New plastics are the new norm

Q. Has your financial institution sent a new debit, credit, or prepaid card to you during the past year because of a data breach or fraudulent activity? (n=306)

- Yes—once: 32%
- Yes—twice: 8%
- Yes—3 times: 1%

Source: Aite Group, ACI Worldwide survey of consumers in 20 countries, Q1 2014
The rings monetize the stolen data efficiently

Source: Krebsonsecurity.com
Attacks range from sophisticated...

1. Mid-2013 HVAC contractor compromised
2. 3Q/4Q BlackPOS malware placed on network
3. Nov. 27, 2013 BlackPOS began collecting data
5. Week of Dec. 7 Data dumps posted for sale
6. Dec. 18, 2013 Target removed malware
...to very basic

- 28% of breaches result from weak passwords
- Another 28% of breaches result from weak remote access security (Trustwave)
Chip cards: Highly effective at bringing down counterfeit fraud

Changes in Canadian Credit Card Fraud Losses, 2008 to 2013 (In millions of CAD)

Source: Canadian Bankers Association
Fraudsters will shift tactics

Change in Canadian Credit Card Fraud Losses, 2010 to 2013 (In CA$ millions)

Source: Canadian Bankers Association
Mobile: The center of the universe
Aite Group: Partner, Advisor, Catalyst

Aite Group (pronounced eye-tay) is an independent research and advisory firm focused on business, technology and regulatory issues and their impact on the financial services industry.

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