

# Retail stores are surrounded by **digital risk**

Digital risk is everywhere and evolves minute by minute. Every wireless transaction, link clicked, and stolen device leaves your clients vulnerable to a cyber attack that can close their businesses permanently.



## Everyone is a target

Year over year, there's an increase in ransomware attacks against small businesses. The average claim for a small business owner was \$139,000 as reported by Coalition policyholders.

### Nora's Garden (Florist)

- **Revenue:**
- **Location:** Scranton, Pennsylvania
- **Employee count:** 1-25
- **Industry:** Retail

### Vulnerabilities to cyber attack:

- **Email**
- **Online banking**
- **Online payments**
- **Website:**

## What happened

Nora clicked on a phishing link, and a hacker took control of her website/e-commerce platform the week of valentines day, demanding \$500K. Now Nora's regular customers are ordering from her competitor, and she missed her window to collect most of her annual revenue.

### Without Cyber Insurance, Nora must:

- Pay \$500K cash during the busiest time of the year
- Invest more money into building additional cybersecurity measures
- Work on reputational damages and rebuilding customer trust

### With Coalition Cyber Insurance, Nora had:

- 24/7 security monitoring and alerts
- Immediate response during security incidents
- Coverage to cover the costs of responding to a ransomware incident

## Offering them Coalition Active Cyber protects them from ransomware, stolen funds, loss of and business income, and tools that assist them before, during, and after a cyber attack.

### Risks impacting retail businesses include

#### Ransomware: \$250,000 - \$1.4M loss estimate

Ransomware attacks take organizations hostage (literally) by encrypting business-critical data and systems. In the past year, the average ransom demand increased 47%.

#### Funds Transfer Fraud: \$100,00 - \$750,000 loss estimate

Funds transfer fraud occurs when a malicious actor steals funds from an organization by way of a social engineering attack. Reported claims can range well above \$1M.

#### Data Breach: \$75,000 - \$600,000 loss estimate

While just 13% of claims include the breach of sensitive data, these incidents are 100% devastating. The loss of private data can result in regulatory fines and reputational damage, on top of other claims costs.

### Broad cyber coverage designed for digital risks

#### First Party *Coverage for your client*

Out-of-pocket expenses an organization incurs to recover from a loss, such as:

- Breach Response
- Business Interruption
- Cyber Extortion

#### Third Party *Everyone outside of your client's organization*

Any resulting liability or third party action as a result of a cyber incident, such as:

- Network & Information Security Liability
- Regulatory Defense & Penalties
- Technology and Media Liability

#### Limits purchased by peer organizations:

- Up to \$1M | 22%
- \$1-2M | 72%
- \$2-5M | 5%
- \$5-10m | 1%

### Why Coalition?

As the world's first Active Insurance company, Coalition combines comprehensive insurance and proactive cybersecurity tools designed to help your clients manage and mitigate cyber risks. Coalition policyholders experienced [50% fewer claims than organizations](#) with passive cyber coverage.

[Start your quote](#)