

CYBER EXPOSURES OF SMALL AND MIDSIZE BUSINESSES - A DIGITAL PANDEMIC

NOT JUST BIG BUSINESS AT RISK

It seems counterintuitive that cybercriminals would focus on small businesses. Major news outlets report on the largest incidents, which typically affect the largest companies.



85%
of targets of opportunity are small businesses.¹

In the past, small businesses may have been able to neglect network security with little consequence, but this is not the case today.



Cyber-related crime incidents affecting small businesses have been increasing since 2004.²



69%

Percentage of small businesses who do not even have an informal Internet security policy for employees.³

THE EASY TARGET FOR THE OPPORTUNISTIC CRIMINAL

Small businesses generally have fewer IT resources and devote less time and money to cybersecurity than their larger counterparts.



87%

of small businesses have at least one employee who uses the Internet daily.⁴



71%

say their business is at least somewhat dependent on the Internet for daily operations.⁵

To learn more, visit THEHARTFORD.COM/CYBER.

1. Verizon, "2012 Data Breach Investigations Report," http://www.verizonenterprise.com/resources/reports/rp_data-breach-investigations-report-2012-ebk_en_xg.pdf
2. Cyber Exposures of Small and Midsize Business - A Digital Pandemic, exhibit 1
3. National Cyber Security Alliance and Symantec, "2012 National Small Business Study"
4. National Cyber Security Alliance and Symantec, "2012 National Small Business Study"
5. National Cyber Security Alliance and Symantec, "2012 National Small Business Study"



Business Insurance
Employee Benefits
Auto
Home

WHAT ARE THE STAKES AND WHO IS MOST AT RISK?

The potential consequence of a data, privacy, and/or network security breach to a small businesses is significant.

On average, data breaches now cost


\$3.5M



15% increase over 2013.⁶

On average, the cost per lost or stolen record is


\$145



9% increase over the previous year.⁷

The logistics around notifying victims alone can be costly.



U.S. organizations on average spend **\$565,020** on breach notification.⁸

An average of

30,000



new websites per day are infected and unknowingly distribute malicious code for cybercriminals.⁹

A new threat targets small businesses every second.¹¹

INDUSTRIES MOST AT RISK OF ATTACK



Mining



Governments



Manufacturing

Odds of being attacked¹⁰

1 in 2.7

1 in 3.1

1 in 3.2



TIPS TO AVOID AN ATTACK

- Keep up with the latest risks.
- Educate your staff.
- Hold employees accountable.
- Utilize basic cybersecurity software and keep it up to date.
- Use mobile device security procedures.
- Use secure WiFi networks.
- Be prepared to respond to a breach (incident response plan).
- Purchase insurance.

To learn more, visit THEHARTFORD.COM/CYBER.

6. Ponemon Institute, Press Release, "Ponemon Institute Releases 2014 Cost of Data Breach: Global Analysis," (May 5, 2014), <http://www.ponemon.org/blog/ponemon-institute-releases-2014-cost-of-databreach-global-analysis>
7. Ponemon Institute, Press Release, "Ponemon Institute Releases 2014 Cost of Data Breach: Global Analysis," (May 5, 2014), <http://www.ponemon.org/blog/ponemon-institute-releases-2014-cost-of-databreach-global-analysis>
8. Ponemon Institute, "2015 Cost of Data Breach Study: United States," (May 2015)

9. Sophos, Press Release, "Security Threat Report 2012," (January, 24, 2012), <http://www.sophos.com/en-us/press-office/press-releases/2012/01/security-threat-report-2012.aspx>

10. Symantec, "Internet Security Threat Report 2014," https://www.symantec.com/content/en/us/enterprise/other_resources/b-istr_main_report_v19_21291018_en-us.pdf

11. TrendMicro, "Small Business is Big Business: 5 Things Every Small Business Should Know About Web Threats and CyberCrime," (2012), <http://about-threats.trendmicro.com/smb-primers/small-business-isbig-business/files/assets/downloads/Small-Business-Is-Big-Business.pdf>



Business Insurance

Employee Benefits

Auto

Home