



The Business of Security: **Leveraging Identity Protection for** **Customer Trust and Loyalty**

Executive Summary

In a world where digital threats are evolving rapidly, companies must respond proactively to protect their customers' identities and data. This report explores critical areas where banks, insurers, and telecommunications providers can enhance consumer trust and loyalty.

Through a global survey of over 8,500 consumers, we examine key findings, including:

- **Consumer Concerns and Awareness:** An analysis of consumer anxieties around cyber threats, from hacking to phishing scams, and the gap between their awareness and confidence in managing these risks.
- **The Trust Gap:** Insights into why consumers remain skeptical about existing identity protection solutions, and how companies can bridge this gap by building visible, effective safeguards.
- **Consumer Preferences:** A breakdown of regional differences in preferred identity protection products, including anti-virus solutions, credit report monitoring, and security guides.
- **Strengthening Revenue and Loyalty through Identity Protection Services:** The impact of offering identity protection on customer satisfaction and retention, highlighting how these services can drive loyalty and create cross-selling opportunities.
- **Strategic Recommendations:** Actionable steps for companies to develop, market, and implement identity protection services that align with both emotional and practical consumer needs.



Why Digital Identity Matters

Digital identity is a collection of vital online information about an individual/organization, including both identifiable and confidential information. This set of information can be used to help consumers access financial services and for businesses to verify a customer’s identity.

For secure online transactions, protecting digital identity is important. Doing so will prevent identity thieves from opening fraudulent accounts, making unauthorized purchases, or committing crimes under an unsuspecting individual’s name.

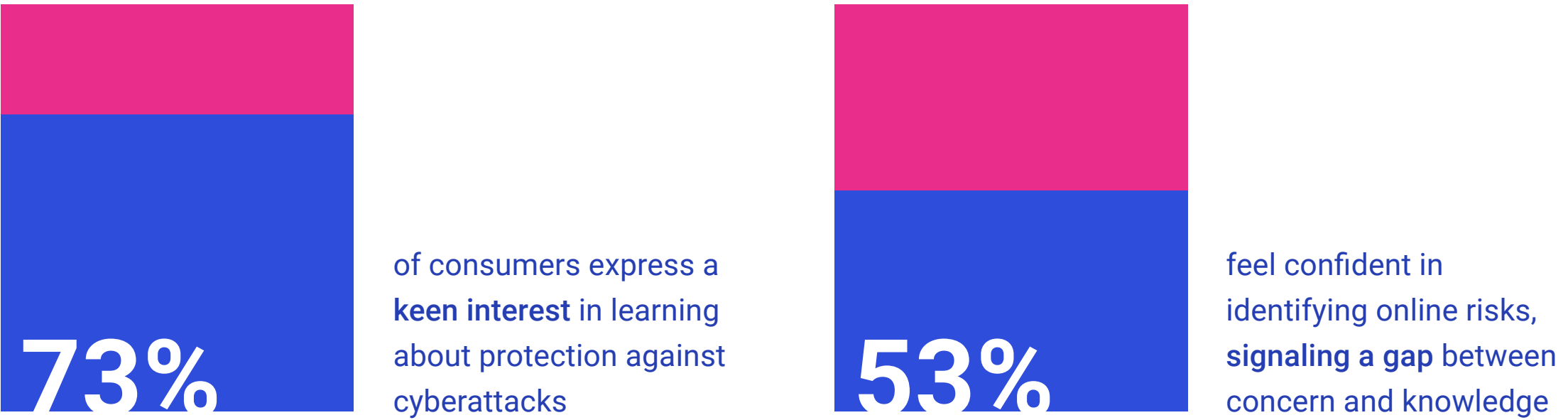
Our global survey of over 8,500 participants reveals a digital landscape filled with consumer anxiety and a significant opportunity for brands to lead.

73% of consumers express a strong desire to learn how to protect their digital identities against cyber threats, yet only **53% feel confident** in identifying online risks. This gap between awareness and capability represents an opportunity for companies to empower consumers and build trust.

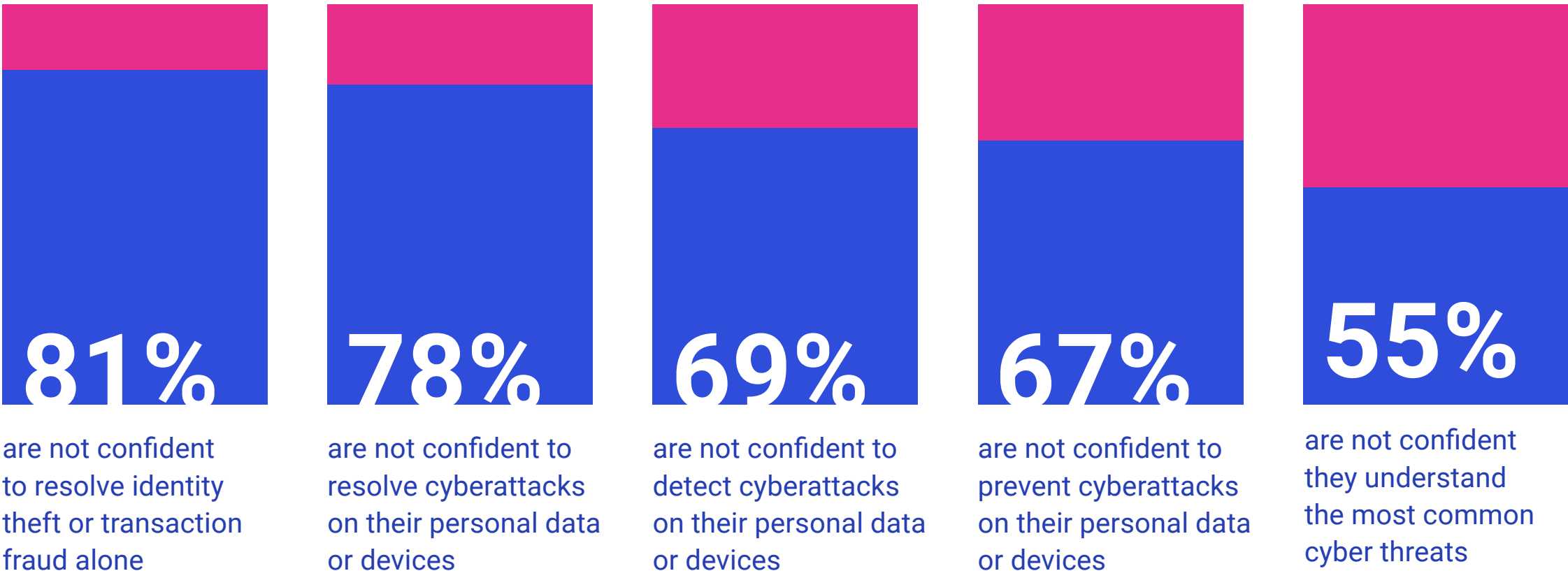
Despite widespread awareness of security features like privacy settings, many consumers remain skeptical about their effectiveness. In fact:

81% of respondents admitted they do not feel confident in their ability to resolve identity theft issues.

Consumer interest and confidence



Consumer confidence of preventing, detecting, and resolving cyberattacks and identity theft



Most Concerning Cyber Threats for Consumers

Digital consumers fear having their sensitive and financial information exposed illegally. Topping the list of the most concerning cyber threats is hacking, a danger that looms over all online transactions and communication. Following closely are the risks of account takeover and phishing—invisible dangers that can expose a person’s financial information in minutes.

Many consumers are also anxious about data falling into unauthorized hands during a data breach, with hacking again topping the list.

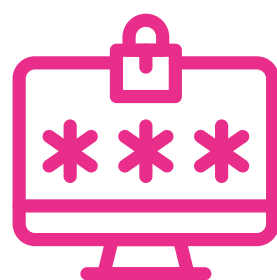
There is room to further educate consumers about the characteristics of robust cybersecurity measures. Financial institutions can act as a line of defense—ensuring that client data remains secure by implementing strong password requirements and multi-factor authentication, as well as encrypting sensitive data to protect it from unauthorized access.

These fears do not simply cause minor inconveniences—they directly impact the consumer’s sense of security and control. They affect consumers of all ages and locations, making it apparent that no one is immune to the dangers of the digital landscape.

1. Hacking



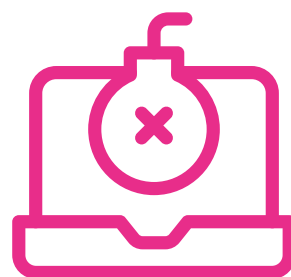
2. Account Takeover



3. Phishing



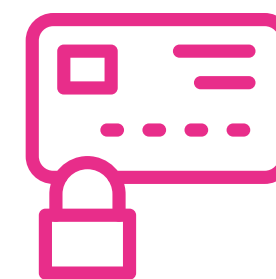
4. Ransomware



5. Cyberbullying



6. Providing Payment Information

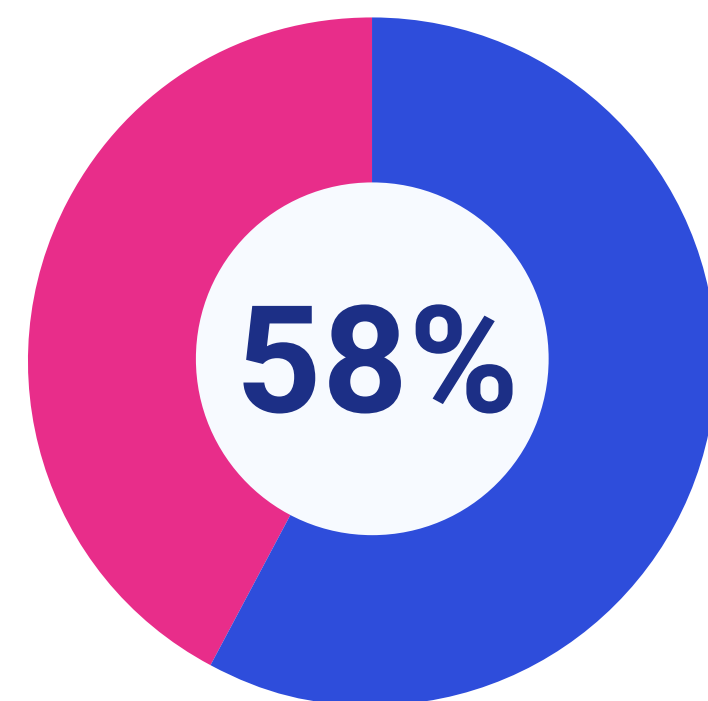


7. Wi-Fi Security

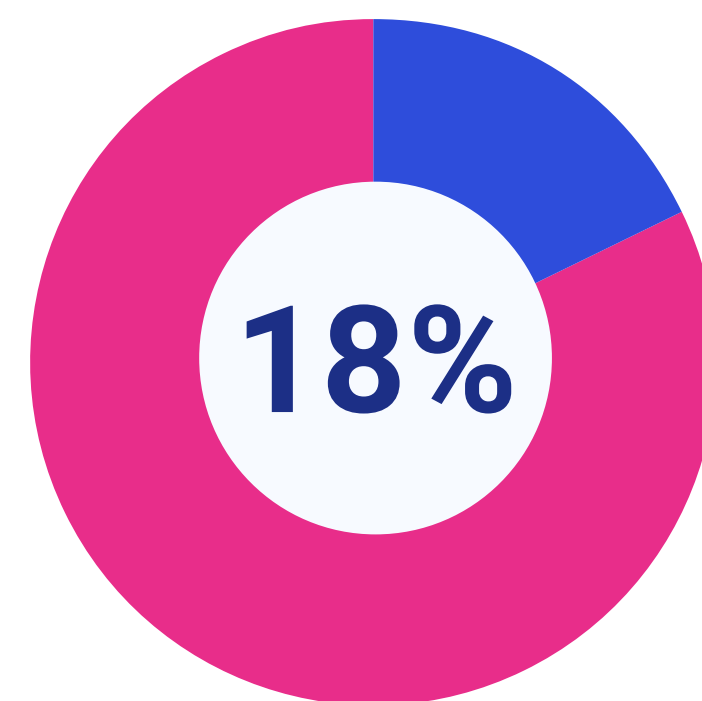


The Trust Gap: Turning Customer Concerns into Loyalty

Our research indicates that **58% of consumers have never used** an identity protection product, and an additional **18% have previously subscribed but chose not to continue**. This hesitation reveals a critical trust gap, as consumers remain skeptical about the effectiveness of current identity protection solutions.



Never had an identity
protection service



Have previously
subscribed to an identity
protection service

Overcoming Skepticism Through Proven Protections

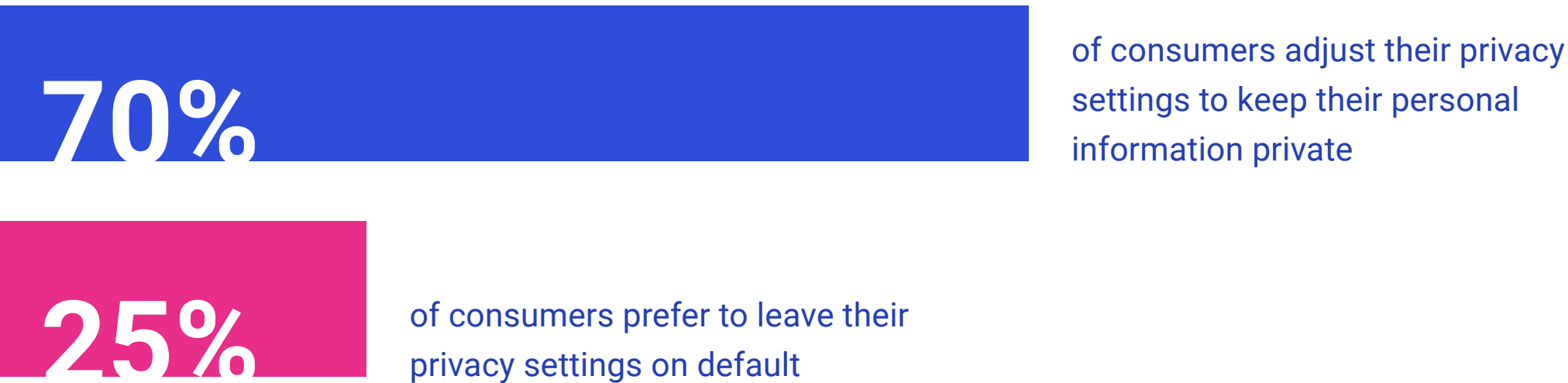
Consumers' skepticism presents a unique opportunity for companies to stand out. By addressing this gap with visible, reliable identity protection measures, companies can transform uncertainty into trust and loyalty. Key steps include:

- **Transparency in Protection:** Show consumers exactly how their data is safeguarded, reducing the unknowns.
- **Proven Effectiveness:** Highlight case studies, testimonials, or statistics that validate the product's reliability.
- **Education and Empowerment:** Offer resources that help consumers understand security risks and how to manage them effectively.

Skepticism in Social Media

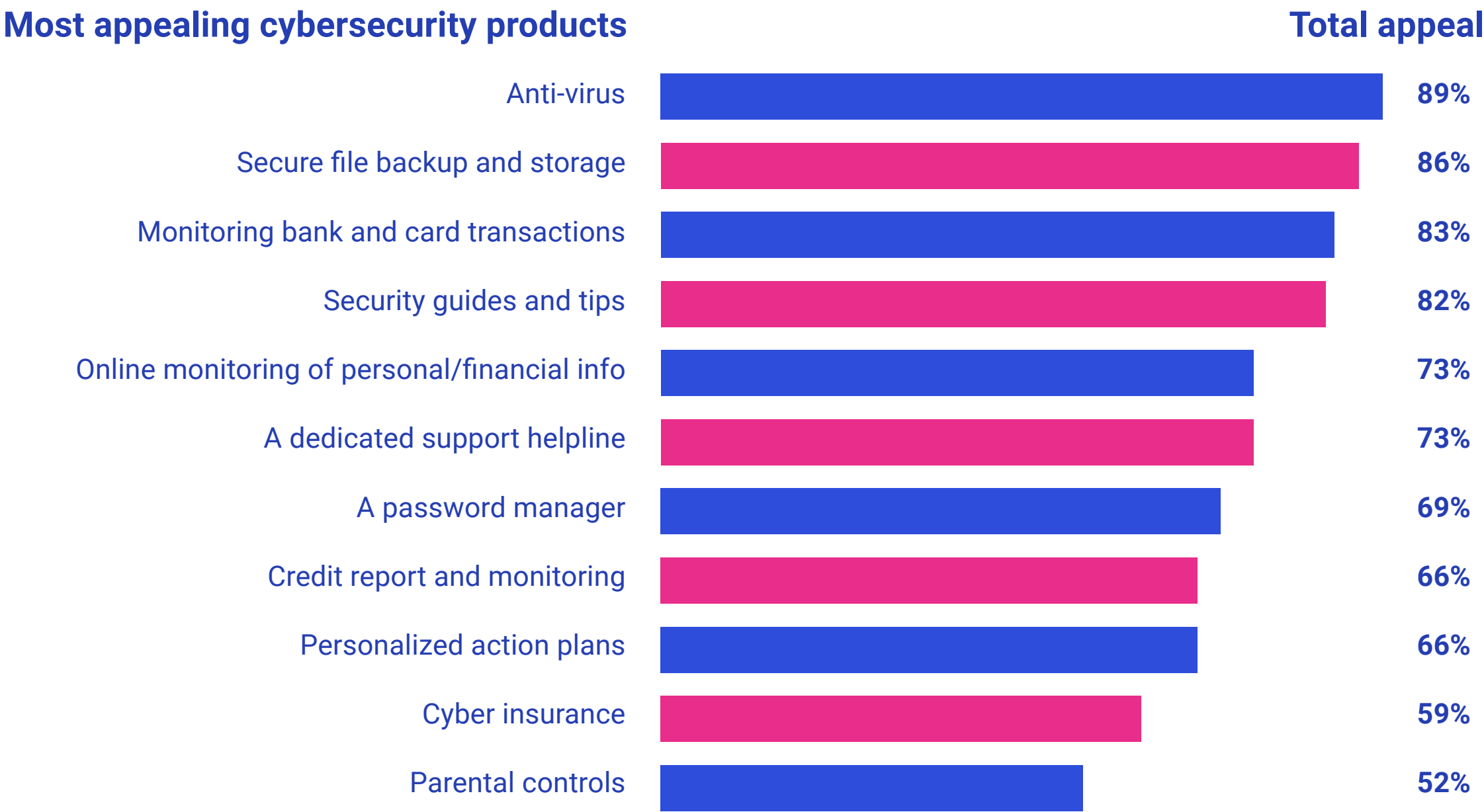
The skepticism extends to social media. While 70% of surveyed individuals adjust their privacy settings to suit their preferences, 25% leave them completely untouched as default. This behavior speaks volumes, echoing a need for increased consumer education on these risks, as well as the need for more user-friendly, clear, and reliable security measures in the online world.

Consumer skepticism in social media



Consumer Preference of Protection Products

An examination of consumers’ preferences for identity protection products shows a trend that reflects regional differences and diverse consumer needs. The popularity of anti-virus solutions stands out perhaps because it is the most prevalent (and most in-built within their devices), but it faces competition from the growing demand for bank and card monitoring services. However, it is more complicated than it appears. In the United States, credit report monitoring emerges as a prominent preference, signaling a unique market-specific concern. In the UK, there is a lean towards security guides, indicating a need for knowledge and safeguard against digital threats.



Likelihood of Adopting Identity Protection

What enables a consumer to adopt an identity protection product? Our findings suggest a variety of factors: affordability, proven effectiveness, and the appeal of bundled services. These are not just product features; they are keys to unlocking consumer trust and engagement.

The discovery here is that the decision to adopt such protection is less a matter of “if” and more a matter of “how.” Consumers are on the edge, ready to step into the safety that these products offer, provided the path is clear, accessible, and trustworthy.

There is still demand



Only **24%** of respondents currently have some form of identity protection



Of those who don't, **32%** expressed a desire to get a monitoring product in the future

Security Benefits as Key Attractive Features

Among the many benefits that could be bundled with services, one stands out as the most desirable—security benefits. This feature, which includes identity protection, exceeds traditional offerings and serves at the top of consumer preference.

More than **44% of surveyed individuals worldwide have a strong preference for security benefits as a bundled offering** compared to:

- **Shopping benefits (22%)**
- **Insurance benefits (16%)**
- **Travel benefits (14%)**

It's a call to service providers that in today's digital world, the most coveted add-on is not just convenience or luxury, but the fundamental assurance of safety and security.

44%

Have a strong preference for security benefits as a bundled offering

Strengthening Revenue and Loyalty through Identity Protection Services

In consumer relations, trust, satisfaction, and loyalty are not just outcomes—they influence how businesses and customers interact. Our findings suggest a link between these services and an enhancement in customer trust and loyalty. This goes beyond a business transaction—it involves establishing a bond, where customers view their service providers not just as facilitators but as protectors of their digital information.



70%

are more satisfied with the company because they provide this service

Retention and Cross-selling Opportunities

Offering identity protection services is linked to potential within the customer relationship. These services extend beyond adding value—they call for a deeper engagement. Customers, feeling secure and valued, are more likely to remain loyal, reducing churn and opening the doors to cross-selling opportunities. This is a landscape where satisfaction breeds retention, and trust translates into a willingness to explore additional services, creating a cycle of growth and loyalty.



67%

are likely to renew this service with the company

55%

are likely to buy other products or services from the company

Desired Emotional Outcomes for Consumers

At the heart of every consumer's online interaction is a desire for peace of mind. The introduction of identity protection services by key industry players has the power to address this core emotional need. Consumers are looking for more than just safety measures—they want to feel reassured and experience a sense of overall well-being. Banks, insurers, and telecom companies can change the narrative from fear and uncertainty to confidence and contentment by providing services that meet those emotional needs.

Developing and Marketing Identity Protection Services

When navigating online, many consumers consider identity protection services important for their security. For banks, insurers, and telecom companies, this is an incentive to establish enhanced cybersecurity measures—and these solutions should not only be robust and comprehensive, but also resonate with the emotional and practical needs of consumers.

Building Customer Relationships through Security Services

Consumer relationships built on trust are essential in the digital era, and identity protection services play a significant role. For service providers, this is an opportunity to elevate the role of a transactional entity and become a cornerstone in their customers' sense of digital well-being. By offering these services, companies can foster a relationship that goes beyond the surface level, nurturing a sense of loyalty and trust that is both deep and enduring. This relationship is not just beneficial; it is transformative, for both the provider and the consumer.

Partnering with a Known, Trusted—and Flexible Provider

Partnering with a trusted identity protection provider is crucial. This collaboration is not only about leveraging external expertise but also aligning with a partner whose reputation and expertise in identity protection are already established. Such a partnership amplifies the trust factor, as consumers often gravitate towards brands they recognize and hold in high regard.



The Opportunities Ahead

Protecting digital identities is essential for any company that values customer trust and aims to lead in today's competitive landscape. This report reveals a clear opportunity: companies that proactively secure their customers' data can transform digital challenges into lasting competitive advantages. PrivacyGuard's 360° approach to identity protection—spanning prevention, detection, and resolution—addresses consumer concerns holistically, ensuring peace of mind across every digital interaction.

Key Actions for Businesses

Our research highlights that addressing consumers' security concerns can:

- **Build Stronger Customer Relationships:** Identity protection isn't just a service—it's a foundational element of long-term loyalty, with proactive security measures that keep consumers returning.
- **Differentiate in Digital Security:** Leading brands that prioritize transparency and comprehensive security measures, like PrivacyGuard's end-to-end monitoring and fraud resolution, stand out in a crowded marketplace.
- **Establish a Legacy of Trust:** By committing to robust protection, companies foster customer loyalty that goes beyond transactions, creating a bond based on security and confidence.

PrivacyGuard's comprehensive identity protection solution offers a powerful path forward, allowing companies to meet modern security demands while strengthening customer relationships.





www.PrivacyGuard.com