

LIFE ADVANCE MARKETS

Small-business owners, big opportunity

Small-business owners are increasingly realizing the benefits that life insurance can bring to their business strategies.

In the three years since our last survey, more small-business owners are formalizing plans for the event of their death, disability, or choice to leave the business, with the transfer of their ownership rights most typically to family member(s).

Among businesses with multiple owners, there is a high usage of life insurance as part of the plan for surviving owners to purchase the interest of a deceased owner. At the same time, a comparative few small businesses are using indexed universal life (IUL) to help fund compensation agreements to retain key employees.

These responses suggest untapped opportunities for financial professionals with the knowledge and resources to show how IUL can help achieve their business goals.



The **Allianz® 2025 Small-Business Owner Study** was conducted by the Allianz Center for the Future of Retirement® as an online survey May – June 2025 with 671 respondents who are small-to-medium-size business owners with 5-499 employees and at least \$500,000 in revenue the last fiscal year.

The study also included an additional sample of 210 female owners of small businesses that are at least 51% women-owned.

The Allianz Center for the Future of Retirement® produces insights and research as a part of Allianz Life Insurance Company of North America.

Small-business owners see the value of working with a financial professional – and there is room for growth

78% OF THOSE NOT CURRENTLY WORKING WITH A FINANCIAL PROFESSIONAL SAY THEY'RE OPEN TO WORKING WITH ONE IN THE FUTURE.

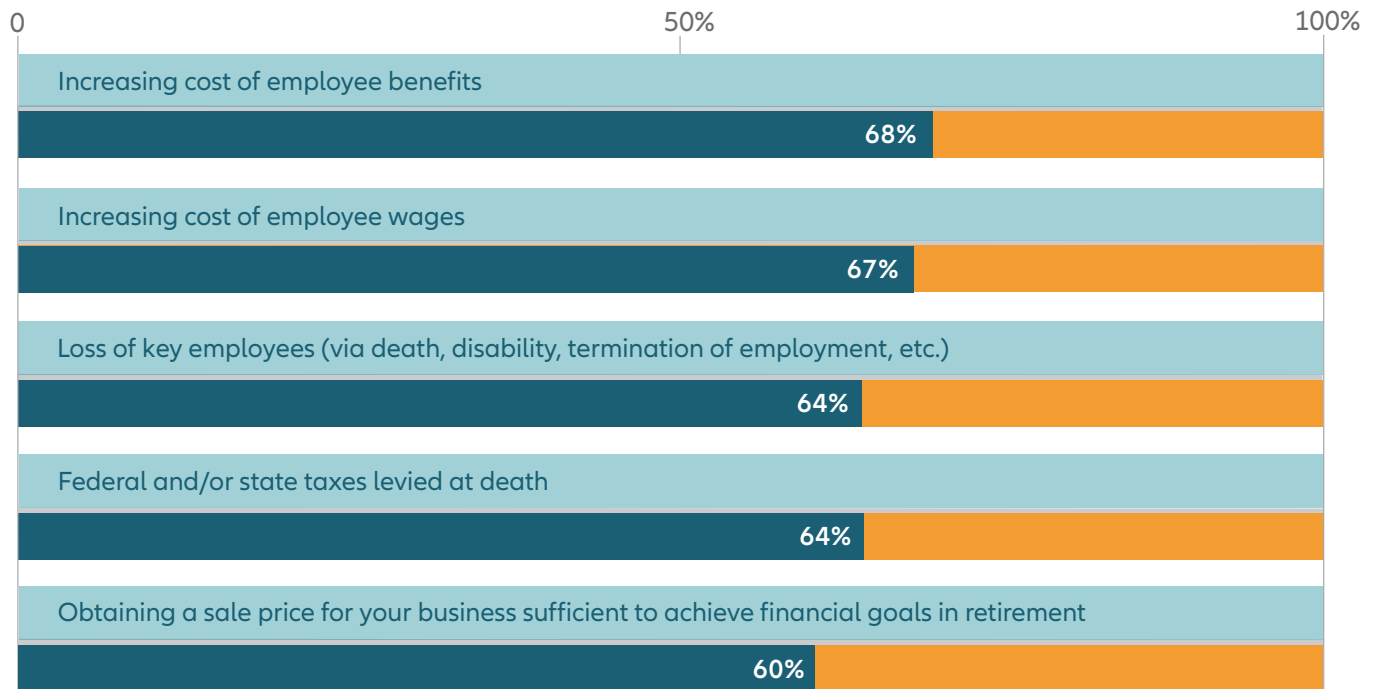
33% WORKING WITH ONE FOR BUSINESS

40% WORKING WITH ONE FOR BUSINESS AND PERSONAL

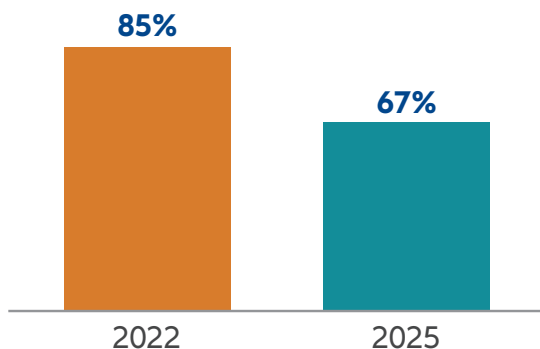
Keep reading to see how indexed universal life (IUL) insurance can play an important role in addressing the concerns of small-business owners – including business succession planning, key employee compensation plans, and estate planning strategies.

Top concerns for small-business owners

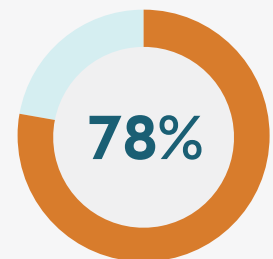
High-ranking risks for small businesses include:



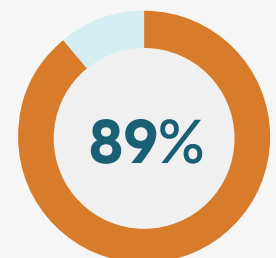
Fears of a recession or significant market downturn have eased



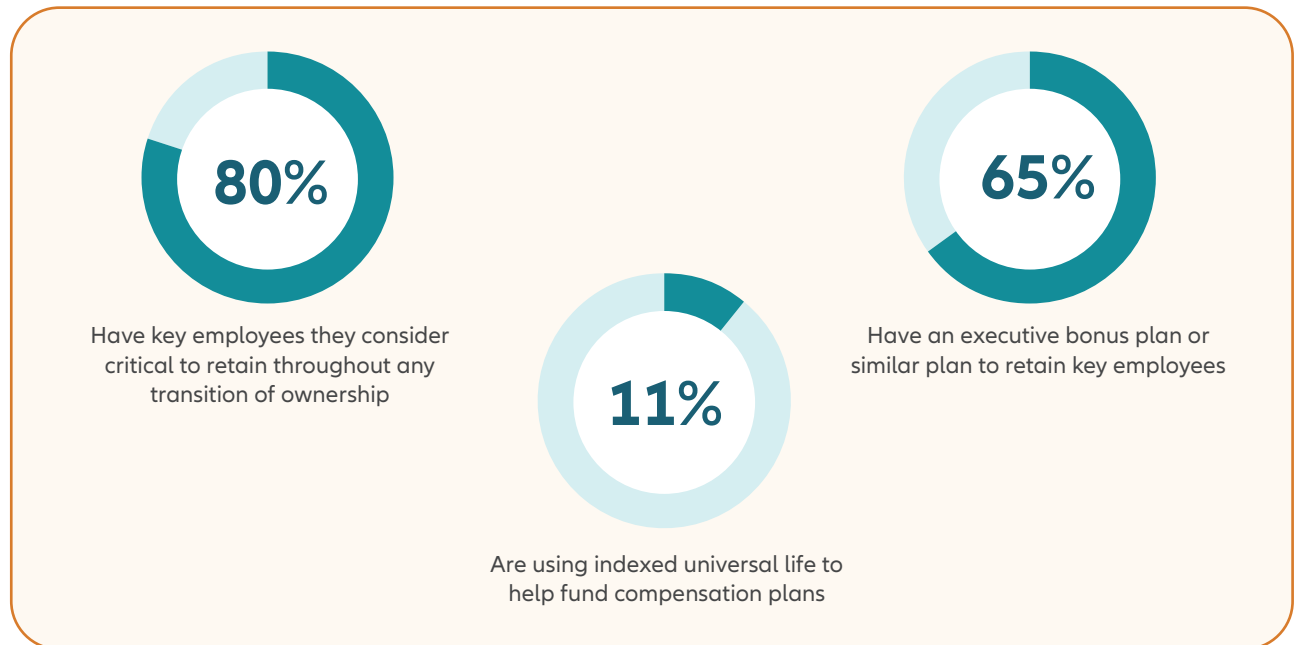
Owners without a financial professional but open to working with one for business needs (e.g., succession or business continuity planning)



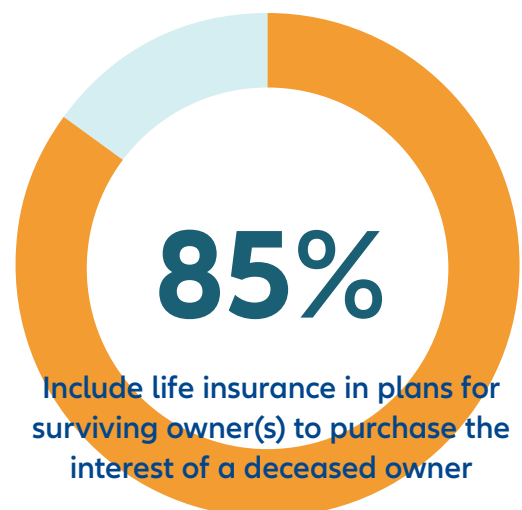
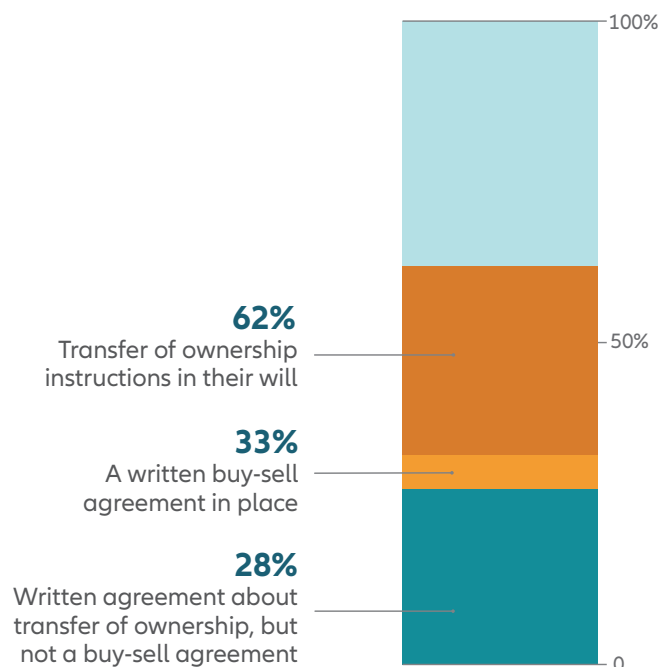
Owners who consider it important that financial professional is knowledgeable about using life insurance to make financial planning for succession more effective



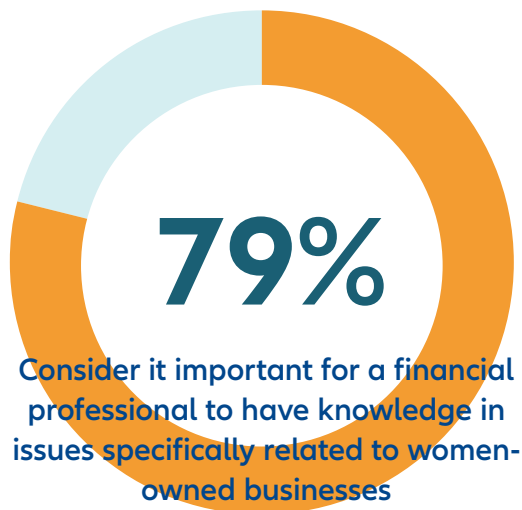
Life insurance opportunities for small businesses in general



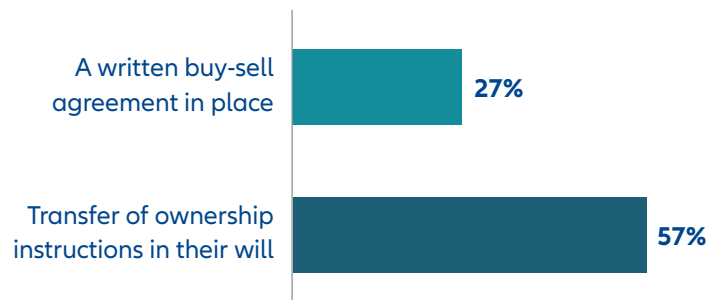
Steps taken to facilitate a formal transfer of ownership in the event of death, disability, or choice to leave the business.



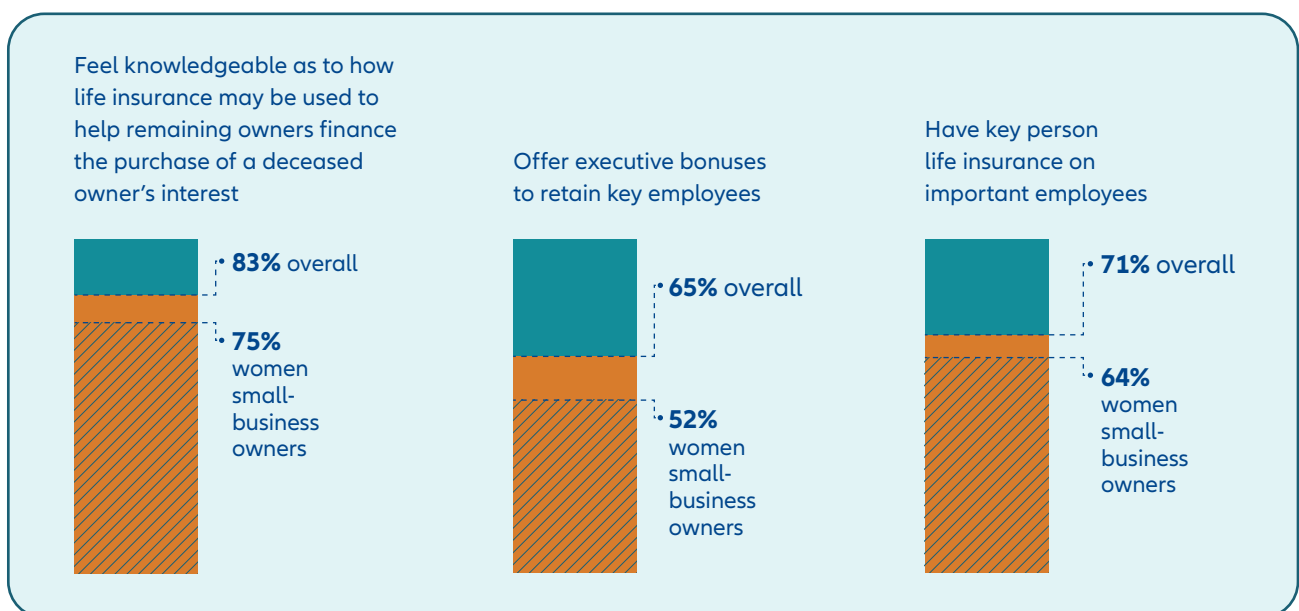
Life insurance opportunities for women small-business owners



Compared to small-business owners overall, women small-business owners are less likely to have:



Women small-business owners are also less likely to:



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Indexed universal life (IUL) insurance policies provide a death benefit that is generally income-tax-free to beneficiaries and the potential to build accumulation value. IUL requires qualification through health and financial underwriting.

Allianz Life Insurance Company of North America (Allianz) does not offer financial planning services.

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