

# Conquering Small Commercial Market Challenges

You're searching for solutions to expand your coverage of this market opportunity. Speed, scale, and increased conversion rates are essential to profitability. But you can't compromise your underwriting guidelines. Fortunately, none of that is mutually exclusive.

## Profitable growth

**Are you tapping into the full extent and opportunity of the profit potential?**

**\$134B**

Small commercial direct written premium<sup>1</sup>

**12M**

small businesses without insurance represent a \$65–70B untapped market opportunity<sup>2</sup>

Even more businesses are underinsured.

**You can improve productivity, increase conversion rates, lower underwriting expenses and reduce premium leakage.**

**How about doing all four?**

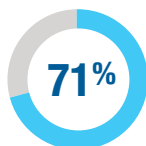


Loss ratios are attractive, so more profitability comes from efficient underwriting and matching premium to risk.

But you need to bind quickly.

## Speed and scale are critical to growth

**Small businesses expect immediate responses—so do your agents**



of underwriters lost deals by taking too long to process applications<sup>3</sup>



of small businesses are quite or very likely to buy online<sup>4</sup>

**Scale drives increasing profits**



Fixed costs are spread across more premium dollars; lower expense ratio = higher profit potential

## Automation supports your underwriting guidelines

**Speed without accuracy can lead to leakage**

**Analytics and prefill data eliminate misinformation and reduce the number of application questions**

**Your guidelines are only as good as your data**

**52%**

of commercial policies have wrong commercial data, according to studies<sup>5</sup>

1. ISO MarketStance

2. McKinsey & Company, *Small Commercial Insurance: A Bright Spot In the U.S. Property-Casualty Market*, March 2016; U.S. Small Business Association (SBA)

3. FirstBest, *Underwriting Efficiency*, 2013

4. Strategy&, part of the PwC network, *Global Digital Small Business Insurance Survey: This time it's personal*, December 2017

5. Verisk

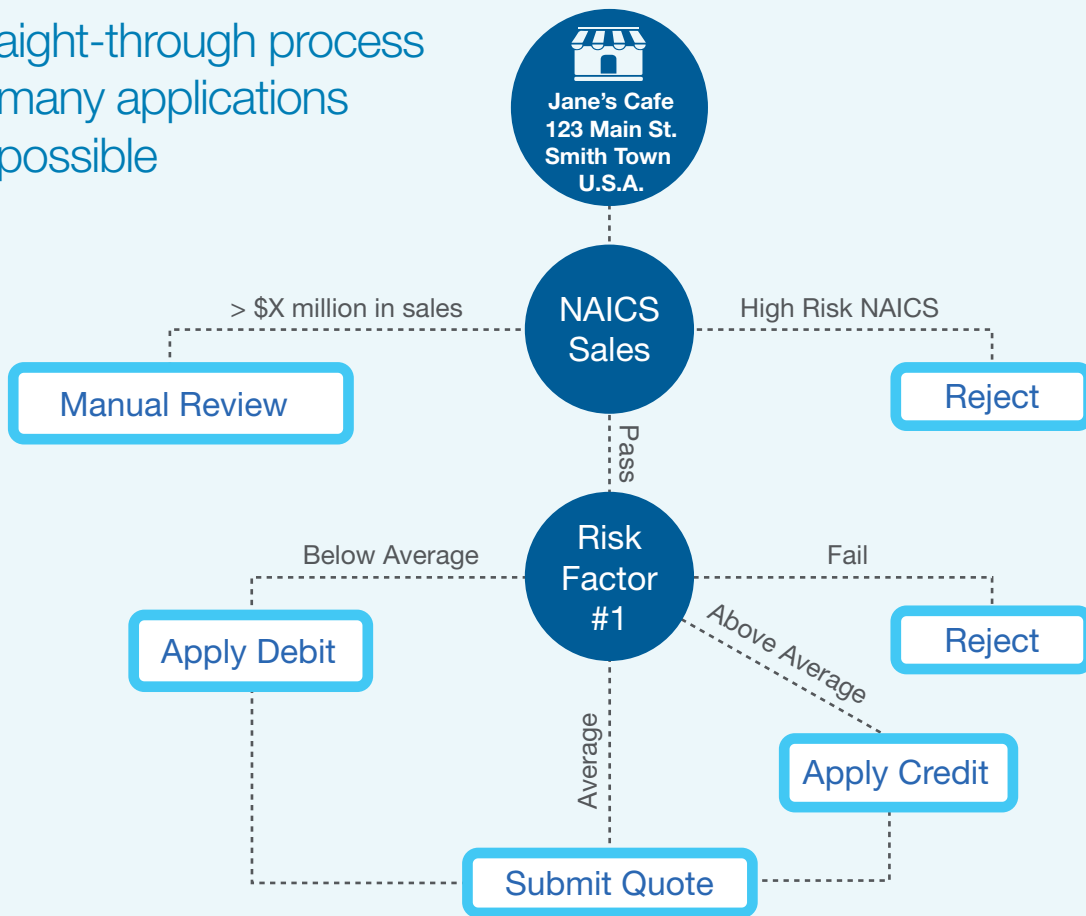
# The race is on for market expansion

You can be on the road to profitable growth, be the carrier of choice with agents, and reduce leakage. But, you need accurate data, automation, and insight from an experienced team who knows the industry and has traveled this road before.



 **\$65B to \$75B** is the untapped market potential for small businesses without business insurance<sup>6</sup>

Straight-through process  
as many applications  
as possible



6. McKinsey & Company, *Small Commercial Insurance: A Bright Spot In the U.S. Property-Casualty Market*, March 2016

For more information on how you can automate your underwriting visit [Verisk.com/RacetoZero](https://www.verisk.com/RacetoZero)

