U.S. Small Business Multi-Factor Authentication (MFA) Study 2023
Survey Insights

Awareness Without Action: Second Annual CRI Survey Shows Growing Awareness of MFA Benefits Fails to Drive Implementation

• Just Over Half of U.S. SMBs are Implementing MFA, but a Significant Portion Do Not
• Awareness of MFA Benefits Increases But Fewer SMBs are Getting the Message
• MFA Still Not a Requirement at Most SMBs
• More SMBs Encourage MFA Use But Fewer Have Process to Prioritize Use
• Accounting, HR and databases are the top 3 applications where SMBs require the use of MFA.
• Top Barriers to MFA Use: Funding and Resources
• Push Notifications Lead as Most Used MFA Method by SMBs
• MFA Training Gains Traction: Instructions and Training Rise in 2023
• SMBs Still Question the Benefit of Implementing MFA
• The inconvenience of using MFA has become a growing complaint among employees
Just Over Half of U.S. SMBs are Implementing MFA, but a Significant Portion Do Not

**QUESTION**

Does your business implement MFA?

Source: Cyber Readiness Institute MFA Survey (U.S. Only), Small and Medium-sized Businesses, May 2022 (N=485), and Oct. 2023 (N=484)
Awareness of MFA Benefits Increases But Fewer SMBs are Getting the Message

The following best describes the level of awareness you have of MFA and the related security benefits at your company.

Source: Cyber Readiness Institute MFA Survey (U.S. Only), Small and Medium-sized Businesses, May 2022 (N=485), and Oct. 2023 (N=484)
SMBs using MFA Survey Analysis
Only 34% of SMBs require the use of MFA

Our cybersecurity policies reference MFA in the following way:

- We have general cybersecurity policies, but they do not specifically mention the use of MFA: 30% (2023), 27% (2022)
- We do not have cybersecurity policies: 10% (2023), 9% (2022)
- Our cybersecurity policies suggest the use of MFA if available: 26% (2023), 30% (2022)
- Our cybersecurity policies require the use of MFA on most sign in experiences, including: network devices, hardware (including printers, fax machines, etc.), and software: 34% (2023), 34% (2022)

Source: Cyber Readiness Institute MFA Survey (U.S. Only), Small and Medium-sized Businesses, May 2022 (Subset N=246), and Oct. 2023 (Subset N=258)
The following best describes our process for prioritizing when and where to use MFA:

- **We have a process for prioritizing critical hardware, software and data for the use of MFA.**
  - 2022: 43%
  - 2023: 34%

- **We encourage the use MFA when it is available.**
  - 2022: 44%
  - 2023: 52%

- **We don’t have a process for this.**
  - 2022: 13%
  - 2023: 14%

Source: Cyber Readiness Institute MFA Survey (U.S. Only), Small and Medium-sized Businesses, May 2022 (Subset N=246), and Oct. 2023 (Subset N=258)
Accounting software, HR software and databases are the top 3 applications where SMBs require the use of MFA.

Our company requires the use of MFA for the following software:

- Accounting software: 44% in 2022, 51% in 2023
- HR software: 42% in 2022, 43% in 2023
- Databases: 47% in 2022, 40% in 2023
- Email/Calendar: 31% in 2022, 36% in 2023
- Production/shipping software: 30% in 2022, 34% in 2023
- Productivity software: 33% in 2022, 33% in 2023
- Corporate Remote Access: 30% in 2022, 33% in 2023
- Social Media Accounts: 33% in 2022, 29% in 2023
- All of our software is controlled by a single sign on: 25% in 2022, 21% in 2023
- Collaboration tools: 21% in 2022, 16% in 2023
- Company doesn’t require MFA on software: 10% in 2022, 5% in 2023
- Other (please specify): 2% in 2022, 2% in 2023

Source: Cyber Readiness Institute MFA Survey (U.S. Only), Small and Medium-sized Businesses, May 2022 (Subset N=246), and Oct. 2023 (Subset N=258)
Please rank the following challenges with implementing MFA across your corporate enterprise by dragging the options below: (1 being most challenging & 8 being least challenging)

- **Resources with implementation**: 28% 28% 19% 6% 6% 6% 5% 3%
- **Funding for MFA tooling**: 31% 18% 15% 8% 10% 7% 4% 7%
- **Resources with maintenance**: 9% 22% 29% 12% 12% 7% 6% 2%
- **Technical expertise to choose correct tooling**: 7% 13% 14% 38% 12% 8% 4% 4%
- **Technical expertise to implement**: 7% 9% 10% 19% 40% 9% 5% 3%
- **MFA is not a priority of leadership**: 4% 4% 5% 6% 8% 43% 16% 15%
- **MFA is not requirement for the services or businesses we have**: 4% 4% 5% 5% 7% 7% 48% 19%
- **Employee resistance**: 11% 4% 2% 7% 5% 12% 12% 47%

Source: Cyber Readiness Institute MFA Survey (U.S. Only), Small and Medium-sized Businesses, May 2022 (Subset N=246), and Oct. 2023 (Subset N=258)
Push Notifications Lead as Most Used MFA Method by SMBs

QUESTION

Which of the following best describes the type of MFA your company uses?

- Push notifications to a phone or alternate email: 32%
- One-Time Password (unique passwords that are only valid for a single login session for a defined period of time): 25%
- Token-Based (a small device that rotates unique numerical codes): 13%
- Authenticator Applications: 13%
- Time-based (time-limit based auto-generated codes): 9%
- Biometric: physical (fingerprint, retina scan, etc.): 7%
- None of the above: 1%

Source: Cyber Readiness Institute MFA Survey (U.S. Only), Small and Medium-sized Businesses, May 2022 (Subset N=246), and Oct. 2023 (Subset N=258)
MFA Training Gains Traction: Usage Instructions and Importance Training Rise in 2023

Our employee training on the use of MFA includes the following:

<table>
<thead>
<tr>
<th>Training Method</th>
<th>2022</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Instructions on how to use MFA</td>
<td>28%</td>
<td>58%</td>
</tr>
<tr>
<td>Information on the importance of using MFA</td>
<td>27%</td>
<td>50%</td>
</tr>
<tr>
<td>A test or quiz to determine understanding</td>
<td>29%</td>
<td>33%</td>
</tr>
<tr>
<td>A pledge by the employee that they will use MFA</td>
<td>27%</td>
<td>29%</td>
</tr>
<tr>
<td>We do not have employee training on the use of MFA</td>
<td>30%</td>
<td>23%</td>
</tr>
<tr>
<td>Frequent communication on the importance of using MFA</td>
<td>28%</td>
<td>31%</td>
</tr>
<tr>
<td>Frequent communication on how to use MFA</td>
<td>21%</td>
<td>20%</td>
</tr>
<tr>
<td>Other</td>
<td>2%</td>
<td>2%</td>
</tr>
</tbody>
</table>

Source: Cyber Readiness Institute MFA Survey (U.S. Only), Small and Medium-sized Businesses, May 2022 (Subset N=246), and Oct. 2023 (Subset N=258)
SMBs not using MFA Survey Analysis
17% of SMBs Still Question the Benefit of Implementing MFA in 2023

Which of the following best describes the reason that your organization has not implemented MFA?

- It is too confusing or complicated to implement: 11% (2023), 9% (2022)
- We don't understand MFA: 27% (2023), 18% (2022)
- We don't see the value in MFA: 14% (2023), 17% (2022)
- MFA is too time-consuming and inconvenient to use: 10% (2023), 15% (2022)
- None of the above: 38% (2023), 41% (2022)

Source: Cyber Readiness Institute MFA Survey (U.S. Only), Small and Medium-sized Businesses, May 2022 (Subset N=239), and Oct. 2023 (Subset N=226)
The inconvenience of using MFA has become a growing complaint among employees.

Employees cite the following reasons for resisting the use of MFA:

- **We do not ask employees about this**: 63% (2023), 25% (2022)
- **They do not know how to set it up**: 26% (2023), 19% (2022)
- **It is inconvenient to use**: 24% (2023), 19% (2022)
- **It does not always work**: 9% (2023), 9% (2022)

Source: Cyber Readiness Institute MFA Survey (U.S. Only), Small and Medium-sized Businesses, May 2022 (Subset N=239), and Oct. 2023 (Subset N=226)
Firmographics
Number of employees

Please select the number of employees your organization currently employs.

Source: Cyber Readiness Institute MFA Survey (U.S. Only), Small and Medium-sized Businesses Oct. 2023 (N=484)
Please select the revenue span that best represents your organization.

Source: Cyber Readiness Institute MFA Survey (U.S. Only), Small and Medium-sized Businesses, Oct. 2023 (N=484)
Top 10 industries represented in the survey

1. Retail & Consumer Durables
2. Construction, Machinery, and Homes
3. Education
4. Healthcare & Pharmaceuticals
5. Telecommunications, Technology, Internet & Electronics
6. Entertainment & Leisure
7. Advertising & Marketing
8. Business Support & Logistics
9. Manufacturing
10. Agriculture

Which of the following best describes your company’s industry?

Source: Cyber Readiness Institute MFA Survey (U.S. Only), Small and Medium-sized Businesses, Oct. 2023 (N=484)