

## **25% of SME commercial insurance products now available online**

Almost a quarter of products available in the office and retailers market are now available online, according to Defaqto's latest report into Commercial SME Insurance '*The future is online*'.

The Commercial SME Insurance report is available at [http://content.defaqto.com/marketreports/Report\\_Details.asp?ReportID=110](http://content.defaqto.com/marketreports/Report_Details.asp?ReportID=110) and its coverage includes:

- How the economic recovery is affecting the SME market and the problems they face
- Why smaller providers in the SME market are taking market share from the bigger players
- Why SMEs attitudes are changing to purchasing insurance cover online
- The increase in the number of online insurance products available
- The benefits and disadvantages of purchasing insurance cover online
- The challenge of the aggregators, banks and direct providers to the dominance of the market and why this needs to be met head on
- Product review of the office, retailers and tradesmen products market which highlights notable changes.

Mike Powell, Insight Analyst and author of the report said "Many SMEs are prepared to research their business insurance needs online. Our own research shows that the industry has slowly started to take note of this and is developing products for the web."

Defaqto's research shows that there has been an increase in the availability of online SME products over the last year, with increases of:

- 7% in the number of office products, with 24% in total available online
- 4% in the number of retailers products, with 24% in total available online
- 6% in the number of tradesmen products, with 30% in total available online

Mr Powell continued: "This is a trend that is set to continue as businesses can see real benefits from purchasing cover online. Although the change in focus of purchasing habits appears to be at the 'micro' to 'small' end of the SME market, this should also filter through to the mid-sized market. The industry needs to be alert to the fact that this is the future for SME insurance and continue to develop more products and services that cater for this distribution method."

-Ends-

### **Notes to Editors:**

#### **About Michael Powell**

Mike joined Defaqto in November 2003 from MCE insurance brokers where he held the role of project manager. Prior to that he has held various management roles with high street brokers such as Colonnade and Endsleigh. He has been in the industry for over 25 years working within the personal and commercial lines broker market. Mike was our lead researcher at Defaqto in the commercial and motor insurance product areas until October 2007 when he was promoted to his current role.

<http://www.defaqto.com/media-centre/mike-powell>

**For further information contact:**

Michael Powell  
01844 295 522  
[mediaenquiries@defaqto.com](mailto:mediaenquiries@defaqto.com)

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**About Defaqto:** [www.defaqto.com](http://www.defaqto.com)

Defaqto is an independent financial research company specialising in rating, comparing and analysing financial products.

Since 1994, Defaqto has built the largest, whole of market, financial product database and become one of the leading providers of financial product data in the UK. We now cover over 30,000 products across banking, life, pensions, investments and general insurance.

Our experts validate and analyse the data to provide insight and consultancy to all layers of the financial services sector including IFAs, mortgage and general insurance brokers, providers, web aggregators and the public sector.

Our products and services include the following:

**Defaqto Star Ratings**

Our Star Ratings reflect the quality of a financial product and help to identify the range of features and benefits in each one. We review and assess every financial product across various categories and award a Star Rating from 1 to 5. The ratings are aimed at helping consumers and advisers decide which product suits their specific needs. Providers also use the ratings to ensure they offer products to meet differing consumer demands.

**Aequos Online**

An extensive, independent, financial product analysis and comparison database available in the UK. The database contains feature, rate and fees information on more than 30,000 products from nearly 2,000 providers. Our customers include leading insurance and assurance companies, banks and building societies and investment organisations.

**Defaqto Engage**

An integrated system for independent financial advisers (IFAs) and insurance brokers. The system makes the reporting, analysis, recommendation and review process easy, delivering the perfect product to meet client needs.

**Defaqto Compare**

An interactive, comparison tool enabling consumers to easily compare product features against each other on a host of key features, using a simple 'traffic light' system.

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