

Executive Summary

After slowing down in 2022, last year was record-setting for total data breaches. According to the Identity Theft Resource Center¹, there were already 2,116 reported US data breaches and leaks in the first nine months of 2023, making it the worst year on record. Notably, Experian supported 2,294 data breaches in the first nine months of 2023 alone pointing to possible under-reporting, so the numbers could be much higher. According to our internal analytics, more than 70 million consumers globally were impacted by a data breach from our client base in 2023—up 30 percent since since 2022.

It only takes one "success" story for hackers to move the year into the record books. In 2023, we saw two large data breaches (DarkBeam² and MOVEit³) that reportedly affected more than three billion records combined to lead the way.

A few of our predictions for last year were realized showing there is no safe "space" from bad actors as there were hacks on satellites, including reports by the Ukraine State Security Service (SBU) that Russian spy agencies targeted Starlink with custom malware. We talked about artificial intelligence last year, and that has certainly been a hot topic among many industries on ways to harness it. Hackers are no different – they want to leverage it too. Earlier in 2023, it was reported in a news story that a chatbot's API was hacked⁵ pushing out malware code and the Federal Bureau of Investigation warned⁶ that hackers are running wild deploying AI tools.

In our 11th annual Data Breach Industry Forecast, we looked more broadly than ever before at trends and data on a global scale as data breaches have no borders. This, along with the fact that nationstate-sponsored gangs and attacks are becoming increasingly more strategic and purposeful due to political conflicts or interests, made it fitting to expand our lens. Our predictions come from Experian's long history of helping companies navigate breaches over the past 21 years. Here's where we expect to see some hard to believe, but possible developments in the world of data security incidents in 2024.7



Michael Bruemmer

Vice President, Global Data Breach Resolution

Michael Bruemmer is Vice President of Global Data Breach & Consumer Protection at Experian. The group is a leader helping businesses prepare for a data breach, manage consumer crisis response programs and mitigate consumer risk following incidents.

With more than 25 years in the industry, Michael brings a wealth of knowledge related to crisis response management from discovery to post-incident clean

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Jim Steven Head of Crisis & Data Response Services, UK

Jim Steven is Head of Crisis & Data Breach Response Services for Experian UK, building on the knowledge, experience and success of Experian's global data breach resolution offering.

The team, work with businesses to help them manage and resource mass consumer crisis responses, including customer notification, contact center and credit/identity monitoring services for customers/employees affected by

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¹ https://www.idtheftcenter.org/post/q3-2023-data-breach-report-itrc-reports-data-compromise-record-with-three-months-left-in-year/

² https://www.databreaches.net/more-than-3-8-billion-records-exposed-in-darkbeam-data-leak/

³ https://techcrunch.com/2023/08/25/moveit-mass-hack-by-the-numbers/

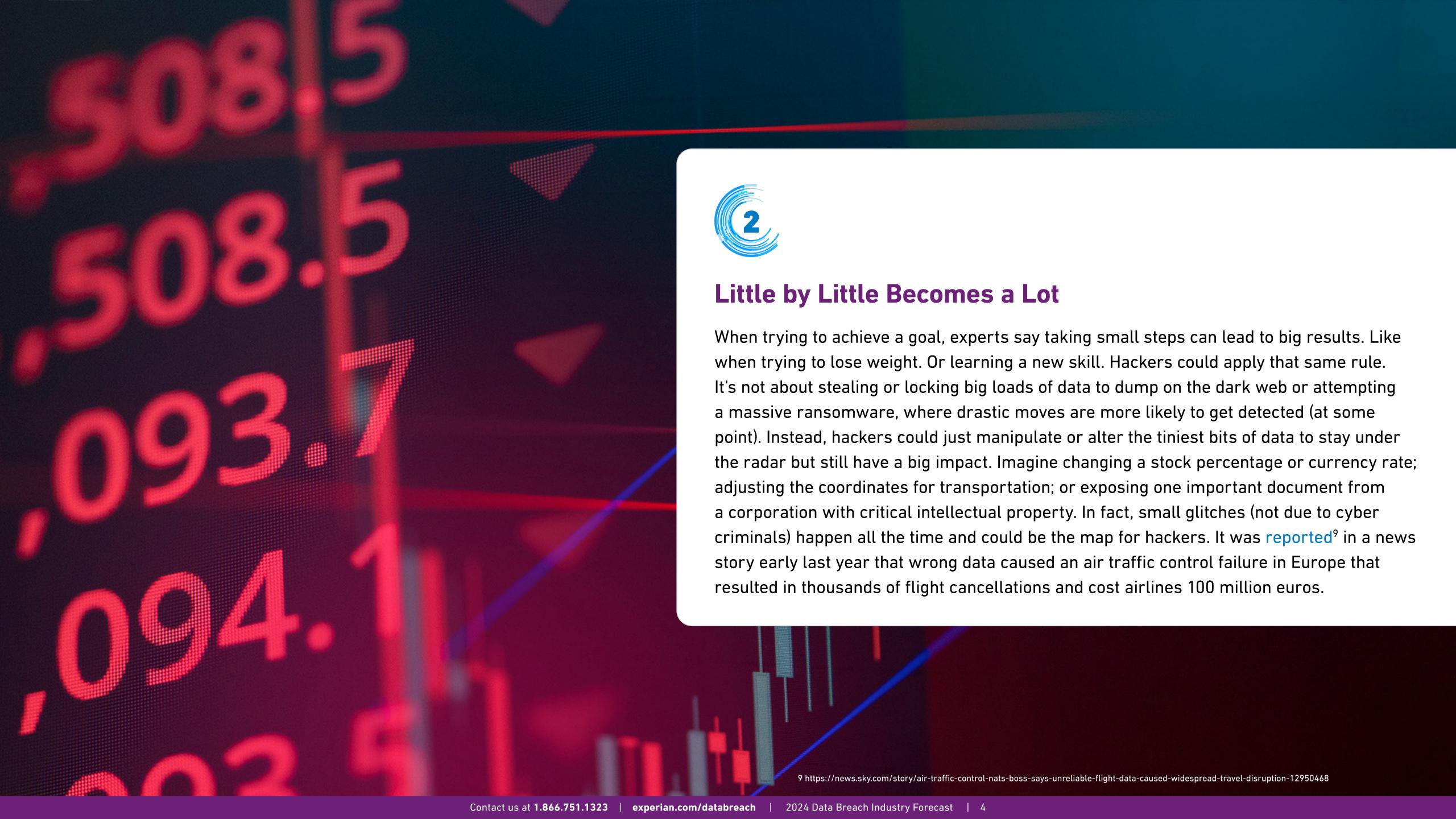
⁴ https://www.telegraph.co.uk/business/2023/08/12/russian-spy-agencies-targeting-elon-musk-starlink-malware/

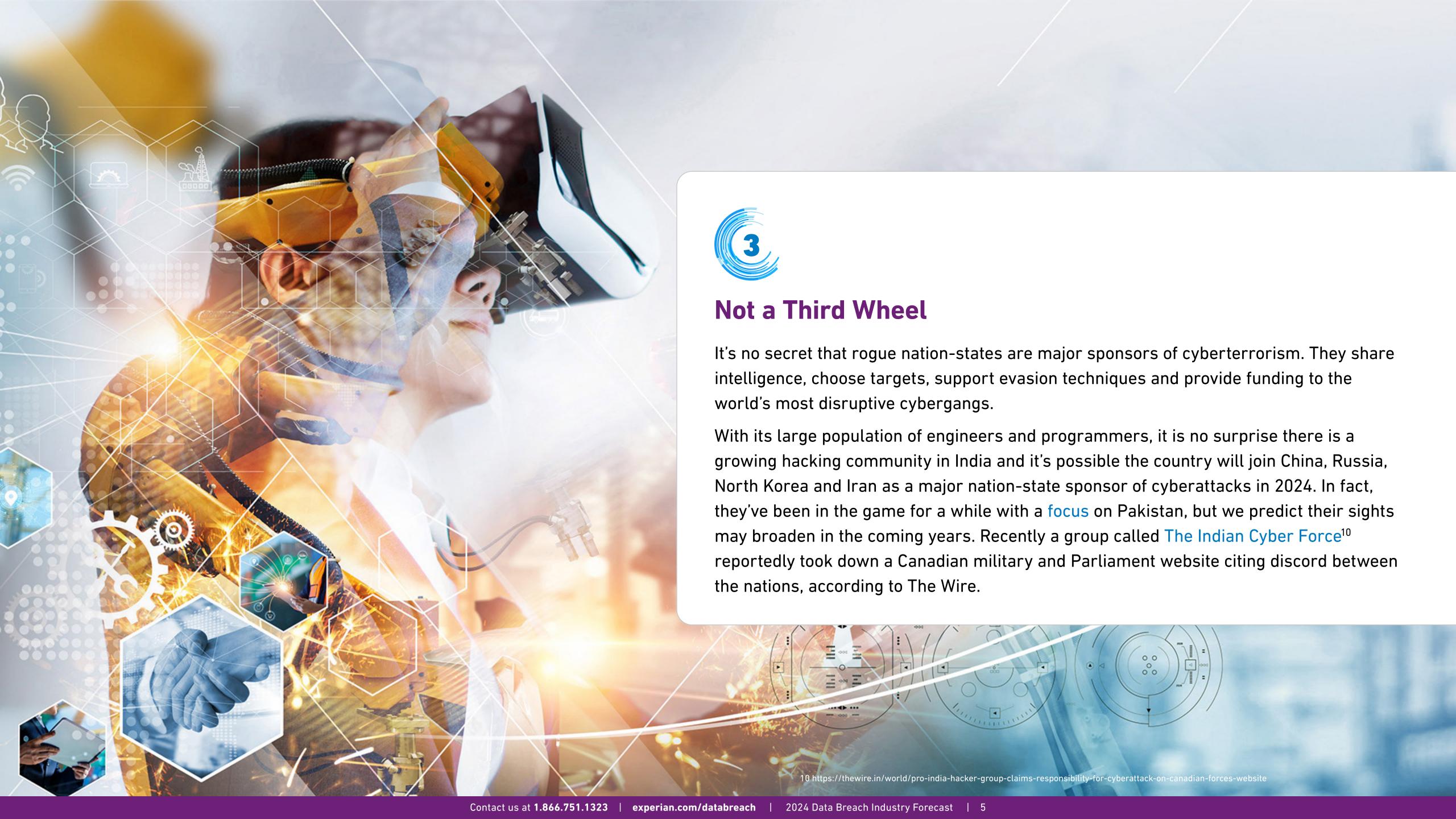
⁵ https://www.digitaltrends.com/computing/hackers-using-ai-chatgpt-to-create-malware/

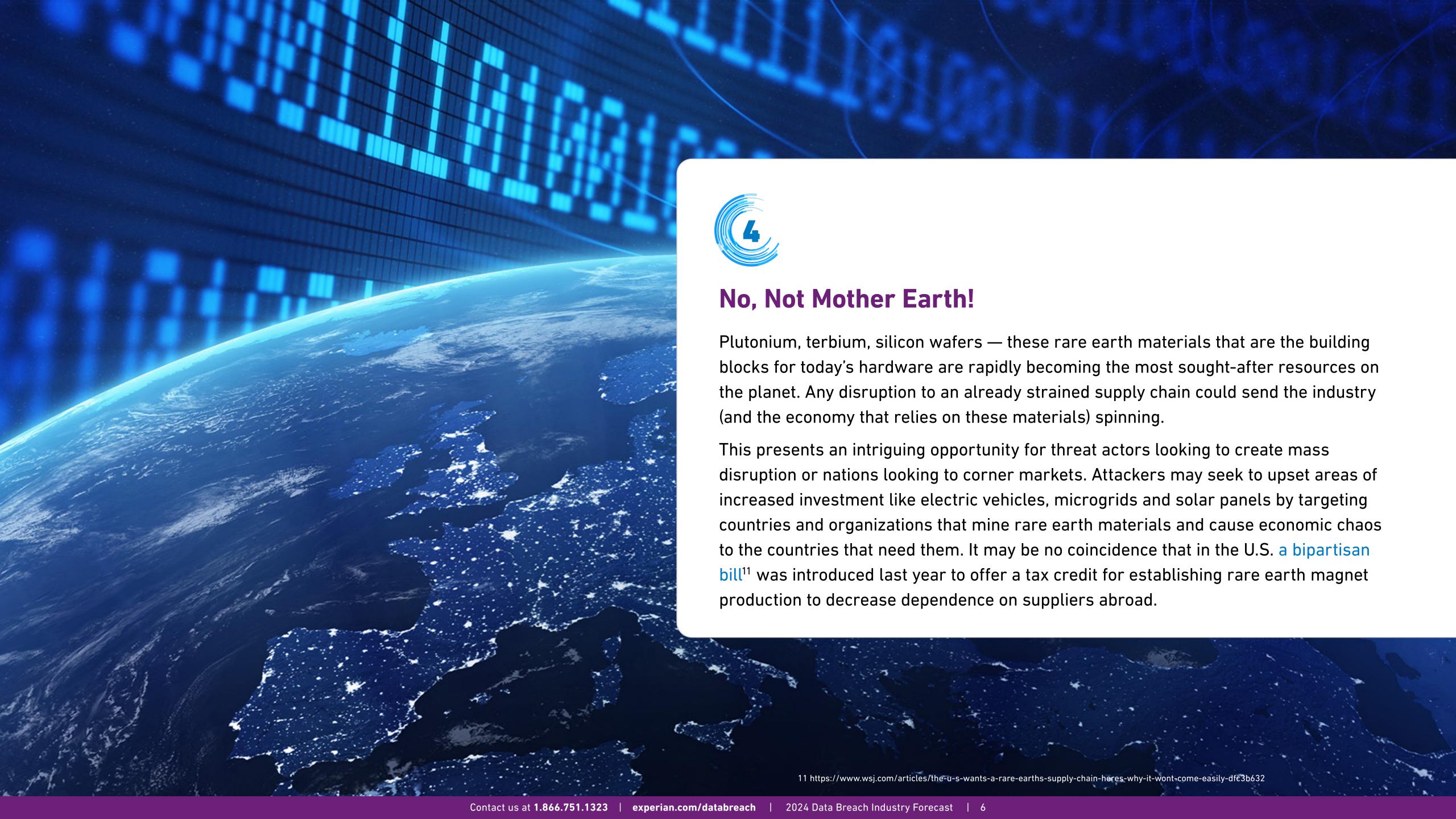
⁶ https://www.digitaltrends.com/computing/hackers-using-ai-chatgpt-to-create-malware/

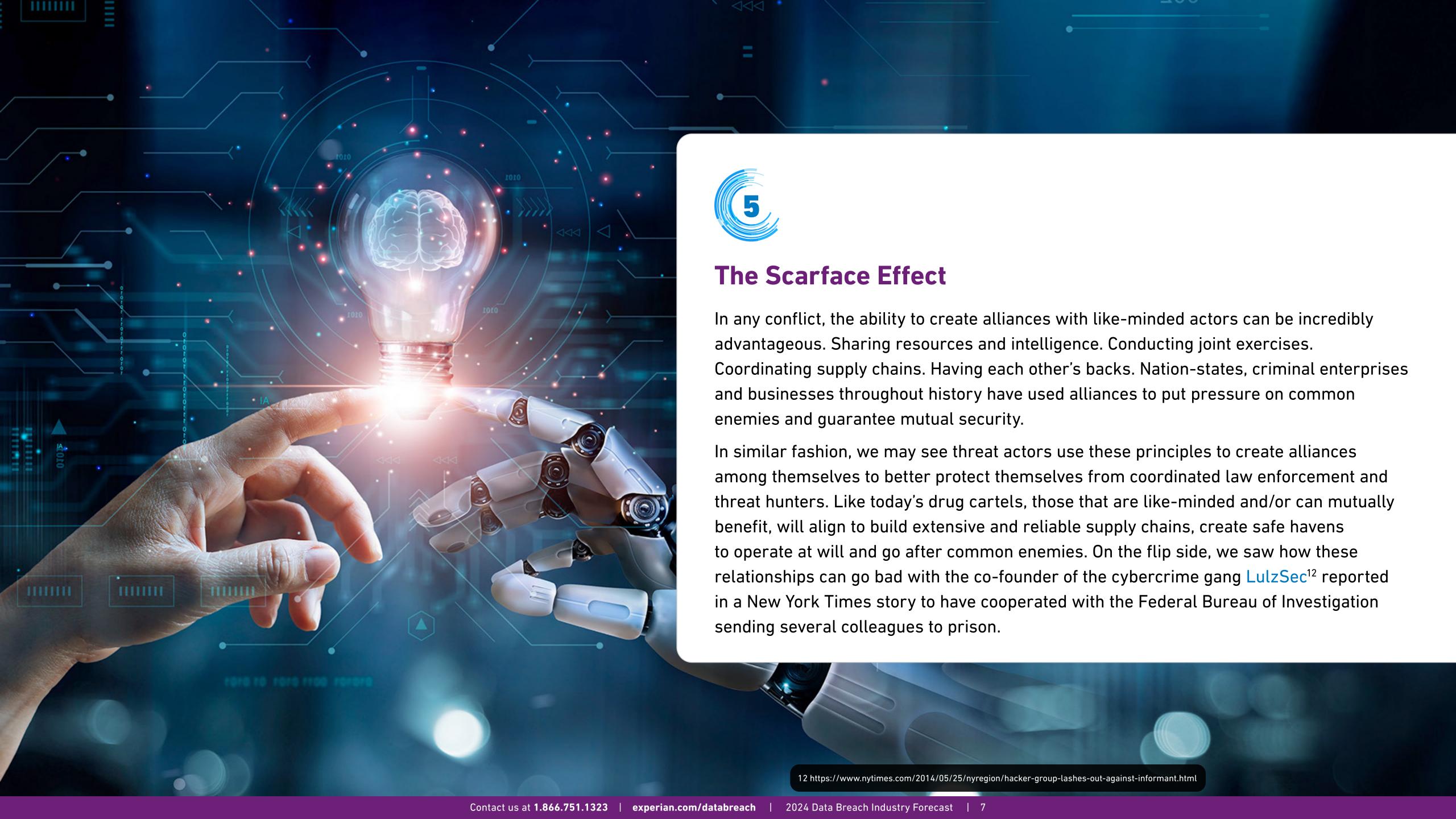
⁷ The Data Breach Industry Forecast is Experian's attempt at looking into our crystal ball and providing cybersecurity predictions for what may lie ahead. The predictions are not guaranteed, should not be relied on as formal advice and are intended for educational purposes only.

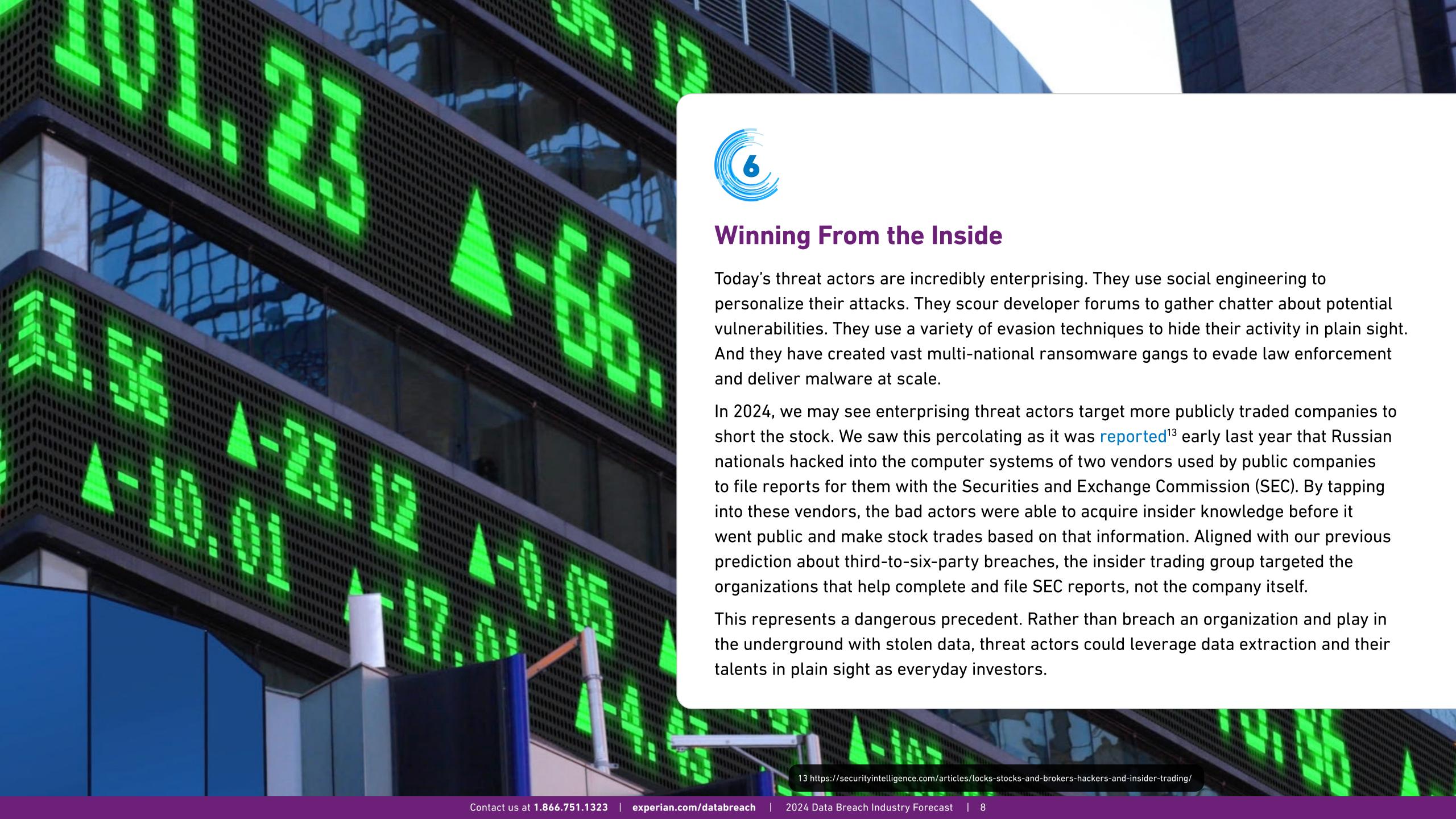












Experian® Data Breach Resolution by the numbers

2,920

Total client data breaches in 2023

68,505,814

Consumers impacted in 2023

Total mega breaches in 2023

Total breaches by sector:



38% Healthcare



21% Financial Services



16% Public Sector



12% Retail



10% Education

Coverage:



100+ Countries

Top 5 countries hit hardest:







U.S.

U.K.

Canada





Australia

Mexico

Consumers impacted:





Better outcomes, unmatched value

Count on Experian Data Breach resolution for the partnership, solutions and performance to create the best possible outcome. Gain control and confidence with the value that only Experian Partner Solutions can provide.

We are your trusted partner and the leader in the industry

21+ years

managing crisis and breach programs¹⁴

65,000+

incidents served¹⁴

30 million+

crisis-related notifications delivered each year¹⁴

16%

fewer breach events experienced for Reserved Response clients¹⁴

Here are some general stats (non-Experian) you may be interested in:

• 54% of organizations were breached through thirdparties over a 12-month period.

Source: VentureBeat.2022. Report: 54% of organizations breached through third-parties in the last 12 months.

 Cybercrime cost 8 Trillion Dollars in 2023 or \$15.2M per minute

Source: Esentire, 2022 Official Cybercrime Report. 2022

 60% of consumers are less likely to work with a brand that has suffered a data breach

Source: Business Wire, New Data From ThreatX Reveals 90% of Consumers are Concerned Poor Vendor Security Will Negatively Impact Their Lives in 2023, March 2023.

• 82% of breaches involve the human element

Source: Verizon, 2022 Data Breach Investigations Report