Article from:

CompAct

July 2008 – Issue No. 28

Gartner Research Reveals Insights about Technology Trends

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As part of their ongoing research, Gartner analyzes the significant trends that impact life, health and P&C insurance providers. From changes in consumer attitudes to new technology within the walls of insurers, the following summary highlights several trends that are having significant impact on the future of insurance.

Technology Trends and Insurers
Service Oriented Architecture (the other SOA) continues to promise new flexibility and power to insurers to improve the way their systems interact. While SOA continues to evolve, insurers and vendors both see its promise for improving interconnectivity, modularity and cost reduction.

Customer Intelligence and Communication: Insurers are increasingly pursuing technology that allows them a single view of the customer. This capability gives insurers a common view of the customer facilitating improved service, targeted marketing programs and better business intelligence.

Straight Through Processing: Straight Through Processing is an investment priority for insurers seeking to improve their new business and underwriting processes. There is no single process that all insurers are pursuing, but each pursues their own solution based on their unique products, channels and workflow.

Consolidation and Simplification: The fact that a large percentage of insurance company IT budgets go to system maintenance has caused many insurers to seek ways to shrink their maintenance requirements. Insurers want to spend more of their budgets on transformational technologies that will help change the competitive ability of their company and the industry. System consolidation, conversion and outsourcing are all strategies that insurers are using to achieve this end.

Continued Interest in Product Configurators and Rules Engines: Insurer's IT departments seek ways to simplify new product installation and maintenance across multiple systems. From product configurations tools, centralized rules engines, and new architectures, insurers continue to try new strategies to build, test and manage products.

Consumer Trends and Insurers
The Growth of Web 2.0: Web 2.0 is a set of Web capabilities that allow users to interact and collaborate with each other more directly. From opinions to posting videos, these technologies will drive insurers to both monitor and influence the opinions on the Web.

Greater Need for Retirement Cash Flow: With the retirement of the baby boomer generation, new strategies and technologies are being created to provide new retirement cash flow strategies for consumers.

Service Demands are Changing: Consumers expect a consistent service experience whether they interact with their agent, log into the Web or contact the company directly. Regardless of the service channel used, there is a growing expectation by customers that their interactions with the company should accommodate their schedule, and reflect

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consistency and ease. These new demands require that insurers improve the technology, information sharing with distribution and customer service availability.

Increased Consumer Involvement: Consumers seem more and more interested in being active in their insurance decisions. From spending more time shopping for the lowest car insurance rate, to taking a more active role managing their own health, customers and prospects are increasingly interested in crafting solutions that are unique to their needs.

Referenced Notes
Service-Oriented Architecture Overview and Guide to SOA Research
Blog Overview for Life Insurance
What Web 2.0 is and why it Matters to Life Insurers
10 Trends That U.S. Health Insurers Must Consider During Their 2008 Budget Process
Key Issues for the Life Insurance Industry, 1H07
Hype Cycle for Life Insurance, 2007
Major Business Disruptions Will Require Insurers to be More Nimble by 2012
The Developing Market for Retirement Cash-Flow Planning Solutions and Annuities
Life Insurance Straight-Through Processing: Lessons Learned and Ongoing Issues
Priorities and Implementation Considerations for Straight-Through Processing in Life Insurance

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