



MNP
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Ipsos Public Affairs

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Business Fraud Survey

FEBRUARY 2017

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GAME CHANGERS



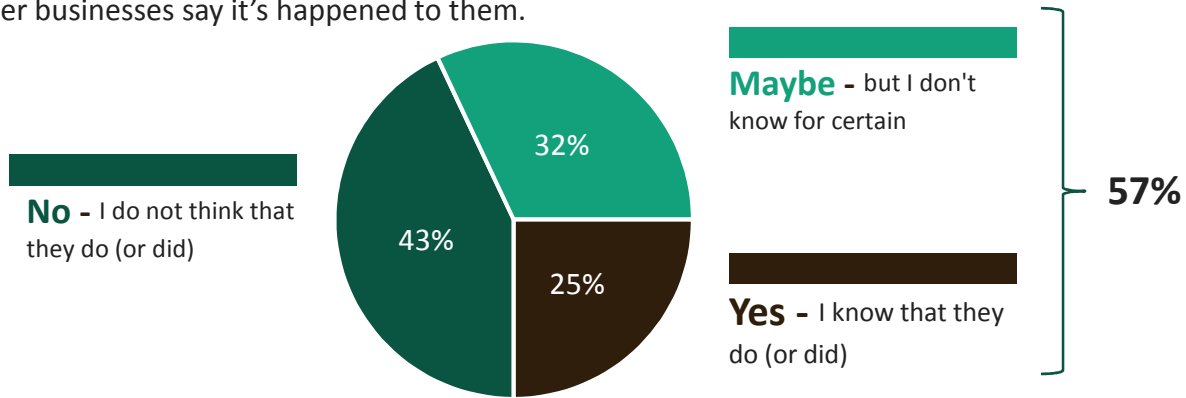
METHODOLOGY

- Ipsos conducted a quantitative online survey of two distinct sample groups:
 - Small Business Owners (SBOs) of businesses of 5-99 employees: n=1,000
 - C-Suite Executives at businesses of 100+ employees: n=100
- The combined sample of n=1,100 was weighted by gender and region.
- The precision of Ipsos online surveys are calculated via a credibility interval. In this case, the total sample is considered accurate to within +/- 3.4 percentage points, 19 times out of 20, had all Canadian SBOs and C-suite executive been surveyed. Credibility intervals will be wider among subsets of the population, including:
 - SBO sample: +/- 3.5 percentage points
 - C-suite sample: +/- 11.2 percentage points
- Fieldwork was conducted between January 17 and January 26, 2017.

DETAILED FINDINGS

EXPERIENCE WITH EXTERNAL HACKERS

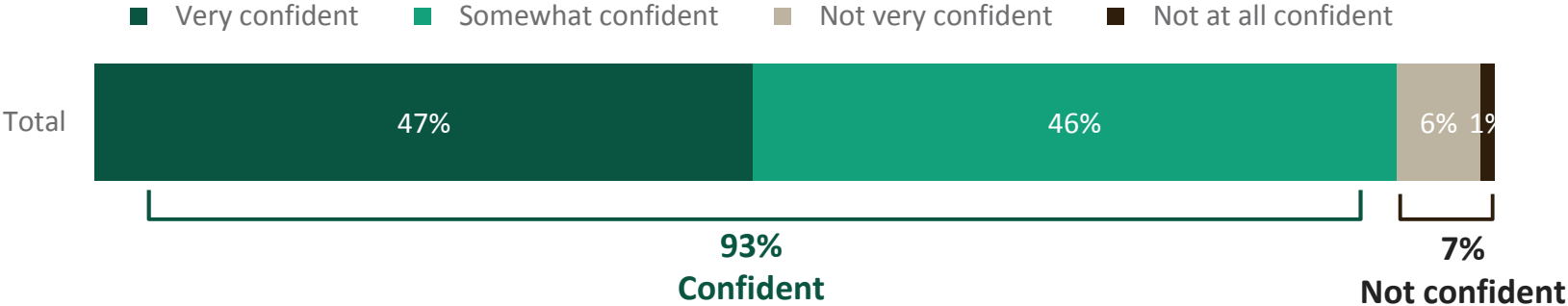
Nearly six in ten respondents either say that external hackers have accessed their confidential business information over the past year (25%) or suspect that they might have (32%). Companies with 100+ employees are significantly more likely to have been hacked – half (51%) of respondents from larger businesses say it's happened to them.



	Region						Sample Type		Industry or Sector								
	BC	Alberta	Sask/Man	Ontario	Quebec	Atlantic Canada	SBO	C-Suite	Retail	Professional Services	Manufacturing	Oil & Gas	Resource Extraction and Supporting Activities	Financial Services	Real Estate	Construction	Other
Base	F	G	H	I	J	K	L	M	F	G	H	I	J	K	L	M	N
	164	107	71*	504	177	77*	1000	100*	146	273	96*	26**	21**	120	37*	143	238
Yes	18%	28% _H	14%	26% _H	32% _{FH}	21%	23%	51% _L	26% _N	19% _N	38% _{GMN}	36%	45%	52% _{FGLMN}	27% _N	25% _N	11%
Maybe	34%	34%	28%	32%	32%	25%	32%	31%	31%	33%	38%	39%	21%	26%	29%	33%	30%
No	48% _J	38%	58% _{GUJ}	42%	37%	55% _{GUJ}	46% _M	18%	43% _{HK}	48% _{HK}	24%	25%	34%	22%	45% _{HK}	43% _{HK}	59% _{FGHKM}

CONFIDENCE IN PROTECTING CUSTOMER DATA

Similarly, more than nine in ten respondents (93%) are confident that their business is effectively protecting customers' data, although this drops to just 70% among those who aren't using fraud prevention strategies in the workplace. A majority (53%) expresses room for improvement in their confidence.

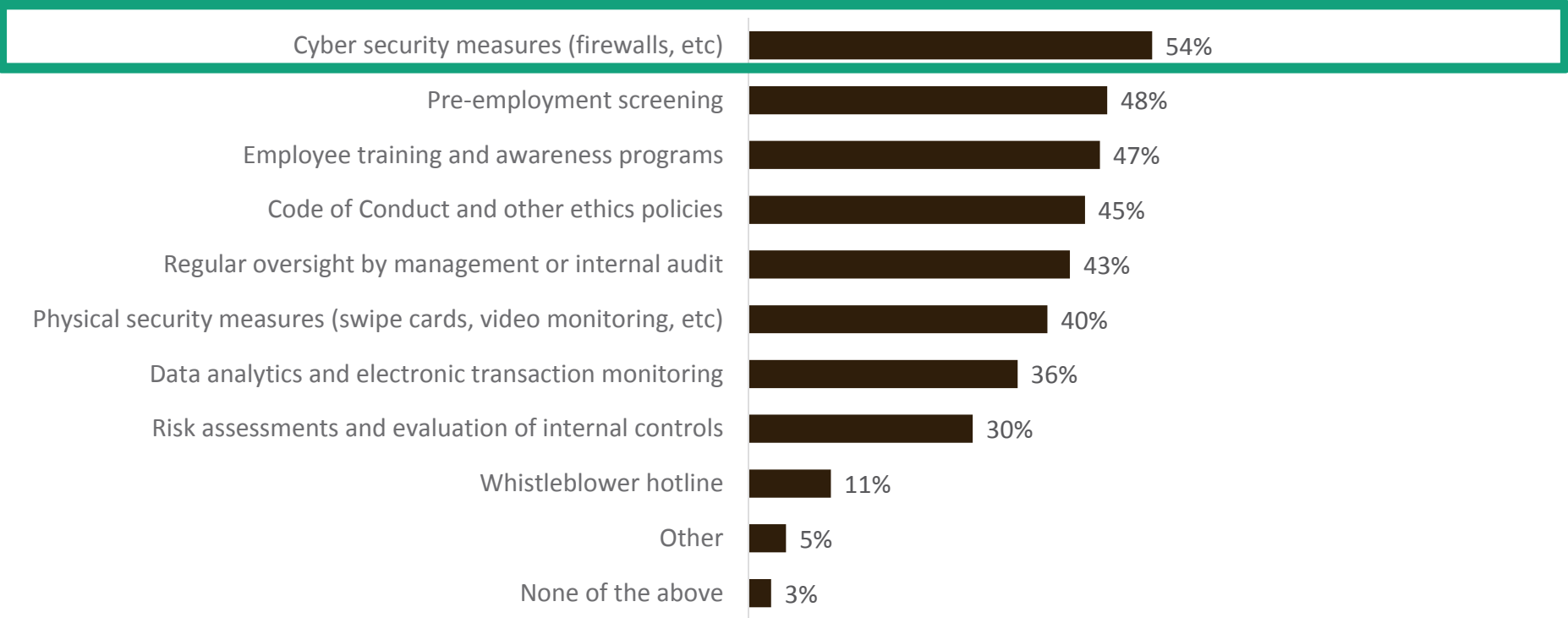


	Region						Sample Type		Industry or Sector									Using Prevention Strategies	
	BC	Alberta	Sask/Man	Ontario	Quebec	Atlantic Canada	SBO	C-Suite	Retail	Professional Services	Manufacturing	Oil & Gas	Resource Extraction and Supporting Activities	Financial Services	Real Estate	Construction	Other	Yes	No
	F	G	H	I	J	K	L	M	F	G	H	I	J	K	L	M	N	S	T
Base	164	107	71*	504	177	77*	1000	100*	146	273	96*	26**	21**	120	37*	143	238	1067	33*
%Confident	93%	94%	96%	94%	89%	97% _J	93%	92%	95%	93%	90%	100%	96%	92%	98%	93%	91%	94% _T	70%

*Small**Very small Base size

PREVENTION STRATEGIES

While cyber security measures such as firewalls are the most common type of prevention strategy, little more than half of respondents say their business currently uses them, meaning that 46% do not. Besides these, the most common fraud prevention strategies tend to revolve around internal staff: at least four in ten respondents say that pre-employment screening, employee training, codes of conduct, audits/oversight and physical security measures are used in the workplace.



© 2017 Ipsos Q.8 Which of the following prevention strategies are you currently using within your business to prevent fraud or scams?
 Analyzed Respondents : Total Respondents (Unwgt) n=1100

PREVENTION STRATEGIES

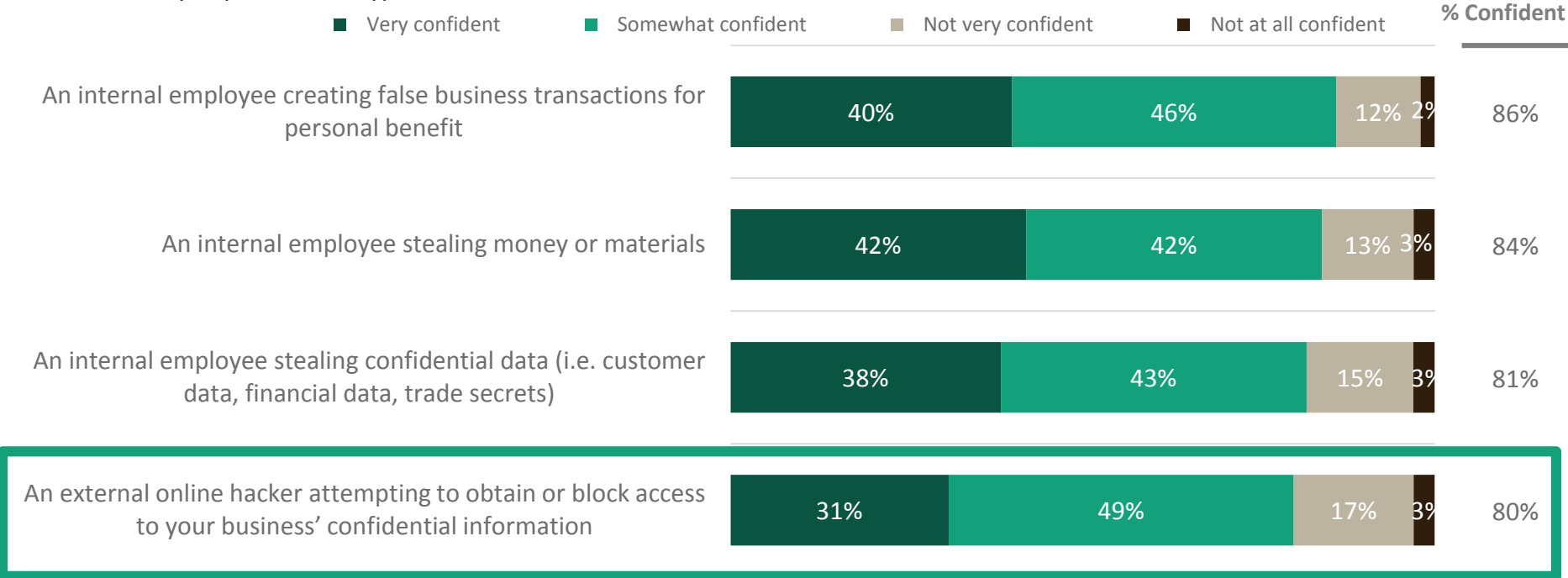
Respondents working in professional services are by far the most likely to use nearly every type of prevention strategy, though even here, just 63% of respondents say their business uses cyber security measures.

	Total	Region						Sample Type		Industry or Sector								
		BC	Alberta	Sask/Man	Ontario	Quebec	Atlantic Canada	SBO	C-Suite	Retail	Professional Services	Manufacturing	Oil & Gas	Resource Extraction and Supporting Activities	Financial Services	Real Estate	Construction	Other
		F	G	H	I	J	K	L	M	F	G	H	I	J	K	L	M	N
<i>Base</i>	1100	164	107	71*	504	177	77*	1000	100*	146	273	96*	26**	21**	120	37*	143	238
Cyber security measures (firewalls, etc)	54%	56%	57%	56%	53%	50%	66% _{IJ}	54%	54%	58% _K	63% _{KMN}	57%	53%	56%	44%	58%	48%	48%
Pre-employment screening	48%	48%	49%	56% _J	52% _J	39%	52%	49%	42%	46%	58% _{FHKN}	40%	27%	33%	43%	56%	54%	45%
Employee training and awareness programs	47%	48% _J	48%	51%	51% _J	37%	48%	47%	40%	52% _N	54% _{HKN}	41%	29%	54%	42%	58%	45%	40%
Code of Conduct and other ethics policies	45%	48%	46%	55% _J	48% _J	38%	40%	46%	40%	42%	55% _{FKN}	44%	26%	37%	36%	47%	46%	44%
Regular oversight by management or internal audit	43%	40%	43%	62% _{FGIJ}	46% _J	32%	48% _J	43%	44%	48%	48%	43%	28%	11%	39%	50%	40%	41%
Physical security measures (swipe cards, video monitoring, etc)	40%	35%	36%	45%	42%	41%	40%	39%	52% _L	48% _{KMN}	49% _{KMN}	43%	38%	43%	35%	36%	34%	32%
Data analytics and electronic transaction monitoring	36%	34%	43% _J	39%	35%	31%	39%	34%	46% _L	37% _M	44% _{MN}	36% _M	43%	40%	35% _M	42% _M	22%	30%
Risk assessments and evaluation of internal controls	30%	33% _J	28%	32%	34% _J	21%	29%	29%	36%	31% _{LM}	40% _{LMN}	30% _L	13%	9%	37% _{LMN}	12%	19%	26%
Whistleblower hotline	11%	9%	18% _{FJ}	11%	12%	7%	12%	9%	23% _L	12%	11%	8%	19%	16%	21% _{GHLMN}	5%	9%	7%
Other	5%	7%	4%	4%	5%	6%	5%	6%	3%	1%	4%	5%	-	5%	1%	10% _{FK}	6% _{FK}	12% _{FGK}
None of the above	3%	2%	4%	1%	3%	5%	1%	3%	1%	2%	2%	-	8%	7%	-	-	3%	8% _{FGHK}

*Small**Very small Base size

PREVENTION

A majority of respondents say they're confident that their business can prevent fraud or scams from these sources. Still, even in the best case, only 42% are 'very confident' that they could prevent fraud from internal employees, meaning a majority express room for improvement. Confidence is somewhat weaker in the face of external online hackers: two in ten say they're not so confident in their business' ability to prevent this type of threat.



© 2017 Ipsos Q.5 How confident are you that your business can prevent fraud or scams from the following sources:
Analyzed Respondents : Total Respondents (Unwgt) n=1100

APPENDIX: DEMOGRAPHICS

DEMOGRAPHICS

GENDER

Male	63%
Female	37%

AGE

18-34	42%
35-44	29%
45-54	16%
55+	13%

REGION

Alberta	11%
British Columbia	13%
Manitoba	5%
New Brunswick	2%
Newfoundland and Labrador	1%
Nova Scotia	3%
Ontario	38%
Prince Edward Island	0%
Quebec	24%
Saskatchewan	2%

BUSINESS SIZE

5-99 employees	91%
100-499 employees	5%
500-999 employees	3%
1000 or more employees	2%

BUSINESS INDUSTRY

Professional Services	25%
Retail	13%
Construction	13%
Financial Services	11%
Manufacturing	9%
Real Estate	3%
Oil & Gas	3%
Resource Extraction and Supporting Activities	2%
Other	22%

YEARS IN CURRENT ROLE

Less than 2 years	8%
2-5 years	33%
6-10 years	32%
11-20 years	17%
More than 20 years	10%

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