



## **Hype about Identity Theft Increases Awareness but not Perceived Risk**

Ipsos-Insight research reports online and offline credit card security concerns

**February 17, 2005, New York, NY**—Consumer experiences with credit card fraud in the United States, both online and offline, appear to be leveling off, but Americans still believe credit card fraud is on the increase, according to results from a survey among 935 American adults conducted by Ipsos-Insight, the global market research firm and member of the Ipsos Group.

The Ipsos-Insight study compared results from two of the company's credit card security studies, the first conducted in 2004 and the second in 2005. Results revealed an increase in the number of Americans who say they know someone who was a victim of online credit card fraud, up from 16% in 2004 to 20% in 2005. Contrary to public perception, the actual number of victims is much smaller, with only 4% of Americans saying they personally fell victim to online credit card fraud, both in 2004 and 2005.

The story is the same with offline credit card fraud, with a reported 44% of Americans in 2005 and 38% in 2004 saying that they know someone who has been a victim of fraud, but again only 12% from year to year say they have fallen victim themselves.

According to Doug Cottings, Senior Vice President of Ipsos Financial Services, "While people are hearing about credit card fraud from friends, the media, and marketers, the number of actual fraud victims has not increased. It seems the efforts that the industry and consumers are taking to prevent credit card fraud are taking effect."

### **Despite the Hype, Concerns are Down**

The data show that concern about credit card fraud offline has decreased significantly, from 76% in 2004 to 71% in 2005. Concern over online credit card fraud, however, has increased slightly, from 69% in 2004 to 72% in 2005.

"The larger percentage of women, relative to men, that are concerned about someone stealing their credit card information may be because more women know someone who has been a victim of fraud as a result of having their credit card stolen," said Cottings.

In addition to differences in the level of concern by gender, the study also points out marked differences by education and household income level. Those with lower incomes and education levels have a much higher concern about being a victim of fraud than those with higher education and household income levels.

The 2005 study further reports that credit card security has no effect on 60% of credit card owners, who say that concern over identity theft has not affected their online purchasing behaviours.

"Consumers appear to be more aware and more comfortable that their credit card information will not be stolen if used at a store or online," said Cottings. "But companies need to continue to communicate with their customers about their security programs to reinforce that it is safe to do business with them and customer information protection is a priority," concluded Cottings.



### **Tips to Prevent Credit Card Security Fraud both Online and Offline**

- Guard your personal information. Don't put your social security number or drivers license number on your checks. When possible, don't carry your social security card with you.
- Check your credit reports once a year from all three of the credit reporting agencies.
- Consider using an electronic bill payment system and stop sending signed checks through the mail.
- Never respond to emails that request you provide your credit card information via email, and do not ever respond to emails that ask you to go to a website to verify personal (and credit card) information (these are called phishing scams).
- Use online banking and credit card accounts and monitor your accounts regularly. Install and regularly update your computer firewall and anti-virus software and anti-spyware.
- Sign up to receive automatic payroll deposits and receive electronic bills and statements, where possible.
- You should never give your social security number to anyone unless they have a good reason for needing it.
- Watch for people who may try to eavesdrop on the information you give out.
- Carefully destroy (shred) papers you throw out, especially those with sensitive or identifying information.
- Be suspicious of telephone solicitors.
- Delete (without replying) any suspicious email requests.
- Use a locked mailbox to send and receive all mail.
- After making an ATM transaction, ensure you are completely signed off and have retrieved your card prior to leaving the ATM machine.

### **For more information on this press release, please contact:**

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### **Methodology**

These national survey research data were collected via Ipsos U.S. Express, a weekly national omnibus survey. Fieldwork was conducted on January 19, 2004 and between January 21–23, 2005. Data are based on 943 (2004) and 935 (2005) telephone surveys taken with adults (18+) across the United States using regionally stratified random sampling. The survey results can be said to be within  $\pm 3.1$  percentage points of what they would have been had the entire adult population been surveyed. To ensure that our sample reflects the make-up of the American population, we weight the results to match the latest Current Population Survey provided by the U.S. Census Bureau.

### **About Ipsos-Insight**

Ipsos-Insight, the flagship marketing research division of Ipsos in the U.S., has industry specialists serving companies in the following categories: consumer products; technology and communications; health and pharmaceutical; financial services; cable, media and entertainment; agrifood; energy and utilities; and lottery and gaming.

Ipsos-Insight provides custom and tracking research services to domestic clients, as well as U.S.-based multinationals. It offers concept and product testing, package testing, attitude and usage studies, omnibuses, tracking systems, brand equity, price optimization and segmentation, marketing models, advanced analytics, and global research. Ipsos-Insight is an Ipsos company, a leading global survey-based market research group. To learn more, please visit [www.ipsos-insight.com](http://www.ipsos-insight.com)

**About Ipsos**

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Ipsos member companies offer expertise in advertising, customer loyalty, marketing, media, and public affairs research, as well as forecasting and modeling and consulting. Ipsos has a full line of custom, syndicated, omnibus, panel, and online research products and services, guided by industry experts and bolstered by advanced analytics and methodologies. The company was founded in 1975 and has been publicly traded since 1999. In 2003, Ipsos generated global revenues of \$644.2 million U.S. Visit [www.ipsos.com](http://www.ipsos.com) to learn more about Ipsos offerings and capabilities.