

8 common business insurance myths.



Some common business insurance myths can lead to gaps in coverage and put your company at risk. Do you hold any of these misconceptions as truths? Our experts are debunking some of the most common myths to help you make informed decisions about your business protection.

Myth #1: My business is too small for a policy.

Many small business owners assume insurance is only necessary for large corporations. However, any business — no matter its size — faces risks, such as property damage, lawsuits, or employee injuries. Business insurance offers essential financial protection that can prevent a minor setback from becoming a major crisis. And business life insurance can provide long-term sustainability for your company or can be used as an incentive to keep valuable employees. The smaller your business, the more essential these policies could be.

Myth #2: My general liability insurance covers everything.

While general liability insurance is a great starting policy, it may not cover every potential risk. For example, it won't protect against cyber threats, employee injuries, or professional errors. Depending on your industry and specific risks, you may need additional coverage, like cyber liability, workers compensation, or professional liability insurance.

Myth #3: Home-based businesses are covered by homeowners insurance.

If you run a business from home, you might think your homeowners insurance policy has you covered. Unfortunately, most homeowners policies offer limited or no coverage for business-related losses. A home-based business insurance policy can help fill these gaps and protect your equipment,

inventory, and liability risks.

Myth #4: Business insurance is too expensive.

Some businesses forgo insurance because they believe it's too costly. In reality, the cost of being uninsured can be far greater if an unexpected incident occurs. Many insurers offer customizable policies so you can find affordable coverage that meets your needs.

Myth #5: A business with an LLC or corporation doesn't need insurance.

While forming an LLC or corporation can protect your personal assets, it doesn't shield your business from lawsuits, property damage, or financial losses. Business insurance adds another layer of security, ensuring your company can recover from unexpected events.

Myth #6: My business is safe from cyberattacks.

Many small businesses assume they're safe from cyberattacks because they have a smaller income, team, or operation compared to large corporations. But did you know that small businesses are growing targets for cyberattacks? If you've forgone cyber coverage in the past, it's a good time to take another look and add coverage. Bonus: Take cyber protection a step further with these 10 digital steps to keep customers safe.

Myth #7: Once you buy insurance, you're set for life.

Your business evolves over time, and so do its risks. Regularly reviewing your policy ensures you have adequate coverage as your company grows, adds employees, or expands its services. Failing to update your coverage can leave you exposed to new risks.

Myth #8: You're on your own when shopping for and selecting coverage.

This myth couldn't be further from the truth. When you work with a trusted and reputable agent, their team becomes an extension of your team. They'll get to know your business from the inside out. Then they can answer your coverage questions and help you build a policy designed to meet your needs.

Now that we've debunked these common business insurance myths, talk to a local, independent agent for guidance and expertise today.

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