



Product Guide

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# **Video Interview KYC**

Efficient and Secure Customer Onboarding



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Businesses are increasingly going digital and becoming globally open. As a result, the demand for remote identification is growing faster than ever. The goal of remote identification is to make life easier for you and your customers. However, while it is great to open up your business to the wider world, with increased reach comes an increased risk of being targeted by fraudsters. There are scammers out there who are ready to attack and willing to take advantage if they spot even the slightest vulnerability in your system. On top of that, regulatory authorities are in constant search for the businesses who are knowingly or unknowingly facilitating money laundering and terror financing.

To overcome these threats and challenges businesses need secure, reliable and convenient ways to secure customer onboarding processes.

You have often heard of the term 'KYC' (Know Your Customer). ***A commonly used term in the banking industry, KYC is used to verify the identity of your customer. It is a process or steps to assess customers' profiles. Normally conducted by the banks, KYC verification evaluates the risk profile of a customer to ensure that they comply with Anti-money laundering laws.***

Although the banking and financial industry sector were the first responders to the mandate, the need for KYC is now widespread and covers a lot of industries such as insurance, mutual funds, non-banking financial companies (NBFCs), lending companies, e-commerce platforms, e-wallets, to name a few.



The year 2020 has recorded around  
**540 data breaches**, affecting a total  
of **163,551,023 individuals**.  
(CNBC)



As per Fenergo's report, the  
penalties for non-compliance with  
**KYC, AML, and sanction regulations**  
have totaled **USD 5.6 billion**.

1.

## How Banks and Financial Institutions Perform KYC?

### Methods of KYC verification

Before the advent of online banking and even after that, most of the institutions used to perform KYC verification manually. Customers had to visit the bank's branch for KYC verification with their identity documents and a bank representative will ask for details like name, DOB, address. This information was then verified in various ways.

Here's a detailed process that banking customers had to follow:

- Visit a bank's branch
- Fill the KYC form
- Attach the proof of identity and proof of address along with the form
- Submit biometrics if required
- Wait for days before KYC representatives verify your application



However, in online identification all of these manual processes are replaced by simple and faster identification processes where customers can submit their identity documents along with utility bills for proof of identity and address and a picture of their face. This process usually is called identity verification.

Online KYC process involves:

- Customers goes to the bank's website or application
- Enter their details as per identity documents
- Upload a picture of their identity documents along with a selfie
- Submit the application
- In most of the cases, they will get the verification results within minutes.

These two methods are the most generic ways of verification offline and online. However, with the advancement in technology and the need for secure, reliable and convenient verification numerous ways for online customer identification are being adopted. One of these newly adopted processes is **Video Interview KYC**.

## Did you know?

**India is the first country to roll out Video KYC for financial institutions.**

*"With a view to leveraging the digital channels for Customer Identification Process (CIP) by Regulated Entities (REs), the Reserve Bank has decided to permit **Video-based Customer Identification Process (V-CIP)** as an alternative for manual customer identification."*

**(RBI)**



# 2.

## Video Interview KYC The Latest Way of Customer Identification

Having a secure video identification process makes it extremely difficult for fraudsters to commit any type of identity fraud. It is a major security solution that will kick the criminals out and give your businesses a safe and convenient online identification program.

### What is Video KYC?

Video KYC or Video-customer identification process (V-CIP) is the process of digitally authenticating the customers by overcoming the difficulty of physically examining the documents.

### How is Video KYC different from usual KYC?

The KYC verification process involves authenticating all the information submitted by the customers and the absence of technology made it a tedious and daunting task for humans. The video KYC helps to overcome this hurdle by bringing efficiencies in the KYC process and reducing the expensive customer onboarding task. This proved to be mutually beneficial for the banks as well as customers.

### How does Video KYC work?

In simple words, video KYC means that people can do remote KYC from their homes via a video call. The KYC expert authenticates the document, performs a liveness check and verifies the location of the customer. All of this is done on a video call, unlike traditional ways.



# 3.

## How Shufti Pro's Video Interview KYC makes V-CIP secure and convenient?

Shufti Pro is well aware of the varying regulatory requirements in different jurisdictions and different industries which is why Shufti Pro makes **video KYC** highly customisable for its customers.

***Businesses can simply choose from three customised plans to fit their need:***

### Regional KYC experts

By choosing this video interview KYC model you can give a personalised experience to your customers. A regional KYC expert will conduct verification in the native language you choose to make it easier and convenient for your customers.

### Your own KYC experts

For a truly customised identity verification process businesses can use our video interview KYC services by employing their own KYC experts. This way you won't need to build an in-house KYC verification software.

### Automated AI-based assistance

With automated AI-based assistance, businesses can achieve full automation. AI-based support chat with your customers will decrease the overhead of employing KYC experts.



## How does the Shufti Pro' Video KYC work?

Shufti Pro's video KYC is highly advanced with OCR technology that captures data from identity documents in a live video call and AI-based face verification technology that performs liveness check. This makes the video interview KYC process secure enough that no imposter could get away with verification.

When a call is initiated with the end-user, a KYC expert conducts an interview with the customer and asks basic verification questions along with assessing the body language of the customer. The customer is then asked to display their identity document back and forth to get a clearer view of the information. Meanwhile, the AI-based document authentication technology verifies the originality of the document and OCR technology captures the required information from the document. The face of the user is captured and matched with the photo on the ID document and their geographic location is verified. Within minutes the identity of the customer is verified.



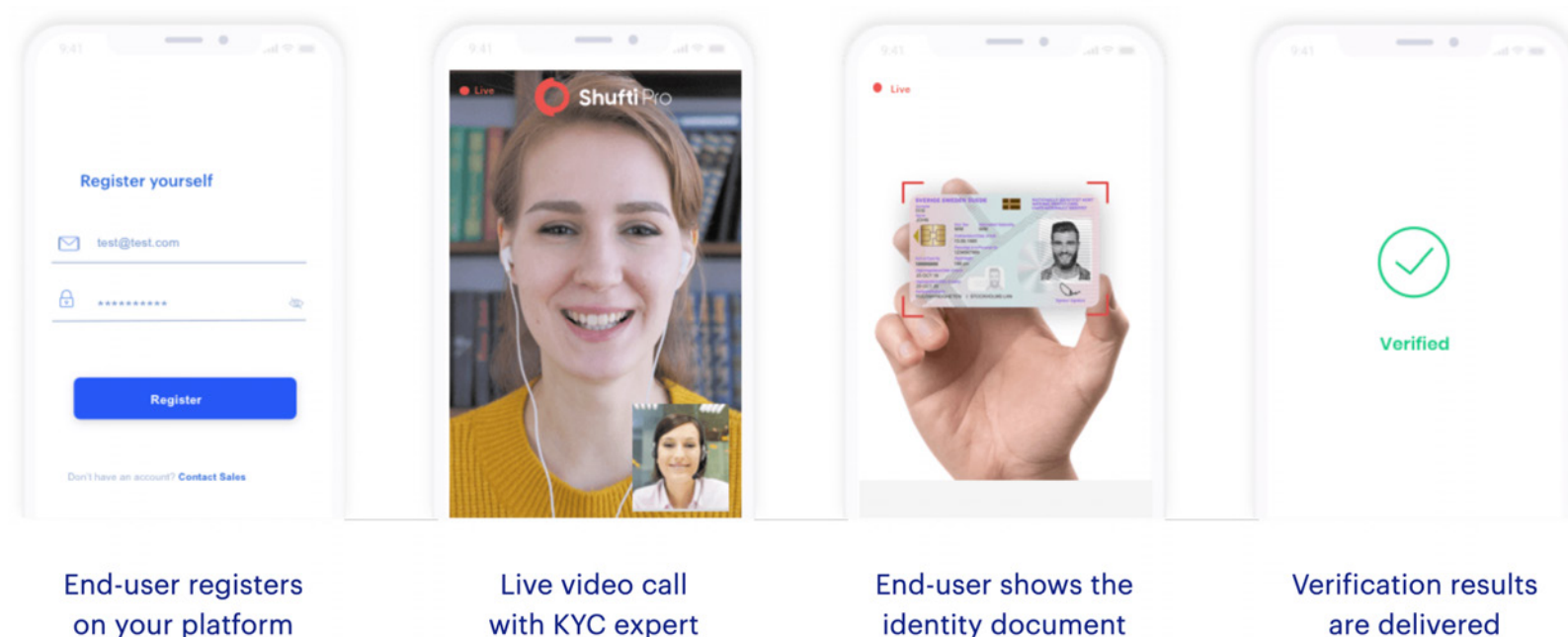
**36%** of financial institutions have  
**lost customers** due to inefficient  
or slow onboarding  
(Fenergo)



Here is the step by step process of Video KYC:

- The customer is asked to fill in the registration form that is present on a company's website.
- After the registration process, the KYC expert connects with the customer for live identity verification.
- The customer is guided for the process of identification through a video and liveness detection is performed to ensure the physical presence of a customer at the time of verification.
- KYC expert takes consent from the customer to collect data for identification purposes and to proceed forward.
- The customer is then asked to show (both sides) an ID document that could be an ID card, passport, or a driving license.
- The AI-based identity verification solution verifies the ID document, performs facial recognition.

#### How our video onboarding process works



**“Shufti Pro** aims to make customer onboarding secure and convenient and **video interview KYC solutions** can help businesses in achieving customer satisfaction as well as complying with regulatory requirements ”

- Victor Fredung  
CEO, Shufti Pro



## Benefits of video interview KYC in a digitally advanced world

Customers look for convenience and security especially since the world is going digital and millennial redefine the customer service expectations, it's time for businesses to lead from the front. You can digitize your KYC verification process by using the video interview KYC solution to deliver secure and effortless customer experience while ensuring instant KYC completion at a lower cost and complying with KYC and AML regulations.



### Instant KYC completion

KYC verification is often a long and tedious process, however, Video interview KYC makes this process quicker and you can verify customers in minutes



### Cost optimization

You don't need to build an in house KYC verification department and don't need to employ KYC experts burdening your business financially.



### Enhanced security

With AI-based document authentication and facial recognition combine with OCR technology to accurately verify customer's identity, KYC becomes more secure.



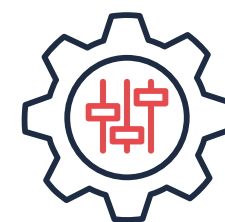
### Quick customer onboarding

Implying Video KYC, you can make the customer onboarding process quick and convenient while fulfilling KYC and AML requirements alongside.



### Customer convenience

Customers can easily complete KYC verification from the comfort of their home even at low internet bandwidth.



### Customised video KYC plans

You can choose your own customised KYC plan and make it aligned with your customer needs.

# 4.

## Video KYC The New Normal for Businesses

Identifications using live video calls are widely adopted throughout the financial sector by businesses ranging from banks and lenders to ICO's and cryptocurrency providers.

An identity verification system based on video allows businesses to maintain trust and compliance without compromising user experience. Here's how Video KYC can ease identification process for different businesses:

### Video KYC for banks and insurance providers

Conducting KYC verification of customers is a mandatory compliance requirement for banks and insurance providers. Video KYC allows banks to make KYC easier for the customers, as customers can perform KYC from the comfort of their homes while making the job of banks KYC officers' job a lot easier by saving time.

### Video KYC for mutual funds

By capturing customer details electronically to verify their identity and allow them to open an account to deal in the stock market, the mutual fund companies can significantly increase their customer outreach and fasten the customer onboarding process with a video based KYC solution. This makes it easy and more productive for mutual funds businesses to complete KYC verification.



## Video KYC for non-banking financial companies (NBFCs)

Adopting video customer identification processes, NBFCs can make paperless and presence less banking a reality for the fintechs, small financial banks and lenders. This enables regulated entities to make onboarding remote and reduce the time required for KYC process to minutes. Similarly, lending fintech, prepaid wallet platforms and neo-banks can reduce their costs by making the process remote.

## Video KYC for digital payment platforms

Instead of going door to door for collecting address proof and identity proof, digital payment officials can do all that remotely. Simultaneously, e-wallets and digital payments players can increase their customer base and penetrate into most remote areas without incurring a huge cost while ensuring customers' convenience.



Banks and financial institutions are expected to see a **13% increase** in **CDD** and **KYC** outlays in the next 12 months

(Fenergo)

**Ready to integrate video KYC in  
your onboarding process?**

**Contact Us**

**Get A Free Trial**



[www.shuftipro.com](https://www.shuftipro.com)



[sales@shuftipro.com](mailto:sales@shuftipro.com)





Expanding services to 230+ countries and territories in a short period of time, Shufti Pro envisioned playing a pivotal role in creating cyberspace where every transaction is verifiable and secure. With enough experience in technologies like machine learning (ML), OCR, artificial intelligence, and Natural Language Processing (NLP), Shufti Pro strives to provide the best identity verification services to verify customers and businesses online.

Shufti Pro's cost-effective solutions help businesses to prevent fraud and illicit crimes that can ruin the integrity and brand reputation of your business. Our perfect solution suite consisting of KYC verification, AML screening, ID verification, Facial Recognition, Biometric Authentication, Video KYC, OCR, and KYB helps to improve your company's fraud prevention, Know your Customer (KYC) and Anti Money Laundering (AML) regulatory efforts by automating the workflow. With single API integration, Shufti Pro empowers you to verify customers with document checks from 3000+ ID templates and business entities from 200 million companies data.

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