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The Illusion of Personal Data Security in E-Commerce: Dashlane Q1 2014 Personal Data Security Roundup

NEW YORK – Today, Dashlane announces the first edition of its quarterly *Personal Data Security Roundup*.

Consumers increasingly share their personal data, including payment information, with a growing number of e-retailers. The keys that protect their personal data are the passwords they use for these sites, and weak passwords could prove disastrous for personal data security. Dashlane ranks the top 100 e-retailers' password policies and reveals some serious concerns.

The roundup assesses the password policies of the top 100 e-commerce sites in the US by examining 24 different password criteria that Dashlane has identified as important to online security, and awarding or docking points depending upon whether a site meets a criterion or not. Each criterion is given a +/- point value, leading to a possible total score between -100 and 100 for each site.

Key findings:

- 55% still accept notoriously weak passwords such as "123456" or "password"
- 51% make no attempt to block entry after 10 incorrect password entries (including **Amazon, Dell, Best Buy, Macy's** and **Williams-Sonoma**)
- 64% have highly questionable password practices (receiving a negative total score in the roundup)
- 61% do not provide any advice on how to create a strong password during signup, and 93% do not provide an on-screen password strength assessment
- Only 10% scored above the threshold for good password policies (i.e. 45 points or more in the roundup)
- 8 sites, including **Toys "R" Us, J.Crew** and **1-800-Flowers.com**, send passwords in plain text via email

Apple received the highest rating and was the only retailer to receive a perfect score, while **Newegg, Microsoft, Chegg** (tied for 2nd), and **Target** rounded out the top 3.

MLB.com, Karmaloop and **Dick's Sporting Goods** received the three lowest scores. **Amazon, Walmart, Victoria's Secret** and **Toys "R" Us** were also among the lowest ranked sites as they all received scores of -35 or below.

These findings are troubling, particularly when examined in the context of numerous recent online security issues at major retailers such as [Starbucks](#). They suggest that some of the top e-commerce sites in the US fail to implement basic password policies that could adequately protect their users' personal data.

Users at Risk

The danger with a weak password policy is that it leaves users' personal data vulnerable. The weaker the password, the easier it is for hackers to break into an account. Therefore, sites with lenient password policies are leaving their users exposed to greater risk.



The majority of sites accept ten of the most commonly used passwords such as “123456”, “111111” and even the word “password”. Dashlane also discovered that 62% do not require a mix of letters and numbers, and 73% accept passwords with 6 characters or less. **MLB** even allows users to use the word “baseball” as their password.

In addition to permitting weak passwords, a number of e-commerce sites do not lock users’ accounts after repeated failed access attempts. Numerous sites, including **Amazon** and **Dell**, allow uninterrupted normal login attempts even after 10 incorrect password entries. One of the easiest methods hackers use to break into an account is the automated entry of commonly used passwords. Restricting account access after multiple incorrect entries is a simple way to curb this tactic.

When the two issues above are combined, it becomes easy for hackers to access many accounts because they can repeatedly try the most commonly used passwords without being blocked.

Also among the more dangerous practices is the sending of passwords in plain text via email. Thankfully this practice was not prevalent, but the study found that several sites, including **Toys “R” Us**, **J.Crew** and **1-800-Flowers.com**, still email users’ passwords in plain text.

The Solution is Simple

To make their password policies more secure, Dashlane recommends that e-commerce sites adopt some simple policies:

- Require that passwords contain at least 8 characters, and a combination of upper/lower-case letters, numbers and symbols
- Block account access after 4 failed logins
- Provide users with on-screen advice on how to choose a strong password during signup
- Provide users with an on-screen assessment of password strength while they’re choosing a password

All of these practices can be implemented cheaply and quickly with readily available open-source technology. A number of sites in the top 100, such as **Williams-Sonoma**, **Chegg**, and **CDW**, have already implemented many of these practices.

Some retailers may argue that such requirements impede user convenience, but companies such as **Apple**, arguably the most famous brand on the list, have shown that it is possible to be both secure and successful. In every category we tested, **Apple** implemented the 4 simple policies and procedures we recommend above. These policies resulted in the company being awarded the only perfect score in the study.

Target, **Nike** and **Microsoft** also received high scores as they all require users to have secure passwords that contain letters, numbers and upper/lower-case combinations.

Full study results, data and infographic can be found at: www.dashlane.com/securityrundup



Top 10	
<i>E-retailer</i>	<i>Score</i>
Apple	100
Newegg	65
Microsoft	65
Chegg	65
Target	60
Williams-Sonoma	55
CDW	50
Amway	45
Musician's Friend	45
Nike	45

Bottom 10	
<i>E-retailer</i>	<i>Score</i>
MLB	-75
Karmaloop	-70
Dick's Sporting Goods	-65
Toys R Us	-60
Aeropostale	-60
J. Crew	-55
Vitacost	-50
Nutrisystem	-50
American Girl	-50
1-800-Flowers.com	-46

Common simple, passwords allowed	
<i>Password</i>	<i>% of retailers allow</i>
password	58%
123456	55%
12345678	57%
abc123	70%
qwerty	58%
monkey	59%
letmein	59%
dragon	59%
111111	55%
baseball	62%

Top e-retailers that allow login attempts after 10 incorrect passwords
Amazon
Dell
Best Buy
Macy's
Williams-Sonoma
HSN
LL Bean
Toys "R" Us
Overstock
Vistaprint

Notables With Scores At or Below -30

- | | | |
|-------------------|---------|----------------|
| Amazon | Macy's | Ralph Lauren |
| Victoria's Secret | Groupon | Barnes & Noble |
| Walmart | Hulu | Overstock |
| Office Depot | Disney | |

Notables With Scores Above 30

- | | | |
|------------------|---------------------|-----------|
| Apple | Williams-Sonoma | Nike |
| Best Buy | Walgreen's | Microsoft |
| Target | Abercrombie & Fitch | CVS |
| Bass Pro Outdoor | | |



<u>e-Retailer</u>	<u>Score</u>	<u>Rank</u>
Apple	100	1
Microsoft	65	2
Chegg	65	2
Newegg	60	4
Target	60	4
Williams-Sonoma	55	6
CDW	50	7
Amway	45	8
Musician's Friend	45	8
Nike	45	8
Best Buy	40	11
WW Grainger	40	11
Walgreens	40	11
Express	40	11
Sony	35	15
Abercombe & Fitch	35	15
Bass Pro Outdoor	35	15
CVS	35	15
MSC Industrial Supply	30	19
Hayneedle	30	19
Oriental Trading Co.	30	19
The Children's Place Retail Stores	30	19
OfficeMax	25	23
Nordstrom	25	23
Deluxe Corp.	25	23
Crate and Barrel	25	23
American Eagle	24	27
Ann Inc.	20	28
Sears	19	29
Dell	19	29
Neiman Marcus	19	29
Saks	14	32
Lowe's	14	32
LL Bean	10	34
Avon Products	4	35
DSW	4	35
JC Penny	-5	37
Foot Locker	-6	38
Costco	-10	39
Gap	-10	39
Green Mountain Coffee	-10	39



GameStop	-11	42
Chico's FAS	-11	42
Gilt Groupe	-13	44
Estee Lauder	-15	45
PC Connection	-18	46
HSN	-25	47
Etsy	-25	47
The Home Depot	-25	47
Staples	-30	50
Barnes and Noble	-30	50
ShopNBC	-30	50
CafePress	-30	50
Office Depot	-35	54
Macy's	-35	54
HP Home/Office Store	-35	54
Rakuten	-35	54
Cabela's	-35	54
Ralph Lauren	-35	54
Build	-35	54
Sierra Trading Post	-35	54
Northern Tool	-37	62
Amazon	-40	63
Walmart	-40	63
Kohl's	-40	63
Fingerhut (Bluestern Brands)	-40	63
Scholastic Inc.	-40	63
Eddie Bauer	-40	63
1 Sale a Day	-40	63
Victoria's Secret	-44	70
Overstock	-45	71
Vistaprint	-45	71
Fanatics	-45	71
Urban Outfitters	-45	71
Shutterfly	-45	71
Wayfair	-45	71
PCM	-45	71
Groupon	-45	71
REI	-45	71
Blue Nile	-45	71
Fresh Direct	-45	71
RueLaLa	-45	71
Zulily	-45	71



1-800 Contacts	-45	71
Disney Store	-45	71
Net-A-Porter	-45	71
Hulu	-45	71
Shoebuy	-45	71
Edible Arrangement	-45	71
Restoration Hardware	-45	71
1-800 Flowers	-46	91
Vitacost	-50	92
Nutrisystem	-50	92
American Girl	-50	92
J. Crew	-55	95
Toys R Us	-60	96
Aeropostale	-60	96
Dick's Sporting Good	-65	98
Karmaloop	-70	99
MLB	-75	100

METHODOLOGY

The study was conducted by Dashlane from January 17-22, 2014. The top 100 e-commerce websites were chosen per *Internet Retailer's* [2013 Top 500 eGuide](#). Dashlane excluded sites that required a paid subscription to create a new account and conglomerates that owned multiple e-commerce sites.

ABOUT DASHLANE:

Dashlane is tackling the universal problem of passwords by offering the world's best password manager and digital wallet app. It provides users with a beautiful interface and a seamless way to manage and use all their passwords, IDs and payment information. User data is stored locally in a securely encrypted AES-256 vault and the encryption key is never recorded, stored or transmitted anywhere. The app uses tested security technology designed to allow only the user to access the data. The app is available on Mac, Windows, iOS and Android and can be synced across all of these devices. Dashlane was recently selected by *PC Mag* as one of "[The Best Security Products of 2013](#)".

Dashlane was founded in 2009 by Bernard Liautaud, the co-founder and former CEO of Business Objects. The company has raised \$8 million to date, backed by Rho Capital Ventures, FirstMark Capital, and Mr. Liautaud. Dashlane is based in New York City and has an office in Paris, France.

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