



# The Wonderful World of Wearables for Insurers

## Already Making Waves

**Wearable technology** is expected to significantly impact life insurers:



31% of insurance companies are already using wearable technology for customer engagement.<sup>1</sup>



**John Hancock Financial**

was the first U.S. insurer to offer discounts to policyholders who wear Internet-connected fitness trackers.<sup>4</sup>



33% of U.S. consumers will own wearable technology by the end of 2017.<sup>2</sup>

**Cigna** a global health insurance service, teamed with Samsung to develop wellness-related features for mobile devices.<sup>3</sup>



### Wearable Technology Benefits for Insurers

Healthier customers will require fewer appointments, tests and hospital visits.



Health coverage decisions will be formulated with the latest and most accurate information, reducing insurers' exposure to risk (which lowers costs).

Wearables can be used to increase customer loyalty and strengthen insurers' brands, via popular apps, gamification and social media.



Usage-based insurance programs (already popular with property and casualty/general insurance carriers) based on wearable data, will enable insurers to provide personalized programs and enhanced customer service.

## Not So Fast!

Before reaping the benefits from wearables, insurers will have to take the following **4 Steps**:

### 1. Complete Their Digital Transformation

Using wearables to enhance/personalize the customer experience will be virtually impossible without full digitalization capabilities.



### 2. Formulate A Digital Strategy

Insurers should create a coherent digital strategy that maximizes today's digital and Internet of Things (IoT) capabilities to support their changing businesses.



### 3. Be Open

It's unclear which wearable technology will emerge as dominant, architecture and seamless integration are crucial.



### 4. Secure Your Data

Some insurance customers will be spooked by their personal information falling into the wrong hands. Increased security investments will likely become a strategic necessity.



## Sapiens Can Help

Sapiens can help you optimize the wearable technology opportunity.

To learn more about our solutions, please [click here](#).

1 Accenture, "Insurers Set to Embrace Wearable Technologies," May 5, 2015.  
 2 Insurance Networking News, citing Nielsen. "Wearables Poised to Reshape Insurer-Insured Relationship," March 5, 2015.  
 3 MobiHealthNews, "Cigna, Samsung Launch Smartphone Health Coaching App," May 28, 2014.  
 4 CommonHealth Reform and Reality, "John Hancock Taps Fitness Trackers To Breathe New Life Into Insurance Industry," April 8, 2015.