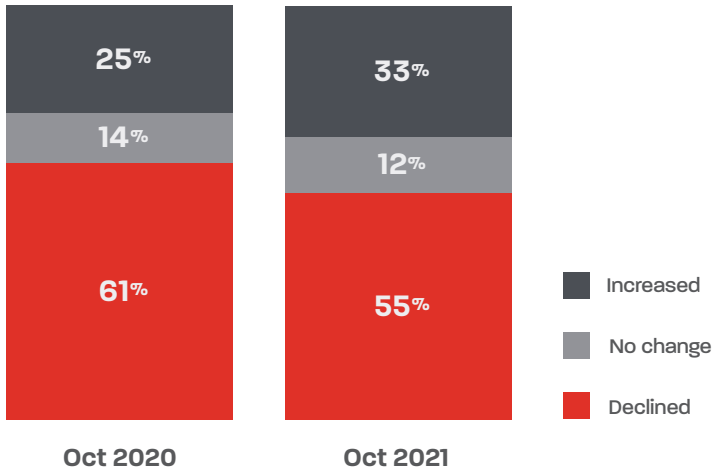


Vero SME Insurance Index COVID-19 Insights Oct 2021

What has changed since 2020?

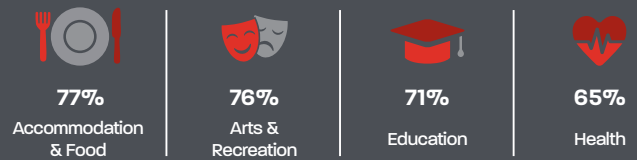
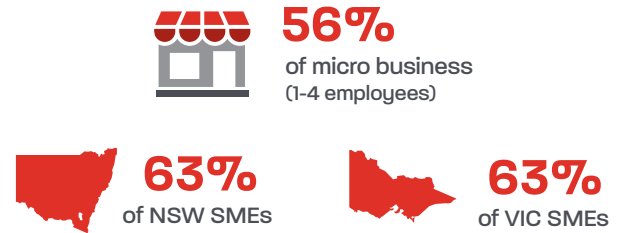
There are still substantial impacts from COVID-19 on business revenue but it is slightly more positive than 2020

Impact of COVID-19 on business revenue



Conversations need to be informed as to whether revenues have increased or decreased.

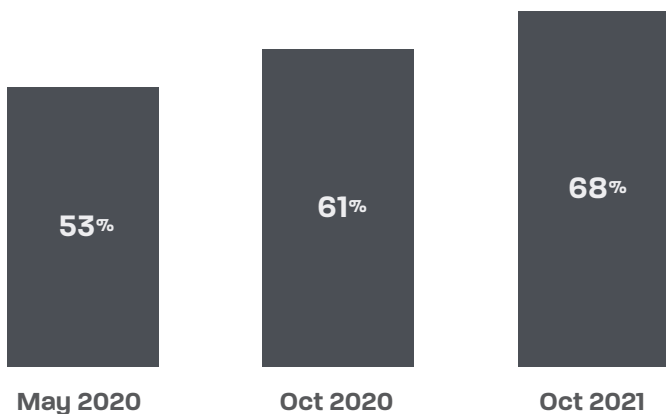
Those more likely to report declining revenue:



SMEs have made a broader range of business changes this year

There has been an increase in proactive changes SMEs have made to their business. These include adjusting business models, changing product or service offering, or moving to remote/online operations.

Proactive strategies



But changes in business operations aren't always leading to changes in insurance.

Yes, I've made changes to my business insurance as a result of COVID-19



Check whether your client's insurance reflects their changed business operations as not all intend to revert back.

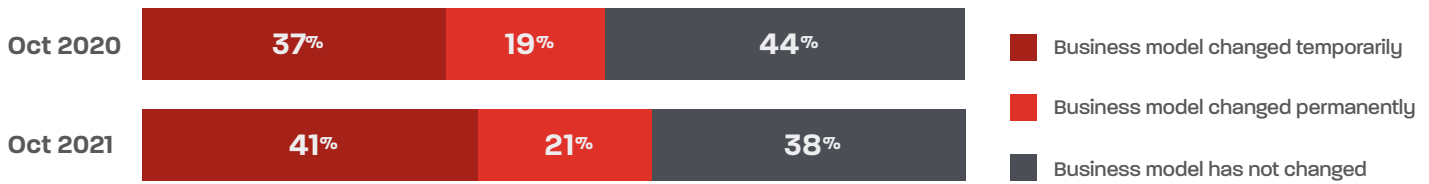
Not all SMEs who have made business changes have spoken to their broker



43% of SMEs who plan to keep at least some of their business changes have not talked with their broker.

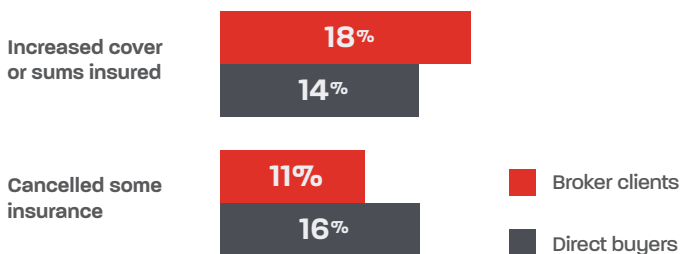
How have SMEs adapted?

More SMEs have made business model changes, either temporary or permanent, since last year

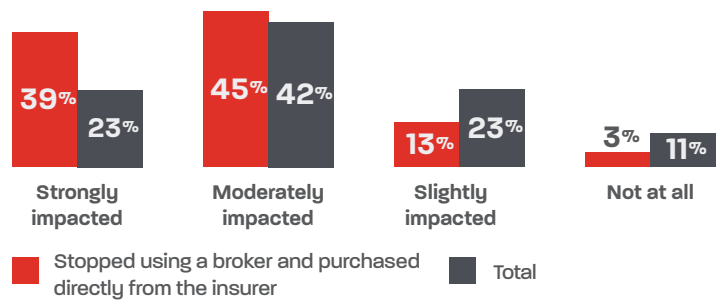


The different insurance behaviours between broker and direct buyers

Broker clients are more likely to have tweaked or increased their insurance, while direct are more likely to have cancelled.



SMEs who have been more strongly impacted by COVID are more likely to have moved direct.

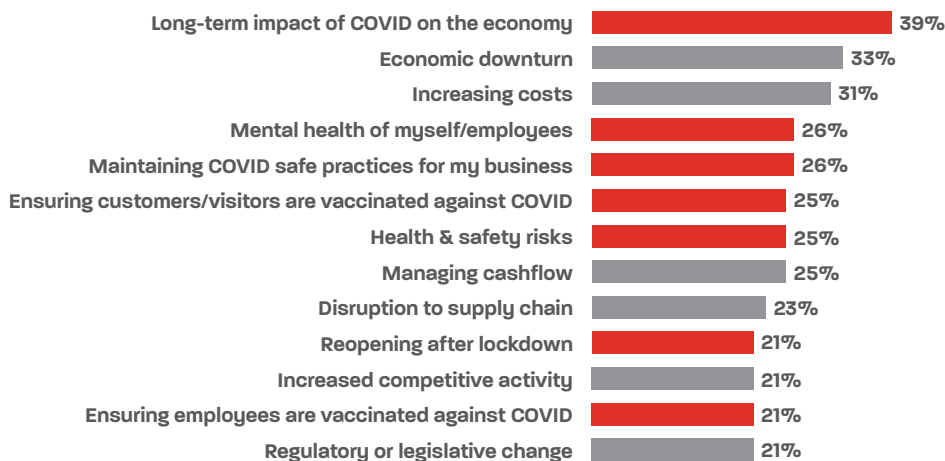


This is evidence of the value brokers can provide by suggesting changes to get SMEs through difficult times without cancelling cover

Brokers should discuss business challenges with their clients and demonstrate the value of staying with a broker, rather than buying direct

What are SMEs most concerned with?

COVID related concerns dominate SME worries, including mental health impacts



Brokers can help SMEs understand the insurance ramifications of issues such as restarting operations and remote working. There is also opportunity for brokers to talk about COVID safe practices, proactive mental health and wellbeing strategies, as well as information on legislative requirements.

Find out more at www.vero.com.au/broker