HIGHSTREET
Insurance & Financial Services



Small business, big target: the 2026 cyber picture

Cyberattacks are mounting faster, and the businesses on the receiving end are getting smaller. Here's where the 2026 numbers stand, and what coverage delivered.

Attackers are already finding **businesses this size**

56.1% of small and midsize businesses cannot confirm a clean security record for the past 12 months

Half reported a confirmed or suspected incident. Another 5.6% did not know either way.[1]

The most common way in is a company's own internet-connected devices

30% of attacks started there, followed by supply chains at 28% and employees at 27%.[2]

56% of US small businesses were attacked at least once in the past 12 months

Averaging 2.38 separate attempts each.[2]

Despite the frequency of attacks, **81%** of small businesses say their cyber resilience has improved recently.[2]

The distance between **feeling covered** and **being covered**

What businesses believe

30% say they are too small to be a target.[3]

39% say their systems are already secure.[3]

77% of US small businesses are underinsured.[3]

35% had no cyber coverage but needed it.[3]

What the claims data shows

Cyber claim frequency rose 10% for businesses under $25 million in revenue.[4]

What one open door costs, and how fast it opens

Ransomware

Criminals lock up your data and demand payment to release it

Average loss
$262,000[4]

Funds transfer fraud

Criminals trick you into sending money to their account, and the funds are rarely recovered

Average loss
$141,000[4]

Business email compromise

Criminals take over your inbox to steal money or data

Average loss
$27,000[4]

It happens faster than most owners expect:

Breakout time — the gap between an attacker reaching one machine and spreading to the rest of your network — is now 29 minutes, 65% faster than last year. The fastest observed was 27 seconds.[5]

82% of detections involved no malware at all. The attackers arrived through valid logins and trusted pathways.[5]

A quarter of attacked US small businesses said their solvency was threatened following a cyberattack.[2]

Cyber insurance does more than pay claims. **It keeps you running.**

What it delivered in 2026 claims:

64% of closed claims left the policyholder with zero out-of-pocket loss.[4]

$21.8 million in stolen funds recovered, averaging $202,000 per incident.[4]

Incident response teams negotiated **ransom demands down 65%** on average.[4]

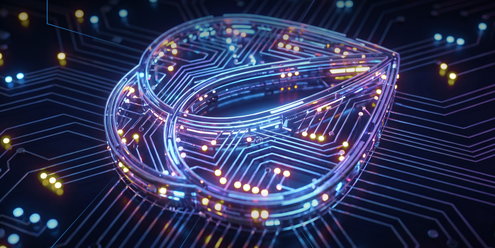
What cyber insurance delivers

Prevent and protect against threats

- Access expert cyber risk assessments
- Deploy proactive threat hunting
- Continuously monitor and detect
- Respond faster to minimize losses

Cover direct costs

- Breach response
- Legal fees
- Crisis PR and reputation support



Restore operations

- Downtime coverage
- Data recovery
- Electronics replacements

Regain funds

- Lost profit reimbursement
- Clawing back stolen funds when possible

Pay for expert support

- Forensic investigators
- Negotiators
- Legal assistance
- Security pros

You can close the doors you know are open.

Highstreet combines nationwide strength with community-centered expertise, so your cyber coverage fits the way your business runs. Talk with a Highstreet agent about what cyber coverage would look like for your business.

Explore cyber liability coverage >

Talk to a Highstreet agent >

Data Sources:

1 National Cybersecurity Alliance (2026). 2026 Small Business Cybersecurity Awareness & Practices Survey.

2 Hiscox (2026). Hiscox Cyber Readiness Report 2026.

3 Hiscox (2025). 2025 Hiscox Underinsurance in Small Business Report.

4 Coalition (2026). 2026 Cyber Claims Report.

5 CrowdStrike (2026). 2026 Global Threat Report.

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