

A hand is shown holding a glowing blue globe. The globe is surrounded by a network of blue lines and dots, suggesting a digital or financial network. Overlaid on the globe and hand are several white icons: a person icon with a dollar sign and a list, a bar chart with an upward arrow, a dollar sign inside a circle, a hand holding a dollar coin, a money bag, and a stack of coins.

swissbit®

Business Brief

More Security.
Clear ROI.

Why switching to MFA pays
off for every organization.

The True Cost of Password Authentication

What seems simple and inexpensive at first glance actually incurs high – and often hidden – costs in practice. Every forgotten password, every policy violation, and every incident creates overhead – for helpdesk, IT, and employees.

Annual cost per employee

Cost factor	Average cost
Password resets (0.7×/year)	\$190
Security incidents	\$70
Total (per user/year)	\$260

“A single password reset costs an average of \$270 – without any security incident.”

Source: tanum consult

Password-Based Authentication

Cost Factor	Per User/Year	Total (250 employees)
Password resets	\$190	\$47,500
Security incidents	\$70	\$17,500
Total	\$260	\$65,000

The MFA Alternative: More Secure and More Affordable

FIDO-based MFA replaces weak passwords with strong, phishing-resistant authentication – at low operational cost:

- Hardware token: approx. \$33 one-time, usable for at least 3 years
- Operating costs: **\$5–11 per user/month**
- Implementation: approx. **\$22,000** (for 100+ users ≈ \$73/user/year)

→ **Total MFA cost: approx. \$180/user/year**

→ **Savings: approx. \$80 per user annually**

Impact on a Mid-Sized Company

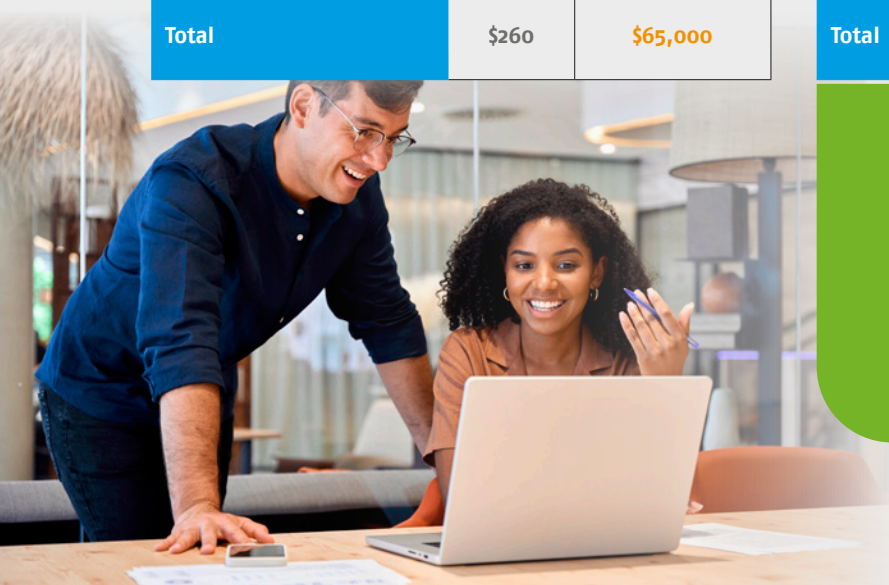
Let's take a company with **250 employees**. What are the annual costs of traditional password use – compared to switching to FIDO-based MFA?

MFA with FIDO Token

Cost Factor	Per User/Year	Total (250 employees)
Operating costs (incl. token/system)	\$110	\$27,500
Implementation (over 2 years)	\$73	\$18,250
Total	\$180	\$45,750

Annual Savings (switching to MFA):

\$19,250



A company with 250 employees can reduce its ongoing authentication costs by **up to 30% on average** by implementing FIDO keys – while significantly enhancing IT security at the same time!

Up to 30% of ongoing authentication costs can be saved with MFA – even without factoring in damages from cyber-attacks.

When It Gets Serious: The Real Cost of Password Theft

Besides the ongoing costs, one risk stands out: **password theft**. Whether through phishing, reuse, or credential stuffing, a single stolen password can cause massive damage:

- Systems and devices must be isolated, wiped, and rebuilt
- The affected employee is unable to work for several days
- IT must perform forensic analysis and contain further damage

Note: All euro amounts have been converted to U.S. dollars based on an approximate exchange rate of €1 = \$1.09 (rounded). Original calculations were made in euros.

Security That Pays Off:

- ✓ Reduce costs
- ✓ Block phishing
- ✓ Prevent password theft
- ✓ Maintain productivity
- ✓ ROI-backed investment

"A typical incident causes an average of \$3,700 in damage – per affected user."

(Without the password being used for an attack)

If a stolen password is used in an attack, the average damage, according to the German Federal Office for Information Security (BSI) and insurers, exceeds **€500,000**.

MFA can prevent 60–99% of such incidents.

2-in-1 for Maximum ROI: Swissbit iShield Key 2

The **iShield Key 2** combines **phishing-resistant FIDO2** authentication with **physical access control** in one robust device – ideal for organizations and public institutions that take a holistic view of security.

By combining both functions, **additional savings potential** is unlocked:

- **Fewer password resets and reduced IAM overhead**
- **Simplified compliance**
- **Consolidation of smartcards, card readers, and tokens**

Your advantage: Less effort, lower total costs – with a single device.



Authors

Swissbit AG in cooperation
with tanum consult GmbH



Swissbit Europe (HQ)

Tel. +41 71 913 03 00
sales@swissbit.com

Swissbit North America

Tel. +1 978-490-3252
salesna@swissbit.com

Swissbit Japan

Tel. +81 3 6258 0521
sales-japan@swissbit.com

Swissbit Asia

Tel. +886 912 059 197
salesasia@swissbit.com

About Swissbit

Swissbit AG is the leading European technology company for data storage and security solutions. Our vision is to build a connected world where data and identities are trusted, ensuring digital sovereignty.

Founded in 2001, Swissbit operates offices in Switzerland (HQ), Germany, the USA, Japan, and Taiwan, and maintains its own semiconductor production facility in Berlin, Germany.

www.swissbit.com

© Swissbit AG 2025 – All rights reserved.

www.swissbit.com/ishield-key



Made in Germany

