

# Taylor Wessing Insurance Media Survey

Highlighting opportunities for  
media risk targeted insurance



## Contacts

---



**Peter Kempe**  
Head of Insurance  
Partner, London  
+44 (0)20 7300 4695  
p.kempe@taylorwessing.com



**Niri Shan**  
Head of Media  
Partner, London  
+44 (0)20 7300 4782  
n.shan@taylorwessing.com

## Introduction

The Taylor Wessing insurance group in conjunction with the Taylor Wessing media group have recently been advising insureds and market participants on a number of risks (such as defamation, privacy, malicious falsehood, data protection and advertising regulations) arising both from the use of new technologies and the promotion of information through social and other media.

Whilst there are a number of interesting new products to cover these risks, many major institutions seem unaware of the extent of the potential risks arising from the way in which new technology is being used and from the dissemination of information about their businesses.

To gauge awareness generally, Taylor Wessing commissioned a survey designed to assess awareness of insurance risks generally and to see if both insureds and market participants are familiar with both the insurable risks and cover available.

Whilst anticipating some lack of awareness in the market generally, the survey has highlighted the extent to which current industry standard policies do not cover evolving areas of risk and suggests that there are substantial opportunities available to the market to provide the necessary cover.

## About Taylor Wessing

Taylor Wessing is a leading international law firm with a single-minded approach: to help its clients succeed.

What makes it different is its forward thinking approach to serving clients. Taylor Wessing professionals think creatively about business issues and are constantly looking for new and better ways to add value with innovative solutions that help clients to develop their businesses.

Today's world is undergoing fundamental change and that creates the need for intelligent solutions.

Taylor Wessing's aim is to be at the forefront of developing those solutions by serving clients in the sectors such as media and insurance that it believes are the industries of tomorrow.

**International Insurance  
Law Firm of the Year**

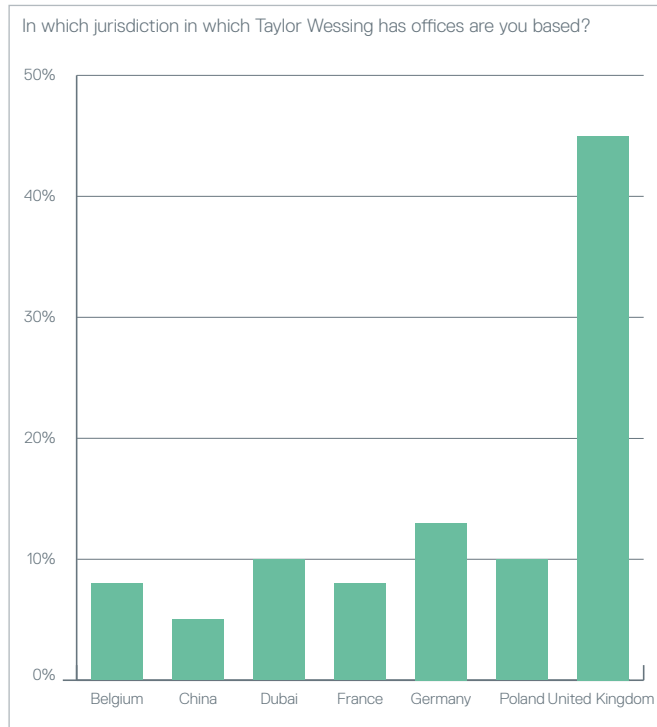
**2011** ACQUISITION  
INTERNATIONAL

**LEGAL AWARDS WINNER**

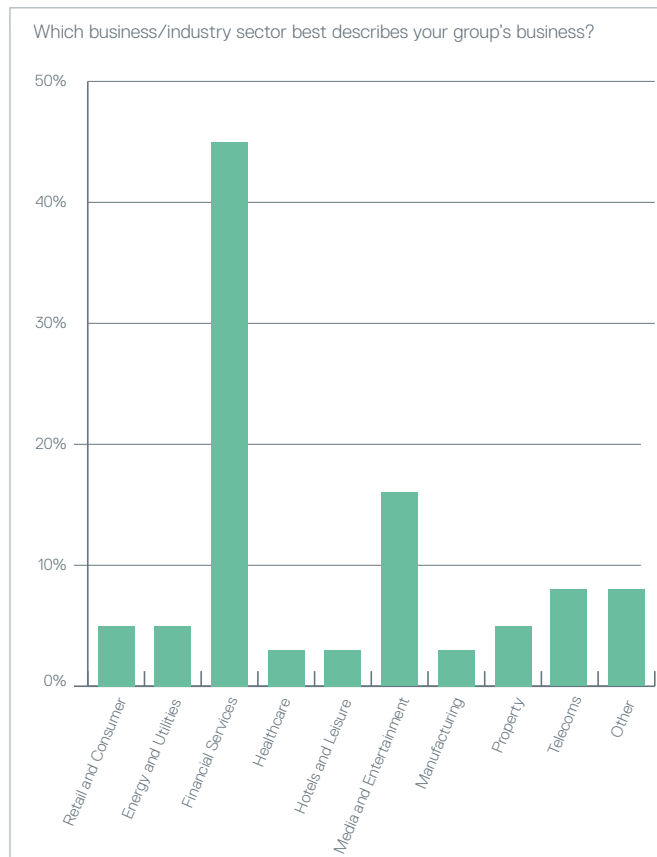
---

## Key Findings

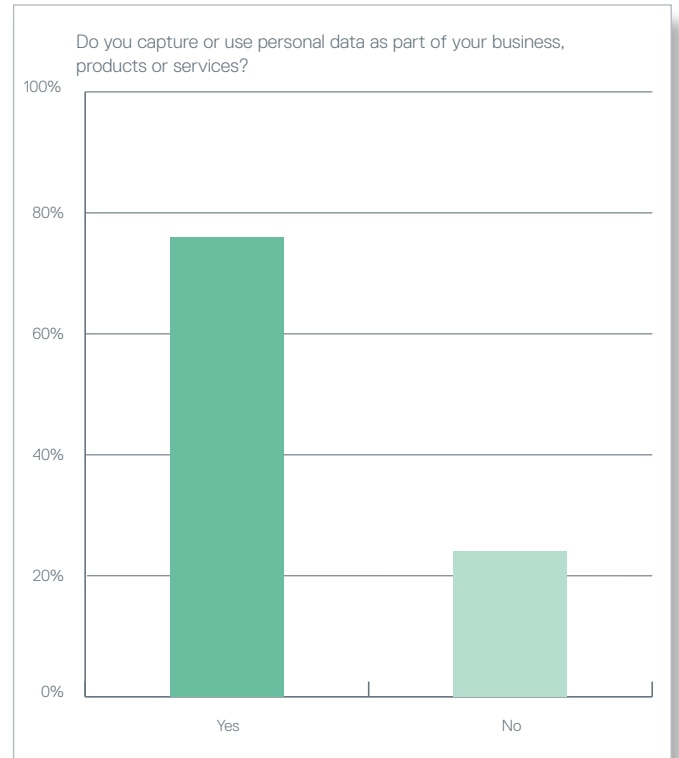
The sample group was based on clients and contacts of Taylor Wessing based in the jurisdictions in which Taylor Wessing has offices. All except 6% of respondents had offices in the United Kingdom as well as elsewhere.



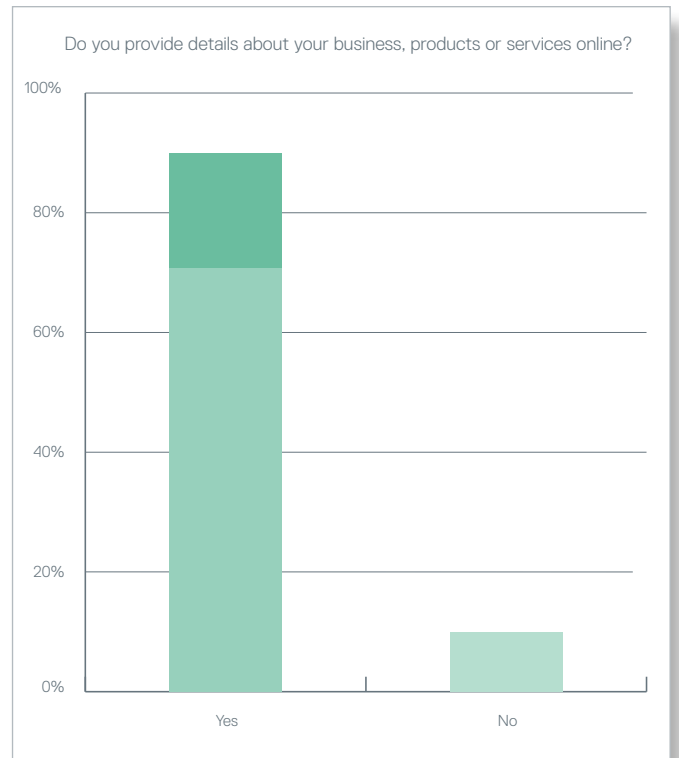
The majority of respondents were in the financial services sector (including insurance) or the media, entertainment and technology sectors. Size of organisation varied with 55% of respondents based at organisations with fewer than 500 employees and nearly 25% at 1,000 plus employee firms.



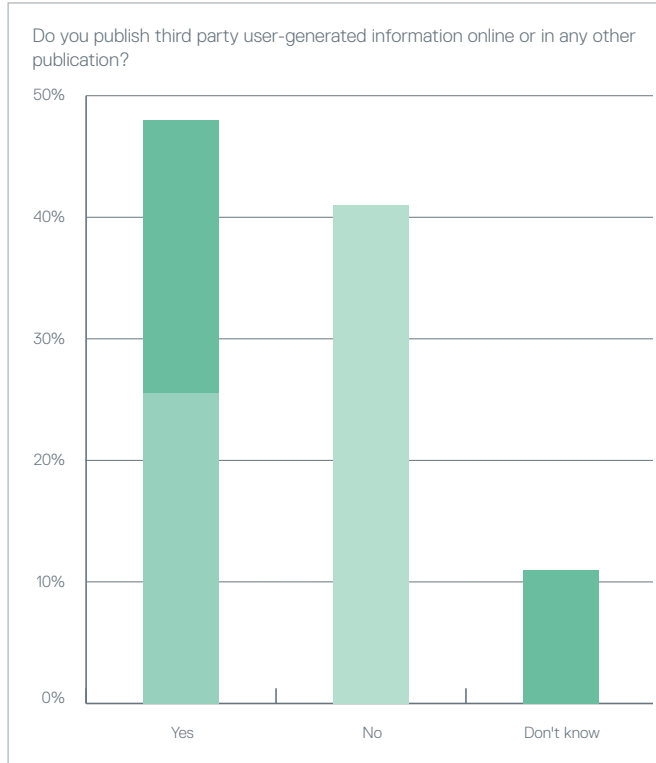
Surprisingly, only 75% of firms responding stated that they collect personal data.



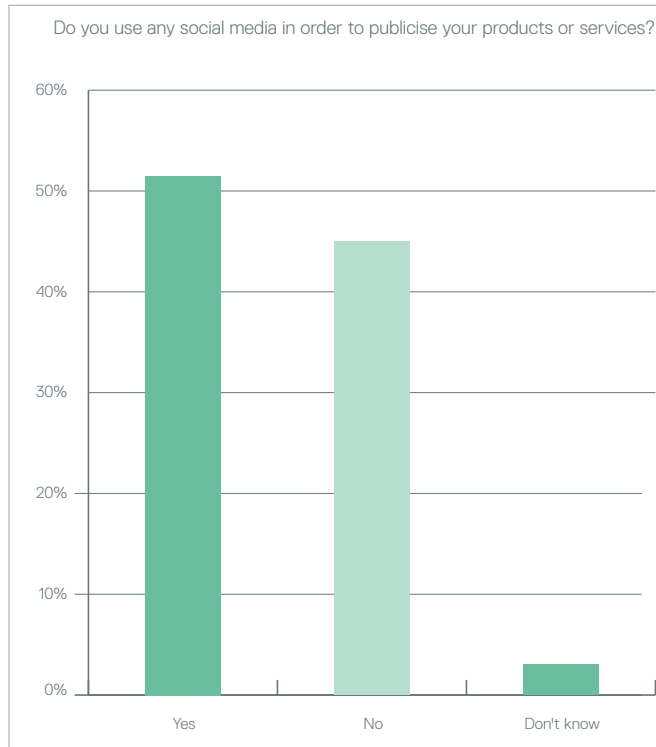
However nearly 90% provide details of their business, products or services online of which **under 70%** were aware of the civil and criminal liabilities arising from publishing misleading statements regarding those products and services.



Nearly 50% of respondents publish third party user-generated information but **nearly a quarter** are unaware of the risks of defamation or misrepresentation as a result of doing so.



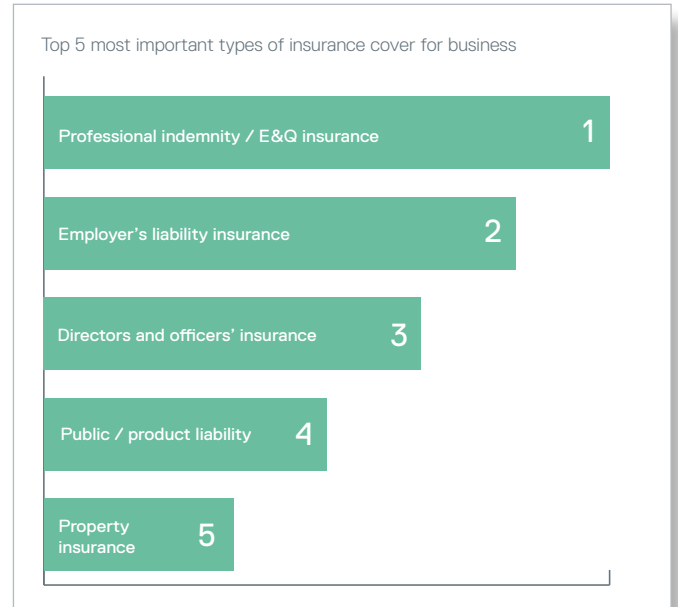
Over half of respondents use social media in order to publicise their products but again **under 70%** recognise the associated risks in doing so.



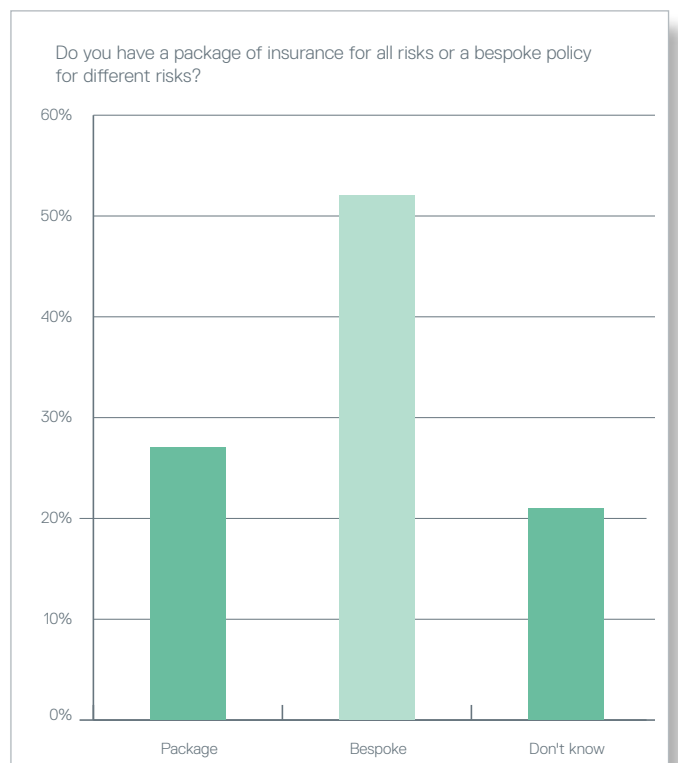
In an attempt to benchmark survey replies, respondents were asked to comment on 15 separate classes of insurance cover ranging from business interruption cover to cyber insurance.

45% of respondents felt that defamation cover was of minimal importance to business, while 34% felt the same way about privacy protection, and 52% about specialist media cover and brand protection. A surprisingly high 41% of respondents considered cyber insurance to be of minimal importance to their business.

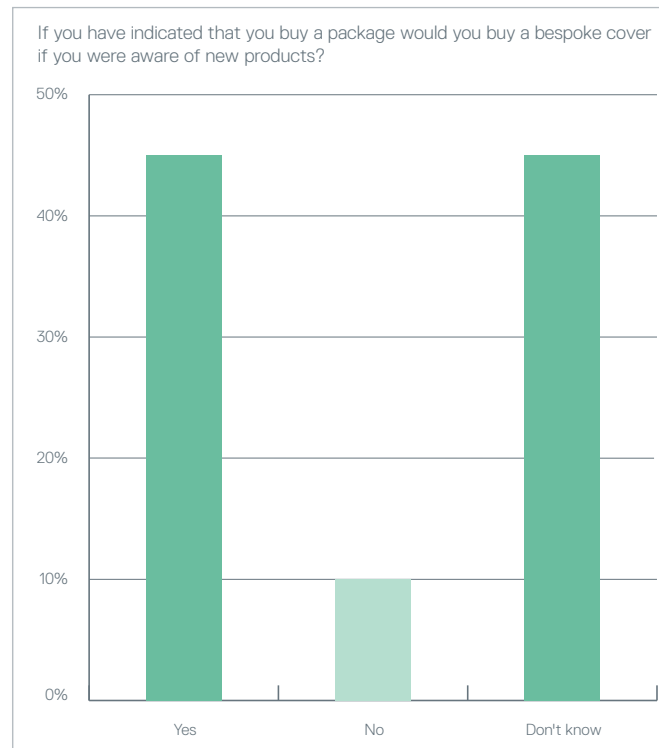
Even fewer respondents actually have any such insurance, with cover in these areas being held by between 5% and 16 % of respondents.



Most respondents cited lack of awareness of the cover as the main reason for not having such insurance but over 50% indicated that they had bespoke cover intended to cover all aspects of their business, which suggests that brokers and underwriters are not advising on cover or fully promoting available policies.



45% of respondents who currently buy insurance as a package indicated that they would be prepared to buy bespoke cover if they were aware of new products available to cover these risks. Clearly this is an opportunity for the market.



## Summary and Conclusion

The Taylor Wessing insurance media survey suggests that a number of highly sophisticated purchasers of insurance remain unaware of potential risks which could have a materially detrimental impact on their businesses, particularly the risks arising from the use of social media. However, it is also apparent that many insurers are also not as aware as they might be of potentially insurable risks which should be covered therefore leaving their clients exposed.

With new media and technology evolving as rapidly as it is, there are a number of new risks that companies should be protecting themselves from. Whilst some brokers and insurers are already introducing new programmes to address these risks there is certainly great scope for brokers in particular to provide comprehensive advice to their clients on these risks and ensure that they are fully covered in such a fast moving area.

In conclusion, there are substantial opportunities available to the insurance market to provide the necessary cover to existing and prospective clients.

