

Understanding New Zealand SMEs: A snapshot

Small to medium sized businesses (SMEs) are a significant growth engine representing 97%* of all New Zealand businesses. As a major audience for the insurance industry we talked to over 900 SMEs for the inaugural Asteron Life SME Insurance Index.

Here's a snapshot of the results.

How many SMEs have life insurance?



61%
have Life Insurance



23%
have Critical Illness, Trauma
or Cancer Insurance



17%
have Income Protection
Insurance



11%
have Total and Permanent
Disability (TPD) Cover

Who are they?

Overall, 69% have at least some form of the 4 covers.

Males, those with higher education and those located in metropolitan areas, are more likely to have life insurance.

Those with life insurance feel more comfortable about their insurance overall.

What are the biggest challenges facing SMEs?



“Trying to do everything on my own”

“Having no time for myself / my family”

“Managing my time efficiently”

Time and being solely responsible are the most common challenges faced by SMEs.

By demonstrating expertise, brokers and advisers can assure clients that their insurance needs are covered so that they don't have to spend time and energy researching options.

Find out more and download the full report at asteronlife.co.nz/sme-info



Disclaimer: The information displayed is based on commissioned research involving over 900 business owners and decision makers from around New Zealand. The research was conducted during November 2017. Asteron Life Limited (Asteron Life) has prepared this material for general information purposes only and it should not be used as the basis for decisions in relation to the acquisition or disposal of insurance products. Asteron Life and its related companies do not assume or accept any liability whatsoever arising out of or relating to the information.

How do SMEs with life insurance feel about brokers and advisers?

Reasons to use a broker or adviser:



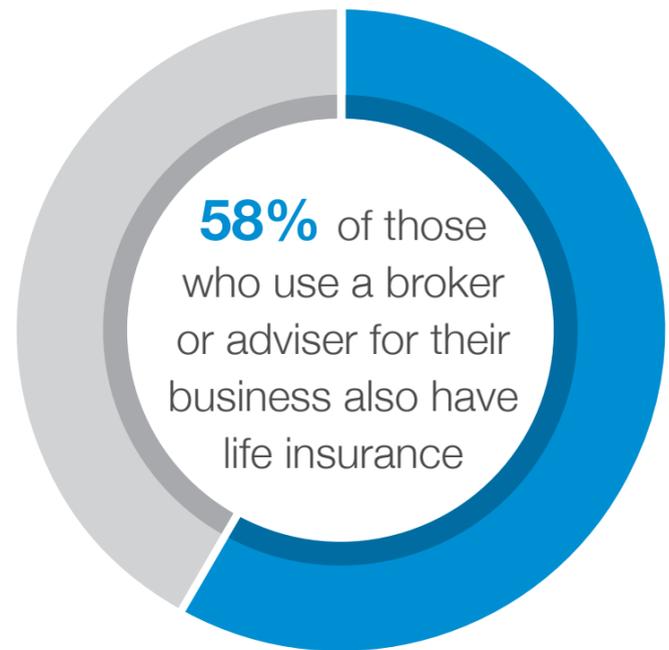
86% say expertise:

Those with life insurance are more likely to value expertise than those without.



70% say service:

Those with life insurance are also more likely to value service than those without.

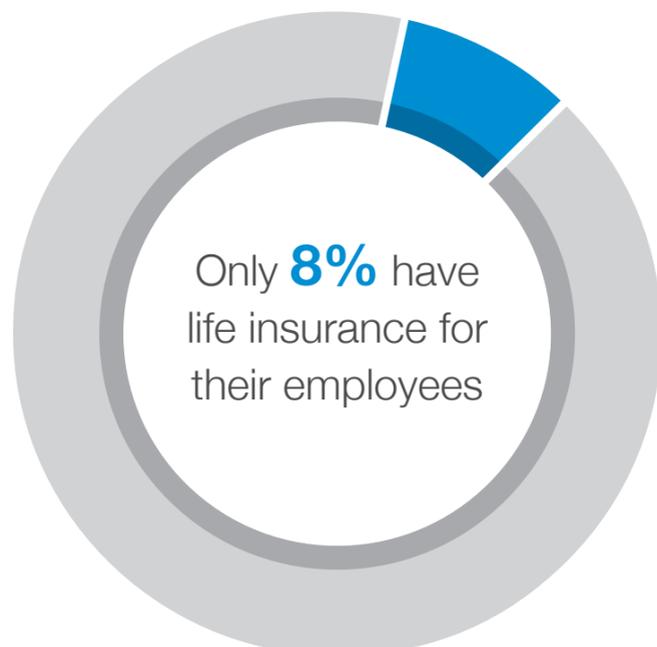


One client, multiple needs

There is opportunity for brokers and advisers to have a conversation with clients about all of their policies, and at least understand the full extent of their arrangements.

As those with life insurance are more likely to value expertise and service, brokers and advisers should ensure an adequate level of analysis and engagement is provided to clients. Open discussion and educating about different types of insurance cover is important.

What about SMEs who take out life insurance for employees?



SMEs who have this cover are more concerned about employee issues in general.



SMEs who don't have this cover are more concerned about key employees taking time off work due to illness or injury.

Cover for employees is still relatively rare and represents an opportunity for brokers and advisers. A key benefit for those who have insurance for employees is the higher level of assurance they feel if a key employee were to have a significant illness or injury.