How NFC Technology Might Be Applied for Verifying Customers

The technology of NFC is becoming more common today and this is just a matter of time before everyone starts applying it for the identity verification procedures. Will it be efficiently applied, and what benefits such NFC-based technologies might potentially bring to your enterprise? Keep reading to figure this out.

What are we going to discuss today?

Digital tools based on NFC have become much more popular and widespread over the recent years. This trend is similar to the tendency of the increasing number of states who officially implement electronic IDs based on chips.

Chips-based IDs are to secure data, and NFC chips might serve the same purpose when implemented as a means of authentication by businesses. So today we are going to discuss the core principles of this digital tool, its advantages and disadvantages for the efficiency of the authentication procedure, and possible challenges.

Introduction to Near-field communication

NFC is a technology that allows devices to get in contact when without physical interaction and wires. To make this communication real, one of the devices should have a near-field communication solution installed, while the other one needs to be able to detect this circuit and extract the necessary information from it. This is how we execute payments by simply tapping our phones to terminals in stores.

The wireless contact is impossible if one of the objects doesn't feature an antenna, which will allow to create an NFC tag. This way, a special electromagnetic field is generated, within which the information exchange procedure is conducted. The objects that receive data via this wireless contact can operate this data in a required way.

The basic functions

Basically, NFC chips are created to provide small amounts of digital information from one object to another. Therefore, they can execute the following functions:

* Connection of devices with wireless elements;
* Access to digital data that should be read:
* Make contactless money transactions via terminals;
* Improve the customer experience.

If your major aim is to satisfy the last purpose listed above, you’ve done the right thing by visiting the website. [Kycaid.com](https://kycaid.com/) experts know everything about safe verification solutions that can attract more clients to your business.

How NFC chips help verify identity

This type of identity verification solution is applied to authenticate a customer through the means of chip-based documents. Such documents apply Radio Frequency Identification, which is developed to store personal data mentioned in the identification documents.

To conduct the verification procedure based on NFC technology, two things are applied - an ID and a smartphone. The gadget with NFC is tapped against the ID, which enables the extraction of the RFID data within the NFC chip.

Whatever your business is focused on, it may take huge advantages from implementing the verification procedure based on the NFC technology.

Here is how we see the ideal NFC-based solution for verification.

1. Your business can use special applications that are already developed and enabled to read NFC chips. At  [Kycaid.com](https://kycaid.com/), we develop such solutions to help your software serve your customers more efficiently.
2. The verification flow should be built. This flow applies ID with a cheap and a smartphone that can read the NFC cheap. Basically, it should consist of the following steps:

* Clients take a photo of his documents;
* The structure checks if the objects can apply the near-field communication;
* The customer makes contactless communication between the phone and the ID;
* The system receives the data and conducts a cross-check to figure out if the information is the same as that taken in the photos.
* This flow might also include the procedure of face authentication. This depends on the needs of the enterprise.

Pros & cons

Pros:

* It’s fast and non-complicated. The NFC-based verification procedure doesn’t take a long time because it requires the user two tap two objects against each other. Besides, today NFC chip is used by almost 80% of smartphones because it isn’t just a fast means of verification, but a very user-friendly payment method.
* It’s safe. Forged documents are easily identified by the NFC-based solutions. The probability of onboarding users with forged documents is extremely low.
* It’s user-friendly and efficient.

Cons:

* It’s expensive. Similar to many other advanced digital solutions, NFC-based verification requires additional expenditures.
* It’s unfamiliar. Many users still don’t know how NFC technology works or simply don’t have NFC chips in their smartphones. Because of the fact that it’s a relatively new method of verification, many users still aren’t sure if it’s the safe one. So they prefer to rely on more common and familiar methods.

Now, when you are aware of the advantages and disadvantages of this verification method, you might consider it for your business. But make sure you can deal with the disadvantages.

Bottom line

Today, businesses all over the world are looking for the means to improve the quality of their KYC processes. If you want your business to keep up with current trends, you need to facilitate the implementation of digital advancements.

New technologies emerge every day, and you must be resilient enough to adapt your business to them. Follow this blog to stay tuned to all the updates in the sector of digital solutions.

