Cost of a Data Breach Report 2020

Key Findings and Best Practices for Public Sector Organizations

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Today’s topics

- 2020 Cost of a Data Breach Report: Key findings
- Minimizing data breach costs: Best practices
Cost of a Data Breach Report

- 524 breaches studied
- 550+ costs factors analyzed
- 17 countries/regions
- 17 industries
- 15th year

Source 2020 Cost of a Data Breach Report
Public Sector highlights

$1.08M

324 days

Breach lifecycle

231 + 93
days to identify and contain

Global Average: 280 days

Source: 2020 Cost of a Data Breach Report
52% breaches caused by malicious attacks (criminal attacker or insider)

80% of breaches contained customer PII, costliest per compromised record at $175

Top 3 most common initial attack vectors were also the most expensive avg >$4.6M
Threat actors

Nation state attacks
Less common, but costliest

Share of malicious breaches per threat actor type and average cost

- Unknown: $4.29M (21%)
- Nation State: $4.43M (53%)
- Hacktivist: $4.28M (13%)
- Financially Motivated: $4.23M (13%)

Source: 2020 Cost of a Data Breach Report
Average amount the presence of these factors either decrease (-$) or increase (+$) the average total cost of $1.08M.

**Top 3 cost amplifiers**

<table>
<thead>
<tr>
<th>Cost factor</th>
<th>Cost adjustment from avg.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cloud migration</td>
<td>+$243,251</td>
</tr>
<tr>
<td>Security skills shortage</td>
<td>+$201,077</td>
</tr>
<tr>
<td>Complex security systems</td>
<td>+$200,363</td>
</tr>
</tbody>
</table>

**Top 3 cost mitigators**

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<tr>
<td>Incident response testing</td>
<td>-$311,571</td>
</tr>
<tr>
<td>Formation of IR team</td>
<td>-$274,239</td>
</tr>
<tr>
<td>Business continuity</td>
<td>-$262,261</td>
</tr>
</tbody>
</table>

**Recommendations**

- Adhere to a risk management framework such as NIST.
- Deploy risk-based identity and access management controls and enforce principle of least privilege. Consider continuous authentication mechanisms.
- Document, communicate and practice an organization-wide incident response plan, including participants from security, IT, legal, HR, PR and C-level.

*Unless otherwise indicated, stats shown include breaches up to 100,000 records between August 2019 and April 2020.

** Cost factors cannot be combined and only one cost factor can be added/subtracted from average at a time.

Access the report and cost calculator at [ibm.com/databreach](http://ibm.com/databreach)
Security automation savings

$3.58M

Average data breach cost savings for organizations with full deployed security automation vs. those without.

74 days

Faster to identify and contain a threat with fully deployed security automation vs. those without.

Source: 2020 Cost of a Data Breach Report
Resources

- Download the full report: ibm.com/databreach
- Learn more about IBM Security Incident Response and Intelligence Services ibm.biz/iris-data-breacht
- Learn more about IBM Security ibm.com/security
- If you are experiencing an incident, contact X-Force IRIS to help:
  US hotline 1-888-241-9812
  Global hotline (+001) 312-212-8034