



# 10 Common Misconceptions Businesses Have About Identity Proofing

An IDology, Inc. Whitepaper



There is a new automated technology available now that is helping businesses combat identity theft and prevent fraud. It is called identity proofing and it is specifically designed to verify consumer identities online.

With all the fraud prevention solutions available in the market today you are probably wondering, does my company really need to use an identity proofing solution? Here are some of the most common misconceptions to help you understand why the answer is yes.

### #10 We use credit card verification and don't need anything else.

Credit card verification simply determines that a credit card is active - not that the person using the card is authorized to do so. Stolen credit card numbers, including the 3-4 digit security numbers, are widely available for sale in Internet chat rooms within minutes of being stolen. Often it takes several days or weeks for a consumer to see any unauthorized purchases to their account and by then the damage is done and your merchandise is long gone.

### #9 I don't really sell any products on the web.

While most people associate identity proofing with selling products and services online, the truth is identity proofing can be used to identify customers in any faceless situation including within call centers. It can also be valuable in situations when the person is right in front of you. The need to identify customers goes way beyond selling electronics and high-end jewelry. Other risk scenarios include granting access to an account, applying for a loan, verifying an employee's social security number matches government records, transferring money, resetting a password, and so forth. Basically anywhere fraud and identity theft could happen, identity proofing should be used.