, spontaneously, that passwords and login processes could be dramatically reduced by using Lloyds with Callsign and were particularly pleased with the speed and ease of the retail experience, where they didn't have to fill in numerous forms. This is worth exploring further as an aid to the ecommerce funnel the majority of retailers follow.

Adding the payment facility to Lloyds with Callsign was popular with those tested, but proved a distraction to the original objectives set out by the partners for testing. However, this has raised an interesting link between payment and identity with those taking part in the user testing naturally wrapping the two elements together. There still needs to be levels of choice here for the customer in regards payment method and delivery address. Again this is worth exploring in more detail.

*"It just makes sense. When will this be available?!"*

Education will be important in terms of adoption. This would partly be awareness raising but also educating people on the importance of identity security and how mobile technology is enabling this. The education piece needs to emphasise that identity security is an important part in online transactions and is different from payments.