

BUSINESS RISK BAROMETER

THE TOP 10 THREATS TO SMALL BUSINESSES

How well do you know the risks your business faces? Some may seem unlikely but you never know what's around the corner. Here are the top 10 threats to growing businesses right now, as voted for by SME owners.*

Considered higher risk for small businesses

33%

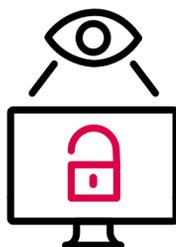


Business interruption

Businesses fear they might not be able to continue a smooth operation if business is interrupted by, for example, a supplier going bust.

Cyber incidents

Six in 10 respondents said cyber security was a concern – up from just under half the previous year. Instances of online fraud and data breaches have risen quickly in recent years.



30%

28%



Natural catastrophes

For those with international supply chains, the risk of tsunami, earthquakes, landslides and even volcanoes pose a serious threat.

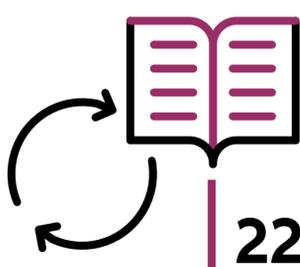
27%

Market developments

A perennial business concern, market changes including new competitors, mergers, acquisitions and consumer trends can quickly change the context of your business.



22%



Changes in legislation and regulation

Brexit, new tariffs, political instability and an increasingly combative global economic environment are all keeping bosses awake at night. 38% cited this as an issue, compared with only 23% last time around.

21%



Fire, explosion

Another new entrant, with one in 10 respondents citing fire as a concern. This comes after the Grenfell Tower tragedy and related fears about the safety of buildings' infrastructure.

Climate change

Indicative of climate change affecting weather patterns, risks stemming from natural events are a new entrant on the list. Floods and, more recently, droughts are of particular concern.

13%



Political risks and violence

With several high-profile attacks in recent years, terrorism and its wider impacts are a concern for business owners.

13%



12%

Theft, fraud, corruption

Threats can be internal as well as external. You'll need to place trust in employees and suppliers. Do you have processes in place to avoid these risks?



12%

New technologies

Recent innovations, such as better connectivity, artificial intelligence, data, automation and 3D-printing, mean businesses worry about failing to keep up or investing in the wrong areas.



Considered lower risk for small businesses

*Source: Allianz: top 10 risks for small enterprise companies (<€250m annual revenues). Figures don't add up to 100% as up to three risks could be selected. Sample size 603.

See more: bit.ly/RiskBarometer

Euler Hermes uses predictive intelligence to spot emerging threats for its clients and help them reduce the risk. For more information get in touch.