CIAM in retail: how brands can build shopping experiences that last

Uncover the key to designing a secure, seamless and compliant customer experience

THALES
Building a future we can all trust

Contents

Protecting your customers in the e-commerce age

The Internet has, without a doubt, become the world's largest marketplace. For retail brands, this highlights two significant challenges: Cyber threats have never been more prevalent, and the competition is virtually endless.

Add fast-changing data legislation and the ongoing dependency on flex-workers into the mix, and you've got a lot of things to keep coordinated. The juggle is real.

To strengthen customer loyalty and keep growing, your company needs to keep pace with customers' expectations. That means striking the right balance between customer experience, cyber security, and compliance.

Retailers must actively build simple, legal, and highly customized experiences in a market that is dominated by digital natives and challenger brands. They must also do everything possible to safeguard their customers, as well as themselves, from cyber threats.

Customer Identity and Access Management (CIAM) combines and embeds all these elements into every digital interaction. That's why today's top retailers rely on CIAM as a key strategic initiative to create long-term value.

In this eBook, we explore how you can future-proof your organization with CIAM to transform three business-critical areas:

- **Customer Identity Management: Giving customers a frictionless, safe and high-engagement shopping experience**
- **Gig Worker Identity: Streamlining on-demand work relationships**
- **B2B Identity: Simplifying delegation and effectively managing access for business partners and suppliers**

This 15-minute read explains how CIAM fits into your retail landscape — and why CIAM has become an essential driver for retail growth. Happy reading!

Part 1: Digital identity for customers: combining a frictionless and safe buyer journey

CIAM in (de)brief

A recent Forrester study found that 80% of consumers see the world as all-digital.

At a time when the majority of consumers have moved online for good, it's easy to see why Customer Identity and Access Management (CIAM) is such a stabilising force.

Let's summarize this from a purely commercial point of view.

CIAM enables businesses to securely manage their customers' identities and profile data. For retailers, it also plays a key role in driving customer personalisation in a way that is compliant and at scale, regardless of channel.

For instance, a CIAM solution allows brands to obtain a unified customer profile.

This lets you remember every customer during high-value moments, such as at a point of sale (POS). Even if your brand has multiple apps, they all recognise the same customer as one person. That, in turn, allows you to create targeted (and compliant) high-engagement moments in key stages of the buyer journey.

Other CIAM features such as Single Sign-On (SSO), Passwordless Authentication and Multi-Factor Authentication (MFA) add extra layers of security and allow customers to log in, access a website and shop — safely and simply.

In short, CIAM provides a strategic way for retailers to achieve personalisation, compliance and user-friendliness with the highest level of cyber security.

How retailers can bring together user-centricity and security

Sales conversions in online retail hinges on convenience and minimal effort for the user. Gartner already picked up on this theory a few years ago. The more effort required from a shopper, the greater the chance of an abandoned shopping cart. As such, customer transactions must be as low-effort and frictionless as possible. But that's not all.

They must be highly secure too.

While one may suggest that user-convenience and security are two opposite goals, they are often two sides of the same coin.

Take the traditional password ritual, for example. Consumers often use the same email-password combination to set up an account. This creates significant cybersecurity risks. But then again, having to create a new password for every account results in a slow, fragmented customer experience.

The moral of the story? Passwords create gaps in both: the customer experience and its' security

Using passwords as a means of authentication is not only a hassle for users, but it also has a negative impact on organizations. Retailers are especially vulnerable to account takeovers and cyberattacks. For them, the risks of passwords cannot be underestimated.

Shifting to modern authentication methods

For the same reasons, leading retailers are shifting to more secure authentication methods. For instance, an increasing number of e-commerce sites are using identity-proofing, based biometrics to verify customers. By offering passwordless authentication, retailers can eliminate the weakest link in their cyber security chain; passwords, where 80% of hacking-related breaches originate from.

Multifactor authentication, a feature that builds in extra layers of security in the authentication process is an effective approach to protect your business and customers against account takeovers. Product capabilities such as single sign on and passwordless log-in both simplifies the user experience, relieving customers from having to remember yet another password (next to the 38 they already have spread around the cloud).

Want to get up to speed on Passwordless Authentication? Read the full whitepaper: How to go passwordless

Becoming a compliance-resilient retailer: The time is now

Failing to comply with strict data protection laws like the EU's General Data Protection Regulation (GDPR) and the California Consumer Privacy Act (CCPA) results in serious legal and financial consequences.

Research by McKinsey found that 87% of consumers will not do business with a company if they have concerns about their data security. This means you must treat your customers' privacy and choices as a business-critical priority.

At the same time, privacy regulations vary across borders. This makes it extra difficult for global retailers. Plus, data regulations update frequently, making them tricky to keep up with.

A CIAM platform that handles compliance by design saves you from having to keep up with all the latest legislative changes yourself. Thales's OneWelcome Identity Platform automatically injects compliance into every customer interaction in all operating countries.

Compliance meets personalisation

Cross-channel marketing is essential for any retailer with an online presence. But privacy laws like the GDPR block customer data from being used for marketing purposes without consent.

These regulations are necessary for keeping consumers safe. Yet they make it challenging for marketers, whose work relies on data collection, tracking user behaviour and digital footprints.

User journey orchestration, a core product of Thales's OneWelcome Cloud Identity platform, gives you a compliant method for turning customer data into marketing insights. It also lets you proactively simplify key moments in the customer journey, whether it's allowing customers to easily revoke/grant consent on certain attributes, or enabling easy shopping on multiple websites using a single login.

Using CIAM to build seamless omnichannel experiences

Shoppers have little patience for inconsistent or fragmented shopping experiences.

If you provide offers and messages through one channel, they must be valid on all your other channels too.

A CIAM solution helps you tackle this well-known challenge. By remembering customer identities, collecting data from each touchpoint and storing it on a single platform, your CIAM provides a seamless, omni-channel shopping experience.

This lets you give your shoppers a more personalised experience while also allowing you to rely on a single source of truth. Read more on why digital identity is the key to omnichannel success in retail.

In summary

Smart identity and data management can drive personalisation and standardise customer experiences by breaking down silos that lead to channel inconsistencies.

Simple, secure registration and authentication processes pave the way to further engagement. A CIAM platform empowers brands to communicate the right message and ask for the right information, at the right time.

By personalising the shopping experience and empowering your customers to set their own data preferences and choices across all your channels, you gain a strong advantage in the ultra-competitive e-commerce market.

Coming up

In part 2, we'll explore how CIAM can help retailers navigate seasonal peaks and on-demand work relationships with ease.

Need a breather from reading? Watch Thales' OneWelcome Identity Platform in action and discover how our state-of-the-art technology can fulfil your Customer Identity needs.
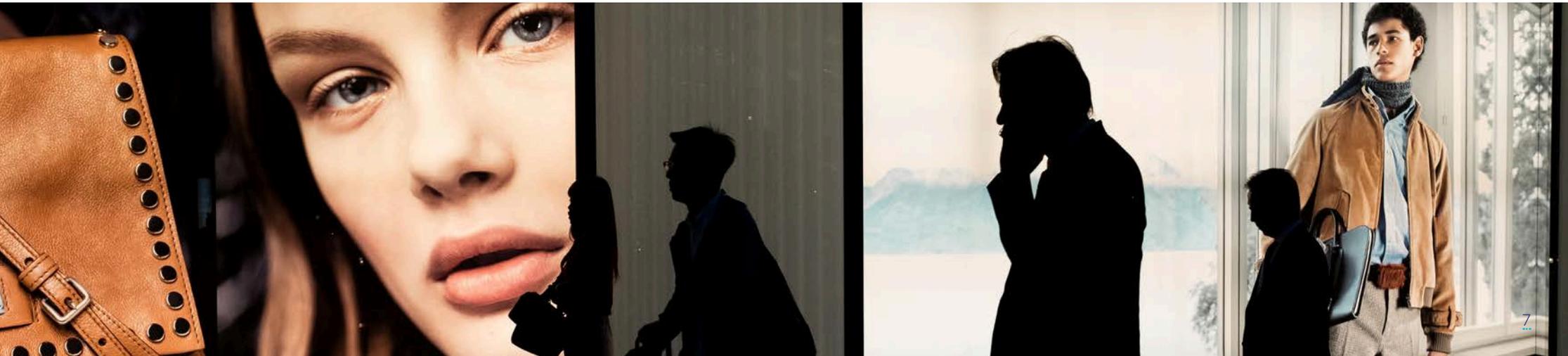
Part 2: How retailers can thrive during seasonal peaks

Store managers depend on temporary co-workers to meet their sales targets during seasonal peaks. But how can they keep up with the continuous in- and outflow of personnel?

In this part, we explore how Customer Identity and Access Management (CIAM) enables retailers to streamline on-demand work relationships during seasonal peaks.

The gap between traditional HR and temporary workers

During seasonal peaks, retailers need to quickly hire new temporary staff, most of whom work in-store. Yet conventional HR and governance processes are not agile enough to keep up with fast fluctuations like this.

Temporary workers must get up to speed and be ready to meet and greet customers from day one. This includes getting immediate access to mobile catalogues, ordering systems and loyalty programmes. Depending on their qualifications, they also need an e-learning certificate to authorise access to the point of sale.

Few traditional HR systems are designed to handle the fast-paced on the shop floor. Traditional on- and offboarding flows depend on slow provisioning and de-provisioning to platforms like Azure AD. With a cloud identity platform, you can grant your extended workforce, including guest users, instant, secure access to online systems and physical locations.

Retailers can move forward with fast, automated and secure verification of temp staff identities and qualifications

With new faces entering and exiting your store, your HR teams and shop managers need a way to verify that temporary staff members really are who they say they are.

Store managers lack the capacity and the means to do this manually. A cloud identity platform, however, digitalises and automates the verification process. It securely and accurately validates gig workers' identities and credentials; for example, by matching their identities with eIDs or bank ID systems.

This gives stores a completely reliable way to verify the identities of temporary staff members. Managers can even confirm the validity of staff members' qualifications through identity wallets or validated attribute providers.

Achieving effective and compliant on- and offboarding processes of temporary staff

Retailers weather seasonal storms by becoming more flexible and letting their extended workforce onboard and deregister from a store, easily and quickly.

With a cloud identity platform, brands can smoothly manage every aspect of the employee identity life cycle, (including simple registration, access delegation etc.).

Plus, adopting a platform that embeds user consent into the process eliminates the headache of manually handling and keeping up with data regulations.

Nimble and simple onboarding helps store managers remain 100% customer-focused – even during seasonal peaks. Instead of getting tangled up in complex in-and-out registrations, store managers can keep their most important priority — their customers — at centre stage.

New capabilities revolutionise in-store personnel management

Thales's OneWelcome Identity Platform provides out-of-the-box capabilities that simplify and secure access to digital services and apps. What does this look like in practice?

Your store manager initiates a registration process by presenting a secured QR code to the new co-worker. The new worker can bring their own identity and their own device to log in to your digital services. Shop managers decide who gets access to what, based on access policies, user qualifications and employee scheduling. Returning staff can reconnect immediately, without friction.

In summary

The fast-moving nature of temporary work calls for technology that's built to manage modern agility. This is especially true during seasonal peaks when higher sales volumes require maximum agility, speed and efficiency.

A flexible identity platform lets you orchestrate, scale and automate onboarding processes, easily and intuitively. That way, you can quickly expand your workforce with new temporary staff members who are empowered to deliver during seasonal peaks.

Coming up

In the final part, we'll assess how CIAM helps retailers boost their b2b ecosystems and super-charge performance.

Need a reading break? Watch subject matter expert and writer of this chapter, Ward Duchamps' [webinar on Externalised Authorisation](#), one of the most significant trends in the CIAM space.

Part 3: How retailers boost their B2B ecosystems and super-charge performance

As the slightest friction in your distribution chain can substantially undermine sales, behind-the-curtain collaboration between partners must be flawless.

McKinsey suggests that right digital capabilities help B2B companies create long-term value and drive five times more growth than their peers. Going forward, retailers need a modernised approach to proactively engage with business partners and facilitate easy, secure access to digital systems and information streams.

In the final part of this eBook, we explore how retailers can fully streamline their B2B workarounds with CIAM, leading to stronger sales and an optimal end-to-end customer experience.

Untangle B2B complexity with a user-friendly, agile and secure Identity Platform

B2B ecosystems are often large and complex, vulnerable to cyber threats and difficult to manage — especially when multiple sources are involved. As a result, friction is bound to happen.

With the rise of new business models and surging B2B growth (B2B e-commerce sales grew 17.8% to $1.63 trillion last year), retailers must reconsider how they deal with common B2B challenges, including security risks, fragmented collaboration and labour-intensive work.

A flexible, user-friendly CIAM platform helps you untangle the stubborn knots that are preventing a frictionless distribution chain. By seamlessly weaving CIAM into your B2B fabric, you can provide your organization's partners with easy, secure access to all tasks, data and jobs that are essential to keeping the B2B wheel turning smoothly.

When you leverage a flexible, intuitive, and secure identity platform, you see your performance improve in four key areas:

Better and more resilient collaboration with business partners

Complex supplier networks make collaboration and communication more difficult. Misunderstandings and inconsistencies can escalate, causing harm to partnerships that often rely heavily on trust. A secure, digital identity platform that facilitates a shared view of critical information can help retailers and B2B organizations eliminate confusion and dispute by bringing in the visibility needed to ensure a smooth and transparent work stream.

In addition, resilience, which was a mere buzzword before COVID-19 has now become a key strategic priority. While disruptions are inevitable, B2B organizations must be able to demonstrate continuity and handle them smoothly. A flexible CIAM solution that allows for easier communication and increased elasticity in the B2B workarounds helps organizations achieve exactly that.

Increased security and control of your B2B networks and identities

Alongside improvements to delegation and relationship management, the right CIAM platform helps you better govern access to your systems. It lets you provide external partners with security credentials, keeping you safer from potential reputational (and financial) damage.

To create even stronger defences throughout the customer or partner life cycle, you can integrate additional security layers, including multi-factor authentication, mobile identity and QR-code scanning, or secure passwordless authentication based on biometrics such as face recognition. Learn why passwords are the problem and how passwordless authentication helps organizations protect their customers, partners and themselves.

Better control and security also help your business grow. 70% of customers say they are more likely to buy from an organization that demonstrates the highest privacy standards.

Improved operational efficiency

Any amount of friction can undermine your retail value chain, especially if you depend on input from a large number of stakeholders. According to Deloitte, increased operational efficiencies are one of the core benefits of CIAM.

The right CIAM solution provides centralised governance and automation functionality that allows businesses to validate users internally and externally. At the same time, features such as single sign-on enable retailers to leverage fast, secure and seamless access for business partners and guest users. This eliminates the need for back-office workarounds, saving you time and costs.

Reduced admin costs

Market shifts, including the rise of e-commerce, have increased pressure on retailers' bottom lines over the past five years, with margins shrinking by 2-3% per year. Meanwhile, recession looms and the competition for customers' business is becoming fiercer. Cutting administrative costs eases some of the financial pressure retail brands are facing.

CIAM relieves brands from manually managing users who are not within their immediate proximity. Automation and tiered delegated administration roles facilitate user access to digital services without ramping up your company's overhead costs.

A flexible, user-friendly CIAM platform for your B2B ecosystems can immediately:

Provide better and more resilient collaboration with business partners

Reduce administration costs and provide better cost control

Give increased security and control of your B2B networks and identities

Improve operational efficiency

In summary

To achieve growth and better handle disruptions, partners and suppliers need easy access to digital portals, ordering sheets and other necessary information streams.

CIAM for B2B in the retail industry enhances your collaboration with suppliers, lowers costs, improves operational efficiency and empowers growth, all while safeguarding your resources. It also ensures security or privacy issues don't prevent you from engaging with stakeholders, whether internal or external.

Thales's OneWelcome Cloud Identity Platform connects and protects your B2B ecosystem. Whether your business is an e-commerce site or a physical store, now you can access resources and collaborate across digital platforms whenever you need.

A final note

In 2022, several global retailers reached out to us, each with their individual CIAM needs. The sheer demand we experienced has been an eye opener for us.

CIAM for retail is a seamless fit, solving multiple challenges modern retailers face, including creating frictionless user journeys that are safe and seamless, but also customer conversions, compliance challenges, personalisation and more.

At the first point of contact, some brands had the goal of increasing customer engagement or simplifying the user experience. Others needed to easily and quickly employ an extended workforce. Some had trouble navigating compliance, while others wanted to boost sales or achieve the highest level of cyber security.

We're currently helping global retailers design hassle-free customer experiences and compliant registration flows that encourage customers to complete their shopping — and return for more.

Let's end this reading with a snapshot from a recent success story:

Since the beginning of the year, we've been working with PLUS, a significant Dutch grocery chain.

When PLUS first contacted us, they had two ambitious digital goals. They desired a smooth digital transformation and an increase in internet shopping. And as they had recently acquired COOP, another large participant in the grocery industry, they wanted a seamless acquisition that would result in a unified brand in the eyes of the customers.

This is what, Rik de Weerd Lead Enterprise Architect & Manager CIO-Office at PLUS, said about our collaboration:

"In the fast-moving and always-changing retail market, Thales OneWelcome Identity Platform and the team behind it has proven itself to be an understanding, adaptable, and closely aligned business partner for us. They truly understand the building blocks of retail success. Their team acts and makes decisions with our customers in mind. In other words, they are helping us create long-lasting relationships."

Rik de Weerd, Lead Enterprise Architect & Manager CIO-Office, PLUS

What are your digital ambitions for 2023?

Whether you thoroughly read or simply skimmed through this eBook, we hope it has given you an understanding of how CIAM fits into the retail landscape.

With that, we would love to hear about your digital ambitions for 2023. Feel free to contact us respectively or via our website.

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About Thales

The people you rely on to protect your privacy rely on Thales to protect their data. When it comes to data security, organizations are faced with an increasing number of decisive moments. Whether the moment is building an encryption strategy, moving to the cloud, or meeting compliance mandates, you can rely on Thales to secure your digital transformation.

Decisive technology for decisive moments.

Thales OneWelcome CIAM at a glance

RICHEST PRODUCT

Richest CIAM & B2B IAM capability in the market, Customer Journey Management, Consent Management, B2B Delegation and Mobile Identity.

CUSTOMER-CENTRIC

Our platform offers a multitude of service options to support customers with their digital identity operations.

CERTIFIED & COMPLIANT

Our platform complies with all European standards and is ISO27001 and SOC 2 type 1 & 2 certified.

TRUE GLOBAL PLAYER

In-depth understanding of global identity challenges, such as maintaining compliance with data privacy regulations around the world.

TRUSTED

More than 30,000 businesses and governments around the world rely on Thales solutions to verify the identities of people and things, grant access to digital services, and analyse vast quantities of information and encrypt data.

THE ANALYSTS CONFIRM

Recognized by Gartner and KuppingerCole as 'Product Leader' and 'CIAM & B2B IAM specialist'.

THALES

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For all office locations and contact information,
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