

BARCLAYS DIGITAL SAFETY INDEX 2017: Summary of key findings

“Online scams are very prevalent. Criminals call the victim, for example, and pretend to be from a software company. They say they have spotted an error on the victim’s computer, and ask the victim to log in and give them the control of the computer. That happens so often, and people believe it. We need to make people more aware of these scams.”

Emma Philpott, Founder of the UK Cyber Security Forum

Cybercrime presents a serious and growing threat to individuals and businesses across the UK.

Since the arrival of the Internet, scams and fraud have evolved from an obscure threat to the UK’s number one crime. The latest annual results for the Crime Survey for England and Wales estimate there were 5.6m cases of cyber fraud and related crimes in the year to September 2016¹. Together, these were the leading crimes experienced by UK adults, accounting for *almost half* of all crimes. As incidence grows, so too, the financial impact. Cyber criminals cost the UK an estimated £11bn in 2015-16², while victims of online crime are estimated to lose an average of £523 each.

UK’s first Digital Safety Index

We believe that if individuals are to reduce their vulnerability to online crime, they need sufficient ‘digital safety awareness’: the ability to protect their devices against malware and hacking, and to understand when they are at risk of more serious threats such as identity theft, fraud and scams.

With this in mind, Barclays has conducted a unique new study that assesses digital safety awareness among adults across the 12 nations and regions of the UK (as well as across genders, age groups, education levels and employment status). It seeks to both understand current levels of awareness, as well as investigate the extent to which better awareness can help protect against cyber crime. The scores are based on responses to a survey of digital knowledge and skills among 6,000 adults in the UK, conducted by Barclays in February and March 2017.

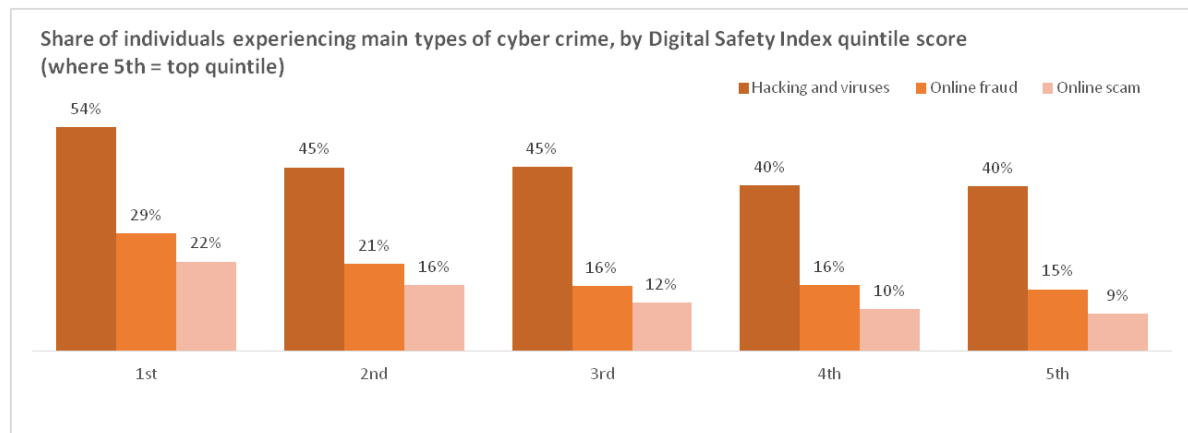
Key findings:

There is a clear link between higher levels of digital safety awareness and a reduced likelihood of experiencing fraud or scams. Those scoring within the bottom 20% (or quintile) of the Digital Safety Index were also *more than twice* as likely to have fallen victim to an online scam as those in the top and second-top quintiles, with a similar ratio for experience of cyber fraud. While there is a weaker link between digital safety awareness and incidence of hacking and viruses, those in the bottom 20% of the

1 <http://www.crimesurvey.co.uk/SurveyResults.html>

2 <http://www.actionfraud.police.uk/news/fraud-and-cybercrime-cost-UK-nearly-11bn-in-past-year-oct16>

Digital Safety Index were still about one third more likely to have experienced such breaches than those in the top two brackets.



London is a digital “black spot” within the UK, both in terms of awareness and susceptibility to crime. In most parts of the UK, differences in Digital Safety awareness scores vary only marginally. The exception, however, is the UK capital, which languishes at the bottom of our regional index. London’s position may be driven in part by the city’s high share of Millennials (41% of people polled, compared to a UK average of 30%), which received lower scores overall compared with older age groups (see below). However, this doesn’t paint the whole picture. Across demographic groups, Londoners tend to fare worse in our Index of digital safety awareness, and – in line with our findings linking awareness to experience of hacking and fraud – they are also the number one target for cyber crime (see charts, below).

While cities in general perform more poorly than rural areas. Another possible explanation for London’s poor scoring could be the wider range of activities Londoners (and other city dwellers) carry out online, such as swiping their phones to access public transport and connecting to free public wifi, which could be driving complacency in other areas of their digital lives. With more people working in white collar jobs in cities compared to rural areas (which by contrast score better than the UK average), it could also be that people are simply doing too many things online to practice good “digital hygiene”. Indeed, among the 10 leading cities in our Index, all bar one – Liverpool – has a Digital Safety score of below the UK average, with Birmingham emerging alongside London both as a weak spot for safety awareness and as a hub of digital crime.

One in four people have experienced a cyber fraud or scam in the past three years, supporting recent official estimates that most cyber crimes go unreported. A startling 25% of adults say they have fallen victim to a cyber fraud or scam at least once in the past three years. At least 18% of individuals were victims more than once. Separately, 19% were victims of fraud and 14% victims of scams³. These figures may sound alarmingly high – particularly as the Home Office data on reported crimes showed just a 1% incidence of fraud last year⁴ – but it is close to the annual rate of 8% of

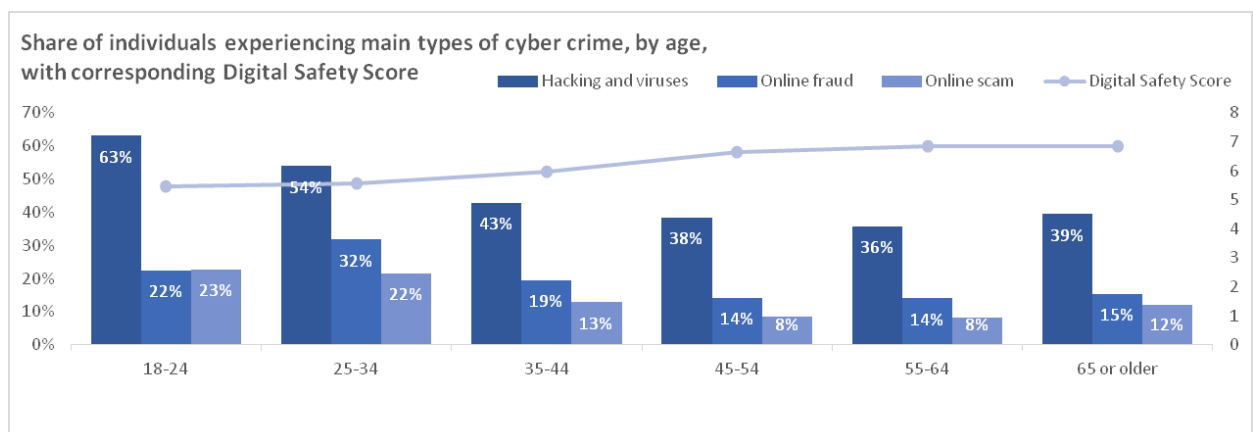
³ As individuals were asked both whether they have been victims of a fraud and then, separately, whether they had experienced a scam, it is possible that there may be some double-counting between the two. The aggregate figure counts only instances where an individual experienced either a fraud or scam.

⁴ <https://www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice>

adults recently estimated by the ONS⁵ in a new attempt to capture the true volume of cyber crimes which remain, for various reasons, woefully underreported.

In terms of vulnerability to digital crime, typical stereotypes don't apply. In contrast to common stereotypes, older respondents actually score better on digital safety awareness than their younger counterparts, and also experienced far less cyber crime. Digital awareness scores for the oldest age bracket (65 years old and above) were some 27% higher than the youngest (18-24 year olds) while one third (32%) of 25 to 34 year olds reported being victims of cyber fraud – the highest incidence of any demographic we analysed. This also puts to bed the notion that older people are more at risk of being “duped” by cyber criminals – in the 55 to 64 age bracket, just 14% had experienced cyber fraud, despite spending similar amounts of time spent online as Millennials.

While new approaches may be required to help younger people stay digitally safe. Data on hacking also highlights a worrying trend for younger generations: almost two-thirds (63%) of 18 to 24 year olds had fallen prey to hackers or viruses – again the largest share across demographics. And yet, when asked about actions taken to prevent future attacks, Millennials were less likely than their older counterparts to take positive action – such as installing anti-virus software – following a computer breach, leaving them even more vulnerable to subsequent attacks. This suggests either a lack of awareness of the risks, or a means of installing adequate protections. And while anecdotally, more companies seem to be investing in training all staff members in digital safety practices, those not yet in the workplace (60% of students also report being exposed to hackers or viruses) may not have the means or knowledge of where to go for help.



Education levels and general digital skills offer no protection against cyber risks, while those in senior positions are being increasingly targeted, even where awareness levels are higher. Both general education levels as well as broader digital skills appear to be no defence against cyber criminals. For example, Londoners do best across UK nations and regions on digital skills⁶, but worst on measures of Digital Safety. A similar trend holds across education brackets, with those holding Masters degrees

⁵ Based on an estimated 44m adults in England and Wales aged 16 and over (Source: ONS Overview of the UK population, March 2017)

⁶ According to Barclays' upcoming Digital Empowerment Index, London scores top across UK nations and regions on digital skills

scoring slightly less well on digital safety awareness than those with post-high school or bachelor qualifications, and reporting a markedly higher incidence of all types of digital threat. Meanwhile, senior executives score above-average on their digital safety awareness, but are more at risk than any other function of cyber crime, with one in four experiencing cyber fraud and one in five a cyber scam in the past three years. This tends to confirm recent anecdotal reports of “spear” phishing and other types of cyber crime targeted at senior figures.

“People who feel very comfortable with technology can have a false sense of security. They think that they would never either be targeted or that if they did receive a phishing email, that they would recognise it. And of course, some phishing emails now are so sophisticated that even people in the cyber security profession wouldn't [immediately](#) recognise that they are malicious.”

Jessica Barker, Cyber Security Consultant

APPENDIX:

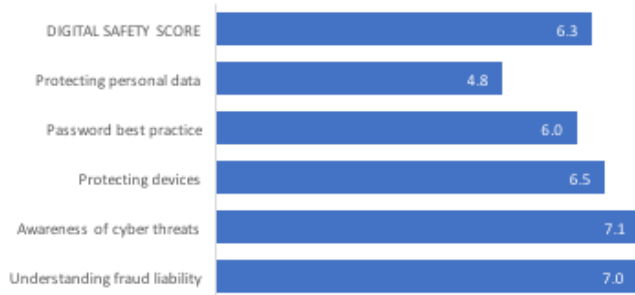
How we measure Digital Safety

Barclays Digital Safety Index measures respondents' awareness and attitudes towards cyber security in five key aspects: protecting data, protecting devices, managing passwords, spotting threats, and understanding risks. For each measure, respondents were asked a series of questions. The survey blended self-assessment (such as how often individuals change their passwords) with exam-style questions (such as being able to spot whether an email is a phishing scam).

Respondents were awarded points in each category according to how well or poorly they performed, summing to a maximum score of 10 points across all categories (and a minimum of 1).

Very few respondents managed top marks in all categories, though 5% scored 9 points or better across the Index; the UK average was 6.3 points. Overall, individuals performed best in identifying threats and risks, but worst in the management of their own data and passwords.

Digital Safety scores by category: UK average



City ranking: DIGITAL SAFETY SCORE

