

Cyberattacks are Fewer in Number but Smarter in Strategy, Says CDW Canada Study

Amid increasingly effective cyberattacks, Canadian organizations experience an average downtime of 14 days, disrupting essential day-to-day business operations

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<u>CDW Canada</u>, a leading provider of technology solutions and services for Canadian organizations, today released its annual Canadian Cybersecurity Study, *Canadian Cybersecurity Trends: Bridging Strategy, Technology, Artificial Intelligence and Human Expertise*, which explores the evolving state of cybersecurity among Canadian organizations. The study, sponsored by CDW Canada and conducted with additional support and analysis by IDC Canada, surveyed over 704 IT security, risk and compliance professionals.

The expanding threat landscape highlights a critical pattern in 2025. Cyberattacks continue to decrease in frequency, yet successful attacks have intensified and become increasingly disruptive. In the past 12 months, 87 percent of Canadian organizations have reported experiencing a security incident, coupled with a 10 percent year-over-year increase in the length of downtime per incident. This pattern indicates a need for Canadian organizations to prioritize proactive cybersecurity to avoid these detrimental disruptions to their business.

GenAI progress stalls amid gaps in security and governance frameworks

Over the past year, organizations have raced to explore the potential of Generative Artificial Intelligence (GenAI), but the excitement has exposed a critical paradox. While organizations recognize GenAI's transformative potential, many are facing security and compliance barriers that have slowed full-scale adoption.

Canadian organizations are particularly grappling with the complex challenges of securely integrating and scaling GenAI into business operations. Between 2023 and 2024, businesses conducted an average of 17 GenAI proof-of-concepts (PoCs), yet fewer than a third (28 percent) successfully transitioned to full production as concerns over data privacy and compliance put projects on hold.

The majority cite common barriers to adoption, including data privacy concerns (64 percent), skills shortages (57 percent) and system integration complexities (44 percent).

The rush to integrate GenAI has highlighted gaps in Canadian organizations' foundational frameworks. However, this provides a key opportunity for organizations to strategically assess their data governance and compliance capabilities at a moment when the full potential of GenAI is still in its infancy.

"The competitive advantages of GenAI are undeniable, but rushing into full-scale adoption without a strong security framework is a risk no organization can afford," said Ivo Wiens, Field CTO, Cybersecurity at CDW Canada. "This slowdown isn't a failure but a necessary step for businesses to address foundational security gaps with thoughtful intent."

Organizations must invest in strengthening their overall security posture and capabilities to benefit from the transformative potential of GenAI.

Proactive security testing is the missing link for cloud environments

As Canadian organizations expand their digital ecosystems and increasingly rely on their hybrid cloud environments, cyberattackers are keeping pace, exploiting vulnerabilities in cloud environments at an alarming rate. What was once a secondary risk has emerged as a primary concern, with public cloud infrastructures facing more attacks than any other IT infrastructure component.

More than half (61 percent) of Canadian organizations report that their public cloud environments have been the most impacted by cyberattacks. However, organizations conducting annual security testing indicated fewer infiltrations (23 incidents) and breaches (33 incidents) on average compared to 25 and 29 incidents respectively for those without regular testing. This underscores the clear value of comprehensive cloud testing to proactively mitigate risks, freeing up more time and resources for core business operations.

Structural gaps drive the shift toward third-party services

Canadian organizations are prioritizing their security capabilities by investing in Managed Detection and Response (MDR) services, which provide proactive managed solutions to enhance detection and incident response driven by a strategic shift to address internal resource gaps, improve threat detection and response speeds to increase cyber resilience.

Nearly half (41 percent) of Canadian organizations have already adopted MDR services, with more than a third (37 percent) planning to do so in the near future. As organizations continue to struggle with the impacts of breaches, MDR services are a key enabler in reducing vulnerabilities and minimizing operational disruptions.

"Many organizations are in a vulnerable position without the in-house expertise required to respond to threats at the speed and scale needed," said Ben A. Boi-Doku, Chief Strategist, Cybersecurity Services Strategy & Development at CDW Canada. "It's promising to see Canadian organizations investing in their security. MDR services are a fundamental part of modern security strategies. The organizations that invest in 24/7 threat detection and response will be the ones who can focus on running their business instead of combatting cyberthreats."

To learn more about the state of cybersecurity for Canadian organizations, download the study here.

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CDW Canada Corp. is a leading provider of technology services and solutions for business, government, education and healthcare. Established in 2003, CDW Canada is the country's trusted advisor for cybersecurity, hybrid infrastructure and workplace modernization. CDW Canada's local experts design, orchestrate and manage customized services and solutions, making technology work so people can do great things. Through its services-led approach, CDW Canada simplifies complex technology to empower customers to focus on their business and thrive in a rapidly evolving landscape. CDW Canada is a subsidiary of CDW Corporation (Nasdaq: CDW), a Fortune 500 company. For more information, visit www.cdw.ca.

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