

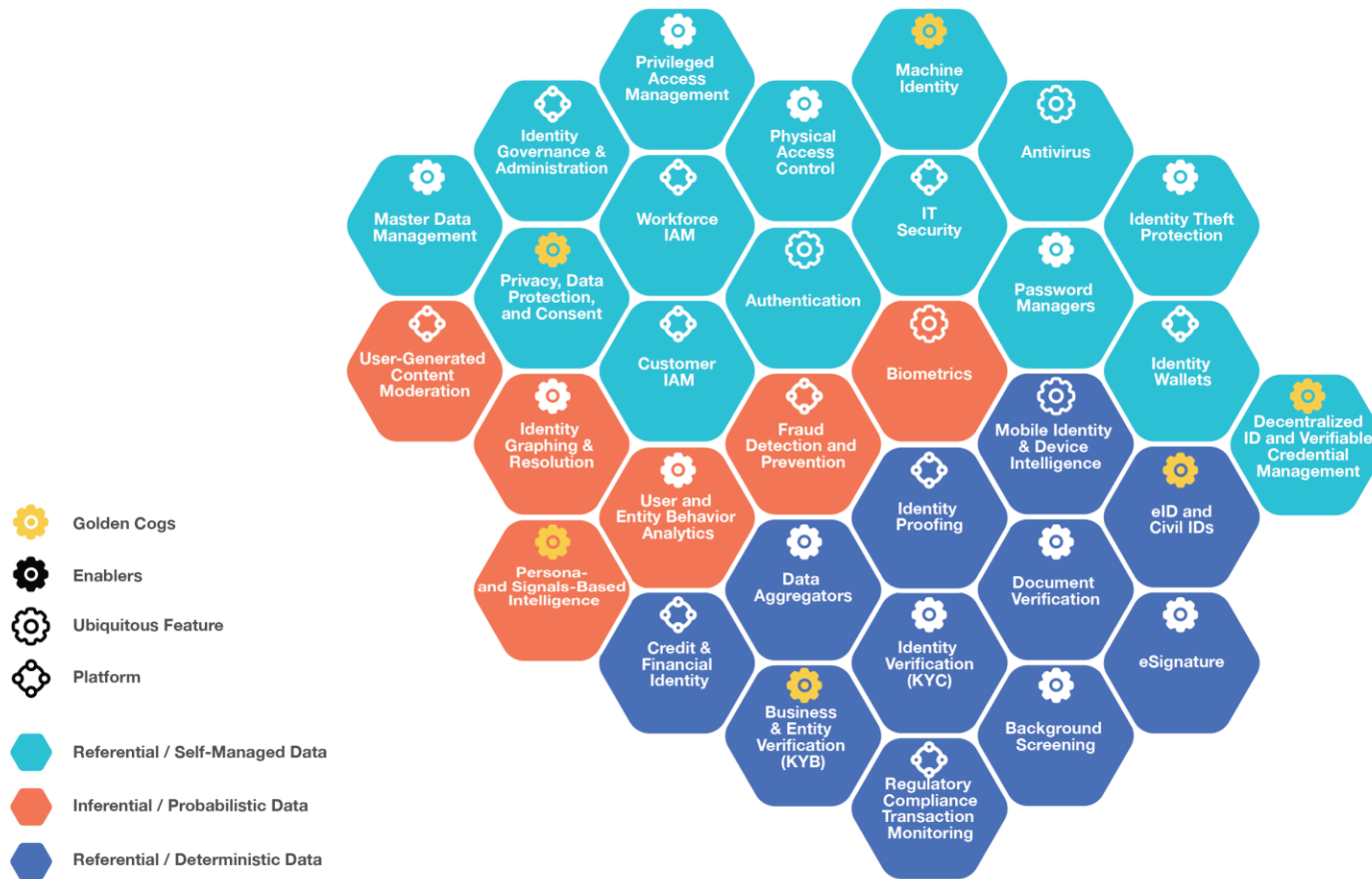
Emerging Business Cases for Verifiable Credential Management



Dr. Gilad Rosner

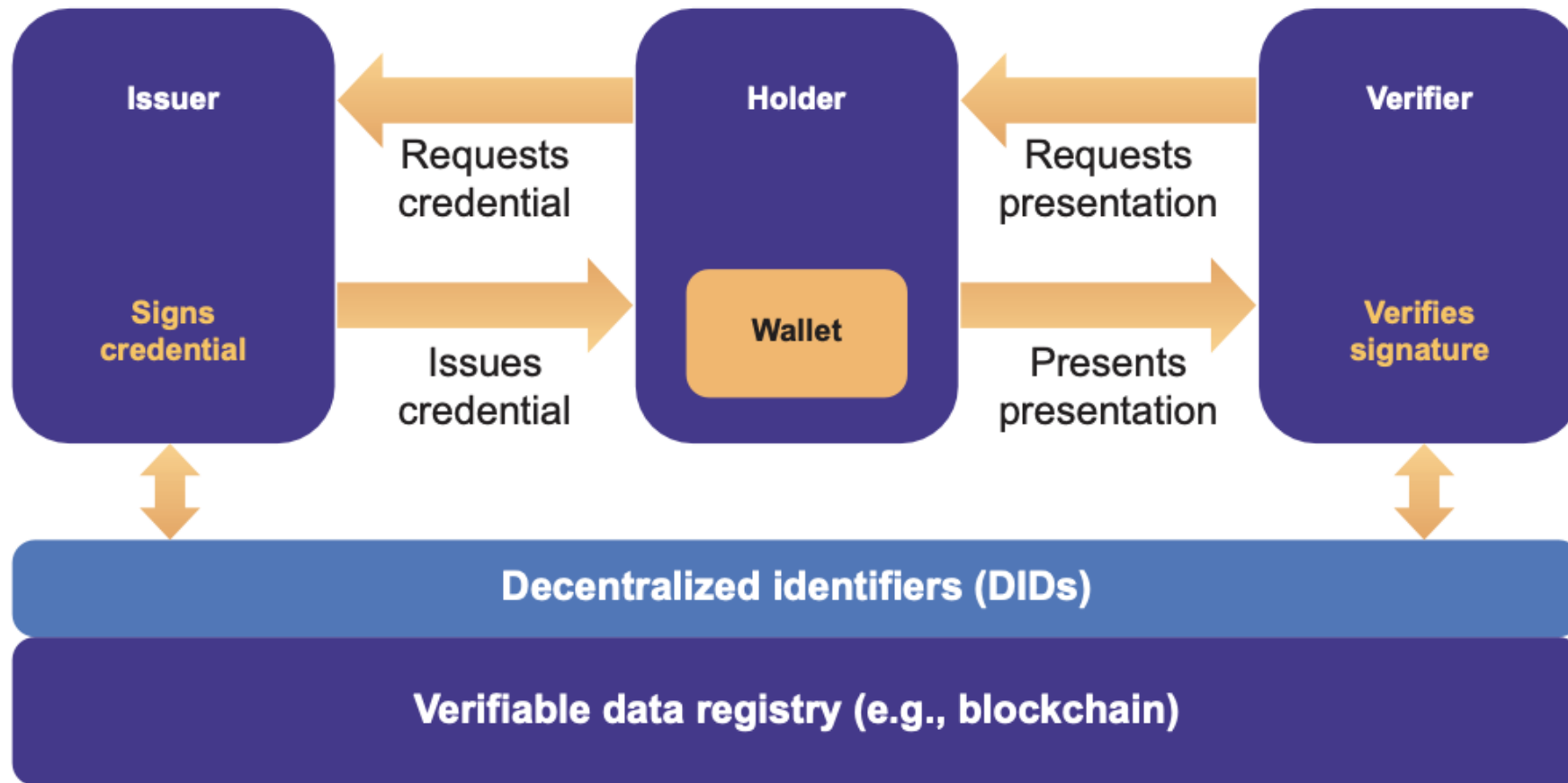
Principal
Liminal

The 2023 Liminal Digital Identity Landscape



Source: Liminal, 2023

Verifiable Credentials: How It Works



Source: Preukschat, A. and Reed, D., *Self-Sovereign Identity*

If decentralized identity is the gold rush, **Verifiable Credential Management** companies are the ones supplying the picks and shovels

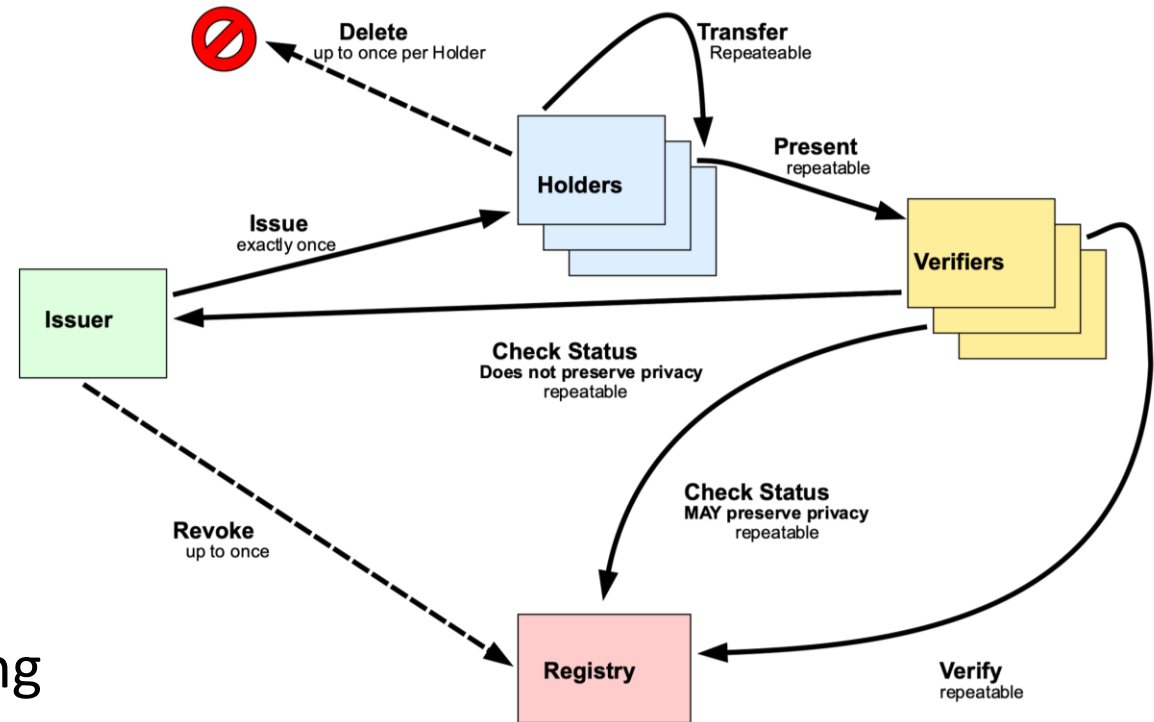


Verifiable Credentials must become commodified
for decentralized identity to take off

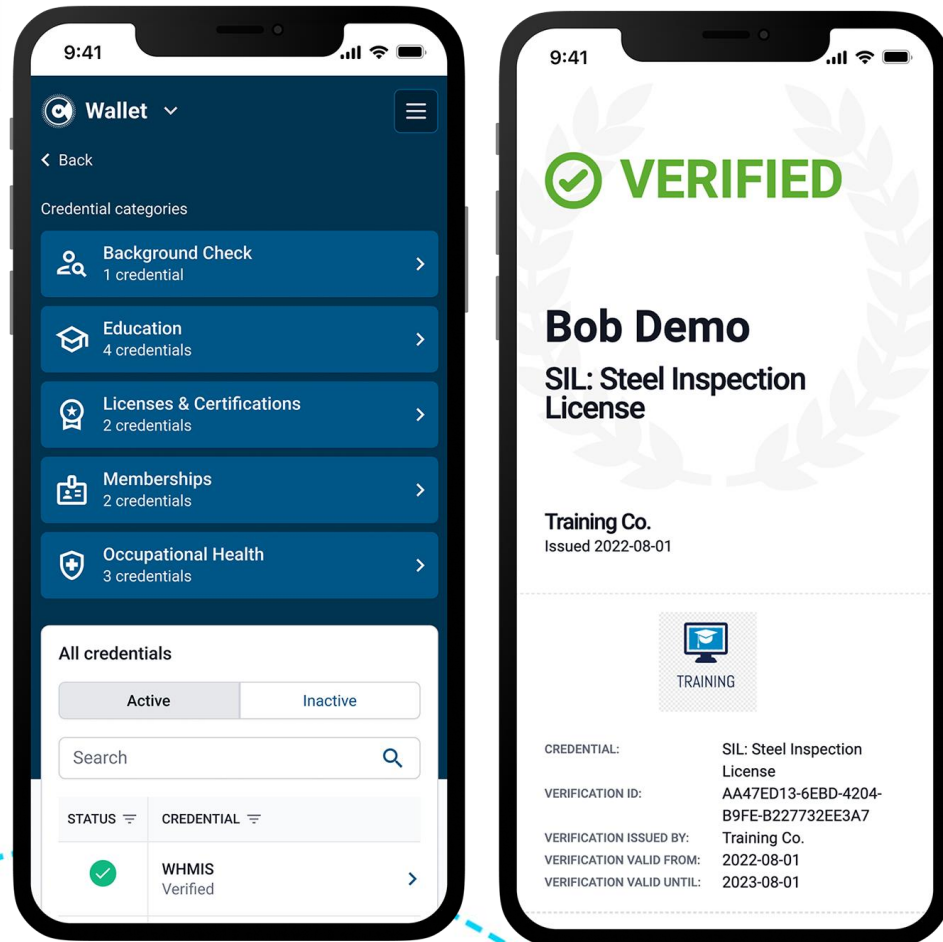
While VCs are excellent at solving trust problems,
they are entering markets that already solve
those problems in different ways

VCM Company Types: Exploring the Diversity

- Pure white-labelled architecture
 - Credential lifecycle management
 - Wallets
 - Vaults
 - Management consoles
 - Issuer/Verifier integration
- White-labelled + specific applications
 - E.g., Pharmaceutical product tracing



VCM Company Types: Exploring the Diversity



- Specific applications of VCs
 - E.g., workforce credentialing
- Identity companies with a VCM offering
 - Microsoft Entra, PingOne Neo
- Large general companies with a VCM offering
 - Deloitte, IBM

Current Industry Sectors that VCM Companies are Serving



Regulated sectors – DeFi, TradFi, and Construction/Manufacturing/Industrial



HR – Workforce credentialing, proof of skills and education



Government – National/Regional digital identity, and eGovernment



Gaming – Profile portability

Top Business Considerations of Verifiable Credentials Management

- ☐ The degree to which VCs are a substitution technology
- ☐ The scale and nature of the fraud problems they address
- ☐ How a VC deployment can affect a customer's liability
- ☐ The timing of a business's consideration to use VCs
- ☐ The model: B2B, B2B2C, B2C, G2C
- ☐ Whether one is solving a collective action problem or an individual problem
- ☐ Whether the focus is on humans or things

Evaluating VCs as a Substitution Technology and Considering Fraud Characteristics

- Authentication
- IAM
- Onboarding
- KYC/KYB
- Loyalty programs

- Proof of skills
- Proof of education
- Job history
- Workforce credentialing
- Videogame profile management
- Product verification

How does a VC
implementation affect
a company's liability?

Deloitte Integrates KILT Identity Blockchain, Creating New Markets with Reusable Digital Credentials

ZÜRICH, SWITZERLAND and BERLIN, GERMANY, 4 May 2023



BOTLabs GmbH, developer of KILT Protocol, and Deloitte Consulting AG today announced the integration of KILT blockchain technology for issuing reusable digital credentials to support KYC and KYB processes. These credentials have multiple use cases including regulatory compliance for banking and Decentralized Finance (DeFi), age verification for e-commerce, private logins and fundraising.

Timing the Transition: Strategic Buying Considerations

The state of VC standards has a direct relationship to the timing of commercial engagement

VCs are reliant on interoperability and network effects:



The model: B2B, B2B2C, B2C... and G2C

Is Government a market-maker?

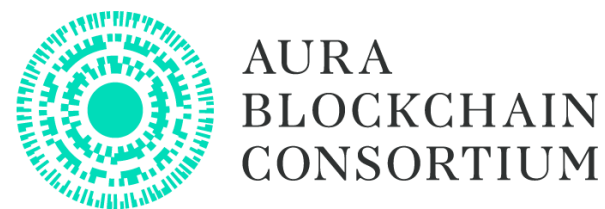
Government is a mixed bag:

- Huge scale
- Slow buying cycles
- Politicized
- Long-term engagements



Defining the Problem: Collective Action or Individual Use Cases

The privacy and decentralized nature of VCs make them very attractive for solving collective action problems



TRADE+LENS

Navigating VCs: Balancing Human-centric and Object-centric Approaches

Focusing on things:

- Removes several privacy and regulatory considerations
- Has different scale characteristics
- Points towards the potential for data intelligence markets

Natix raises \$3.5 million to build Natix Network: a blockchain-based worldwide crowdsourced camera network

The Hamburg-based network used funds to launch its first mobile app Drive& and will build out its team while further developing the Natix network



Catena-X
Automotive Network

Key Takeaways for Navigating the World of Verifiable Credentials

The future is:
Web2/Web3 hybrid

VCM companies that can bridge the two are in good position

The current market is:
dominated by small players

But the few large players out there may be better at solving collective action problems

VC Deployments must:
Address substitution, fraud, and liability factors

They will speak directly to the timing and economic needs of buyers



THANK YOU!