Predict the impact and potential business value of location-based service (lbs) c...

Business, Customers

Mobile and smartphone devices have significantly changed the way people communicate. These devices have ensured that consumers are connected wherever they go and consumers expect and demand immediacy in almost everything (Karimi, 2013). With the growing phenomenon of mobility and the increase in penetration of advanced mobile applications and devices, insurance industry are at the forefront adopting mobile solutions, largely to keep pace with the ever increasing demand for real time services (Karimi, 2013). Insurance industry will increasingly experience the benefits of instant connectivity, and interacting with their prospects and customers in an interactive, speedy and personalized manner.

Some of the examples how insurance industry benefit from using mobile technology include:

- Insurance companies can use GPS technology to offer roadside assistance to policyholders of motor insurance.
- Sales teams are able to receive analytical data to enhance sales.
- Brokers can use social media to accurately market products of insurers.
- Benefits and premium schedules for pensions and life insurance products can be illustrated paperless using mobile technology.

LBS provide information to users based on their geographical location. For example, customers can use their mobile devices to locate nearby hospital or insurance provider. These services are being extended to provide users with information intelligently based on the location. Addition of user-context such as gender, personal preferences, intention, profession, age and so on enables insurance companies to customize services to the mobile owner. Insurance industry can benefit from LBS in many ways. Insurance adjusters,

brokers or assessors can view location to be visited, conduct risk assessment, take pictures of the location and attach with details of the location, or assist for assistance from nearby insurance partners.

Strategies to adopt this new trend

Insurance industry must adopt new strategies to enable achieve maximum benefits from location-based services. Some of the strategies include:

- Insurance industry should engage with their customers to maximize the benefits of LBS. It would not help insurance forms to use Twitter as a one-way corporate megaphone without interacting with the audience, as it would result to an audience of zero. One of the most effective ways of using LBS is personal engagement and relationship building with your audience.
- Insurance industry must keep track of every activity. Foursquare recently released a slick analytics dashboard for revenues to track their statistics. Other networks have also released metrics for users, and they will certainly release better tools. Organizations can study the data online to make qualitative observations. it is important to keep track of all activities in order to learn what promotions work with your audience.
- LBS may be the newest and productive incarnation of social media, but this will also change. Insurance industry must be prepared to adapt their methods when features change, as new tools emerge. In addition, organizations must keep their objectives in mind and be prepared to keep up with the new technology.
- Insurance companies should customize their LBS tools. Different networks offer different options for customization, but it is imperative to build out your

listings. Companies should integrate their website with other social networking accounts like Facebook.

- Insurance companies should take into account issues related to negligence of customers with their personal information. Criminals are becoming increasingly sophisticated on how they gather information and can execute burglaries with military precision. This may see insurers declining claims if they believe the customer was negligent with their personal information.

Describe what technology is being used here and explain how it works

The small square dot matrix with some kind of pattern or code on it at the back of the product was a bar code. The technology used here is called automatic identification, which has become a critical part in improving a business processes to make product identification faster and consistent. Automatic identification is the use of a computer to identify a parcel, container, product, and so on using automatic data capture technologies (Holifield, 2012). Instead of manual entry of data into a computer about a physical, movable object, automatic identification technologies collects and stores information about the physical object and feed it into a software program that can store and process the information (Holifield, 2012). This technology has the capability to collect data about movable assets in the physical world with 100 percent accuracy in real-time (Holifield, 2012). The type of wireless technology that applies this application includes barcode, signature capture, RFID, and magnetic stripe.

This technology is works automatically, limiting human involvement to scanning an Automatic Identification and Data Capture technologies (AIDC)

equipped item, which is bar coded (Holifield, 2012). The information that identifies the object is called identification data. This data is stored in the form of sounds, images or videos. This data is converted into digital file before feeding it into the computer using a transducer. Once the data is fed into a computer, it is analyzed and compared with other database to verify or provide authentication before entering a secured system.

Suggest another three area the same technology can be used for business purpose.

Automatic identification technology can not only help in product identification, but to also complete other business functions including:

- This technology enables speech recognition, which can greatly revolutionize business transactions. Speech or voice recognition refers to the ability of a program or machine to receive and decode dictation, or the ability to understand and execute spoken commands. Speech recognition technology will replace keyboard entry and display technology for real-time interaction between human and computer. An area where this technology could help is in a warehouse operation where a person can interact through voice with a warehouse management system to put-away a product.
- Another application of this technology is biometric technology. The technology of biometrics has the ability to uniquely identify and authorize access of an individual to a computer or physical location using distinguished biological traits. The technology uses unique identifiers including hand geometry, fingerprints, retina, earlobe geometry, iris patterns, DNA, voice waves, and signatures. This technology can be applied in banks to identify customer during transactions.

- Another technology that is gaining popularity is Satellite and Global Position System (GPS), which helps in determining the precise location of a person, vehicle, or other assets. This technology works best in tracking vehicles, ships, and trains. Tracking merchandise is a very important function is supply chain management. this technology can also help in tracking the transportation of sensitive or high-value cargo for real-time visibility and status information. Insurance companies may use this technology to monitors movement of insured goods on transit.

References:

Karimi, H. (2013). Advanced Location-Based Technologies and Services. Boca Raton, Florida: CRC Press.

Holifield, R. (2012). Tracking Next-Generation Automatic Identification Technology Into 2035. Biblioscholar.