

What is it Worth to Protect Your Identity?

Over the past couple of years there has been an average of 15 million or more people attacked by an ID theft or fraud event in the United States. Last year, the average cost to individuals facing these events had **DOUBLED** from 2017 to 2018. Yet, are consumers doing enough to protect themselves as their vulnerability to these events grows from the endless avalanche of data breaches?

Our society has created great ways to deal with other personal dangers like car accidents, heart attacks, and home fires. We willingly spend thousands of dollars per year to have protective services & insurance in place, just in case these calamities might occur in our lives.

Interestingly, we are much more likely to experience an ID theft or fraud event than many other common catastrophes:

- almost (3) three times more likely to have an ID theft or fraud happen to us than a car accident*;
- about (20) twenty times more likely to have an ID theft or fraud happen to us than a heart attack or stroke**;
- and more than (40) forty times more likely to have an ID theft or fraud happen to us than a fire or flood at our home***.

The average amount we pay for car insurance nationally is \$935 per year. For health insurance the average American pays between \$3,600 and \$9,000 annually. And homeowners pay on average \$1,083 per year for their homeowners insurance. **Yet, millions of Americans have no plan or protection in place for managing the fallout from an ID theft or fraud event.**

The FTC reports that 64% of Americans have had their data compromised from a data breach and 31.7% of these breach victims end up having an ID theft or fraud event happen to them. This number has continued to increase over the years despite the availability of so many ID theft companies offering protective services. Jon Iannarelli, a retired FBI Special Agent and well-known presenter on cybersecurity has stated, "Nearly every company will experience a data breach. It's no longer a question of *if* it's going to happen, it's *when*." And, as quoted years ago by Mark Pribish, a recognized ID theft and data breach expert, this simple fact remains: *"no company or service can ever guarantee an individual will not become a victim of an ID theft event"*. With the number and magnitude of data breaches happening over the past several years (i.e. Equifax, Uber, US Government, Marriott, etc.) it is nearly certain that the majority of consumers, your credit union members, will become a victim of ID theft or a fraud event. Add to this the most recent data breach by Capital One, affecting 100 million consumers, and it is clear that some kind of member ID protection service needs to be considered.

Just like a heart attack, car accident or natural disaster, there are steps that individuals can take to lessen the likelihood of becoming a victim, but there are no fail-proof ways of completely avoiding the occurrence. This is why consumers have medical, auto and homeowners insurance - to help them financially recover in the event of such misfortunate happenings. And, this is why it's imperative that consumers have similar recovery protection from ID theft and other fraud events.

So, credit unions have an opportunity to ramp up their focus on this growing problem and distinguish themselves by how they protect their members. Credit unions should pursue programs & services that are available to provide much needed awareness & education to members about the growing dangers

they face. And there are services available that can provide invaluable safety nets of protection for members with incredible value propositions.

Imagine being able to bring your members full recovery and restoration services for any kind of ID theft or fraud at rates as low as \$4 or \$5 per month, which would also include all forms of monitoring. In sharp contrast to what they pay for auto insurance or homeowners insurance, this is an unparalleled value that will further engage members and solidify their loyalty to your credit union.

The value of your members protecting their identities should be far greater than many other things that they gladly pay a higher monthly cost for, such as Netflix, Amazon Prime and ATM Fees outside of the credit union and CO-OP network. A little education and awareness makes this clear to members and allows the credit union, who they trust, a means to now protect their members from the fast growing dangers associated with an identity theft or fraud event...**affording** them true peace of mind.

Sources:

*[Insurance Information Institution](#)

**[Bloom, Ester. CNBC; "Here's How Much the Average American Spends on Healthcare"](#)

***[ValuePenguin](#)

Federal Trade Commission Consumer Sentinel Network Data Book 2018