Data Breaches Cause Shopping Precautions
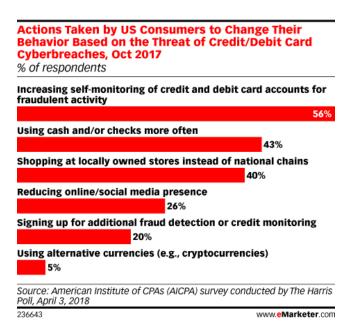
ARTICLE

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Following a number of high-profile data breaches, including ones at Saks Fifth Avenue and Panera Bread, the threat of someone obtaining their credit card information is on the minds of many consumers.

In a recent study from the American Institute of CPAs (AICPA), conducted by The Harris Poll, 81% of US consumers said they worry about how well businesses will protect their personal information. And because of these concerns, many have taken actions to safeguard their data.

One way they did so was by simply using a different form of payment. Some 43% reported using cash or checks more often, and another 5% said they used alternative currencies like cryptocurrencies.

Others opted to shop at more locally-owned stores rather than department store chains, and some even signed up for additional fraud detection to further protect themselves from cyberbreaches.

Actions Taken by US Consumers to Change Their Behavior Based on the Threat of Credit/Debit Card Cyberbreaches, Oct 2017

% of respondents

Increasing self-monitoring of credit and debit card accounts for fraudulent activity
56%

Using cash and/or checks more often
43%

Shopping at locally owned stores instead of national chains
40%

Reducing online/social media presence
26%

Signing up for additional fraud detection or credit monitoring
20%

Using alternative currencies (e.g., cryptocurrencies)
5%

Source: American Institute of CPAs (AICPA) survey conducted by The Harris Poll, April 3, 2018

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What's more, over half of respondents said they were more closely monitoring their credit and debit card accounts for any fraudulent activity.

AICPA's findings are in line with a separate survey from security company RSA, which also looked at the steps people take to protect their privacy. Of the 7,579 internet users surveyed in the US and Western Europe, nearly 80% said that wherever possible, they try to limit the amount of personal information they share with companies. And seven in 10 said they have boycotted—or would boycott—a company that continuously shows no regard for protecting their personal data.

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Attitudes Toward Data Privacy According to Internet Users in the US and Western Europe*, Jan 2018
% of respondents

Where possible, I try to limit the amount of personal information/data I put online/share with companies
78%

Have boycotted/would boycott a company that repeatedly showed they have no regard for protecting customer data
69%

If a company loses my personal data/information I feel inclined to blame them above anyone else, even the hacker
62%

Find it creepy that tracking technologies (e.g., wearables, Fitbits) collect and store data on my every move
58%

People are so used to giving away our personal information/data that reversing that trend will be almost impossible
55%

Feel like I have no choice but to hand over personal data in return for products/services from companies
46%

Have felt coerced into sharing personal data with companies that is not relevant to the product/service I am purchasing
45%

Companies having more of their customer data than before means that they offer better and more personalized products/services
31%

Would provide my personal information/data to companies for improved customer experience/services
26%

Feel quite defeated and just go along with sharing my data now
24%

*Note: ages 18+; top 2 "strongly" and "tend to agree" responses; *France, Germany, Italy and UK*
Source: RSA, "Data Privacy & Security Report" conducted by YouGov; eMarketer calculations, Feb 8, 2018

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Interestingly, however, more than half of respondents said they're used to giving away their personal information, and that "reversing that trend will be almost impossible." And another 46% believed handing over their data was unavoidable—they felt they had "no choice but to hand [it] over in return for products/services from companies."