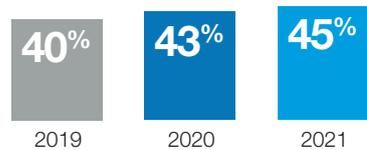


In this edition of the Asteron Life SME Insurance Index, we look at customer satisfaction, the increase in DIY attitudes to insurance, and how a customer's age could indicate opportunities for advisers.

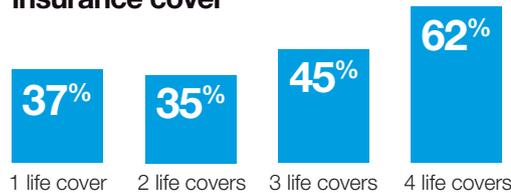
Satisfied customers hold more policies

SME satisfaction rates are steadily increasing year-on-year from 40% in 2019 to 45% in 2021. That's good news for advisers, as satisfied customers tend to hold more policies.

Satisfied with current adviser



Satisfaction rates by amount of life insurance cover



55% of satisfied SMEs say they have a collaborative broker relationship. Building collaborative relationships with your SME customers will help to increase their satisfaction, and our research shows that as satisfaction increases, so do sales opportunities.

SMEs with longer adviser relationships are less satisfied

Used an adviser for more than 5 years



Used an adviser for 5 years or less

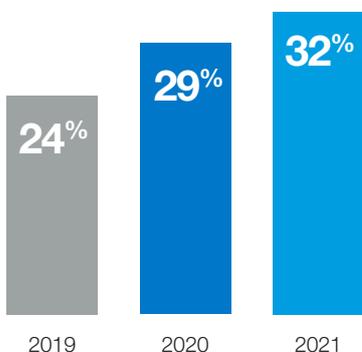


■ Not satisfied ■ Neutral ■ Satisfied

 Be aware of the "honeymoon period" and think about how you can remain engaged and relevant for your longer-term clients.

SMEs are going DIY with their insurance

When SMEs decide on their life insurance cover, they have been increasingly working it out themselves:



So, how can advisers break SMEs out of the DIY mindset?

Here are the top five reasons to work with an adviser:



 Expertise will always be a reason to use an adviser, but the importance of this to SMEs has been declining. When attracting new clients, you could also focus on your time-saving, convenience and great personal service.

Asteron Life SME Insurance Index 2021

Communication is key, so what style do SMEs prefer?

COVID-19 has changed the way we communicate, both personally and in business. In this year's survey we asked SMEs how they'd prefer advisers to make contact for different tasks:



Top tasks for email

- Admin and paperwork
- General insurance info
- Claims processing



Top tasks for phone calls

- Claims processing
- General business advice
- Staying in touch



Top tasks for face-to-face

- Personal risk assessments
- Discussing insurance needs
- Policy recommendations

Everyone has their own preferences, so it's important to ask your clients how they prefer to be contacted.



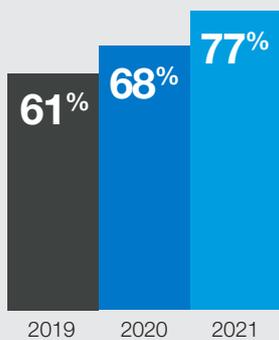
Interestingly, speaking face-to-face is preferred for life insurance tasks more than general insurance – perhaps because the nature of life insurance is more personal.

Younger SMEs represent a good opportunity for advisers

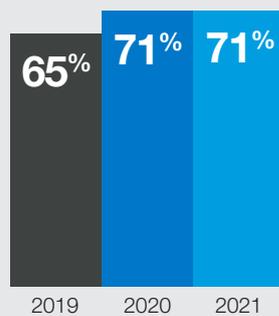
Life insurance relates to a person's stage in life, so it makes sense that the younger SMEs are most likely to have some form of life insurance. They're the fastest growing age group – 77% now say they have life insurance, up from 61% in 2019. They are also more likely to have multiple covers.

Incidence of insurance by age groups

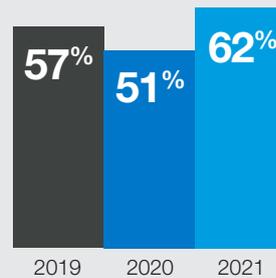
35-44 years



45-54 years

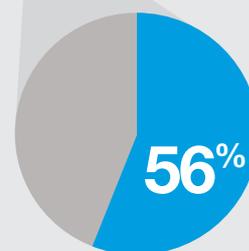
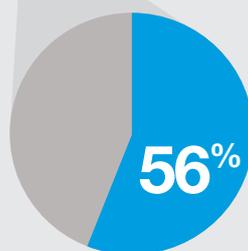
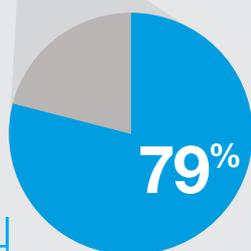


55-64 years



How can advisers attract younger SMEs? This group is usually time poor, so focus on how your expertise and personal service saves time, and claims can be resolved with less hassle than going it alone.

% of SMEs with two or more life covers in 2021



Visit asteronlife.co.nz/sme-index to access the full report for more insights.