

# The True Cost of a Cyberattack

Avoid the Hidden Price Tags, Pitfalls, and  
Damage That Cyberattacks Can Wreak  
on Your Business





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# Introduction



# Cyberattackers Have ALL Businesses in Their Crosshairs

The unfortunate truth is that hackers now see businesses of all sizes as lucrative targets. You may think you're safe, that your company isn't big enough to be on their radar, but these malicious actors are eyeing your organization as a way to profit quickly.

Like many businesses, you might find it challenging to "do more with less." Today, due mainly to economic circumstances, many organizations' defensive resources are becoming limited, putting their cybersecurity budgets on the chopping block.

This can lead to tragic outcomes. What many businesses are learning the hard way is that the cost of recovering after a cybersecurity attack can be much higher than the initial investments required to protect their business.

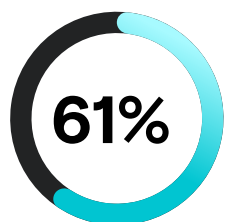
Put simply, data breaches can lead to major financial losses for your business. Customers may leave you. Your reputation may suffer. And your duty to remediate—along with other liabilities—may add up at a stunning rate.

In the most dire situations, failing to identify and shut down a cyberattack before it causes damage could cost you the loss of your entire company.

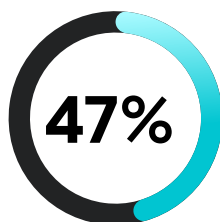
This eBook reveals the evolving risks and solutions you need to know. Read on to learn how to **protect your business from the fallout of cyberattacks.**

## Cybersecurity Gaps by the Numbers

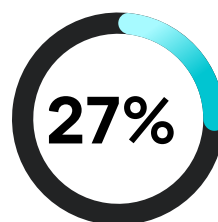
Research from the Huntress report, *The State of Cybersecurity for Mid-Sized Businesses in 2023*<sup>1</sup>, revealed the following resource gaps:



**don't have dedicated  
cybersecurity experts**



**don't have an incident  
response plan**



**don't have cyber  
insurance coverage**

These gaps create opportunities for malicious actors to infiltrate networks, steal sensitive data, disrupt operations, and extort ransoms.

These gaps are also why 24% of mid-sized businesses report that they've either suffered a cyberattack or don't even know if they've suffered one in the last 12 months.

<sup>1</sup> [www.huntress.com/resources/the-state-of-cybersecurity-for-mid-sized-businesses-in-2023](https://www.huntress.com/resources/the-state-of-cybersecurity-for-mid-sized-businesses-in-2023)



# Challenges



## Cyberattacks Are Becoming More Complex to Resolve

Not all cybersecurity solutions are within reach for some businesses. In fact, they're bundled to include features most businesses don't need or can't justify paying for. The cost of cyber insurance may seem equally high.

These price tags can leave organizations like yours underserved, unprepared, and vulnerable. But if a cyberattack happens, the damage can carry into many parts of your business, including:

- **Financial losses** such as fines, fees, and other associated costs, especially concerning matters of compliance.
- **Reputational damage** resulting in the loss of customers, including those whose data was breached and others who may learn of the breach.
- **Legal liability** for the consequences of a data breach, complicating an already complex situation.

Understanding these impacts can help you determine if your current cybersecurity solutions are appropriate in scope.

For example, cybersecurity is absolutely non-negotiable if you're responsible for managing healthcare data. Under the Health Insurance Portability and Accountability Act (HIPAA), Personally Identifiable Information (PII) breaches can result in fines of up to \$50,000 per violation.

Let's look at the extent of the possible consequences to businesses like yours and discover how you can mitigate risk.

# \$50,000

**Maximum  
HIPAA fine** for  
data breaches  
of personal  
information,  
per violation

# Cyberattacks Are Expensive

Hackers want access to data for financial gain. That means certain types of data, like PII (personally identifiable information), may be more attractive to them. Therefore, industries with high volumes of PII, such as healthcare, government, retail, or education, are more at risk.

Regardless of your industry, a successful cyberattack comes with heavy financial costs, direct or indirect.

Directly, hackers may demand high sums of money, threatening to divulge data publicly or use it in other malicious ways if your company doesn't pay. Even for non-enterprise businesses, ransom demands may be in the millions, and timelines for you to respond and take control of the situation may be unreasonably tight.

It's worth noting that the US Federal Bureau of Investigation (FBI) standard advice is not to pay ransoms. Even if you choose to pay, there's no guarantee your business will get any of its data back.

The hard reality is that if you aren't prepared to identify and stop a cyberattack before data is compromised, you're on the hook financially.


That's because indirect costs rack up quickly. The disruption to normal operations may require additional labor efforts and lengthen typical cash cycles. Then, there are expenses related to hiring firms to help rebuild various systems. There may also be costs associated with identity theft, credit monitoring, or legal ramifications.

If you aren't prepared to identify and stop a cyberattack before data is compromised, **you're on the hook financially.**



## Cyberattack Costs by the Numbers

The financial cost of a cyberattack is highly detrimental to smaller organizations.



<b>\$250,000+</b>	Amount that 20% of mid-sized businesses paid to recover from a cyberattack <sup>2</sup>
<b>51%</b>	Percentage of small businesses that fall victim to ransomware and pay cyberattackers the ransom <sup>3</sup>
<b>60%</b>	Approximate number of small businesses that shut down within six months of a cyberattack <sup>4</sup>
<b>\$1,467</b>	Average cost per minute of business downtime due to a cyberattack <sup>5</sup>

These numbers indicate that cyber defenses are crucial to protect businesses.



<sup>2</sup> [https://www.prweb.com/releases/nearly\\_2\\_3\\_of\\_mid\\_size\\_organizations\\_suffered\\_ransomware\\_attack\\_in\\_past\\_18\\_months\\_according\\_to\\_uncommonx/prweb18292350.htm](https://www.prweb.com/releases/nearly_2_3_of_mid_size_organizations_suffered_ransomware_attack_in_past_18_months_according_to_uncommonx/prweb18292350.htm)

<sup>3</sup> <https://www.strongdm.com/blog/small-business-cyber-security-statistics>

<sup>4</sup> <https://cybersecurityventures.com/60-percent-of-small-companies-close-within-6-months-of-being-hacked/>

<sup>5</sup> <https://www.veeam.com/wp-data-protection-trends-report.html>

## Real Attacks

## Ransomware nearly crushed a road contractor who endured a **week of critical service outage** and **three months of recovery** after the attack.



Road and bridge contractor E.R. Snell suffered a ransomware attack when malicious actors gained access via an employee's email account.<sup>6</sup> The attackers snuck a key-logger on an on-premise mail server to secure administrative access, encrypted E.R. Snell's files, and deleted the cloud backups.

Critical services were out for a week, with other services out for three. During the downtime, multiple departments shifted to manual processes. The company paid insurance and betterment fees, hired an outside accounting firm to rebuild five months of data—which took another three months—and hired an outside IT firm to rebuild more than 200 computers.

<sup>6</sup> <https://www.viewpoint.com/blog/when-the-unthinkable-happens-contractor-shares-lessons-learned-from-a-ransomware-attack>

## Cyberattacks Hurt Your Reputation

When a data breach happens, your customers' trust is also breached. Your business may suffer widespread reputation damage as word travels via notices, social media, and other channels.

Don't forget that your reputation matters more than ever today, as other brands are saturating markets to win the spotlight. A loss of reputation may lead your customers to switch to your competition, and prospects may choose to stay away from you altogether.





## Real Attacks

Data dumps can be **traumatizing**. A public school faced a devastating ransomware attack, **exposing 300,000 files with sensitive information** and leaving staff, students, and their families to **suffer financially and emotionally**.

MINNEAPOLIS  
PUBLIC SCHOOLS  
Urban Education. Global Citizens.

Minneapolis Public Schools lost staff and students after hackers dumped more than 300,000 files online in a sweeping ransomware attack.<sup>7</sup> The records contained contacts, Social Security numbers, medical information, discrimination and sexual assault complaints, and more.

The school's lack of an incident response plan further harmed staff and students. Many individuals and their families learned of the breach from reporters. Staff struggled to obtain credit monitoring and identity theft protection. Worse yet, students experienced post-traumatic stress disorder, and not surprisingly, their families pursued legal remedies.

Failures to protect sensitive data and work with trusted experts in the aftermath created a full-on crisis for Minneapolis Public Schools, including lasting reputational damage.

<sup>7</sup> <https://apnews.com/article/schools-ransomware-data-breach-40ebeda010158f04a1ef14607bfed9b0>

## Cyberattacks Risk Sensitive Data

Hackers are notoriously stealthy. They don't always attack the second they get into your environment. Once they've bypassed your preventive tools, they may sit in your environment and wait until they can inflict maximum damage.

Research from 2023 shows the global median dwell time from compromise to discovery is 16 days.<sup>8</sup> That means malicious actors could be within your environment for much longer—and the longer they sit unnoticed, the more damage they can cause.

This is especially harmful when your business is responsible for sensitive data. Attacks can result in more than just company financial losses. Individual data may be exposed, resulting in identity theft, credit card fraud, and emotional harm like stress, anxiety, and trauma.



<sup>8</sup> <https://www.mandiant.com/resources/blog/m-trends-2023>



## Real Attacks

## Hackers stole **two million people's healthcare data** in an attack on an imaging provider.



Shields Health Care Group, an imaging services provider for more than 50 healthcare facilities, experienced a breach involving the healthcare data of two million individuals.<sup>9</sup>

Information included full names, Social Security numbers, driver's license numbers, dates of birth, home addresses, provider information, diagnoses, billing information, insurance numbers, and more.

Shields identified the incident on March 28, 2022, but reported the intrusion may have happened as early as March 7. They didn't mail notices until April 19.



This significant delay in identification gave malicious actors plenty of time to collect and use data for financial gain before individuals could monitor their personal impact. If only the cyberattack had been identified and reported in a timely manner, millions of people could have avoided extensive risk.

<sup>9</sup> <https://shields.com/notice-of-data-security-incident/>

# Shifting Impacts of Cyberattacks

In 2015, when digital transformations began taking hold across industries, Harvard Business Review (HBR) published an article titled *Why Data Breaches Don't Hurt Stock Prices*<sup>10</sup>.

It posits that the lack of market response to enterprise-level breaches was due to shareholders' lack of sufficient information or tools to measure impact.

By 2023, another HBR article, *The Devastating Business Impacts of a Cyber Breach*<sup>11</sup>, reveals an apparent change. It reports breaches result in an average stock price dip of 7.5%, with market cap losses in the billions.

Companies with extensive resources suffered these losses to resolve impacts. But most businesses don't have this kind of financial might—existing resources need to stretch further and lift harder.

As data breaches gain more serious attention, businesses like yours face the challenge of finding new ways to combat the impacts of cyberattacks.

↓ **7.5%**

The **average**  
**stock price dip**  
for a publicly  
traded company  
after a cyber  
breach

<sup>10</sup> <https://hbr.org/2015/03/why-data-breaches-dont-hurt-stock-prices>

<sup>11</sup> <https://hbr.org/2023/05/the-devastating-business-impacts-of-a-cyber-breach>

The word "Solutions" is centered on a dark background with a teal gradient at the bottom. It is surrounded by several horizontal lines of varying lengths and colors (white and teal) that appear to be part of a larger graphic or animation.

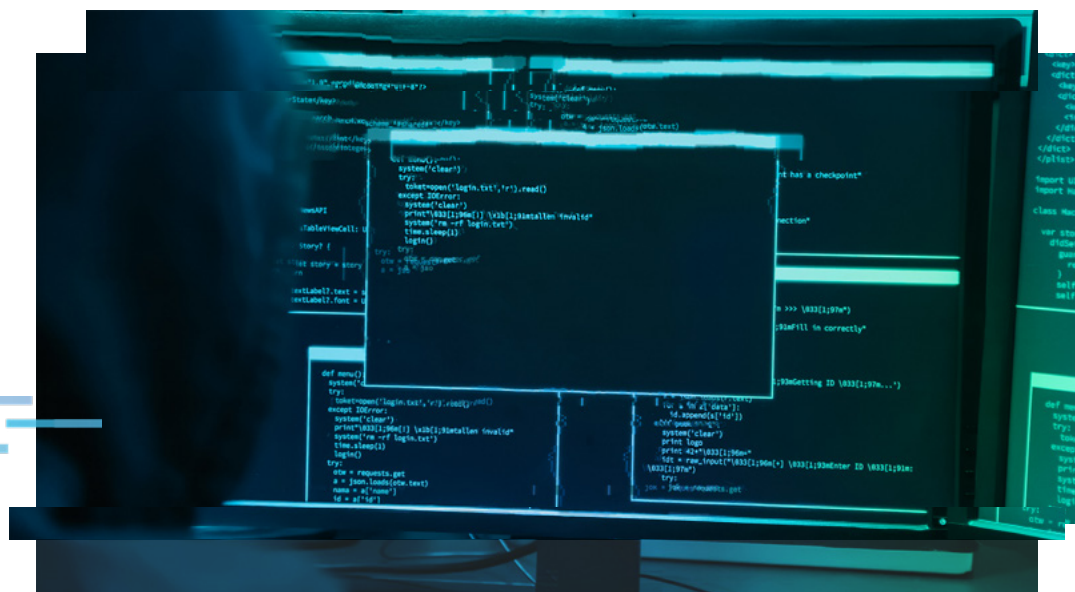
# Solutions

# Detection and Response Are Critical

We've discussed how cyberattackers can catch businesses off guard, resulting in serious losses. In most cases, this happens when organizations miss the "detect" and "respond" components within their layered security stack.

While prevention-based technologies, such as antivirus and firewalls, play an important role in obstructing attackers' attempts at initial access, they shouldn't be the only lines of defense. Solutions designed to detect, isolate, and respond to malicious actors from environments are available without the heavy costs associated with enterprise solutions.

**Let's dive into what this means for your business.**



## Why Are Detection and Response So Important?

To stop hackers, you must have a strong, layered security stack in place. After all, cyberattackers are cunning, as they've figured out ways to slip past your preventive defenses. That means you need additional layers—detection and response layers—so you can snare hackers before they can deploy ransomware or inflict major damage.

The Cybersecurity Framework from the National Institute of Standards and Technology (NIST)<sup>12</sup> illustrates how layers of security solutions should work together to minimize the risk of cyber threats. It focuses on five core components:



Together, these "layers," or successive tiers of security software solutions, can maximize an organization's ability to defend itself from an attack.

Detection and response are two pillars that fortify an organization's security posture. They serve as the early warning system and swift reaction force against the ongoing cyber threats that target businesses like yours.

Detection and response operate in a symbiotic relationship within the cybersecurity ecosystem. The faster and more accurately an organization detects a threat, the more effectively it can respond, mitigating potential damages and reducing the overall impact on your operation and reputation.

<sup>12</sup> <https://www.nist.gov/cyberframework>



# Common Detection and Response Solutions

Your business needs more than prevention. That's where detection and response solutions come in. A few popular solutions can provide these capabilities, mainly endpoint detection and response (EDR) and identity threat detection and response (ITDR).




## Managed Endpoint Detection and Response (EDR)

EDR stands as a formidable guardian at the front lines of your organization's digital infrastructure. It's focused on monitoring activities on individual devices such as computers, laptops, and servers. EDR is designed to detect, investigate, and mitigate potential threats at the endpoint level. By analyzing data from endpoints in real time, EDR solutions can identify suspicious behavior, malware, and other security anomalies that may indicate a looming threat.



## Managed Identity Threat Detection and Response (ITDR)

ITDR takes a proactive approach to cybersecurity by combining advanced technology with human expertise. This solution involves outsourcing your day-to-day tasks of threat monitoring, detection, and response to a dedicated team of cybersecurity professionals. ITDR providers use sophisticated tools and intelligence to monitor your organization's environment continuously, identifying and neutralizing potential threats before they escalate.

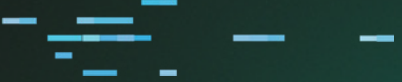



## Real Attacks

# A retailer thwarted a **business email compromise** attack, preventing hackers from **redirecting invoice payments** and **inflicting financial damage**.

A retailer experienced a Microsoft 365 business email compromise (BEC) attack where a malicious actor assigned themselves privileges and permissions, likely to manipulate invoices and divert funds.<sup>13</sup>

With the help of Huntress' Managed ITDR solution, suspicious logins were flagged from areas uncommon to the business, including Nigeria and Ireland. Experts from Huntress' Security Operations Center (SOC) analyzed rare user agents and eradicated the threat before hackers could direct invoice payments to their own bank accounts.



<sup>13</sup> <https://www.huntress.com/blog/business-email-compromise-via-azure-administrative-privileges>



## Using Managed Solutions to Stay Ahead of Evolving Threats

Cyber threats will always evolve. Today, malicious actors are discovering they may work more effectively in groups, combining their strengths and expanding their reach.

Detection and response are critical capabilities, but they're not something you can just "set and forget." These tools require consistent tuning and monitoring by security experts—experts that businesses don't always have in-house.

This requirement for expert tuning can leave some organizations at a disadvantage. Many just don't have the in-house resources for this close management, especially as cyberattackers consolidate their powers.

That's where a managed cybersecurity solution comes into play—one backed by a 24/7 expert SOC that supplements your security team.

SOC experts manage and triage alerts for your business, helping you remediate as necessary. These experts investigate alerts and distinguish real threats from false positives, which saves you hours of time and ensures continuous monitoring of your environment. This also helps to reduce your organization's alert fatigue while improving your ability to catch and stop threats before they can inflict damage.



With rising pressures on SMBs, a managed security solution can save **time, money, and resources.**



## Time

Limited resources mean limited time. Some organizations may struggle to manage alerts, parse false positives, and train staff on new or unknown threats.

Speed is crucial to cybersecurity because:

**277 Days**

The average time to recover from a security breach<sup>14</sup>

**23% Less**

Recovery in <200 days costs 23% less than recovery in >200 days<sup>15</sup>

A managed solution gives cybersecurity expertise to cast a wider net and catch known and unknown threats. With a solution that provides real-time insights, teams can catch threat activity earlier and act quickly to wipe out identified threats. This can reduce dwell time so hackers can't linger and cause more damage.

<sup>14</sup> <https://www.ibm.com/reports/data-breach-action-guide>

<sup>15</sup> <https://www.itpro.com/security/ransomware/ibm-law-enforcement-helped-save-ransomware-victims-dollar470k-in-2023>

# Money

Business decision-makers may think that managed solutions are too expensive. For example, they may choose an EDR just to check the box for compliance purposes.

But incident costs justify the cost of a managed solution:

**\$2.98M**

The 2022 average recovery cost for a company of <500<sup>16</sup>

**\$164**

The 2022 average per-record cost, the highest in seven years<sup>17</sup>

A managed solution can help prevent these costs while freeing up budget for other aspects of your business. For many businesses, this can represent massive cost savings because they don't have to hire and retain expensive in-house security experts.

<sup>16</sup> <https://prowritersins.com/cyber-insurance-blog/average-cost-of-a-data-breach/>

<sup>17</sup> <https://prowritersins.com/cyber-insurance-blog/average-cost-of-a-data-breach/>





## Resources

Not all businesses are backed by the full force of a 24/7 SOC. Overextended teams may miss alerts and mishandle events. Put simply, a lack of resources can leave your business vulnerable to cyberattacks.


**350,000**

Approximate number of new malware programs created daily<sup>18</sup>

**277**

Number of days hackers may linger in environments<sup>19</sup>

Fully managed cybersecurity ensures you're prepared to stop hackers in their tracks. Managed solutions can give your organization access to top-tier talent so that you can benefit from their expertise and commitment to discovering the latest tradecraft.



<sup>18</sup> <https://securityintelligence.com/posts/antivirus-evolution-to-face-modern-threats/>

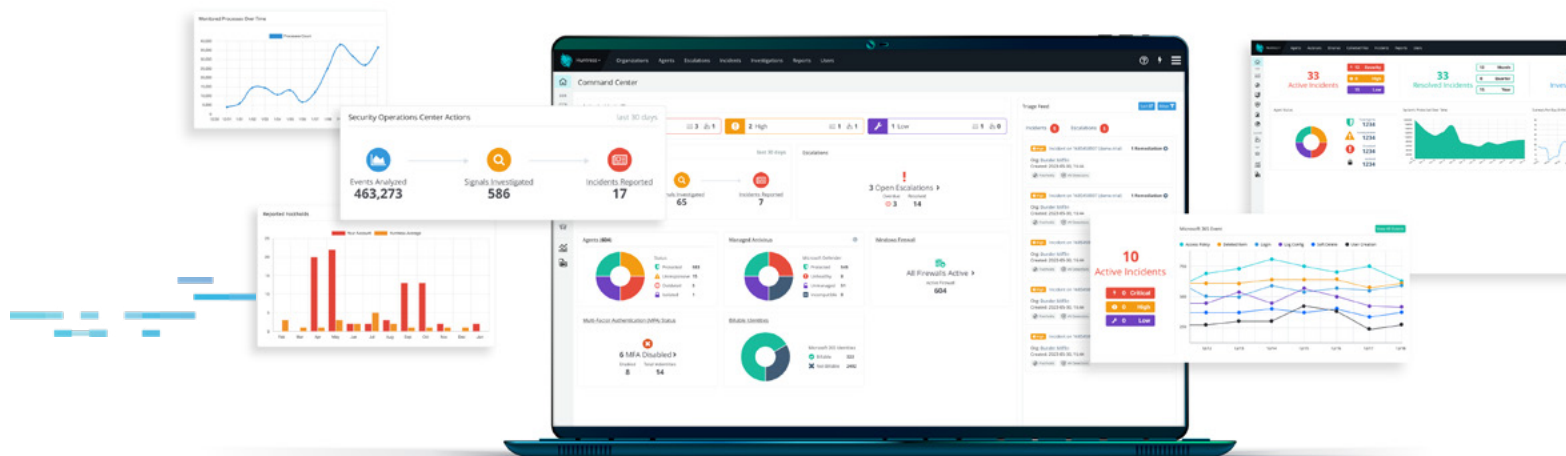
<sup>19</sup> <https://www.ibm.com/reports/data-breach>

# Fight Back Against Hackers with Huntress

Many cybersecurity solutions are out there, but most are built for enterprise companies. Their hefty price tags reflect all the extra bells and whistles. Not all businesses need all these features—or their high pricing.

Huntress brings enterprise-grade cybersecurity to ALL businesses with the technology, services, and expertise to help you overcome your cybersecurity challenges and help you make confident decisions that move your company forward.

Huntress gives you ease of use and simplicity, so businesses without a full-fledged IT team can keep up with known and unknown security threats.




## Real Attacks

# Within 30 hours, an active ransomware incident was stopped in its tracks by Huntress.



For Clear Guidance Partners, Huntress caught an active ransomware incident in its tracks and helped protect a client's critical data.

Huntress Managed EDR and the Huntress SOC team discovered and confirmed malicious activity on a Clear Guidance Partners' client network, including network scans and malicious scripts missed by their antivirus solution. The Huntress SOC provided personalized remediation steps, activating Huntress' Host Isolation feature to isolate the infected hosts and prevent further access for bad actors. As a result, Huntress helped restore business operations within 30 hours.




Cyberattacks are an everyday threat. Unfortunately, businesses like yours are most at risk.

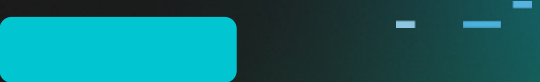
Endpoints are proliferating, resulting in new avenues for data access. Cybersecurity budgets are being slashed, leaving IT staff constrained, overworked, or nonexistent. Hackers are fully aware of these vulnerabilities. And they're more than willing to take advantage of them.

No matter how sophisticated they seem, hackers are just thieves. They want your money, and they'll gladly jeopardize your business, employees, and sensitive data just to get their hands on some loot. If you're affected by their malicious attacks, the financial burden can be draining, encompassing ransom payments, operational disruptions, and data recovery expenses. In addition, your reputational damage can be just as costly, leading to customer attrition and growing mistrust in your brand. This is why it's imperative that businesses of all sizes now look to fully managed protection for all that's vital to their organization, from endpoints to identities to inboxes and beyond.

As your primary weapon in your cybersecurity arsenal, Huntress can help you:

- Stay protected with our 24/7 SOC, staffed with real experts who always have your back.
  - Neutralize endpoint threats quickly and easily with Huntress Managed EDR.
  - Protect your Microsoft 365 environments from BEC and other account takeover threats with Huntress Managed ITDR.
  - Learn about the latest threats and take advantage of advanced training with Huntress Managed Security Awareness Training.
- 

Stop cyberattacks before they stop your business. Register for a free demo and discover the power of Huntress for yourself.



[BOOK A DEMO](#)




# About Huntress

Huntress is the enterprise-grade, people-powered cybersecurity solution for all businesses, not just the 1%. With fully owned technology developed by and for its industry-defining team of security analysts, engineers, and researchers, Huntress elevates underresourced tech teams whether they work within outsourced IT environments or in-house IT and security teams.


The 24/7 industry-leading Huntress Security Operations Center (SOC) covers cyber threats for outsourced IT and in-house teams through remediation with a false-positive rate of less than 1%. With a mission to break down barriers to enterprise-level security and always give back more than it takes, Huntress is often the first to respond to major hacks and threats while protecting its partners and shares tradecraft analysis and threat advisories with the community as they happen.

As long as hackers keep hacking, Huntress keeps hunting. Join the hunt at [www.huntress.com](https://www.huntress.com) and follow us on [X](#), [Instagram](#), [Facebook](#), and [LinkedIn](#).

## Contact us to learn more.

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