



Insurers to Make Great Use of Social Media, Mobile Technologies: Analysis

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NEW YORK—Insurers will make greater use of social media and mobile technologies in the coming years, according to a new report from Celent L.L.C., which is part of New York-based Marsh & McLennan Cos. Inc.'s Oliver Wyman unit.

The report, "2012 U.S. Insurance CIO Survey: Pressures, Priorities—and Innovation," is based on a survey of 25 chief information officers of property / casualty and life insurance companies conducted during October and November 2011. The findings reveal that the CIOs are focusing their information technology investments on technologies that engender four primary business goals:

- Increasing profitability
- Reducing expenses
- Spurring growth
- Managing enterprise risk

Accordingly, the primary areas targeted for investment include policy administration, which will account for 21% of new project spending in 2012; and claims systems, which will account of 13%. Underwriting systems will also be an investment priority in 2012, estimated at 12% of new project spending.

Prepare for future challenges

In addition to using technology to address business challenges, insurers need to invest in emerging technologies to ready for future challenges, says the report written by Celent Senior Analyst Donald Light and CEO Craig Weber. "Celent believes that in the unusually challenging environment that insurers now face, innovation based on new and sometimes not so new technologies becomes an important part of IT strategy," says the report. It said that looking ahead to expectations for 2015, the most significant growth will be in customer-facing mobile applications, and the use of social media for underwriting, internal groups and claims.