Growth in Cloud Services Increases Need for Cyber Risk Insurance

Convey's Telecommunications Market Will Provide Opportunities to Increase Cyber Risk Insurance Sales

The Convey Insurance program provides online resource centers for agency partnerships in the property and casualty industry making it more efficient for their members to get carrier and vendor information in a single online location. Convey runs a similar program in the telecommunications and cloud space connecting over 16,000 agencies with cloud hosting, and connectivity carriers and providers.

According to Convey CEO Carolyn Bradfield, "The growth in cloud services has motivated businesses to deploy hosted phone systems, shift their applications to the cloud and expand their online presence. However, the increase in cloud services has also resulted in an increase in the risk of network attacks, data breach or cyber threats."

Traveler's Insurance reports that small to medium sized business are at greater risk for cyber attacks than ever before with the following alarming statistics:

- Data breaches **increased 62%** in the last year alone
- 31% of breaches occur in organizations with **fewer than 2,500 employees**
- 30% of breaches occur in organizations with **less than 250 employees**
- The average cost of a data breach is now **$5.95 Million**

Test My Cyber Program

In October, Convey will help connect producers selling cyber threat insurance with telecommunications agencies selling cloud services through the Test My Cyber program. Subscribers to the program will be able to send customers and prospects to the Test My Cyber portal to learn more about their risk for cyber attacks. In addition, they can take a short assessment to identify their "threat level" for a cyber attack or data breach

"The goal of the program is to raise awareness of the risks of being in the cloud, then provide solutions to promote a business continuity plan if an issue arises, " said Carolyn Bradfield. "Businesses that want to explore cyber threat insurance will be connected with an authorized agency in their state. Insurance customers can also explore technologies that will help protect their network and data."

The Test My Cyber program will be launched in early October and will be delivered as a subscription program for both the insurance and telecommunications industry. Inquiries from customers will be automatically delivered and tracked through the technology.