



# Small business is big business

**IF BUILDING A** bigger client base is your plan, it pays to think small. U.S. companies with 10–99 employees account for more than 90% of businesses and 30 million employees, more than any market except firms over 10,000 employees.

And this market is underpenetrated when it comes to voluntary, according to Eastbridge’s “Voluntary and the Small Case Market” Spotlight™ Report. Small employers are less likely to offer many benefits, including voluntary. While 25% of employees work in small businesses, they account for 20% of voluntary sales.

## CHANGE BRINGS NEW OPPORTUNITIES

Two findings indicate a potentially big market shift. One, the number of small employers offering voluntary is increasing: 83% of firms with 50–99 employees and 64% with 10–49 employees offer at least one voluntary benefit, reflecting notable growth in the past five years.

And two, a significant number indicate they’re likely to add new voluntary benefits or move some benefit(s) to voluntary: 56% of employers with 50–99 employees and 40% with 10–49 employees. In addition, almost a third are considering adding a new employer-funded benefit. This suggests the “pandemic pause” is over.

## DRIVE STRONGER SUCCESS

But there are a few key points to keep in mind to succeed in this market.

- **Offer the right products.** Employee interest is the most important factor small employers consider. Core products rank highly, while other coverages tend to have high interest but low penetration.

- **Provide the right enrollment support.** Self-enrollment is the most common

choice, but employers use a wide variety of enrollment methods. A majority want to offer a variety of options and let them choose. Small employers can benefit by taking a proactive approach with a variety of pre-enrollment communications that help employees understand benefits and drive stronger participation.

- **A personal touch.**

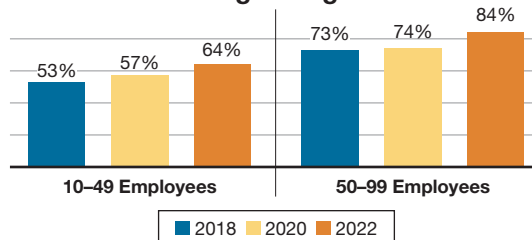
Having someone to speak with is still the top choice for employees in the smallest companies and among the top options for employees in the 50–99 category. Human interaction is still important.

- **Make tech part of the package.**

About 20% of small employers say they wouldn’t select a carrier that doesn’t offer online services, and fewer than 10% say having online services doesn’t matter. Small employers also want tools and services, such as the ability to adjust and pay bills, change coverages, file claims and track claim status.

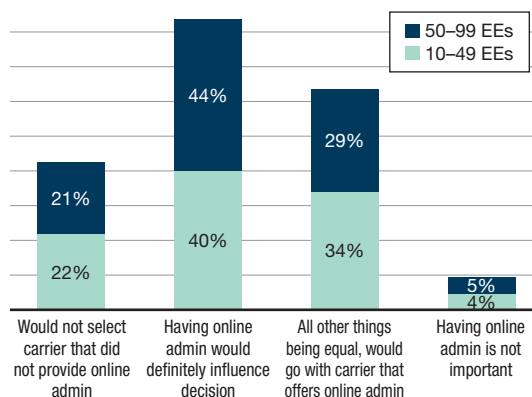
This market offers big potential. Be sure the carriers and partners you bring to the table offer the products, services and support these employers and their employees want and expect.

### Small employers offer voluntary benefits in growing numbers



From Eastbridge’s *Voluntary and the Small Case Market Spotlight™* Report

### Importance of online services



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