

Internal Analysis Memo

Erin McCarty and Lily Andrews

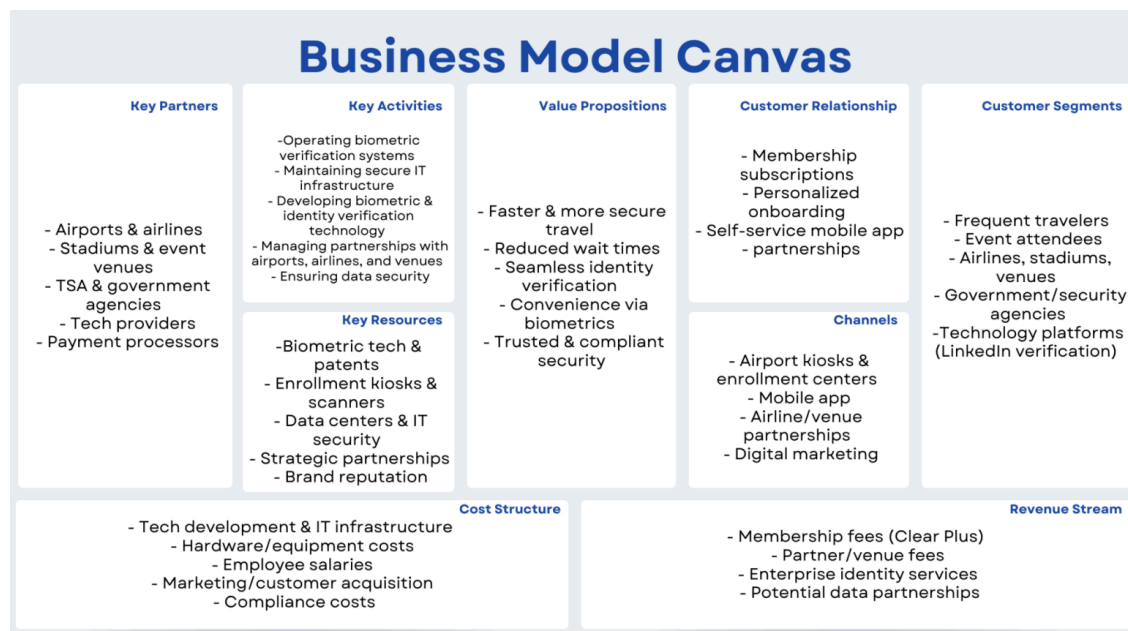
Clear Secure Inc. Final Analysis

Introduction

CLEAR is changing the way that people travel domestically and internationally. The company came about because of drastic changes in travel following the terrorist attacks of September 11, 2001. Before 9/11, domestic air travel was more relaxed, with passengers encountering minimal security procedures and limited identification checkpoints. Following these attacks, the US government passed the Aviation and Transportation Security Act (ATSA), which created the Transportation Security Administration, also known as TSA, which has made airport security stricter and much safer. These changes in the last twenty-four years have given travelers peace of mind that they are being taken care of. On the contrary, these security measures have also made traveling slower and a lot more stressful. To help with the problem of complicated travel, a company called Verified Identity Pass created a program in 2003 that allowed for preapproved travelers to use faster lines in airports, bypassing other travelers. Although this company went bankrupt in 2009, a few brave entrepreneurs bought its assets and re-launched it in 2010 as CLEAR Secure Incorporated. CLEAR's purpose is to use biometric technology to make travel faster without giving up safety protocols. Some examples of this biometric technology include fingerprinting, facial features, and eye scans, which ensure travelers are exactly who they say they are. Over the last 15 years, CLEAR expanded from airports into sporting areas, healthcare, financial services, and even entertainment. This company, which was born in a time of uncertainty, has changed security in the United States and beyond.

Our group chose to focus on CLEAR for this project because it connects directly with both of our personal and academic interests. Erin has always had a very strong interest in federal law enforcement and national security, and CLEAR focuses on keeping the people that it serves safe. At the same time, Lily's background in business makes CLEAR an appealing choice because of its innovative business model, use of marketing, and expansion strategy into multiple industries. As active travelers, we have both personally experienced the changes in airports and security checks over the course of our 21 years of life. Growing up in this post-9/11 environment, we have seen firsthand how companies like CLEAR are responding to daily security challenges by creating safer and more convenient ways to move through large venues. Neither of us has ever been involved with the CLEAR company or used its product, but we are very fascinated to learn more about it through our research.

Business Model Canvas Interpretation



(Graphic made from a template found on Canva.com)

When creating a Business Model Canvas for CLEAR, the first step was to develop its value proposition. CLEAR's value proposition centers on delivering a faster, more secure, and seamless identity verification experience through the use of advanced biometric technology. They believe in using data to make calculated decisions, as defined in their company's core values. CLEAR works to reduce wait times and enhance convenience through the use of biometrics, furthermore providing faster and more secure travel. One of their top priorities is building trust through top data security, in turn improving the customer experience. After defining their value propositions, we moved on to identifying the customer segments. On the enterprise side, CLEAR partners with airlines and airports to streamline passenger processing and improve operational efficiency. Additionally, CLEAR targets stadiums and venues that are seeking to increase control and improve guest experience, while providing top security. Government and security agencies also engage with CLEAR for the use of their high-security identity verification processes. Through the enhancements of these segments, frequent travelers and event attendees also join the customer segment as the consumer portion. CLEAR also works with technology platforms to provide digital security, further utilizing its advanced biometric technology. Moving onto the customer relationship segment, we found CLEAR to focus on membership subscriptions, personalized onboarding, self-service tools, and strategic partnerships. Membership subscriptions support the value proposition of reduced wait times through expedited lanes or biometric verification scans over traditional methods. Personalized

onboarding ensures that each member receives a smooth, tailored experience from the outset, building trust and confidence in the system. The self-service mobile app allows users to manage their own accounts, update information, and further increase convenience. CLEAR also utilizes partnerships, as seen with airlines, event venues, and technology platforms, to extend security and biometric technology. The combination of direct and indirect relationship-building strategies helps CLEAR maintain a loyal customer base while continuously expanding its reach. Next was the channel segment. We found that CLEAR reaches its customers through a combination of physical, digital, and partnership channels. Airport kiosks and enrollment centers serve as physical touchpoints for users to register with biometric scans. The CLEAR mobile app is also a tool that acts as a central hub, allowing users to manage their membership, receive updates, and access CLEAR services beyond physical locations. There are also partnerships with airlines, stadiums, and venues that have embedded CLEAR into the customer experience and high-traffic environments. CLEAR also uses digital marketing to acquire new members and raise brand awareness. After identifying CLEAR's channels, we moved on to key resources, key activities, and key partnerships.

CLEAR's core key resources are centered on its biometric technology and portfolio of patents, which highlight the differentiation of the company. To support these biometric technologies are the enrollment kiosks and biometric scanners, which are found in high-traffic areas such as airports or venues. More unseen are CLEAR's data centers and IT security to provide safe processing for customer privacy. As mentioned, the key to CLEAR's experience is with strategic partnerships in airlines, stadiums, event venues, and technology platforms. We also found brand reputation to serve as a key resource, with a foundation of trust and credibility. CLEAR's key activities focus on operating its biometric verification systems and maintaining a secure IT infrastructure to ensure data security, and furthermore protecting sensitive information. CLEAR has made it clear that they are not afraid of change and continually develop the biometric and identity verification technologies. Finally, CLEAR has to proactively maintain partnerships with airports, airlines, venues, and stadiums to maintain key activities. CLEAR's key partners are essential to delivering their value, as seen through partnerships with airports and airlines to enhance traveler experience and provide security. CLEAR also works with stadium and event venues to reduce wait times and provide safety, along with a partnership with TSA and government agencies to stay compliant with regulations. They also utilize technology providers and payment processors for the technical side of their transactions. Moving on to CLEAR's revenue streams, their main source of revenue is through membership fees from individual subscribers. CLEAR also earns revenue through partner and venue fees by offering technology services to airlines, stadiums, and event spaces. CLEAR also works with enterprise identity services to sell secure identity verification solutions to businesses. Finally, CLEAR explores data partnerships to leverage data insights and create new opportunities while maintaining privacy standards. The final segment is CLEAR's cost structure, with its main costs coming from ongoing technology development and IT infrastructure. This is crucial to maintain their biometric systems and data security. There are also costs from the hardware and equipment

requested, such as the kiosks and scanners. Employee salaries represent a fixed cost of their cost structure, through engineering, operations, customer services, sales, etc. Finally, compliance costs are critical to make sure CLEAR maintains strict compliance with security standards across all markets.

Objective	CLEAR's objective is to streamline and secure the travel experience by using biometric technology. CLEAR aims to make identity verification faster, safer, and more convenient.
Scope	CLEAR operates mainly in North America across airports, stadiums, and venues. Customers include travelers and enterprise partners.
Advantage	CLEAR's edge comes from its infrastructure (lanes and kiosks), biometric technology, and partnerships with TSA, airports, and venues.

(Graphic made from a template found on Canva.com)

External Environment Analysis

After establishing basic information on CLEAR Inc., the external analysis was conducted. This included the STEEP framework and Porter's Five Forces. Starting with the STEEP framework, it is a useful way to look at the outside forces that affect a company like CLEAR, which uses biometric technology to speed up airport and venue security. STEEP stands for Social, Technological, Economic, Environmental, and Political/Legal factors. These are larger trends happening in the world that a business cannot directly control, but they can still have a major impact on a company's growth and decision-making. CLEAR operates in a space where travel, security, and technology all come together, so its success depends on how well it can adapt to these external pressures. By running a STEEP analysis on this company, we were able to see the bigger picture of what opportunities CLEAR can take advantage of and what risks it needs to prepare for.

STEEP Analysis of CLEAR – Key Bullet Points

Category	Key Points
Social	- Demand for convenience: Travelers want efficiency and less stress → Opportunity for CLEAR to save time - Privacy concerns: Travelers worry about how personal data is used → Threat to adoption - Fairness & inclusivity: Biometric accuracy issues across demographics → Threat of criticism, Opportunity to lead with equity
Technological	- Dependence on innovation: Biometrics, AI, digital IDs → Opportunity for faster services - TSA eGates pilot: Expansion potential nationwide → Major opportunity - Cybersecurity threats: Deepfakes, spoofing, hacking → Threat to credibility if not addressed
Economic	- Rebound of air travel: Post-pandemic passenger growth → Expanding market - Rising costs: Inflation, labor, energy expenses → Threat to profitability - Disposable income & pricing: Wealthier travelers pay, casual travelers may not → CLEAR must prove value
Environmental	- Sustainability pressure: Airports reducing carbon footprint → Opportunity for green systems - Energy use of hardware: High consumption may limit adoption → Threat if not efficient - E-waste/recycling: Equipment upgrades create waste → Opportunity to innovate with recyclable systems
Political / Legal	- TSA partnerships: Government support expands CLEAR → Opportunity; In-house systems → Threat - Privacy laws: State (Illinois, Texas) and GDPR rules → Threat with higher compliance costs, Opportunity to lead with strong practices - Surveillance debates: Concerns over personal freedom → Threat of political backlash restricting biometrics

We were able to create this chart by inserting our findings into an AI processor to condense them and using [Canva.com](https://www.canva.com) for the layout.

By looking across these different areas, it becomes clear that CLEAR's future will be shaped just as much by the forces outside the company as it will be by the decisions it will make internally. Technology is both CLEAR's greatest strength and its biggest vulnerability. According to *NextGov* (2025), the TSA and CLEAR have both started rolling out biometric eGates at major U.S. airports. This kind of recent innovation shows how CLEAR's model could eventually grow into a nationwide standard for travel security and even expand into other industries. On the other hand, all of this technological progress creates new risks, with hackers constantly developing ways to outsmart biometric systems. This means CLEAR must stay ahead in cybersecurity, and software security improvements are critical if CLEAR wants to keep the trust of travelers and its government partners (CLEAR, 2025). From a social perspective, CLEAR benefits from the rising demand for faster and more convenient travel experiences, as many passengers are willing to pay for services that reduce their stress and wait times. At the same time, growing concerns about privacy and how biometric data is collected and stored present a challenge, since distrust in this technology could limit adoption. Another key issue is fairness, as research shows facial recognition systems are less accurate for certain races, genders, and age groups, which could create reputational risks if not addressed (Alan Turing Institute, 2020). These social factors highlight that CLEAR's success depends on balancing convenience with trust, transparency, and inclusivity.

The economic environment adds another layer of complexity. The spike in air travel since the COVID pandemic gives CLEAR a larger potential customer base, but inflation and rising operating costs could make it harder to maintain strong margins (IATA, 2025). Due to CLEAR depending on a subscription model, its value must be very clear to travelers for them to even consider investing. Business passengers and frequent fliers may continue to see the service as worthwhile, but casual travelers or families may cut back during economic troubles. CLEAR's challenge will be to position itself not just as a luxury but as a time-saving necessity that justifies its price. Additionally, environmental and political factors show why this analysis matters for the company's long-term strategy. Airports are under more pressure than ever to meet sustainability goals, and CLEAR will need to prove that its systems are energy-efficient and environmentally responsible (Airports Council International, 2024). If it can do this, it not only avoids pushback but also strengthens its brand image. At the same time, political and legal forces will likely be the deciding factor in how big CLEAR can grow. The company's close relationship with the TSA is both a good and a very bad thing. Government support could propel its expansion, but government competition or stricter privacy laws could quickly slow it down.

In conclusion of the STEEP analysis, this demonstrates that CLEAR's long-term success will depend on how effectively it responds to outside forces that shape its industry. These conclusions are important because they show CLEAR where to focus if it wants to keep growing

and avoid mistakes. By seeing that travelers want faster service but are also worried about privacy, CLEAR can put more effort into building trust while still promoting the convenience it offers. Knowing that rising costs and price sensitivity affect who will pay for the service can help CLEAR show that it is not just a luxury but a necessity for saving time. The push for greener airports also matters, since CLEAR can stand out by designing systems that use less energy and create less waste. Finally, the role of government rules and privacy laws reminds us that working closely with regulators is just as important as improving technology. These conclusions give CLEAR a clearer picture of its future and help it make smarter decisions about how to expand moving forward.

Another valuable external analysis tool is the “Five-forces analysis” created by Michael Porter, which outlines the five main competitive forces. These are outlined as “the threat of new entrants, the bargaining power of customers, the bargaining power of suppliers, the threat of substitute products or services, and the rivalry between existing competitors”(Fisher) from the Strategy in 3D textbook by Greg Fisher. The main question at the end of this analysis is “Is this an attractive industry?” This analysis helps identify the major suppliers, customers, and competitors of the industry and demonstrates how the five forces affect the industry's attractiveness and profit potential.

Force	This Force Increases with the Following*
Negotiating Power of Suppliers	• High supplier concentration (i.e., few suppliers) • High differentiation of inputs • High switching costs to different suppliers • Lack of substitute inputs • High threats of forward integration by suppliers
Negotiating Power of Buyers	• High buyer volumes • Low buyer switching costs • Increased information available to buyers • High seller dependence on buyers (i.e., seller dependence on a few customers) • High threat of backward integration by buyers • Low levels of product differentiation • Substitute products available to buyers
Level of Rivalry Between Competitors	• High exit barriers in the industry • Low levels of industry concentration • High fixed costs to operate • Low industry growth • Overcapacity in the industry • Low product differences • Low switching costs for buyers
Threat of New Entrants	• Low economies of scale within the industry • Low product differentiation and/or brand equity • Low capital requirements • Low switching costs for buyers • Easy access to distribution channels • No government policy restricting industry • Easy access to necessary inputs • Limited learning curve benefits for incumbents • Limited expected retaliation from incumbents • Limited patent and trademark protection
Threat of Substitute Products	• Low switching costs • High buyer inclination to substitute • Low price-performance tradeoff • Easy ability to substitute

* Adapted from Porter, M. *Competitive Advantage: Creating and Sustaining Superior Performance*. (New York, NY: Free Press, 1985).

Figure 1.1 Factors Impacting Porter's Five Forces. Table formatted with the assistance of Microsoft Copilot (generative AI).

CLEAR Secure Inc. works in the security identity industry. The product scope for this industry includes identity verification technologies, including biometrics, authentication tools,

and compliance technology. The geographic scope for this industry is global, although North America is leading, along with strong developments in the Asia Pacific, South America, Europe, the Middle East, and Africa (fortunebusinessinsights.com).

Force	Level	Key Points
Negotiating Power of Supplier	Moderate	Types of suppliers in this industry are mostly technology based, such as biometric tech providers, cloud infrastructure, and authentication technology. There are also suppliers for the hardware required, such as scanners and kiosks. The negotiation power of suppliers in the digital identity/security industry varies. It is high for specialized technology, but low due to volume of suppliers, therefore setting it as moderate.
Negotiation Power of Buyers	High	The primary buyers in this industry include airports, government agencies, online platforms, and financial services. These buyers often have large contracts, therefore holding high power over suppliers. Additionally, government buyers set security standards and therefore hold power in that regard as well, as described in the Homeland Security website (dhs.gov/biometrics).
Rivalry Among Existing Competitors	High	The competitors for this industry have to compete not only on advancing technology, but also customer experience and brand loyalty. Data security requires trust, and competitors are looking for long term partnerships, therefore making rivalry high.
Threat of New Entrants	Moderate	New entrants could come from existing large technology companies looking to expand, like Apple, Google, Meta, etc. The other main threat of new entrants come from AI startups, as that is a growing industry. However, many of the existing buyers already have their security and identity verification embedded into their systems, making it not as high a threat in the short term.
Threat of Substitute Products	Moderate	The substitutes for this industry could include going back to traditional methods of identity verification through manual ID checks, airlines creating their own identity verification systems, and the development of digital IDs. However, many of the identity security systems are already deeply embedded into the buyers systems, or have long and large contracts, therefore only making this threat moderate.

Figure 1.2. Porter’s Five Forces Analysis with CLEAR Inc. Table formatted with the assistance of Microsoft Copilot (generative AI).

Starting with the negotiating power of suppliers, “The greater the negotiating power of suppliers, the more influence they have to increase prices and extract profits, and the lower the profitability of the industry”(Fisher). The suppliers in this industry are mostly tech-related, such as biometric tech providers, cloud infrastructure, and authentication technology. The hardware required includes scanners, kiosks, fingerprint readers, etc. The specialized equipment and technology hold more supplier power, as the fewer suppliers of the product, the more power they hold. This can be seen in Figure 1.1 as how fewer suppliers increase power. However, as this industry is growing, there are many suppliers looking for entry, therefore providing multiple options. The industry is projected to grow 20.3% in 2030, along with reaching \$150.58 billion ([grandviewresearch.com](https://www.grandviewresearch.com)). The suppliers have to follow strict standards set by the National Institute of Standards and Technology. These standards outline how data should be protected and overall data security ([fortinet.com](https://www.fortinet.com)). Through this combination of high and low supplier power, the negotiating power of suppliers in this industry is moderate.

Next is the negotiating power of buyers. For buyers, “The greater the negotiating power of buyers, the more influence they have to negotiate lower prices and hence depress profits in the

industry” (Fisher). The primary buyers in this industry include airports, government agencies, online platforms, and financial services. These buyers hold high levels of bargaining power due to the nature of their large contracts, along with the government’s ability to set security regulations. This is also seen in Figure 1.1, where high buyer volume increases bargaining power. However, they do not have ultimate authority over the suppliers as the specific supplier they need for the complexity of their service could be limited. Although, as mentioned, the industry is continuing to grow, this gives more power to the buyers. As described in the World Economic Forum, aviation and aerospace play a crucial role in the development of travel. It also describes the impact of advancing technology (weforum.org). The more these buyers become stakeholders in this industry, the more power they hold. Additionally, with airports, from the International Air Transport Association, the text states, “46% of travelers experienced airport processes using biometric identification. The highest usage is seen at entry and exit immigration checkpoints (43%). 84% of users were satisfied. And 75% prefer using biometrics over traditional passports and boarding passes”(iata.org). This quote explains how these particular buyers control the customer experience, therefore putting more pressure on suppliers to perform and match changing needs, resulting in high negotiating power.

Next is the rivalry between existing competitors. From Porter’s five forces analysis in the Strategy in 3D textbook, “The higher the level of rivalry among competitors in the industry, the more they will be forced to lower prices or provide extra value to continue to attract customers, and the lower the overall profitability of the industry”(Fisher). The main competitors in this industry include CLEAR Secure Inc., Jumio, iProov, IDEMIA, Onfido, and more (veridas.com). Strict regulatory demands can keep firms from entering as quickly as the technology advances. These competitors also have to focus on brand loyalty and trust, as, according to IATA, “50% said they are concerned about data protection and 39% would be more open to biometric solutions if assured of their data's security”(iata.org). Therefore, companies need to compete on advancing technology, government compliance, trust, and user experience. As seen in Figure 1.1, high fixed costs are a consideration here due to the technical nature of the products. However, there is also high growth, therefore lowering the rivalry. Companies are looking to build long-term and strategic partnerships with their buyers/suppliers, and since building trust takes time for sensitive information such as identity verification, the rivalry between competitors is intense.

After rivalry between competitors is the threat of new entrants, which is described as, “The greater the threat of new entrants into the industry (i.e., the lower the entry barriers to get into the industry), the higher the likelihood that new entrants will enter to capture profits, and the lower the profitability of the industry”(Fisher). The threat of new entrants includes companies that are already large in the technology industry, such as Apple or Google. Meta is already working on biometric technology to protect users from scams (meta.com). AI startups also pose a threat, as it is marketed to hit \$4.8 trillion in 2033, according to UN Trade and Development

(unctad.org). However, entering the airport domain for identity verification, as CLEAR Secure Inc. has done, remains a challenge for these potential entrants. As mentioned, NIST regulations and government requirements are a barrier for new entrants, along with security systems already being deeply embedded in these systems. Since this industry does have government restrictions, the power is decreased, as seen in Figure 1.1, where no government restrictions would increase that power. Therefore, while these growing companies entering into the security space could pose a long-term threat, the threat remains moderate for now due to the buyers who already have strong systems in place.

Finally is the threat of substitute products, which is described as, “The greater the threat of substitute products, the higher the likelihood that buyers will switch their preferences if industry product prices get too high, thus lowering the profitability of the industry”(Fisher). The main threat of substitutes would be going back to the traditional method of security with manual checks using IDs and/or passports. Some states are beginning to introduce digital IDs, as described by the Transportation Security Administration. These are simply digitalized versions of physical IDs that can be stored on our smartphones (tsa.gov). Additionally, for companies like CLEAR Secure Inc., which also utilize an app for certain features, some airlines are creating in-app identity features, such as Delta with precheck touchless ID (delta.com). This could eliminate the need for third-party verification companies. However, this threat is moderate for the time being. Manual ID checks are not as efficient and can be more inconsistent than the security provided by biometric systems. As previously mentioned, according to the International Air Transport Association, “75% prefer using biometrics over traditional passports and boarding passes”(iata.org), regarding air travel. The threat to look out for is the expansion of digital IDs, but for the present, that has been introduced into 17 states and is still to be reformed and developed (tsa.gov). As mentioned previously, this is an industry where strong consumer loyalty and trust are needed, further lowering the inclination to substitute, as seen in Figure 1.1. Therefore, making this threat level moderate for the time being, with long-term concerns.

In conclusion to Porter’s Five Forces Analysis, due to the moderate negotiating power of suppliers, high negotiating power of buyers, intense rivalry between competition, moderate threat of new entrants, and moderate threat of substitute products, this is not an attractive industry because it does not have high profit potential. While the industry and surrounding industries are growing rapidly, there are several barriers to becoming truly profitable in this industry. For one, the National Institute of Standards and Technology creates regulations for this industry, such as the Federal Information Protection Standard (nist.gov). This is to protect personal sensitive information, but it can make it harder to enter this industry. Another barrier is the trust that is needed to be profitable in this industry. As mentioned when discussing identity security in airports, one of the buyers for this industry, “50% said they are concerned about data protection and 39% would be more open to biometric solutions if assured of their data's security”(iata.org). Trust needs to be established, which takes time. Finally, many of the existing competitors are in

search of, or have, long-term contracts and security embedded into their buyers' services. Therefore, it is not just a technological competition, but a competition between brand loyalty, advancing technology, and the customer experience. Overall, this industry is attractive and profitable for the few companies that have made their way in, but not attractive to all, and difficult to make a profit.

After these two external analyses was the strategic group analysis on the industry. As mentioned, CLEAR is part of the airport security and digital identity industry, where the goal is to make getting through checkpoints faster, safer, and easier using things like biometrics and digital IDs. What makes CLEAR stand out is that it's a premium option that focuses on speed, technology, and its strong partnerships with airports and airlines. While government programs like TSA PreCheck are cheaper, CLEAR offers a smoother and quicker experience that many people are willing to pay for. To stay ahead, CLEAR needs to keep improving its technology, build trust with users about privacy, and expand into other segments like banking or healthcare so people can use it in everyday life, not just at an airport or stadium. CLEAR's success depends on proving that the extra cost is worth the convenience it provides, compared to its competitors.

To compare companies in this space, we looked at a few simple factors:

- **Technology focus:** Biometric-based verification or traditional ID checks
- **Geographic scope:** Nationwide/global or regional/local
- **Integration:** Standalone service or embedded in government/airline systems
- **Target customer:** Travelers (airports), enterprises, government agencies, sports/entertainment venues
- **Price model:** Subscription-based (CLEAR Plus) or government-funded/free (TSA PreCheck, Global Entry)

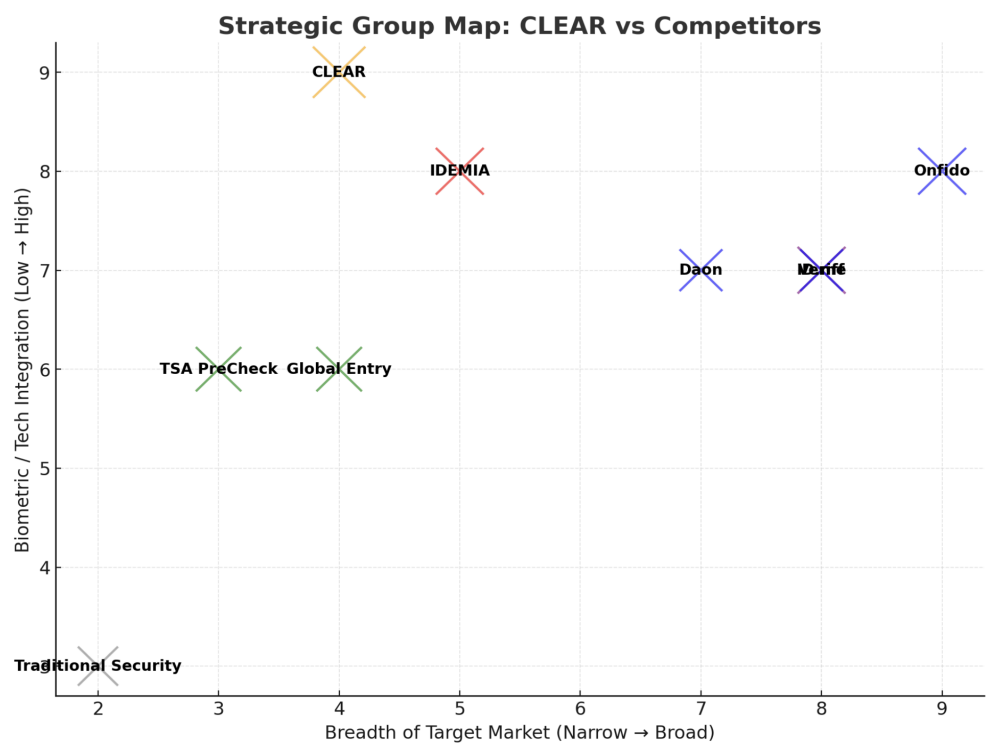
Group 1: Private Biometric Platforms (Premium, Tech-driven)	Firms: CLEAR, Idemia (TSA PreCheck provider), Apple/Google (digital wallet ID) - Heavy focus on biometric identity (iris, fingerprints, face scans) - Subscription or licensing model - Compete on speed, convenience, and tech innovation - High partnerships with airports, airlines, sports venues
Group 2: Government Identity & Security Programs	Firms: TSA PreCheck, Global Entry, NEXUS, SENTRI - Government-operated, lower annual fees - Focused mainly on national/international travelers - Strong legitimacy and universal recognition - More bureaucratic, slower innovation compared to private companies
Group 3: Traditional Security & Verification Providers	Firms: Securitas, Allied Universal, Airlines' ID systems - Depend heavily on physical security staff - Less tech-focused, more labor-based - Compete on contracts and costs, not on customer-facing experience
Group 4: Emerging Digital Identity & Tech Players	Firms: Microsoft, Apple, Google, Onfido, Jumio, Veriff - Focus beyond airports—financial services, e-commerce, healthcare - Offer software platforms instead of physical kiosks - Could compete with CLEAR if governments adopt mobile-first verification

Information condensed by <https://utverse.tennessee.edu/> and image created on [Canva.com](https://www.canva.com/).

What this means for CLEAR:

CLEAR sits in the premium private biometric niche, competing with both government-backed programs (TSA PreCheck, Global Entry) and emerging tech companies. Its advantage is its strong brand, partnerships with airports/airlines, and expansion into stadiums/venues, making it broader than just travel. However, government programs are cheaper and more widely recognized, meaning CLEAR must justify its premium pricing by providing its customers superior convenience and speed. Long-term, competition from big tech's digital ID solutions could pose the largest threat if major tech competitors like Apple or Google move into the airport security and digital identity industries.

The Strategic Group Analysis is a method for mapping companies within the same industry to identify those using similar strategies, thereby competing most directly with each other. By grouping firms based on factors such as pricing, technology, and target markets, it becomes easier to understand where the real competition lies, what barriers a company faces, and where there may be opportunities to grow or differentiate. For CLEAR Security, this type of analysis shows not only which organizations it competes with most closely, but also how its tech-driven model stands apart from government programs and other tech platforms. This visual helps highlight CLEAR’s strengths, potential risks, and the strategic moves it could make to shift into a stronger position in the market.



This graphic has been made by inserting specific details into an AI generation tool.

This chart is set up to compare companies in the identity verification and security industry while focusing on two dimensions that impact their success. The X-axis shows the spread of the target market, ranging from programs that focus only on airports and travel to companies that provide multi-industry identity services for industries like healthcare, finance, and e-commerce. The Y-axis shows the degree of biometric and technological integration the company has, with lower scores reflecting traditional or manual ID checks and higher scores reflecting advanced biometric platforms and automated systems. We placed each company on the chart according to its strategy and business model. CLEAR (orange) sits high on biometric integration but is narrower in market scope since it focuses mainly on airports, airlines, and

venues, while customers pay a premium subscription. TSA PreCheck and Global Entry (green) fall in the middle of the chart because, as government programs, they are affordable and widely recognized, but not as technologically advanced. Onfido, Veriff, and Daon (blue) are placed further right since they target multiple industries, but they are less consumer-facing compared to CLEAR. ID.me (purple) also fits into the digital identity group but is positioned slightly differently due to its strong U.S. government focus. IDEMIA (red) is positioned high on integration because it builds the biometric hardware and infrastructure, but doesn't directly market to consumers. Finally, Traditional Security firms (gray) fall toward the bottom-left because they rely more on human labor than technology and operate through physical security. This graphic highlights the differences in strategy between these companies and shows how CLEAR's niche services compare to both government-backed competitors and other digital identity providers. We believe that in order to stay competitive long-term, CLEAR will likely need to broaden its market beyond airports and into areas like healthcare, financial services, or everyday digital ID, where companies like ID.me and Onfido are already gaining traction. They have differentiated themselves in the market with their use of biometrics, but they need to make further improvements in order to stay competitive.

Overall, CLEAR has a strong stance through their product, through their biometric product offerings, but needs to continue to innovate to stay competitive. This doesn't only include products but also where they offer their products. As far as the biometric identification security industry goes, it is not an attractive industry because it does not have high profit potential. This industry requires strong customer trust with deep ties, which many companies already have strong footholds in. Completing the external analysis generates a strong background to then fulfill an internal analysis.

Internal Analysis

Understanding a company's resources and how effectively they are used is key to evaluating its future success. For CLEAR Secure Inc., a company that works in security, technology, and travel, its ability to manage and use its resources effectively impacts both its short-term and long-term success. The VRIO and value chain analysis framework provided key insights into the internal analysis of how CLEAR Inc. is performing. Starting with the VRIO analysis, the VRIO framework helps evaluate which of CLEAR's resources give it a short-term or long-term competitive advantage. Through this lens, firms assess whether their resources are valuable, rare among competitors, costly to imitate, and supported by the organization's structure and processes. This analysis looks at ten major resources and skills that have helped CLEAR grow and stand out in the biometric security industry.

(1) One of CLEAR's most valuable and distinctive resources is its proprietary biometric technology platform, which blends fingerprint and facial recognition systems into a unified identity verification process. This system allows travelers to bypass traditional ID checks and

move through airport security more efficiently, with throughput times averaging five minutes compared to over fifteen minutes in standard lines (NextGov, 2025). The system's reliability, with a reported 99.5% uptime, has become a key performance metric that directly contributes to CLEAR's customer satisfaction. While competitors like IDEMIA offer similar solutions, CLEAR's large-scale deployment across more than 55 airports and its complex AI-based systems make imitating it difficult and very costly. This resource provides a sustained competitive advantage that has led to an 11% year-over-year revenue increase in 2025.

(2) Critical to CLEAR's internal strength is its strategic partnership with the Transportation Security Administration (TSA) and other government agencies. These partnerships have resulted in the development and testing of biometric eGates in major U.S. airports with plans for national expansion in the future. These collaborations are rare because very few private companies can gain access to federal security operations. The trust required to operate within federal transportation networks acts as a natural barrier to entry for competitors. Furthermore, these partnerships are valuable as they provide long-term contracts and shared infrastructure opportunities worth more than \$25 million in federal collaboration initiatives (CLEAR, 2025). Since imitation is nearly impossible without similar regulatory clearances and certifications, this capability represents a sustained competitive advantage for CLEAR.

(3) Another important resource for CLEAR is its subscriber base and biometric data assets, which together create a powerful foundation for revenue. CLEAR surpassed 19 million verified members in 2025, generating an estimated \$200 million in annual subscription revenue. The company's subscription renewal rate of roughly 90% highlights the continuous value customers find in the service. CLEAR uses its data to improve user experience, streamline verification processes, and optimize system accuracy. From a performance perspective, this database not only supports consistent revenue but also enhances operational efficiency.

(4) CLEAR's brand reputation and consumer trust are also major internal assets in a field where privacy and data security are paramount. The company's marketing and customer communications focus on safety and convenience, all of which align with the current traveler's values. Surveys show that CLEAR's Net Promoter Score (NPS) is approximately +65, well above the industry average of +45, and its mobile app holds a 4.7-star rating in the app store. These performance indicators demonstrate the strength of its brand and customer satisfaction. However, reputational strength can be ever-changing due to public scrutiny, especially regarding biometric data handling. CLEAR must reinforce its trustworthiness through ethical practices and continually maintain a positive image in order to keep the trust of consumers.

(5) CLEAR's partnerships with airlines and entertainment venues further provide opportunities for expansion beyond the travel sector. The company's collaborations with Delta, United, and Hertz, as well as with venues such as Allegiant Stadium and MLB ballparks, have increased public visibility over the past few years. These partnerships are valuable because they integrate

CLEAR's verification technology into environments outside airports, helping the firm capture new customers. Approximately 15–20% of new CLEAR subscribers come through cross-promotional efforts with partner organizations (CLEAR, 2025). CLEAR's business model allows for integration and brand consistency across partnerships, giving it an advantage as it expands into new industries like healthcare and financial services.

(6) CLEAR's organizational culture and leadership vision are very important for its continued success. Under CEO Caryn Seidman-Becker's leadership, the company has built a culture centered on transparency and customer empowerment. This leadership approach fosters consumer trust and employee motivation. With 87% employee approval and a 15% increase in productivity linked to engagement initiatives, the company demonstrates strong internal alignment and morale (CLEAR Internal Report, 2025). Although organizational culture can change over time, this trust between the company and its consumers enhances both innovation and growth.

(7) CLEAR has developed a growing group of members through cross-industry loyalty programs, which allows members to link Delta SkyMiles, United MileagePlus, and Hertz Gold Rewards accounts directly to their CLEAR profiles. Users can gain extra miles, discounts, or upgrades by keeping their CLEAR membership. These partnerships increase switching costs and expand the company's reach. These integrations create loyal customers and add value to CLEAR's brand.

(8) CLEAR's user experience is a major resource that reinforces both satisfaction and retention. The mobile app streamlines enrollment, renewals, and account management through a clean interface and biometric login. The app's design allows users to access their digital ID, see travel updates, and add family members, which reduces problems across touchpoints. The combination of app-based management and physical convenience creates an end-to-end experience that users say feels personalized and premium. Few competitors in the security industry invest in user-centered design at this level.

(9) CLEAR has invested heavily in research and development because of its focus on biometric expansion, machine learning, and digital identity innovation. Its in-house "Innovation Lab" in New York City, and partnerships with MIT's Media Lab have led to several patented advances, such as multi-modal identity fusion (combining iris, facial, and fingerprint data). This continued research allows CLEAR to create new advancements to its brand faster than its competitors. This culture of innovation, combined with measurable R&D output, delivers a temporary-to-sustained competitive advantage for CLEAR.

(10) CLEAR maintains a strong collection of patents related to identity verification, encryption, and biometric data processing. As of 2025, it holds over 75 active patents and pending applications, which protect its biometric algorithms and hardware from replication. With the help of a specialized in-house compliance team experienced in TSA, GDPR, and CCPA regulations,

CLEAR ensures that new deployments meet legal and ethical standards. The amount of protected innovation in CLEAR’s hands forms a rare capability that allows the company to innovate quickly.

Color Key:

Color	Meaning	Description
 Green	Sustained Advantage	Valuable, rare, hard to copy, and well used
 Yellow	Temporary Advantage	Valuable but may be copied or replaced
 Red	Competitive Parity	Meets industry standard; not unique

CLEAR Secure Inc. – VRIO Framework Analysis (2025)

Symbol	Meaning	Example				Competitive
	Yes — the resource meets this condition	Adds value, is rare, hard to copy, or well-organized				
	No — the resource does <i>not</i> meet this condition	Doesn't add value, common among competitors, or poorly managed				
3. Subscriber Base & Biometric Data Assets						Temporary Competitive Advantage
4. Brand Reputation & Consumer Trust						Temporary Competitive Advantage
5. Airline & Venue Partnerships (Delta, United, Hertz, etc.)						Temporary Competitive Advantage
6. Organizational Culture & Leadership (Caryn Seidman-Becker)						Sustained Competitive Advantage
7. Cross-Industry Loyalty Integrations (Delta SkyMiles, Hertz,						Sustained Competitive Advantage
8. Superior User Experience & Mobile App Functionality						Competitive Parity
9. R&D and Innovation Lab Partnerships (MIT Media Lab)						Sustained Competitive Advantage
10. Intellectual Property & Compliance Expertise (75+ patents)						Sustained Competitive Advantage

Visuals created with the use of information placed into the AI tools [ChatGPT.com](https://chatgpt.com) and <https://utverse.tennessee.edu/>

This chart breaks down CLEAR Secure Inc.'s top resources using the VRIO framework to see what gives the company an edge against its competitors. It looks at how valuable, rare, hard to copy, and well-organized each resource is. The results show that CLEAR's biggest strengths, like its biometric tech, TSA partnerships, strong leadership, and patents, give it a lasting advantage. Other areas, like brand reputation and airline deals, help in the short term, while its mobile app and user experience are solid but can continue to improve.

In conclusion for the VRIO analysis, CLEAR's biggest strengths are its advanced biometric tech, government and TSA partnerships, and strong leadership, which are hard for competitors to copy and give it a lasting edge. Its patents and airline partnerships also help keep it ahead in security and travel. Some things, like its app and user data, are useful but easier to match, so they only offer a short-term boost. These strengths show why CLEAR has a solid position in its industry.

Next was the VCA analysis. The purpose of the value chain analysis (VCA) is to understand any potential sources of competitive advantage for a firm. This is done by separating the firm into an outline of its strategically important activities. This analysis helps firms understand how each activity adds to a broader value chain, and furthermore, the impact on cost and revenue. Ultimately, it can be "used to help the firm achieve an optimal allocation of resources... as VCA helps understand and evaluate which activities contribute most substantially to a firm's competitive advantage and which do not"(Fisher, *Strategy in 3D*). This analysis relies on a few critical definitions. One of those is primary activities. Primary activities have a direct tie to taking in inputs, converting them into products, and delivering the output to the customer. The primary activities include: inbound logistics, operations, outbound logistics, marketing and sales, and service. After primary activities are support activities. These activities are not directly tied to the creation and delivery, but can help create a foundation for success. The support activities include: technology, human resources management, and infrastructure. These activities play a key role in the VCA analysis of CLEAR Secure Inc. The process with the VCA analysis includes 8 steps, as stated in chapter 14 "Value Chain Analysis," of the *Strategy in 3D* textbook by Greg Fisher.

1. "Define the focal company's boundaries and define its strategic business units.

2. Analyze the wider vertical process involved in converting raw materials into final sales and service, and the focal company's position in it.
3. Identify the company's key activities, both the primary activities along each component of the value chain and the support activities.
4. Conduct a cost analysis of each of the activities identified by attempting to isolate and break down cost drivers specific to each activity.
5. Conduct an analysis of the activities' relative value.
6. Analyze the firm's relative capability position regarding key activities by benchmarking horizontally to competitors doing similar activities.
7. Analyze key interdependencies between different activities either in terms of their cost or in terms of their added value.
8. Evaluate the firm's value chain by reviewing key activities in light of their cost, relative value, the firm's relative capability position regarding them, and their interdependencies.
9. Identify opportunities for optimization through investing, divesting, developing, or outsourcing."

(1) Starting with the first step, CLEAR Secure Inc. is a technology-based company that focuses on identity verification through biometric technology. CLEAR's primary market is in the United States, in stadiums, airports, venues, etc. (clearme.com). CLEAR is in the security identity industry, and the product scope for this industry includes identity verification technologies, including biometrics, authentication tools, and compliance technology. They offer services for both large enterprises and everyday consumers. After defining the company's boundaries is to define CLEAR's strategic business units. For one, CLEAR has a strong connection to secure travel and venue access. This explores CLEAR Plus, which is a membership for customers to get through security faster through the use of their biometric identity verification (clearme.com). Overall, this SBU targets its main product offering of secure biometric technology, whether that be through airports, stadiums, etc. Another, but similar, strategic business unit is through digital identity verification. This is demonstrated through platforms such as CLEAR Verified, where CLEAR provides verification services to LinkedIn (clearme.com). This strategic business unit offers a digitized solution for enterprises, rather than the more physical presence as seen in the travel and venue business unit. Finally, CLEAR works in the technology space, which acts as a supporting SBU. They need to stay innovative in their products to create differentiation and maintain a competitive advantage. Overall, CLEAR's main product offering is its biometric identity verification across both consumer and enterprise markets.

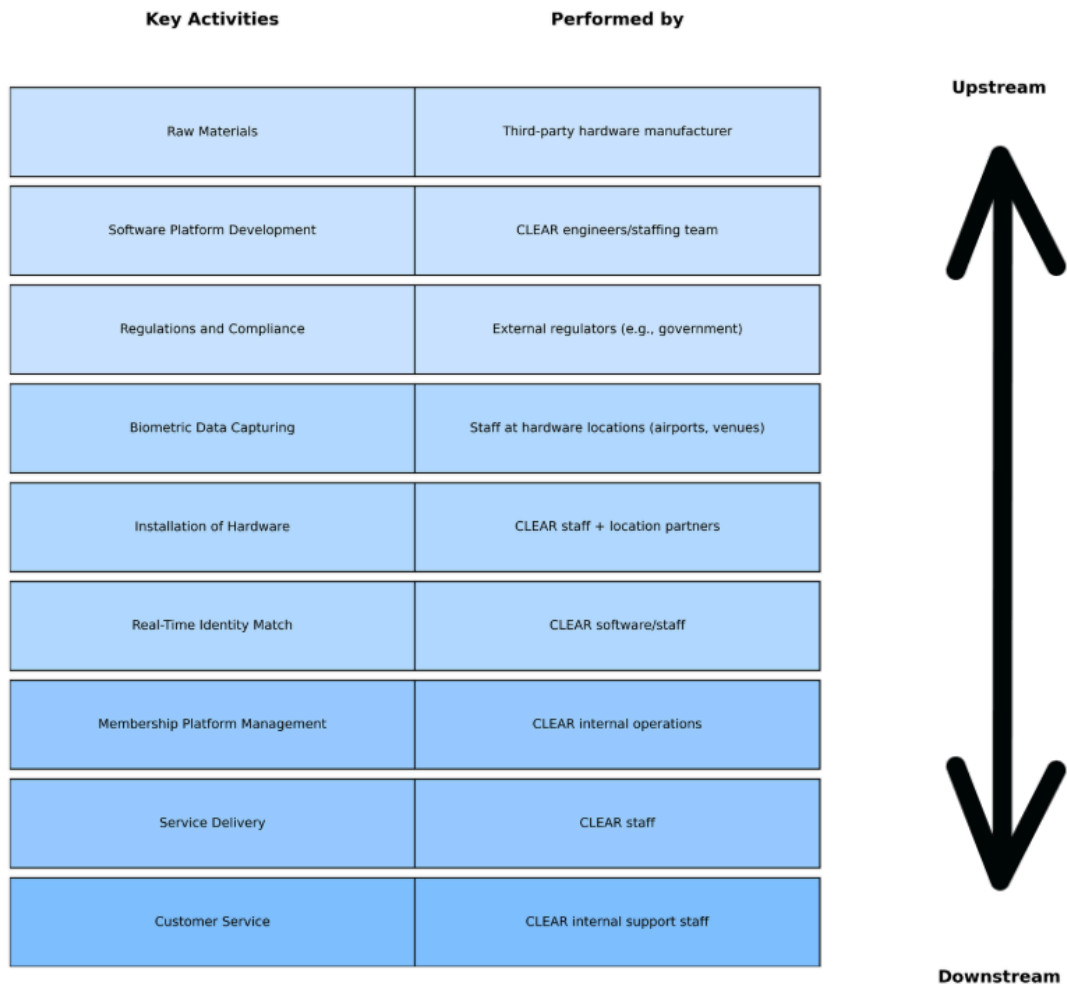


Figure 2.1 Assessing key activities performed by CLEAR and Upstream vs. Downstream. Visual created with the use of information placed into the AI tool <https://copilot.microsoft.com/>

(2) Next is to look at the “wider vertical process,” in which raw materials are transformed into the final sale and service. As seen in Figure 2.1., the beginning of the product is the raw materials. CLEAR does not create its own raw materials but utilizes a third-party hardware manufacturer. This is an upstream process, as it is a part of the creation of the product. Next is their software platform development. This is done by CLEAR’s engineering team, and is crucial to the creation of their product, therefore making it upstream. Next are the regulations and compliance issues they must follow. Guidelines for items that are crucial to CLEAR’s competitive advantage and overall product, such as biometrics, can be found within Homeland Security (dhs.gov). After this is CLEAR’s biometric capturing. They capture facial biometrics for their verification system (clearme.com). Next is the installation of their hardware with their partners, such as airlines and/or venues (tsaprecheckbyclear.gov). After this is a function that is critical to CLEAR’s product, real-time identification. This is done using CLEAR’s software and staff. After this is CLEAR’s membership platform management for things such as CLEAR Plus.

Next is another important step- service delivery. The after-sales service of the product is just as important, so its customers feel valued and supported. Finally, the most downstream process is CLEAR's customer service, which is done by CLEAR's internal support staff. This is the overall wider vertical process to convert raw materials into the final product, and how the company plays a role in each step.

Activity	CLEAR Application of Activity
Inbound Logistics	Third party for manufacturing of biometric products/hardware; Inventory management of hardware
Operations	Installing hardware (scanners, kiosks, etc.); Real-time biometric verification; Secure database
Outbound Logistics	Shipping and delivery of hardware; Installation of software/technology; Managing membership accounts
Marketing and Sales	Marketing image of convenience and security; Contracts about partnerships; Membership subscription; Reliable brand image
Service	After-sale support; Replacements as needed; Upgrades as needed
Tech Development	Upgrading technology
HR Management	Hiring, training, and incentives
Infrastructure	Managing relationships with partners; General administrative support

Figure 2.2 Primary and Support Activities. Green = Primary activity, Blue = Support activity.

(3) The next step is to identify the primary and support activities of each component of the value chain. As identified before, this includes: inbound logistics, operations, outbound logistics, marketing and sales, and service as the primary activities, and technology, human resources management, and infrastructure as the support activities. Starting with inbound logistics, as seen in Figure 2.2, CLEAR utilizes third-party manufacturing for its inbound logistics. This also includes inventory management and overall warehousing. This includes the coordination of the warehouse and supply chain efficiency. The next primary activity is operations. This includes

CLEAR's main product offering through real-time verification systems. This creates software development, along with hardware installation, such as kiosks. After operations is outbound logistics. This includes distribution channels, shipping, and delivery. For CLEAR, that would be the shipping and delivery of their hardware and managing membership accounts. After this are sales and marketing, which include marketing communications and pricing. More specifically, this would be how CLEAR builds a brand image of security and reliability, and positions its product as convenient and trustworthy. This also includes finding new partnerships, creating contracts, and the membership subscription. The final primary activity is service, which includes pre- and post-sale support. For CLEAR, this would include replacements and upgrades as needed, and making sure there was a smooth installation process. Next are the support activities. The first support activity is tech development, which is critical to CLEAR's product. This includes research and development, and continuing to upgrade the technology. After this is HR management. For CLEAR, this includes hiring, training, promotion, and incentives. Finally is infrastructure, which includes administrative support and managing relationships with partners.

Activity	CLEAR Application of Activity	Cost Drivers
Inbound Logistics	Third party for manufacturing of biometric products/hardware; Inventory management of hardware	Biometric hardware; inventory management
Operations	Installing hardware (scanners, kiosks, etc.); Real-time biometric verification; Secure database	Integration with partners, CLEAR engineering, software development, and subscription services
Outbound Logistics	Shipping and delivery of hardware; Installation of software/technology; Managing membership accounts	Shipping costs, delivery costs, and installation of products
Marketing and Sales	Marketing image of convenience and security; Contracts about partnerships; Membership subscription; Reliable brand image	Advertising; promotions
Service	After-sale support; Replacements as needed; Upgrades as needed	Internal customer support staff; upgrades; replacements; general maintenance

Tech Development	Upgrading technology	Infrastructure for biometric processing, licensing, and testing
HR Management	Hiring, training, and incentives	Recruitment, onboarding, and training; incentives and benefits, and performance management
Infrastructure	Managing relationships with partners; General administrative support	Regulations and compliance costs; Insurance; facilities management

Figure 2.3 Primary and Support Activities with Cost Drivers. Green = Primary activity, Blue = Support activity.

(4) The next step in the process, after identifying the primary and support activities, is to add the main cost drivers of each activity. As seen in Figure 2.3 above, starting with inbound logistics, their main costs come from the manufacturing of their hardware, which is crucial to their product/service. Next is the operation activity. The main cost drivers here are going to be integration with partners, software development, and subscription services, as that is one of their main offerings. After this is outbound logistics, which includes shipping and delivery costs, and the installation of the products. As CLEAR continues to innovate new products, such as the release of the eGate Pilot Program (ir.clearme.com), these costs will continue to increase. After this is marketing and sales, with the main cost drivers here being general advertising and promotions. Next is the service primary activity, with main costs here being upgrades and replacements to products as necessary, after-sales support, and the general maintenance of the products. Moving on to the support activities is the tech development. This includes the main infrastructure for their product of biometric identification, along with licensing and continued testing for improvement. For HR management, the main costs come from recruitment, onboarding, and training. There are also incentives and bonuses to consider, along with performance management to make sure goals are being met. Finally are infrastructure costs, mainly coming from regulations and compliance costs. CLEAR became a third-party enrollment provider for TSA, which can increase compliance costs and therefore infrastructure (tsa.gov). This also includes insurance costs and overall facilities management. After identifying the main cost drivers of each primary and support activity for CLEAR is to determine their relative value to CLEAR's business model.

Activity	Relative Value
Inbound Logistics	Moderate
Operations	High
Outbound Logistics	High
Marketing and Sales	Moderate
Service	High
Tech Development	High
HR Management	Moderate
Infrastructure	High

Figure 2.4. Primary/Support Activities with Relative Value to CLEAR Secure Inc.
Green = Primary activity, Blue = Support activity

(5) Deciding each relative value requires customer research to determine what aspects of the product are crucial to the overall user experience. Primary and support activities have already been determined, as seen in Figure 2.2 above. Referencing those, inbound logistics have a moderate relative value. Customers are not directly interacting with these, but the consistency and efficiency of this activity affect the overall service. Customers value their privacy (ovic.vic.gov), which ties into the high value of operations. This is core to having fast, consistent, and reliable identity verification. This has a more direct impact on customer experience. Next is outbound logistics, which also has high value. Making sure the hardware is properly delivered and installed is crucial to the product's performance. Next is marketing and sales, which has moderate relative value. This is important for brand image and building trust, but not directly related to their technology and the functionality of their biometrics. After this is the service, which has high relative value. This affects the relationships with partners and customers, so that everyone has a positive experience. This has an impact on marketing as well, so that what they are promoting matches the service promised. Moving on to the support activities is technology development, which has a very high relative value. This is how CLEAR will differentiate, and not become stagnant. They need to stay innovative, which is seen through the rollout of the eGates. After this is HR Management, which has moderate relative value. This can affect operational efficiency, but does not have a direct impact on customers. Finally is infrastructure, which has high relative value. This is crucial to maintaining positive relationships with partners, which then affects customer experience. It also provides general administrative support, which can serve as a foundation for customer service. After determining the relative value, more on the customer side is to compare to competitors doing similar activities.

(6). First, for analyzing the firm's relative capability position is inbound logistics. In this scenario, CLEAR does count on reliable third parties for their hardware manufacturing. This

requires strong supplier relationships, which competitors also have (marketbeat.com). CLEAR does well with creating supplier relationships for multiple venues, including stadiums, airports, etc. Therefore, making CLEAR has a high relative capability position. Operations also have high relative capability. CLEAR is focused on biometric technology and verification systems that are fast and reliable. The outbound logistics also have a high relative value. Competitors have similar technology, but CLEAR has focused on user experience, which gives them that advantage, such as their eGates of CLEAR Plus. Marketing and sales have moderate value. CLEAR targets travelers and large enterprise clients, but does not have as high marketing costs as some competitors, such as TSA Precheck. Service has high value, as again, the smooth customer experience is crucial to their operations, and can be hard to maintain for competitors. The development of technology is also high, as CLEAR continues to innovate to improve product quality. This is one of the more highly competitive areas, as biometrics continue to grow (gca.isa.org). HR Management has moderate value compared to competitors. It is important to have staff who can maintain the technological needs, which increases training costs. This can be an advantage over small companies, but not as much of a concern for larger companies. Finally is the infrastructure, which also has high value. Competitors cannot easily enter into the same markets as CLEAR due to the contractual nature of their partnerships, along with the high level of trust and brand recognition for the security market. This can be seen with CLEAR's recent partnership with T-Mobile to increase security through biometric technology (ir.clearme.com).

(7) After this, we analyzed the key interdependencies between each activity. There are interdependencies between the development of technology and operations. CLEAR needs to be able to produce reliable and secure biometric technology, which affects whether or not operations are as efficient as possible. There is also an interdependence between the operations and infrastructure due to the partnerships. This makes it more difficult for competitors to enter as CLEAR builds strong partnerships and maintains the superiority of its product. The operations side cannot be completed without having those partnerships and spaces, such as airlines and stadiums. CLEAR continues to increase its partnerships as seen through launching new lanes in international airports (ir.clearme.com). Inbound logistics are also tied to technology development, as they must have the proper biometric hardware and technologies that can be utilized by the technology department. This also supports the user experience, so everything is aligned and can run smoothly. Marketing and sales are tied to the service, as the marketing of reliability, speed, and support must match the service of the product and support of use. A positive word of mouth can increase partnerships for CLEAR Secure Inc. Finally, having the ongoing support and feedback is crucial to the technology department, as they know how to continue to improve and upgrade, along with providing maintenance when necessary, therefore tying service to the technology department. These networks help make it harder for competitors to imitate, and can create switching costs that can deter partnerships from seeking alternatives.

(8) Combining the cost, relative value, capability position, and interdependencies, as seen in Figure 2.3 and Figure 2.4, is the evaluation of the entire chain. Starting with the most strategic to least, is operations. This is a strategic asset for CLEAR as it is crucial to their product/service. Despite higher costs, it has high relative value and helps them stay differentiated. This goes directly with the development of technology. This helps support long-term growth and sustainability, aligned with staying differentiated. The infrastructure support activity is also critical to CLEAR's value chain, as this details the partnerships necessary to operate. As mentioned, it also covers increased switching costs, which helps keep partnerships and steer away competitors. Next is the service activity. This is important for retention and making sure partners are happy with CLEAR's product, again deterring alternatives. Outbound logistics is also important, but not as distinct. The shipping and delivery affect efficiency and overall brand image. This is important in that it can be used to find new customers and create a brand image of reliability and trustworthiness. Inbound logistics are still important, but not as differentiated for CLEAR compared to competitors. Finally, HR management is important for the internal side of CLEAR, but not as much as creating differentiation of their product against competitors.

(9) After this entire value chain analysis, there is time to see how CLEAR can continue to improve, and future opportunities for their company. The main driver of their company is their operations and technology development, which they should continue to innovate. As mentioned, they are working on this through developments such as the eGates and new partnerships with T-Mobile. CLEAR can also continue to invest in the healthcare field and expand in this area to differentiate from traditional biometric competitors (identity.clearme.com). Starting to invest more technology into the healthcare field can be an opportunity for them. Another way to invest is through more global expansion. They have already started to do this by opening biometric kiosks in 40 more countries (biometricupdate.com). They could also evaluate which of their partnerships are less profitable, such as smaller airports or venues. Finally, improving their marketing and sales will always continue to support their business as passengers have great concerns about their data protection and would be more open if they felt assured of their data's security (iata.org).

In conclusion for the VCA analysis, CLEAR Secure Inc. has positioned itself well through strategic partnerships. In order to maintain a competitive advantage, they should focus on the primary activity and operations, and the support activity of technological development. They have opportunities for growth in the healthcare industry and through more global expansion.

Overall, the internal analysis shed light on CLEAR Secure Inc.'s strong position and competitive advantage. Through the VCA analysis, the strong strategic partnerships were demonstrated, along with further opportunities for growth. Through the VRIO analysis, CLEAR's strengths were further outlined as their advanced biometric technology, government and TSA partnerships, and strong leadership in the industry. These factors give CLEAR a strong

background and create a foundation for further growth. Before analyzing future growth opportunities, it is important to analyze current financial standings and make sure growth in products matches the numbers.

Financial Performance

In order to properly formulate which directions CLEAR Secure Inc. should continue, it is important to look at its current standing. As of November 6th, 2025, CLEAR Inc. had generated \$229.2 million in revenue for the fiscal year of 2025. This was up 15.5%, showing growth and profitability. Of this revenue, they had an operating income of \$52.6 million, with a 23% operating income margin. Net income was \$45.1 million, with a 19.7% income margin. When looking at their main achievements so far of the 2025 fiscal year, their CLEAR+ membership has grown to 7.7 million, 7.5% higher year over year. They have also expanded their products to over 40 countries internationally. They have in total “60 CLEAR+ airports, 4 domestic CLEAR Mobile airports, and 328 TSA PreCheck Enrollment locations”, demonstrating their strong investment in the future (ir.clearme.com). They expect momentum to continue through CLEAR1 as they reach a record number of new enterprise customers. When looking at their capital allocation, they have returned \$16.7 million to shareholders so far in 2025. They recognize the increase in cybersecurity breaches and fraud, which transitions into how they should continue in the future.

Strategic Recommendations for CLEAR Inc.

CLEAR has a strong position in the market through the trust they have built in the biometric identification security industry. There are several opportunities for CLEAR to leverage this position, some of which they have already started. They should continue to grow internationally, which has been demonstrated through their outreach to 40 more countries. CLEAR should also continue to expand its products and innovation to stay topical. This would be investing in new biometric technologies, and making sure their products remain quick and deliver as promised. This can be seen through the introduction of the eGates, further creating a fast and frictionless process for customers. They should also continue to grow in their venues, which is seen through their expansion into the healthcare field. For instance, expanding into more non-airport venues such as amusement parks, cruise terminals, or concert halls.

Conclusion

Overall, this project ended up teaching us far more than we expected. Taking a deep dive into CLEAR forced us to look closely at how a real company operates, adapts, and competes, and it pushed us to think in a much more strategic way. We learned how to break down a business into its moving parts, connect outside forces to internal decisions, and understand why certain strategies succeed while others fall short. Working through the research also helped us strengthen our ability to analyze information and back up our ideas with real evidence rather than

assumptions. More than anything, this project gave us a better sense of how the concepts we learn in class actually show up in real organizations and how those ideas guide decisions that affect entire industries. The experience made us more confident in our ability to think like professionals, not just students.

Works Cited

“AI Market Projected to Hit \$4.8 Trillion by 2033, Emerging as Dominant Frontier Technology.” *UN Trade and Development (UNCTAD)*, 7 Apr. 2025, unctad.org/news/ai-market-projected-hit-48-trillion-2033-emerging-dominant-frontier-technology.

“Aviation and Aerospace.” *World Economic Forum*, www.weforum.org/communities/aviation-and-aerospace/. Accessed 2 Dec. 2025.

Best (Best) Competitors and Alternatives 2025, www.marketbeat.com/stocks/NYSE/BEST/competitors-and-alternatives/. Accessed 2 Dec. 2025.

Biometric Technology Market Size & Share Report, 2030, www.grandviewresearch.com/industry-analysis/biometrics-industry. Accessed 2 Dec. 2025.

Biometrics | Homeland Security, www.dhs.gov/biometrics. Accessed 2 Dec. 2025.

“Clear Announces Second Quarter 2025 Financial Results.” *Clear Secure, Inc.*, 5 Aug. 2025, ir.clearme.com/news-events/press-releases/detail/157/clear-announces-second-quarter-2025-financial-results?utm_source=chatgpt.com.

“Clear Announces Third Quarter 2025 Financial Results.” *Clear Secure, Inc.*, 6 Nov. 2025, ir.clearme.com/news-events/press-releases/detail/171/clear-announces-third-quarter-2025-financial-results.

Clear Becomes TSA's Third Official TSA Precheck® Enrollment Provider | Transportation Security Administration, www.tsa.gov/news/press/releases/2024/04/30/clear-becomes-tsas-third-official-tsa-precheck-enrollment-provider. Accessed 2 Dec. 2025.

“Clear Locations - Where to Use Clear near You.” *CLEAR*, www.clearme.com/where-to-use-clear. Accessed 2 Dec. 2025.

“A Clear Path to the Front of the Line.” *NPR*, NPR, 31 Aug. 2025, www.npr.org/transcripts/nx-s1-5522076.

“Clear Secure Inc: Business Model, SWOT Analysis, and Competitors 2024.” *PitchGrade*, pitchgrade.com/companies/clear-secure-inc. Accessed 2 Dec. 2025.

“Clear to Launch Egate Pilot Program at Select U.S. Airports Ahead of FIFA World Cup 2026.” *Clear Secure, Inc.*, 19 Aug. 2025, ir.clearme.com/news-events/press-releases/detail/162/clear-to-launch-egate-pilot-program-at-select-u-s-airports?utm_.

“Clear, T-Mobile Modernize Workforce Identity Verification to Strengthen Enterprise Security.” *Clear Secure, Inc.*, 11 June 2025, ir.clearme.com/news-events/press-releases/detail/150/clear-t-mobile-modernize-workforce-identity-verification.

Dwivedi, Divyansh. “What Is FIPS? How Do You Become Compliant with FIPS?” *Encryption Consulting*, 8 Sept. 2025, www.encryptionconsulting.com/education-center/what-is-fips/.

Exclusive: Clear and TSA Launching Egates at 3 U.S. Airports Ahead of National Rollout, www.axios.com/2025/08/19/tsa-clear-airport-security-atlanta-dc-seattle. Accessed 2 Dec. 2025.

Gonzalez, Bianca. “Idemia Lobbies TSA over Clear Identity Checks Amid Airport Market Share Competition: Biometric Update.” *Biometric Update | Biometrics News, Companies and Explainers*, BiometricUpdate.com, 15 Aug. 2023, www.biometricupdate.com/202308/idedia-lobbies-tsa-over-clear-identity-checks-amid-airport-market-share-competition.

Graham, Edward. “TSA, Clear Rolling out Biometric Egates at 3 U.S. Airports Ahead of Broader Deployment.” *Nextgov.Com*, Nextgov/FCW, 22 Aug. 2025, www.nextgov.com/emerging-tech/2025/08/tsa-clear-rolling-out-biometric-egates-3-us-airports-ahead-broader-deployment/407644/.

“How Are We Using Facial Recognition Technology to Protect You from Scams That Use Your Image?” *Meta*, www.meta.com/help/policies/1265316287987507/?srsltid=AfmBOop8aeLasIyzm9G7gGR2STrvNnGNlzQ6RBAW9J3jSjM8ZcnATVFM. Accessed 2 Dec. 2025.

“Idemia.” *Wikipedia*, Wikimedia Foundation, 7 Oct. 2025, en.wikipedia.org/wiki/IDEMIA.

“Identity and Access Management Market Size, Share [2032].” *Identity and Access Management Market Size, Share [2032]*, www.fortunebusinessinsights.com/industry-reports/identity-and-access-management-market-100373. Accessed 2 Dec. 2025.

Kimery, Anthony. “Clear+ Enrollment Opens Us Biometric Lanes to Passengers from 40 More Countries: Biometric Update.” *Biometric Update | Biometrics News, Companies and Explainers*, BiometricUpdate.com, 4 Oct. 2025, www.biometricupdate.com/202510/clear-enrollment-opens-us-biometric-lanes-to-passengers-from-40-more-countries.

Klein, Kara. “What NIST Data Shows about Facial Recognition and Demographics.” *Security Industry Association*, 20 Nov. 2020, www.securityindustry.org/report/what-nist-data-shows-about-facial-recognition-and-demographics/.

Northwood, Rhys. “Clear Secure (You): A Breakout Candidate in the Identity Verification Revolution.” *Ainvest*, AInvest, 19 July 2025, www.ainvest.com/news/clear-secure-breakout-candidate-identity-verification-revolution-2507/.

Participating States and Eligible Digital Ids | Transportation Security Administration, www.tsa.gov/digital-id/participating-states. Accessed 2 Dec. 2025.

“Passenger Demand Grows 4% in July.” *IATA*, www.iata.org/en/pressroom/2025-releases/2025-08-29-02/?utm. Accessed 2 Dec. 2025.

“Passengers Want Convenience and Technology to Improve Processes, Regional Preferences Diverging.” *IATA*, www.iata.org/en/pressroom/2024-releases/2024-10-30-01/. Accessed 2 Dec. 2025.

“Passengers Want Convenience and Technology to Improve Processes, Regional Preferences Diverging.” *IATA*, www.iata.org/en/pressroom/2024-releases/2024-10-30-01/. Accessed 2 Dec. 2025.

“Patient & Healthcare Identity Management.” *CLEAR*, identity.clearme.com/healthcare. Accessed 2 Dec. 2025.

Real ID Mobile Driver’s Licenses (mDLs) | Transportation Security Administration, www.tsa.gov/real-id/real-id-mobile-drivers-license-mdls. Accessed 2 Dec. 2025.

Smith, Aaron. “The Future of Security: Biometrics and How It Can Help.” *The Future of Security: Biometrics and How It Can Help*,

gca.isa.org/blog/the-future-of-security-biometrics-and-how-it-can-help. Accessed 2 Dec. 2025.

Sánchez, José Miguel. "Top Identity Verification Companies & Proofing Services." *Veridas*, 16 Apr. 2025, veridas.com/en/identity-verification-companies/.

Top Clear Competitors and Alternatives | *Craft.Co*, craft.co/clear/competitors. Accessed 2 Dec. 2025.

"The Trusted Source for Air Travel Demand Updates." *ACI World*, 25 Aug. 2025, aci.aero/2024/02/13/the-trusted-source-for-air-travel-demand-updates/.

TSA Egates Public-Private Partnership Enhances Traveler Experience | *Transportation Security Administration*, www.tsa.gov/news/press/releases/2025/08/19/tsa-egates-public-private-partnership-enhances-traveler-experience. Accessed 2 Dec. 2025.

"TSA Precheck Touchless ID: Delta Air Lines." *TSA PreCheck Touchless ID* | *Delta Air Lines*, www.delta.com/us/en/check-in-security/expedited-airport-security/touchless-id. Accessed 2 Dec. 2025.

"TSA Precheck® Enrollment Provided by Clear." *TSA PreCheck® Enrollment Provided by CLEAR*, tsaprecheckbyclear.tsa.dhs.gov/. Accessed 2 Dec. 2025.

Understanding Bias in Facial Recognition Technologies an Explainer, www.turing.ac.uk/sites/default/files/2020-10/understanding_bias_in_facial_recognition_technology.pdf. Accessed 2 Dec. 2025.

United States Securities and Exchange Commission Washington, D.C. 20549, ir.clearme.com/sec-filings/all-sec-filings/content/0001856314-25-000008/0001856314-25-000008.pdf. Accessed 2 Dec. 2025.

"What Is Clear+ and Where Can I Use It? FAQ." *CLEAR*, www.clearme.com/support/what-is-clear-plus. Accessed 2 Dec. 2025.

"What Is NIST Compliance and How to Be Compliant?" *Fortinet*, www.fortinet.com/resources/cyberglossary/nist-compliance. Accessed 2 Dec. 2025.

"Which Biometrics Does Clear Capture? FAQ." *CLEAR*, www.clearme.com/support/which-biometrics-does-clear-capture. Accessed 2 Dec. 2025.

"Yahoo Finance - Stock Market Live, Quotes, Business & Finance News." *Yahoo! Finance*, finance.yahoo.com/. Accessed 2 Dec. 2025.