York Public Relations Reveals That 42% of Consumers Would End Banking Relationship Following Data Breach/Cybersecurity

As COVID pandemic leads to surge in digital adoption, greater security risks like cybersecurity have risen to the surface

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ATLANTA, GEORGIA, UNITED STATES, October 15, 2020 /EINPresswire.com/ -- York Public Relations, the nation's only crisis PR firm dedicated exclusively to mitigating crises for financial institutions and fintechs, today revealed the top crises cited by U.S. consumers that would cause them to end a relationship with their bank or credit union, with the second most-concerning crisis being a data breach or cybersecurity fraud at 42%. The number one crisis cited by U.S. consumers was regulatory compliance violations by the government/FDIC at 56%. The survey was conducted online by The Harris Poll on behalf of York Public Relations, garnering responses from 2,053 U.S. adults age 18 and older.

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> *Mary York, CEO of York Public Relations*

According to the study, more than 2 in 5 (42%) U.S. consumers would end a relationship with their financial institution if they experienced a data breach or cybersecurity fraud. The concern was shared nearly evenly among most age groups, however, Millennials (age 24-39) are more likely to ditch their FI for this reason than older generations (48% vs. 40% each of Gen X age 40-55 and Baby Boomers age 56-74).

Additionally, those with an annual household income between $75k-$99.9k are more likely to end a relationship with a bank following a data breach or cybersecurity fraud compared to those with a lower household income of less than $50k (49% vs. 40%).

The likeliness of a data breach is increasing across all industries. In fact, according to research from [Risk Based Security](), last year alone saw the highest number of data breaches ever. Increasing by 33% from the previous year, more than 15 billion consumer records were exposed. While the number of breaches themselves increased only slightly over 2018, the number of exposed records jumped 284% over the exposed records reported in 2018, and increased 91% compared to the same data reported for 2017.

Unfortunately, 2020 has been worse. In just the first quarter of the year, there were over 445 million cyberattacks, according to Arkose Labs' Q2 2020 Fraud and Abuse report. Additionally, large-scale data breaches increased 273% in just the first quarter of 2020 compared to the first quarter of last year, according to a study from cloud computing company Iomart.

"Knowing how much reputational damage can be done after a breach, financial institutions must have the right cybersecurity solutions in place," said Mary York, CEO of York Public Relations

Moreover, the COVID-19 pandemic led to additional breaches and cyberattacks. As more organizations adopted work from home policies, Zoom became the most used application for video conferencing while also gaining attention from fraudsters. In the first week of April, news broke that 500,000 Zoom passwords had been stolen and were now for sale in dark web crime forums. Additionally, victims' personal meeting URLs and HostKeys were also available. Even more shocking, many of the leaked accounts' details belonged to financial institutions and banks, along with colleges and various organizations.

COVID and the subsequent lockdowns also led to a surge in digital adoption, which also led to greater security risks such as cyberattacks. Even FinCEN issued an advisory in July 2020, warning financial institutions of COVID-19 related cyberattacks.

"For organizations of all kinds, data breaches and cyberattacks are no longer a possibility. They are an inevitability," said Mary York, CEO of York Public Relations. "For financial institutions in particular, this can be extremely damaging. It's not surprising that so many consumers would consider ending a relationship with their bank or credit union in the wake of an attack. After all, we're talking about the security of someone's money."

York continued, "Knowing how much reputational damage can be done after a breach, financial institutions must have the right cybersecurity solutions in place. Companies like DefenseStorm, FireEye, Secureworks and others are critical to preventing and minimizing damage, but banks and credit unions must also have crisis plans in place to ensure their brand is protected. And they must be able to communicate to customers and members the situation and their plan to correct issues and safeguard their accounts."

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About York Public Relations
York Public Relations is the nation's only crisis public relations firm dedicated exclusively to financial institutions and fintechs. The firm serves clients ranging from community banks, credit unions and mortgage lenders, early- and late-stage fintech startups, and public and privately-held financial technology companies. For more information, please visit www.yorkpublicrelations.com.

Survey Method
This survey was conducted online within the United States by The Harris Poll on behalf of York Public Relations from October 6-8, 2020 among 2,053 U.S. adults ages 18 and older. This online survey is not based on a probability sample and therefore no estimate of theoretical sampling error can be calculated. For complete survey methodology, including weighting variables and subgroup sample sizes, please contact Mary York at mary@yorkpublicrelations.com.

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