SOUTH AFRICA RESULTS

The New Norton Report
Edelman Berland
2016
OBJECTIVE:
Help further Norton’s leadership and reputation as a consumer security advocate by dissecting the current state of online crime. More specifically:

- Discover South African consumer practices and experiences with online security
- Explore generational differences in experiences and perceptions around online crime
- Uncover the emotional side of security

Method: Online survey

- Market: South Africa (1 of 18 markets surveyed)
- Sample size: 1,001
- Audience: 18+ year old adults that own at least one mobile device
- Fielding: February 5 – 16, 2016
Methodology

- A quantitative survey was conducted online among a total of 18,126 mobile device users
- Countries were weighted to ensure accurate representation
- Global margin of error = +/-0.73%

**EMEA**

<table>
<thead>
<tr>
<th>Country</th>
<th>N</th>
<th>MOE</th>
</tr>
</thead>
<tbody>
<tr>
<td>UK</td>
<td>1,007</td>
<td>+/- 3.08%</td>
</tr>
<tr>
<td>GERMANY</td>
<td>1,013</td>
<td>+/- 3.08%</td>
</tr>
<tr>
<td>FRANCE</td>
<td>1,003</td>
<td>+/- 3.09%</td>
</tr>
<tr>
<td>ITALY</td>
<td>1,018</td>
<td>+/- 3.07%</td>
</tr>
<tr>
<td>SWEDEN</td>
<td>1,010</td>
<td>+/- 3.08%</td>
</tr>
<tr>
<td>NETHERLANDS</td>
<td>1,015</td>
<td>+/- 3.08%</td>
</tr>
<tr>
<td>UAE</td>
<td>1,012</td>
<td>+/- 3.08%</td>
</tr>
<tr>
<td>SOUTH AFRICA*</td>
<td>1,001</td>
<td>+/- 3.1%</td>
</tr>
</tbody>
</table>

**APAC**

<table>
<thead>
<tr>
<th>Country</th>
<th>N</th>
<th>MOE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>1,011</td>
<td>+/- 3.08%</td>
</tr>
<tr>
<td>China</td>
<td>1,004</td>
<td>+/- 3.09%</td>
</tr>
<tr>
<td>India</td>
<td>1,000</td>
<td>+/- 3.1%</td>
</tr>
<tr>
<td>Japan</td>
<td>1,009</td>
<td>+/- 3.09%</td>
</tr>
<tr>
<td>New Zealand</td>
<td>1,001</td>
<td>+/- 3.1%</td>
</tr>
<tr>
<td>Singapore</td>
<td>1,009</td>
<td>+/- 3.09%</td>
</tr>
</tbody>
</table>

**AMER**

<table>
<thead>
<tr>
<th>Country</th>
<th>N</th>
<th>MOE</th>
</tr>
</thead>
<tbody>
<tr>
<td>USA</td>
<td>1,008</td>
<td>+/- 3.09%</td>
</tr>
<tr>
<td>Canada</td>
<td>1,004</td>
<td>+/- 3.09%</td>
</tr>
<tr>
<td>Brazil</td>
<td>1,000</td>
<td>+/- 3.1%</td>
</tr>
<tr>
<td>Mexico</td>
<td>1,001</td>
<td>+/- 3.1%</td>
</tr>
</tbody>
</table>

*For additional crosstab comparisons:
- Gender: MOE = +/- 4.43%
- Generations: MOE = +/- 7.3% for 55+ and +/- 5.4 for Millennial/Gen X;
- Parents/Non-Parents: MOE = +/- 4.8%

Data has been weighted such that each country is equally represented in the global result.
Key Findings
KEY FINDINGS

• More than 8.8 million people have been victims of online crime in South Africa in the past year

• The threat of online crime is widely felt, and very few South Africans feel completely in control of their online security
  – 76% of South Africans believe that identity theft is more likely than ever before
  – And a large majority (83%) feel the chance of being an online crime victim is significant enough to worry about
  – 2 in 3 (67%) feel it is more difficult to control their personal information as a result of smartphones and the internet
  – 56% say it is more likely their credit details will be stolen online or at a retail store than from their wallet

• South Africans are engaged with the topic of security (78% acknowledge the need to actively protect their information), but there is still some notion that security is an inconvenience
  – 58% would rather cancel dinner plans with their best friend than have to cancel their credit/debit cards after their account has been compromised
  – And the same percentage (58%) would rather endure a terrible date than deal with credit/debit card customer service after a breach or hack

• And despite personal experience, South Africans put themselves at risk
  – 36% of South African consumers admit to password sharing – while only 23% of their global counterparts say the same – and among those sharing passwords nearly half (45%) shared the password to their banking accounts
KEY FINDINGS

• South African consumers take personal responsibility, but are also looking for partners in protection
  — 70% say online security is a shared responsibility of both the individual and the companies they use
  — And 46% of South African consumers feel overwhelmed by the amount of information they have to protect on a daily basis

• Compared to other markets, South Africa is more worried about the online safety of younger people
  — Teens and Children are considered most vulnerable (32%), on par with the global average, but Millennials are also considered to be at risk (27% vs 19% globally)
  — And with 32% of South African parents having their child experience online crime, they do take actions to protect their children online (4 in 5 do something to protect their child online)

• Online crime takes an emotional toll
  — Online crime victims relay a strong emotional response (60% felt frustrated, 57% furious, and 33% were devastated) vs. indifference (6%)

• Online crime has a concrete impact as well. As a result of online crime, South African victims have lost...
  — More than a day (27 hours) of their time and 35 billion ZAR dealing with the repercussions
State of Security
8,844,755 people have been victims of online crime in South Africa in the past year.

Globally, there are 602,597,655 cybercrime victims in the 18 countries surveyed.

Extrapolations:
Victims = Online adults per country x % cybercrime victims past 12 months per country.
Online crimes are prevalent, with nearly half personally experiencing mobile device theft.

### Situations Experienced First or Secondhand

Among Total

Showing Top 5 South Africa Situations

- **Mobile device stolen**: 83%
- **Unauthorized access to your social network profile**: 52%
- **Credit card fraud**: 52%
- **Responded to a fraudulent email and provided sensitive information**: 46%
- **Account password compromised**: 45%

*Asked of parents only

Q16. Which of the following has ever happened to you or someone you know? Please select all that apply.

Overall, 67% of South Africans have experienced some form of online crime - compared to 48% globally.
Vulnerability is viewed through a generational lens, with the youngest considered most at risk overall.

Q8. Of the following, who is the most likely to be a victim of online crime (hacking, virus, stolen personal information, etc.)?

Globally, 19% said Millennials were most at risk, vs 27% of South Africans; however, the South African addendum was conducted after the original findings were released.
In South Africa, Millennials and Gen Xers are equally likely to have been victimized within the last year.

**Victims of Online Crime in the Past Year**
*Showing % saying 'you' among each generation*

- Millennials: 39%
- Generation X: 37%
- 55+: 23%

Q17. Has this happened to you in the last month, six months, last year?
Compared to their global counterparts, South Africans have heightened sensitivity to online information compromises (particularly among Consumers 55+)

76% believe identity theft is more likely than ever before

83% of Consumers 55+ believe identity theft is more likely than ever before, compared to 70% of Millennials

67% said it was easier to control personal information before smartphones and the internet

80% of Consumers 55+ believe it was easier to control personal information before smartphones and the internet, compared to 61% of Millennials
South Africans believe it’s equally likely online crime will be carried out by a foreign entity as a morally motivated hacker.

Q9. Which of the following is more likely to commit online crime (hacking, virus, stolen personal information, etc.)?

- A hacking organization from a foreign country / government: 35%
- Morally motivated hackers (i.e. anonymous): 35%
- A lone hacker: 19%
- Smart kids doing it for the fun of it: 11%

Only 29% of people globally believe morally motivated hackers are the likely culprit.
Consumers rate their own security measures and those put in place by their employers highly, but are skeptical of friends and family

<table>
<thead>
<tr>
<th>Global Security Behavior Grade Given to Each Audience</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grade = Average + Above Average + Excellent Ratings</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>A+</td>
<td>A-</td>
<td>B+</td>
<td>B</td>
<td>C-</td>
<td>D+</td>
</tr>
</tbody>
</table>

*Asked only of parents

Q13. What grade would you give the following people in terms of their security measures/behaviors?
Despite this personal confidence, very few feel completely in control of their online security

Only 18% feel completely in control of their online security

Q6. How much control do you feel you have over your online security?
... and the fear of online crime is as real as ever

83%

feel the chance of being an online crime victim is significant enough to worry about
Vulnerability and Emotional Impact
Nearly 1 in 5 do not have a password on their smartphone or desktop computer...
93% would feel devastated if their personal financial information (bank and credit card details) were compromised.
Dealing with the consequences of a stolen identity is considered more stressful than everyday inconveniences.

Among Total:
- 78% running late for an important appointment
- 60% sitting next to a screaming baby on a plane

Dealing with the consequences of a stolen identity is seen as more stressful than:

85%
And credit card information is thought to be more at risk after shopping (online or in-store) vs. in their own possession.
6 in 10 consumers say it is riskier to share their email password with a friend than lend their car...

Q12. Below are behaviors that may be considered risky, please choose the one that YOU consider to be the most risky.

Which is most risky...?
Among South Africans

- Lending your car to your friend for the day: 39%
- Sharing your email password with your friend: 61%
But over 1 in 3 South Africans admit to password sharing, and of those who do so, email accounts are most shared.
Men and women are equally likely to share passwords, but women are significantly more likely to share their email account password.

Q28. Have you shared the password to any of your accounts with another person?  
Q28a. For which of the following types of accounts have you shared your password with someone else?

- Sharing passwords: 37% (women) vs. 35% (men)
- Sharing email account passwords: 71% (women) vs. 51% (men)
Security measures are viewed as a hassle; most would rather cancel dinner with their best friend than cancel their debit/credit cards when hacked.

Would you rather…?
Among Total

58% would rather cancel dinner plans with their best friend than cancel their debit/credit card

* N = 160, MOE = +/- 7.75%

Q27. Below are a list of tradeoffs that you could make. Please choose the scenario you would rather do.

High income South Africans are even more likely to choose canceling dinner plans with their best friend than cancel their debit/credit card (69%)*
And consumer preferences are torn between enduring real life inconveniences and maintaining digital safeguards.

Q27. Below are a list of tradeoffs that you could make. Please choose the scenario you would rather do.
South Africans who have experienced online crime say it left them frustrated and furious – it’s an emotionally charged issue.

Q18. You mention that you were the victim of a crime online. How did it make you feel? Please select all that apply

- Frustrated/annoyed
- Furious
- Inconvenienced

How Victims of Online Crime Feel
Global vs. South Africa / Showing % Selecting each

<table>
<thead>
<tr>
<th>I felt...</th>
<th>Global</th>
<th>South Africa</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frustrated/annoyed</td>
<td>53%</td>
<td>60%</td>
</tr>
<tr>
<td>Furious</td>
<td>42%</td>
<td>57%</td>
</tr>
<tr>
<td>Inconvenienced</td>
<td>33%</td>
<td>36%</td>
</tr>
</tbody>
</table>
Cost of Online Crime
South African online crime victims lost over one day dealing with the ramifications

In the past 12 months...
Among Victims of Online Crime
Showing Average

27 hours

The average amount of time lost due to online crime

Q24. How much time have you lost over the past 12 months due to online crime? Please think about the total time lost in hours and minutes (including any time lost due to repair or recovering lost items).
And from a monetary standpoint, the total loss from online crime in South Africa is R35,255,017,510

...and R3,986 on average per victim
Parents & Children
Parents, aware of online dangers, are protective of their children

More than 4 in 5 parents do something to protect their child online.
More traditional protective measures have higher adoption, while extreme actions like tracking are rare.

Frequency of Actions Related to Children…
Among Parents
Showing Top 2 Box (Often) and Never, Sorted by Often

- Limit access to certain websites: 62% Often, 12% Never
- Limit the information I post about them on my own social profiles: 60% Often, 11% Never
- Limit the amount of information they are allowed to post on their social profiles: 58% Often, 18% Never
- Only allow internet access with parental supervision: 55% Often, 18% Never
- Check their browser history: 49% Often, 20% Never
- Require computer use to take place in common areas rather than in their room: 49% Often, 19% Never
- Ask for account passwords so that I can monitor their activities: 43% Often, 25% Never
- Install a tracker on their smartphone: 33% Often, 41% Never
- Only allow them to have a “dumb phone,” i.e. one with no Internet capabilities: 29% Often, 35% Never

Q32. Please rate how frequently you perform the following activities in relation to your children and their online activities.
Nearly 3 in 10 parents have or know a child whose actions have compromised their online security in the last year.
Millennial parents are least likely to report their child has experienced online crime, while fathers are \textit{twice} as likely as mothers to do so.

45\% of fathers reported that their child has been a victim, compared to only 22\% of mothers.

\begin{itemize}
\item \textbf{Reported Child as Victim of Online Crime Among Parents}
\end{itemize}

\begin{itemize}
\item Millennial Parents: 25\%
\item Gen X Parents: 36\%
\item *55+: 57\%
\end{itemize}

\textit{Q34. Has your child ever experienced any forms of the online crimes listed below: By online we are referring to crime committed by means of computers or the Internet.}

*base size for 55+ parents: 19, data is directional only
South African parents are particularly worried about their children interacting with strangers online

The Internet + Parents’ Worry
Among South Africans / Showing Top 2 Box

- That they will be lured into meeting a stranger in the outside world: 71%
- That they will give out too much personal information to strangers: 71%
- That they will be bullied or harassed: 61%
- That they will be lured into illegal activities like hacking: 60%
- That they will do something online that makes the whole family vulnerable: 58%
- That they will incur financial costs or debts: 57%
- That what they post today will come back to haunt them in the future: 56%
- That the internet will negatively impact their intelligence: 46%
- That they will say or do something on the internet that would embarrass you: 42%
- That they will bully or harass others: 39%

On average, South African parents worry about 4.8 things when it comes to their child.
1 in 3 South African parents say their child has experienced online crime

Q34. Has your child ever experienced any forms of the online crime listed below: By online we are referring to crime committed by means of computers or the Internet (e.g., viruses, malicious software (“malware”), online fraud, fake websites which capture personal information online or via mobile or smartphone.)

- They downloaded a virus to their own computer or to the family computer: 18%
- They responded to a “smishing” message: 11%
- They responded to an online or email scam: 10%
- They have responded to a premium rate number scheme: 8%
- Someone has hacked into their social networking profile and pretended to be them: 8%
- They responded to a “phishing” message thinking it was a legitimate request: 8%
- They have been bullied online: 6%
- An adult they don’t know online tried to get them to meet them in the real world: 6%
- They have shared their password with someone who then misused it: 6%
- They have experienced other types of online crime or negative online situations: 5%

32% of South African parents have had their child experience an online crime.
Key Generational Findings
Millennials

- 39% of Millennials have been a victim of online crime in the past year (compared to 23% of South Africans 55+)
  - 1 in 5 have personally experienced unauthorized access to their social network profile
  - Password sharing may make them more susceptible – 43% admit to having shared a password with someone else, considerably higher than their older counterparts

- Despite experience, South African Millennials are less concerned about their online security
  - Only 41% of Millennials agree that using public Wi-Fi is riskier than using a public restroom, compared to 51% of South Africans 55+
  - And similarly, only 46% of Millennials say that their credit card information is more likely to be stolen online or from a retail system than from their wallet, compared to 73% of South Africans 55+ and 61% of Gen X

- South African Millennials are less likely to take personal responsibility for their security
  - Nearly 1 in 3 Millennials admit to abandoning an account rather than deleting it simply because it was easier (31%)

- However, Millennials have a high level of confidence when it comes to security measures
  - The vast majority know how to update privacy settings on a laptop (86%) or phone (94%), as well as secure their Wi-Fi network (83%)
  - 42% describe themselves as “tech savvy”
Gen X

• Gen Xers acknowledge the threat of cyber crime
  – 4 in 5 believe that having your identity stolen is more likely today than ever before
  – And they are most likely to understand the need to actively protect their information online (85% vs 75% of Millennials and 72% of Consumers 55+)

• But both instituting protective measures and the aftermath of online crime are emotional experiences
  – Over half (56%) feel overwhelmed by the amount of information they need to protect on a daily basis
  – 64% of Gen Xers feel frustrated and annoyed and 62% feel furious as a result of an online crime occurring
  – And Gen Xers are just as likely as Consumers 55+ to say they can’t keep up with new online threats (52% each, vs 40% of Millennials)

• Despite this, they are still willing to take responsibility for their protection
  – Gen Xers are most likely to say they are most responsible when online crime occurs (45%)
  – 64% say that it’s riskier to lend their friend their password than their car (vs 58% of Millennials and 61% of Consumers 55+)
Consumers 55+

- South Africans 55+ worry about online crime and see it as rampant
  - 83% believe identity theft is more likely than ever before, compared to only 70% of Millennials
  - Over 1 in 3 (36%) say they have little control over the spread of their information online
  - 73% say their credit card information is more likely to be stolen online or from a retailer’s system than from their wallet (vs 61% of Gen Xers and 46% of Millennials)

- As a result of this fear, they are the least likely group to share any passwords
  - 24% admit to sharing passwords

- Though they are least likely to have personally experienced online crime, when they do, it is emotionally charged
  - 70% feel furious when dealing with the aftermath of online crime
THANK YOU