

Financial Services firms must take data security more seriously warns Advanced 365

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20 May – Financial services firms must take data security more seriously and adapt their strategies to mitigate the risk of emerging cyber-threats in what is tipped to be the sector's next disruptive decade. These are the findings of a new white paper commissioned by leading managed service provider, Advanced 365 (Advanced).

Security attacks impacting the financial services industry are on the rise with 93% of firms experiencing data breaches in the last 12 months. The average loss in reputational brand value for a company is estimated to be between £117 million and £210 million but could be even higher when considering the damage to customer trust.

A survey of 758 financial services respondents, conducted by PwC, has revealed that the average number of security incidents climbed 8% in 2014 to a record-breaking 4,978 per organisation. Around 80% of cyber-attacks succeed in less than one day, yet only 21% of these attacks are discovered in the same day. The average breach inside major companies remains undetected for 229 days.

The sector is facing unprecedented disruption due to sweeping technological and social trends which pose new challenges to security. Threats will grow dramatically as many businesses continue to migrate from major legacy platforms which will expose more security flaws.

Neil Cross, Managing Director, Advanced 365, says, "Data security is the most critical issue affecting the financial services industry today. However, many firms are not doing enough to adapt to emerging new threats, which will become increasingly disruptive in the next decade.

"The nature of cyber-crime has and is maturing. Without question, organisations must therefore take it more seriously and invest in updating their security strategies now before it is too late."

The white paper also highlights how emerging payment technologies, such as Apple Pay, are expected to see mass market adoption by the end of 2016 with the mobile wallet market forecast to reach £3.34 trillion globally in 2020. The payment systems will revolutionise how consumers purchase goods and services but will become increasingly targeted by hackers.

Cloud computing, The Internet of Things and Big Data analytics are also influencing ever changing regulatory and legislative requirements in financial services and offer a mix of risks and opportunities for managing data security.

While the survey reveals that 70% of executives believe that security represents a strategic risk for their companies, just 28% of financial services firms feel the risk of damages from data security breaches is outweighed by the cost of prevention.

Cross adds, "Firms must accept that their security policies can no longer be focused on just identifying threats and preventing them. In order to survive, they must also define areas of risk and develop mitigation strategies to match these."

Advanced 365 supports public and private sector organisations through the full lifecycle of their IT security operations. Advanced's Secure IT Health Check service has been designed in accordance with ISO 27001 accreditation to assist businesses to address and manage their security challenges by analysing six key areas, including: identity management, security awareness, end-point management, malware threats, configuration and compliance and vulnerability management.

To read the white paper, 'The future of data security in financial services', click here.

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Notes to Editor

*Research according to a report from IT research firms Kaspersky Lab and B2B International

About Advanced 365

Advanced 365 is a leading provider of IT managed services and business innovation solutions. Working with organisations within the private, public and charity sectors, Advanced 365 aligns technology to its clients' business needs in order to improve their operational efficiencies, help control costs, enhance productivity and enable growth.

Core offerings include:

- Managed services focusing on the delivery of IT services including: outsourcing, cloud computing, application development and support, and unified communications.
- Business innovations to make legacy systems relevant to today's business environment. Advanced 365 provides a CIO advisory service which supports the deployment of technologies including modernisation, legacy system migration, application development, applications support and data cleansing.

Advanced 365 is a Microsoft Gold Competency Partner and works closely with other industry leading vendors and developers including Redhat, Gamma Telecom, IBM and Oracle.

Advanced 365 is a division of Advanced Computer Software Group Limited, a leading supplier of software and IT services to the health, care and business services sectors. In 2014, the Group won Tech Company of the Year in PwC's UK Tech Awards. Advanced was also ranked in the Deloitte UK Fast 50, which recognises the 50 fastest growing technology companies in the UK and ranked in the top 300 technology companies in Deloitte's EMEA rankings.

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