2017 New York Life Small Business Insurance Gap Survey.

A snapshot of a business owner.

The mindset of a business owner.

A day in the life of a business owner.

Business owners' plans for the future.

How prepared is their business?

Beyond the bottom line.

We are excited to share with you New York Life's inaugural Small Business Insurance Gap Survey.

As we have learned from serving the small business community in cities and towns all across America, the aspirations and needs of small business owners are both universal and unique, at the same time. Small business owners are passionate about their businesses and are committed to securing their continuation for the future of their families, their employees, and their communities.

In the survey, we collected self-reported data from a large sample of small business owners to estimate the average additional amount of life insurance coverage they may need to ensure their businesses survives their death. The study also uncovered insightful information about the mindset of small business owners and the role their businesses play in their day-to-day lives, which ultimately affects the ways in which they plan for the future.

The findings show that small business owners tend to be extremely family and community oriented, with the majority stating "providing for family" as a top reason for starting their business. With this as their main driver, small business owners work hard — on average, they report contributing 42% directly to the total annual revenue and being responsible for 9 different functions to keep the company running smoothly. Because they are so personally involved with the success of their businesses, their employees often become their second family, and they view the need to protect the future of that family as much as their own.

When they think about the future, the overwhelming majority (89%) hope for their businesses to continue to support their families, employees and communities. However, for many small business owners, their businesses has become such a big part of their lives that it's hard to imagine life without it; and therefore, despite their hopes for business continuation, they often put off ensuring that it's possible. The study found that 38% of small business owners do not have enough insurance to protect their businesses should something happen to them, with the average life insurance gap being $1.38M.

New York Life is dedicated to providing small business owners with the insights and resources they need to safeguard the business they've worked so hard to grow and to protect those they care about well into the future. The 2017 New York Life Small Business Insurance Gap Survey identifies key insights and provides anchors that allow small business owners to have more informed conversations with their insurance agents on how to protect their businesses and plan for its future.

To start that conversation, we encourage small business owners to contact their local New York Life insurance agent or visit us at newyorklife.com/business to learn more about how New York Life can help small business owners.

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