

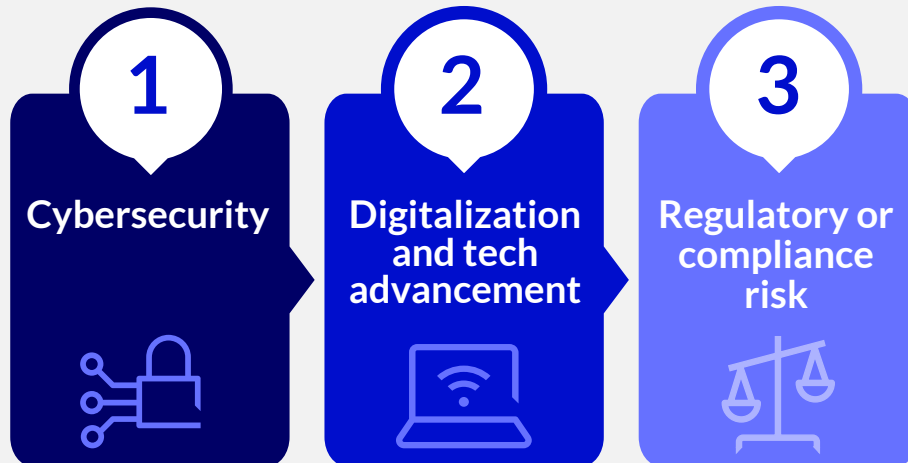
Middle Market: Building Resilience Across Digital and Physical Risks

Middle Market Indicator: Spring 2026

Middle market executives ranked cybersecurity and advancing technology as their top risks at year-end 2025, reflecting the market’s accelerating digital transformation. At the same time, leaders are sharpening their focus on physical threats – from extreme weather to infrastructure disruptions – that could impact property, operations and long-term growth. Building resilience against both digital and physical risks is clearly on the radar.

Top Risks: Digital Takes the Lead

Cybersecurity was the top risk across lower, core and upper middle market segments.



Greatest Concerns Around Cybersecurity



As cyber concerns climbed, worries about supply chain eased compared to mid-year.

Methodology

Chubb partners with the National Center for the Middle Market (NCMM) to support the Middle Market Indicator (MMI), a semi-annual research survey launched in 2012.

The MMI polls 1000 executives (CEOs, CFOs, and other financial decision makers) from middle market companies with \$10 million to \$1 billion in annual revenue.

This year-end survey, fielded in December 2025, spotlights executives’ views on risk exposures and readiness.

For the purposes of this survey, Lower Middle Market is defined with \$10M to <\$50M in revenue, Core as \$50M to <\$100M in revenue, Upper as \$100M to \$1B in revenue.

Nearly half (**47%**) of leaders are considering adding or increasing cyber insurance – signaling growing recognition of its critical role in building resilience.

Building resilience across both digital and physical threats is increasingly urgent for middle market companies – and this is a market that acts.

AI and Technology

The majority of middle market leaders are investing heavily in cybersecurity, technology upgrades and AI-related tools in 2026. Across industries, executives are acting to build smarter, more efficient organizations, while mitigating risks.

Highly/Very Focused on Technology Investments

Overall



Want to explore more insights on the Industry Practices? Dive into the risk and readiness of these and other sectors in our [Industry Report](#).

Business Services



Financial Services



Manufacturing



Healthcare



Retail



Life Sciences



Construction



Technology



■ Cybersecurity measures/infrastructure/training ■ Technology implementation/upgrades (e.g., AI)

Artificial Intelligence

Top Benefits

- Improved operational efficiency
- Reduced operational costs
- Better customer experience/satisfaction

Top Barriers

- Data quality, security or privacy concerns
- Lack of in-house AI skills and expertise
- Increased cybersecurity risks/high implementation costs/concerns about the accuracy and reliability of system outputs

Companies most frequently use AI to automate routine tasks and deploy advanced analytics and predictive modeling.



AI is reshaping the risk landscape – accelerating productivity and elevating cyber exposure as threat actors adopt the same tools.

Chubb helps middle market companies anticipate, respond to and recover from cyber incidents with confidence. Our [cyber insurance solutions](#) combine robust coverage with proactive risk mitigation tools, insights on emerging threats and dedicated incident response resources.

Physical Risks and Resilience

More than one-third (35%) of middle market leaders consider physical risks – such as extreme weather, rising sea levels and changing temperatures – to be extremely or very significant threats to their properties and business continuity within the next five years.

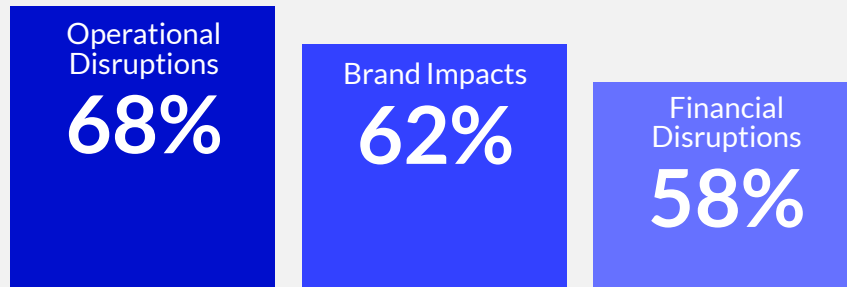
Top Concerns Around Physical Risks

Leaders are well aware of the diverse impacts physical risks can have on their business.



Natural Disaster Impacts

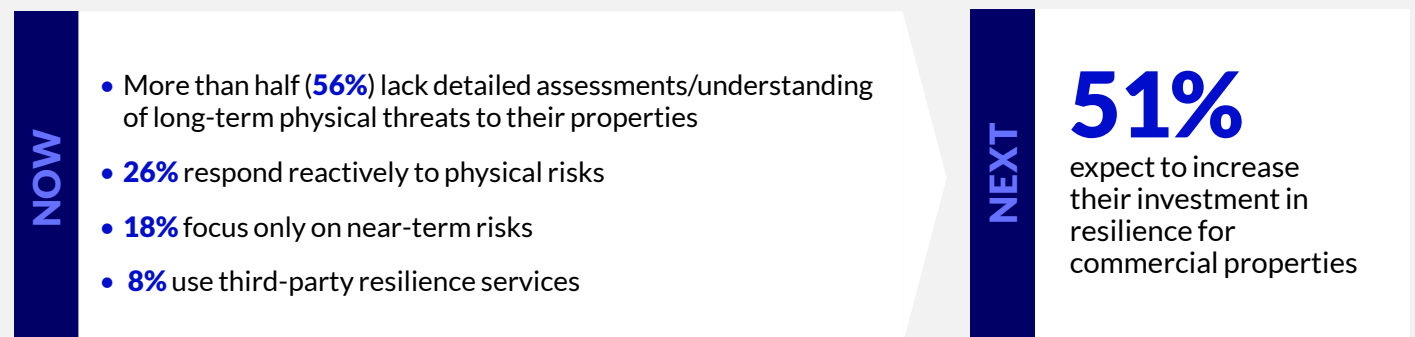
Many companies that experienced a natural disaster faced multi-faceted consequences, including significant/moderate impacts from:



Nearly one quarter (23%) of leaders say potential physical risks affect where they manufacture, distribute and/or market products.

Shifting to Resilience

Middle market leaders have substantial opportunities to increase resilience. Many are ready to act on them.

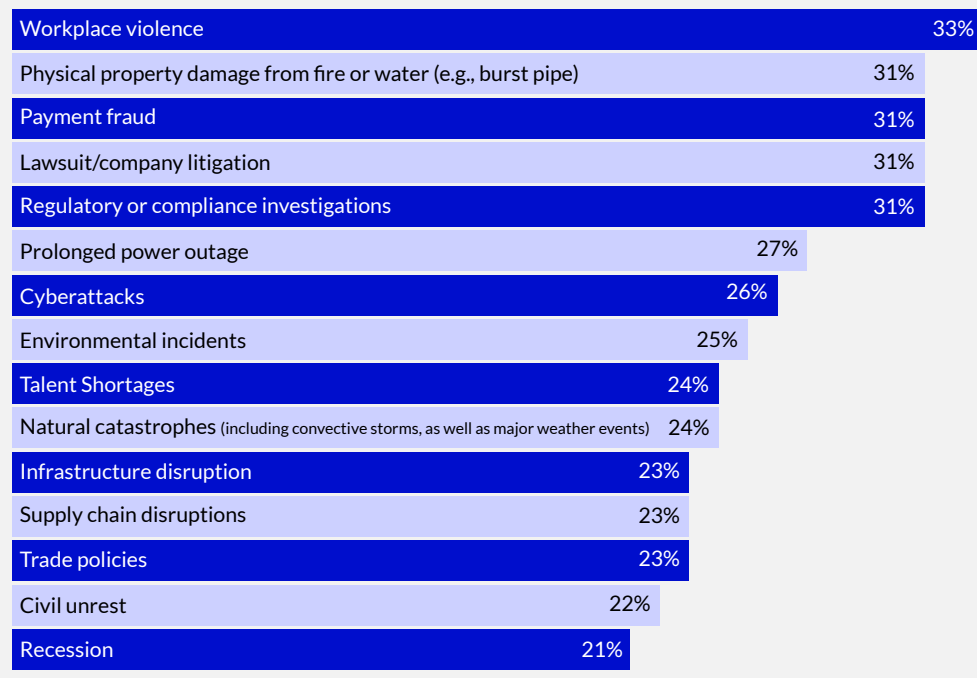


Managing physical risks requires not just insurance, but forward-looking insights and data to help inform decisions and future-proof properties.

A 360° View of Readiness

Few companies are fully prepared for a wide range of potential disruptions to their business – pointing to the value of holistic risk assessments.

Fully Prepared for Disruptions



Chubb's Resilience Services help middle market companies understand and prioritize physical exposures using advanced modeling, risk engineering and data. Actionable recommendations help companies mitigate vulnerability, enhance continuity planning and strengthen long-term resilience.



Substantial numbers of middle market companies say they need more insurance in key areas.

Covered, But Need More (%)



Looking Ahead

The middle market has long demonstrated its exceptional ability to adapt. Today's risk environment is no exception. Focused on emerging digital and physical threats, many executives are looking to increase investment to mitigate these exposures and strengthen long-term stability. Chubb is here to partner with middle market organizations, delivering tailored insurance and services to protect them today – and prepare them for what's next.

To learn more about middle market trends and sign up to receive future reports, click [here](#).

Statistical data contained herein is provided by the National Center for the Middle Market unless otherwise stated. The material presented herein is not intended to provide legal or other expert advice as to any of the subjects mentioned, but rather is presented for general information only. You should consult knowledgeable experts as to any legal or technical questions you may have. Chubb is the marketing name used to refer to subsidiaries of Chubb Limited providing insurance and related services. For a list of these subsidiaries, please visit our website at www.chubb.com. Insurance provided by ACE American Insurance Company and its U.S.-based Chubb underwriting company affiliates. All products may not be available in all states. Coverage is subject to the language of the policies as actually issued. Surplus lines insurance sold only through licensed surplus lines producers. Chubb, 202 Hall's Mill Rd., Whitehouse Station, NJ 08889-1600.