

Survey Says LifeLock Cuts Risk of Identity Theft in Half

Date: 01-26-2007 06:55 PM CET

Category: [Fashion, Lifestyle, Trends](#)

Press release from: [LifeLock](#)

Agency: [GroupWeb EmailWire.Com](#)



Service Found to Be More Effective than Credit Monitoring for ID Theft Prevention

(EMAILWIRE.COM, January 25, 2007) Tempe, AZ – Consumers who subscribe to the LifeLock identity theft prevention service reduce their risk of having their identities stolen by more than half, according to a study by Javelin Strategy & Research. The report also showed that LifeLock’s focus on stopping identity theft at the source provides extra protection over credit monitoring services that are designed only to detect the problem after the fact.

The study’s key finding was that only one in 500 active LifeLock subscribers was a victim of identity theft associated with new account openings in the six-month period examined, compared to one in every 200 in a demographically similar sample from earlier Javelin research. Those results reflect LifeLock’s industry-exclusive prevention program, including a fraud alert system that requires banks and other financial institutions to contact the LifeLock subscriber before opening new accounts or credit cards, issuing credit, arranging loans, increasing credit lines, and so on.

In addition, Javelin’s analysis of 11 credit monitoring services provided by banks, credit bureaus and other financial institutions revealed that these services typically offer strong fraud detection capabilities — largely through email alerts that flag unusual activity on existing accounts — but generally fail to prevent new account fraud that costs an estimated \$24.6 billion annually in the U.S.

“Credit monitoring services are helpful for fraud monitoring and resolution, but do not effectively provide protection through prevention. In terms of new account fraud prevention, LifeLock is superior to credit monitoring by addressing that void within our Prevention, Detection and Resolution™ model,” said James Van Dyke, President & Founder of Javelin Strategy & Research. “This study shows that services like LifeLock that are designed to prevent rather than detect unauthorized activity can make a clear difference in stopping fraudulent new account transactions before the problem occurs.”

In other findings, 75% of respondents reported that LifeLock’s mailing list removal service yielded a significant reduction in pre-approved credit card offers that are a major source of identity theft, 60% reported a significant reduction in other junk mail, and 93% had either increased their usage of online banking and shopping or continued their previous usage patterns since joining LifeLock.

The study also found that LifeLock’s \$1 million reimbursement guarantee and credit report fraud alerts ranked as the service’s top features with 87% and 85% of respondents, respectively. In addition, 93% of respondents were satisfied with the service, with the vast majority expecting to renew their subscriptions.

“This study validates our core philosophy about identity theft protection: that you may not be able to stop a thief from stealing private data, but you can render the issue moot by stopping him from using it,” said Todd Davis, CEO of LifeLock. “Other services concentrate on fixing the problem once it happens; we focus on preventing it altogether. This survey shows that our strategy is highly successful at meeting that objective.”

The study was based on a December 2006 survey of a random sample of active LifeLock subscribers as well as previous Javelin research (including the firm's annual Identity Fraud Survey Report) and structured analysis on methods to address new-account identity fraud. Javelin independently selected participants at random, ensuring a representative sample of LifeLock subscribers.

About LifeLock

LifeLock is the first identity theft protection service in the U.S. that prevents misuse of personal information by making it useless to anyone except the rightful owner. The company maintains active fraud alerts with the three major credit bureaus as well as ChexSystems, thwarting fraudulent use of personal information by requiring subscriber approval of any new credit account openings and bank account and address change requests. The service also removes subscribers' names from solicitation lists and junk mail in order to eliminate pre-approved credit offers that are a primary target of identity thieves, and is backed by a \$1 million guarantee against identity abuse. For more information, visit www.lifelock.com.

About the Javelin Strategy & Research Methodology

As the leading provider of independent, industry-specific, quantitative research and strategic direction for payments and financial services initiatives, Javelin's Prevention, Detection and Resolution™ model uses factual research data to identify the most effective methods for mitigating identity fraud. Based on rigorous analysis, prevention measures are weighted heaviest, then detection and finally resolution, placing the greatest emphasis on features that stop identity theft closest to the source. This creates the greatest cost savings and builds a stronger relationship between providers and individuals. More information can be found at www.javelinstrategy.com.

CONTACT:

Mike Prusinski
LifeLock, VP Communications
480-544-2222
mike@lifelock.com

This press release was issued through GroupWeb EmailWire.Com. For more information on press release distribution, go to www.emailwire.com.

[You can find this press release here](#)