

Be that broker with a deeper perspective

SME Insurance Index 2023

Key Insights for our
Partners

Insurer is AAI Limited (ABN 480005 297 807) trading as Vero Insurance.

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Insurance with insight



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Methodology



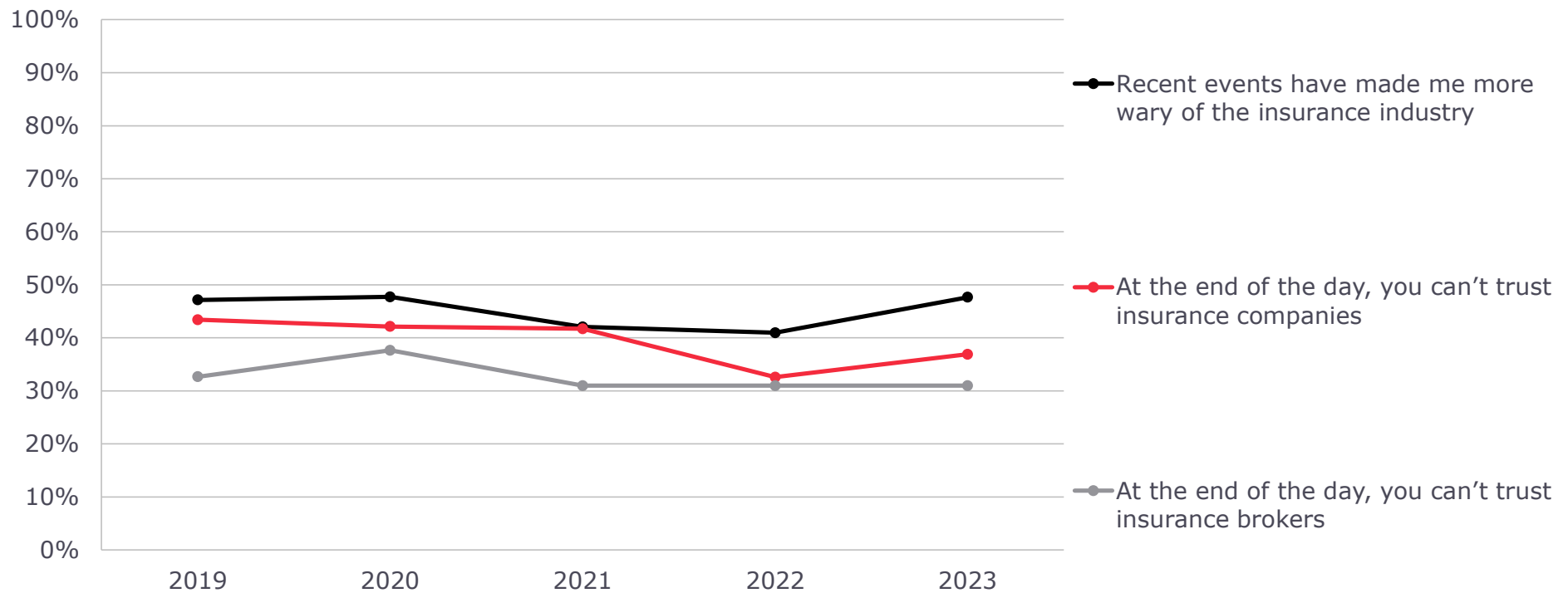
**A national quantitative
online survey**



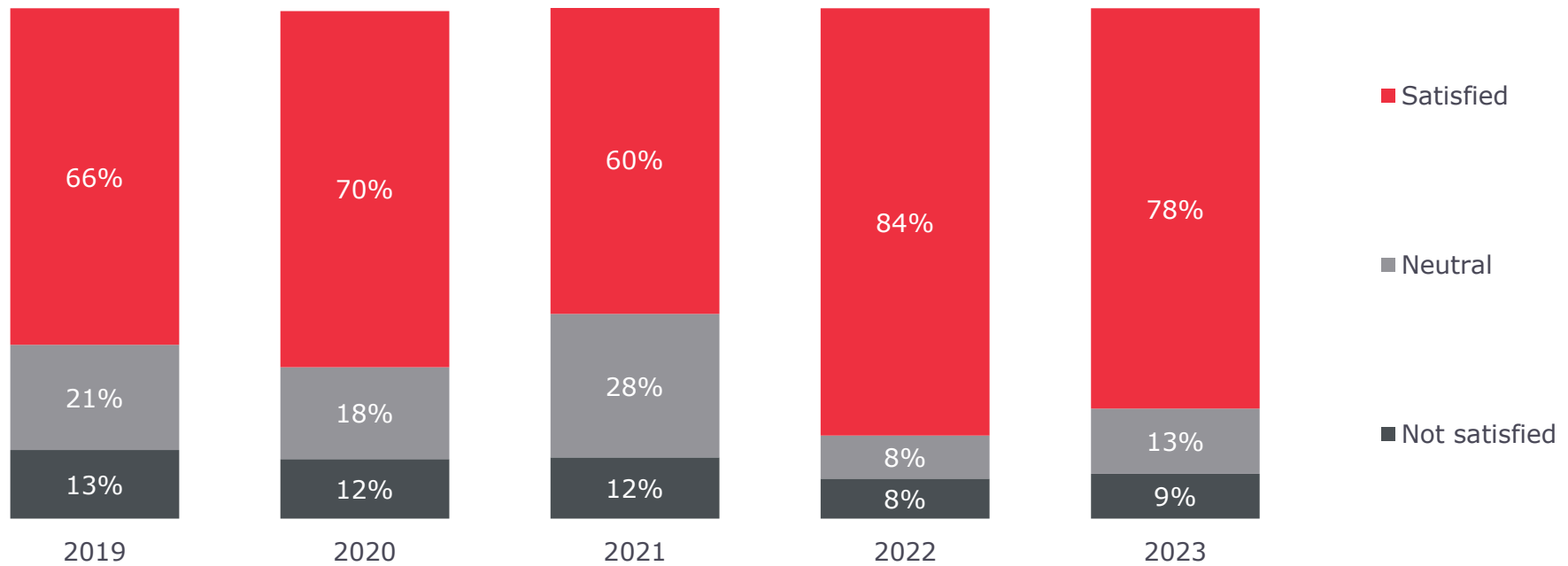
**In-depth qualitative
interviews**

Chapter 1: How broker usage, satisfaction and trust have shifted over time

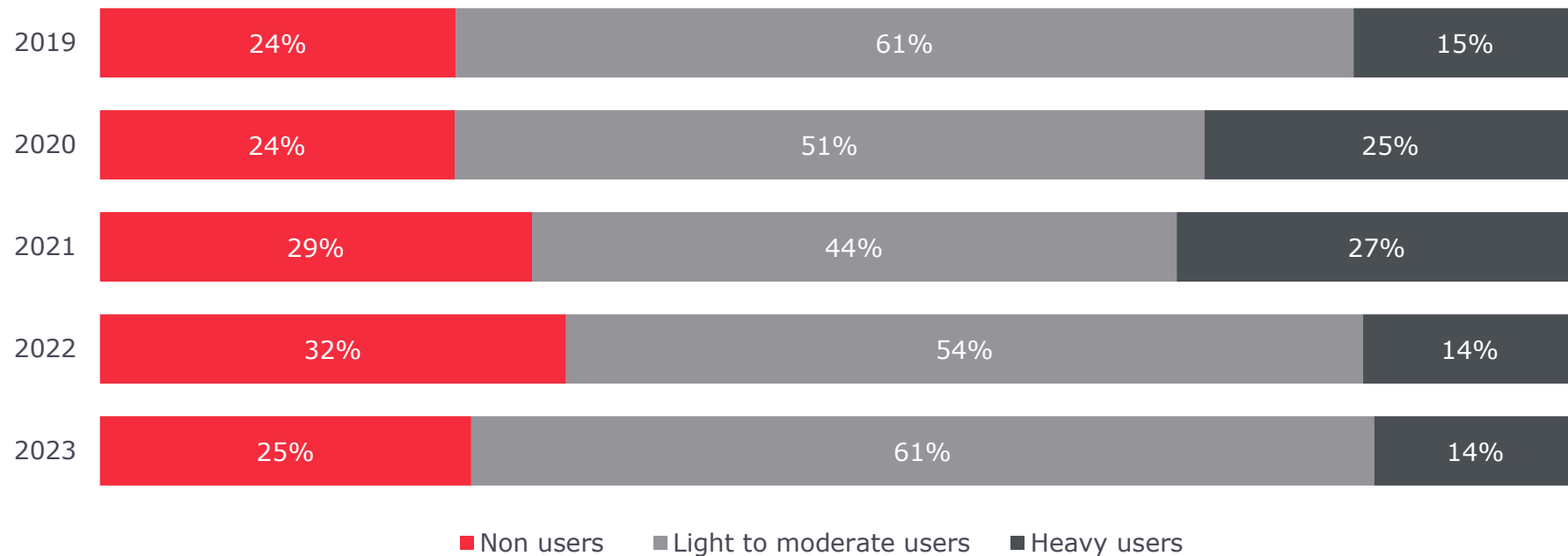
Trust in insurance brokers remains high, despite large-scale insurance events



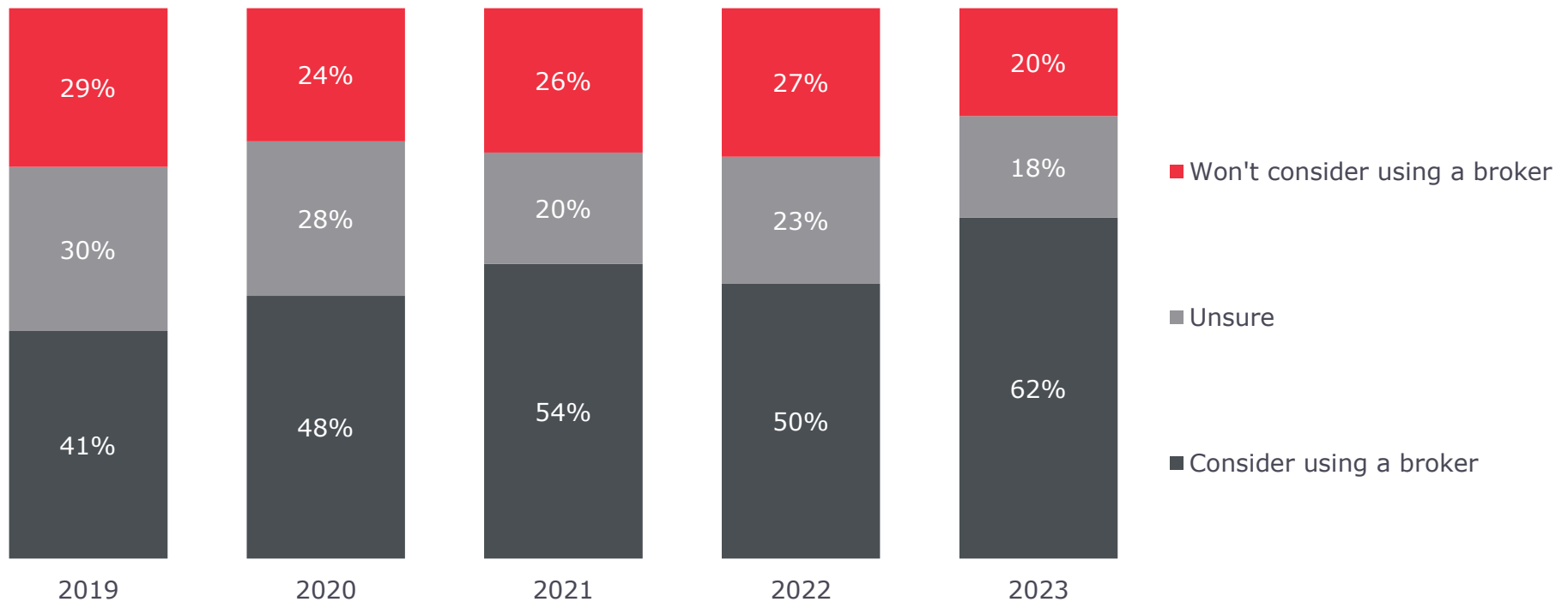
Client satisfaction with brokers remains high



Mixed usage of brokers and direct channels continues to grow



Direct buyers are increasingly considering brokers



Considerations for brokers

- Maintain & leverage high trust
- Build on high satisfaction with quality service
- Communicate the value of broker advice across full insurance portfolios
- Consider direct client marketing campaigns

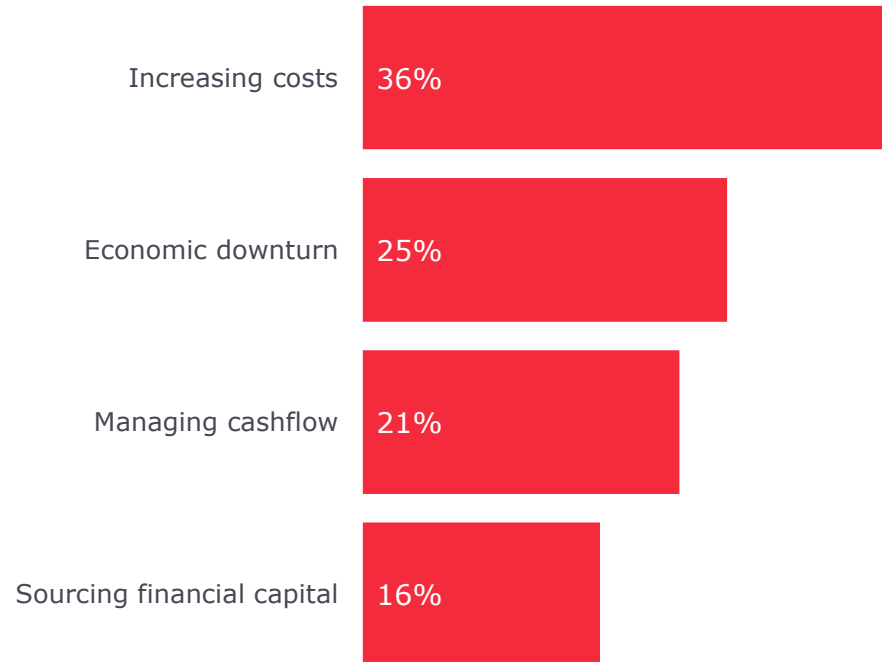


Chapter 2: The economic impact on insurance behaviour and key risks

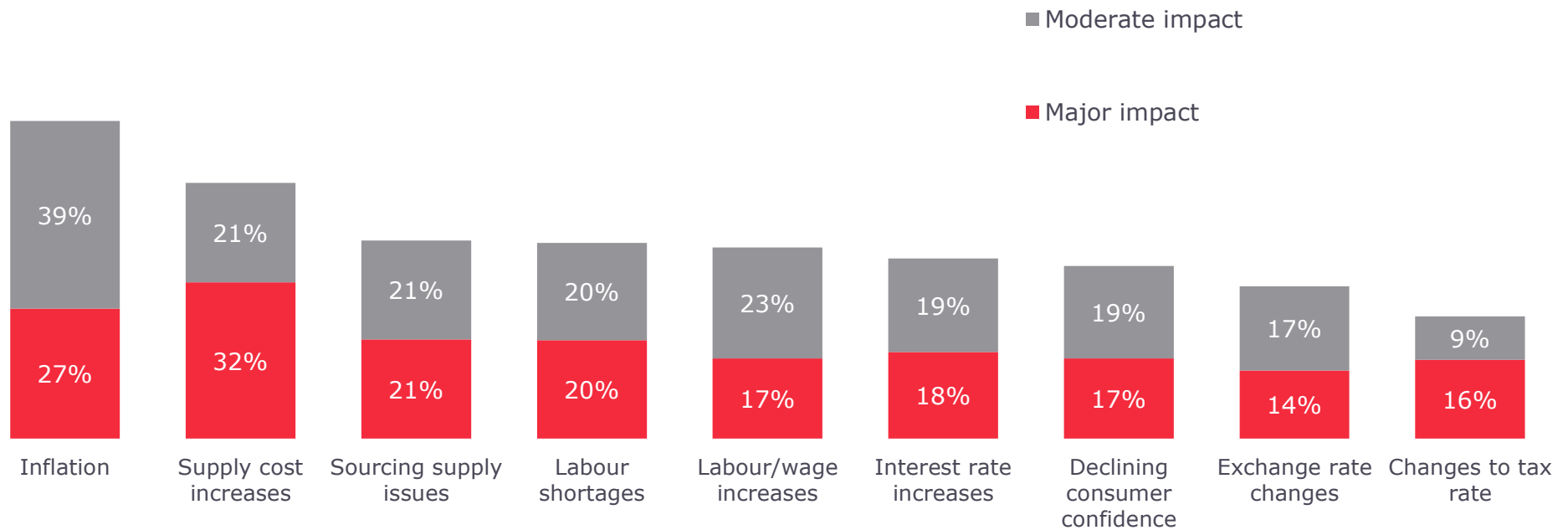
Overall concerns



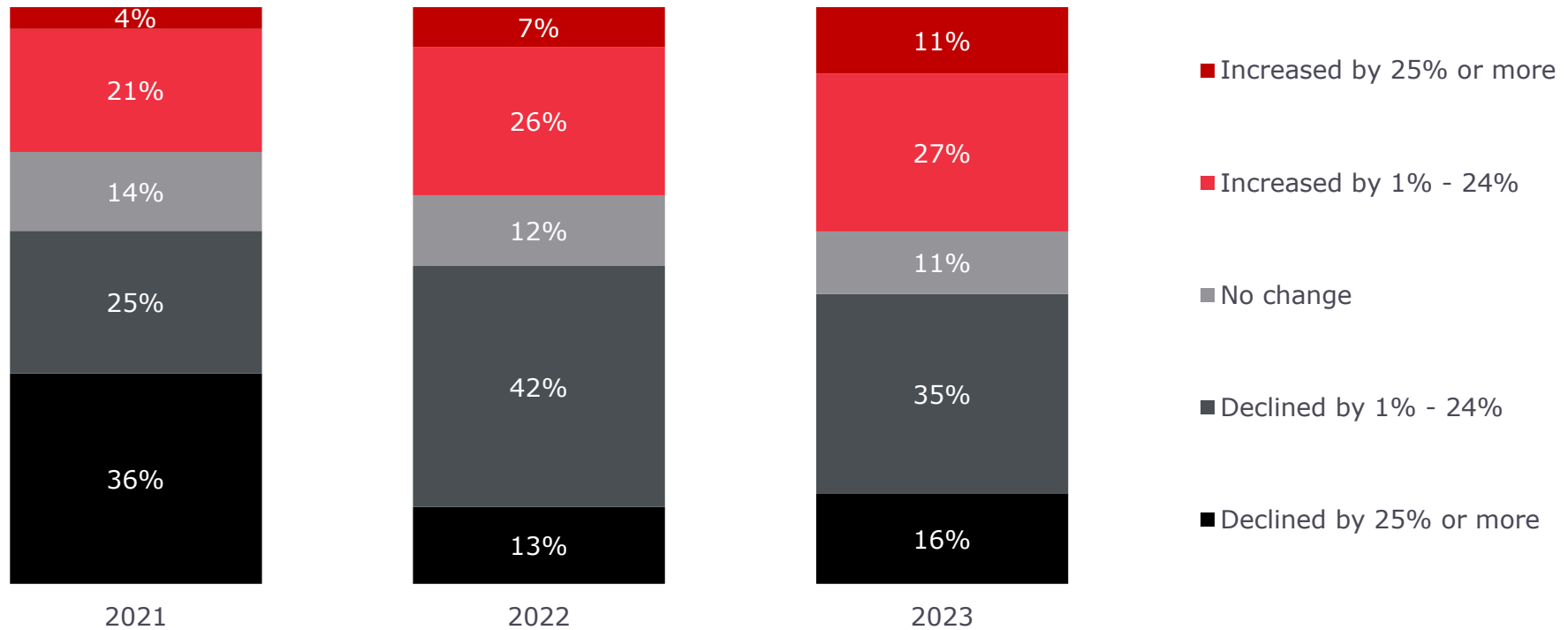
Economic concerns include a range of elements



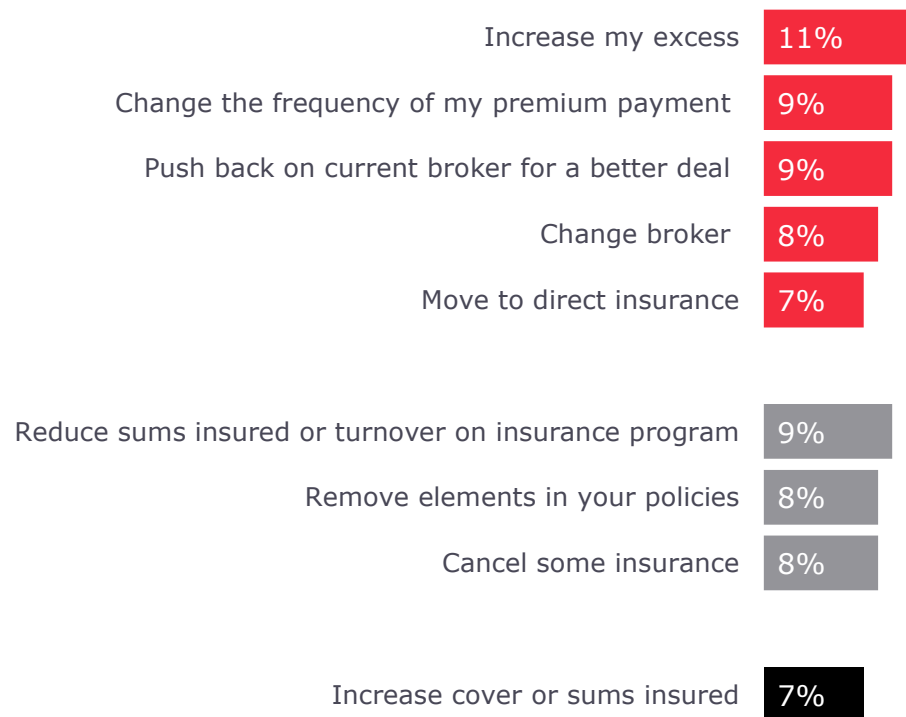
Cost increases are clearly affecting many businesses



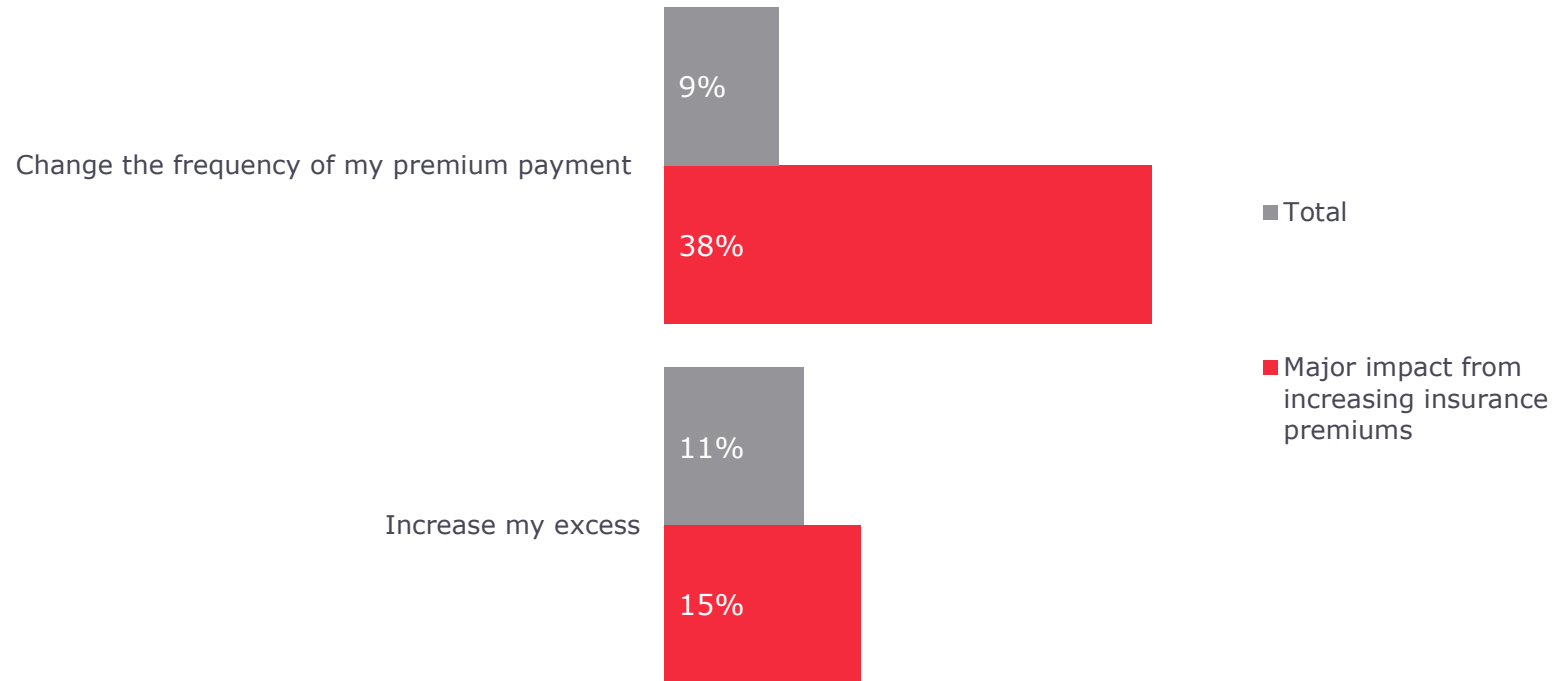
Business turnover is continuing to decline for many businesses



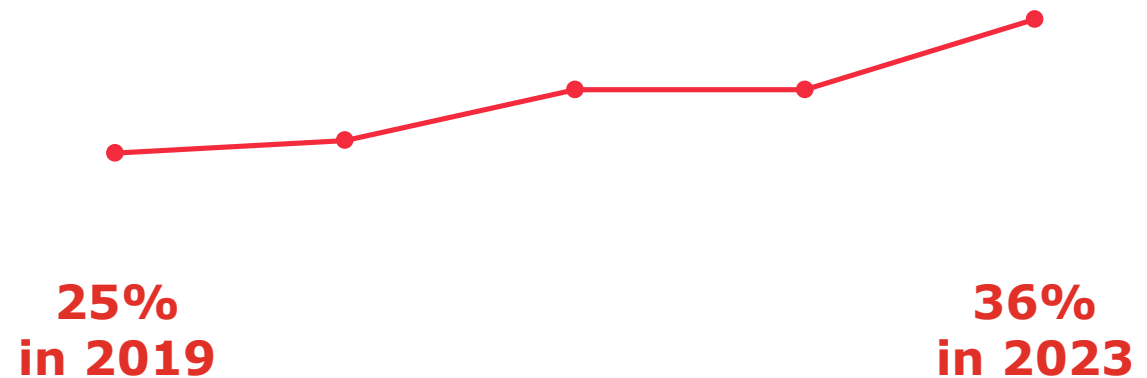
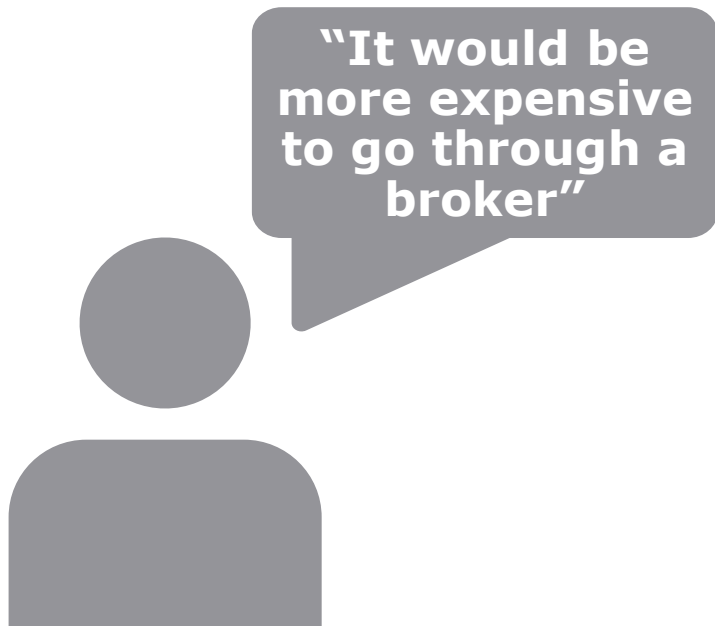
Almost half have made changes to their insurance due to economic conditions



Those impacted by increasing premiums are more likely to change their insurance



Price increasingly cited as reason for direct buyers not to use a broker



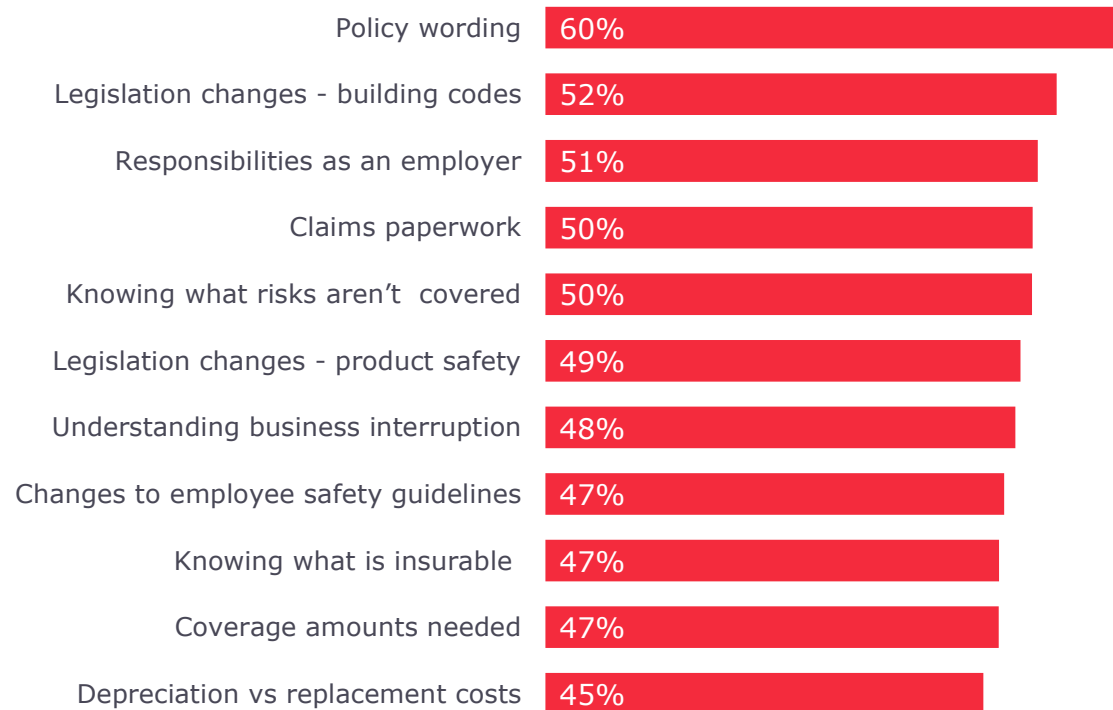
Considerations for brokers

- Check in with clients
- Demonstrate value to direct buyers

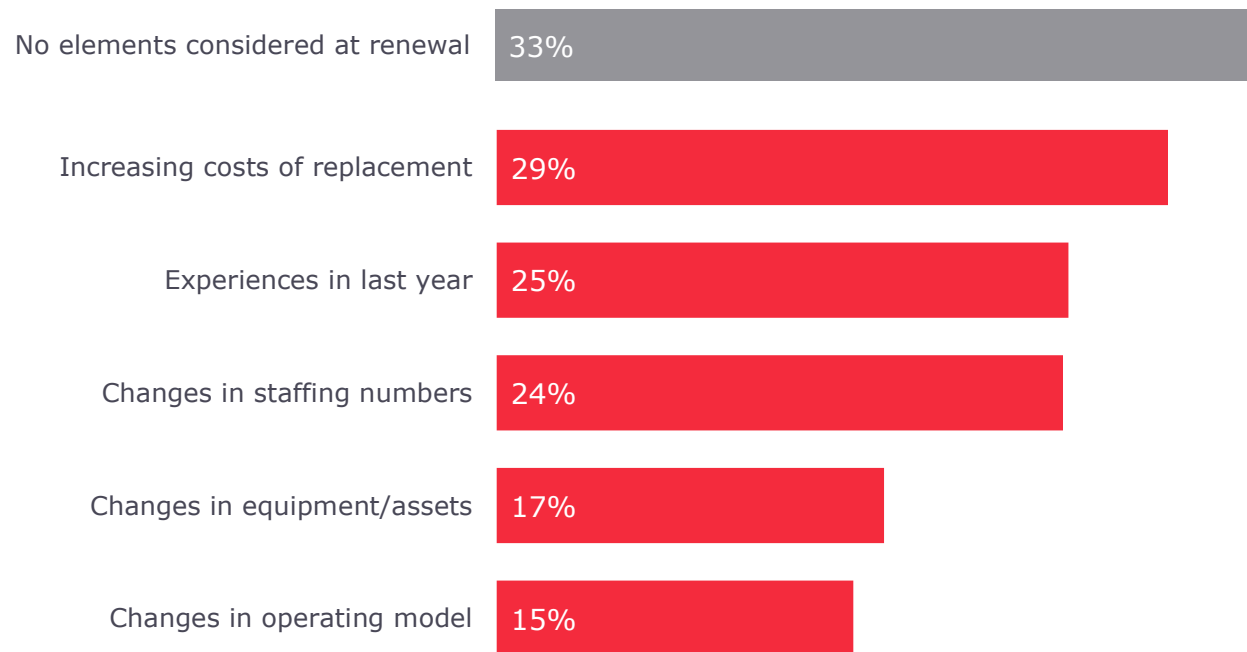


Chapter 3: How brokers support better insurance decision making

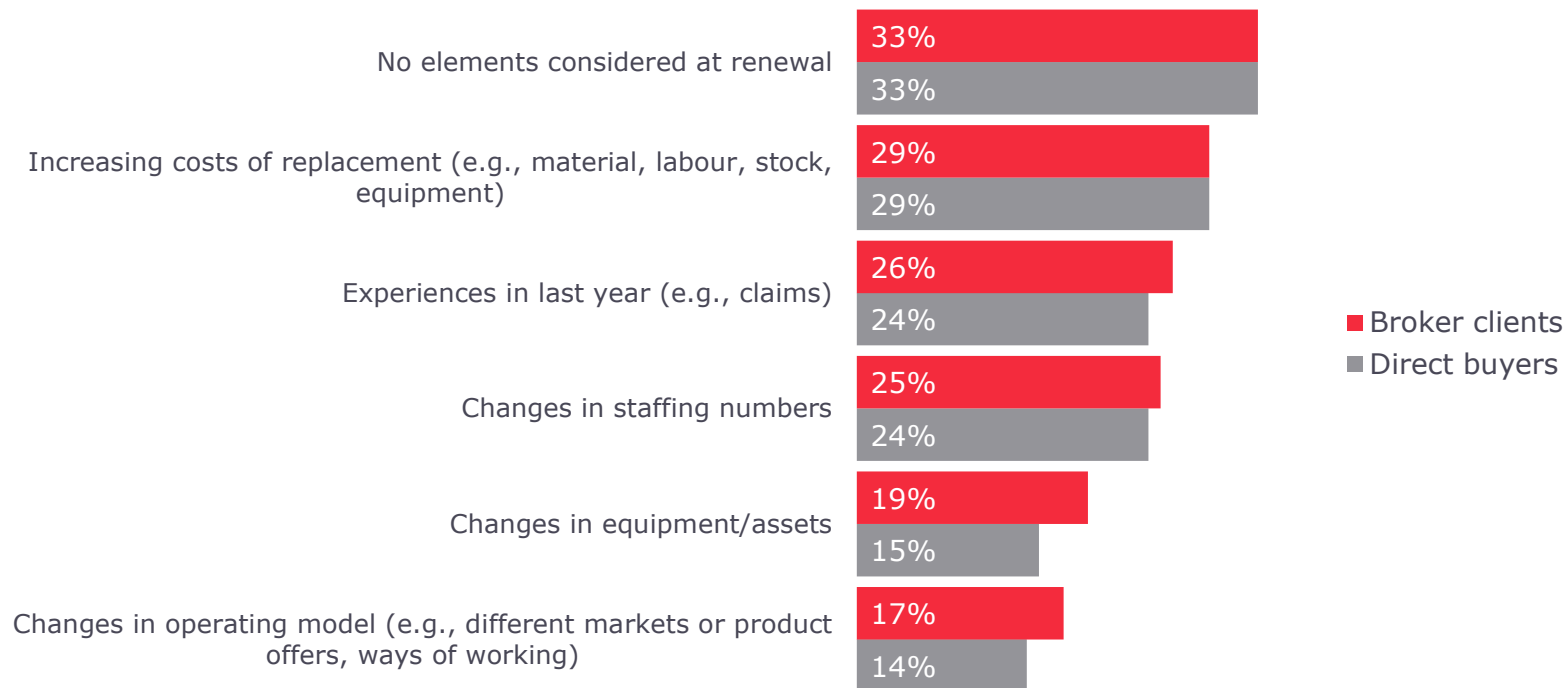
A wide range of insurance tasks are considered complex



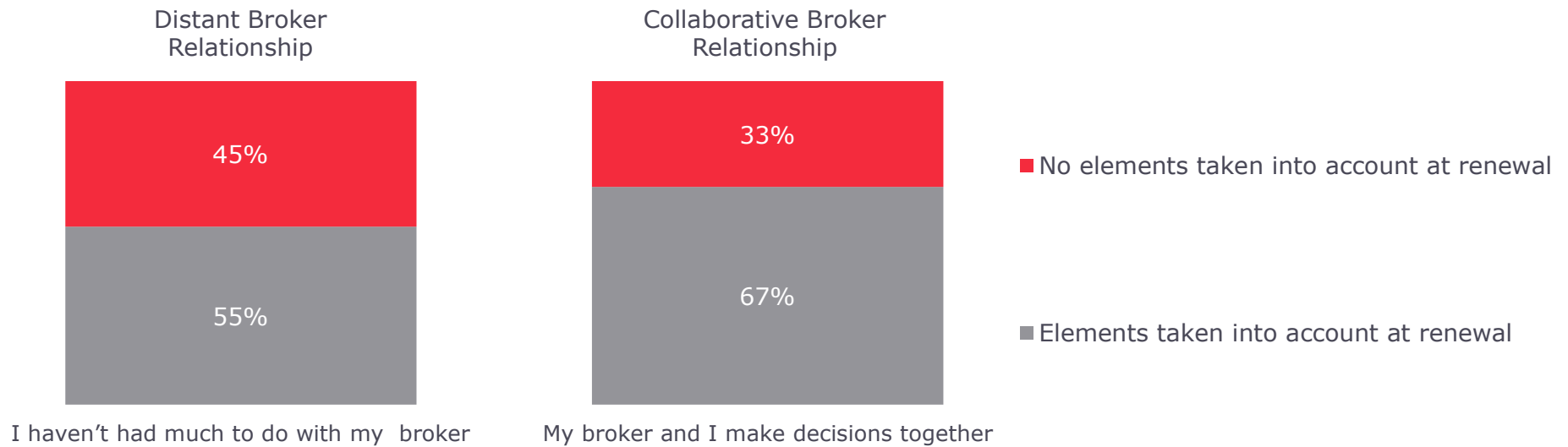
Many businesses aren't considering increasing costs at renewal time



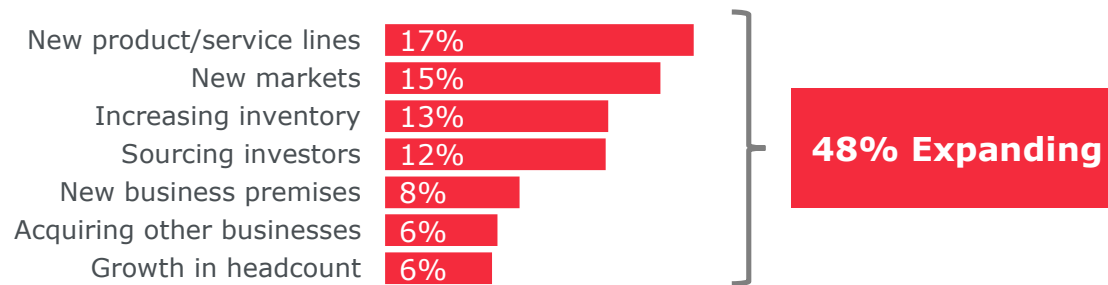
A third of broker clients are not considering important elements at renewal time



Broker relationships can impact renewal behaviour



Planned business changes



39% plan no changes in the next 12 months

Insurance is not part of the decision making process for some



41% admit when making business changes insurance is the last thing they consider

Considerations for brokers

- Help clients navigate complex areas of insurance
- Remind clients about increasing replacement costs
- Ask clients about business plans
- Clarify policy wording



Chapter 4: The role brokers play in improving the claims experience

Broker clients are more satisfied with their claim experiences

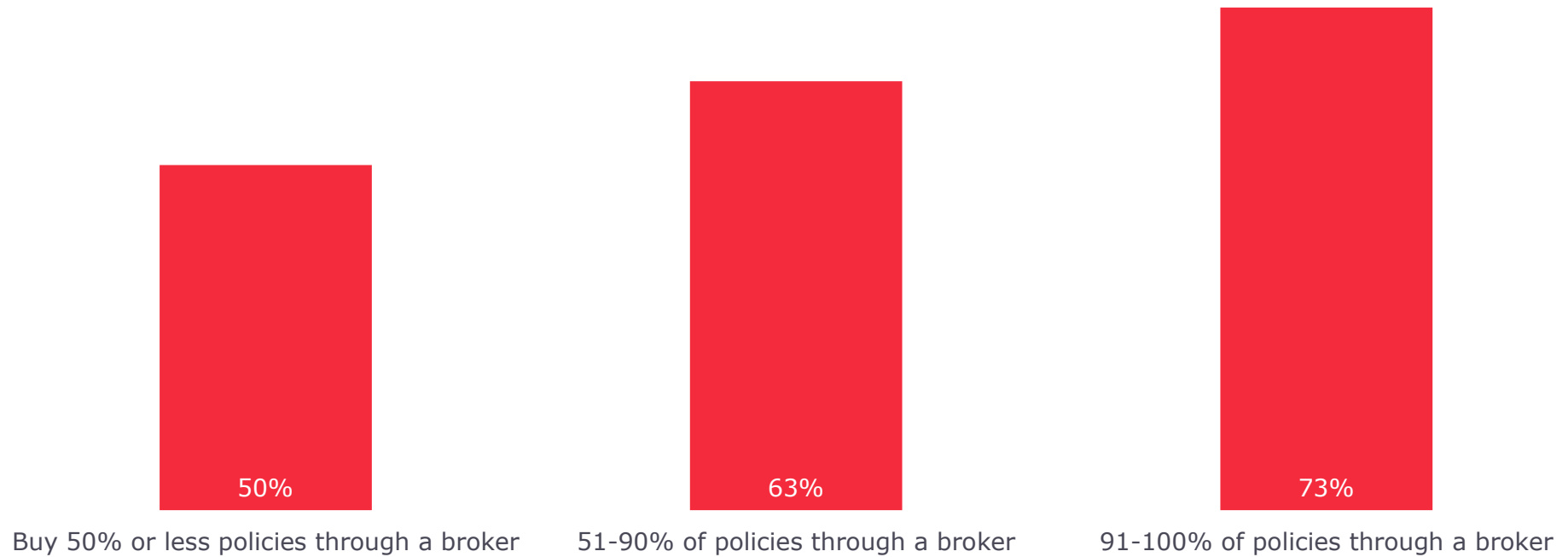
48% of direct buyers are satisfied with their claim



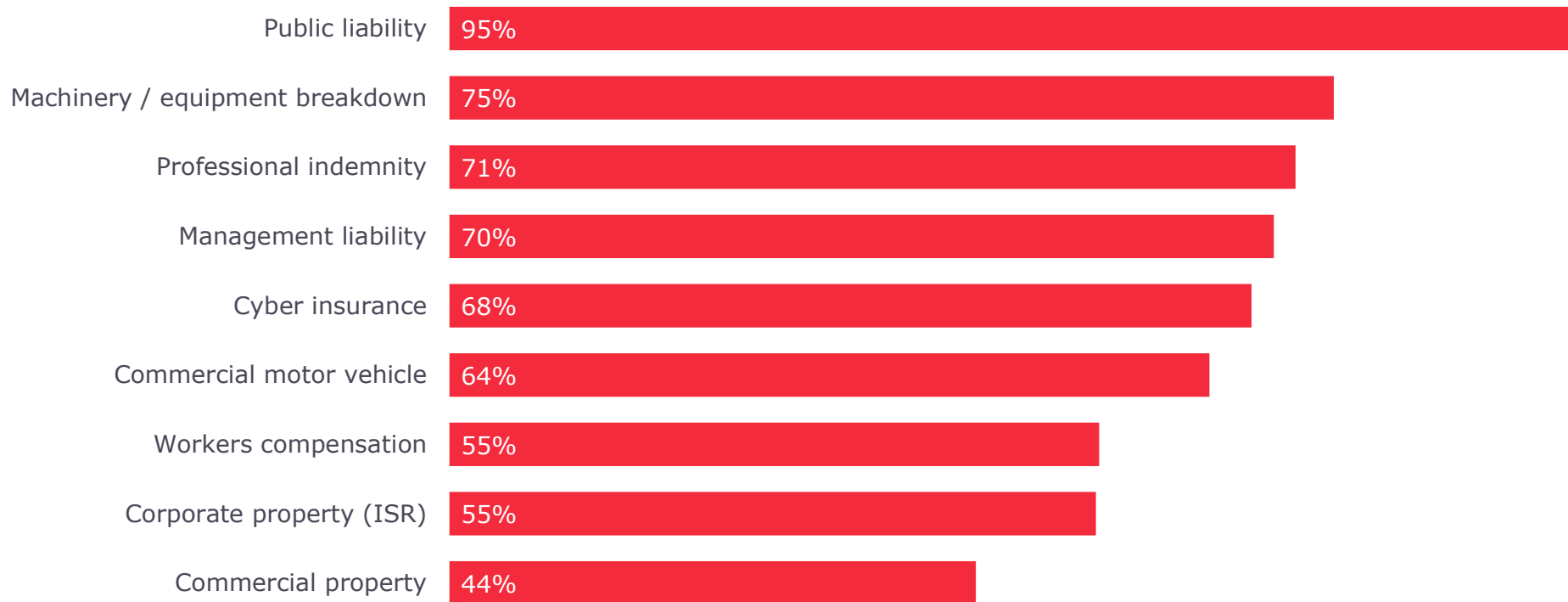
68% of broker clients are satisfied with their claim



Higher broker usage is linked to higher claim satisfaction



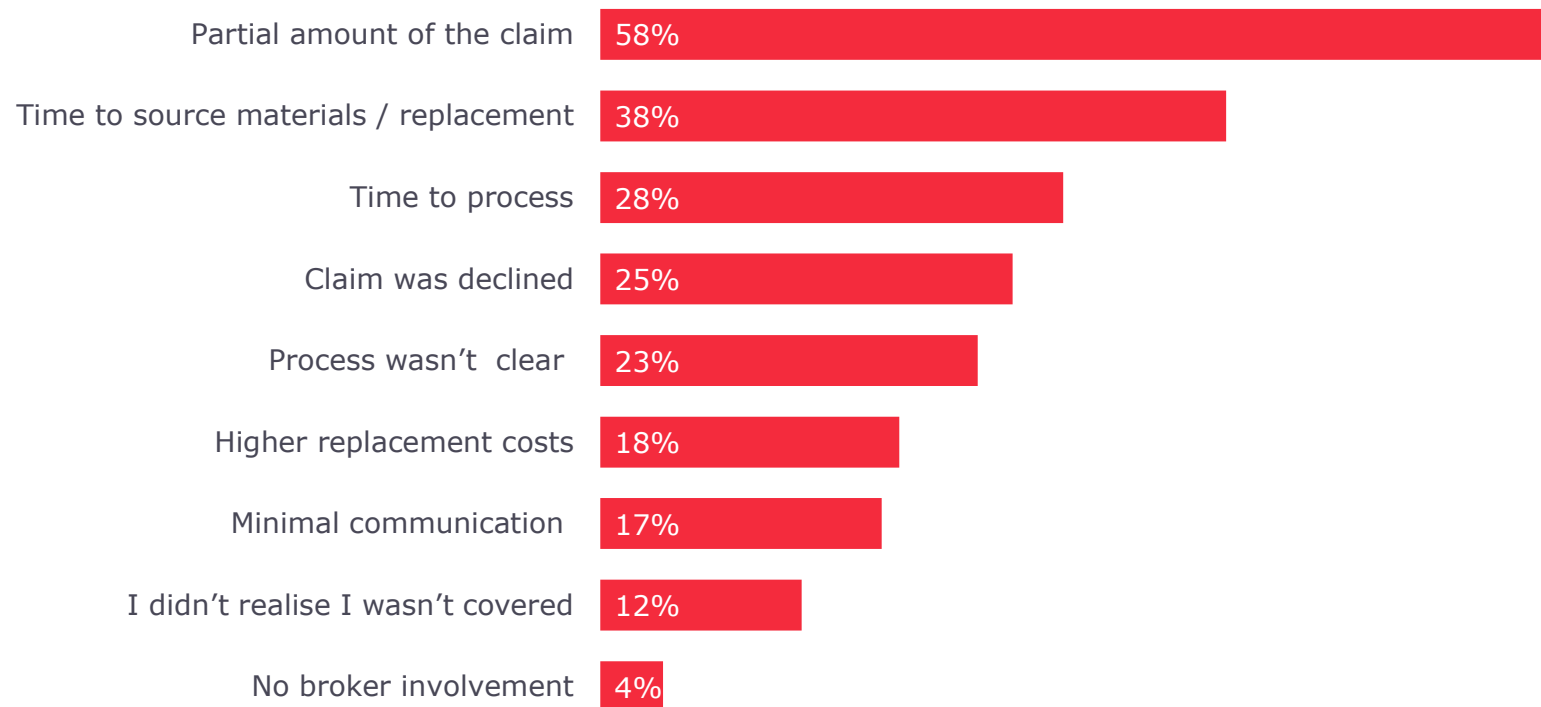
Claims satisfaction levels vary by policy type



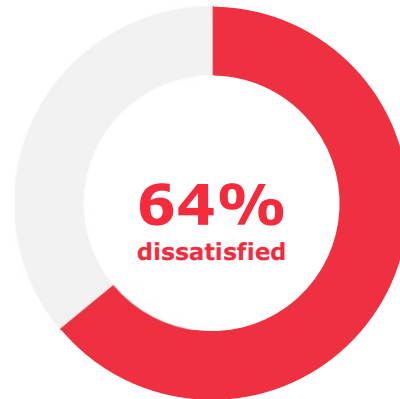
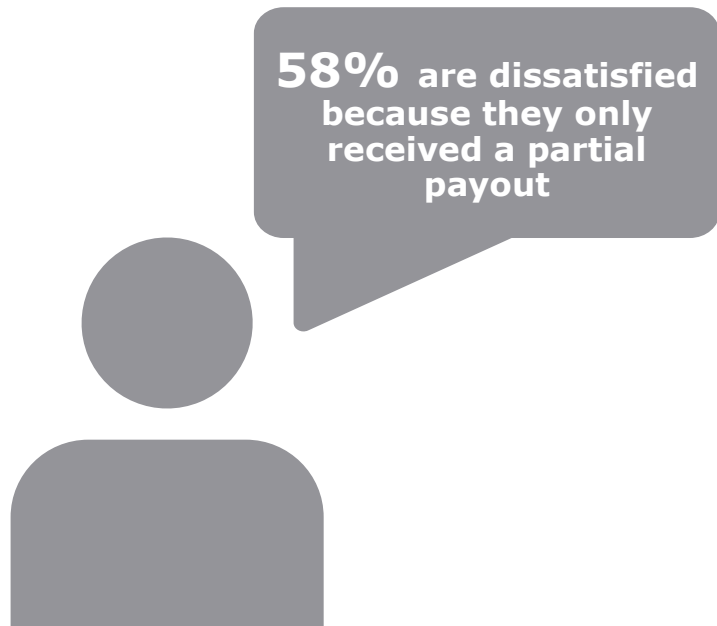
Broker clients tend to be more satisfied with claims on more complex policies



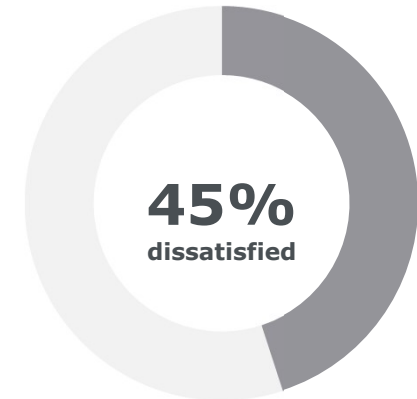
Partial claim pay-outs are the leading reason for claim dissatisfaction



Those dissatisfied with claims are less likely to take into account increasing costs at renewal

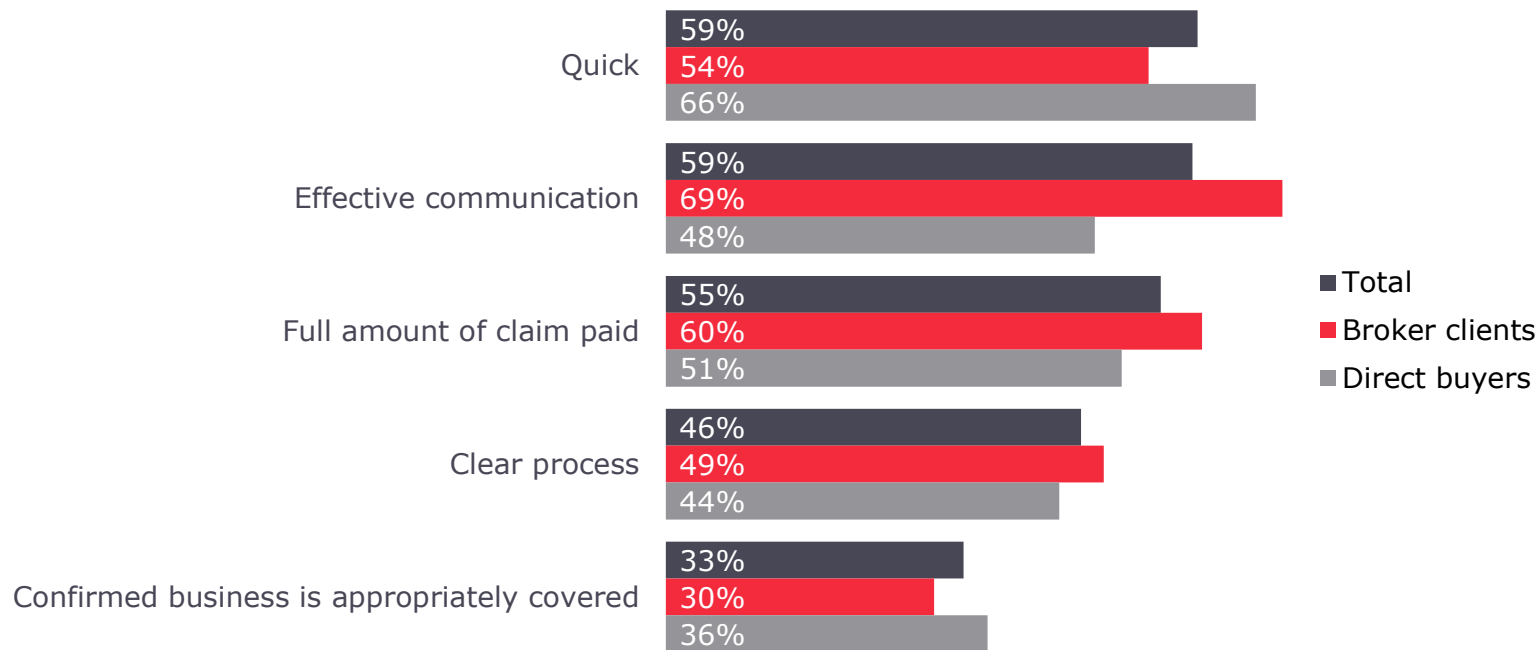


Those who did NOT consider increasing replacement costs at renewal



Those who DID consider increasing replacement costs at renewal

Communication, speed and expectation management drive claims satisfaction



Broker usage is associated with higher coverage of claim pay-outs



Considerations for brokers

- Discuss broker role in claims
- Clarify coverage expectations
- Discuss replacement costs with clients
- Communicate early about potential delays



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