Integration
Mobilization
Data Unification
Migration

It's Possible™

GT Software®

The Mobile Insurance Revolution:
Are You Ready?

CONTENTS

This article explores some of the **key issues insurance organizations need to consider** as they formulate plans and embark on initiatives to implement mobile applications that make sales agents more agile and efficient, as well as more responsive to customer demands.

Consumer Demand Driving Mobile Growth

Implementing Mobile Apps: Risks and Challenges

Advanced Technology Provides Solutions

Mobile Applications Deliver Real Business Value

Planning for Success

Insurance providers of every size can take steps to quickly access mainframe data, and create innovative Web and mobile applications

The amazing growth of mobile communications has businesses of every type strategizing about how they can harness the power of mobile technology to add value for their customers and businesses. Many insurance organizations recognize the need to blend distributed data with mainframe legacy data to develop mobile applications that satisfy growing consumer demand and improve their competitive stance—but they are unsure about what is involved and how to proceed.
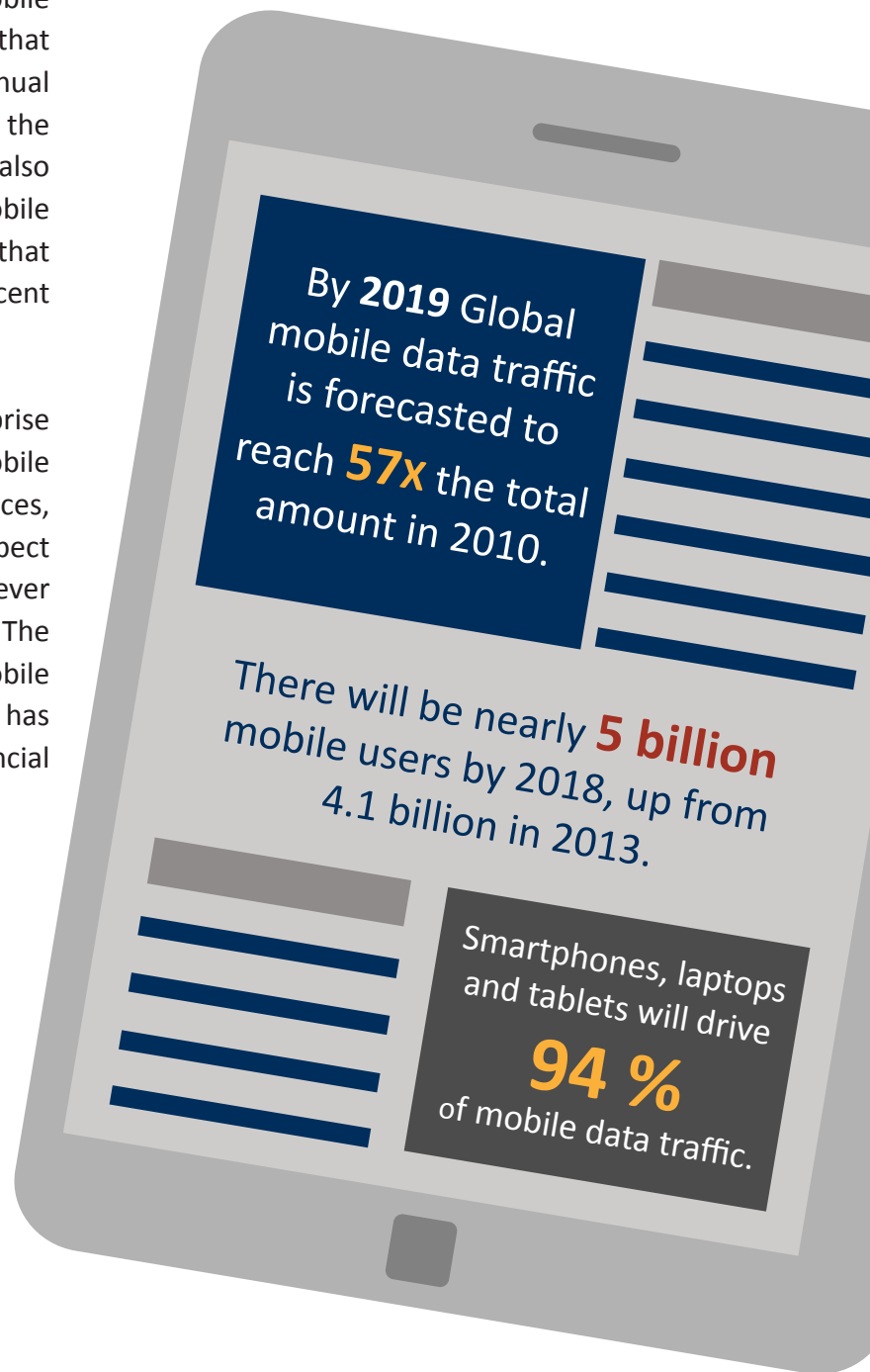
Like most data-driven financial firms, insurers typically rely on a robust mainframe or multiple mainframes to handle the vast amount of information and back-office processes required to operate the business. In adopting any new or disruptive technology that affects the mainframe—the nerve center of the business—the greatest challenge is connecting back-office processes to new applications without risking the integrity of mainframe data.

> In adopting any new or disruptive technology that affects the mainframe—the nerve center of the business—the greatest challenge is connecting back-office processes to new applications without risking the integrity of mainframe data.

Consumer Demand Driving Mobile Growth

Leading analyst firms have charted the emergence and rapid rise of mobile technology across the globe. The Cisco® Visual Networking Index (VNI) Global Mobile Data Traffic Forecast Update for 2013-2018 cites that global mobile data traffic is forecast to reach an annual run rate of 190 exabytes (EBs) by 2019, 57 times the total amount of mobile data traffic in 2010. Cisco also forecasts that there will be nearly 5 billion mobile users by 2018, up from 4.1 billion in 2013, and that smartphones, laptops and tablets will drive 94 percent of mobile data traffic.

Given this expected growth curve, it's no surprise that consumer demand for faster, smarter mobile applications is ramping up. Armed with multiple devices, today's consumers and mobile workers routinely expect to access information and conduct business on whatever mobile device they happen to have at the moment. The widespread consumerization and adoption of mobile technology, which began with the retail industry, has now spread to retail banking, automotive, financial services and insurance companies.

By **2019** Global mobile data traffic is forecasted to reach **57x** the total amount in 2010.

There will be nearly **5 billion** mobile users by 2018, up from 4.1 billion in 2013.

Smartphones, laptops and tablets will drive **94 %** of mobile data traffic.

A report entitled **"The State of Mobile Insurance"** from Forrester, a leading research firm, cites: "Mobile as a communications channel is nearly ubiquitous, but mobile as an insurance channel is still in its infancy." The report states that property and casualty insurers were among the first to invest in mobile, predominantly offering car insurance quotes and applications. Health insurance companies are also seeing the potential in mobile, perhaps being driven by the US Government's deployment of the Affordable Care Act.

So, while mobile insurance use is still fairly low, a huge market sector of mobile technology consumers is out there just waiting for insurers to provide convenient and easy to use self-service applications that save time and effort.

Similarly, there is a vast network of insurance company sales agents and business partners who would welcome the speed and convenience of having real-time mobile support from the organizations they represent.

"Mobile as a communications channel is nearly ubiquitous, but mobile as an insurance channel is still in its infancy.**"**
- *Forrester*

Implementing Mobile Apps: Risks and Challenges

The evolution of mobile, Web and cloud applications and ubiquitous social media usage has opened the door to virtually unlimited possibilities for insurance organizations seeking to meet consumer expectations, empower their workforce, support their partner networks, and expand their market reach.

However, in their quest to leverage mainframe data and align legacy systems with a more distributed computing environment, insurance firms face numerous challenges and critical decisions. Uncertainty comes with any disruptive technology that threatens to change the way in which companies conduct business.

Does the mobile revolution present a crisis—or an opportunity?

That is the question insurers must ask themselves. In many ways, older business models are being pushed aside because of growing consumer demands and changes in consumer behavior.

To keep pace, insurance organizations need to adapt to how mobile technology works and how millions of consumers are now choosing to connect and transact business. Companies must find new ways of communicating and new ways of delivering mobile services. They must also look for new ways to obtain business intelligence and analyze customer behavior patterns so they can respond accordingly and continue to improve. Those enterprises that choose to remain stagnant and ignore the fundamental changes taking place will surely be left behind.

To keep pace, insurance organizations need to adapt to how mobile technology works and how millions of consumers are now choosing to connect and transact business.

Advanced Technology Provides Solutions

With more people today using mobile devices as their primary means of accessing information and conducting personal and work-related business over the Internet, it makes good business sense to leverage the mainframe to enhance the speed and effectiveness of applications that serve these needs. Mobile insurance applications can be developed to alleviate chronic communication problems and time-consuming processes that can harm relationships between insurance firms, their sales networks, and their customers.

Accessing legacy mainframe data to enable mobile, Web and cloud applications is not as complex and costly as one might think. In today's marketplace there are robust and powerful software solutions that can overcome the challenges and mitigate the risks of unifying business information across the enterprise—even across disparate platforms, data formats and programming languages.

Many forward-thinking insurers have already implemented these proven technology solutions to access mainframe data in real time and create high value applications that empower customers and sales agents alike. And the good news is that this can be accomplished in ways that are affordable and easy to implement—without any risk to mainframe data integrity and operation with no coding required.

Using a well-designed suite of data unification and integration tools, insurance firms can quickly develop innovative mainframe applications for mobile, Web, and cloud. Key features to look for in a data unification solution are agile deployment, flexible one-tool access to all mainframe data sources, and bi-directional access to both mainframe and non-mainframe data sources.

Key features to look for in a data unification solution are agile deployment, flexible one-tool access to all mainframe data sources, and bi-directional access to both mainframe and non-mainframe data sources.

Mobility in Insurance in Action

How One Insurance Firm Created Real-Time Mobile Applications to Improve Customer Service

According to a study on the growth of mobile technology in the insurance industry, property and casualty insurers were among the first to invest in mobile applications. One highly successful US insurance firm offering life, property and automobile insurance to over a million customers was among these early adopters. Known for superior customer service, the company is committed to using technology to improve its business and enhance the efficiency and productivity of its network of sales agents.

CHALLENGE

Access to Real-Time Mainframe Data

Almost all insurance providers utilize mainframes to maintain critical business processes and data, and this firm is no exception. When management determined that the complexity of accessing data from its mainframe-based enterprise system was slowing down day-to-day business processes and hindering collaboration with its sales agents, they decided to take action.

The main challenge was that the company's insurance rating systems resided on the mainframe system and agents were unable to access this data while visiting customers and prospects. Instead, they relied on macro-enabled forms to generate quotes, which were often based on outdated rating system data. As a result, quotes provided in the field often varied widely from the more accurate quotes calculated later. This caused confusion for customers and prospects and often delayed closing the sale. Clearly, the lack of visibility and access to real-time data was proving to be a competitive disadvantage for both the company and its agents.

SOLUTION

Unlocking the Mainframe for Field Access

Determined to remedy the situation, the firm and its IT staff set a goal to create agile, easy-to-use Web services that would empower field agents, make real-time information available on mobile platforms, and streamline the process of making and communicating rate changes in a timely manner. To help in achieving these ambitious goals, they turned to GT Software.

GT Software offered its **Ivory® Service Architect™**, a key component of it's Mobile Enablement Solution, to facilitate the process of creating, modifying and maintaining interactive Web-based applications. This solution allowed the development team to build and deploy Web services enabling mainframe access to real-time rating system data and other information from the field and website portal.

Using the software's easy-to-use graphic interface and simple drag-and-drop capabilities, they quickly created applications that greatly reduced the time and steps required for sales agents to generate accurate, consistent quotes in the field right from their laptops or mobile devices. This significantly improved customer service and enabled agents to close deals faster and more efficiently.

RESULTS

Modernization Pays Dividends

The insurer's IT team also leveraged Ivory Service Architect to create applications that streamlined business processes with self-service, allowing management to track sales and approve agent commissions.

Today, the insurance firm and its agents continue to build on their success, following the firm's long tradition of delivering superior customer service—and now they can do it better and faster than ever.

Agent has real-time access to information– no delay

Increased customer satisfaction – more accurate quotes

Shorter sales cycle increased sales – can close when agent is on-site

Mobile Applications Deliver Real Business Value

Self-service functionality is one of the most appealing aspects of mobile technology to consumers. They are empowered by the ability to use a mobile device to compare policies and obtain quick quotations from providers at any time and from any location.

Some automobile insurance leaders have already implemented applications that allow individuals to file an accident report, upload photos of accidents and license plates, and even file a mobile claim right from their phone. Enabling customer self-service can help ensure that incidents are reported immediately and accurately, so mistakes and misrepresentation can be minimized. Timely alerts to mobile devices can also remind customers when premium payments are due and allow payment to be made with just a few clicks.

Similarly, some large health insurance organizations provide customers with online access to their medical information from anywhere in the world. This kind of customer self-service is happening, not just in the US and North America, but across the globe as consumers worldwide become more reliant on their mobile devices.

Timely alerts to mobile devices can also remind customers when premium payments are due and allow payment to be made with just a few clicks.

Applications accessible through an agent's laptop, tablet or smartphone might include:

• Dedicated, easy to use Web portals offering news, information, updates and an opportunity to interact in real time.

• A "hotline" through which an agent can report an incident or check on the status of a claim on-the-fly.

• Access to upload GPS information or photos documenting the incident.

• An information service offering policy details or responses to an agent's questions on behalf of a client or prospect.

While consumers increasingly research and gather information through Web-enabled mobile devices, this in no way diminishes the role of insurance sales representatives and independent agents. There are many services insurers can implement that generate support and loyalty in this sector, whether the agents are employees, business partners or independents.

Clearly, there is real business value in deploying mobile insurance applications.

Self-service information and transactions provided to customers and agents in a **fast, responsive and user-friendly format** can **reduce costs** by decreasing the volume of phone calls and administrative staff required to handle the calls and ensuing paperwork.

In addition, companies can **garner valuable business intelligence** from these day-to-day interactions and use the information to **improve corporate decision making** as they go forward.

Planning for Success

Taking the first step towards enabling the mainframe for mobile and Web-based services is often the hardest. In searching for technology solutions, it's important to look for a partner with the knowledge and skills to provide seamless and effective mainframe modernization, coupled with integration tools and technology designed to simplify and accelerate access to mainframe applications, data and processes.

An experienced partner can help insurers:

- Gain clear visibility into the mainframe infrastructure, data, applications and processes to determine the technical challenges and mitigate the risks of designing and building a distributed architecture.

- Evaluate the costs and risks, as well as the operational and business benefits that can be realized.

- Formulate a mobile application design plan and implementation methodology that solves problems, aligns with business goals, and meets budgetary requirements.

The time to act is now

As the use of mobile devices continues to grow and mobile applications keep getting smarter and more helpful. People are becoming more sophisticated and more demanding about the kinds of mobile services they want and how they want them to work.

Tech-savvy customers, prospects and business partners represent a huge untapped market. By innovating and properly serving this rapidly growing sector, insurance companies of every size and type can increase customer loyalty, improve partner relationships, reduce IT costs and drive business efficiency, growth and profitability.

Mobile applications keep getting smarter and more helpful.

GTSoftware®

gtsoftware.com I 1-800-765-4348

For over 30 years, GT Software has helped enterprise organizations unify business information across platforms, data formats and programming languages — including the "hard to access" mainframe. More than 2,500 organizations across the globe trust GT Software to help them improve business intelligence, workforce productivity and customer experience.