

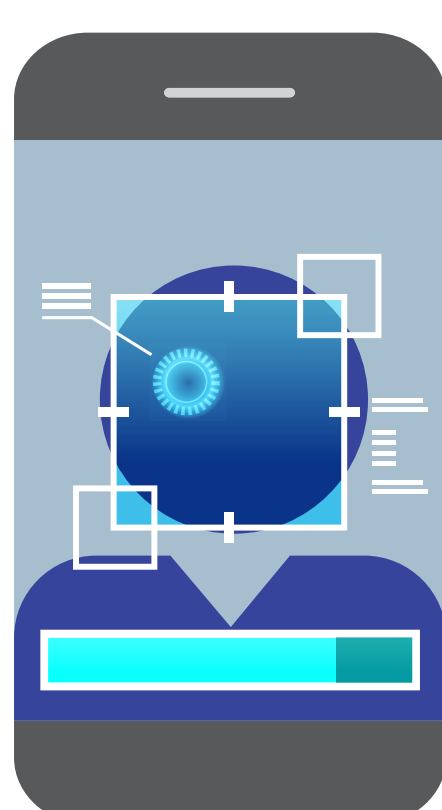
COVID-19 and the future of biometrics

As COVID-19 creates a new reality, 59 percent of global technology company leaders believe their business model will significantly or entirely change over the next three years. This is according to respondents to the KPMG 2020 Technology Industry Innovation survey. At the same time, they are optimistic about leveraging innovative technologies in this effort, with 77 percent saying their organizations are very or extremely effective in implementing innovative technologies to achieve their goals.

Technology company leaders are becoming more optimistic about biometrics and ranked it on par with 5G, robotics, and blockchain, and higher than virtual reality and edge computing in terms of technologies they expect to be using to transform their business three years from now. Biometrics are defined as a person's unique, measurable physical characteristics like fingerprints, facial structure, and retinal map that can be used for automated identification, access control, and facility/system security.

There will almost certainly be new data privacy and usage issues that arise whenever new personally identifiable information is utilized. However, in the new reality being created by COVID-19, companies may leverage biometrics to:

- Ensure that employees and customers are following safety, security, social distancing, and occupancy limit protocols
- Restrict facility access to prevent spread of COVID-19
- Further authenticate employee identities beyond passwords and ID badges
- Enable contactless ordering and payment systems, possibly in conjunction with digital assistants

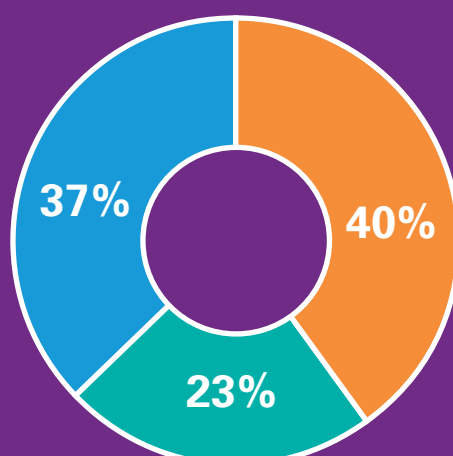


The following are other key findings on biometrics from the KPMG 2020 Technology Industry Innovation survey.



Time horizon for biometrics to have significant return on investment*

- 40% Within 2 years of initial investment
- 23% 2-3 years from initial investment
- 37% More than 3 years from initial investment



Key takeaway: Biometrics are largely expected to have a quick return on investment.

Change in investment in biometrics compared to last year*



Key takeaway: Tech companies believe in the potential of biometrics as evidenced by significantly increased investment.

Top benefit in adopting biometrics*



Improved business efficiencies

23%

Increased market share

21%

Accelerated time to market

12%



Key takeaway: Improved, automated security should allow businesses to operate faster and smoother with fewer incidents and breaches.

Biggest challenge in adopting biometrics*



The time/cost to reskill/upskill the workforce

23%

Technology complexity

19%

Unproven business case

12%

Lack of capital/resources due to competing priorities

12%



Key takeaway: Implementing new technologies presents incremental time, cost, and training challenges to both the IT organization and end users.

About the research: The source for all data is the KPMG 2020 Technology Industry Innovation survey. It included responses from more than 800 global leaders in the technology industry across twelve countries. Some totals do not sum to 100% due to rounding and/or only a partial list of responses being shown.

*Based on survey responses from 42 global technology company leaders who ranked biometrics as the top technology they expect to be using to transform their business three years from now.

© 2020 KPMG LLP, a Delaware limited liability partnership and the U.S. member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved. The KPMG name and logo are registered trademarks or trademarks of KPMG International.