

 ANTI-SPYWARE COALITION

# **2008 Antispyware Coalition Public Workshop**

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Technology Editor, Consumer Reports



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# Background

- For several years, Consumer Reports has been testing and rating antispam and other protection software.
  - 2002      Antivirus
  - 2003      Antispam
  - 2004      Anti-spyware

# In September 2004, we began publishing the annual Consumer Reports State of the Net report

Based on a nationally representative survey measuring the incidence and costs to American consumers of spam, viruses, spyware, and phishing scams

Conducted by the Consumer Reports National Research Center

## SPAM

The incidence of heavy spam is still high for many people.

**1 in 2** experienced high levels of spam

not applicable

not applicable

The risk associated with using the Internet remains high. Our State of the Net assesses the likelihood and impact of four leading online hazards, listed in order of incidence, based on the survey by the Consumer Reports National Research Center and our follow-up investigation.



NATIONAL INCIDENCE

AVERAGE COST PER INCIDENT

TOTAL DAMAGE

## VIRUSES

The frequency is at the same high level as last year's.

**1 in 5** had a major, often costly problem.

**\$100**

**\$3.3 BILLION**

## SPYWARE

The danger is still high. In the past six months, infections prompted 850,000 U.S. households to replace their computers.

**1 in 11** had a major, often costly problem.

**\$100**

**\$1.7 BILLION**

## PHISHING

The incidence is still very high. There were about 23,000 attacks in April 2007.

**1 in 81** lost money from an account.

**\$200**

**\$2.1 BILLION**

NATIONAL INCIDENCE

AVERAGE COST PER INCIDENT

TOTAL DAMAGE


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Viruses • Spam • Spyware  
*You're more vulnerable than you think*

## CYBER-INSECURITY

SPECIAL SECTION

**What you need to know**  
[Net threats: Why online is still risky](#)  
[State of the Net 2007](#)  
[How cybercriminals deceive](#)  
[Where criminals plot online](#)  
[Phishing: A growing industry](#)  
[Viruses: Changing threats](#)  
[Spam: Better defenses](#)  
[Spyware: Still a threat](#)  
[Social Networks: Kids at risk](#)  
[How online threats are detected](#)

**Safer surfing**  
[The latest news about Net security](#)  
[Who's talking to your kids online?](#)  
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# **Four key spyware questions:**

1. How has spyware harmed U.S. consumers?

# Spyware Threats and Costs

2005

Threat	Change since last year	National incidence	Economic fallout	
<b>SPYWARE</b>	 <b>RISING</b> Explosive growth, widespread damage	<b>1 in 6</b> had a major, often costly, problem	250	3.5 billion

2006

## SPYWARE

**OVERVIEW**  
Despite a decline in the incidence of spyware, its resulting problems remain epidemic. In the previous six months, spyware infections prompted nearly a million U.S. households to replace their computer.

**NATIONAL INCIDENCE**  
1 in 8 had a major, often costly problem

**ECONOMIC FALLOUT**  
Cost per incident: **\$100**      Total damage: **\$2.6 billion**

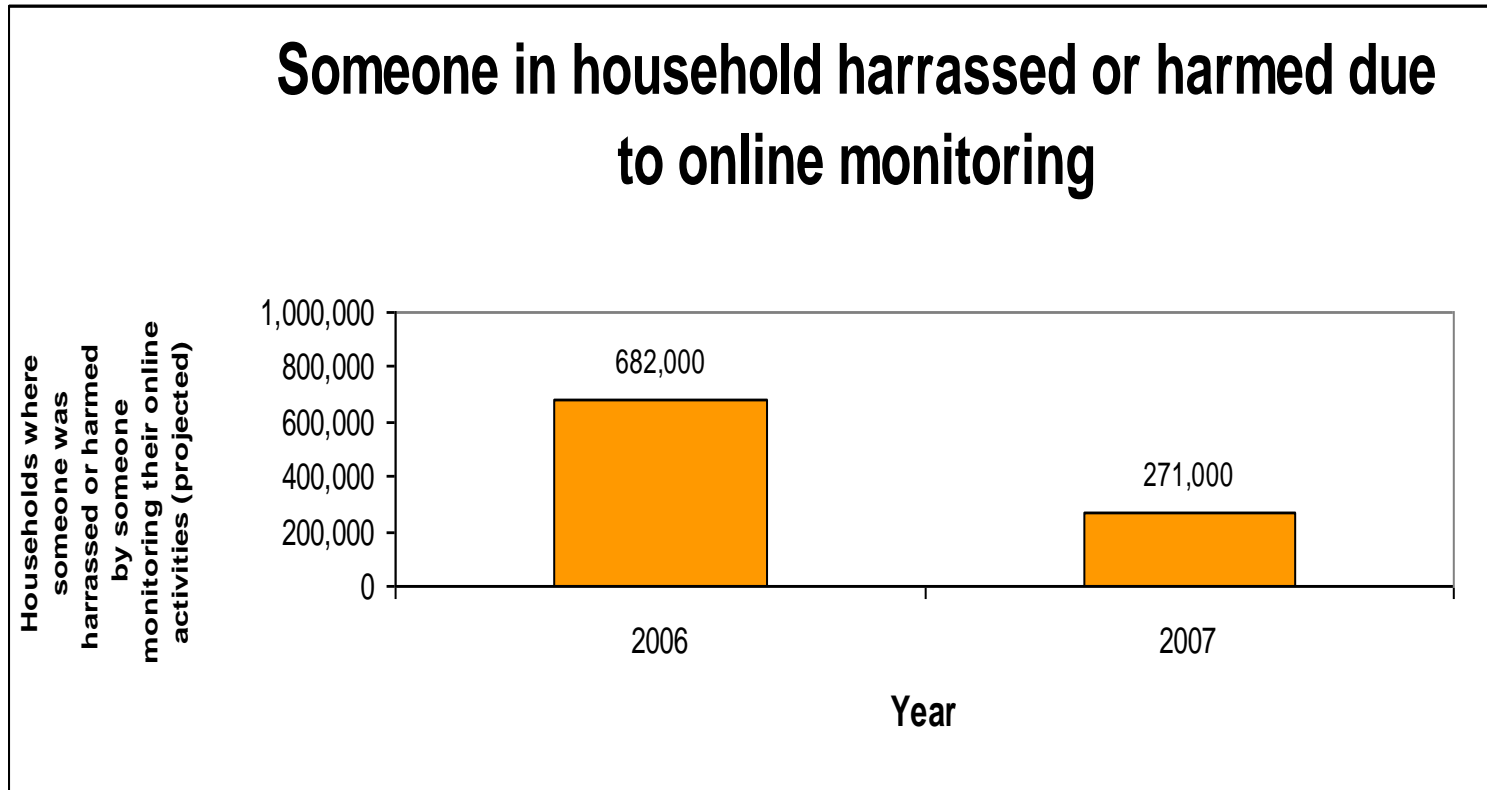
2007

## SPYWARE

The danger is still high. In the past six months, infections prompted 850,000 U.S. households to replace their computers.

NATIONAL INCIDENCE	<b>1 in 11</b> had a major, often costly problem.
AVERAGE COST PER INCIDENT	<b>\$100</b>
TOTAL DAMAGE	<b>\$1.7 BILLION</b>

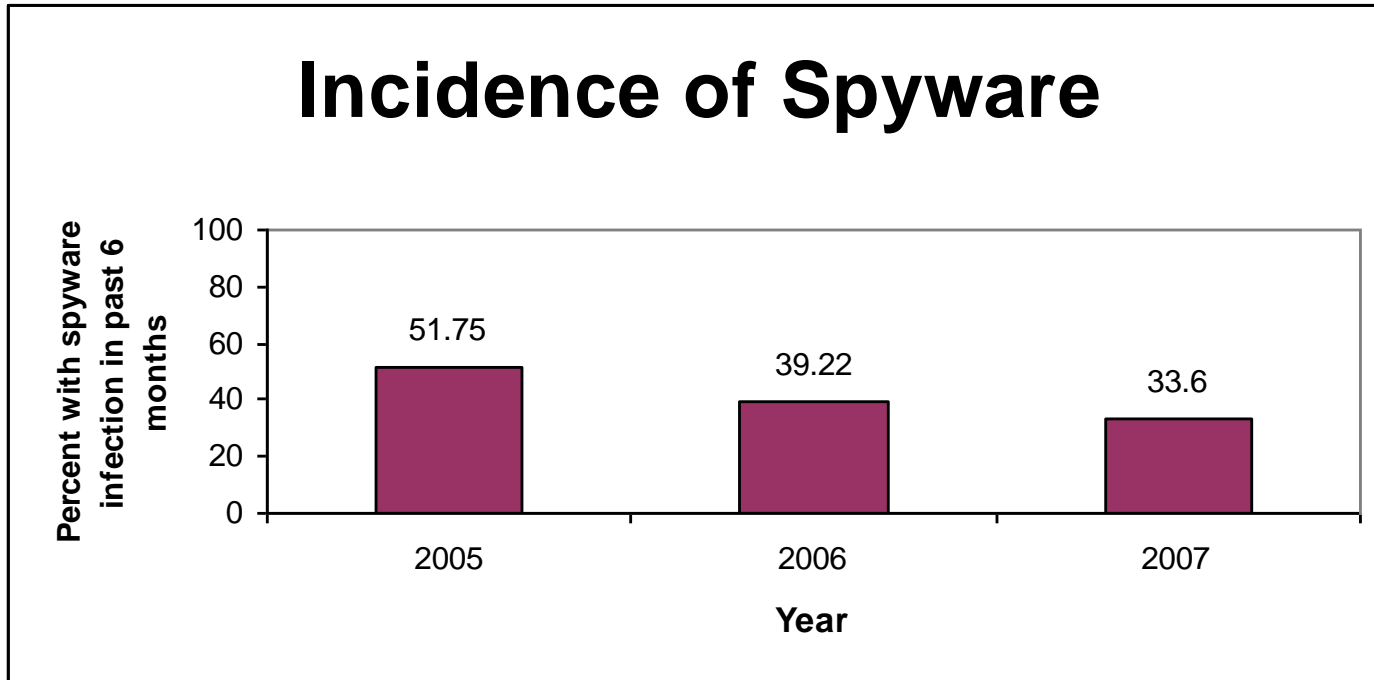
# Widespread malicious monitoring of online consumers



**Source: Consumer Reports 2007 State of the Net**  
Consumer Reports National Research Center

2. Are spyware infections on the rise or declining?

# Fewer spyware infections



Source: Consumer Reports State of the Net, 2005-2007

Consumer Reports National Research Center

**3. What factors  
increase a consumer's  
risk of spyware  
infection?**

# Activity                      Increased spyware risk by

**Entertainment**                      **73%**

(Download music, use file/music-sharing programs, streaming music, watching or downloading video)

**Downloading**                      **66%**

(free or purchased programs, free screensavers, lyrics, etc.)

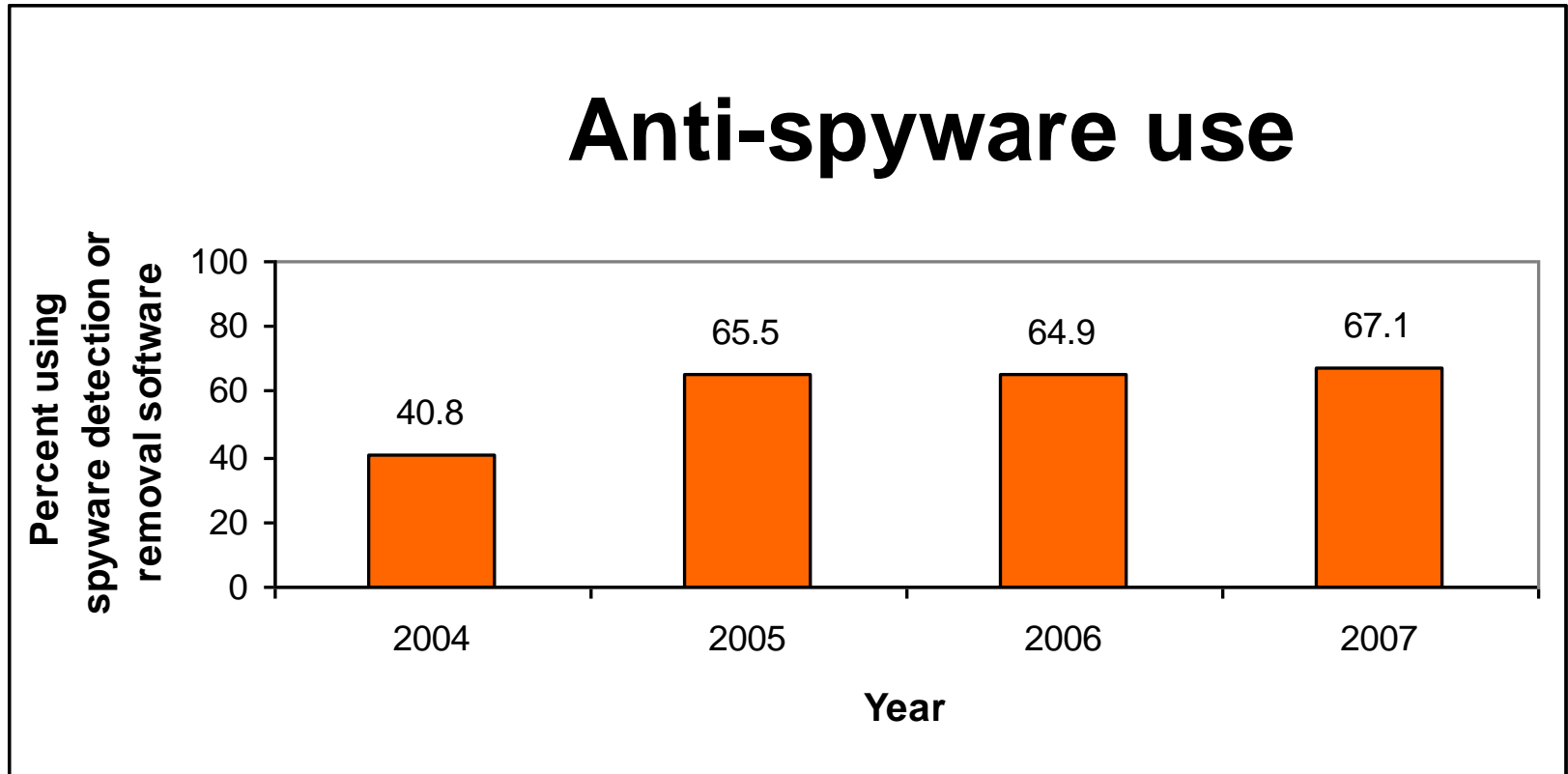
**Children who go online**                      **26%**

Source: Consumer Reports 2007 State of the Net

Consumer Reports National Research Center

4. How are consumers  
changing their  
behavior in response  
to spyware?

# More use anti-spyware software



Source: Consumer Reports State of the Net, 2004-2007  
Consumer Reports National Research Center

43% were more careful about sites visited  
28% cut back on downloading free programs  
13% reduced usage of free file-sharing software  
10% shop online less  
8% changed browser from IE to another  
8% download music or video less  
8% use a separate credit card for the 'Net

**Source: Consumer Reports 2007 State of the Net**  
Consumer Reports National Research Center

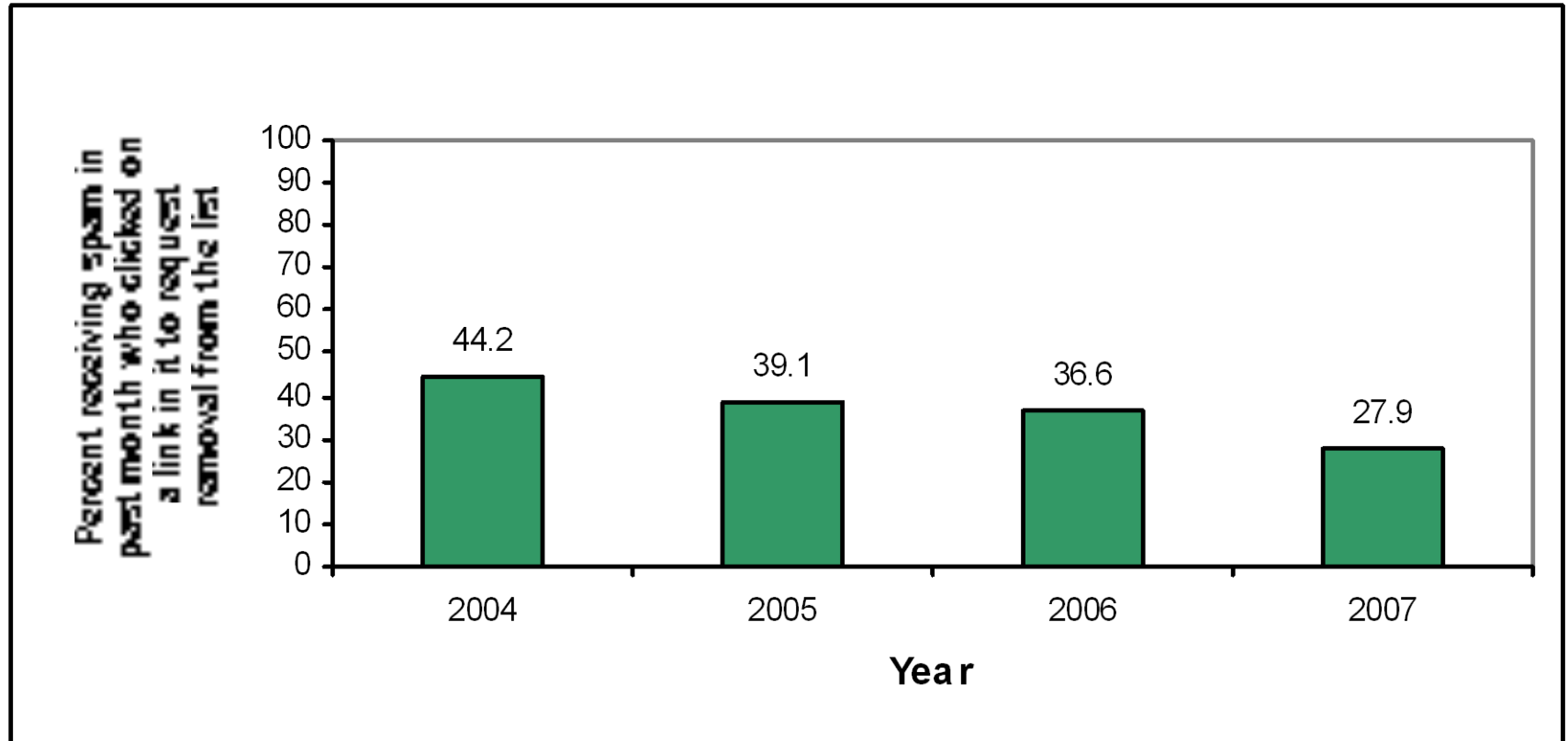
A four-year analysis of our surveys provides some other

**GOOD NEWS:**

Consumers are getting smarter about protecting their computers against spam, hackers, and viruses

# Fewer are clicking on links in spam

Trying to Stop Spam by Clicking on a Link

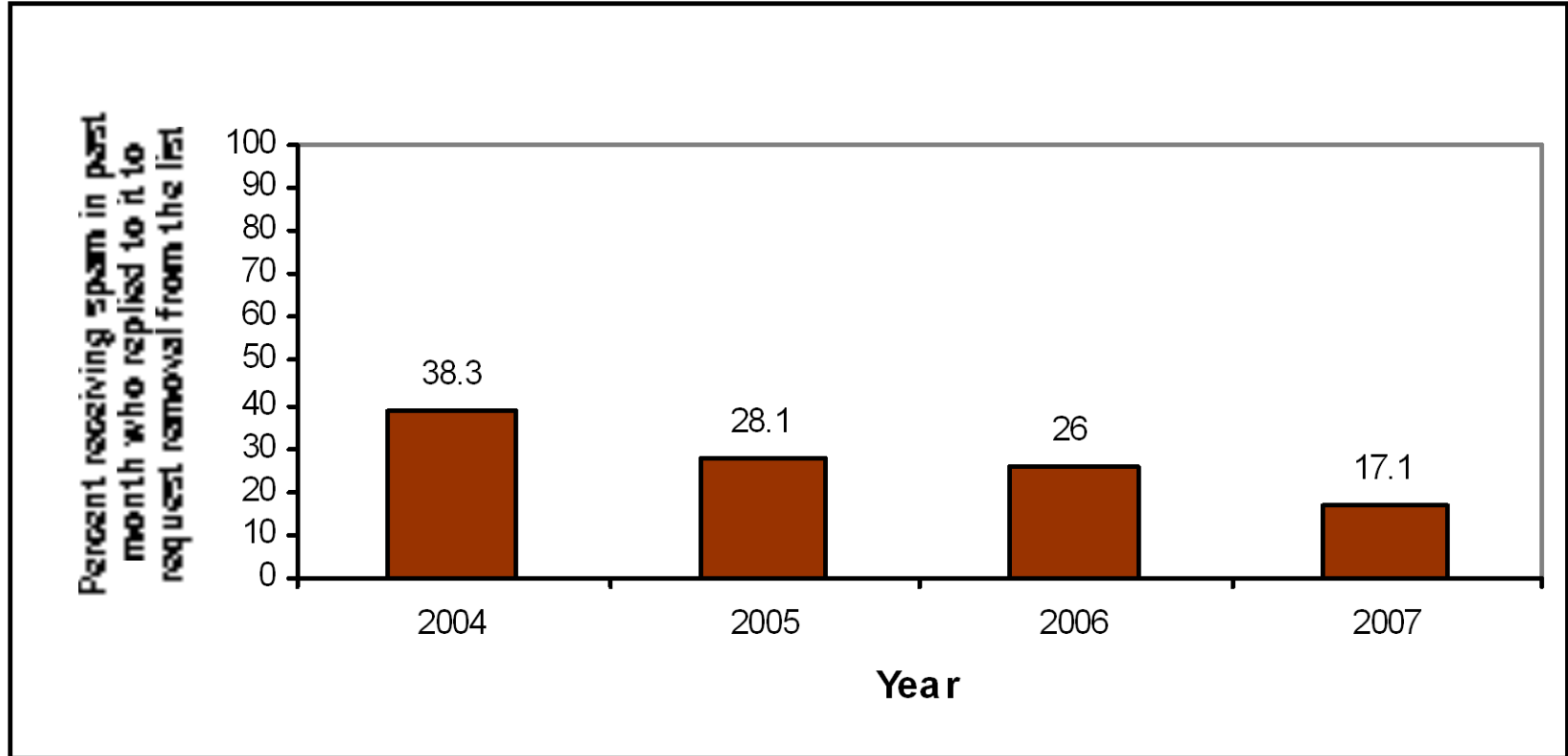


Source: Consumer Reports State of the Net, 2004-2007

Consumer Reports National Research Center

# Fewer are replying to spam

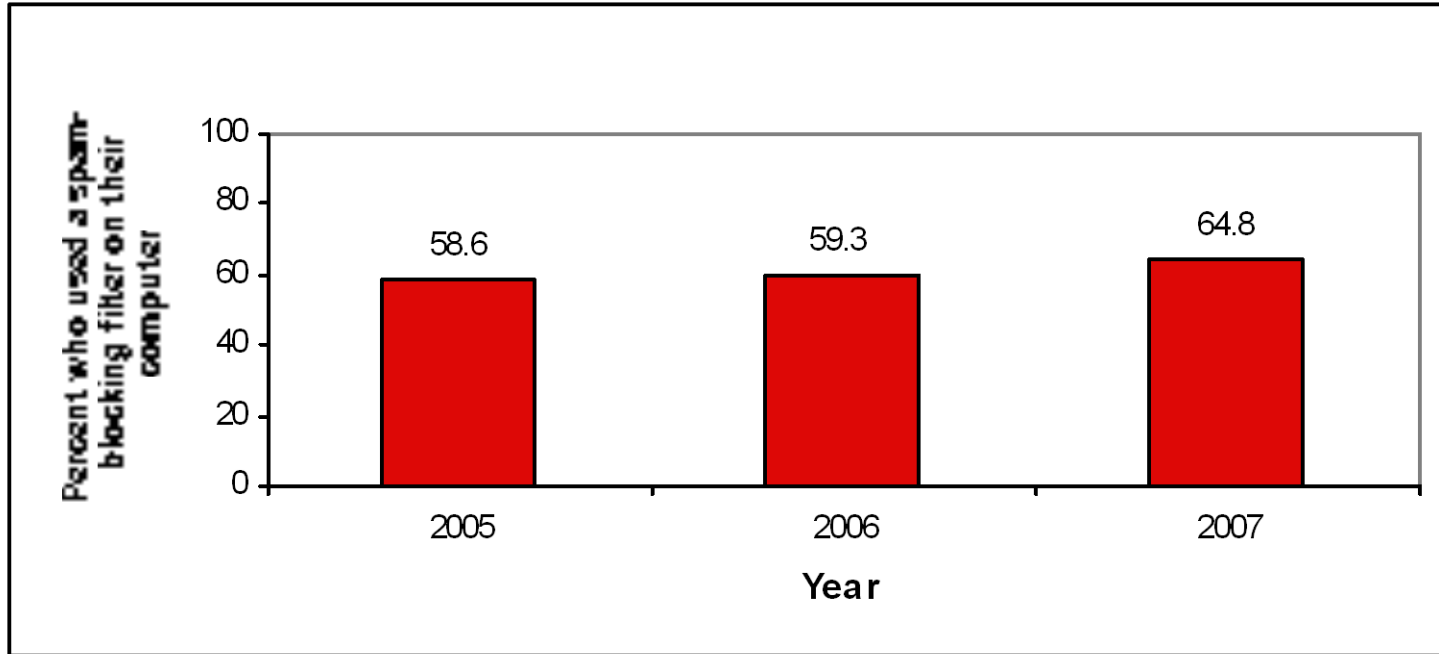
Trying to Stop Spam by Replying to it



Source: Consumer Reports State of the Net, 2004-2007  
Consumer Reports National Research Center

# Many use a spam blocker

## Use of a Spam-Blocking Filter

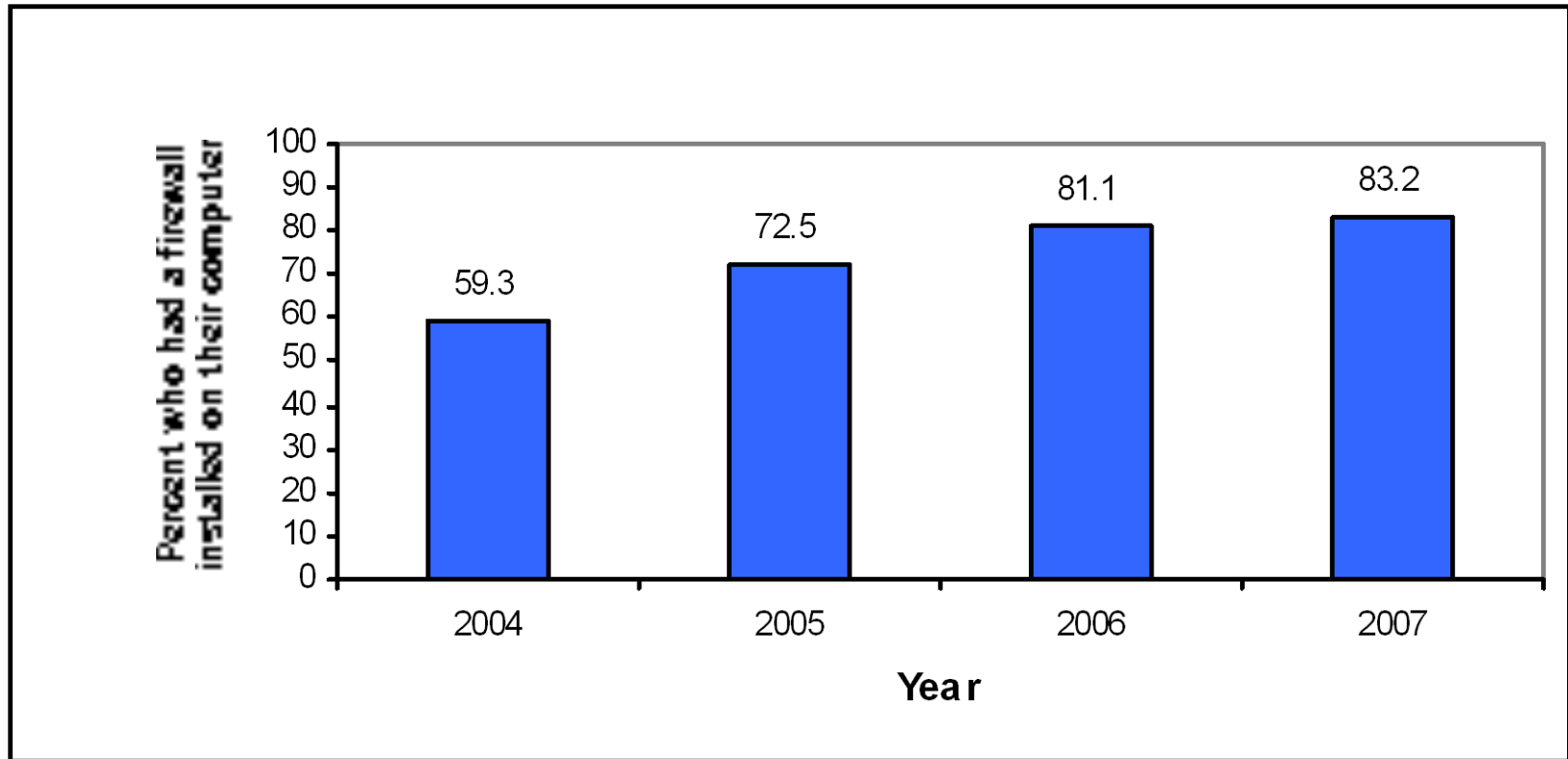


Source: Consumer Reports State of the Net, 2005-2007

Consumer Reports National Research Center

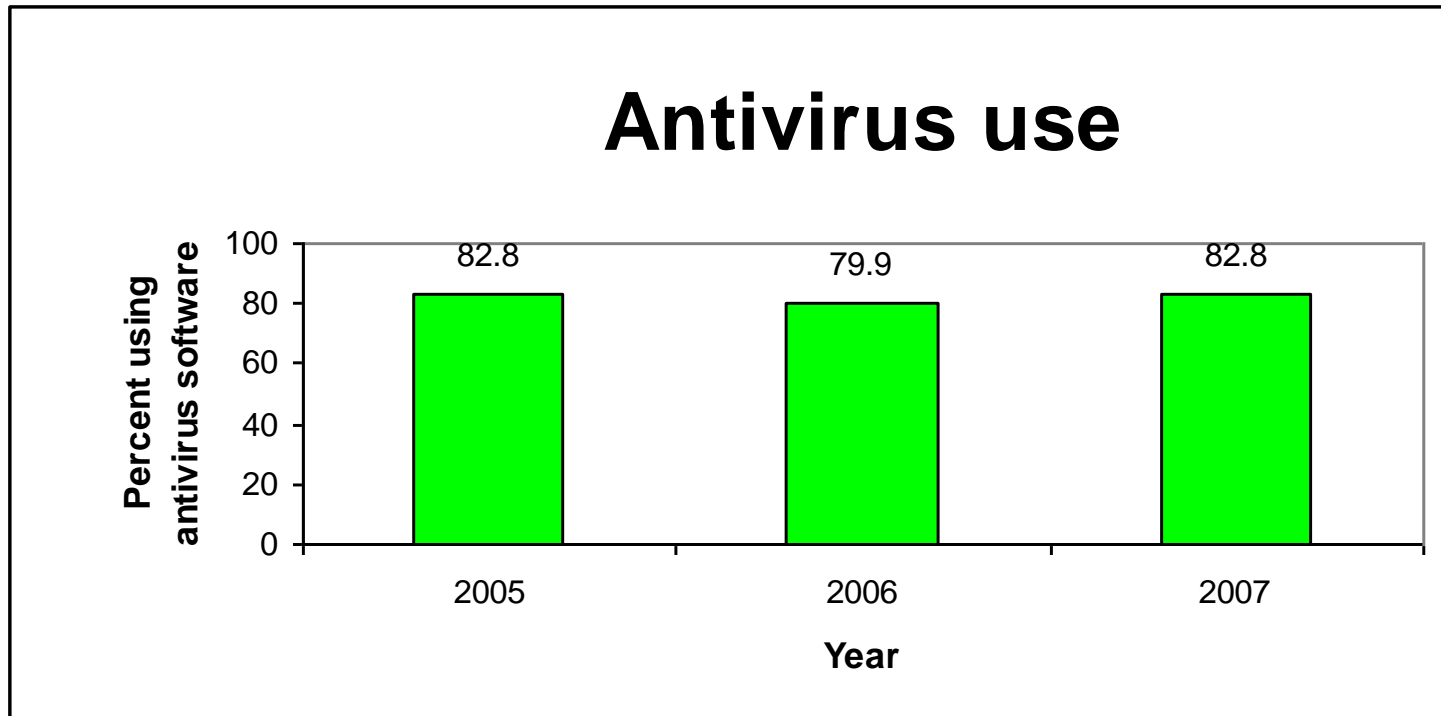
# More and more are using a firewall

## Firewall Use by Year



Source: Consumer Reports State of the Net, 2004-2007  
Consumer Reports National Research Center

# Many use an antivirus



Source: Consumer Reports State of the Net, 2005-2007  
Consumer Reports National Research Center

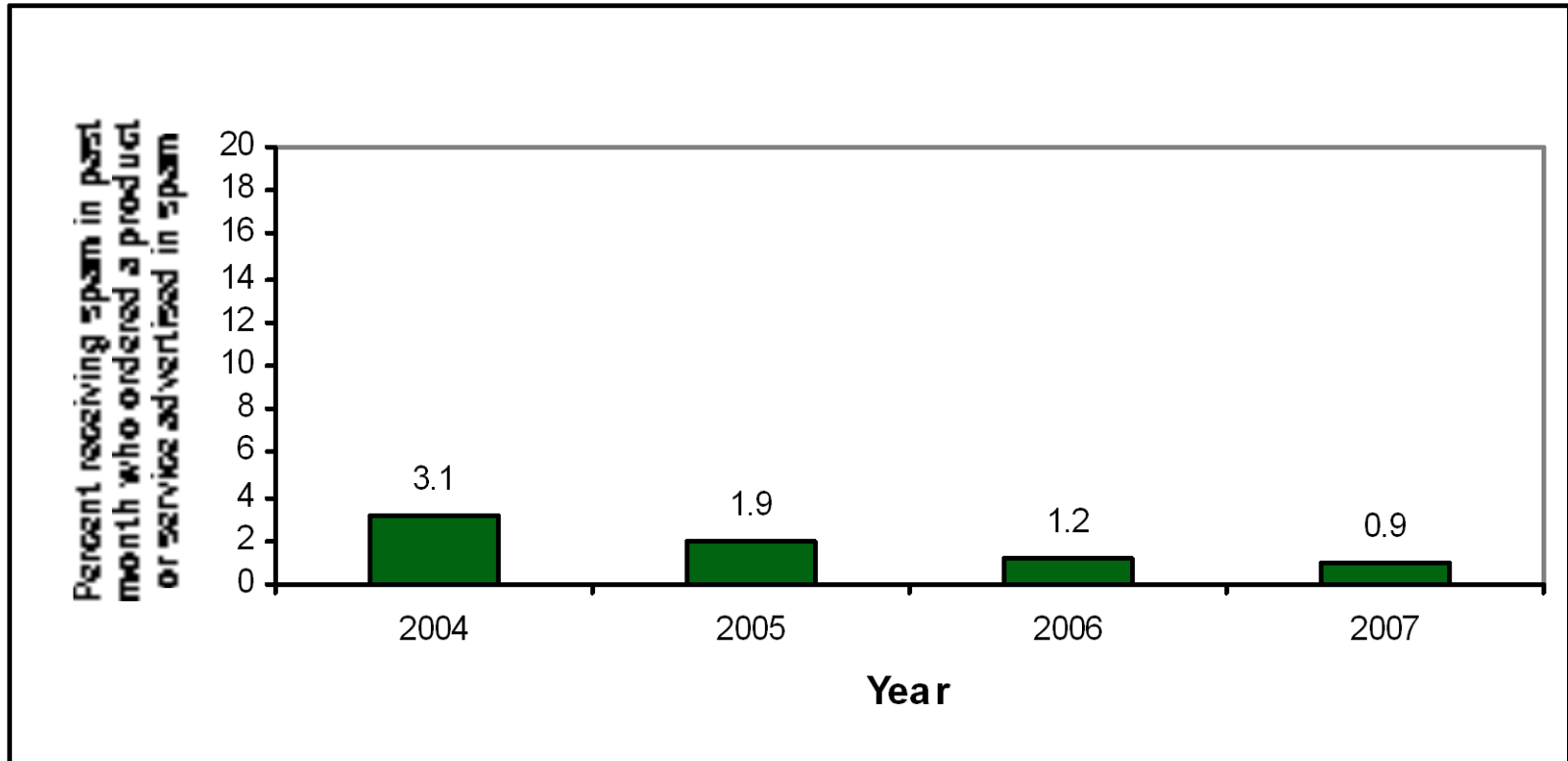
But our analysis also  
provides some

**BAD NEWS:**

Many consumers still  
engage in behaviors  
that help the bad guys

# Many still patronize spammers

## Patronizing Spammers

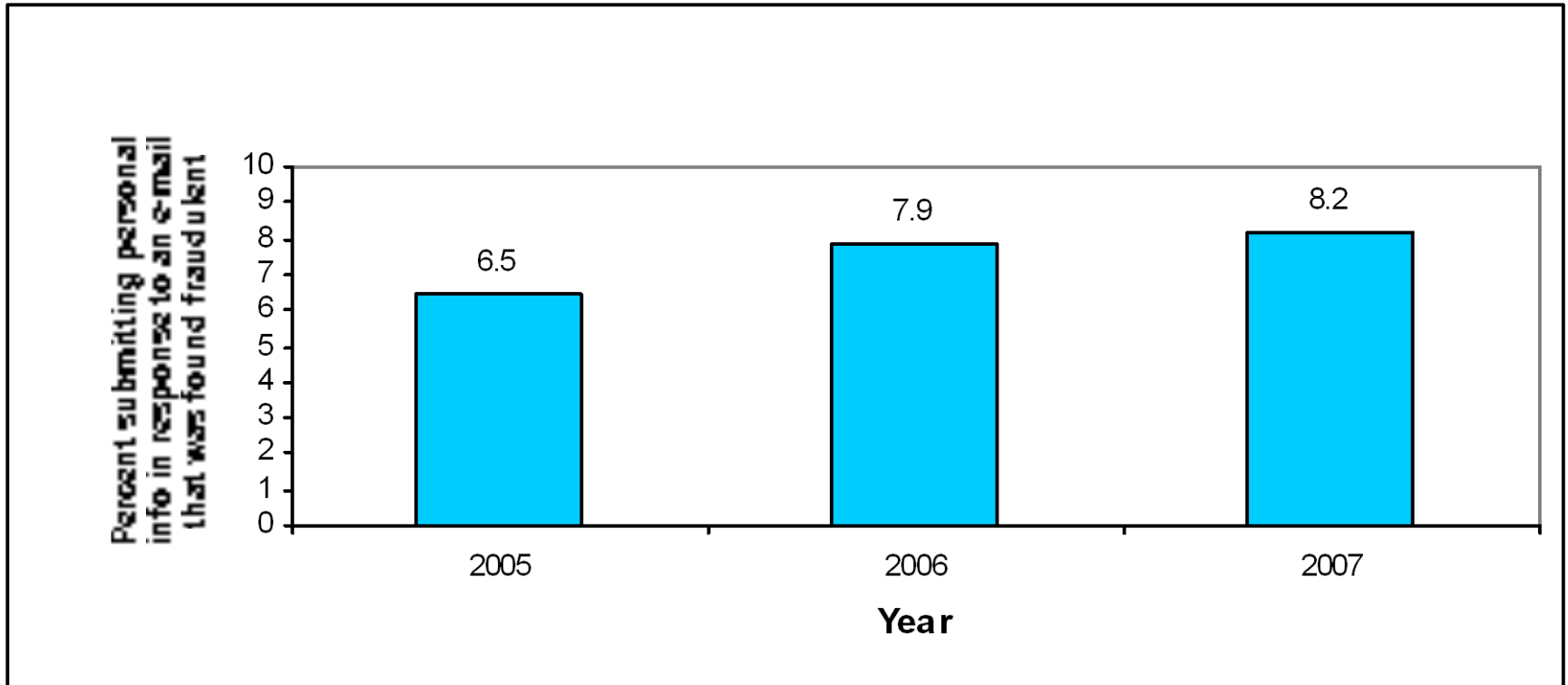


Note: 2007 figure represents more than 1/2 million consumers

Source: Consumer Reports State of the Net, 2004-2007  
Consumer Reports National Research Center

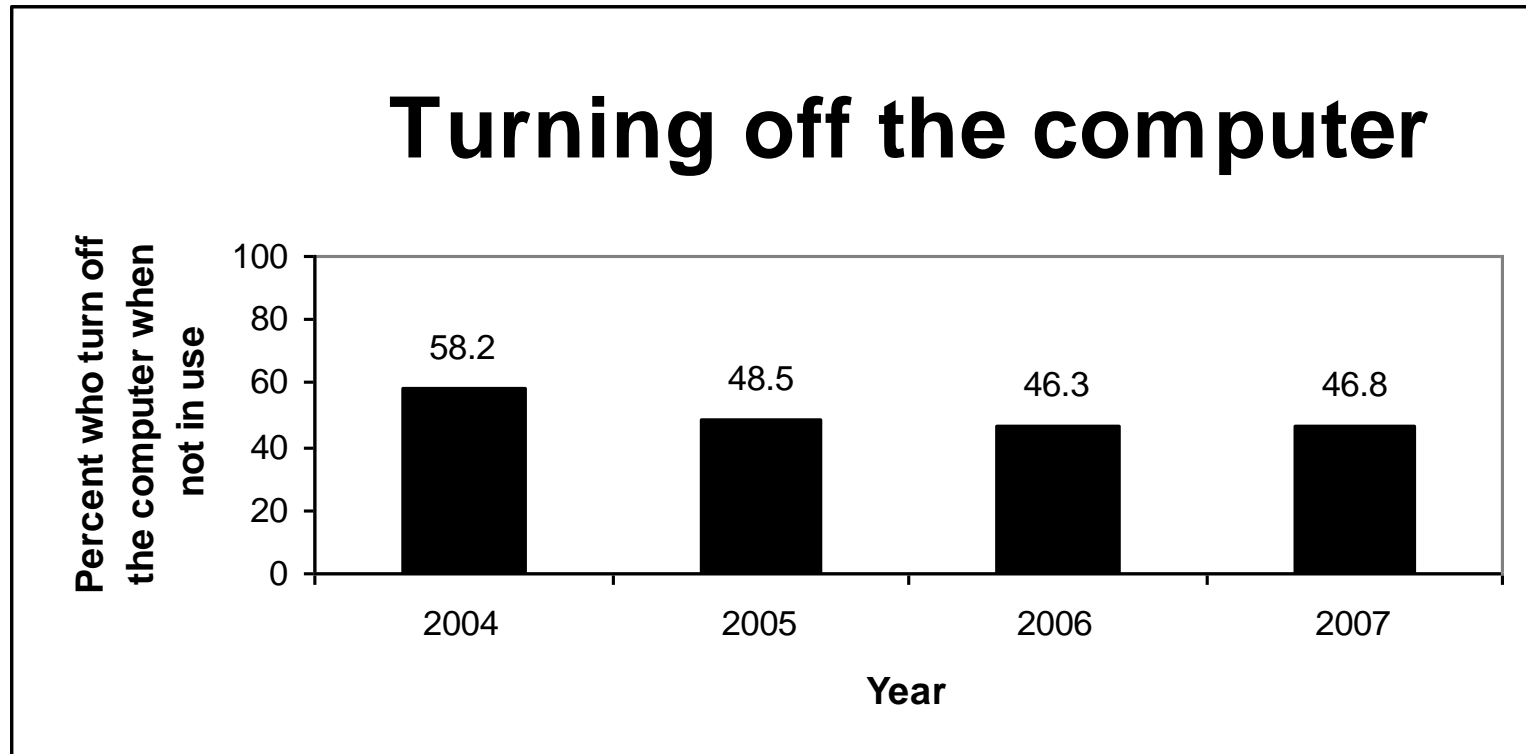
# And many still respond to “phishers”

Submitting Personal Information to a Phishing-style E-mail



Source: Consumer Reports State of the Net, 2005-2007  
Consumer Reports National Research Center

# Fewer turn off their PC



Source: Consumer Reports State of the Net, 2005-2007  
Consumer Reports National Research Center

# Lessons

- While its damages have declined, spyware is still very costly for American consumers
- Consumer education has worked; we need more and better campaigns
- With most consumers using protective software, improved technology can help further reduce damages from spyware