

2013 Cost of a Data Breach Study

Executive Summary

Overview: Data Loss Prevention

Research from the Ponemon Institute's 2013 Global Cost of a Data Breach continues to shed light on the actual costs incurred by organizations that experience loss of data records. Now in its eighth year of publication, the report has expanded to analyze data breach experiences from nearly 300 companies in nine countries and sixteen industries worldwide (this publication now includes data on Brazil). This one-page executive summary highlights the key findings and examines some of the changes since the last report.

What Has Changed?

- The average consolidated data breach cost held steady and slightly increased from \$130 to \$136 per lost record. Globally, the most common cause of a data breach came from malicious or criminal attacks. These types of breaches continue to be the most expensive in all nine countries. However, the human factor (negligence) and system glitches (IT and business process failures) still account for almost two-thirds of data breaches. Symantec's February 2013 [research on the insider threat](#) reveals why employees feel it's ok to steal corporate data.
- This year's study includes cost by industry; the top three industries suffering the most cost were: Healthcare (\$233 per lost record), Financial (\$215), and Pharmaceuticals (\$207). At the lower spectrum was Retail (\$78 per lost record).

What Remains the Same?

- U.S. and Germany continue to incur the most costly data breaches (\$188 and \$199 per record, respectively). These two countries also had the highest total cost per data breach (the U.S. at \$5.4 million and Germany at \$4.8 million).
- The average cost per data breach varies widely among the countries studied. Many of these differences are due to the types of attacks and threats that organizations face, as well as the data protection laws in the respective countries. Some countries, such as Germany, Australia, the U.K., and the U.S., have more established consumer protection laws and regulations to strengthen data privacy and cybersecurity.
- Lost business costs were stable (such costs include customer churn, customer acquisition activities, and brand reputation loss). In many organizations – especially in heavily regulated industries such as healthcare and financial services – lost business costs represented the largest financial consequence of a data breach.

Recommended Next Steps

Companies' efforts in improving their data protection practices do pay off. Symantec recommends the following best practices to prevent a data breach and reduce costs in the event of one:

1. Educate employees and train them on how to handle confidential information.
2. Use data loss prevention technology to find sensitive data and protect it from leaving your organization.
3. Deploy encryption and strong authentication solutions.
4. Prepare an incident response plan including proper steps for customer notification.

For more details on the financial consequences of a data breach and how to best prevent, detect, and resolve one, please see the full global report by visiting: go.symantec.com/DLP. You can also estimate what a data breach could cost your company at www.databreachcalculator.com. This is a free online tool from Symantec that calculates your risk based on your organization's characteristics.

More Information

Visit our website

<http://go.symantec.com/DLP>

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Symantec World Headquarters

350 Ellis St.

Mountain View, CA 94043 USA

+1 (650) 527 8000

1 (800) 721 3934

www.symantec.com