

A person is shown from the side, using a laptop and a smartphone. The laptop screen displays a large padlock icon composed of a network of nodes and lines. The background is filled with a grid of smaller padlock icons and glowing digital lines, suggesting a secure digital environment. The overall color palette is dark blue and teal.

tenerity

PrivacyGuard™

ID Theft SOS:
How to win customer
preference and loyalty
with ID protection

Executive Summary

A key theme that emerged from the pandemic was the rapid acceleration of digitalization; consumers and businesses are now more reliant than ever on technology. Digital-first has become a necessity rather than an option.

While digital transformation brings significant benefits, it also creates challenges for brands and their customers alike.

For brands, the rules of customer engagement are changing. Brands must now work harder to stand out from the crowd to win and retain customers. Digital customers are exposed to more choice and the opportunity to switch easily between suppliers at the click of a button or swipe of a screen.

For consumers, as the reliance on connected devices, online accounts, and digital transactions increases, so in turn does the risk to personal information, data security and the potential of being exposed to identity theft.

The Federal Trade Commission (FTC), a consumer protection agency, shows identity theft reports last year were more than triple the number from 2018. Cases reached 1,387,615 in 2020; 650,523 in 2019; and 444,344 in 2018.⁽¹⁾

In September 2021, we conducted the “ID theft SOS” consumer pulse survey. We wanted to understand if there was an opportunity for brands to help customers with protecting against the threats of ID theft by including (bundling) ID theft protection services, and in doing so, would they be able to:

- Attract and win more customers
- Retain more customers and earn loyalty
- Create a new revenue stream

Survey Highlights



CONCERNS ARE HIGH.

Consumer concern and awareness of ID theft are significant. This concern now exceeds other forms of crime, including physical, property, and vehicle crime.



CONFIDENCE IS LOW.

Consumers lack the confidence to prevent cybercrime or resolve the consequences on their own should they become a victim.



SUPPLIER TO PROTECTOR.

An opportunity exists for businesses to help their customers by providing them the tools to protect their identity better.



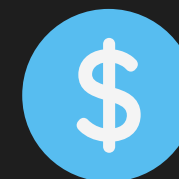
A POWERFUL DIFFERENTIATOR.

Customers are more likely to select a product or service which includes ID theft protection services as an extra benefit.



DRIVES RETENTION AND LOYALTY.

Customers are more likely to renew a product or service which includes ID theft protection services.

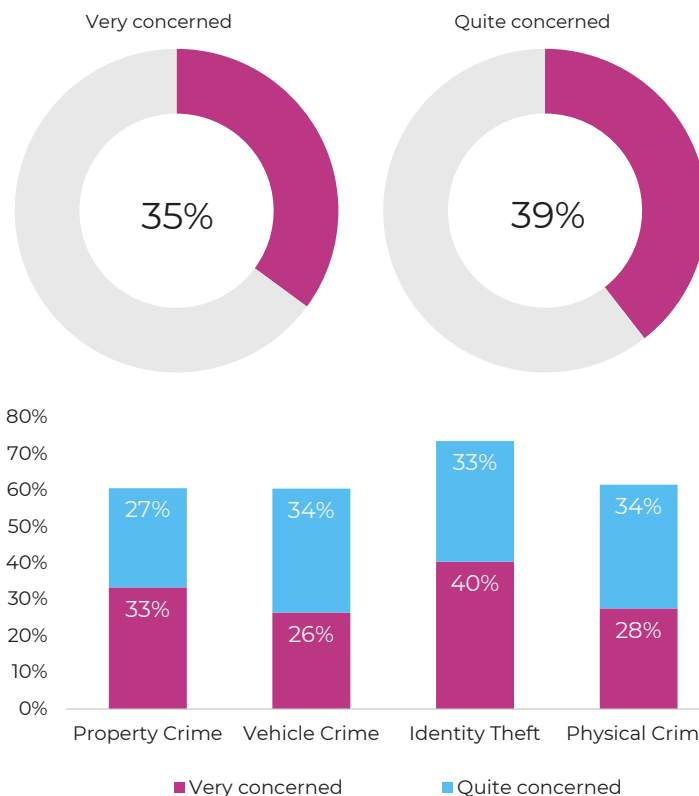


CREATES A REVENUE OPPORTUNITY.

Customers are willing to pay to have ID theft protection services included, creating a new revenue stream for businesses.

ID theft is a significant concern for consumers

Consumers sharing increasing amounts of personal data and information is driving their awareness and concern of ID theft.

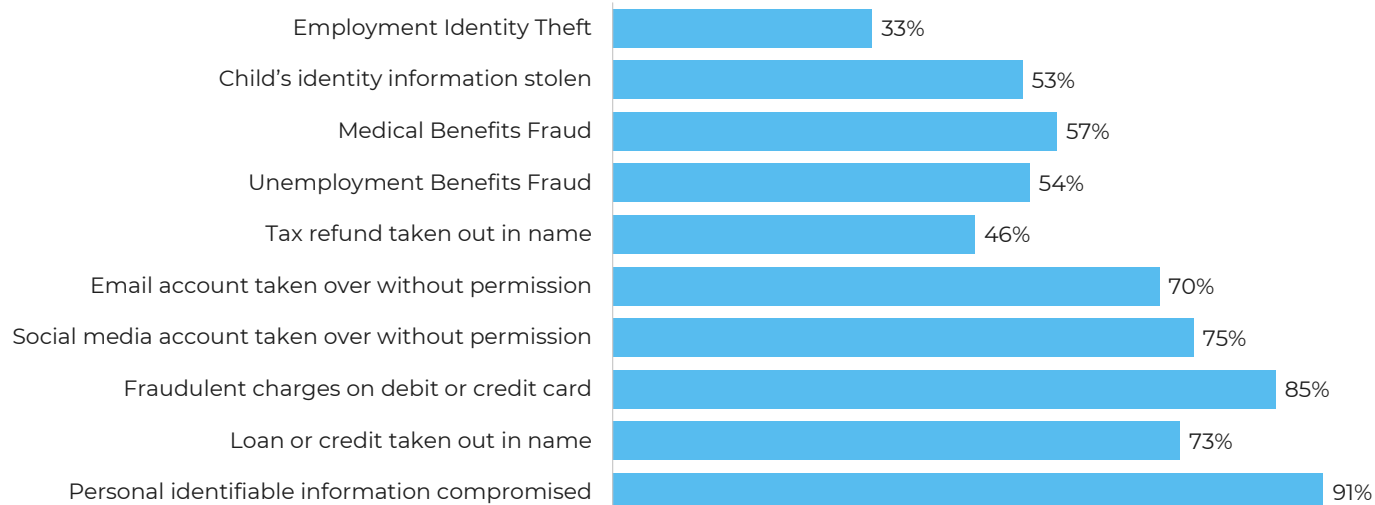


- Nearly 75% of consumers are very or quite concerned about the potential for ID theft.

- Over 70% of consumers are more concerned about falling victim to ID theft than other forms of crime, including property, physical, and vehicle crime.

Consumers have good knowledge of the different types of ID theft

Consumers are acutely aware of the different forms of ID theft and are knowledgeable of the types of risks that exist.



Please choose the types of ID theft that you are aware of.

Consumers have good knowledge of the different types of ID theft

Respondents also understand that anyone can be a potential target of ID theft

67%

agree that identities can be stolen by someone they know

76%

recognize that identity thieves do not exclusively target high-wealth individuals

77%

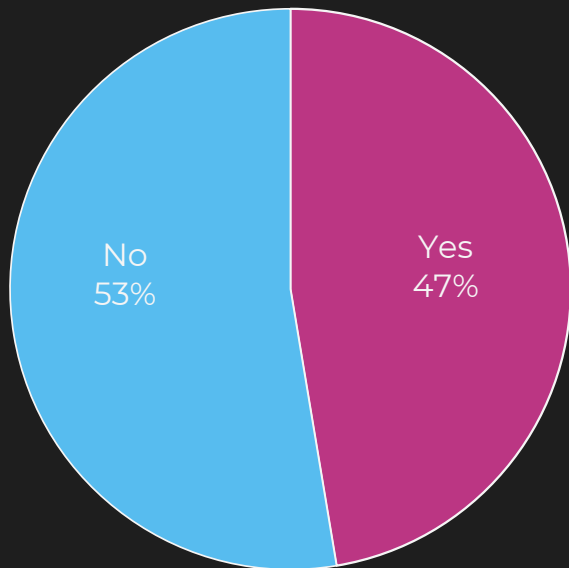
agree that children are at risk of identity theft

75%

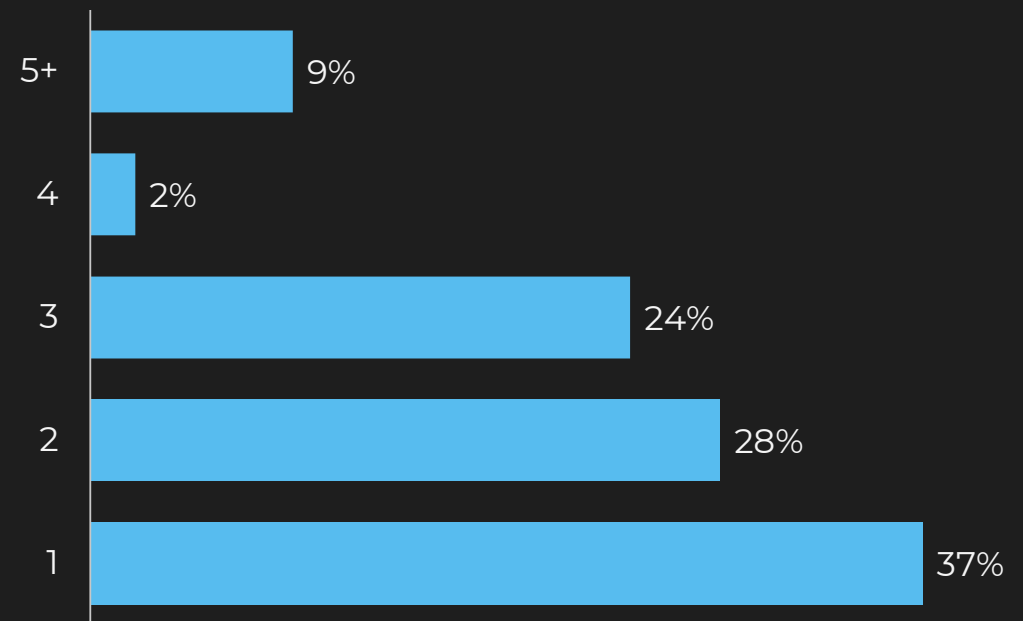
agree that having a low credit score does not stop a person from being a target of identity thieves

Consumers know ID theft happens, but they are ill-equipped to deal with the aftermath

Nearly 50% of US households have experienced some form of identity theft, with close to 63% experiencing multiple incidents of ID theft.



Have you or anyone in your household been a victim of ID theft?

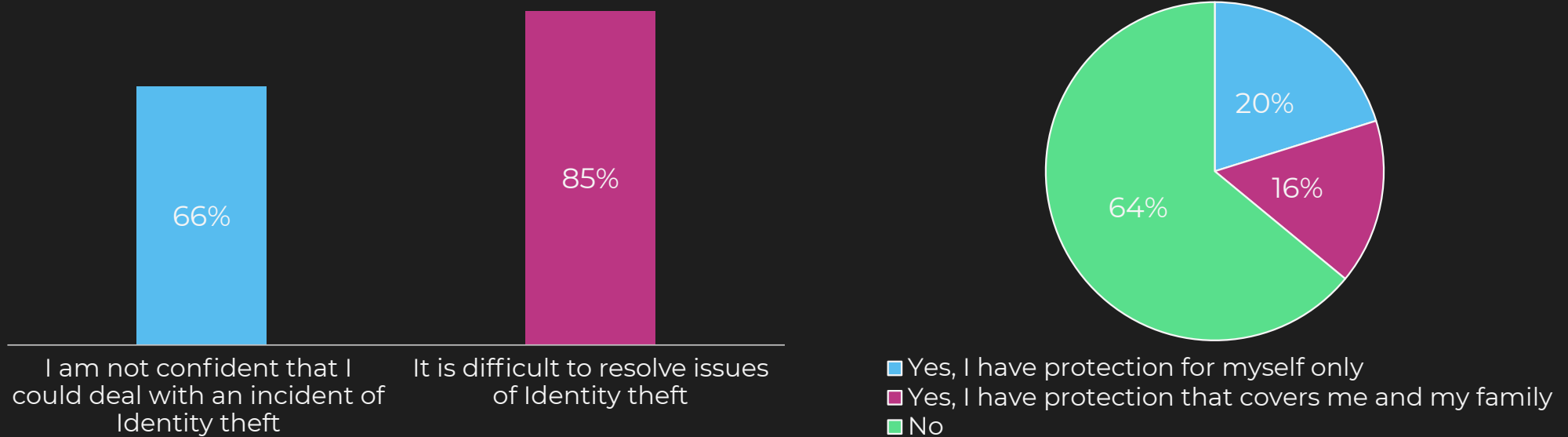


How many incidents of ID theft have you or someone in your household suffered?

Consumers know ID theft happens, but they are ill-equipped to deal with the aftermath

65% of consumers are not confident in resolving an incident of ID theft, with a massive 85% agreeing that ID theft would be difficult to resolve.

Despite these findings, a surprising 2/3 of consumers do not currently subscribe to any ID theft protection services.



Inclusion of ID theft protection creates differentiation and drives preference

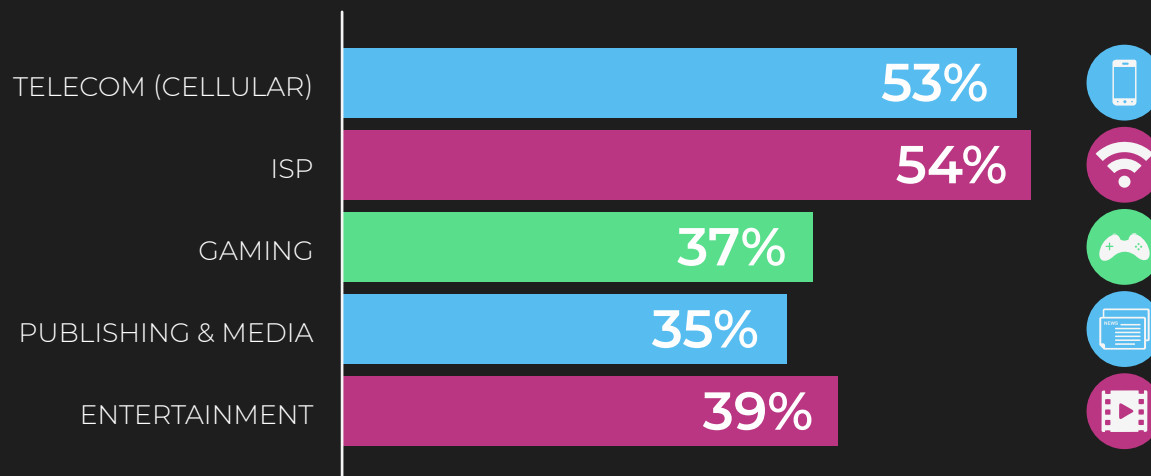
The data reveals that including (or bundling) cyber and ID protection services as part of another account, policy or contract can be a differentiator for a consumer when it comes to selecting services.

The inclusion of ID Theft protection increases the likelihood of purchase or renewal in sectors that we would traditionally expect to be associated with

Identity theft protection, such as Financial Services (79%), Insurance (70%).

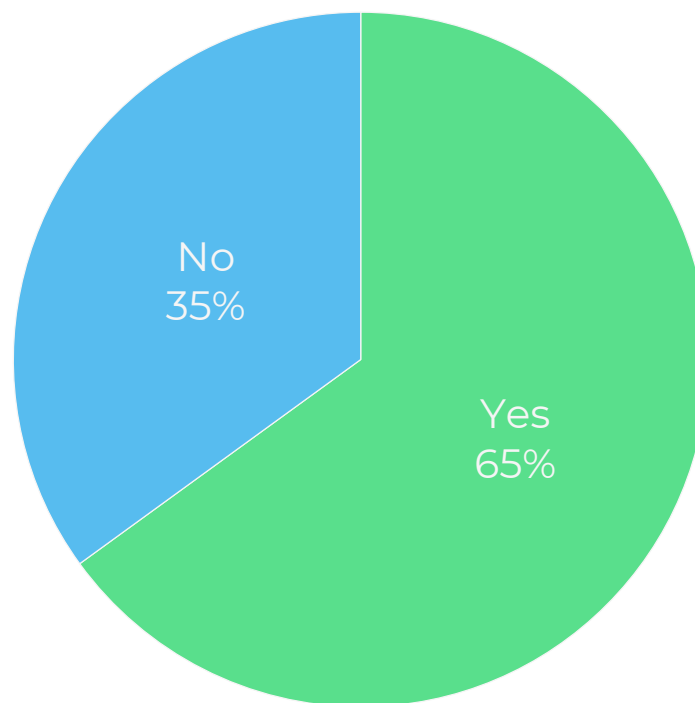
However, it's interesting to see that it also influences preference in a broad range of other services.

Respondents stated that it would positively influence their decision to select a service provider in the following verticals.



Inclusion of ID theft protection services creates a new revenue opportunity

While helping consumers with identity theft issues creates differentiation and increases the likelihood of purchase or renewal, it also creates a potential new source of revenue for businesses.



In our survey, nearly 65% of consumers stated that they would be willing to pay for ID theft protection services as an added benefit when purchasing another product or service.

Winning customer preference and loyalty

The threat of identity theft shows no signs of slowing. The pandemic has accelerated digital transformation, and many more aspects of our lives are fast-moving online.

In an ever-evolving and complex digital landscape, consumers recognize the risks and threats presented by identity theft. Most are not protected and are woefully underprepared and ill-equipped to deal with identity theft.

There is a real opportunity for businesses to stand out against competitors by helping customers protect their identity and data and ensure a safer digital experience by including Identity Theft Protection as an added benefit with their services.

For businesses that meet that challenge, our survey suggests that this will be a powerful differentiator. Businesses will be rewarded by being chosen as the preferred provider of products and services, afforded greater customer loyalty, and given the opportunity to create a new revenue stream.

PrivacyGuard is a top-ranked consumer credit and data monitoring service with over 40 years of experience in helping to protect customers against identity theft.

Including PrivacyGuard with your products or services delivers a necessary security shield for your customer's financial and sensitive information against the growing number of cyber threats and data breaches.

With PrivacyGuard, your customers are provided with enhanced security and peace of mind, helping them to stay protected. PrivacyGuard is committed to helping consumers protect personal information and remove the emotional stress and hardship identity theft can have on people everywhere.

To learn more about how PrivacyGuard can help you to win customer preference and loyalty, please visit:

<https://business.privacyguard.com>

or email: sales@tenerity.com



PrivacyGuard™

Tenerity is the global leader in driving profitable loyalty. With our platform, Interact, we connect consumers to distinctive offers, discounts, experiences, and incentives to generate revenue for our clients – all while automating customer touchpoints, with a respect to privacy.

Headquartered in Stamford, Connecticut, USA, Tenerity has approximately 1400 associates in 18 countries.

Tenerity. We automate brand enthusiasm.

www.tenerity.com

Survey size:

Respondents: 114. Male: 52% Female: 48%. US adults age 18 to 70.

¹<https://www.cpomagazine.com/cyber-security/identity-theft-doubled-during-the-pandemic-as-fraudsters-targeted-covid-19-relief-payments>