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INSURANCE BUREAU OF CANADA

Cyber Security Poll



METHODOLOGY

Quantitative Research Instrument

This survey was conducted on behalf of IBC by Leger Marketing. Results from a nationwide online study of 300 owners and prominent members of businesses with less than 500 employees was completed between July 13-17, 2019, using Leger's online panel. The margin of error for this study was +/-7.4%, 19 times out of 20.

Quality Control

Stringent quality assurance measures allow Leger to achieve the high-quality standards set by the company. As a result, its methods of data collection and storage outperform the norms set by WAPOR (The World Association for Public Opinion Research). These measures are applied at every stage of the project: from data collection to processing, through to analysis.



18% of small-to-medium sized enterprises (SMEs) surveyed, and **42%** of those with 100 to 499 employees, have been impacted by a data breach in the past two years.



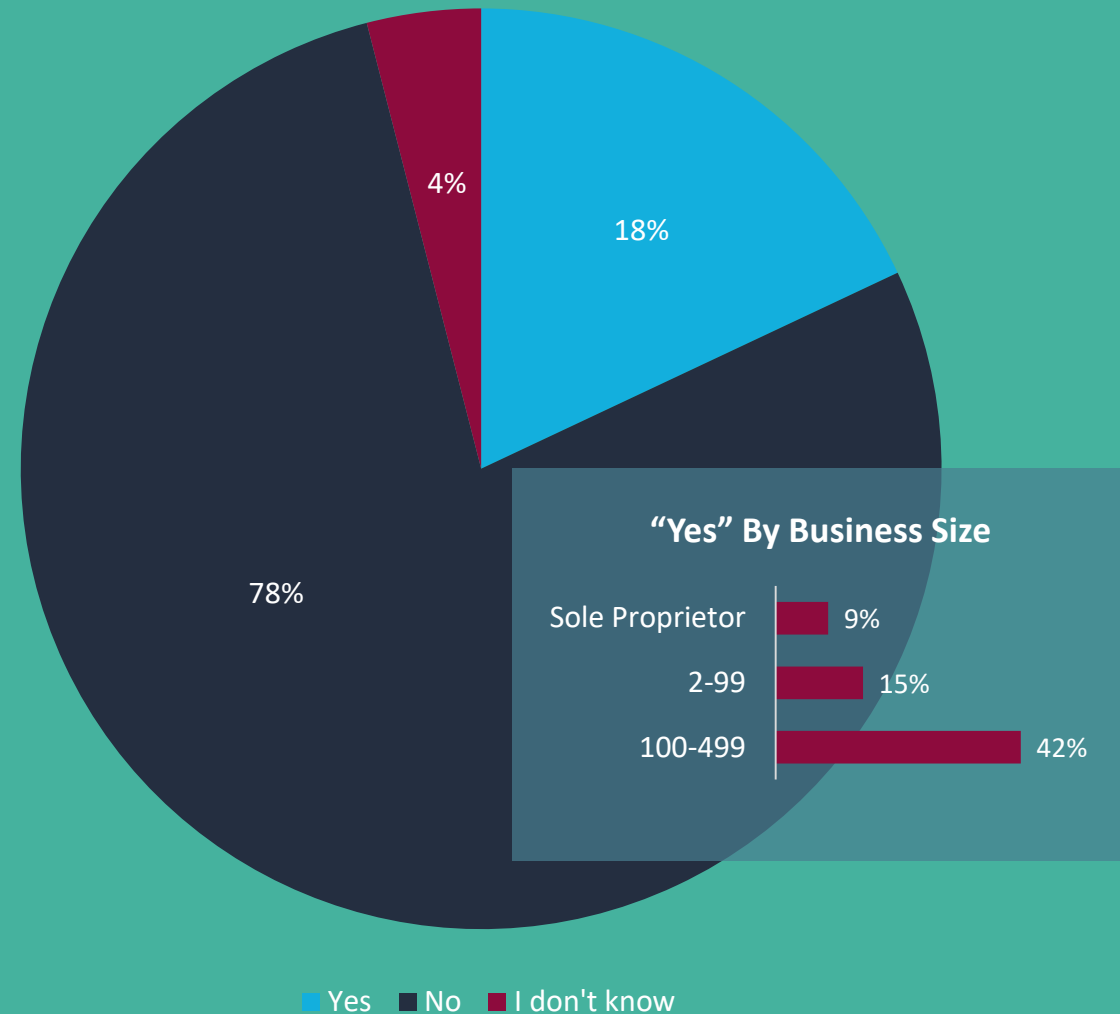
Of the SMEs that have suffered a cyber attack, **57%** were either unaware of the extent of the damages or stated that the breach cost them over \$100,000.



44% of businesses haven't implemented defenses against cyber attacks, despite **53%** handling consumer data at least weekly.

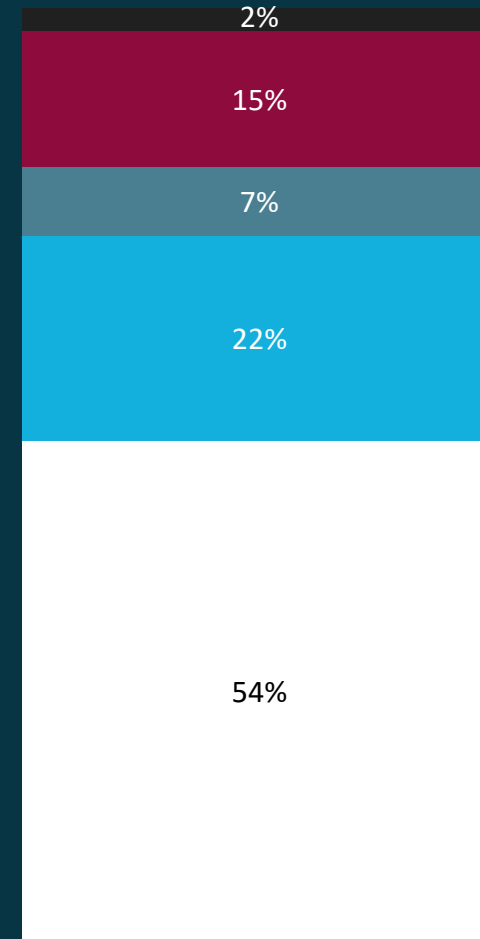
SMEs ARE NOT EXEMPT FROM CYBER ATTACKS

Roughly one-in-five SMEs (18%) polled have been impacted by a data breach in the past two years, with this percentage jumping to 42% for organizations with 100 to 499 employees.



THE COST OF A CYBER ATTACK

Nearly half (46%) of the small-to-medium sized business owners surveyed that suffered a cyber attack, and are familiar with its associated costs, state that the breach cost them more than \$100,000.

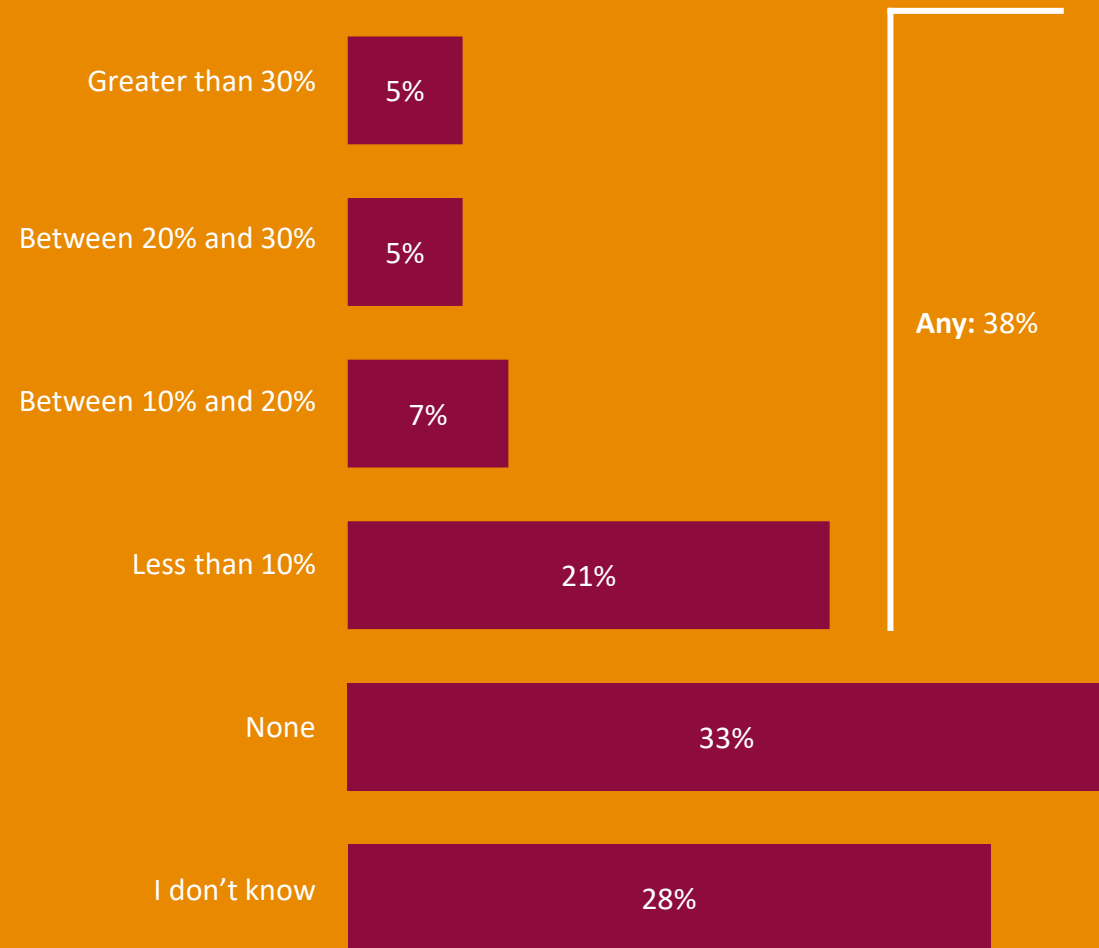


- Less than \$100k
- Between \$100k and \$250k
- Between \$250k and \$500k
- Between \$500k and \$1M
- Between \$1M and \$2M

**Graph excludes those who answered, "I don't know."*

SMEs SPEND LITTLE ON CYBER SECURITY

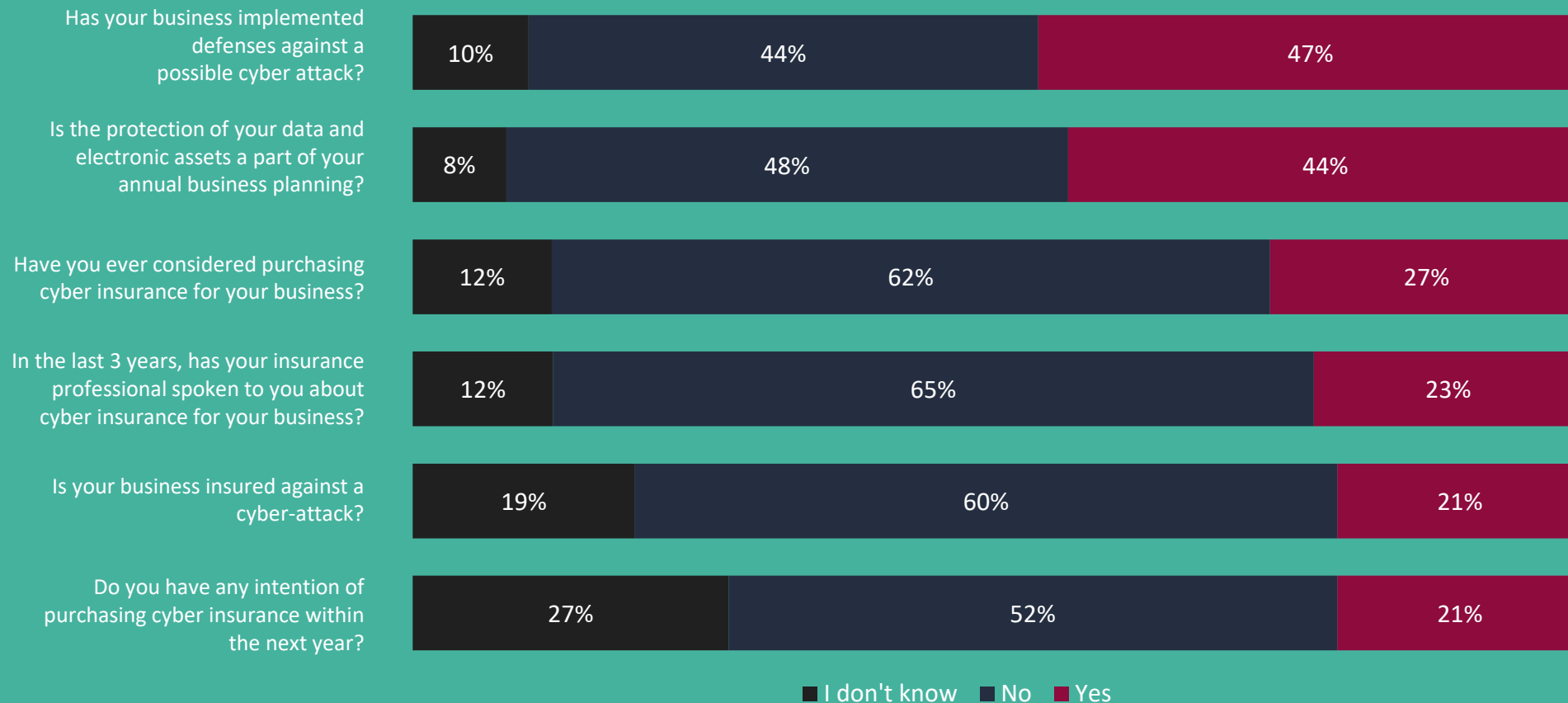
A third of SMEs polled (33%) stated they spend nothing on cyber security each year, with a further 28% not knowing what they spend at all and 21% spending less than 10% of their operating budgets on preventing data breaches.



Approximately what percentage of your operating budget is spent on cyber security per year?

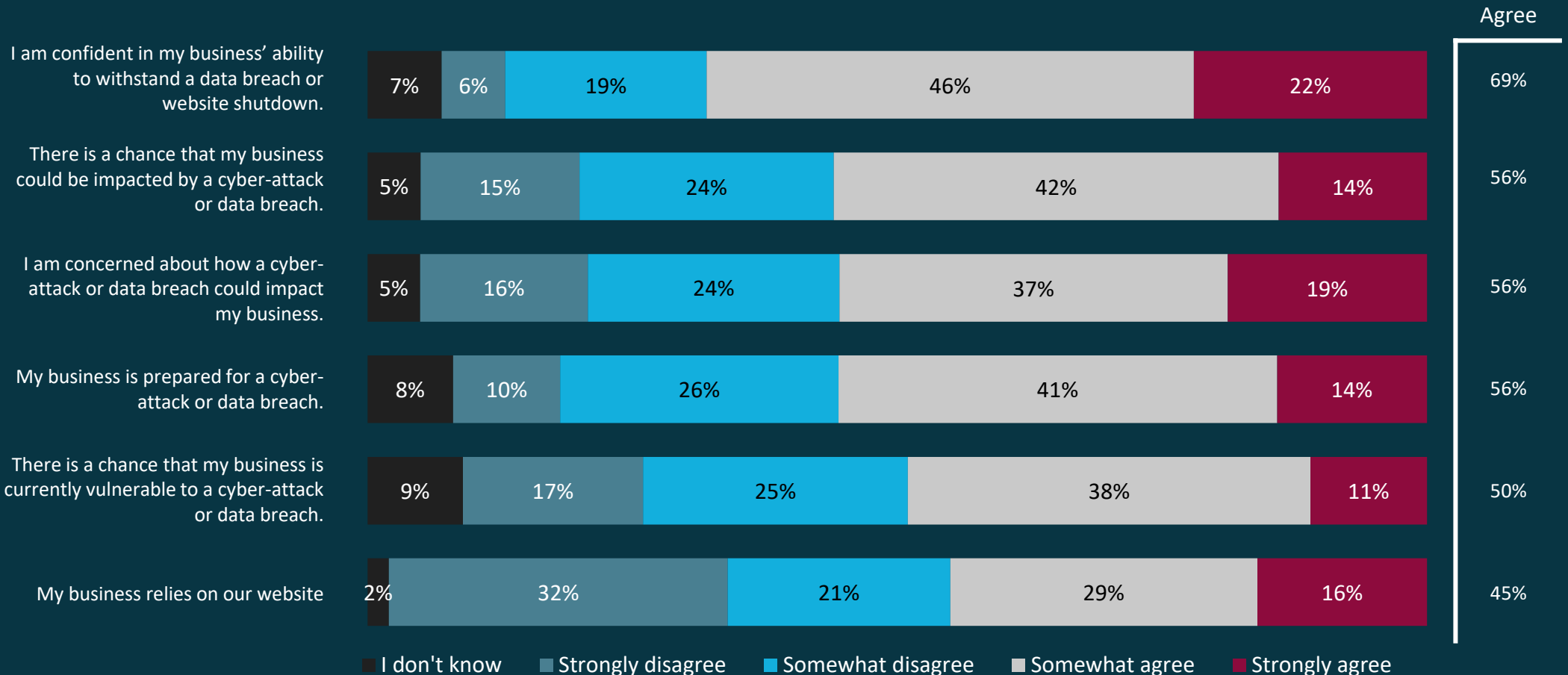
CYBER SECURITY PREPAREDNESS

Less than half of SMEs surveyed have implemented defenses against cyber attacks (47%) or have incorporated data protection into their annual business plans (44%). Less than a quarter are also insured against a cyber attack.



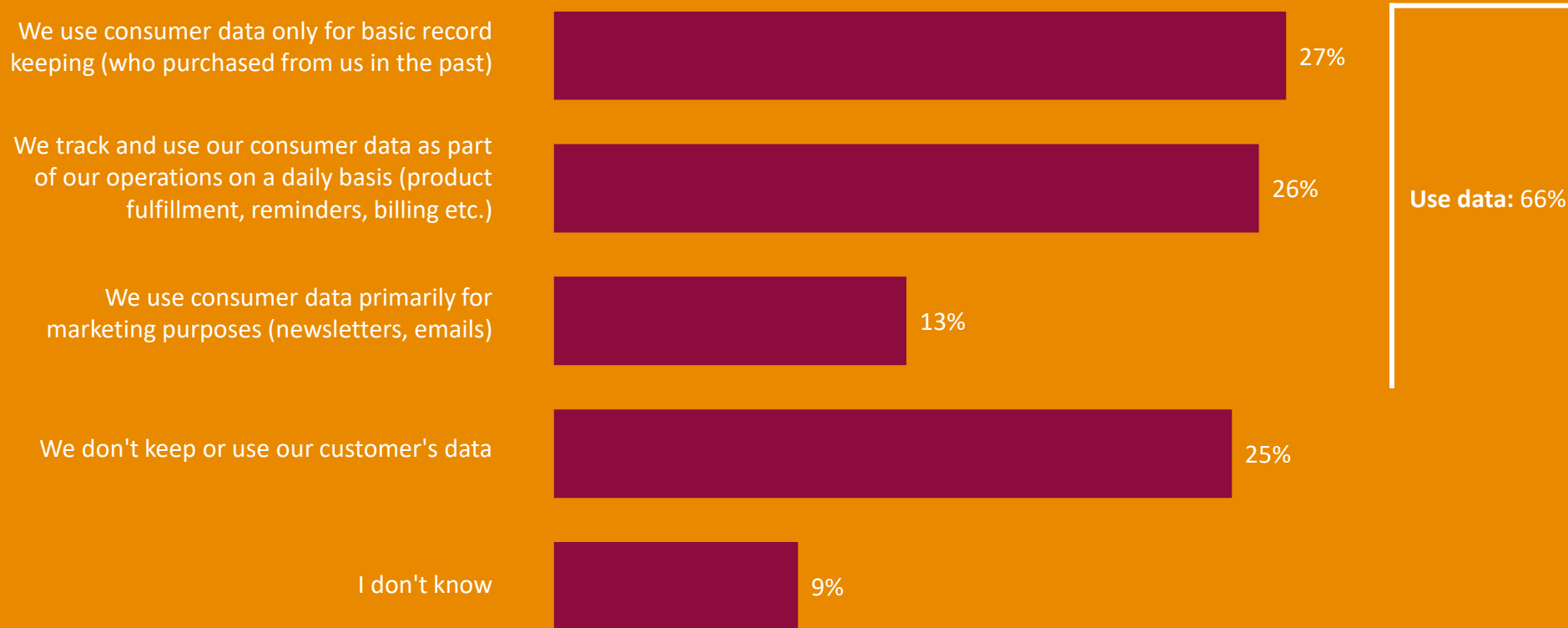
SENTIMENTS ON CYBER SUSEPTIBILITY

While Canadian SMEs are largely confident in their ability to withstand a data breach, and many believe they are prepared for a cyber attack, fears of vulnerabilities and the severity of attacks persist.



SMEs HANDLE CONSUMER DATA

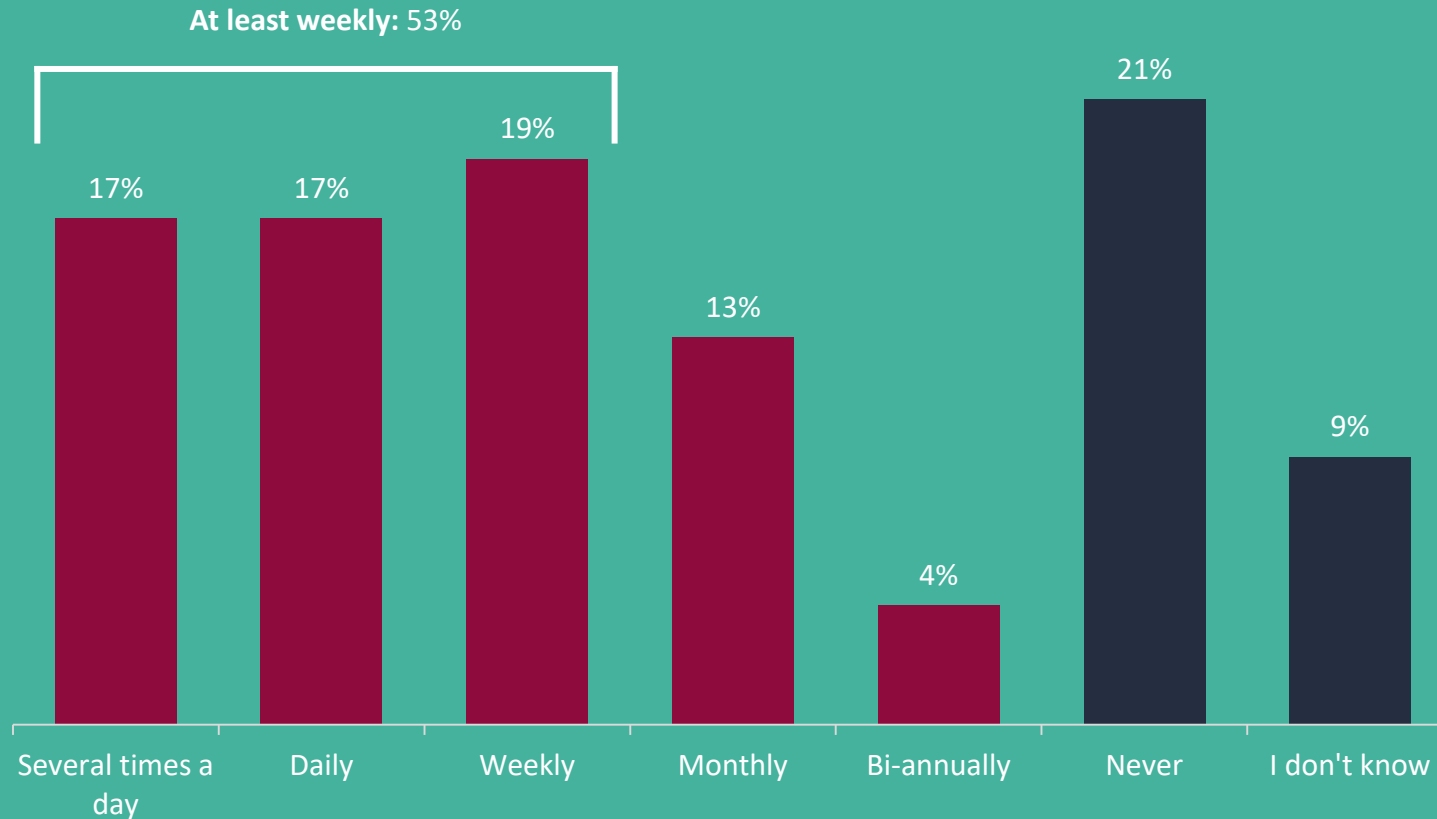
When asked, 66% of SMEs polled stated they use consumer data in some capacity.



How does your business primarily use customer data in your operations?

SMEs ACCESS CONSUMER DATA OFTEN

Over half of Canadian SMEs polled use and access consumer data at least weekly (53%).



How often does your business use and access your consumer data?

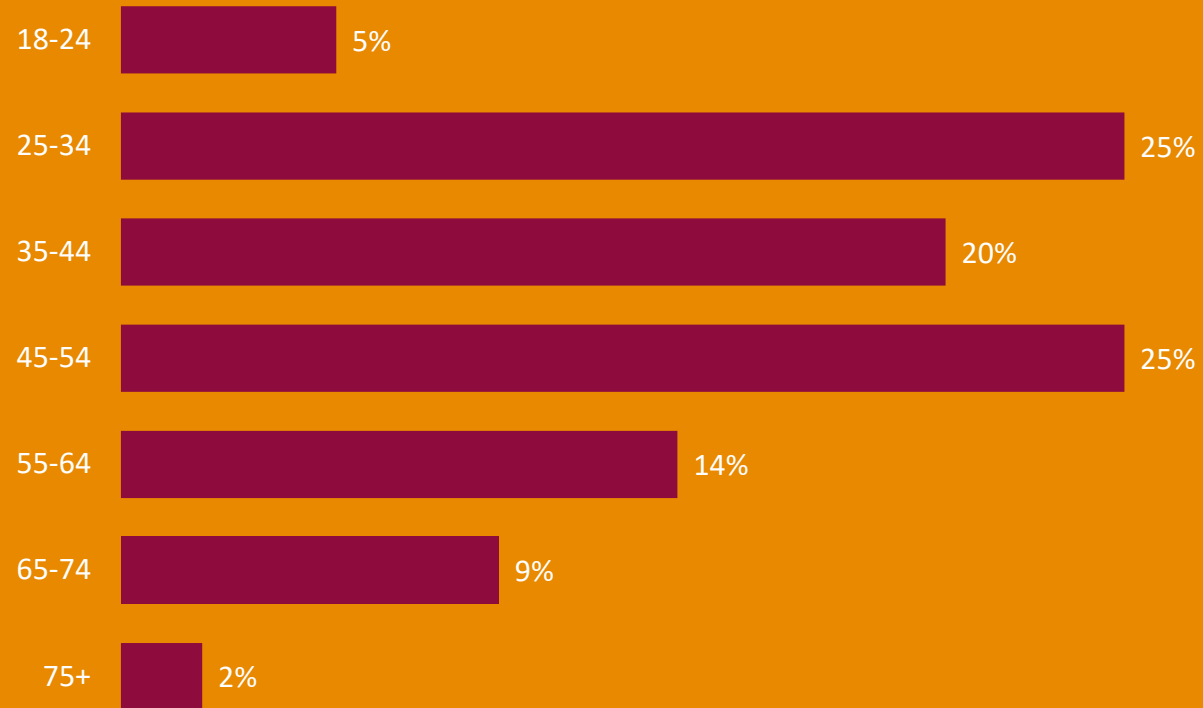
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DEMOGRAPHIC INFORMATION

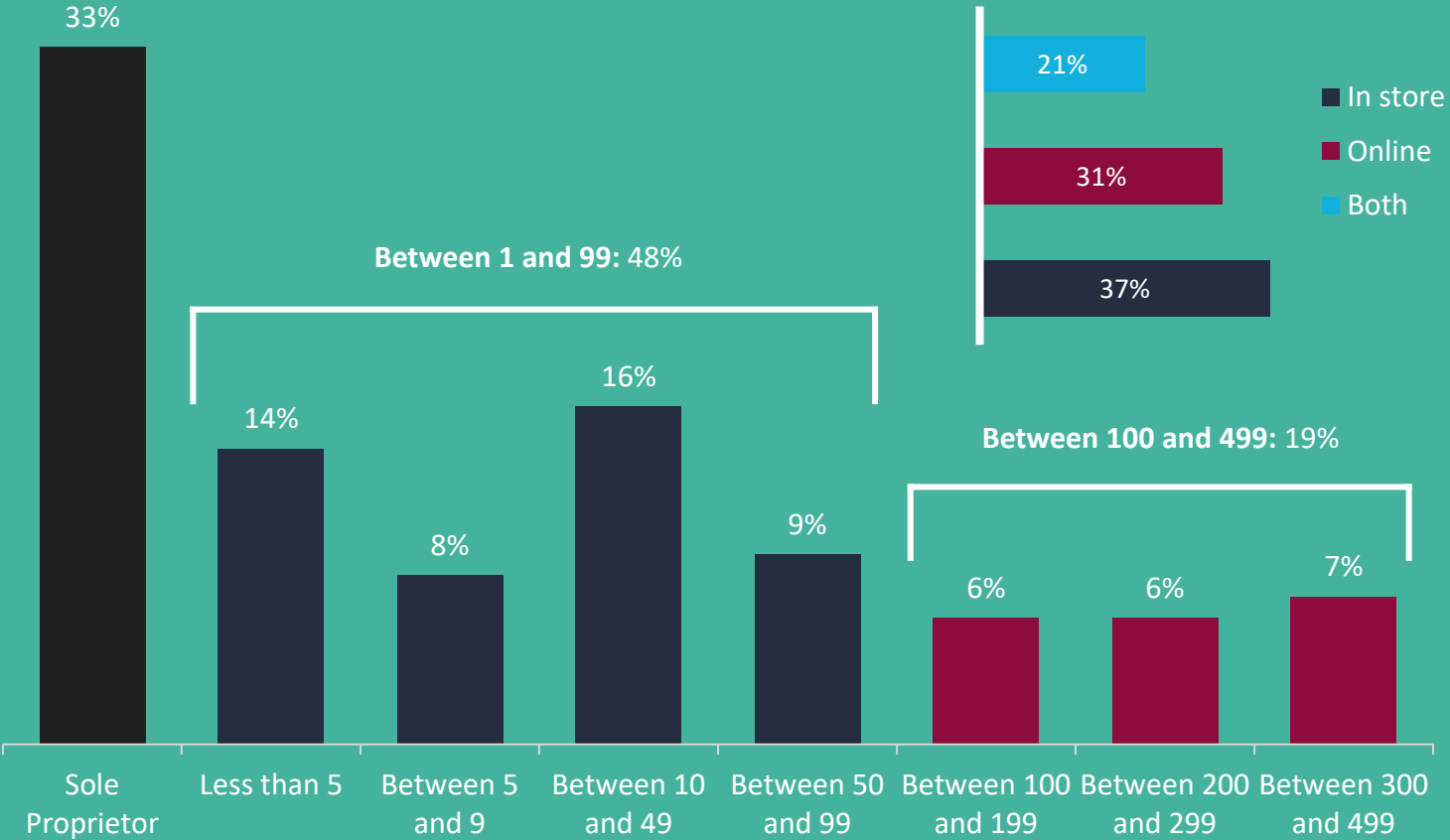
Cyber Security Poll



AGE



SME COMPOSITION



How many people are currently employed at your company?

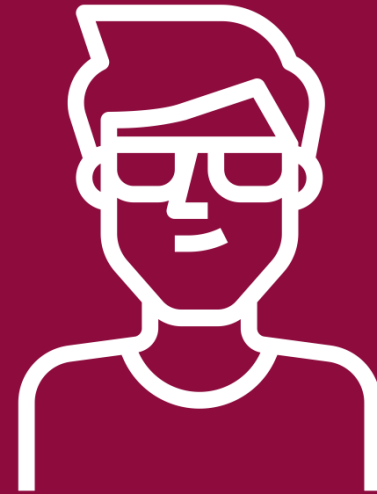
*Horizontal bar graph excludes those who answered, "I don't know."

GENDER



43%

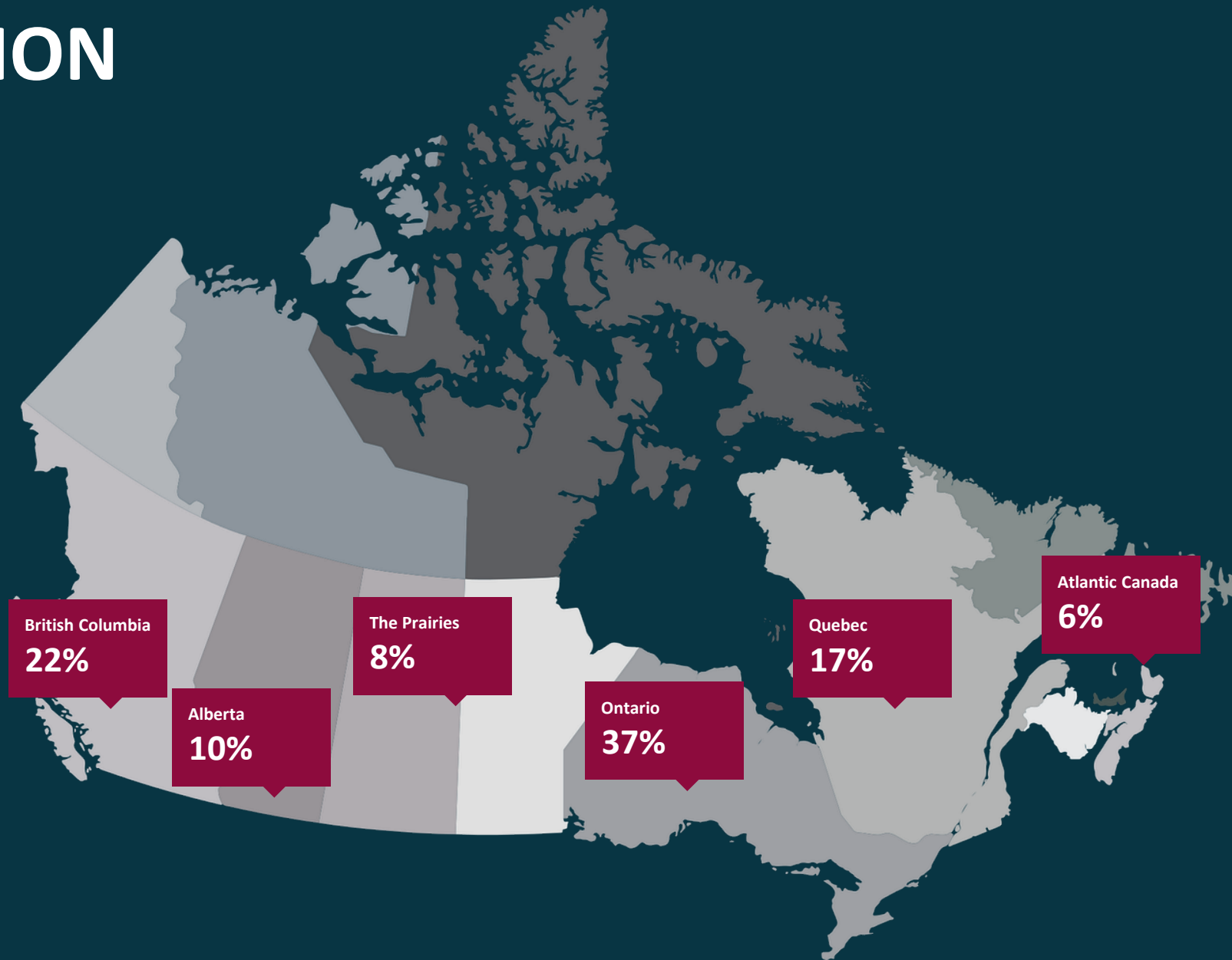
Female



57%

Male

LOCATION



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