

Rural SMEs present brokers and advisers with growth opportunities

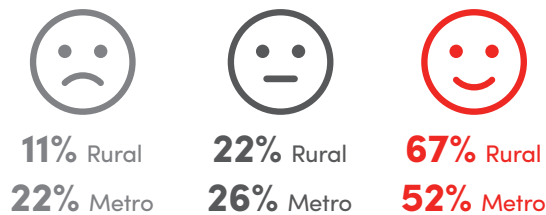


The final Vero SME Insurance Index report for 2021 shows rural SMEs are more positive about insurance than other SMEs.

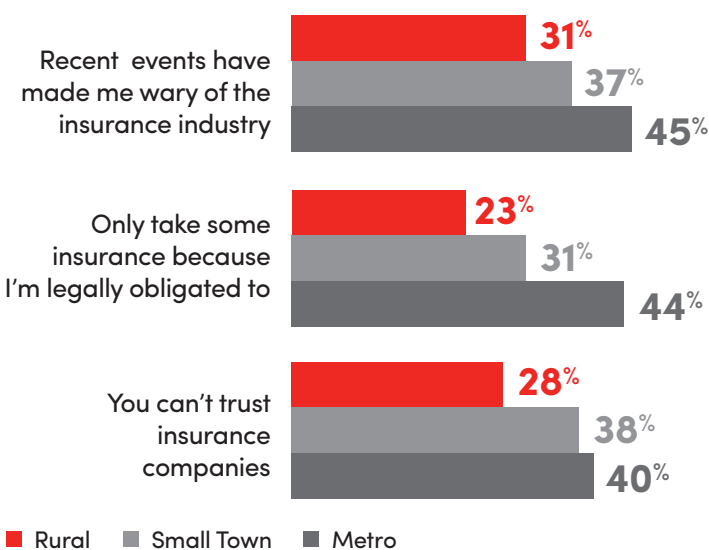


While only 38% of rural SMEs use a broker compared to 53% of metro SMEs, rural SMEs who do use a broker are significantly more satisfied – and are half as likely to be dissatisfied.

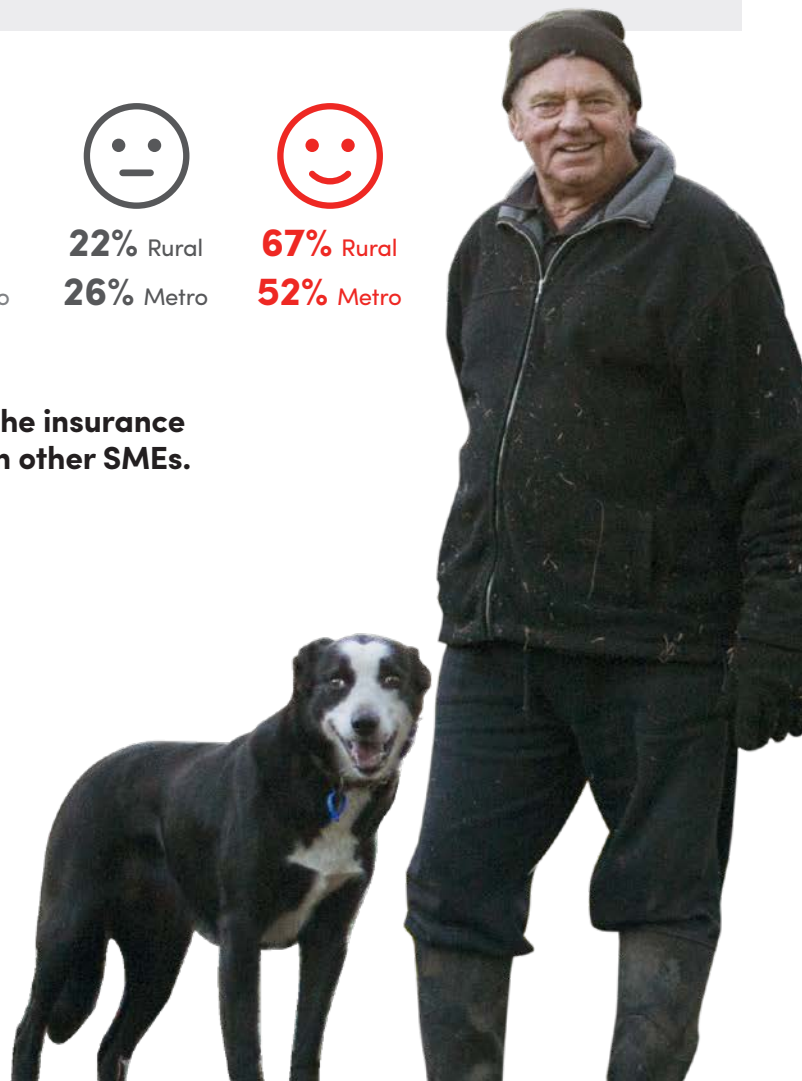
■ Satisfied ■ Neutral ■ Not satisfied



Rural SMEs are also more trusting of the insurance industry and insurance in general than other SMEs.



■ Rural ■ Small Town ■ Metro



Brokers already working with rural clients could consider asking for testimonials to help them attract other rural SMEs as these clients are far more likely to speak of the reassurance that comes from being properly insured.

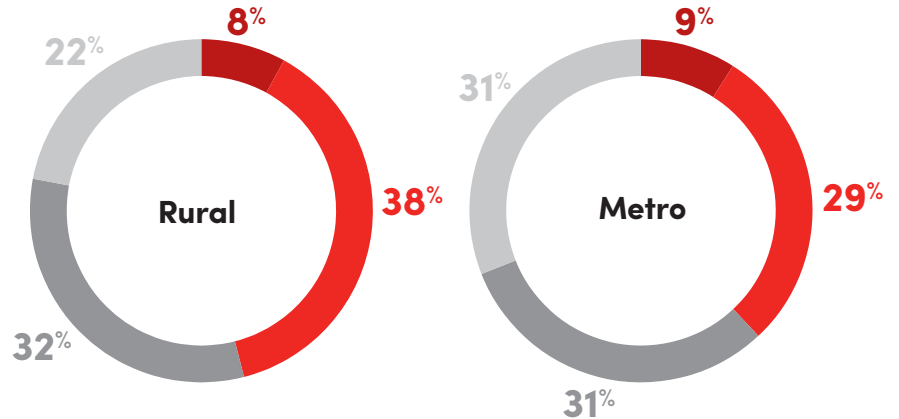


It's who you know, *and* what you know

Direct buyers are looking for the expertise that brokers and advisers provide.

Rural SMEs who purchase their insurance direct are more likely to consider using a broker than metro SMEs.

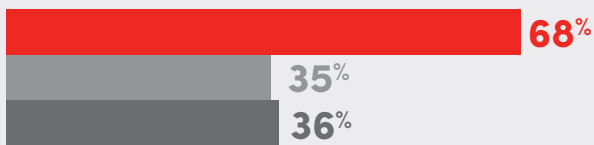
- Yes, I will definitely consider using a broker in the future
- I might consider using a broker in the future
- I'm not really sure either way, I might or might not
- No, I don't think I would consider it



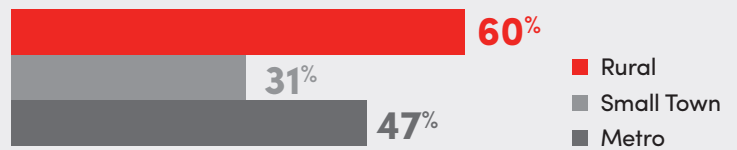
How can brokers and advisers attract these SMEs to their business?

Rural direct buyer SMEs are looking for a broker who can explain their recommendations thoroughly and more than likely is recommended to them by someone they trust.

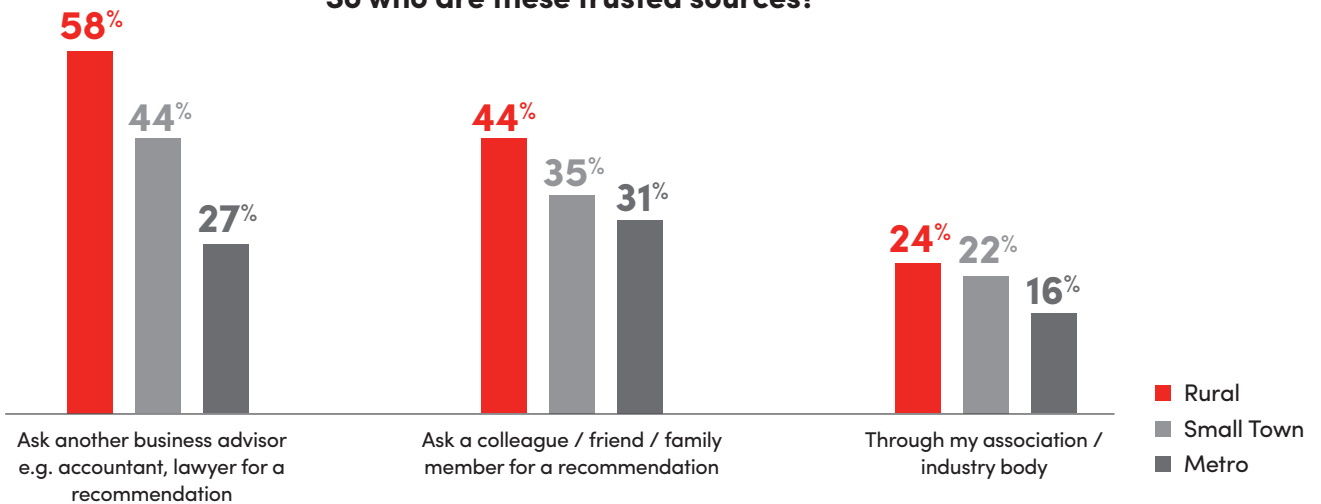
A broker who explains their insurance recommendations thoroughly



Recommendation from someone I know and trust



So who are these trusted sources?



Rural SMEs who currently buy direct would prefer to use a broker who shows their expertise with in-depth analysis and explanations of recommendations. Brokers could consider attracting these direct buyers via referral campaigns, as word of mouth recommendations are highly valued amongst rural SMEs.

Visit vero.co.nz/sme-index to access the full report for more insights.



Disclaimer: The information displayed is based on commissioned research involving 900 business owners and decision makers from around New Zealand. The research was conducted during November 2020. Vero Insurance NZ Ltd (Vero) 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. Vero and its related companies do not assume or accept any liability whatsoever arising out of or relating to the information.