



Banco Davivienda S.A.

Colombia's third largest bank becomes the country's first bank to use two-factor authentication for individual transactions

Acceleration

As the risk of identity theft and other online attacks take center stage, financial institutions are tasked with protecting the identity and other personal data of their online banking customers. Banco Davivienda S.A., looking to provide customers with more convenient and secure online services and eliminate the need for field support, deployed RSA SecurID® two-factor authentication as a way to accelerate the growth of their online channel. RSA SecurID helped save Banco Davivienda time and money while providing them the capacity to grow their customer base and expand their product portfolio.

"More and more of our corporate and individual customers are using the Internet for their banking. It's good for them because it lets them be more mobile. And it's good for us because it lets us bring on more customers easily, and it lets us deploy new products and services quickly. But we also want to be as careful as possible with our customers' information, so we created our "Davivienda, Secure Entity" corporate strategy, and the RSA SecurID® two-factor authentication solution is the backbone of that strategy."

Alejandro Patino, Chief Information Security Officer, Banco Davivienda S.A.

Secure Online Banking on the Rise

The rise of online banking has been a boon to the world's banking industry. For customers, it provides convenient 24/7 access to their accounts; for financial institutions, it reduces costs by moving transactions from more expensive offline channels to online, and it facilitates the development and roll-out of new products and services. But to succeed, online banking must be secure. Identity theft and external threats such as phishing, pharming and Trojans, are the well-publicized risks of online banking. If there is a lack of customer confidence in the online channel, they will simply not bank online. Yet at the same time, that protection cannot cause the banking experience to be cumbersome for the customer, or it will defeat the purpose of online banking - convenience.

For Banco Davivienda S.A., these considerations led to the decision, in early 2005, to bring in the leading two-factor authentication solution—RSA SecurID. Installation began in early August; to date, the bank authenticates over 23,000 customers a month. The bank estimates that within the next three years 50,000 of its corporate and individual customers will be using the two-factor authentication system.

The system has already helped the bank cut the time required to support corporate customers' online services by eliminating the field support that was necessary for the client-server system. Now, customers can unblock their own PINs, and the bank can download new software versions centrally. Before, field service had to go to the customers' sites to unblock VPNs or install software updates.

Evaluating Solutions

Banco Davivienda decided to upgrade its online security for two main reasons, according to Alejandro Patino. "First, we were using a client-server system for our corporate customers, and that system was difficult to support," he said. "If a user's PC went down, for instance, it might take us two hours or more to reload the client software and get it running again. The second reason was that some of our VIP customers were concerned about the security of the regular



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password system. We were framing our new strategic direction around security, and we knew it was critical to get the best security system possible.”

The bank looked at several alternatives. A biometric system would improve security, but it was too expensive and too difficult to support to be practical. The bank decided to use two-factor authentication and compared the RSA customer identity protection solution with a similar system from a competitor.

“We decided to go with RSA because the system is so reliable and easy to integrate with our existing information technology systems,” says Patino. “We knew that it would serve us well into the future, even as two-factor technology changes and gets more sophisticated.”

Using the RSA SecurID Solution

The simplicity of the RSA SecurID solution has allowed Davivienda’s customers to quickly embrace the technology. Each customer now carries a small RSA SecurID authenticator. To access his or her online banking account, the customer simply combines a secret personal identification number (PIN) with the six-digit code—which changes every 60 seconds—generated by the RSA® Authentication Manager at the bank. The resulting number is a unique, one-time-use passcode that authenticates the user and grants access to the user’s protected online bank accounts.

With the RSA SecurID authenticator, it takes about 10 seconds for a user to sign onto the system. Also, because the RSA Authentication Manager is integrated into Banco Davivienda’s web application, it’s easy for new users to activate users through the process. With this application, which was customized for the bank, customers assign their own passwords and choose the identifying questions that, when answered, can be used to unblock forgotten PINs.

“Using the two-factor authentication system is easy for our customers, so it encourages them to use it frequently,” said Patino. “And it has been very easy to support. With the client-server system, it might take hours to re-activate an online connection depending on the problem in the customer’s PC; with RSA SecurID technology, it takes just a minute or two.”

Improving Mobility

The RSA SecurID solution also helps the bank support the mobility of its customers, and this is an important benefit, according to Patino. “Our customers want to be mobile,” he said. “With the client-server system, they were required to start up a virtual private network (VPN) from their laptop each time they wanted to access their accounts. It was slow in some cases,” said Patino.

“We’re now looking to extend the use of the RSA SecurID solution to our VIP customers for personal banking, our voice response systems and our ATM machines, and this will go even further to enhance our customers’ mobile lifestyles.”

“The bottom line is that RSA SecurID technology helps the bank give our customers the two things they want—security and increased mobility,” he said. “So it gives us a way to keep our customers secure, and it also gives us the capacity to grow our customer base—and our product portfolio—in the future.”

About Banco Davivienda S.A.

With holdings of more than \$3.5 billion and more than 2.2 million customers, Bogota-based Banco Davivienda S.A. is the third largest bank in Columbia. The bank is growing by more than 20 percent per year.



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