

Top 5 Problems SMEs Face When Getting Insurance and How Insurtech Can Help Solve Them



1 Complex Products

The complexity and variety of insurance products can be overwhelming for SMEs (Small to Medium Enterprises), leading to confusion and potentially getting the wrong cover.

Digital platforms, user-friendly interfaces and real-time enriched data organised by AI into clear, personalised recommendations can help SMEs understand their options and make informed decisions.



2 Insurance Costs

SMEs often struggle with the high cost of insurance premiums, which can also lead to underinsurance or no insurance at all.

The use of AI to streamline processes can optimise risk assessment and pricing models, ensuring that premiums are accurately aligned with the actual risk. This can optimise the cover that's needed to make insurance affordable but avoid the risk of underinsurance.



3 Complicated Quote and Buy Processes

The purchase of insurance has traditionally been a time-consuming process; completing a long form of questions before even getting to the cover options. Using data intelligently to pre-populate fields based on minimal input reduces the need for lengthy questionnaires. Digital platforms available 24/7 also help so that SMEs can purchase at a time and place that suits them.



4 Managing Risk

Proactively keeping in touch with SMEs to review and update their insurance needs prevents gaps in coverage and reduces the risk of underinsurance.

Insurtech can provide additional tools and resources to help SMEs manage and mitigate risks, such as real-time monitoring and predictive analytics.



5 Slow Claims Processing

Slow and complex claims processing can be a major pain point for SMEs, delaying critical payouts. AI processes can streamline this by automating routine tasks and using machine learning to quickly assess and approve straightforward claims. This ensures faster payouts and reduces the administrative burden on SMEs.