

A photograph of a man and a young boy planting a tree in a park. The man is crouching on the right, wearing a red and blue plaid shirt and blue jeans, smiling as he helps the boy. The boy is crouching on the left, wearing a striped shirt and blue pants, looking up at the man. They are holding a small sapling together. The background is a blurred park with trees and grass. The image has a dark blue overlay with horizontal bars on the left side.

2019 Identity Protection Market Research Report

Research by
EZShield® + IdentityForce®

Published | March 2019



EXECUTIVE SUMMARY

With two new victims of identity crime every second,¹ identity theft has become the fastest-growing crime of the 21st century. Researched by EZShield + IdentityForce, the 2019 Identity Protection Market Research Report presents the findings on consumers' interest in, desire for, and engagement with identity theft protection providers.

Our research sampled more than 2,200 adults in the U.S between November and December 2018. The survey extracted consumer sentiments on how safe they feel their identities are, who they see as responsible for protecting their sensitive personal information, and who they would turn to for support in the event that they are impacted by an identity crime.

Key Findings At A Glance

- **More than 81%** of consumers agree that their identity is the most important thing they own
- **30%** of total respondents have had at least one instance of identity theft
- For those who have had their identity compromised, **stress and depression** were ranked as the top two negative effects, followed by financial loss
- **Nearly 72%** of respondents would be willing to pay up to \$25 per month for identity theft protection
- **Identity resolution** tops the list of must-have capabilities for identity theft protection

The Statistics Speak for Themselves

- **More than 1 million children become victims of identity theft each year²**
- **There are 2 new victims of identity crime every second**
- **Compromised consumer records jumped 126% in 2018³**

¹ 2018 Identity Fraud Report, Javelin Strategy & Research

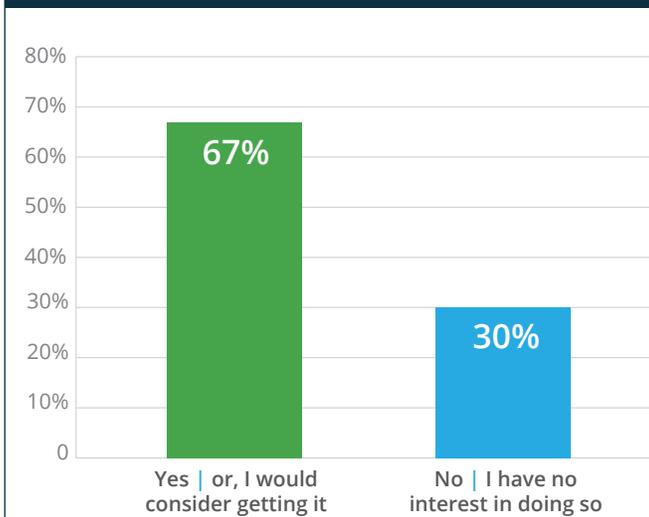
² 2018 Child Identity Fraud Study, Javelin Strategy & Research

³ End-of-Year Data Breach Report, Identity Theft Resource Center

HOW CONSUMERS VALUE THEIR PERSONAL INFORMATION

The relationship an individual has with their personal identity is complex, and certainly one that is difficult to put a price tag on. Every person relies on information tied to their identity to function in today's society — from Social Security numbers and bank accounts, to health insurance and credit cards.

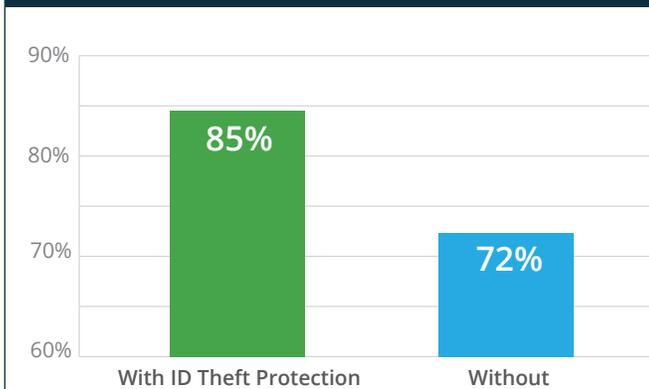
Do You Currently Use an Identity Theft Protection Service?



Determining Identity Theft Protection Usage

When we asked respondents about the current status of their identity theft protection usage, it's clear that there is a significant need. Overall, more than two-thirds of people (67 percent) confirmed they currently have or would be open to enrolling in ID theft protection services.

My Identity is the Most Important Thing I Own



Ranking Importance

Whether or not consumers have made the choice to invest in protection, the majority of the population truly believes their identity is the most important thing they possess. Out of all respondents, 81 percent agreed with this sentiment. The group who self-attested to having ID theft protection in place reported even higher, at 85 percent.

IDENTITY THEFT IS A HIGHLY-PERSONAL ATTACK

Of our survey respondents, one in three indicated that they have had their personal identity compromised. That's on par with the results of Proofpoint's 2018 User Risk Report, which found that 33 percent of U.S. adults have already experienced identity theft. When you consider this, that's more than twice the global average.⁴ It's easy to see just how real this threat is, and why all consumers should be concerned about keeping their identity protected.

The Fallout

Most people connect identity theft with direct financial losses — but the negative effects of having an identity stolen are also highly emotional. In fact, of those respondents who have been victimized by an identity crime, nearly 90 percent ranked stress and depression as the top two negative effects of their incident. Financial Loss ranked third on the list at just 16 percent.

The Impact of Identity Theft



51%
Experienced
General Stress



37%
Reported Emotional
Stress/Depression



16%
Suffered
Financial Losses



7%
Experienced
Physical Distress

To make matters worse, once someone has their identity stolen they are more likely to experience recurring issues down the line. Identity Theft Resource Center's (ITRC) Aftermath study⁵ found that more than one out of five victims of identity crime had previously had their identity compromised.

⁴ 2018 User Risk Report, Proofpoint

⁵ The Aftermath: Non-Economic Impacts of Identity Theft, ITRC

HOW CONSUMERS ARE PROTECTING THEIR IDENTITIES

It turns out that just about everyone does *something* to protect their identity, indicating that proactive measures are top of mind for the majority of consumers.

Out of all respondents, only two percent replied that they don't do anything to safeguard their personal information. The good news? The other 98 percent make an effort to protect themselves in some way.

Top 5 Ways Consumers Protect Their Identity

1. Review financial statements
2. Shred personal documents
3. Rely on their bank or credit union
4. Use an ID monitoring tool
5. Run credit reports at least twice a year

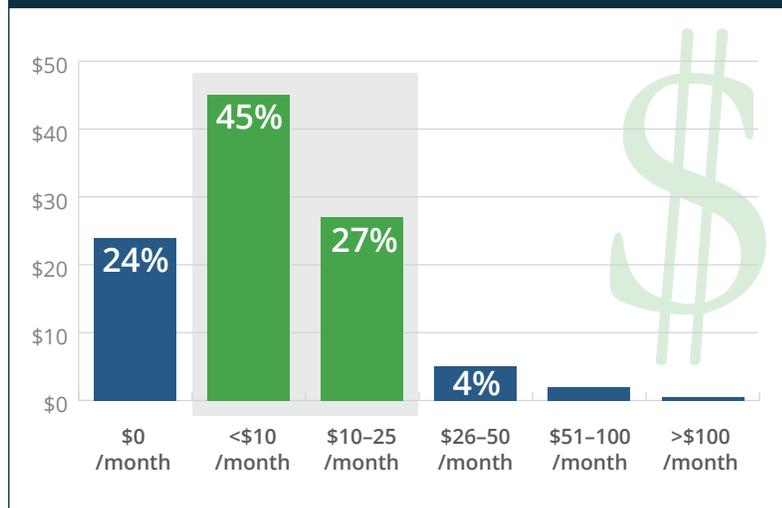
It's a great sign that individuals are taking personal responsibility by monitoring their finances and credit, and properly disposing of their documents. With the prevalence of identity crimes today, almost all consumers have come to recognize the importance of taking steps to secure their personal information to avoid the consequences of becoming a victim. After all, if they haven't experienced identity theft themselves, odds are they know someone or multiple people who have.

**98% of consumers
implement at least one safety measure
to shield their identity**

CONSUMERS ARE WILLING TO PAY FOR PROTECTION

When considering the cost of identity monitoring and resolution services, consumers are willing to pay for the peace of mind provided by identity protection. Respondents see a value in guarding themselves and their loved ones from the financial and emotional impact of identity fraud.

What Would You Be Willing to Spend?



Concern Increases Purchase Likelihood

Survey responses indicate that the level of concern surrounding identity theft may play a factor in people's decision to buy. Nearly all respondents are at least somewhat worried about falling victim to identity crime. However, more than one in five who have protection in place are "very worried." That's almost twice as many as those without identity protection, indicating that the more concerned you are about identity crimes and fraud the more likely you are to invest in protecting against them.

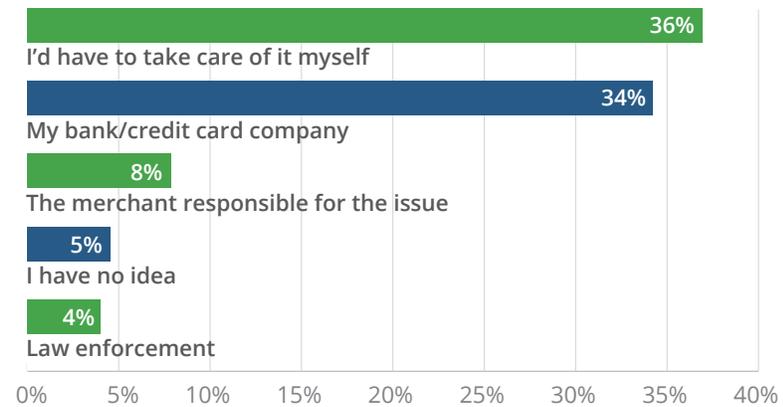
More than 72% of respondents are willing to pay a monthly fee, up to \$25 a month, to protect their personal information

WHEN YOU DON'T HAVE ID THEFT PROTECTION: WHO DO YOU TURN TO?

With anywhere from hours to years of recovery time, victims of identity theft want nothing more than to recover quickly and return to pre-event condition. However, without protection in place, the road to restoration includes a multitude of paperwork, emails, and telephone calls, combined with general stress and frustration.

Of respondents who signaled that they do not have an identity protection service provider, 36 percent believe they would be singularly accountable to resolve the fallout from an identity theft incident.

Top 5 Parties Consumers Expect to Resolve an Identity Theft Incident

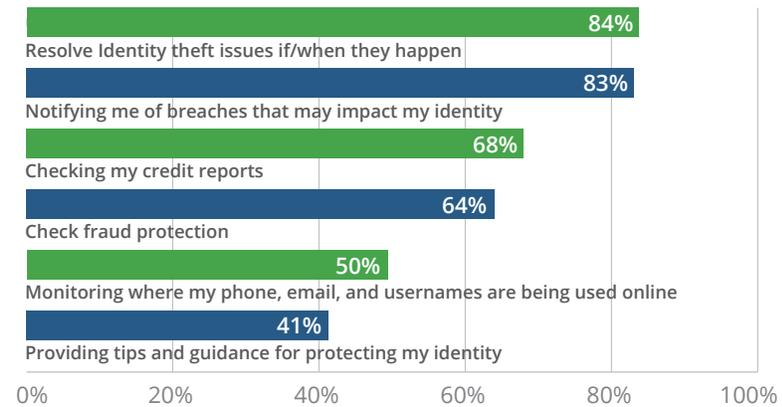


The second-most common response amongst those without protection was that their bank or credit card company should be held accountable for handling the resolution process. This echoes the consumer expectations we highlighted earlier, where financial institutions are considered a primary resource for fraud protection.

RESOLUTION & NOTIFICATION TOP CONSUMER EXPECTATIONS

Resolution and notification services were ranked as the top two must-haves for identity theft protection providers across all audiences.

What are the Must-Haves for an Identity Theft Protection Provider?



Across the board, identity theft protection providers must be able to quickly resolve incidents and communicate new threats to their customers' identity before things go wrong. This is the type of end-to-end service that consumers expect throughout the entire identity theft lifecycle.

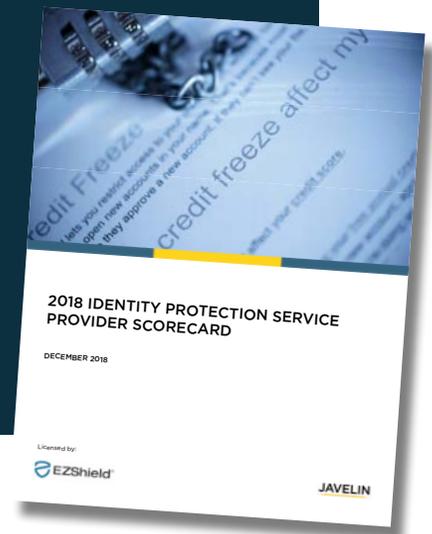
Further down on the priority list, despite being critical components of identity protection, is the ability for providers to monitor customer credit reports and defend against check fraud. Unexpected changes in a consumer's credit score are a significant indication that fraudulent activity is taking place, and early warning of such activity can reduce the amount of damage that occurs.

Rounding out the must-haves for an identity theft protection provider include monitoring where customers' information lives digitally, as well as providing educational resources to help empower consumers to fight back against identity crime.

THE IDENTITY THEFT PROTECTION INDUSTRY IS GROWING

Rapidly increasing consumer identity fraud has spurred the evolution of the identity theft protection services market, which is expected to reach \$18.7 billion by 2025.⁶ Currently, North America dominates the industry, with 72 percent of the overall market share, and consumer identity protection services represent more than 82 percent of total services offered.

Evaluate Your Options | 2018 Identity Protection Service Provider Scorecard



Now in its 11th year, this scorecard published by Javelin Strategy & Research provides the industry's most comprehensive market research and examination of identity theft protection solutions. The 2018 report based its results on first-hand analysis of 20 products using more than 120 evaluation criteria.

Download the report today.

⁶ Global Identity Theft Protection Services Market Size Forecast, Androit Market Research

About this Research

The 2019 Identity Protection Market Research Report is a research initiative conducted by EZShield + IdentityForce. If you have questions or comments about this research or you would like to obtain additional copies of the document (including permission to quote or reuse this report), please contact by email:

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