

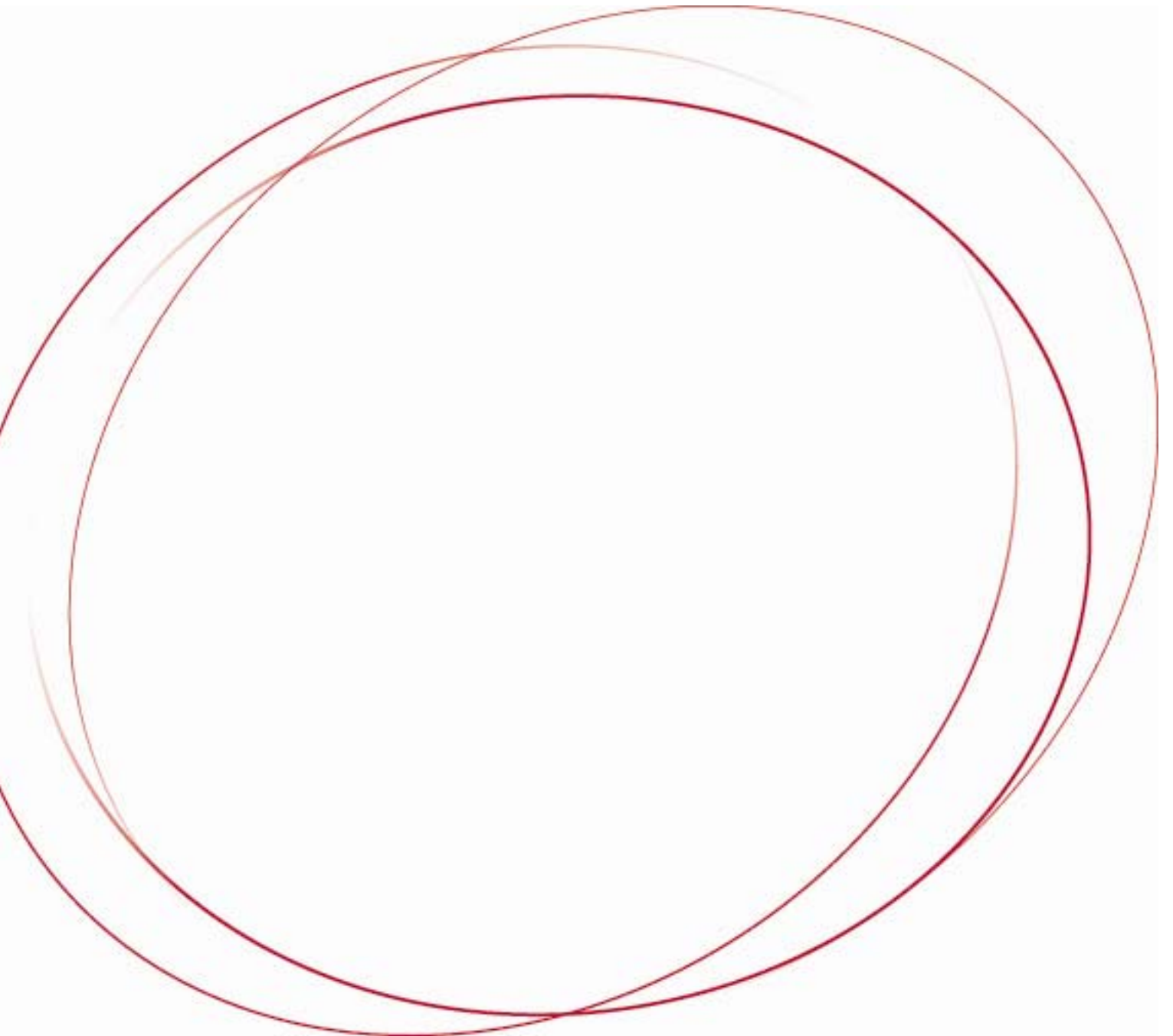


Consulting • System Integration • Outsourcing
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UNISYS Security Index: United States

4 March 2009 (Wave 4)

Lieberman Research Group



Introduction

The Unisys Security Index presents a social indicator regarding how safe consumers feel on key areas of risk:

- National safety regarding security and epidemics
- Financial safety regarding bankcard fraud and ability to meet personal financial obligations
- Internet safety regarding spam, viruses and online financial transactions
- Personal safety in terms of physical risk and identity theft

Unisys plays a prominent role in efforts to combat risk through the technology products and services it provides to the government and major industries in the U.S. Unisys' commitments to public and financial safety and security are the reasons for the creation of this index to monitor progress in these areas.

Overall Findings

The Unisys Security Index for the U.S. is 147, representing a moderate concern about safety. This index measures how secure U.S. adults feel regarding national security, financial security, Internet security and personal security.

Adults in the U.S. are most likely to worry about fraudulent use of their credit and debit cards and identity theft. Americans are least concerned with their personal safety.

Survey Methodology

The U.S. Security Index is based on a telephone survey of 1,004 persons aged 18 and over, February 20-22, 2009. This Wave 4 survey follows the baseline Security Index survey of August 2007 and follow-up surveys in March and September 2008. The U.S. survey has been conducted as follows:

- 1,004 completed interviews among nationally representative adults, 18+;
- Random digit dialing (RDD) sample of telephone households in the continental U.S.;
- Random selection of household respondent to ensure greater representation;
- The survey is conducted in English and representative of English-speaking households; and,
- The data from this study are weighted according to the most recent estimates published by the U.S. Census Bureau to ensure projectability of the data to U.S. adults.

Percentages are based on the full sample of 1,004.

Statistical Significance

All findings discussed in this report are statistically significant at a 95% level of confidence except where noted. Significant shifts in percentages since the September 2008 (Wave 3) survey are asterisked in charts. Percentages are based on the full sample of 1,004 respondents except where noted (in which case, the number of respondents is shown in parentheses).

The Questions

In the core questions for the Security Index are eight items addressing four topics:

- National security,
- Financial security,
- Internet security, and
- Personal security.

Consumers are asked whether they are concerned or not concerned about the eight items listed below. If they are concerned, they are then asked to describe their level of concern (extremely concerned, very concerned or somewhat concerned).

National security

- The U.S.'s national security in relation to war or terrorism
- A serious health epidemic occurring in the U.S.

Financial security

- Other people obtaining and using your credit or debit card details
- Your ability to meet your essential financial obligations, such as your mortgage, other loan, credit card or bill payments

Internet security

- Computer security in relation to viruses or unsolicited emails
- The security of shopping or banking online

Personal security

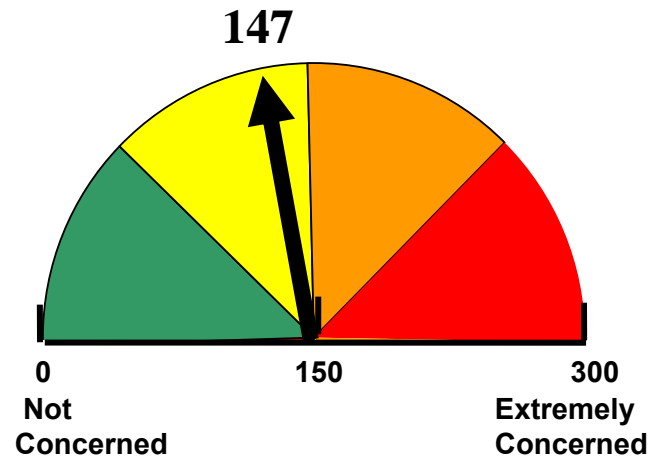
- Unauthorized access to or misuse of your personal information
- Your overall personal safety over the next 6 months

Americans are also asked whether they believe that the current world financial crisis will increase their personal risk of identity theft and related crimes such as credit card fraud.

The Security Index

U.S. adults are moderately concerned with security.

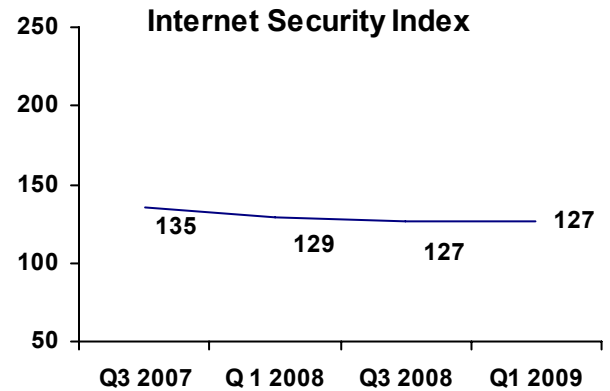
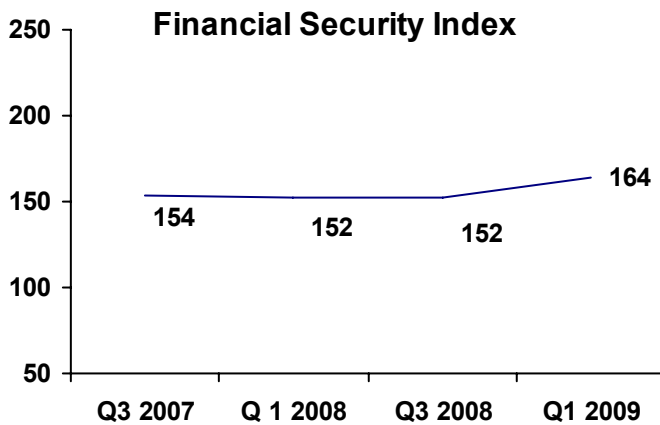
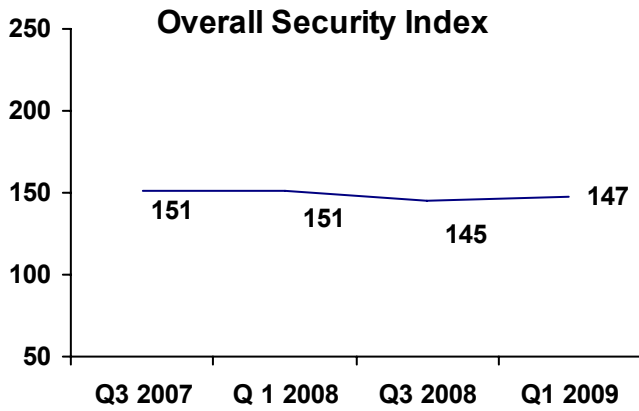
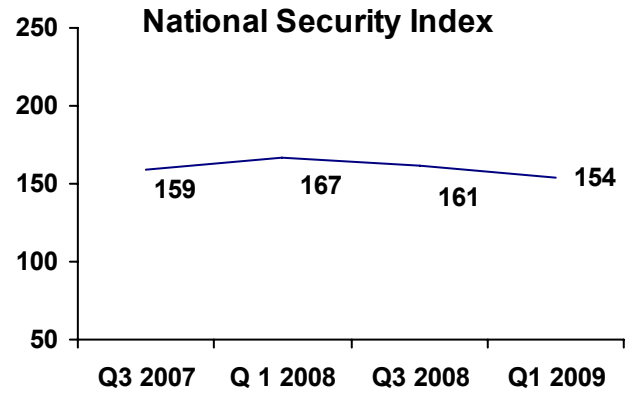
The indices for each of the four major sub areas appear below. The National Security and Financial Security indices are significantly higher than the indices for Internet Security and Personal Security.



NATIONAL SECURITY INDEX 154	FINANCIAL SECURITY INDEX 164
INTERNET SECURITY INDEX 127	PERSONAL SECURITY INDEX 143

Trends

The overall index for the US has shifted very little since the first wave of this study was conducted in August 2007. However, that apparent stability masks changes in concern over components of the index. Financial security, which was the third most important concern out of four in 2007, is the most important concern to American consumers now.



The Unisys Security Index Questions

Issue: America's national security in relation to war or terrorism

National security is a relatively pervasive worry, and is Americans' #3 source of concern. Over half (58%) of Americans are either extremely or very concerned with U.S. national security. Only 11% say they have no concerns with this issue.

Since Wave 3 the proportion of Americans who are "Extremely" or "Very" concerned about national security has dropped.

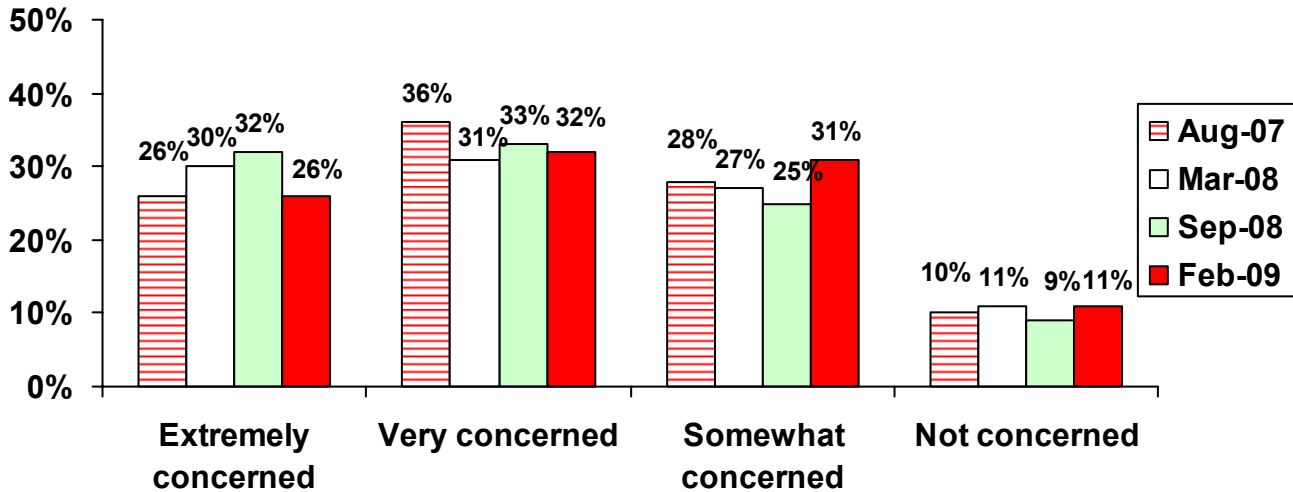


Chart 1: Concern with national security in relation to war or terrorism

Trend: Extremely or Very Concerned

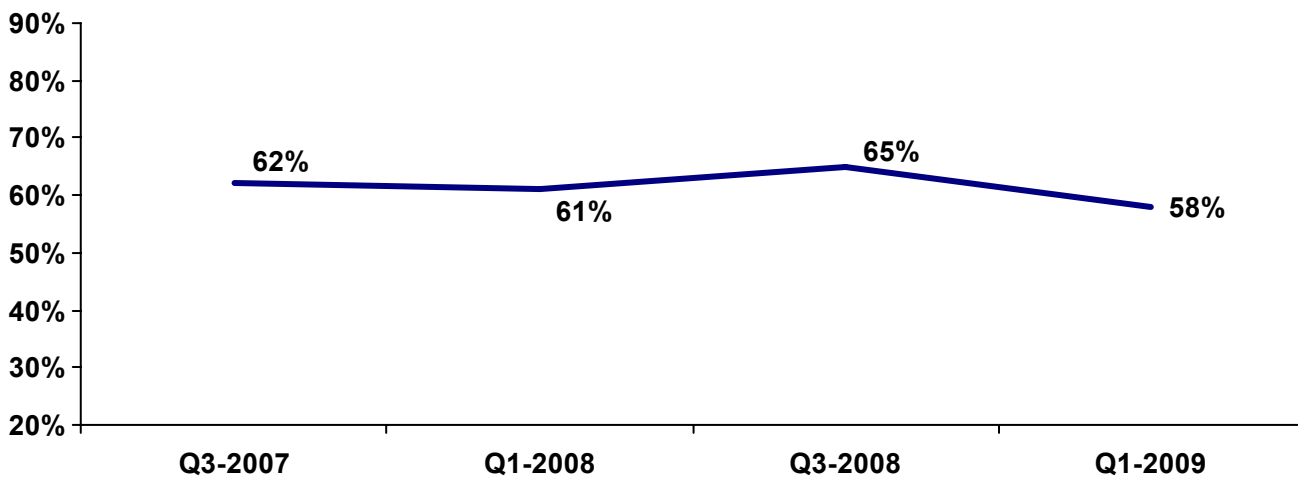


Chart 1a: Change in percent that is "Extremely" or "Very" concerned with national security in relation to war or terrorism since 2007

Issue: A serious health epidemic occurring in America

Most Americans are at best mildly concerned with the risk of an epidemic such as avian flu. More than one-fifth are not at all concerned about this issue. There was a spike in concern in early 2008, but concern has since fallen back to levels similar to the initial wave in 2007.

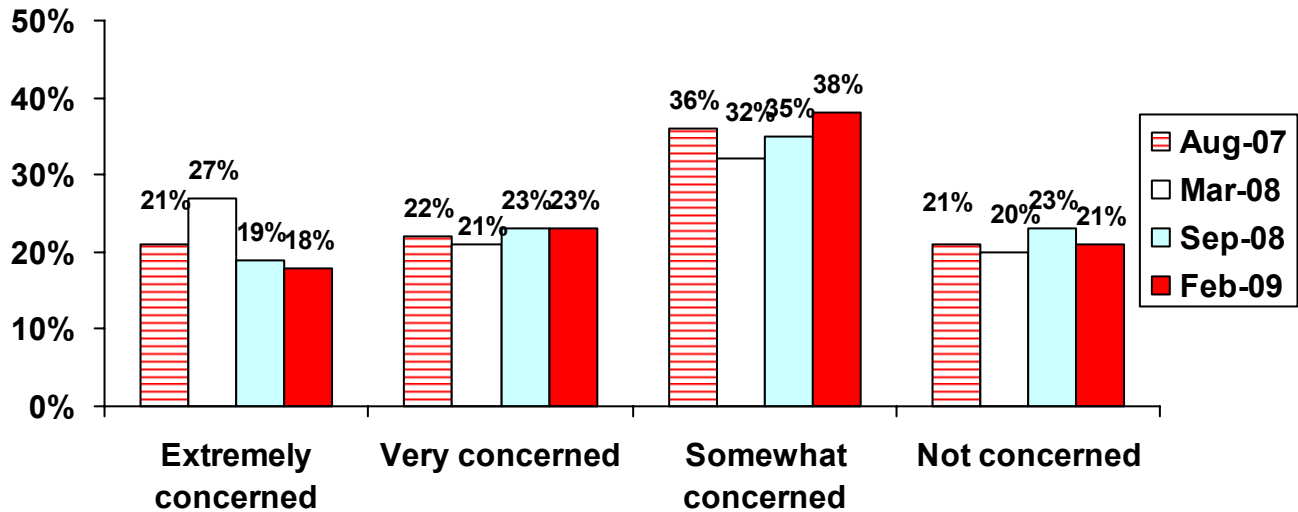


Chart 2: Concern with a serious health epidemic in America

Issue: Other people obtaining and using credit or debit card details

Most Americans are concerned with credit and debit card fraud (Chart 3) and this is the #1 area of worry. Two-thirds (68%) are either “Extremely” or “Very” concerned. The proportion of Americans “Not” concerned with this issue is at the lowest since this survey series began.

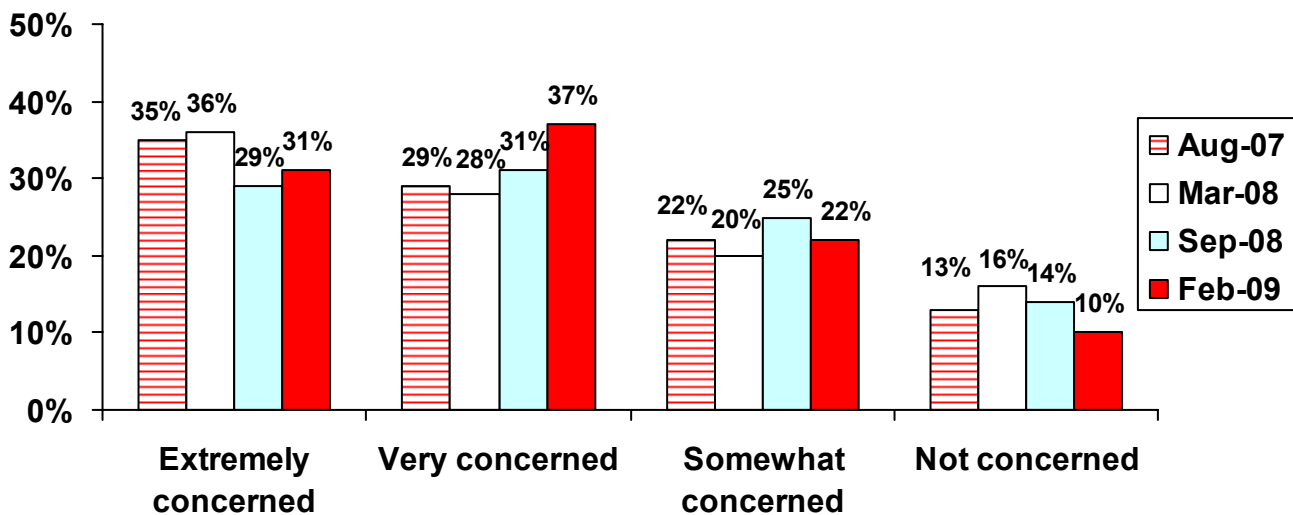


Chart 3: Concern with other people obtaining and using credit or debit card information

Issue: Ability to meet essential financial obligations

Given climbing foreclosure and credit card default rates, it is not surprising that the proportion that is “Extremely” or “Very” concerned has increased from 41% to 45% since the Wave 3 survey. This is the #4 source of concern. Meanwhile, the share of those who are “Not concerned” has dropped to 25%.

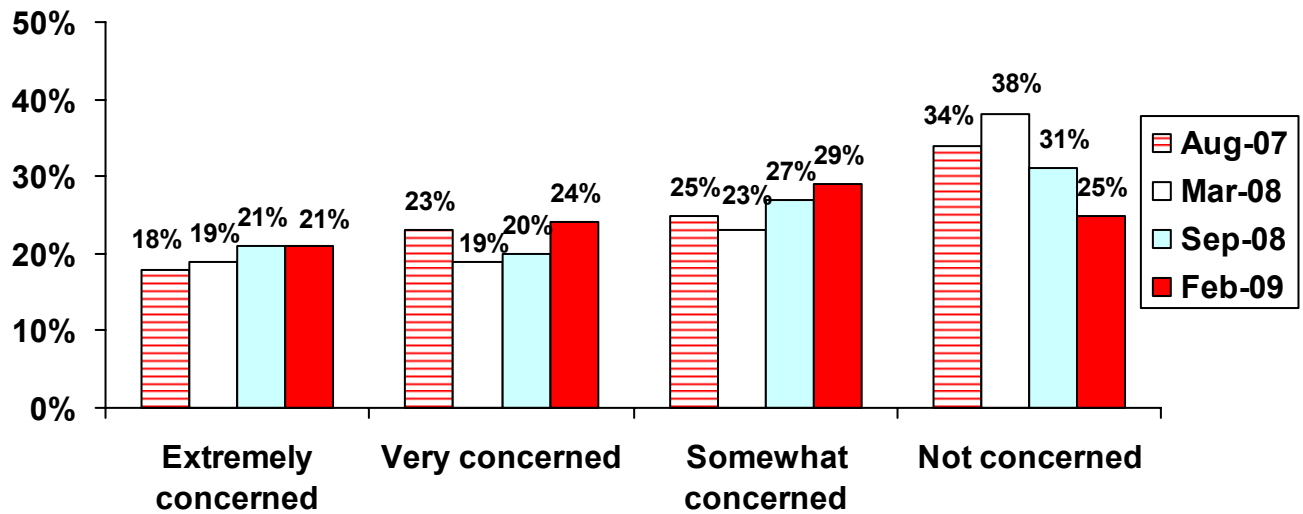


Chart 4: Concern with meeting essential financial obligations such as your mortgage, other loan, credit card or bill payments

Issue: Computer security in relation to viruses or unsolicited e-mails

Americans are divided with regard to concern about computer security. Just over 40% of Americans are “Extremely” or “Very” concerned with this issue, while just over one-quarter are not concerned (Chart 5). *The proportion not concerned is roughly the same as the proportion of Americans who do not use the Internet, suggesting that most Internet users are concerned with this issue.*

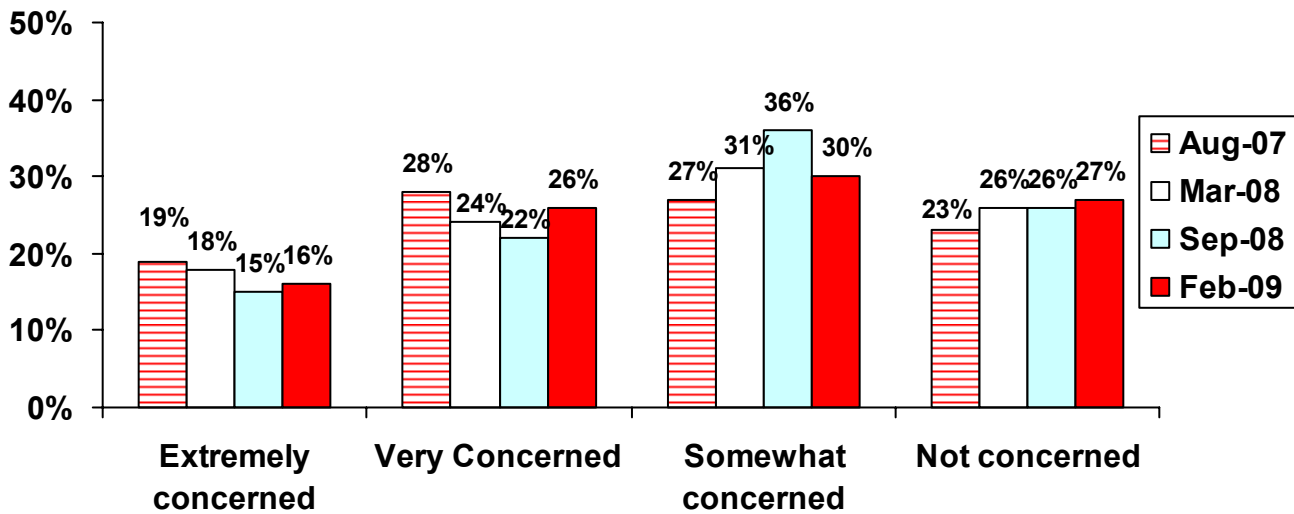


Chart 5: Concern with computer security in relation to viruses or unsolicited e-mails

Issue: The security of shopping or banking online

Well under one half (39%) of Americans are “Extremely” or “Very” concerned with the security of online transactions (Chart 6). This is simply not an area of major concern for most Americans, especially since a substantial proportion of Americans do not bank or shop on the Internet. While there has been a slight reduction in the “Extremely” concerned proportion, overall the level of concern has not changed significantly since 2007.

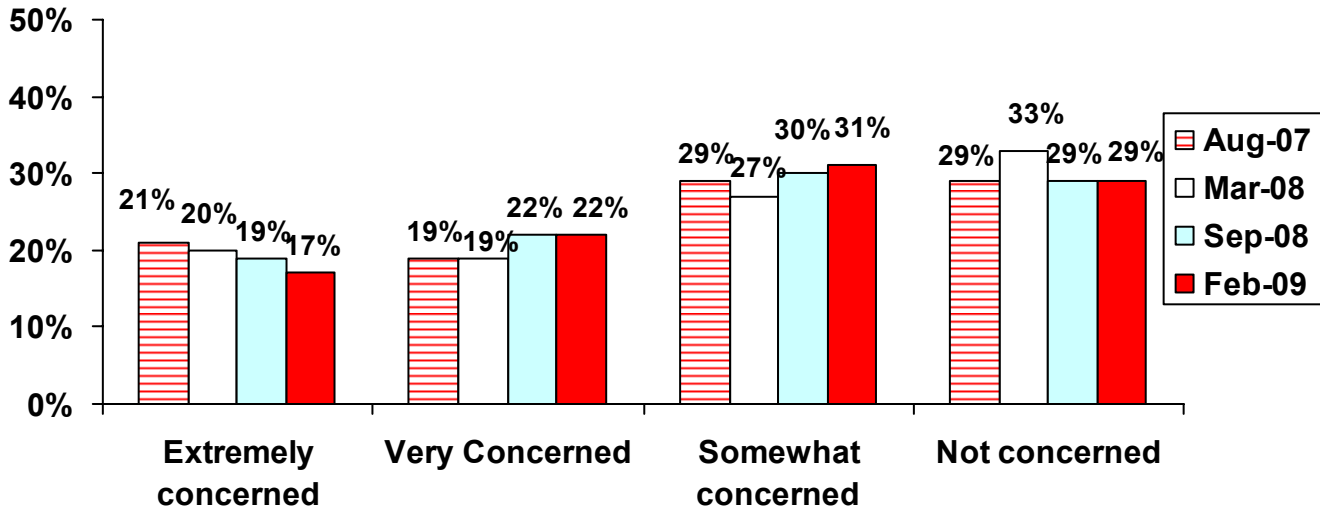


Chart 6: Concern with the security of shopping or banking online

Issue: Unauthorized access to or misuse of personal information

This question is intended to address the issue of identity theft, and this is Americans’ #2 area of concern. Two thirds (66%) are seriously concerned about this issue (Chart 7). While there has been a “down-shift” from “Extremely” to “Very” concerned, overall, the level of concern on this issue has remained relatively high and constant since 2007.

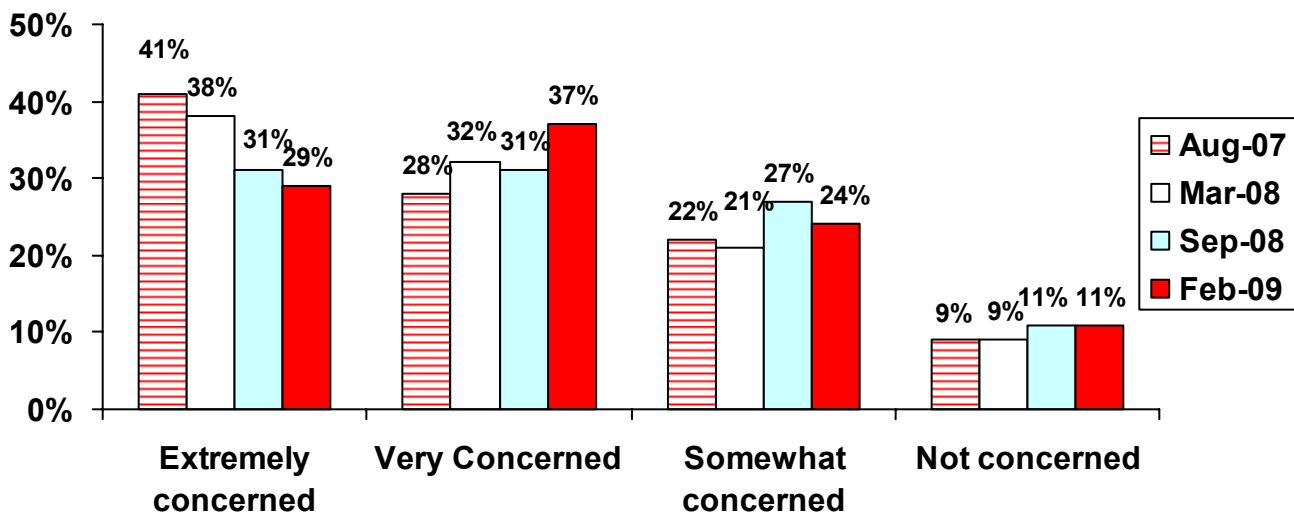


Chart 7: Concern with unauthorized access to or misuse of personal information

Issue: Your overall personal safety over the next six months

Most Americans feel comfortable about their personal safety. Only 13% of Americans are extremely concerned with their safety; another 14% are very concerned (Chart 8). The proportion saying they are “Extremely” or “Very” concerned about this issue has fallen slightly since early 2008. However, as will be shown in the next section of this report, there are profound differences in perceptions of security between different racial and ethnic groups.

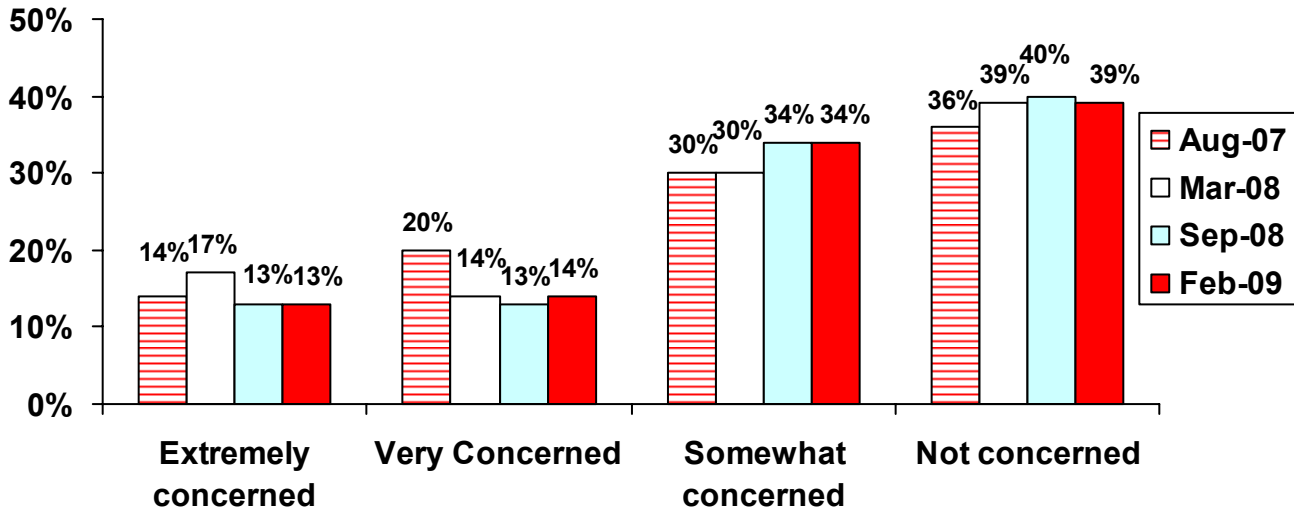


Chart 8: Concern with your overall personal safety over the next six months

How Demographic Differences Influence Security Concerns

Age

There are notable differences in how different age groups perceive security issues.

Younger American adults (18-34 years of age) are less concerned about national security, the security of online shopping and banking and misuse of personal information than are other adults. Conversely, younger Americans are more concerned about meeting financial obligations.

Americans age 65 and over are less concerned than others about meeting financial obligations. They are also somewhat less concerned, at least when compared with middle agers, regarding the security of online shopping and banking (which many older Americans probably don't use).

One issue that should be of concern for bankers and retailers is that the group with the greatest concern with the safety of online banking and shopping is the 45-54 age group – and *these are the people who tend to have the highest earnings and greatest disposable income.*

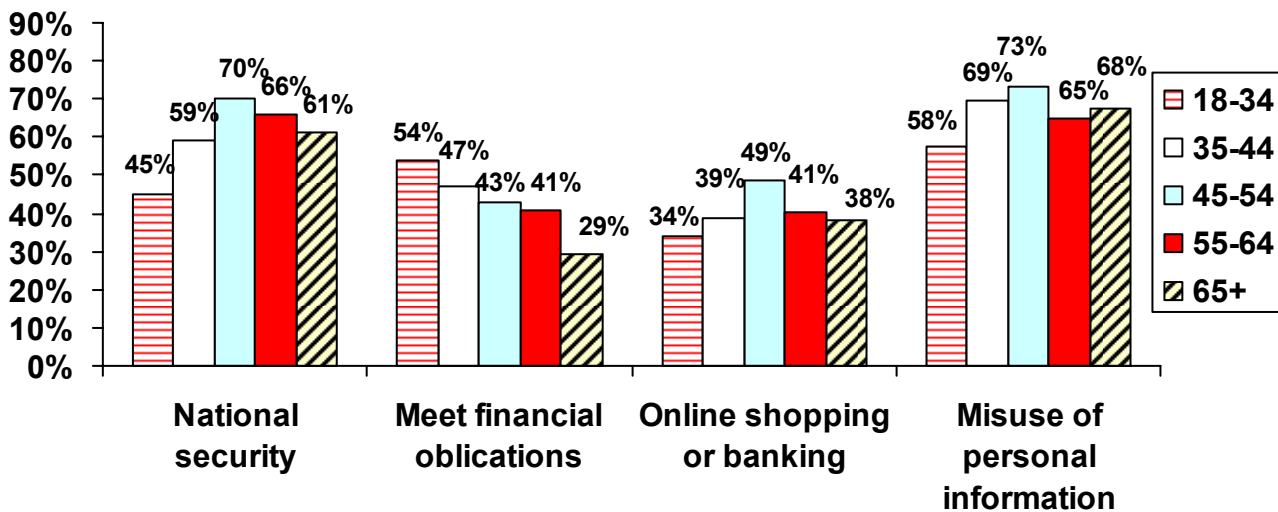


Chart 9: Percent "Extremely / Very" concerned (security threats with significant differences between age groups)

Household income

Relatively affluent households (more than \$75,000 in annual income) tend to be much less concerned than other Americans with regard to national security, health epidemic risks, credit card fraud, meeting financial obligations, identify theft and personal safety.

The differences on some of these issues are particularly dramatic. For example, a majority of Americans making less than \$75,000 per year are extremely or very concerned with meeting financial obligations, as compared with only 23% of those making higher incomes. *This may be important in understanding current disagreements over economic policy.*

In another example, 40% of Americans earning less than \$25,000 per year are extremely or very concerned about personal safety, as compared with only 9% of those earning over \$75,000 per year.

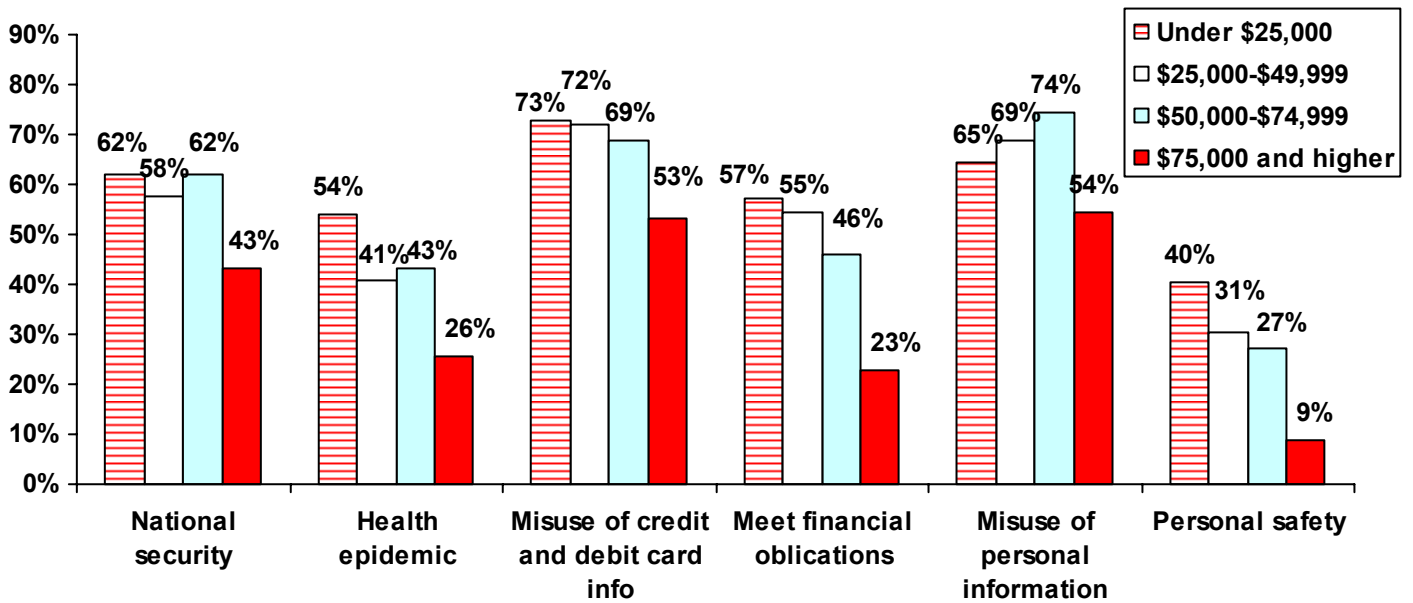


Chart 10: Percent “Extremely / Very” concerned (security threats with significant differences between income groups)

Education

Americans who have not attended college tend to be more concerned than other Americans about a variety of security issues, including national security, the risk of a health epidemic, credit card fraud, meeting financial obligations, and personal safety.

The greatest difference is in regard to meeting financial obligations. A majority of consumers who have not attended college are extremely or very concerned with meeting financial obligations, as compared with only 30% of college graduates.

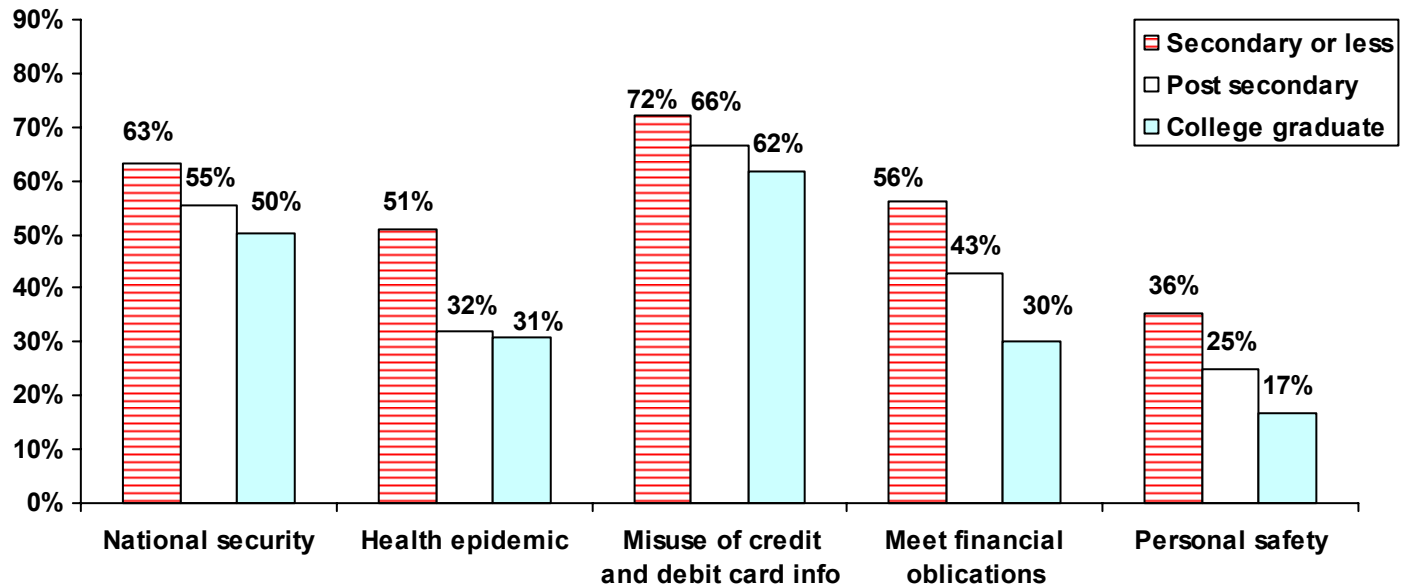


Chart 11: Percent "Extremely / Very" concerned (security threats with significant differences between education groups)

Gender

There are only relatively minor differences in concern about security issues between males and females. Females are more concerned than males about national security.

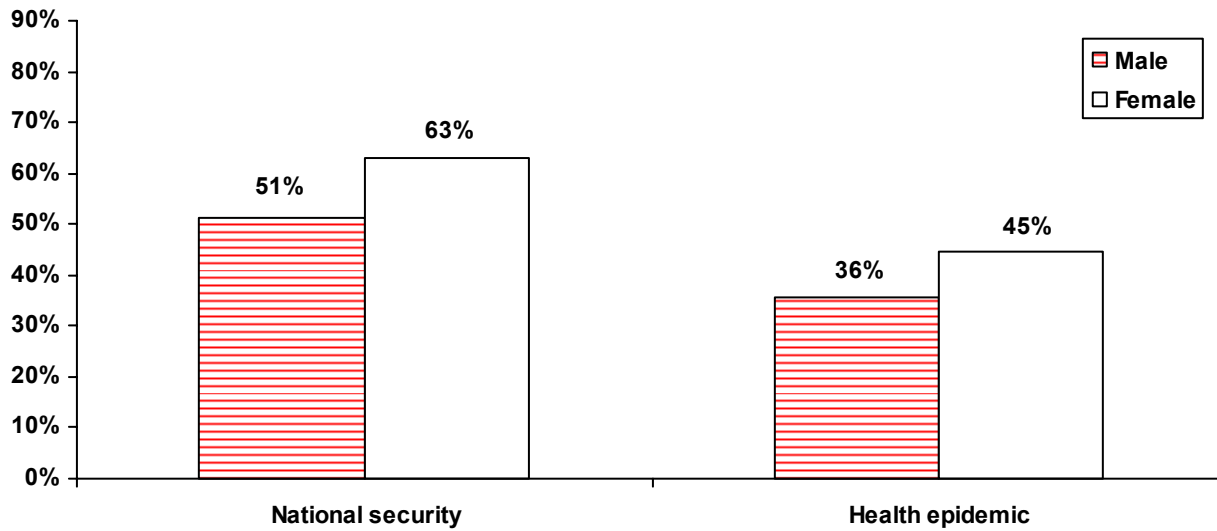


Chart 12: Percent “Extremely / Very” concerned (security threats with significant differences between gender groups)

Race

Blacks and Hispanics are far more concerned than are whites regarding the risk of a health epidemic, meeting financial obligations, identity theft and personal safety.

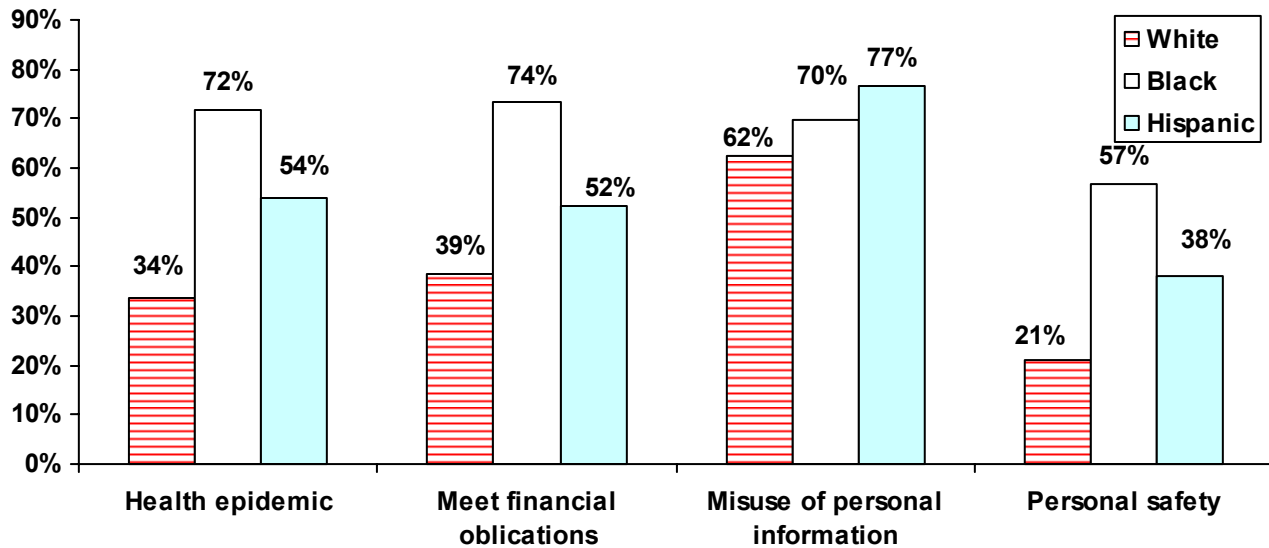


Chart 13: Percent “Extremely / Very” concerned (security threats with significant differences between racial groups)

Region

Westerners are less worried about epidemics and personal safety than are Southerners and Midwesterners.

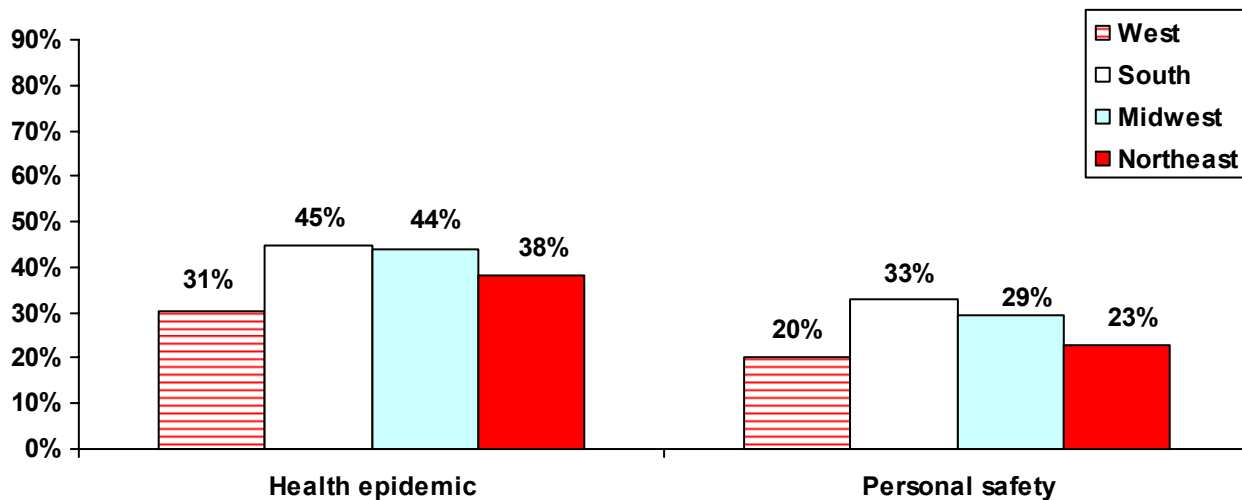


Chart 14: Percent “Extremely” or “Very” concerned (security threats with significant differences between regions)

Supplemental Question

ISSUE: THE CURRENT WORLD FINANCIAL CRISIS MAY CREATE AN INCREASED RISK OF FRAUD. DO YOU BELIEVE THAT AS A RESULT OF THIS CRISIS, THE LEVEL OF RISK TO YOU PERSONALLY OF IDENTITY THEFT AND RELATED CRIMES SUCH AS CREDIT CARD FRAUD WILL INCREASE OR DECREASE?

Three quarters of Americans (74%) believe that the world financial crisis will increase the risk that they will personally experience identity theft or related crimes. More than one quarter (28%) believe that the risk will increase substantially.

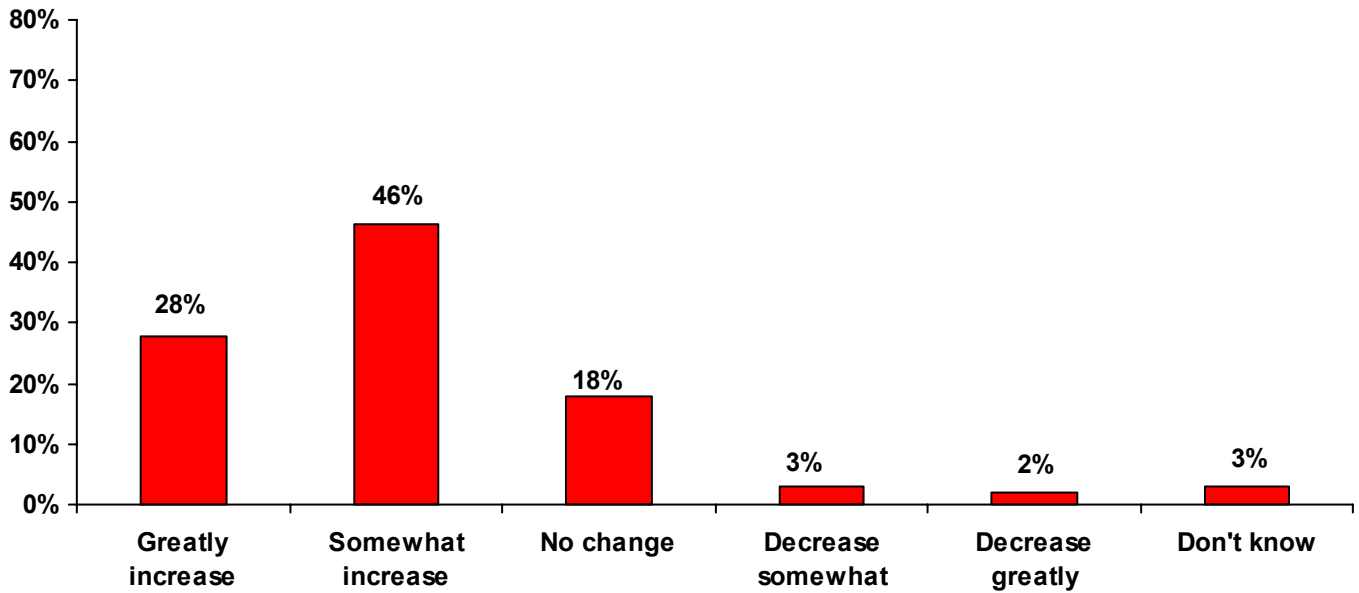


Chart 15: Extent of increased or decreased risk

About Lieberman Research Group

Lieberman Research Group is a top-ranked and nationally recognized market research organization serving the business-to-business and consumer markets. Founded in 1966, it is now a \$30 million custom research company. Interviewing facilities in Manhattan and Brooklyn have the capability to conduct interviews in 20+ languages.

Lieberman Research is the only U.S. member of The Global Research Alliance – an international consortium of independent market research firms in over 20 countries that provides access to interviewing facilities internationally as well as local knowledge and input critical to successful international studies.

Through its research in the U.S. and worldwide, Lieberman Research provides custom research and information analysis to its clients on a wide range of issues including customer and employee satisfaction, loyalty, multicultural and ethnic marketing, new product development, public policy, advertising, public relations and many others.

Lieberman Research Group is a proud member of the Council of American Survey Research Organizations (CASRO). As one of over 150 CASRO member companies nationwide, we subscribe to the CASRO Code of Standards for Survey Research. This code, intended to foster the highest standards of ethical conduct in the practice of survey research, protects our clients and helps ensure an environment in which the public, our source of information in most surveys, respects and cooperates with the opinion research process.

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