

# Commercial Insurance Profile

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## Damaging Disruption: The Statistics Behind Broken Supply Chains



Source: Business Continuity Institute Supply Chain Resilience Report 2017

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## Support Your Supply Chain or Suffer Consequences: Here's How

From the drive-through window to the supermarket shelves, businesses are suffering at the hands of broken supply chains. Earlier this year, the fast-food chain, KFC, disappointed customers across the country when they temporarily [closed](#) hundreds of stores due to a chicken shortage. Currently, food and drink manufacturers are experiencing tough times from the carbon dioxide [shortage](#), leaving pubs, grocers and butchers empty-handed. These companies aren't alone—65 per cent of organisations across the globe experienced at least one supply chain interruption last year, according to a recent survey by the Business Continuity Institute.

In light of these events, it is vital to equip your organisation with proper supply chain and business continuity planning. Follow these practices to keep your supply chain strong and continue operations during disaster:

- **Develop a supply chain risk management framework** by answering the following questions about your organisation:
  - Who are your critical and high-risk suppliers?
  - What are the potential impacts of supply disruption?
  - Where are potential vulnerabilities in your supply chain?
  - Are all key risks managed effectively in your supply chain?
  - Are your employees promoting value-enhancing activity?
- **Create a risk monitoring routine** by participating in 'horizon scanning', which entails identifying early warning signs of disruption in your supply chain and implementing mitigation strategies before the disruption becomes severe.
- **Categorise your suppliers** on a scale of 'risk to revenue'. This practice will keep you aware of which suppliers pose the greatest threat to production, as well as which offer the most benefit.
- **Develop strong relationships with suppliers** to ensure quality communication at all times—especially in the event of any supply chain disruption problems.
- **Update your supply chain risk management plan** at least once a year to stay informed on any major changes or potential for future disruption. Remember: your supply chain can change at any time.

In addition to developing a robust supply chain, it is important to possess a strong business continuity plan and purchase appropriate cover in the event of a disruption. Contact Crendon Insurance Brokers Ltd today for more guidance on business continuity planning and cover.

## Don't Follow These Trends: Troubling Organisational Patterns in Cyber-security

**Less than half (49%) of businesses possess an effective contingency plan** to deal with a potential cyber-breach or attack.

**Only 13% of businesses** have a formal cyber-security incident management process.

Following a disruptive cyber-breach or attack, **28% of businesses have not taken any action to prevent future breaches.**

Source: The Department for Digital, Culture, Media and Sport's Cyber Security Breaches Survey 2018: Statistical Release

## Improving Emails: GDPR Tips

Getting consent for email marketing—while a seemingly simple task—has become significantly more difficult following the implementation of the GDPR. And while the flood of GDPR preference-confirmation emails has ended, you still need a lawful basis (like consent) to email prospects. To keep cultivating prospect consent, follow these tips based on the lessons learned from the GDPR email barrage of 2018:

- **Check your links**—If you send an email with linked material or a call to action that a receiver must click for confirmation, be sure that all links are active and effective prior to sending.
- **Make the most of the subject line**—In order to ensure the receiver clicks on your email, emphasise any action necessary in the subject line. This practice will engage the reader and give them a better idea of what you need from them.
- **Be prompt, but concise**—Follow through in a timely manner when sending emails that require action. Also, avoid sending multiple emails that could easily be consolidated. If the receiver notices a constant pile of emails from your organisation in their inbox, they are more likely to think about unsubscribing.

## Staying Secure: 2018 Cyber-trends

Whether it be preventing a mass data breach or finding ways to comply with the GDPR, the need for cyber preparedness and resilience is at an all-time high. However, a recent survey from the Economist Intelligence Unit revealed that only 13 per cent of organisations feel that they've learned from past cyber-mistakes. Have a look at the following 2018 cyber-trends to keep your organisation safe from future attacks:

1. **Everyone is at risk**—No matter your business size, you are at risk for a cyber-attack. While typically only large-scale incidents make headlines, research from Symantec found businesses with between one and 250 employees experienced the highest phishing rates.
2. **Breaches aren't cheap**—In the event of a cyber-attack, SMEs can suffer extreme financial burden. The average cost of a worst-case security breach is between £65,000 and £115,000, according to the government's cyber-guide for small businesses.
3. **Your reputation is in danger**—Major cyber-attacks that end up in the media can result in a tarnished reputation for your organisation. This problem can spread quickly, wreaking havoc on supplier, customer and contractor relationships for years to come.
4. **The problem is preventable**—Research shows that nearly 80 per cent of cyber-breaches are preventable with proper security measures, such as secure passwords, educating staff and taking advantage of software or app updates on workplace technology.
5. **You need cyber-insurance**—Purchasing cyber-insurance can provide you with the ultimate peace of mind regarding your organisation's cyber-security. Contact Crendon Insurance Brokers Ltd today for more information on finding the best cyber-insurance policy.