

Phishers Looking to Lure Users

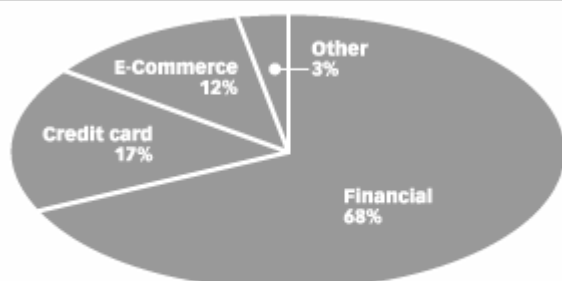
July 08, 2004

The financial industry will be the target of 68% of phishing attacks in 2004, according to a new study by Radicati Group.

Phishing is a form of identity theft that acquires personal information by tricking Internet users into divulging the data through e-mails and Web sites forged to look like those of legitimate companies. Companies like PayPal, Citibank and most recently, US Bank, have had their names co-opted by phishers, who then spammed million of users hoping some will be customers of the company and will follow the instruction in the e-mail and divulge personal information.

At the present time, most phishing attacks target the financial industry, in the form of e-mails to bank customers requesting their account number and PIN for "verification" purposes. Since these e-mails often say that the customer's account will be closed if action isn't taken, and since the linked-to site is often a realistic forgery of the financial institution's real site, users unaware of phishing tactics are easily fooled.

Industries Most Targeted by E-Mail Phishers Worldwide, 2004



Note: Phishing is defined as the act of sending an e-mail to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft

Source: Radicati Group, July 2004

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Radicati Group predicts that the number of phishing attacks per month will more than double by 2008 to reach an average of 110 per month, up from 51 per month in 2004.

Number of Unique Phishing Attacks Worldwide, 2004 & 2008 (per month)



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In response to the heightened threat of phishing attacks, an anti-phishing market has emerged. Companies take two approaches to fighting phishing — solutions that aim to stop customers from giving phishers their personal information, and protective measure in place for fraud resulting from a phishing attack. The overall industry is expected to bring in revenues of \$202 million in 2004 and \$880 million by 2008. Of course, the best protection against phishing is user awareness of the phishing strategies that are out there, and efforts by banks to adopt polices which never require users to give away their pin and account number over the Web.

