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# ISME's NATIONAL BUSINESS CRIME SURVEY 2018

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## Introduction

ISME, the Irish SME Association, is pleased to publish the 16<sup>th</sup> edition of its 'Business Crime Report'. The report details the results of the 2018 survey, which was sent by email, on the 5<sup>th</sup> of September to businesses. We had a response rate of 13% from our membership base, providing a good indicator of the current situation regarding Small and Medium Sized Enterprises and crime.

This publication will inform Government, businesses and law enforcement agencies of the scale and scope of business crime in terms of **type**, **cost** and **rate**, making it a pertinent document for relevant stakeholders. The report provides a geographical breakdown of where crime against business is most pervasive, the extent of crime against SMEs, type of criminal activity inflicted on businesses, the cost of crime, crime prevention methods used, businesses reporting of crime, sources of advice, measures to reduce crime, and a critique of the judicial system.

Our business crime survey also captures the latest data on cyber-crime against businesses. This type of attack is becoming more prevalent and the risks for businesses are becoming greater.

This survey offers a **purposeful** resource in highlighting the impact of crime on the SME sector. Given the fact that business crime is not monitored or measured separately by An Garda Síochána or the CSO, this survey attempts to fill the gap in our knowledge regarding the magnitude, character and impact of offences perpetrated within and against the business community.

We also highlight the largely unquantifiable economic and emotional weight borne by the business community as a result of crime. Smaller enterprises are particularly vulnerable, since they lack scale, expertise and resources. As a result they experience greater difficulty in absorbing the direct and indirect costs of crime.

As the SME sector is the driver of the local and domestic economy, it is important that crime against businesses is dealt with robustly and vigorously. ISME, with its strong independent national network, is willing to work with Government and law enforcement agencies to combat the issue of business crime.

We hope this report will help maintain Government focus on crime against business and employers.

## Executive Summary

- ***34% of companies have been the target of criminal activity in the last 12 months; this represents a 1% decrease on the 2017 figures.***
- ***41% of enterprises stated the direct cost of criminal activity was €1,000-€5,000, while 11% of business stated that direct cost was more than €10,000.***
- ***Crime prevention costs for business are as follows, 38% spend less than €1,000, 33% of businesses spend on average €1000-€5000, and 8% of businesses spend €5,000-€10,000, while 7% spend more than €10,000. 14% of respondents did not respond to this question.***
- ***87% of SME business owners see the judicial system as ineffective in the fight against crime. This represents an improvement of 11% on 2017 figures.***
- ***39% of businesses think the general level of crime against business is getting worse.***
- ***On a regional basis the highest incidence of crime was reported in Leinster (excluding Dublin) at 43%, followed by Connacht at 41%. 36% of Dublin businesses reported a crime. 24% of businesses in Munster reported an incidence, while 11% of Ulster businesses reported an incidence.***
- ***The most common crime reported by respondents was 'Theft by an outsider' (e.g shoplifting) at 34%, closely followed by 'Vandalism' and 'Robbery' at 30% and 29% respectively.***
- ***66% of businesses experienced more than two instances of crime, down 9% on 2017.***
- ***15% of businesses were the victim of false or exaggerated personal injury claims.***
- ***23% of respondents said they believe that crime in their locality is 'getting worse', up from 21% in 2017.***
- ***The survey results confirm that only 9% of SME owner/managers are confident that if they were the victim of a crime that the criminal would be apprehended (a decline from 10% in 2017).***
- ***After the direct cost of crime, 'increased security costs' at 46% have the biggest impact of crime on business (down from 54% in 2017). This is followed by 'disruptions to trading' as reported by 37% of respondents (up from 32% in 2017).***

- *Of the SMEs who suffered from criminal activity, 14% reported legal costs as a consequence of crime against their business, while 6% reported a loss/postponment of investment.*
- *'Alarms' and 'CCTV' are the primary crime prevention methods used by businesses at 63% and 62% respectively. This is followed by the use of 'monitored alarm response' at 59%.*
- *There has been continued increases in the non-reporting of crime to the Gardaí. This has increased from 24% non-reporting rate in 2017 to 28% rate in 2018.*
- *Of those who did not report the criminal incidents, 41% stated that it was because they believed the crime was 'too trivial'. 41% stated they had 'no faith that the criminal would be charged.'*
- *18% reported that they would not report the crime for fear of higher insurance costs.*
- *38% of companies have never requested crime reduction advice. Of those who did, 22% received their advice from An Garda Síochána, while 21% received it from a security/monitoring company.*
- *Of the 63% of respondents who were aware of the Crime Prevention Office, only 22% had used the service.*
- *SME owner-managers rate CCTV surveillance as the most effective deterrent against crime at 72%. Tougher sentencing follows behind this at 65%, while 59% would like to see more policing in our towns.*
- *85% receive spam related email. 43% have been the victim of credit card fraud, while 14% of businesses have had their social media hacked.*
- *72% of respondents favoured the concept of sharing CCTV data among businesses to combat crime, up from 67% in 2017.*
- *23% of businesses don't change their password.*
- *98% of respondents stated they would like to see the establishment of a central/national E-crime body.*
- *26% of businesses have experienced computer-related crime in the last 12 months.*

## RECOMMENDATIONS

ISME has eleven recommendations for reducing the level of crimes committed against businesses:

1. **Introduction of a single, national definition for business crime in Ireland to enable these offences to be properly categorised, measured, analysed and ultimately solved by the Garda.. Business crime must be measured and recorded so that the extent, nature and scope of the issue can be properly assessed.**
2. **Although we have a ‘National Strategic Retail Theft Forum,’ we believe a national body (Similar to the [National Business Crime Centre](#) in the UK), and including representatives from law enforcement and the business community, is necessary to reduce business crime.**
3. **The Annual Report of the Garda Commissioner should contain a specific section concerning business crime, backed by figures on the number of business crimes reported and detected, in the same way as other crime statistics.**
4. **The Departments of Justice, and Business Enterprise and Innovation should set ambitious Key Performance Indicators to monitor the effectiveness of the efforts being made to reduce business crime.**
5. **Provide training to Community Police Officers to improve their understanding of how local businesses operate, and the impact and extent of business crime.**
6. **Reassess the sentences handed out by the judiciary when dealing with business crime to ensure they are an adequate deterrent.**
7. **Increase levels of CCTV surveillance, particularly in town centres, and increase the number of Gardaí on patrol by outsourcing more administrative duties to the private sector.**
8. **Allow for sharing of CCTV data among businesses under Data Protection legislation.**
9. **Conduct an awareness campaign to educate businesses about the existence and functions of the Crime Prevention Office.**
10. **Develop and implement business watch initiatives and ensure that they are advertised effectively.**
11. **Launch, finance and promote a ‘Mind your Business’ website which outlines best practice methods and tools for business crime prevention.**

## Methodologies and Profile of Survey Respondents

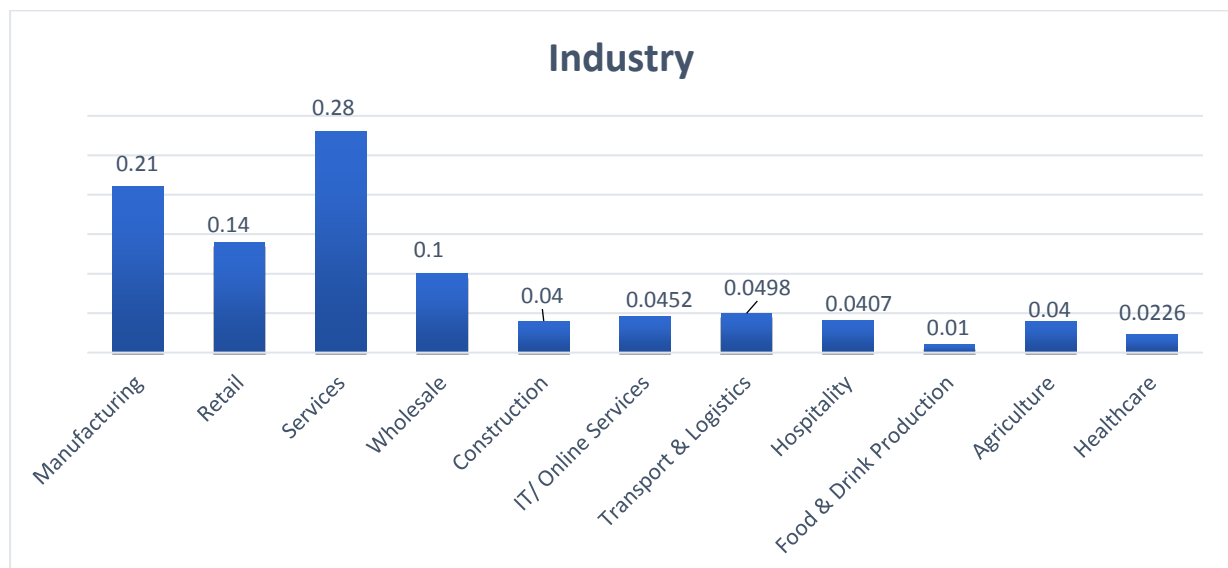
This report details the results of the 2018 '**Business Crime Survey**' which was sent by email on the 5<sup>th</sup> of September to 10,500 member companies and affiliates, with a total response rate of 13%.

The data for the report was gathered using a single questionnaire of 36 questions which was sent to businesses. The questions were divided into a range of topics covering the various areas of business crime.

The results were then analysed against a number of criteria, such as size by employment, location, region and sector.

Note: Dublin businesses are taken in isolation, Leinster data excludes Dublin.

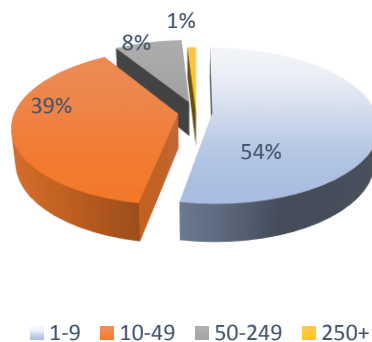
The sectors, numbers employed and locations as represented in the survey are shown in the following tables:



The above table shows a sectoral breakdown of the industries represented. 28% are in the services sector, 21% in Manufacturing, while 14% are Retail businesses. Wholesale makes up 10% of respondents. 4% are from the Construction sector, 5% of businesses are IT/Online Services and 5% Transport and Logistics sector. 4% of respondents are from the Hospitality sector & Food & Drinks Production make up 1%, while Agriculture and Healthcare sectors make up 4% and 2% of respondents.

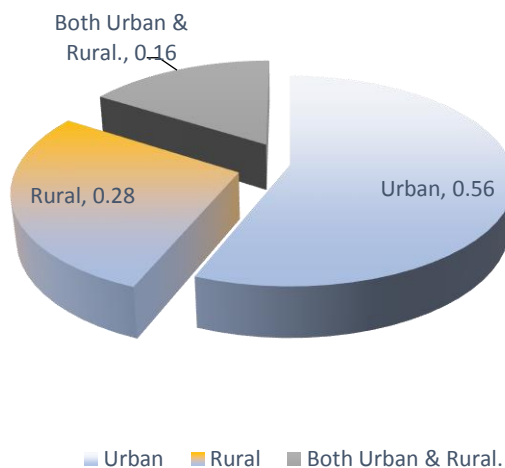


### Numbers Employed



54% of respondents are micro sized enterprises employing 1-9 people. 39% of businesses are small sized enterprises employing 10-49 people, 8% are medium sized enterprises employing 50-249 people, while only 1% employ 250+.

### Urban /Rural



56% of enterprises are located in urban areas around the country, while 28% are based solely in rural parts. 16% of business have their enterprise based in both rural and urban parts of the country.

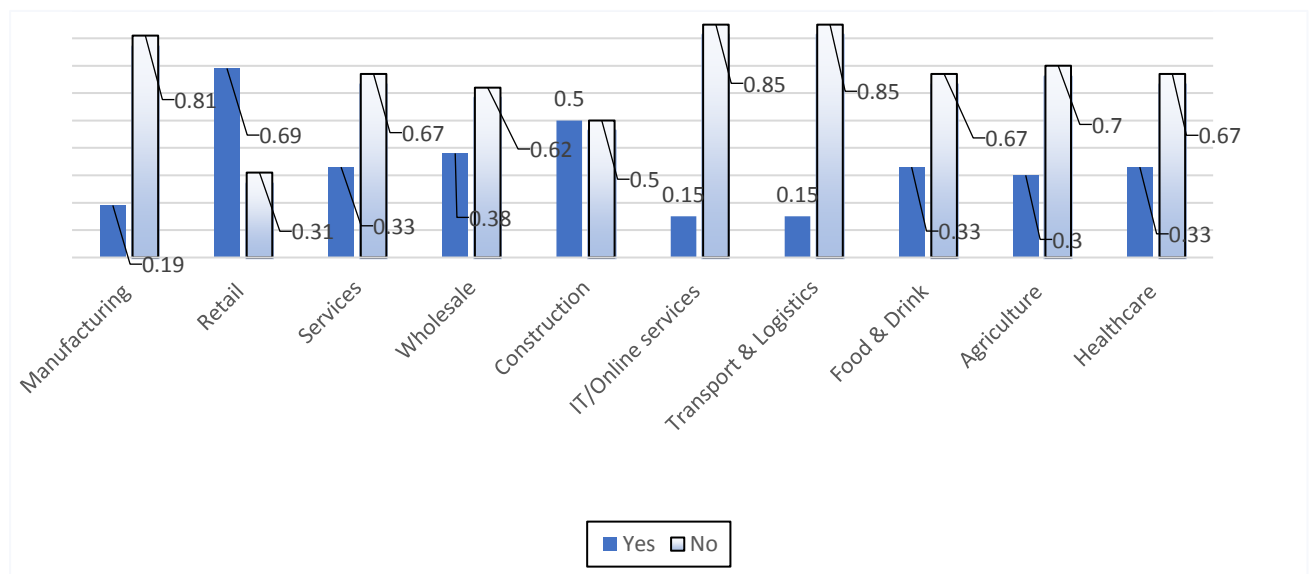
## EXTENT OF CRIME AGAINST SMEs

### Q 6. In the last 12 months has your business been affected by crime?

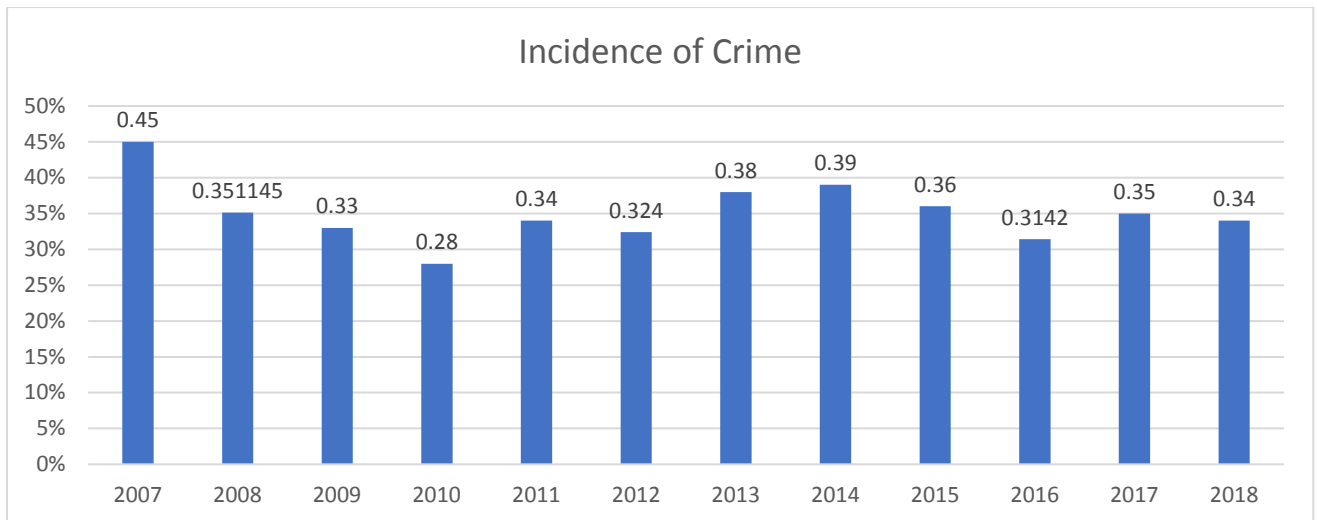
	Dublin	Leinster	Munster	Ulster	Connacht	Total 2018	Total 2017
YES	36%	43%	24%	11%	41%	34%	35%
NO	64%	57%	76%	89%	59%	66%	65%

34% of SMEs have been affected by business crime in the last 12 months. This represents a slight reduction of 1% on 2017.

43% of companies based in Leinster (excluding Dublin) reported the highest instances of crime against business; this is up on last year's figures of 37%. Businesses in Dublin reported a 36% incidence rate, down from 41% in the previous year. 24% of businesses in Munster reported a crime, while 41% of businesses in Connacht were affected by crime. Businesses in Ulster reported the lowest incidence of crime at 11%.

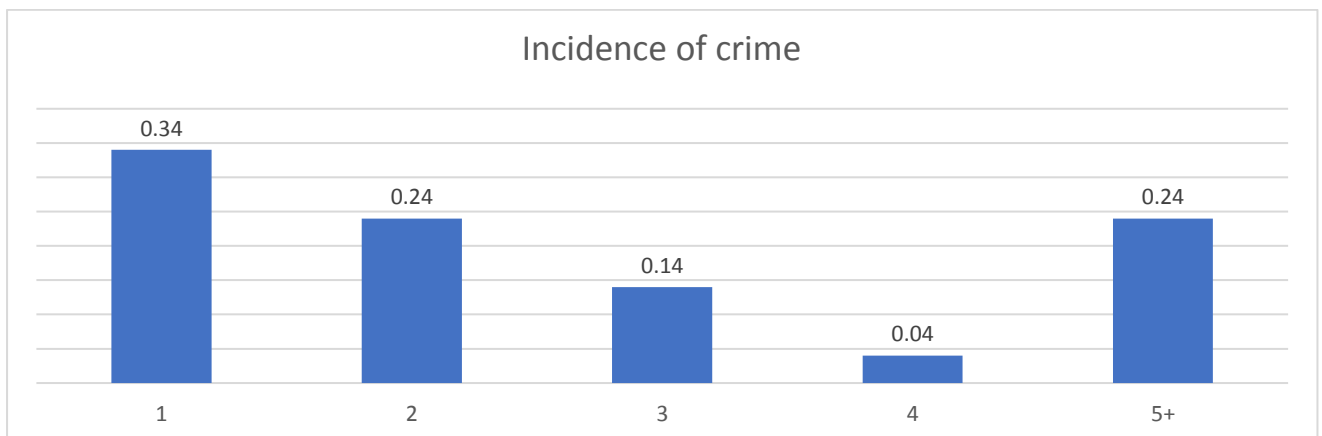


The Retail sector reported the highest instances of crime against business at 69%, Construction sector reported the second highest incident rate at 50%. The Wholesale sector reported a crime incidence rate of 38%. Transport & Logistics, and IT/Online services reported the lowest rate of incidences at 15% respectively.



With the exception of 2010, the general rate of crime against business has invariably been above 30%. The figures for 2018, show a slight decrease from 35% in 2017 to 34% in 2018.

## INSTANCES OF CRIME IN THE LAST 12 MONTHS



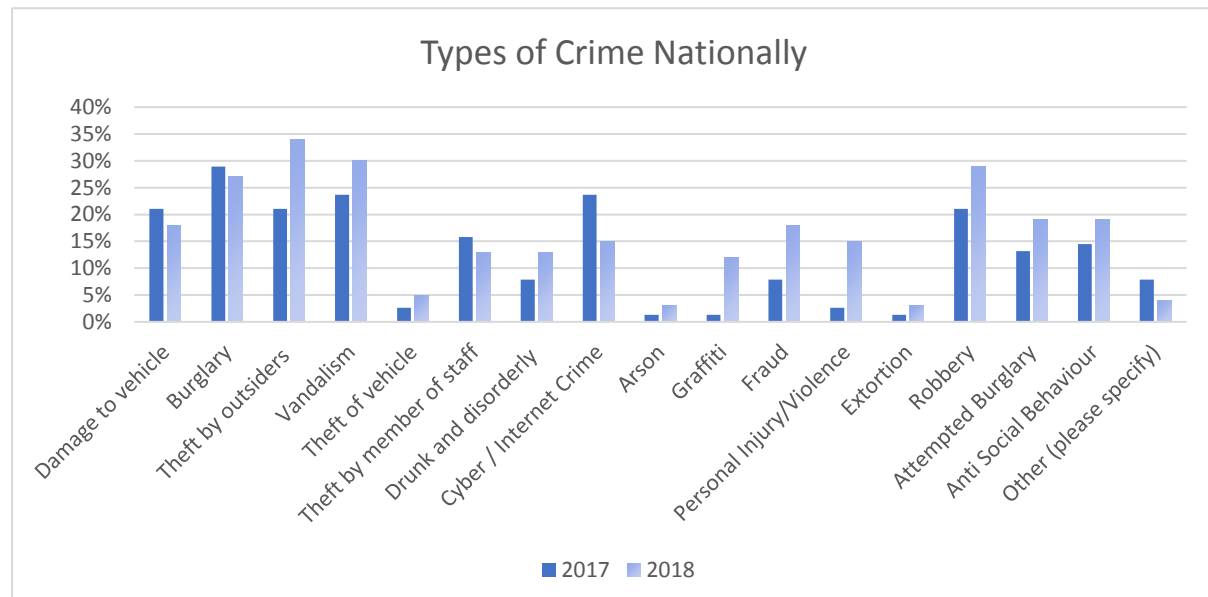
66% of businesses have experienced 2 or more incidences of any type of crime over the past 12 months. This is down on last year's figure of 75%. These figures come with a caveat as it is important to note that 28% of incidents went unreported in the last 12 months (compared to 24% in 2017, which suggests the situation is worse than that shown in the chart above).

## LOCAL CRIME

23% of businesses stated the problem of crime against businesses in their locality was '**getting worse,**' 72% said it was '**unchanged,**' while only 5% said it was '**improving,**'.

## TYPE OF CRIMINAL ACTIVITY INFLICTED ON BUSINESSES

We asked our members which of the following crimes has affected their business in the last 12 months. We have provide a breakdown of this data into national, regional and sectoral breakdowns.



‘Theft by outsiders’ was reported at 29%, this was the most common form of crime suffered by businesses nationally, followed ‘Vandalism’ at 30%. Robbery was reported as the third most common crime at 29%. ‘Burglary’ has decreased from 29% to 27% in 2018. ‘Attempted Burglary’ and ‘Anti-social behaviour’ both reported increases at 19%.

### SECTORALLY:

No one crime is the same, and each sector is impacted differently when it comes to business crime. The figures below provides a sectoral breakdown of the impact crime has in each of the following industries.

Answer Options	Manufacturing	Retail	Wholesale	Services	Construction
Damage to vehicle	20%	8%	33%	16%	20%
Burglary	10%	17%	22%	21%	80%
Theft by outsiders	0%	67%	33%	32%	6%
Vandalism	40%	25%	11%	32%	40%
Theft of vehicle	10%	0%	11%	11%	0%

Theft by staff	10%	13%	22%	16%	0%
Drunk & Disorderly	10%	21%	11%	5%	0%
Cyber/Internet Crime	0%	8%	22%	32%	0%
Arson	0%	0%	0%	5%	0%
Graffiti	20%	0%	11%	5%	0%
Fraud	0%	29%	22%	5%	20%
Personal Injury	20%	21%	22%	11%	0%
Extortion	0%	0%	0%	5%	0%
Robbery	50%	21%	22%	26%	20%
Attempted Burglary	30%	13%	0%	21%	0%
Antisocial behaviour	30%	17%	22%	16%	0%
Defamation	0%	8%	0%	0%	0%
Mobile Hacking	10%	4%	0%	5%	0%
Other	10%	9%	0%	0%	0%

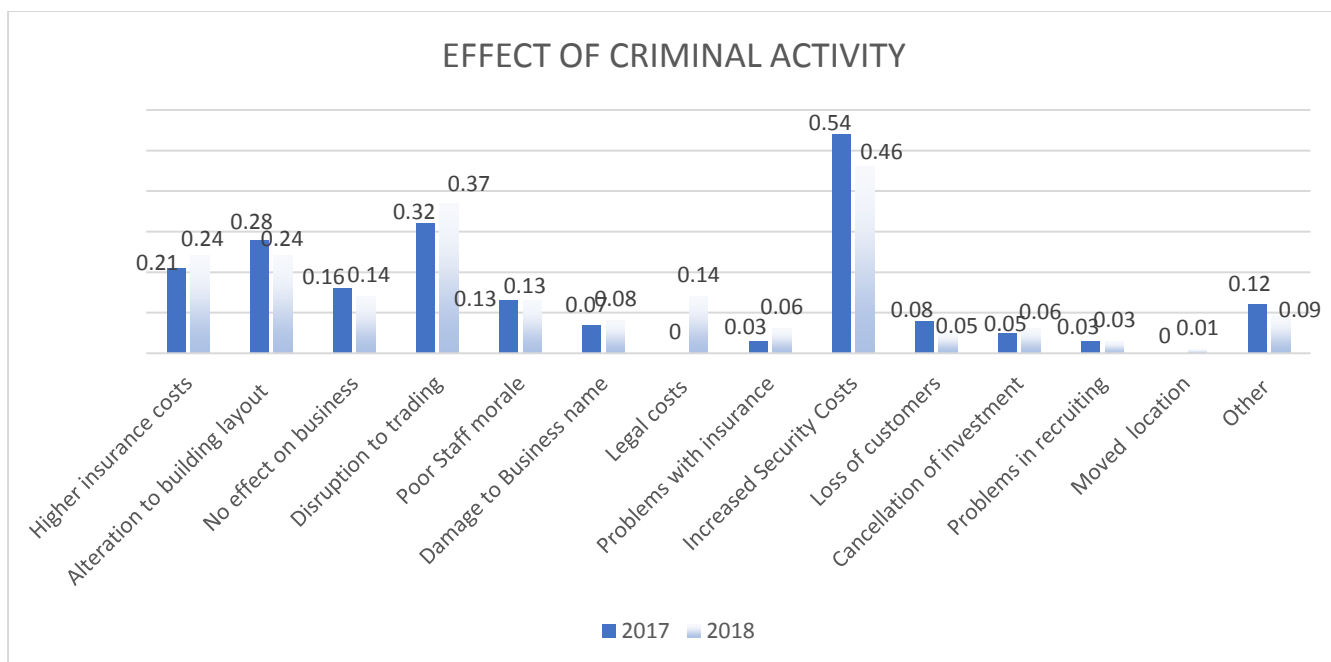
The Retail sector, understandably, is most impacted by 'Theft by Outsiders' at 67%. This represents a 6% decrease on the 2017 figures.

All sectors excluding the Construction sector have been the victim of fraudulent personal Injury (PI) claims, with the Wholesale sector most impacted at 22%. 'Theft by Staff members' is most common in the Wholesale sector at 22%. The Services sector is most impacted by cyber-crime at 32%, while the Construction sector is most susceptible to burglary at 80%.

The Retail sector is most impacted by 'Anti-Social Behaviour' at 30%, this is followed by the Wholesale sector at 22%.

## EFFECT & COST OF CRIME ON SMEs

This section examines the consequences and effect of criminal activity nationally, regionally and sectorally over the last 12 months.



46% of business over the course of the last 12 months have had to increase their security cost, this is down from 54% in 2017. 24% experienced higher insurance cost as a result of criminal activity, this is up from 21% on 2017.

14% stated that the crimes committed had no impact on their business, this is down from 16% in 2017. 37% stated that crimes against business was disrupting trade, up from 32% in 2017.

24% of those who were victims of crime had to make alterations to their building layout, a decrease of 4% on 2017.

As a direct result of criminal activity, 14% of respondents incurred legal fees.

While there is always a direct cost of criminal activity, there are also hidden costs such as poor staff morale (13%) unchanged on 2017, damages to company's reputation (8%) and problems in recruiting (3%).

## Sectorally

The table below shows a sectoral breakdown of the consequences of criminal activity against a business over the last 12 months.

Answer Options	Manufacturing	Retail	Services	Wholesale	Construction
Higher insurance costs	20%	29%	16%	44%	0%

Alteration to buildings layout to enhance security	40%	8%	26%	11%	80%
No effect on business	20%	25%	5%	11%	0%
Disruption to trading	40%	42%	53%	11%	20%
Poor Staff morale	0%	17%	21%	11%	0%
Damage to organisation's reputation	0%	0%	16%	11%	0%
Problems in obtaining insurance	10%	4%	11%	11%	0%
Increased Security Costs	60%	28%	42%	22%	40%
Loss of customers	0%	0%	11%	11%	0%
Legal Costs	0%	17%	16%	11%	0%
Cancellation of investment	10%	0%	21%	0%	0%
Problems recruiting	0%	4%	5%	0%	0%
Moved business location	0%	0%	5%	0%	0%
Other	17%	6%	21%	11%	12%

42% of businesses in the Retail sector stated that crimes against their businesses resulted in 'Disruption in Trading.'

16% of businesses in the Services sector incurred legal costs. 11% of businesses in the Wholesale sector experienced a 'loss of custom'. 40% of businesses in the Construction sector reported an increase in 'security costs'

44% of businesses in the Wholesale sector reported higher insurance costs as a result of criminal activity.

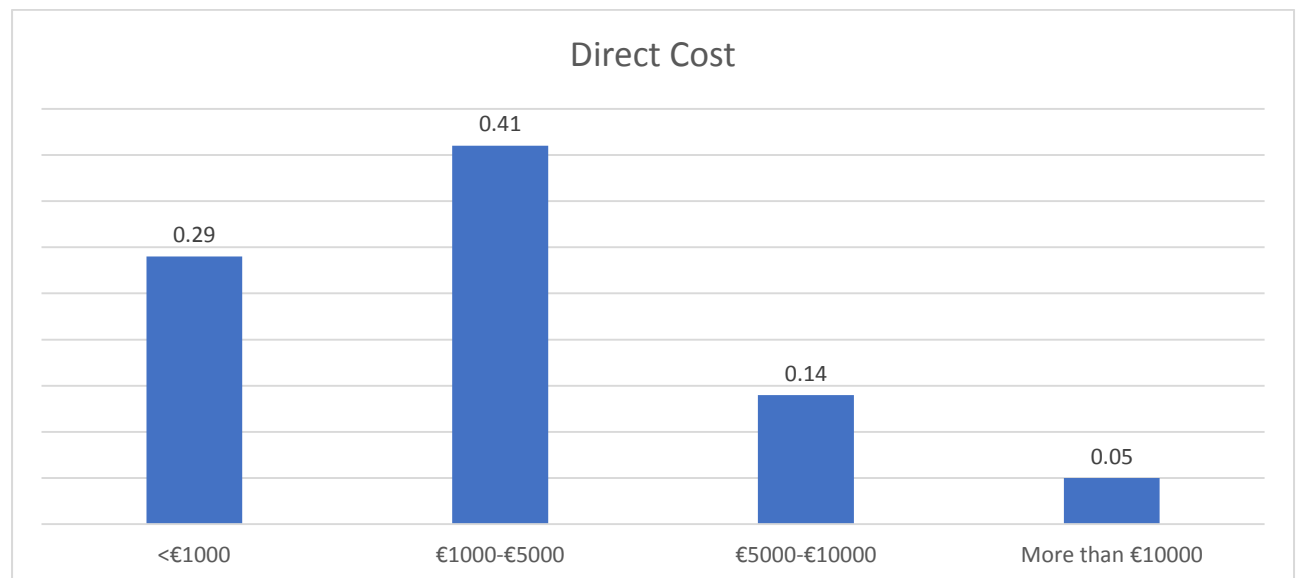
4% of businesses in the Retail sector stated that as a result of criminal activity, obtaining insurance was a difficulty.

## COST OF CRIME

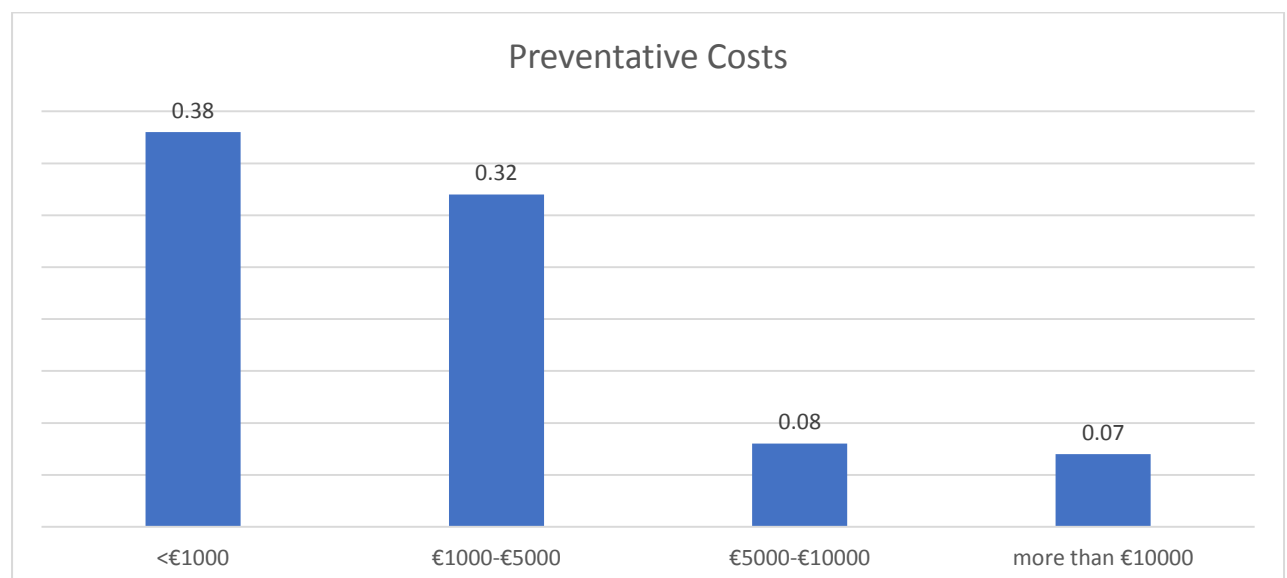
The CSO officially describes publication of Recorded Crime Statistics for 2017 and 2018 as 'under reservation.'

As crimes against businesses are not recorded separately in statistics compiled by An Garda Síochána and not all incidents of crime against businesses are even reported, as evidenced from the 28% non-reporting in this survey, there is no official method of collating and registering the cost of crime on SMEs.

In this section we asked respondents what was the direct cost, and the cost of preventive measures taken in light of criminal activity over the last 12 months.



29% of businesses stated that the direct cost of criminal activity was less than €1,000, 41% of business stated that the cost incurred was €1,000-€5,000. 14% of business said the cost was €5,000-€10,000, while 5% stated the overall cost was more than €10,000 over the last 12 months.

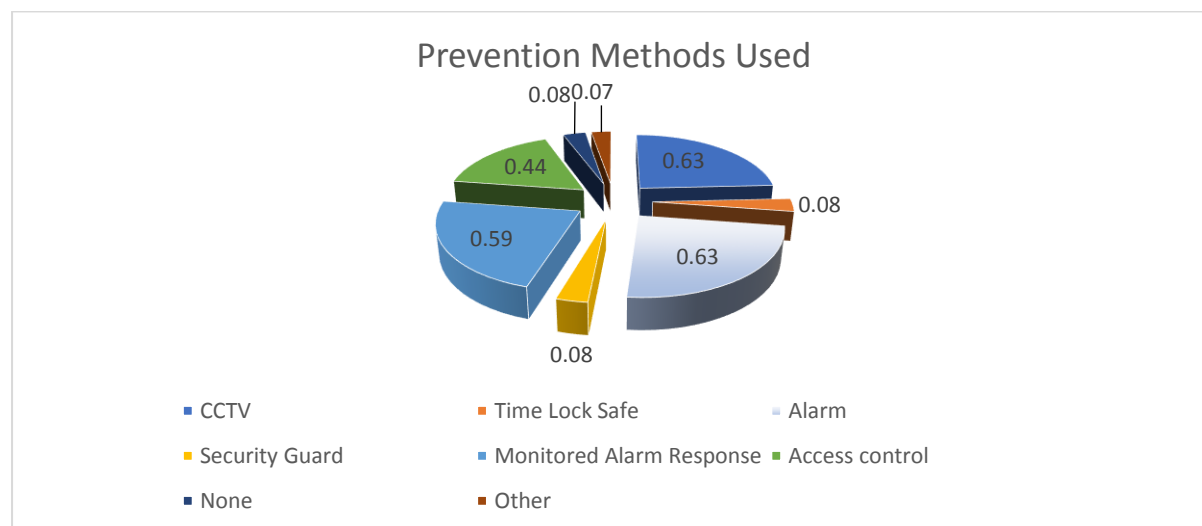




We asked our members, how much they spend on crime prevention methods. 38% confirmed they spend less than €1,000 on crime prevention methods, 32% stated they spend €1,000-€5,000, 8% reported that they spend €5,000-€10,000, while 7% spend more than €10,000.

## CRIME PREVENTION METHODS USED

We asked our members what crime prevention methods they applied in deterring crime. These results are broken into national, regional and sectoral sectors.



63% of businesses stated they use 'CCTV' and 'Alarm' as a preventative measure. The use of a 'Monitored Alarm Response' is the next most popular preventative measure at 63%. 8% of businesses use a 'Security Guard' as a means of crime prevention, while 44% use 'Access Control'. 8% of businesses use no preventative methods.

	Dublin	Leinster	Munster	Connacht/Ulster
<b>CCTV</b>	62%	64%	64%	69%
<b>Time Lock Safe</b>	8%	9%	11%	3%
<b>Alarm</b>	63%	71%	56%	50%
<b>Security Guard</b>	8%	2%	5%	6%
<b>Monitored Alarm Response</b>	59%	56%	52%	56%
<b>Access Control</b>	44%	44%	41%	44%
<b>None</b>	8%	9%	9%	9%
<b>Other</b>	7%	11%	6%	6%

	Manufacturing	Retail	Services	Wholesale	Construction
<b>CCTV</b>	65%	82%	54%	76%	70%

<b>Time Lock Safe</b>	0%	27%	7%	14%	0%
<b>Alarm</b>	63%	76%	57%	71%	40%
<b>Security Guard</b>	2%	3%	10%	10%	10%
<b>Monitored Alarm Response</b>	50%	73%	56%	76%	60%
<b>Access Control</b>	48%	36%	44%	48%	30%
<b>None</b>	8%	3%	11%	0%	0%
<b>Other</b>	0%	3%	10%	0%	20%

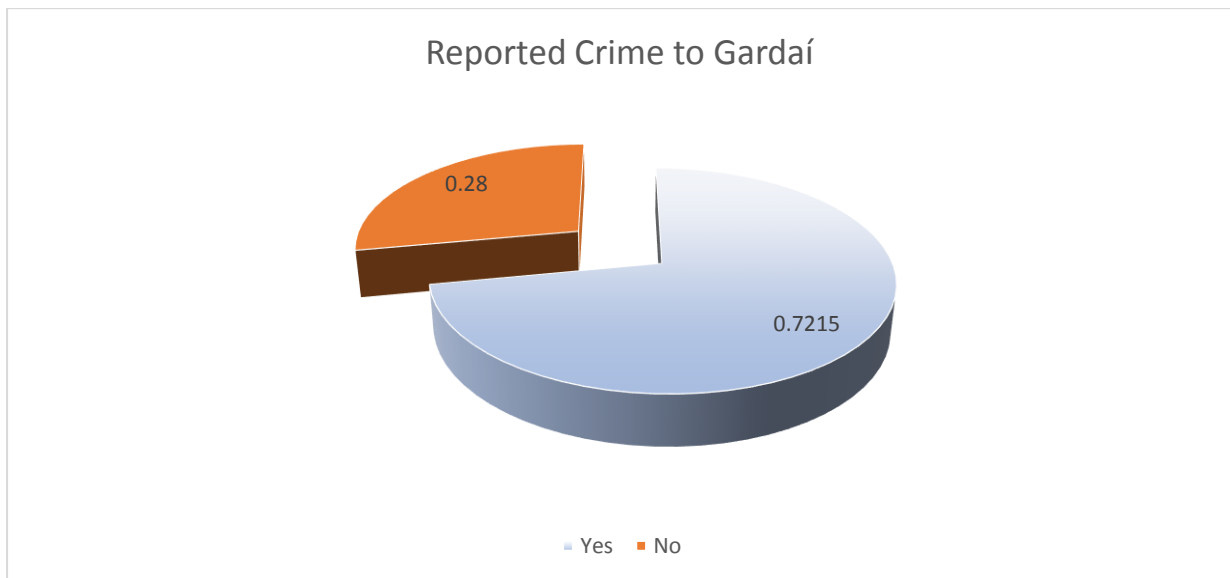
8% of Dublin businesses require the use of a 'Security Guard,' this is down from 18% in 2017. 64% of businesses in Leinster (Excluding Dublin) use 'CCTV' to prevent crime, while 71% of businesses in Munster use an 'Alarm System.'

65% of Manufacturers use 'CCTV' as a preventative measure, while 82% of those in the Retail sector use this tool.

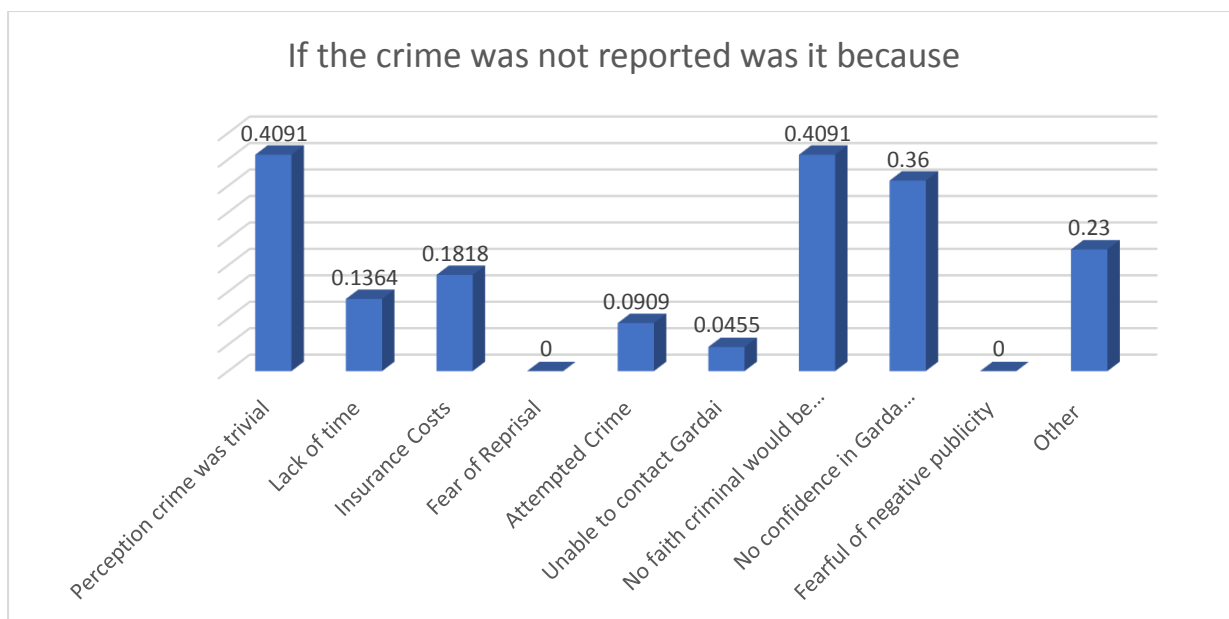
57% of those in the Services sector use an Alarm and 44% use 'Access Control'. Of those in the Construction sector 70% use CCTV, while 60% use 'Monitored Alarm Responses'.

## BUSINESS REPORTING OF CRIME

Reporting of crime is an important part of working with law enforcement agencies. We asked members who have been affected by crime over the last 12 months if they reported a business crime to the Gardaí.



28% of businesses affected by crime stated that they had not reported criminal activity against their business in the last 12 months to the Gardaí, up from 4% on last year.



Many reasons were given by businesses for this reluctance. However, the most frequently cited reasons were that businesses had 'no faith that the criminal would be charged' and 'perception that the crime was too trivial'.

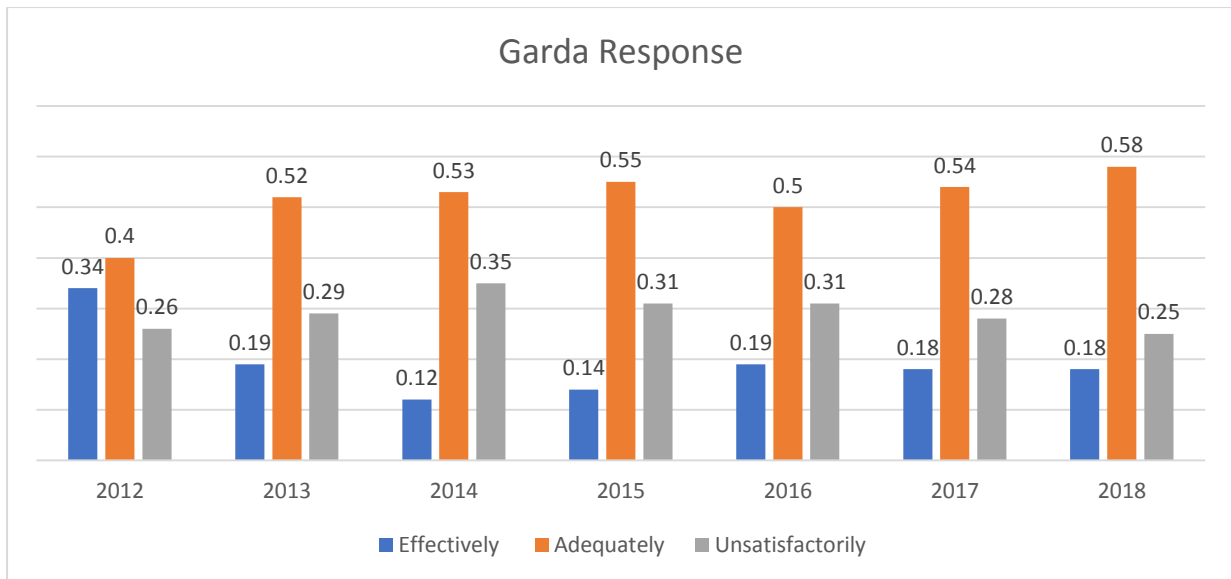
36% stated they had 'no confidence in Garda response', while 18% cited fear of 'higher insurance costs'. The issue of insurance is quite a concern and this significant percentage elucidates the impact high insurance premiums are having on businesses.

	Dublin	Leinster	Munster	Connacht/Ulster
YES	67%	71%	80%	67%

Businesses in Munster are the most likely to report a crime to the Gardaí at 80% Businesses in Dublin, Connacht and Ulster have a reporting rate of 67%, while businesses in Leinster have a reporting rate of 71%.

	Manufacturing	Retail	Services	Wholesale	Construction
YES	70%	75%	84%	33%	80%

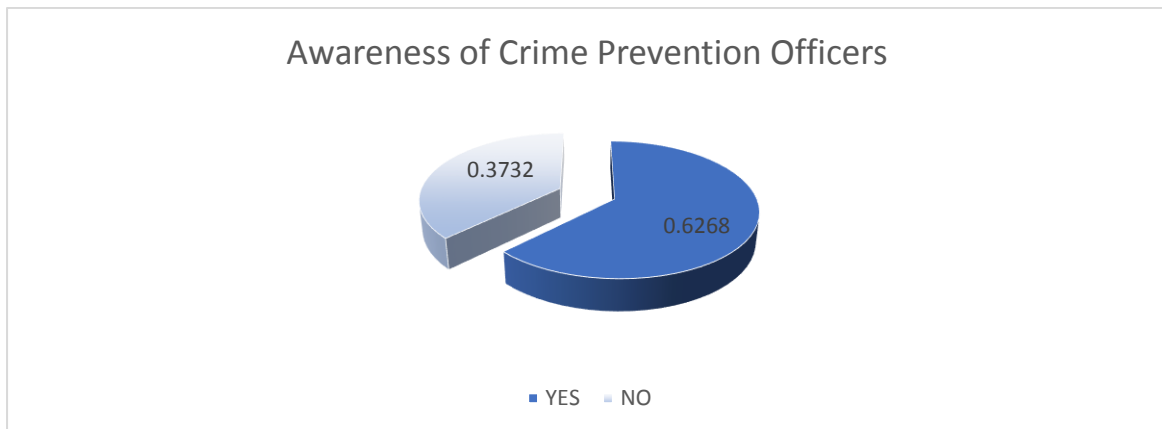
84% of businesses in the services sector reported the crime incident to policing authorities. The retail sector which is particularly vulnerable to crime, had a reporting rate of 75%. The Wholesale sector reported the least number incidences of crime at 33%, while the reporting rate for the Construction sector was at 80%.



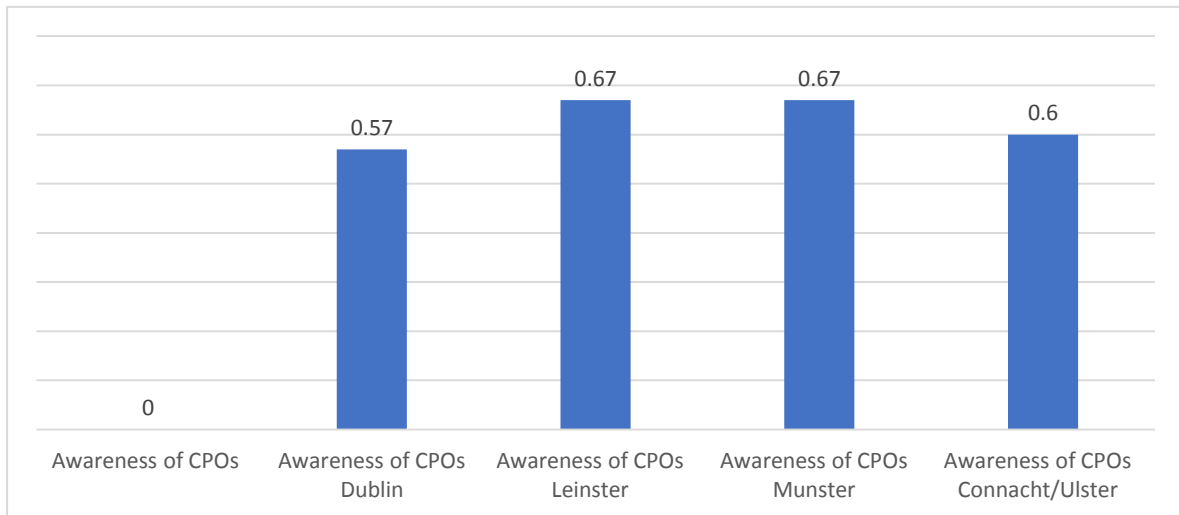
Satisfaction with how the Gardaí dealt with a reported crime improved from 72% in 2017 to 76% in 2018, while 25% of respondents were dissatisfied.

### Garda Crime Prevention office

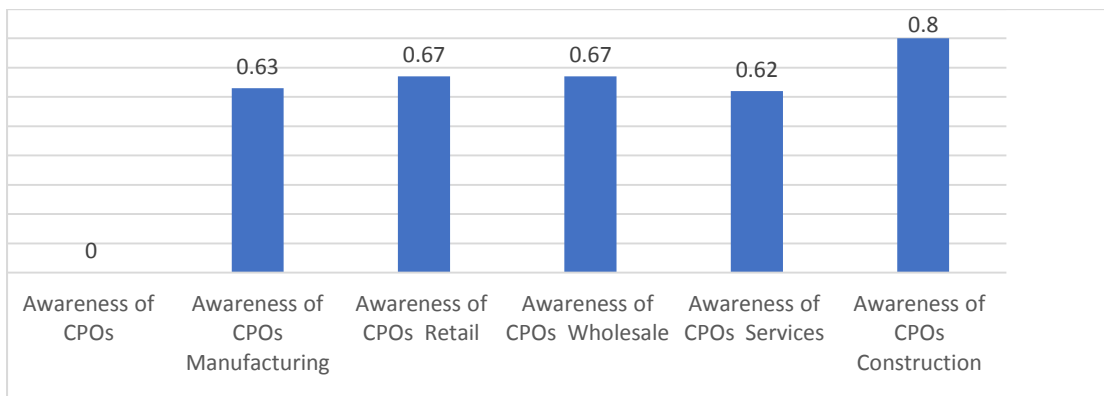
Within each Garda Division, there are specialist Crime Prevention Officers (CPOs). These CPOs are trained to encourage, promote and advise on crime prevention in both the private and business community.



We asked our members if they were aware of the existence of Crime Prevention Officers. 63% of business are aware of the existence of CPOs, this is unchanged on last year's figures.

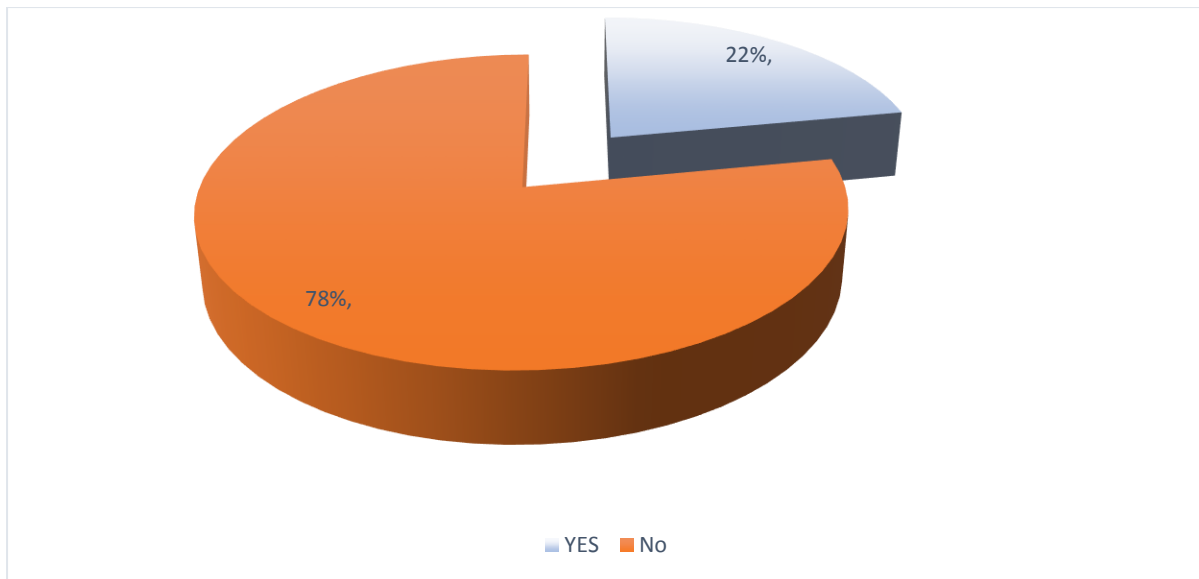


Businesses in Munster and Leinster are most aware of the Crime Prevention Officer. Dublin businesses awareness drops on last year from 64% to 57%. Awareness of the CPO in Connacht and Ulster is at 60%.

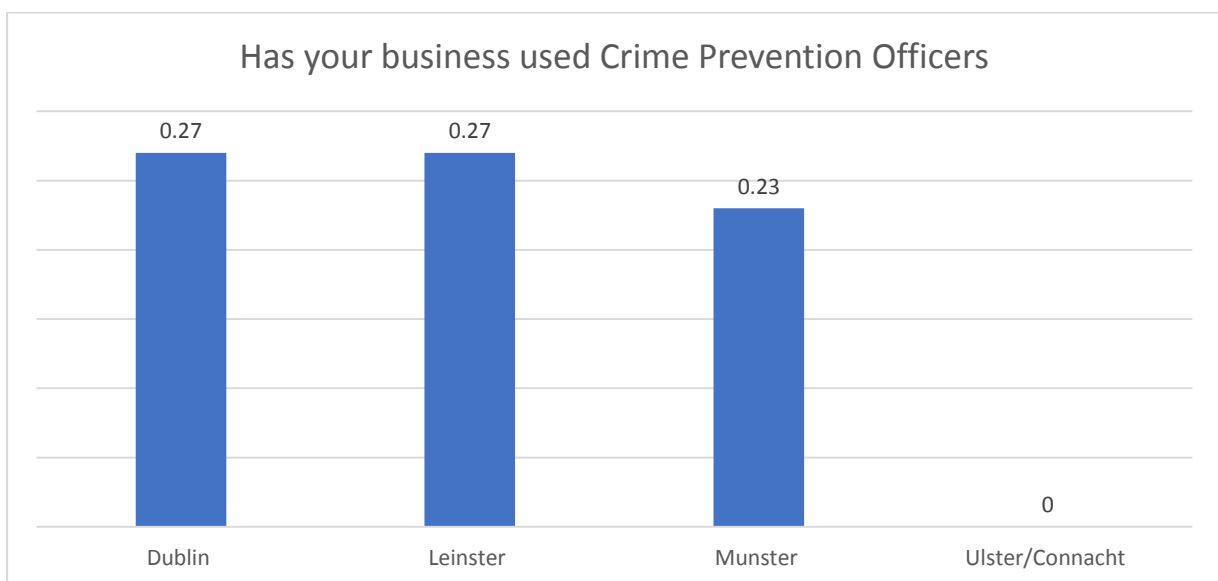


The Manufacturing sector is most aware of the existence of the Crime Prevention Officer. 67% of businesses in the Retail and Wholesale sector are aware of the CPO. 62% of those in the Services sector are aware of the CPO, while significantly 80% of businesses in the Construction sector are aware.

As part of our Crime Prevention Officers analyses we asked respondents that if they were aware of Crime Prevention Officers had they used it. The responses were as follows; 22% stated they had used this, an increase of 3% on last years figures. While 78% of members who had reported crime did not use this service.



Crime Prevention Officers play an important role in helping business to deter crime. The lack of use by businesses is a cause of concern. Greater awareness of this resource is needed among businesses.

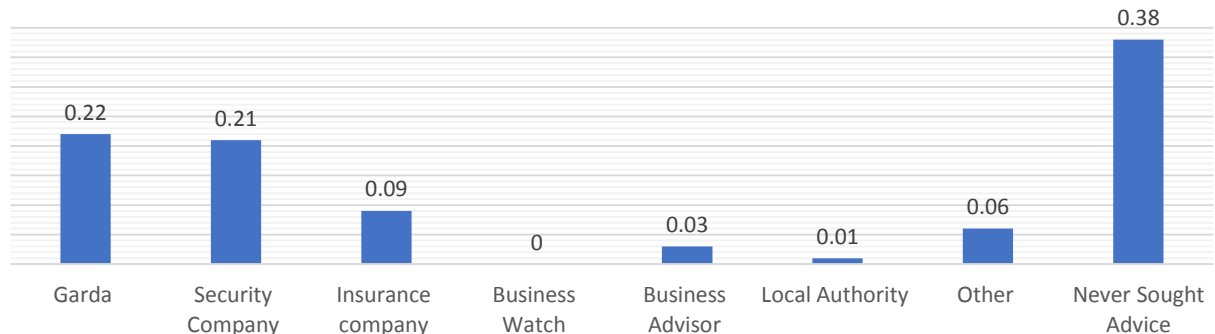


Only 27% of Dublin businesses have used Crime Prevention Officers, this is up on last year's figure of 15%. 27% of businesses in Leinster (excluding Dublin) have used this service, this is down on last year at 21%.

23% of businesses in Munster have used this service, down from 30% in 2017, while no businesses in Ulster/Connacht have used this service.

## SOURCES OF ADVICE

## From which one of the following organisations have you sought and received crime reduction advice



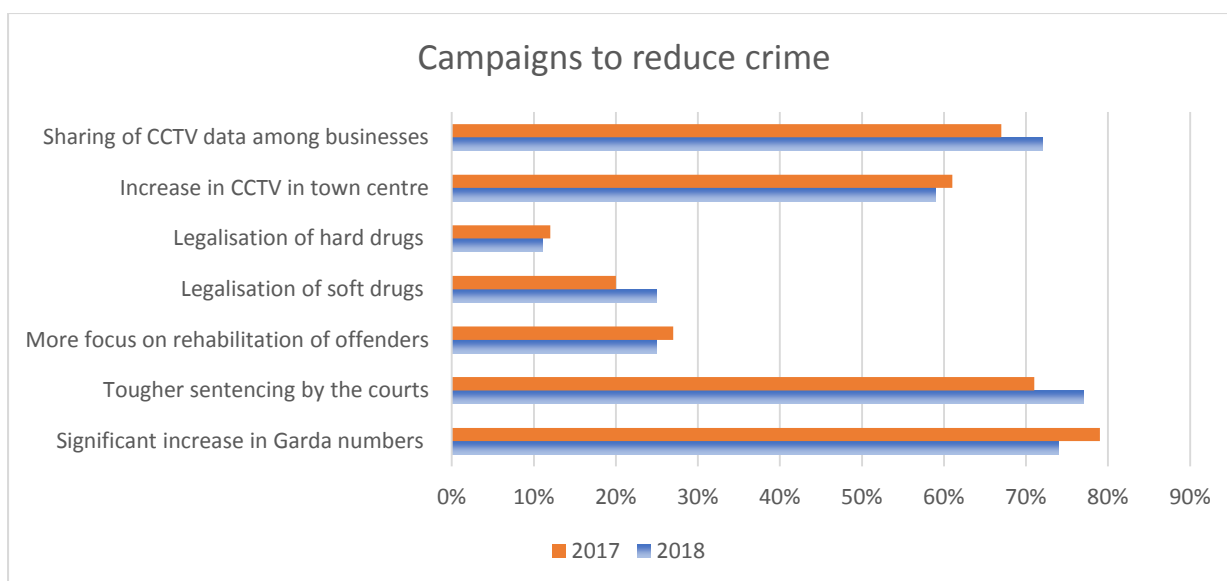
38% of companies have never requested crime reduction advice, up from 35% in 2017. Of those who did, 25% received their advice from a security company and 18% received it from the Gardaí.

There was a decrease in the number of businesses seeking advice from 'Insurance Companies', down from 10% to 9% in 2018. No company received advice from 'Business Watch', while 3% received information from a 'Business Advisor'.

## MEASURES TO REDUCE CRIME

Crime has a negative impact on businesses. The SME sector is vitally important to the success of the Irish economy; given its important role in sustaining and creating local jobs, it is important that crime is reduced in order to ensure that businesses have the opportunity to grow.

As part of our understanding to help reduce crime against business, we asked businesses if they supported the measures outlined below as part of a campaign to reduce crime. Their responses were as follows:



74% of businesses would like to see an ‘increase in Garda numbers,’ this is down 5% on 2017 figures. 72% of businesses would like to see the ‘sharing of CCTV data among businesses,’ up from 67% in 2017.

59% of businesses would like to see an increase in CCTV in town centres, while a further 77% would like to see tougher sentencing by the courts.

Answer Options	DUBLIN	LEINSTER	MUNSTER	CONNACHT/ULSTER
Significant increase in Garda numbers	79%	64%	65%	84%
Tougher sentencing by the courts	79%	73%	70%	91%
More focus on rehabilitation of criminals	31%	16%	25%	25%
Legalisation of so-called soft drugs (e.g. cannabis)	29%	24%	20%	25%
Legalisation of so-called hard drugs (e.g. heroin)	15%	11%	8%	13%
Increase in CCTV in town centre	60%	51%	64%	63%
Sharing of CCTV data among businesses	76%	69%	65%	78%

Businesses in Dublin would like to see an ‘increase in Garda numbers’ and ‘tougher sentencing by the courts’ at 79% respectively. 69% of businesses in Leinster would like to see the ‘sharing of CCTV data among businesses.’ 84% of businesses in Connacht/Ulster would like to see more policing on our streets.

31% of businesses in Dublin would like to see ‘more focus on rehabilitation of criminals.’

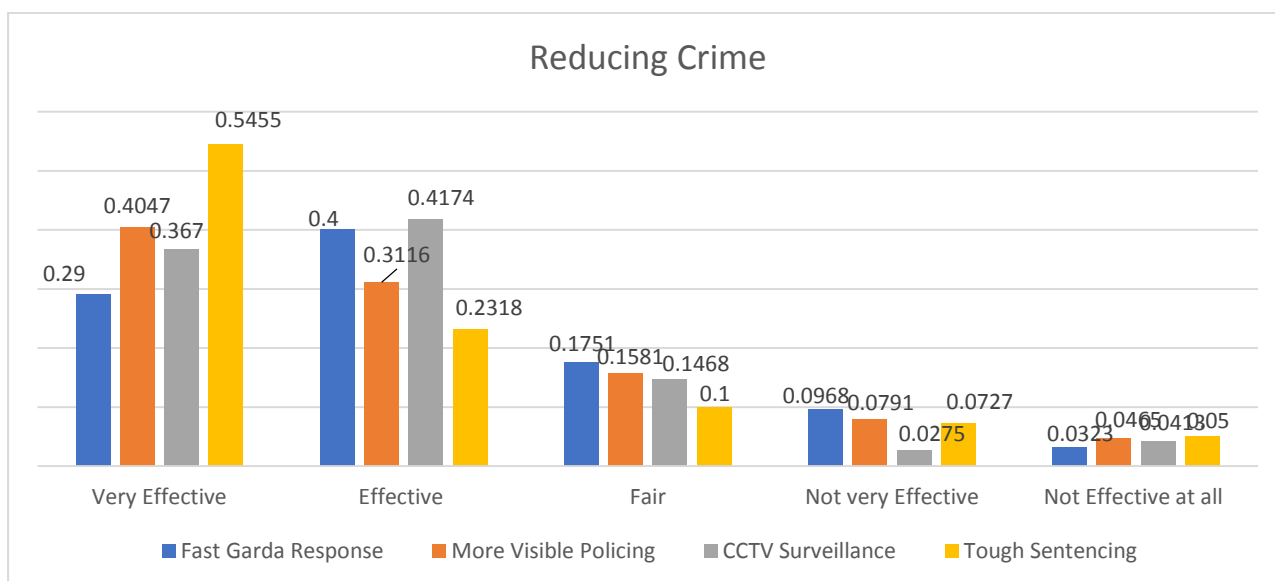


Answer Options	Manufacturing	Retail	Services	Wholesale	Construction
Significant increase in Garda numbers	69%	82%	74%	71%	70%
Tougher sentencing by the courts	77%	85%	69%	71%	70%
More focus on rehabilitation of criminals	15%	18%	28%	38%	40%
Legalisation of so-called soft drugs (e.g. cannabis)	19%	21%	26%	24%	30%
Legalisation of so-called hard drugs (e.g. heroin)	6%	9%	18%	14%	10%
Increase in CCTV in town centre	54%	58%	62%	48%	60%
Sharing of CCTV data among businesses	69%	70%	67%	71%	90%

82% of business in the Retail sector would like to see a ‘significant increase in Garda numbers.’ 77% of businesses in the Manufacturing sector would like to see ‘tougher sentencing by the courts.’ While 38% of businesses in the Services sector would like to see ‘more focus on rehabilitation of criminals.’

48% of businesses in the Wholesale sector would like to see an ‘increase in CCTV in town centres,’ while 62% of the Services sector would also like to see more CCTV in our towns.

90% of businesses in the Construction sector would like to see the laws changed on ‘sharing of CCTV data among businesses.’



The above table provides a breakdown of what businesses believe is the best method of reducing crime. Tougher sentencing and a faster response rate from An Garda Síochána are reported as the most effective means to deter crime.

## THE JUDICIAL SYSTEM

**Once again in this annual survey, when asked about the judicial system's efficacy in dealing with recidivism or repeat offenders, 87% of SME owner-managers stated that the judicial system was ineffective in deterring repeat criminal activity. This is unsurprising given that 55% of companies want tougher sentencing by the Courts.**

It is frustrating for Owner-managers to see criminals escape with light or suspended sentences while their business struggles to recover the losses they have incurred as a result through crime.

It is also clear that the current judicial and sentencing system does not adequately deter criminals. Punishments must be commensurate with the crime committed and repeat offenders, and offenders on bail, must be dealt with more severely.

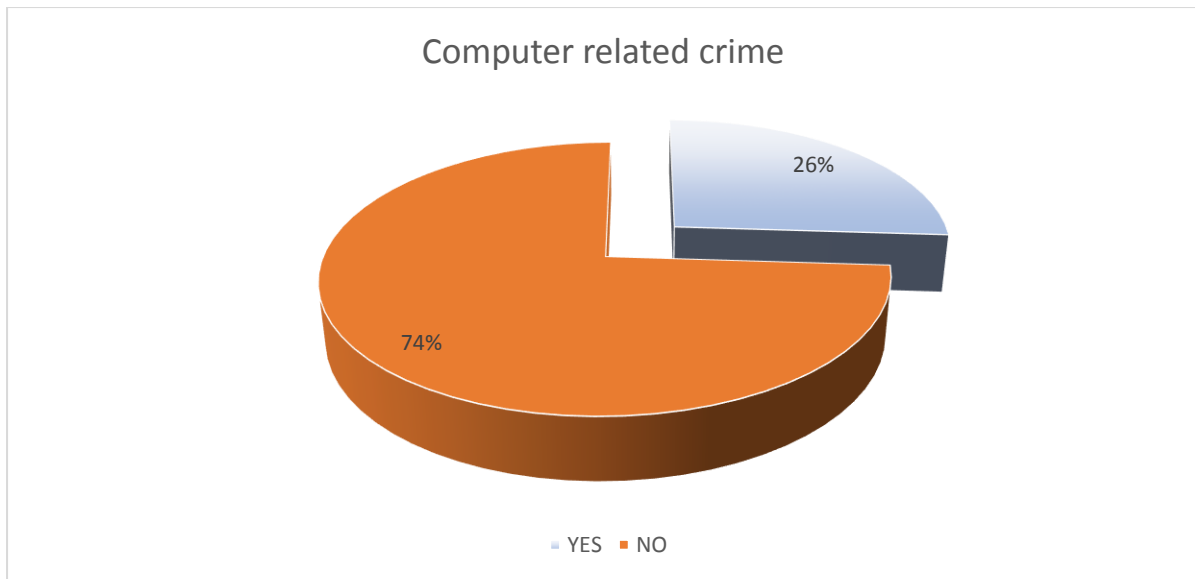
**Business owners will not put in the time and money reporting a crime unless they are confident of adequate action being taken against the perpetrators of crime.**

Government must increase spending on prisons and community service programs, in order to ensure that there is adequate capacity in the system for offenders.

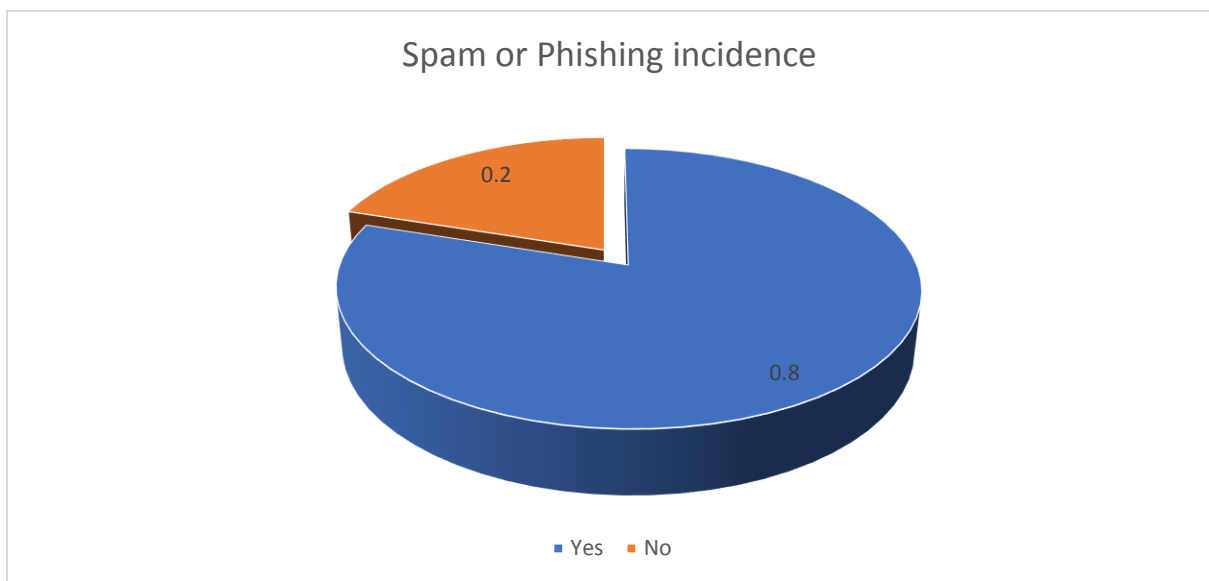
## E-CRIME

The final section of this report looks at E-crime against businesses. Cyber-attacks and online computer related crime has increased substantially over the last decade.

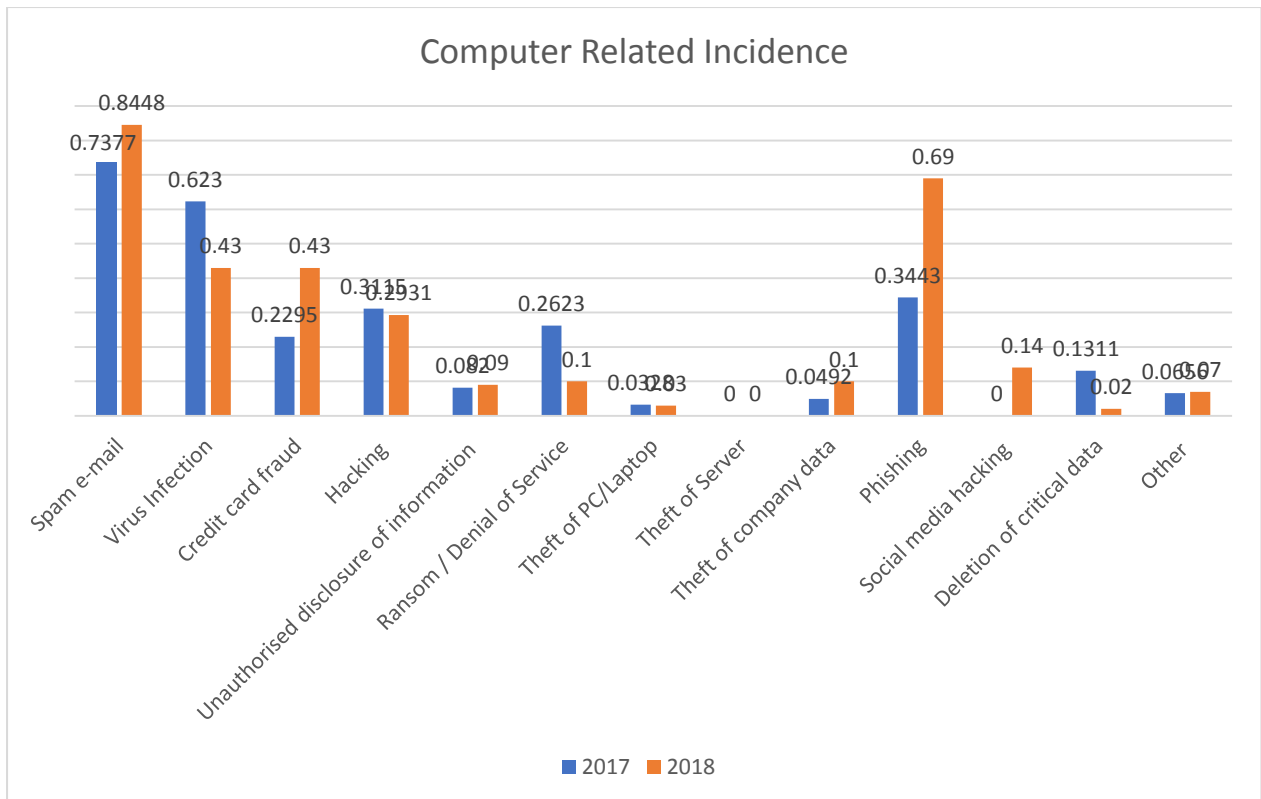
SMEs must remain vigilant to these attacks. In this section we asked our members whether they have experienced a cyber-related incident, and if so what type of cybercrime occurred. We also asked members given the non-location specific nature of e-crime, whether they would like to see the establishment of a central/national E-crime body to deal with this issue.



26% of businesses have experienced computer related crime in the last 12 month. (This excludes 'Spam' and 'Phising emails.'). This is down on last years figures of 30%.



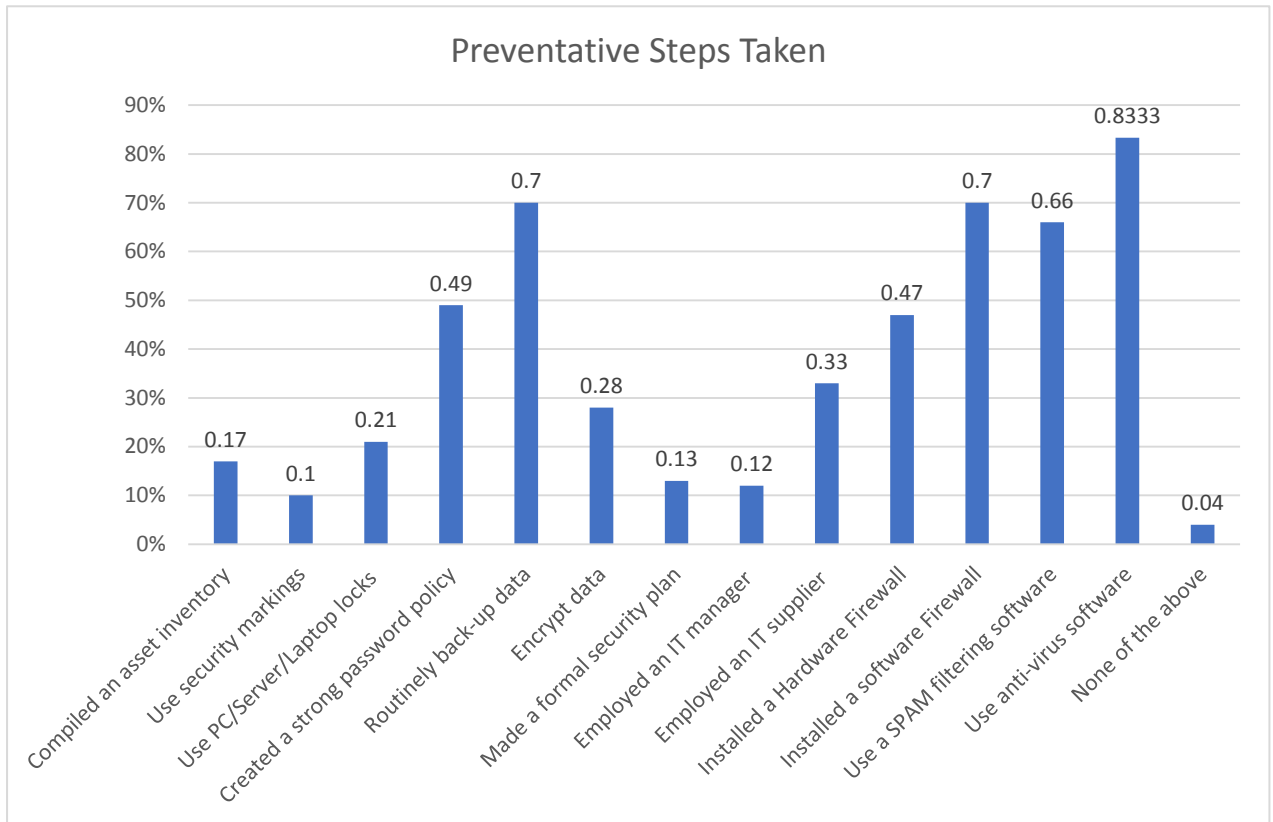
Each year businesses report a high volume of spam and phishing; this years report is no different, with 80% of members reporting a 'spam' or 'phishing incidence'. While these are common experiences, they can cause significant disruption to business.



Of those who experienced a computer related incident, ‘Spam’ is the highest at 84%, this is an increase on last years figure at 74%. 43% of business have fell victim to a ‘Virus Infection’, this is up from 42% in 2017. 43% of businesses experienced Credit card fraud, this is significantly higher than the figures reported in 2017 at 23%.

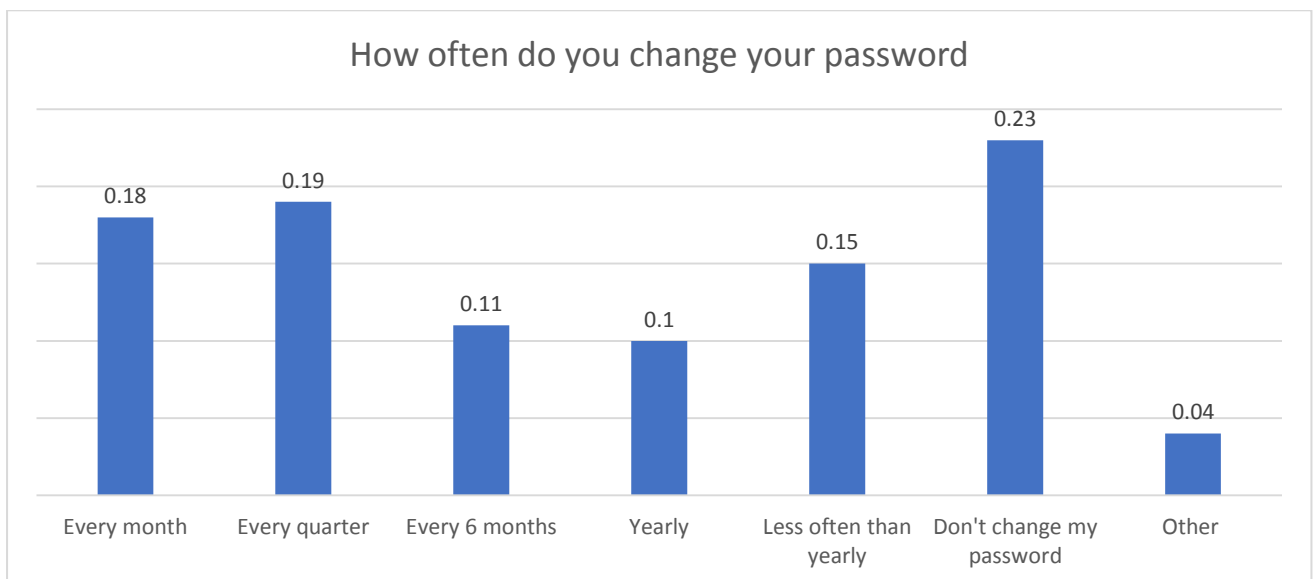
14% of businesses had their social media hacked, 10% had their data deleted, while 29% had their computer hacked.

There were zero reports of ‘theft of server’ in our 2018 report, as with last year.

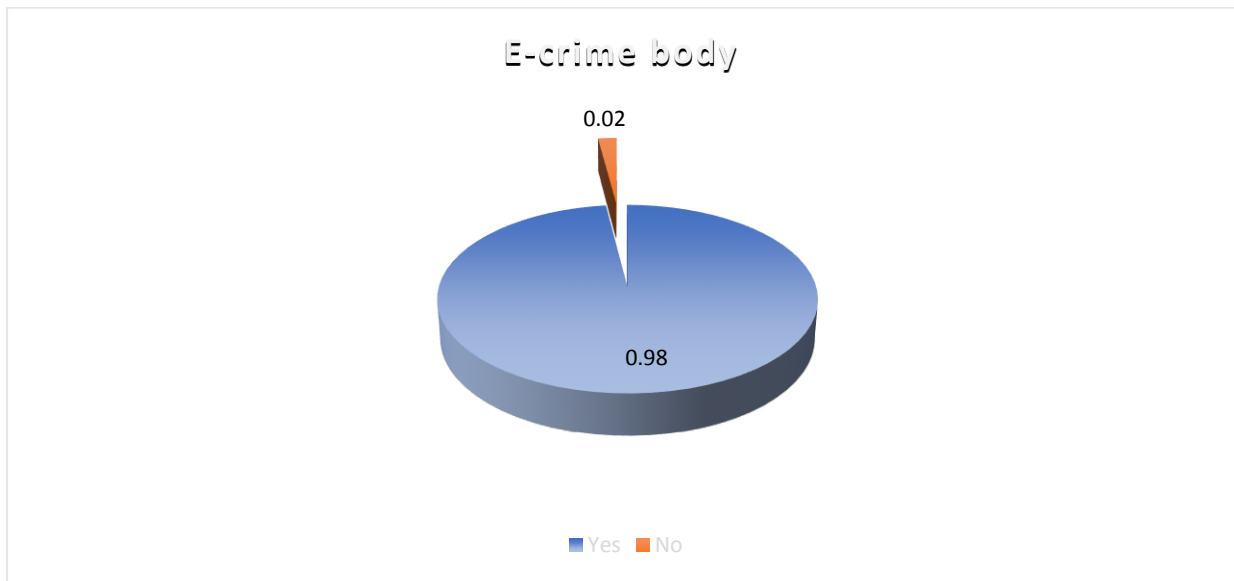


As a preventive measure to reduce the risk of crimes against computers, 70% of businesses 'routinely back-up data,' 83% 'use anti-virus software,' 70% 'installed a software firewall,' while 49% 'created a strong password policy.'

12% of businesses employed an IT manager responsible for security, while 33% employed an IT supplier responsible for security.



23% of businesses 'do not' change their password security details. 15% change 'less often than yearly,' 19% change it 'every quarter,' while 18% change it 'every month.'



Unlike traditional crime, E-crime is more elusive, especially for businesses that do not have the resources needed to detect, counter and prevent it. This makes it more pressing to establish a central hub exclusively to deal with the issue of E-crime.

We asked our members whether they would like to see the establishment of such a body, the results were an unequivocal 'Yes,' with 98% of respondents stating they would like to see the establishment of a Central/National E-crime body to deal specifically with E-crime.