



SME Commercial Cyber

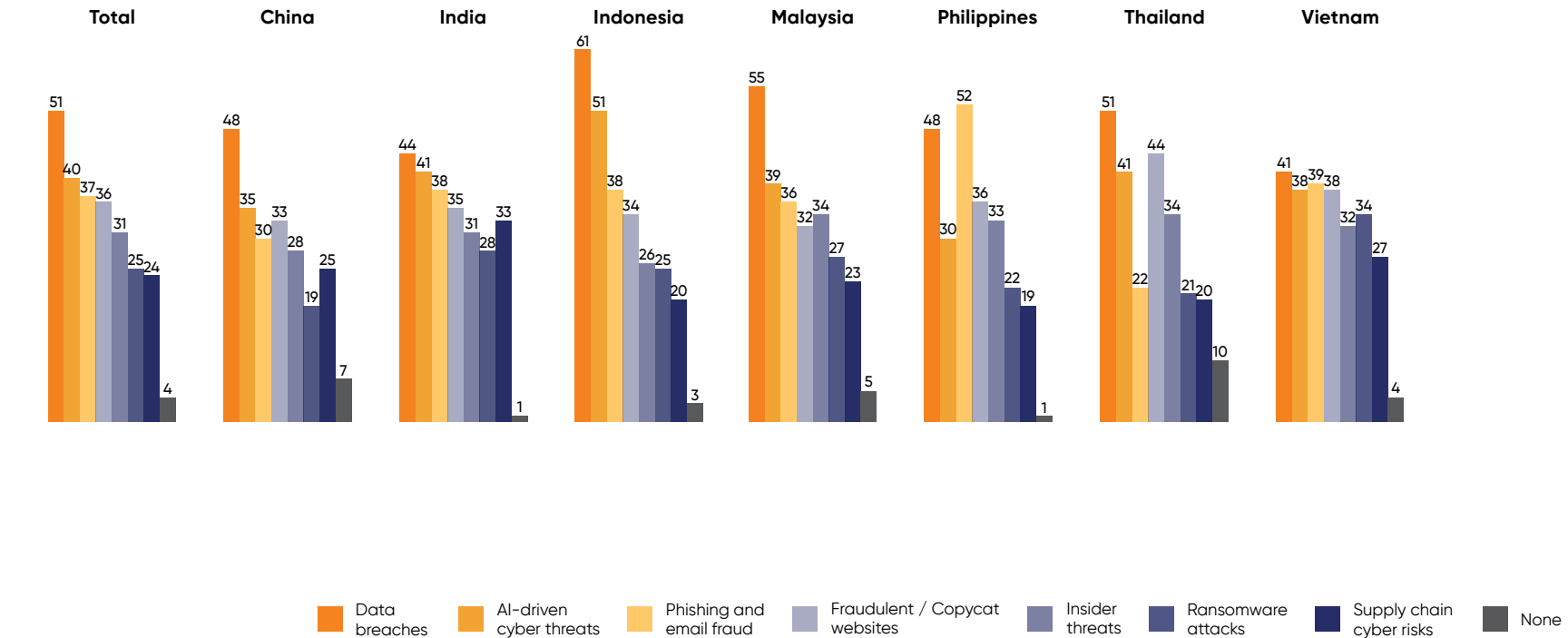
This section covers only Emerging Asian middle class who are business owners (majority being SMEs with fewer than 100 employees).

SME owners are concerned about a range of cyber threats, with data breaches as the top mention across regions

The distribution of awareness across all threat vectors is relatively balanced. This indicates a diverse landscape of cyber threats are being recognised by business owners in Emerging Asia.

Data breaches and AI threats are top mentions followed by phishing and email fraud, and fraudulent/copycat websites. Indonesia reports the highest concern for both data breaches and AI threats (61% and 51%), while the Philippines saw higher concern for phishing and email fraud (52%).

Cyber threats SMEs are most concerned about* (%) *The percentage of respondents who ranked the concerns as their top 3.



F1a. Which types of cyber threats are you most concerned about for your company? Please select the top 3 risks. | Base: Business owner / self-employed (n=3,925), China (n=345), India (n=841), Indonesia (n=849), Malaysia (n=456), Philippines (n=619), Thailand (n=465), Vietnam (n=350)

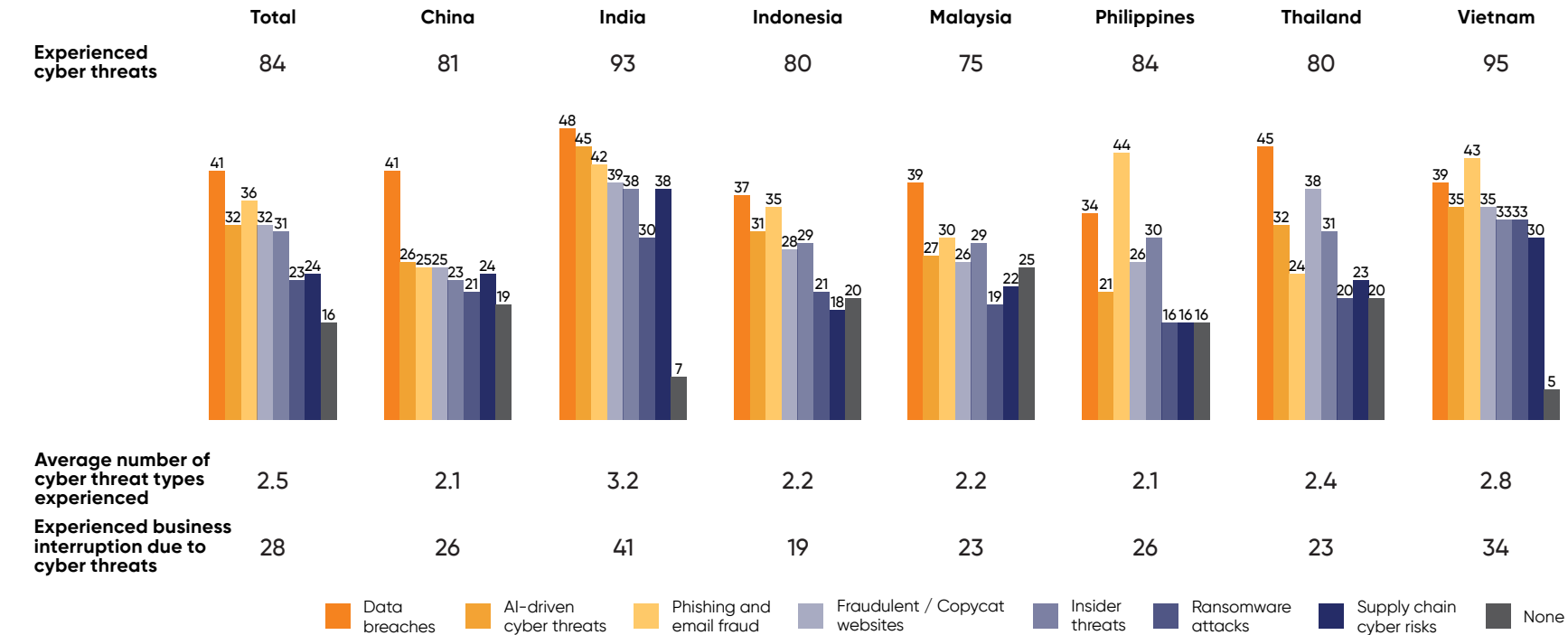
Data breaches and phishing dominate past cyber incidents in Asia

Around 85% of the business owners surveyed have experienced 2-3 cyber threats. 28% of them reported the threat disrupted their business operation.

The most commonly experienced cyber threats across Asia are data breaches (41%), phishing and email fraud (36%), and AI-driven cyber threats/fraudulent or copycat websites (32%).

India and Vietnam report high rates across multiple threat types. India notably experienced a high number of AI-driven attacks (45%) and stated significant business interruption (41%) from cyber threats.

Cyber threats experienced (%)



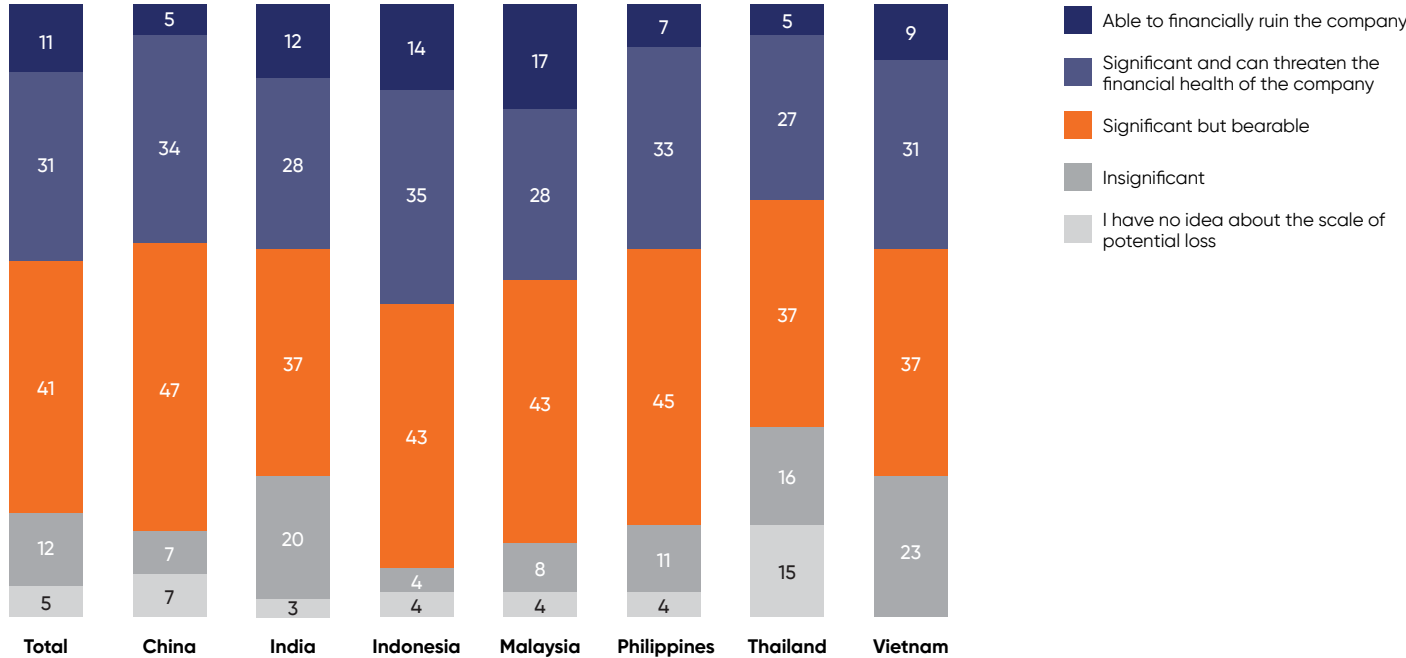
Region	Total	China	India	Indonesia	Malaysia	Philippines	Thailand	Vietnam
Experienced cyber threats	84	81	93	80	75	84	80	95
Average number of cyber threat types experienced	2.5	2.1	3.2	2.2	2.2	2.1	2.4	2.8
Experienced business interruption due to cyber threats	28	26	41	19	23	26	23	34

F1b. Which types of cyber threats has your company experienced in the past? Please select all that apply. | Base: Business owner / self-employed (n=3,925), China (n=345), India (n=841), Indonesia (n=849), Malaysia (n=456), Philippines (n=619), Thailand (n=465), Vietnam (n=350)

Most recognise the significant potential financial impacts of cyber threats; however, more than half express confidence in their IT systems

Financially, 83% believe a cyberattack would have a significant financial impact. Over half of them believe that the impact is sizeable enough to threaten the financial health of the company or bankrupt the company.

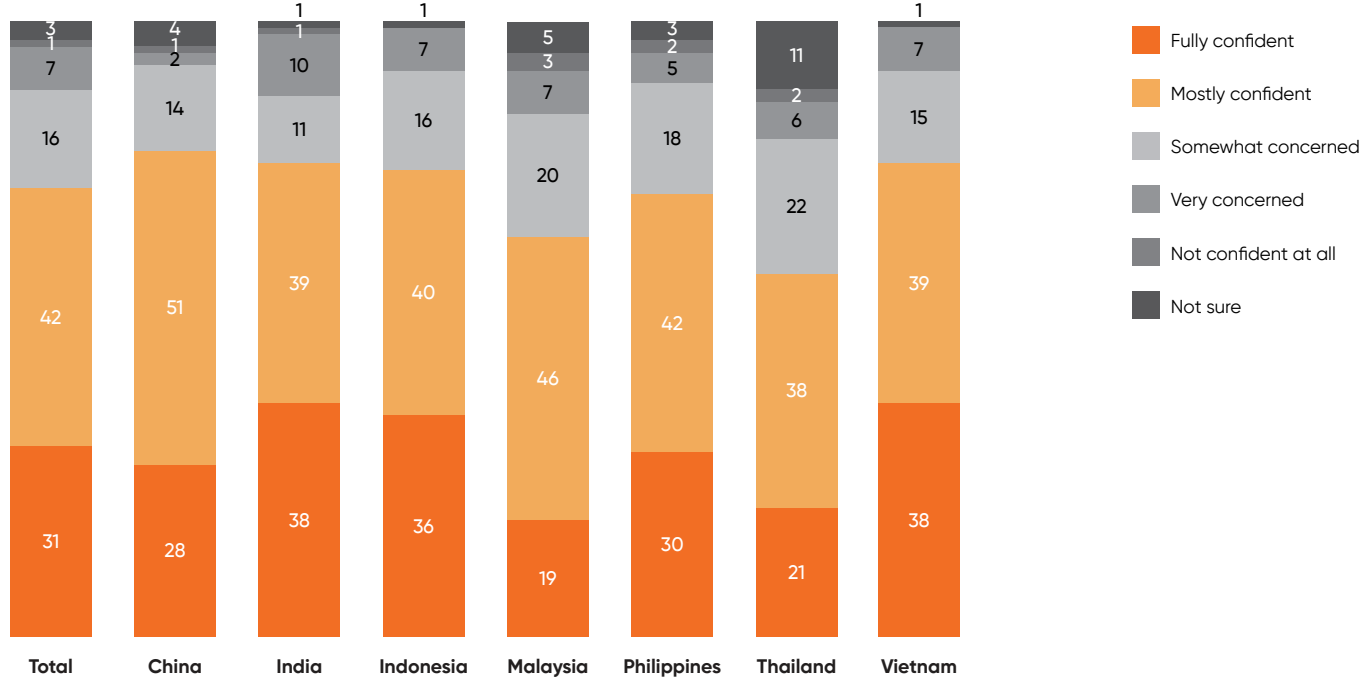
Financial impact in case of cyberattack or data breach (%)



F3. In case of a cyberattack or data breach on your company, what would be your best estimate of the potential financial impact (including IT recovery costs, legal fees, regulatory fines)? | Base: Business owner / self-employed (n=3,925), China (n=345), India (n=841), Indonesia (n=849), Malaysia (n=456), Philippines (n=619), Thailand (n=465), Vietnam (n=350)

Over half of all businesses feel fully or mostly confident that their IT security is sufficiently strong to shelter them against cyber risks.

Confidence in IT systems to protect against cyber risks (%)



F2. Do you feel your current IT security measures, including in-house and third party IT services, are sufficient to protect against cyber risks? | Base: Business owner / self-employed (n=3,925), China (n=345), India (n=841), Indonesia (n=849), Malaysia (n=456), Philippines (n=619), Thailand (n=465), Vietnam (n=350)

32% of SME owners said they are aware but are not purchasing cyber coverage

Most cited reason for not purchasing cyber insurance is the perception that risk exposure is low or bearable. Notably, price is not a major factor contributing to non-purchase.

While about half say they have some cyber coverage either through standalone or bundled policies, a majority still feel significantly financially exposed to cyber risks.

Cyber coverage & reasons for not purchasing cyber insurance (%)

12% No, we were not aware

32% Yes, but we haven't purchased it

56% Yes, and we already have cyber coverage (including standalone policies or bundled with other business insurance)

This perception among SMEs of owning cyber coverage is at odds with industry estimates of cyber penetration among SMEs at 10-15% globally¹, and significantly lower for SMEs in Emerging Asia. It is important to note that survey responses reflect self-reported perceptions, and further research is needed to fully understand this perception of cyber risk preparedness among SMEs.

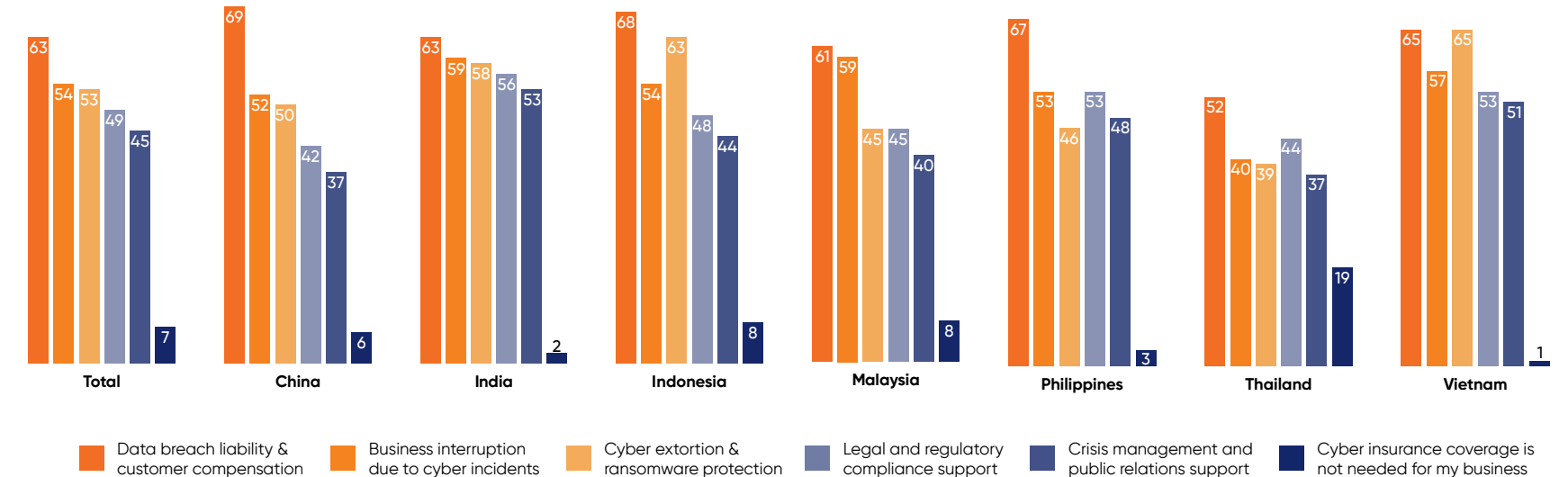
¹Cybersecurity, Cyber insurance, and Small-to-Medium-sized Enterprises: A Systematic Review' by Rodney Adriko and Jason Nurse, University of Kent, 25 June 2024



SMEs would welcome comprehensive turnkey solutions that address their diverse cyber exposures

Only 7% of businesses say they don't need cyber insurance—though in Thailand, this rises to 19%, suggesting potential low awareness or perceived risk gaps. Thailand is also the market with the lowest awareness of cyber insurance and where a high percentage of respondents said that they have no idea about the potential financial impact of an attack.

Types of cyber insurance most relevant to business (%)



F4. Are you aware that cyber insurance is available as a standalone policy or bundled with other business insurance? | Base: Business owner / self-employed (n=3,925). | F4.1 What are the reasons why you have not purchased commercial cyber insurance? Please select and rank the answers. | Base: Those coded 2 (Yes, but we haven't purchased it) in F4 (n=1,236)

F5. What types of cyber insurance coverage would be most relevant to your business? Please select all that apply. | Base: Business owner / self-employed (n=3,925), China (n=345), India (n=841), Indonesia (n=849), Malaysia (n=456), Philippines (n=619), Thailand (n=465), Vietnam (n=350)