How insurance companies can boost customer retention with mobile innovation

By: Jonathan Crowl

Insurance companies don't have to miss out on all the fun with mobile technology, but the way these organizations leverage innovative solutions is much different from how a retail brand might go mobile. Outside of standard practices such as building a mobile app that contains pertinent policy information — as well as features to help gather photos and information when submitting a claim — insurers often look to mobile as a way to improve customer retention by streamlining the workload of processing claims.

Meanwhile, mobile technology is allowing these companies to harness the power of data, which is huge for this industry. Data has always been the foundation of insurance since companies must analyze data to assess risk and then quantify that risk through the use of an algorithm. The importance of data hasn't changed, but its uses have expanded considerably due to mobile technology.

Improved speed of claim resolution

Processing claims is a tedious process for both insurance agents and their clients. It involves numerous steps of gathering information and always takes a painful amount of time. Gradually, mobile technology is helping to ease this pain point. This began simply with the rise of smartphones, which let consumers take photos and video onsite at a car crash and send that information straight to the insurance company. Car sensors and smart home thermometers can also notify insurance companies of accidents or damage that will require the assistance of an insurance representative.

Meanwhile, insurance companies are able to identify potential fraud among these claims. Fraud is a major issue for insurers,

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as the Coalition Against Insurance Fraud "conservatively" estimates fraud steals $80 billion a year across all lines of insurance. Content management systems built on mobile technology can analyze incident data as it comes in, looking for patterns and inconsistencies that might raise a red flag. These flags are generated through automation for further review, saving time agents would have spent searching for evidence of fraud in the first place.

Innovative models for risk assessment

Telematics is a broad term that can apply to several types of ways to use technology to gather and process data. For insurers, this technology can drive data from many different points within connected vehicles. It can track data related to a car's speed, brakes, handling, traffic signals and so on. In an accident, this information can be collected for analysis by insurance agencies, helping agents identify the causes of accidents faster.

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