ACORD Knowledge Center

Insurance Industry Mobility Plans and Investment Trends

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Ovum, an Informa business
Questions

To ask a question, please use the Chat feature.

If we can’t answer all questions during the webinar, we’ll respond to all attendees by email.
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ACORD Webinar

November 28, 2012
“First we shape out tools, then our tools shape us.”

Marshall McLuhan, 1911-1980
Canadian philosopher of communication theory
Discussion Guide

- Jumping across the communication evolution
- Key characteristics of mobility
- ACORD/Ovum mobility survey (insurers and agency/brokers only)
- North American insurance industry mobility investment plans (Ovum survey)
- Next steps for insurance industry
Humans are genetically “wired” to communicate
Wireless is now woven into our communications

- Commerce
- Entertainment
- Work
- Socializing
Key characteristics of mobility

- Increasingly pervasive
- Creates a context of immediacy
- Disrupts modes of commerce
- Pressures companies to change business models
- Drives a functional app ecosystem
- Exerts need for straight-through processing
<table>
<thead>
<tr>
<th>Question</th>
<th>Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Is your insurance company willing to provide mobile solutions to your home office employees?</td>
<td>[asked of insurance companies only]</td>
</tr>
<tr>
<td>2. When are you planning to invest in mobility / mobile solutions?</td>
<td></td>
</tr>
<tr>
<td>3. What are the drivers for your company to use mobility?</td>
<td></td>
</tr>
<tr>
<td>4. What are the hurdles of your company offering mobile solutions?</td>
<td></td>
</tr>
<tr>
<td>5. Which insurance business operations / functions are the most important for your mobile solutions to support?</td>
<td></td>
</tr>
<tr>
<td>6. Which mobile device is your company supporting?</td>
<td></td>
</tr>
<tr>
<td>7. Which mobile device operating systems does your company currently support in 2012?</td>
<td></td>
</tr>
</tbody>
</table>
Is your insurance company willing to provide mobile solutions to your home office employees?

- Not at all: 0%
- We are thinking about how best to enable employees access and which departmental functions to support: 31%
- We have created authorization profiles and security protocols: 69%
When are you planning to invest in mobile solutions?

- Not at all: 19% (Agency/broker), 8% (Insurer)
- We have already begun to deploy mobile solutions in 2010: 25% (Agency/broker), 25% (Insurer)
- We have already begun to deploy mobile solutions in 2011: 13% (Agency/broker), 33% (Insurer)
- We will begin to deploy mobility solutions this year (2012): 33% (Agency/broker), 6% (Insurer)
- We will begin to deploy mobile solutions in 2013: 38% (Agency/broker), 17% (Insurer)
What are the drivers for your company to use mobility?
Choose 3 maximum

- Meet the expectations of our agents/brokers who use mobile devices: 41% (Agency/broker), 54% (Insurer)
- Meet the expectations of our policyholders who use mobile devices: 36% (Agency/broker), 54% (Insurer)
- Improve the productivity of our claim adjusters: 0% (Agency/broker), 15% (Insurer)
- Improve customer service: 32% (Agency/broker), 69% (Insurer)
- Keep parity with our competitors: 27% (Agency/broker), 38% (Insurer)
What are the hurdles to your company offering mobile solutions?
Choose 3 maximum

- Providing security of data on mobile devices: 62%
- Integrating data from mobile solutions into our core administration systems: 45% Agency/broker, 46% Insurer
- Creating support capabilities for multiple mobile devices: 0% Agency/broker, 31% Insurer
- Estimating ROI to validate supporting mobile: 32% Agency/broker, 38% Insurer
- Convincing management our company needs to offer mobile solutions to remain competitive: 9% Agency/broker, 38% Insurer
Which insurance business functions are the most important for your mobile solutions to support? Choose 2 maximum

- New policy application support for agents to use: 69% (Agency/broker), 59% (Insurer)
- New policy application support for customers to use (without assistance from agents): 32% (Agency/broker), 31% (Insurer)
- Agent training: 9% (Agency/broker), 15% (Insurer)
- Providing claim forms for claim adjustors to complete at the loss site: 15% (Agency/broker), 0% (Insurer)
- Product development collaboration for geographically dispersed personnel: 9% (Agency/broker), 8% (Insurer)
How many mobile devices is your company supporting?

- More than one mobile device: smartphones and tablets
  - Agency/broker: 60%
  - Insurer: 90%

- Only one mobile device: a smartphone
  - Agency/broker: 40%
  - Insurer: 10%
Which mobile device operating systems does your company support?
Choose all that apply.

<table>
<thead>
<tr>
<th></th>
<th>Agency/broker</th>
<th>Insurer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Android</td>
<td>12%</td>
<td>23%</td>
</tr>
<tr>
<td>Apple iOS</td>
<td>46%</td>
<td>30%</td>
</tr>
<tr>
<td>Blackberry</td>
<td>15%</td>
<td>27%</td>
</tr>
<tr>
<td>Windows</td>
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</table>
Ovum survey (of North American insurers)  
n = 70

- Which capabilities do you plan to offer online? (insurance companies only)
- Which capabilities do you plan to provide via mobile devices? (insurance companies only)
Which capabilities do you plan to provide online?

North American insurance

<table>
<thead>
<tr>
<th>Capability</th>
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<th>P&amp;C insurance</th>
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<tr>
<td>Premium payment</td>
<td>90%</td>
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<td>New policy application</td>
<td>80%</td>
<td>70%</td>
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<td>Policy quote</td>
<td>90%</td>
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<tr>
<td>Policy self-service</td>
<td>60%</td>
<td>50%</td>
</tr>
<tr>
<td>Finding an advisor</td>
<td>50%</td>
<td>40%</td>
</tr>
<tr>
<td>Claim tracking</td>
<td>30%</td>
<td>20%</td>
</tr>
<tr>
<td>FNOL</td>
<td>10%</td>
<td>10%</td>
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Plan to provide within 36 months:

- Premium payment: 90%
- New policy application: 80%
- Policy quote: 90%
- Policy self-service: 60%
- Finding an advisor: 50%
- Claim tracking: 30%
- FNOL: 10%

Currently provide:

- Premium payment: 90%
- New policy application: 80%
- Policy quote: 90%
- Policy self-service: 60%
- Finding an advisor: 50%
- Claim tracking: 30%
- FNOL: 10%
Which capabilities do you plan to provide via mobile devices?

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Plan to provide within 36 months

Currently provide

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Next steps

1. Take one tablet: conduct business anywhere or any time
2. Future portfolio of mobile insurance solutions
3. How many years until …
Take one tablet: conduct business anywhere or any time

- Client personalization
- Contact Management
- Client history
- Policy information – terms, conditions, restrictions
- Requisite policy forms for the jurisdiction
- E-signature
- Forms Library
- Seamless integration with agency management system, carrier business acquisition, core administration systems, and commission systems
- Real-time data search / voice search
- Map of where the client is at the moment / directions to client
- Policy information change
- Audit trail
Future portfolio of mobile insurance solutions
How many years until ..... 

- “Relationship? What do you mean “relationship”? I don’t go into my bank. I trade online. Why would I want to spend time talking to an insurance agent?”

- “Am I buying auto, home, or term insurance? Well, I have an app for that… includes video tutorials, animated forms completion, and the forms I need”

- “I needed to change some administrative details on my insurance policy … thankfully, I had an app for that. I got an alert about my new premium amount before I clicked ok”

- “I got into an auto accident. Submitted a claim wirelessly. Now I can track the progress of my claim using my claim app. I get an alert from my insurer when they deposit the money into my bank account.”
Selection of Ovum research reports

- *Mobility Disrupts the Flow and Timing of Insurance Commerce*, IT004-00033, July 2012
- *Preparing for the Social, Self-directed Insurance Customer*, IT004-000304, April 2012
- *Strengthening Insurance Channel Management*, IT004-000303, March 2012
- *Can Insurers Provide a Compelling Customer Experience in the Mobile, Digital Marketplace?* IT004-000251, October 2011
Ovum at a glance

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For questions or more information ...

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