

J.D. POWER








INSURANCE INTELLIGENCE

Cyber Insurance on the Rise

Over the past 5 years, the share of small business customers adding cyber insurance to their portfolio has more than doubled.



Small business customers indicating they have cyber insurance	2018	2019	2020	2021	2022
	19.4%	29.7%	30.7%	42.0%	46.6%

2018	2022	Stated they have cyber insurance
14.8%	35.4%	 CONSTRUCTION
21.0%	35.9%	 HEALTH CARE AND SOCIAL ASSISTANCE
29.0%	68.2%	 MANUFACTURING
21.1%	40.4%	 PROFESSIONAL, SCIENTIFIC, AND TECHNICAL SERVICES
11.2%	22.6%	 REAL ESTATE, RENTAL, AND LEASING
22.1%	59.4%	 RETAIL TRADE
19.6%	47.4%	 ALL OTHERS

When digging a bit deeper, we see that customers in the **Manufacturing** and **Retail Trade** industries in particular are obtaining this insurance with **more than half** of the customers representing each industry now stating they have cyber insurance.

Cyber insurance policy purchases are on the rise with small business customers, however, so are premiums:

Premium increase	2018	2019	2020	2021	2022
	3.8%	4.9%	3.3%	3.4%	5.7%

Why does this matter?

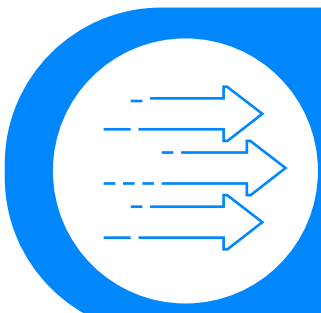
The increased appetite for cyber insurance presents carriers with two distinct opportunities:

1

For customers who do not already purchase cyber insurance, make sure they are aware of the existence of this offering. With premiums on the rise, however, also be sure to clearly communicate the value of this coverage.

2

Strengthen relationships with existing customers, decrease claims incidence, and show added value to offset higher premiums by offering cyber security advice. With less than 30% of current customers with cyber insurance stating that they received this type of advice, there is clearly an opportunity to bring that advice and value to a broader customer base.



For more information about small business insurance customer expectations, and brand-level intelligence about cyber insurance coverage, contact us today.