8x8

The Growing Threat: Why Businesses Must Rethink Digital Authentication

8x8

Introduction

Today's digital environment is no longer just a space for innovation - it's a high-risk landscape where every login, every authentication step, can become a vulnerability. Cyberattacks are increasing in frequency and sophistication, with outdated verification methods no longer capable of providing adequate defense.

In the first half of 2024 alone, over 7 billion records were exposed. More than 80% of small and mid-sized businesses reported a breach in the past year. The financial and reputational consequences are severe: the average data breach now costs $4.88 million globally, rising to $9.36 million in the U.S.

8x8

Introduction

The problem isn't just the growing number of threats - it's that too many organizations are still relying on legacy systems that can't keep up. Weak One-Time Passwords (OTPs), static passwords, and unverified phone numbers leave businesses exposed to account takeovers, fraud, and data leaks.

8x8 Verif8, a self-service, turnkey OTP solution, addresses this challenge head-on, delivering mobile verification that enhances both security and user experience. With real-time authentication and fraud detection, Verif8 ensures that businesses can trust the identity behind every transaction - without adding friction for the user.

8x8

Legacy Authentication Is Holding Your Business Back

Traditional authentication methods aren't just outdated - they're actively creating friction, increasing costs, and putting your business at risk. What once passed as standard is now a barrier to growth and security.

1. Poor user experience can impact conversions

Legacy authentication systems often rely on SMS-based OTPs alone, which can be unreliable. According to the Internet and Mobile Association of India (IAMAI), the average daily failure rate for OTP delivery stands at 22%, leading to user frustration during onboarding and login processes.

2. Outdated security measures increase vulnerability

Traditional security methods like SMS-based 2FA and CAPTCHAs are increasingly ineffective against sophisticated cyber threats. Microsoft reports that over 99% of password spray attacks exploit legacy authentication protocols.

Moreover, SIM-swapping incidents, where attackers hijack phone numbers to intercept OTPs, have seen a significant rise. The FBI's Internet Crime Complaint Center noted a 400% increase in SIM-swapping complaints from 2018 to 2021.

3. Legacy systems contribute to high operational costs

Maintaining outdated authentication infrastructure can be resource-intensive. Research indicates that organizations allocate 60–80% of their IT budgets to maintaining legacy systems, diverting funds from innovation and modernization efforts.

4. Scalability issues hinder business growth

As businesses expand, legacy authentication systems may struggle to scale effectively, leading to increased maintenance and potential security gaps.
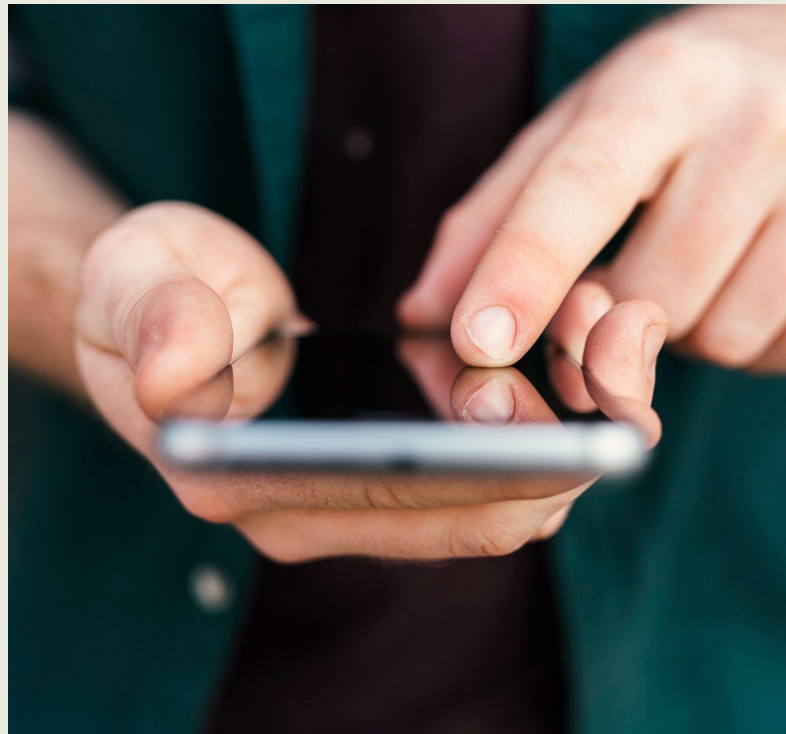
Meet Verif8: Smarter, Seamless Authentication

Introducing Verif8 - 8x8's mobile verification solution designed to stay ahead of evolving security threats with confidence and reliability.

Forget slow OTPs and inconsistent delivery. Verif8 uses 8x8's robust routes and automatic fallback to voice messages and Viber to ensure OTPs reach users quickly and reliably. If one method fails, another takes over - so no user is left waiting and no conversion is lost.

This isn't just about speed - it's about simplicity at scale. Verif8 is built for seamless integration and true self-service onboarding, with zero dev friction. Set up OTPs in minutes, not weeks, with pre-built templates, instant Sender ID provisioning, and multi-channel delivery via SMS, voice, and Viber. No technical expertise needed. No IT bottlenecks. Just instant, secure mobile verification that grows with your business - without the overhead.

This is more than verification. This is a bulletproof gateway, purpose-built for businesses ready to grow without compromise.
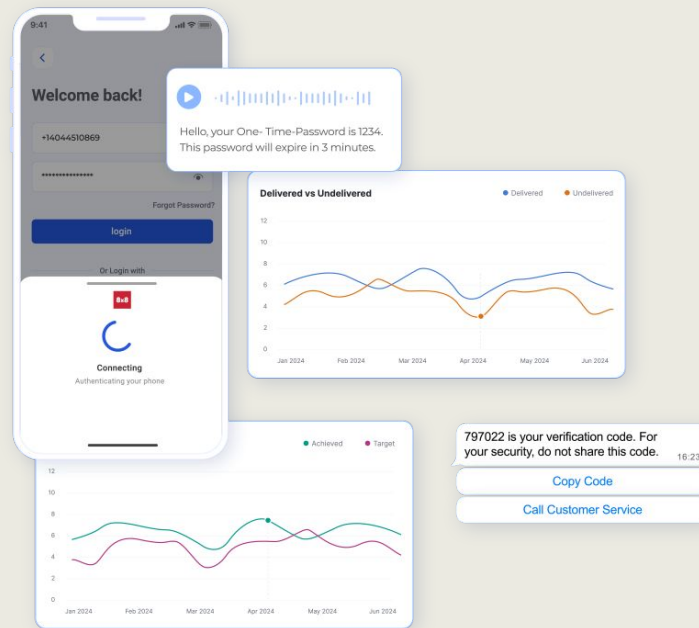
8x8

The Hidden Costs of Weak Authentication

Customer Abandonment

Today's users expect instant access. If a one-time passcode doesn't arrive, or the verification process fails, most won't retry. They'll leave - and often for a competitor. Authentication failures directly translate to user churn, revenue loss, and diminished customer trust.

Fraud and Chargeback Risk

Insecure verification invites fraud - plain and simple. In 2023, reported fraud losses hit over $10B. Chargebacks alone cost merchants $125B annually, with every $100 in disputes draining $240 in real losses. Fake accounts? A $6.7B problem and growing fast.

Bottom line: if your verification is weak, you're not just risking fraud - you're bleeding revenue.

Regulatory Exposure

Non-compliance with frameworks like GDPR, PCI DSS, and other data protection standards often begins with weak or inconsistent authentication practices. Fines are substantial, and the legal and reputational costs can far outweigh the initial security gaps.

Operational Burden

Outdated authentication systems require constant troubleshooting. IT teams face increasing workloads from failed verifications, user complaints, and manual interventions. As systems age, the operational strain escalates - impacting efficiency and slowing growth.

8x8

Where Verif8 Protects - and Strengthens - Your Business

In a digital environment where every interaction can be a point of risk, Verif8 is designed to secure the most critical user journeys - without compromising speed or user experience. From signups to high-value transactions, Verif8 turns authentication into a competitive advantage.

E-commerce

Reduce fraud at the source. Verif8 filters out fake accounts and bad actors during the signup process using real-time number verification and reliable OTP delivery. The result? Legitimate shoppers move through smoothly, while fraudulent activity is blocked before it begins.

Banking & Fintech

Security and speed must work hand in hand. Verif8 provides strong, compliant user authentication that meets the high standards of financial platforms - ensuring only authorized users gain access, without slowing down legitimate sessions or transactions.

**Healthcare**

Patient data requires the highest level of protection. Verif8 delivers secure, seamless verification that helps healthcare platforms stay compliant with privacy regulations while keeping systems easy to access for authorized users - without additional apps or complexity.

SaaS & Digital Services

Eliminate fake signups and ensure system integrity. Verif8 enhances your authentication layer with real-time mobile verification, helping you maintain accurate user data, reduce support tickets, and protect analytics and infrastructure from abuse.
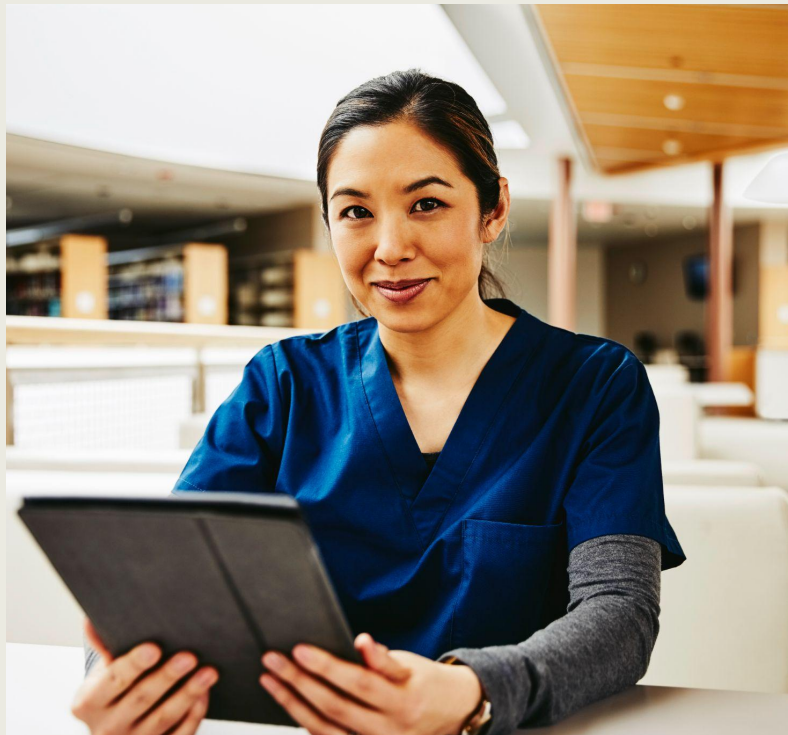
Key Use Cases

Signup Verification
Successful onboarding starts with trust. Verif8 validates users instantly via their preferred communication channel - SMS, voice, or Viber - reducing drop-offs and ensuring only verified users enter your ecosystem.

Login Authentication
Every login is a gatekeeper moment. Verif8 secures user sessions with quick, low-friction verification, keeping attackers out without disrupting the user experience.

Transaction Verification
Sensitive actions - such as financial transfers or account changes - demand stronger oversight. Verif8 adds a critical layer of real-time validation, minimizing fraud risk while preserving user confidence.

8x8

Future-Proof Security, Built for Scale

Security today is not static - it requires constant adaptation to stay ahead of evolving threats. Yet many authentication tools fall behind quickly, creating more risk than value. Verif8 is designed for the future: intelligent, scalable, and easy to integrate.

Simple, Fast API Integration

Verif8 offers a lightweight API that integrates seamlessly into your existing systems. With minimal development effort, businesses can go live quickly - reducing time-to-value and avoiding lengthy setup cycles. No complex implementation, no unnecessary overhead.

Built to Scale with You

Whether you're verifying hundreds or millions of users, Verif8 adapts to your growth. Designed for startups and enterprises alike, it delivers consistent performance without surprise costs or infrastructure bottlenecks.

Fraud Prevention

Verif8 leverages real-time traffic monitoring and number intelligence to stay ahead of fraud. Analytics through the platform allows businesses to monitor authentication metrics in real-time, ensuring system security and giving the insights needed to fine-tune performance and stay ahead of emerging threats.

8x8
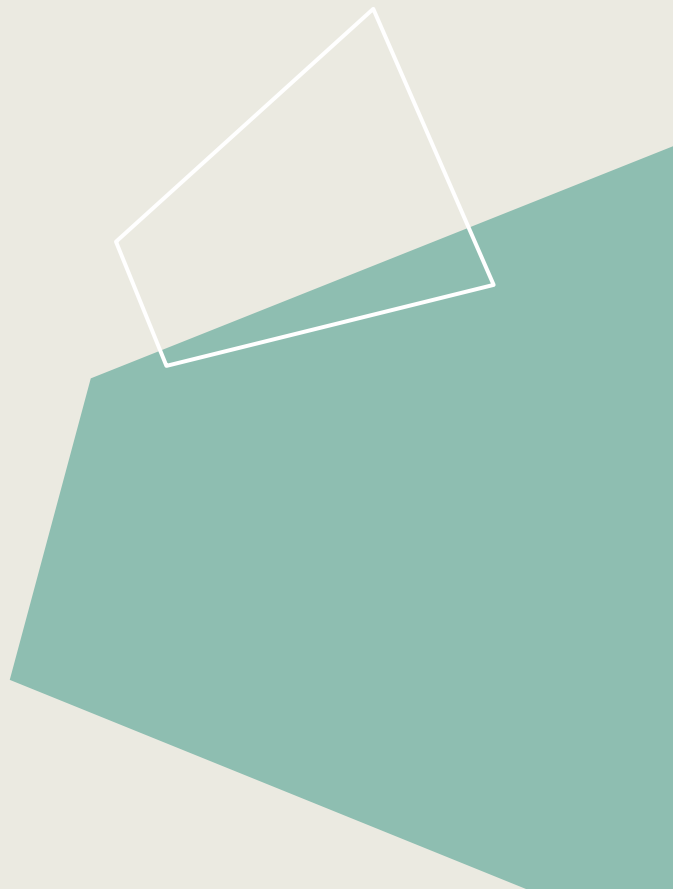
The Bottom Line: Why Verif8 is a No-Brainer

Weak authentication quietly drains businesses - through user drop-off, fraud losses, compliance risks, and operational inefficiencies. Legacy systems can't keep up with today's evolving digital threats, and relying on them means accepting unnecessary risk.

Verif8 offers a modern solution: fast, secure, and scalable mobile verification that strengthens every user interaction. From onboarding to transactions, **Verif8** helps you protect your business, improve customer experience, and reduce overhead.

See demo   **Try it for free**
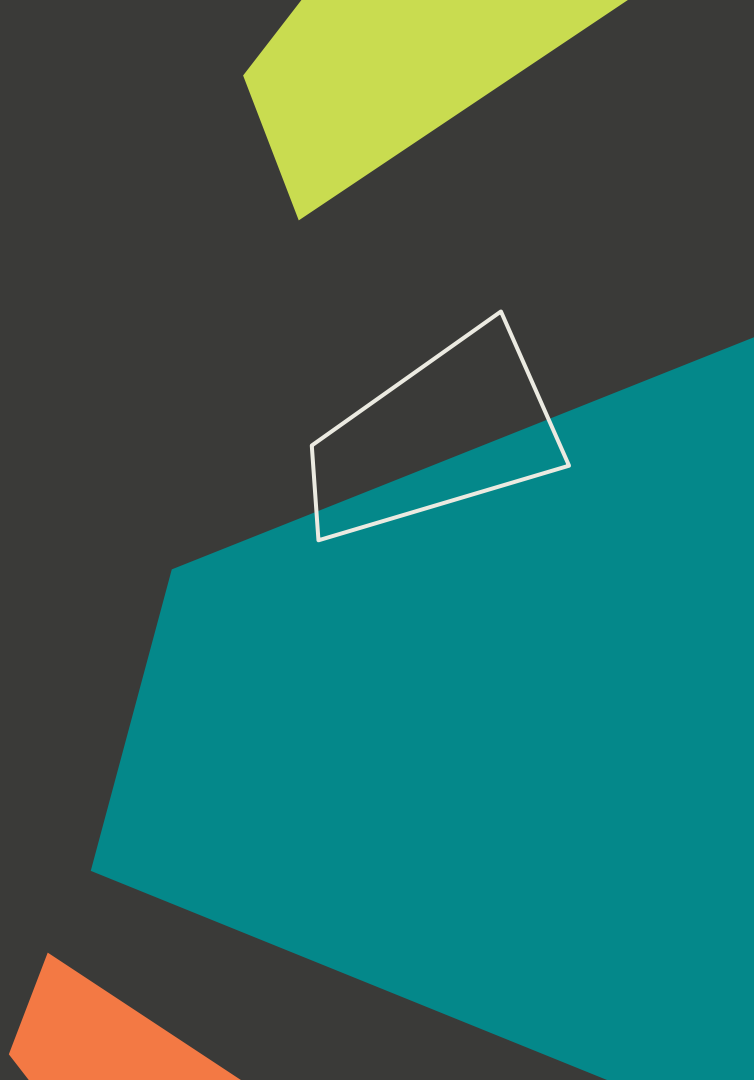
Conquer complexity with 8x8 Platform for CX

Say goodbye to fragmented data, siloed teams, and disconnected communication, and say hello to the 8x8 Platform for CX. Connect your teams and customers and make smarter, empowered decisions with integrated AI tools and insights to create real results.

For more information contact **hello-cpaas@8x8.com**.