

Mobilizing Insurance

Mobile devices and applications are playing a bigger part in the everyday lives of insurers' customers, producers and employees. As a result, each of those groups is starting to demand — with varying degrees of intensity — increased mobile functionality and instant communication all of the time and everywhere from the insurance industry.

Meanwhile the current economic crisis has created an environment that in equal parts requires carriers to a.) leverage technology to increase competitive differentiation and increase productivity, and b.) cut technology costs. In many cases, of course, those two goals are mutually exclusive. With regard to mobile technology, however, there is a clear path to accomplishing both.

Across the property and casualty, life, and health sectors, market share is up for grabs. In addition to setting the right price points and demonstrating the right level of underwriting discipline, those carriers that can reach and interact with customers and producers in the most effective and convenient ways possible have the most to gain. From this point of view, then, mobility is largely an ease-of-doing-business issue. By enabling secure, wireless connectivity, carriers can empower customers with mobile access to online tools and policy information, agents with access to CRM tools, and adjusters with access to claims information and back-office systems in real time.

When it comes to cutting costs, mobile technology acts as a kind of convergent solution, allowing insurers to consolidate voice costs by replacing the traditional desk phone with one wireless device, eliminating redundancy and resulting in one number and one voice mailbox per employee. In addition mobile technology can lend support and connectivity to cost-saving thin-client devices to further drive

out costs often associated with portable computing devices such as PC laptops.

For some of those championing mobile technology within insurance companies, the challenge starts with developing a business case. Tying virtues such as ease of doing business and efficiency to a mobile strategy confined to a specific function within a specific line of business is a relatively straightforward process. Justifying an enterprise mobility strategy, supported by less tangible business drivers like increased collaboration and flexibility, can be more difficult. That enterprisewide approach to mobility, however, is becoming more and more critical.

A three-year enterprise mobility strategy, for instance, can enable insurers to develop organizational frameworks that will help prioritize the right mobile projects and see them to completion. In addition an enterprise strategy could allow a carrier to dedicate resources toward the creation and management of mobile applications, an undertaking that requires considerable governance and development work.

Mobility (management PDAs, laptops, smartphones and “taking ownership” of those devices) can represent nearly one-third of an insurer's IT budget whether leadership is aware of it or not. By embracing an enterprise strategy, insurers can streamline their various device management initiatives and reduce costs.

Sprint's Mobile Convergence and Productivity solutions facilitate that effort, by managing and securing laptop and handheld devices for the field sales and claims workforces. Meanwhile Sprint's asset management, workflow automation and location-based services (LBS) solutions allow field

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workers to seamlessly share enterprise information, creating a more proactive organization with regard to both customer relationship management (CRM) and sales management.

There lies the key to establishing a strong business case for implementing an enterprise mobility strategy: Present your mobile network as an enabling network. Mobility is not a one-off cost reduction play. It's a platform that continually enables a carrier to consolidate voice costs and meet customer and employee expectations for instant communication.

As the mobile device market grows and matures, insurers are forced to make some tough choices regarding which mobile platforms to support. Many have adopted a single-platform approach, choosing a single operating system on which to develop applications and a specific range of devices to support.

Such a choice has its benefits. It enables insurers to better focus their mobile application development efforts and makes device technical support easier to manage. However, it can also be a mistake for an insurer to commit itself to a limited range of mobile devices, considering how quickly the capabilities of those devices expand from generation to generation. For instance, is it a good idea to write applications for still popular trackball-based devices at a time when touch screen-based devices are taking off? The safe bet is to standardize on a mobile operation system, such as Research in Motion and Windows Mobile 6.1.

Further, it can be even more difficult to limit application development on customer-facing mobile apps. If customer-facing tools are written for a specific device or for a specific mobile operating system, their effectiveness is inherently limited.

Perhaps the key, then, is to embrace open development. In addition to allowing agents, workers and customers to interact with an insurer on the devices they are most comfortable with, an open development approach allows carriers access to a wider range of solutions from third-party developers. This is the prevailing philosophy at Sprint, which envisions itself, picking up again on a term used earlier, as an enabling network. The company's goal, Ed Davalos, Director Vertical Markets, says, is not to devel-

op specific applications, but to make it easy for customers and developers to create a wide variety of applications for smartphones and other devices that can run on its fast nationwide wireless networks.

As insurers introduce more mobile functionality they must also consider a new set of security risks. When rolling out devices to field workers, a carrier must consider what happens when a handheld or laptop gets lost. Many devices now feature remote-wiping capabilities that allow carriers to clear lost devices of sensitive data. Another strategy, the thin client option — something Sprint can offer in cooperation with Citrix — effectively mitigates this particular risk, as no data is physically stored on such a device. From a basic network security standpoint, Sprint connects remote workers back to office networks via its DataLink virtual private network (VPN).

Already insurers large and small have equipped their claims adjusters with mobile capabilities around everything from estimating to CAT response to cutting checks. And yet, while mobile technology in claims has become a sort of "must-have," it's still largely uncharted waters in many other areas of the insurance enterprise.

In the coming months and years, that will and must change. Including and beyond leveraging the productivity gains available to carriers via Sprint's wireless broadband 3G and 4G networks and other solutions and applications, carriers will find it necessary to embrace mobile capabilities to satisfy demands from the public, which is in many ways leading the mobile adoption charge.

Carriers that partner with companies such as Sprint — which can provide the network to enable the efficiency gains an enterprise mobility strategy can deliver and the security needed to make it safe for the business — will be in the best position to meet customers in the mobile marketplace.

