All aboard! The digital identity train is leaving the station

The electronic identity space is growing — fast. The global digital identity solutions market is **estimated to reach $70.7 billion by 2027**, compared to $27.9 billion in 2022.

But what exactly do consumers recognize as an electronic identity? Is it a physically issued driver's license hosted on a mobile wallet? A physical passport booklet containing a chip holding a digital copy of the data? Or something else entirely?

Consumers aren't entirely sure. When asked whether they had an electronic ID (eID)**, 43% of respondents said yes, 36% said no, and a fifth (21%) weren't sure.** For example, in the U.S. (where all passport holders have been **automatically issued ePassports since 2006**), only 27% of survey respondents agreed they have an eID. While these findings may include respondents who don't have passports, it's clear that a large percentage of Americans are unaware that their passports are a form of electronic ID.

But despite a general lack of awareness about eIDs, consumers are largely on board with the concept of electronic identities. **Seven out of 10 respondents** said they would likely use an electronic form of government-issued ID if one were available. The top perceived benefit of eIDs is improved convenience, cited by half of respondents who said they'd likely use them.

Even though consumers feel largely favorable toward eIDs, **they're divided on whether they are more or less secure than their traditional, physically issued counterparts.**

Proponents of the solution cited improved security (49%) as the second most important reason why they would use an eID. Conversely, consumers unlikely to use eIDs similarly named security concerns (45%), followed by worries about identity theft (36%), as their top two arguments against eIDs.

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"Digital identities are a rapidly evolving space. **The line between physical and digital identities has blurred — it's all the same information used to access the same services**. As our digital and physical selves become one and the same, it's up to governments, security leaders, and technology creators to educate consumers and citizens about the trend.

Let's unpack ePassports, for example. An ePassport is simply a passport book with a machine-readable ereader chip in it. It's not a totally digital credential. However, it still is an eID. It's a digital assertion of one's identity, wrapped inside a physical document."

Anudeep Parhar
Chief Operating Officer, Entrust