

# Small Commercial Insurance Market Opportunities to Compete

2024



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The small business sector remains a highly competitive market for property-casualty insurers. Small business continues to be the backbone of the U.S. economy, accounting for more than 90% of all domestic enterprises. SCM (small commercial market) firms have continued to evolve, both during and following the pandemic, and have bespoke needs that small commercial insurers must meet, ranging from multiple distribution avenues to product needs and digital capabilities.

This Conning Strategic Study—the tenth in a series on the small commercial insurance market—provides an analysis of trends in the SCM, focusing on insurance industry developments and important trends in the customer base. The analysis uses data from 2022 statutory reports to size the insurance market, with data and events through 2023 to assess key developments in the customer base.

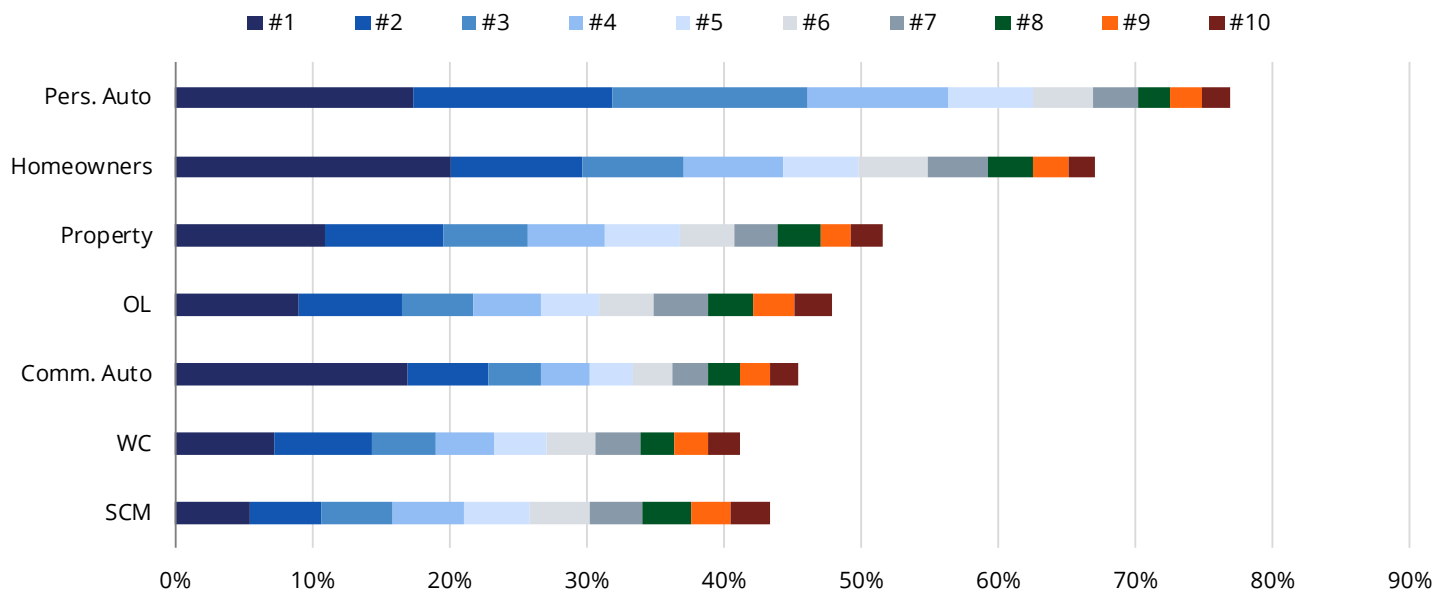
## Readers can use this report to:

- » Understand trends in small commercial insurance distribution, including concerns regarding the consolidation of the independent agency channel
- » Analyze the shifting target market of small commercial insurers
- » Receive a near-term assessment for the market, including opportunities and challenges insurers face

The full report, *Small Commercial Insurance Market: Opportunities to Compete*, is available for purchase on our website at this [link](#). To receive all of Conning's Property-Casualty Strategic Studies for the course of a year at a significantly reduced price, subscribe to our [\*\*\*Strategic Study Package\*\*\*](#).

# Sample Content

## Estimated Market Share of Ten Largest Insurers for Selected Lines, 2022



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The small commercial insurance market remains fragmented. The composition of the leading insurers and underlying sectors served is evolving gradually. Rate changes and product focus are rearranging the top 15 slightly.

The small commercial insurance market continues to attract attention—from insurers and from outside investors and innovators focused on the segment. It is a segment that remains highly competitive, but the diversity of the client base has so far prevented one or two companies from dominating and creates openings for creative entrants. There are still appealing opportunities in this space, but also a number of concerns as insurers continue to invest in this segment.

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## Recent Research

- » [Transformative Technology: Insights from Conning's Executive Survey](#) *Released February 2024.*
- » [Global Mergers & Acquisitions in the Insurance Industry 2023 - Insurer Edition](#) *Released February 2024*
- » [Small Commercial Insurance Opportunities to Compete](#) *Released February 2024*
- » [U.S. Insurance Industry Outlook](#) *Released January 2024*

## About Conning Insurance Research

For more than 50 years, Conning's Insurance Research Group has been offering solutions that help management teams understand and navigate a rapidly-changing insurance landscape. Conning's well-respected research solutions result from deep industry knowledge; ongoing surveys of industry executives; proprietary Conning data, forecasts, and models; and our in-depth reviews of insurer performance.

## Experienced Team

- Underwriting & actuarial
- Insurance operations
- Primary & secondary market research
- Capital markets
- Rating agency perspective
- Investment functions

## How We Add Value

- Efficiently support strategic planning
- Generate competitive insights
- Identify growth opportunities
- Provide independent and objective, unbiased research
- Benchmark financial performance

## About Conning

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