


# Mobile to Soon Surpass Fixed Internet

## Reasons for the growth of mobile technology

 By Amy Osterhagen

**I**t goes without saying that mobile has grown quickly, but what most employers have not realized is just how quickly mobile has grown within their own employee population. This phenomenon has resulted in an enormous number of employers in the dark regarding the major shift that is about to take place in regards to employee communications.

Adoption of mobile technology is ramping up 11 times faster than the adoption of the Internet that occurred in the early 1990s. Mary Meeker, who is an Internet Analyst at Morgan Stanley, has stated that mobile will surpass fixed Internet in 2014. Mary Meeker isn't just an "Internet Analyst", as she has been dubbed "Queen of the Net" by third parties such as Barron's Magazine. She states that the biggest reasons for mobile growth include push notifications, personalization, location-based services, and e-commerce. Yet there are additional reasons that have contributed to the growth of mobile which are just as important:

- Inexpensive or "free" smartphones
- Easy to use devices
- Content exists in a proprietary environment making it difficult to pirate
- Social networking (Call out box)

### Social Networking at All Time High

Users who access social networking via their mobile devices passed email users in terms of time spent in 2007 - about 100 billion minutes/month globally. The number of smartphone users accessing social sites is double that number today! In the early 1990's when the Internet was taking off, some early adopting employers purchased computers for their employees. The primary reason behind these purchases was so that employees could access the Internet for Human Resource activities such as online benefit enrollment. This solution turned out to be not only pricey, but the computers became obsolete very quickly.

Comparing the same scenario today, the 2013 "Black Friday" resulted in smartphones being offered for free or for less than a dollar at many retail stores. These types of offers have resulted in smartphones being much more assessable to the general public than computers or laptops. This wide spread adoption has made it crucial that employers have an employee mobile communication strategy in place.

Not only is mobile the least expensive and most engaging communication method, but it is growing exponentially. Furthermore, as younger generations continue to move into the workforce, mobile will become mandatory for recruiting and retaining top talent. (Call out box) The question every employer must be asking themselves: "How do we harness this shift in communication so that we remain the source for employee information?"

### Who is Using Mobile?

Mobile users in general surpassed email users in July 2009 with more than 800 million people accessing social media via their smartphone. Given the rate at which Facebook has been growing that number is now closer to a billion.

### Not All Apps are Created Equal

With the growth of the Internet in the early 1990s, vendors took the

approach of developing company websites as a communication vehicle about their product or service. The burden was then shifted to the employer to devise an organized and easy-to-use structure to house pertinent information for employees. Employers could not send their employees to one web site for payroll information, a second site for their benefit information, and yet a third site for retirement information. Hence the birth of the employee portal – or the "hub" that seamlessly integrated third party vendors and corporate information into one place. Employees had one site to access all information they needed from their employer. Employee portals allowed employers to control the flow of communication and education to employees while harnessing the growth of the Internet. The same growth phenomenon is happening now in regards to mobile applications or "apps".

Most commercial companies like eBay and Amazon offer an app to their customers. These commercial apps have resulted in a surge of ecommerce that have fueled mobile's growth. The Apple App Store and Google Play have over 700,000 apps available for consumers to download. With so many choices, even the most "tech savvy" consumer can become quickly overwhelmed. But not all apps are created equal.

Just like websites, there are "Commercial" apps and "Business to Business" apps. Commercial apps can be downloaded by anyone, think of your favorite coffee chain; compared to business apps which are offered only to employees of a particular company. Once again, employers are being tasked with understanding mobile communication and how best to harness this substantial power.

Every third party vendor that a company works with today likely offers their own app, similarly to the 1990's when every company developed a web site. Employees do not want to download multiples apps to understand their benefits of being employed at your organization. Furthermore, having your employee communications and assets distributed over multiple apps can cause confusion and lead to decreased employee engagement.

### The Communication Cycle

Interacting with employees through distributed vendor apps cut employers out of the communication cycle, bypassing an opportunity for the employer to enhance their brand with employees. Likewise, vendor apps typically only take into consideration their own product or service. Which is exactly what one would expect, as vendors are only trying to market their own service. Asking employees to download multiple vendor apps will result in a "silo" effect, which is counter-productive if you are trying to achieve employee engagement. Let's consider the healthcare provider as an example. Most likely your healthcare provider offers a mobile app that your employees can download. The app may allow employees the ability to find a doctor or view their healthcare ID card. But how often will your employees access this app? Only when they need to find a doctor?

Most companies are looking for an app with a "Facebook" or "LinkedIn" engagement model. This approach requires that the app possess tools that encourage the employee to want to access the app. Having everything in one easy-to-use app encourages ongoing employee use. It is also crucial that an app provides personalization



so that the content the user sees is relevant to them – not generic information. Last but not least, look for a solution that has push notifications which will drive employees into the app, and allow for important messages to be seen on a regular basis. From the employer standpoint, it is important to provide employees with one app or “hub” for all important information that you govern. This allows you as the employer to control education, communication, and drive brand awareness within your employee base.

A “collaborative” or “hub app” will allow you to create one home for all employee information, allowing for third party integration, and flexibility to configure and personalize. (Call out box) Push notifications are essential tools to communicate and drive engagement with users. These types of notifications are communication “bursts” that is sent to a user’s mobile device even if the app is closed.

### Harnessing Mobile Communications

When it comes to your options for mobile, once again we are seeing history repeat itself. Just like in the early 1990’s, companies were tasked with deciding to build their own solutions or outsource to a third party vendor. The same crossroads are appearing in regards to mobile.

**Option #1** Build it. If you choose this option, expect to staff a full-time team to not only build, but to continuously update your mobile app. Technology becomes outdated at a fast pace. The demands of integrating with third party solutions and adding new functionality can be overwhelming for some in-house IT departments. The risk of not “keeping pace” in regards to your mobile platform may cause

employees to find information elsewhere, resulting in miscommunication and frustration on both employer and employee fronts.

**Option #2** White Label or License. Mobile Technology companies are focused 100% on mobile and these organizations tend to “set the bar” when it comes to what users are demanding in regards to functionality. When working with a third party for mobile, it becomes their responsibility to “keep up” with the market, allowing you to focus on your business. Outside vendors for mobile technology tend to be nimble and are able to adapt to new devices, employee demands, and requirements quickly. (Call out box) When considering a third party mobile platform you should be asking:

- What types of third party integration do you allow?
- Do you provide personalized messaging?
- Do you provide push notifications to smartphones? Is your app native to iOS or Android?
- Can the app be personalized?
- What is your user return rate or engagement?
- How does the app handle PHI?
- Is the app simplifying healthcare for my employees

### WHY MOBILE?

Still questioning if mobile is right for your company? Consider these facts:

- The average person accesses their smartphone over 34 times a day
- There are 219 million smartphone subscriptions in the U.S. but yet only 217 million people over the age of 18
- In 2013, app usage dominated browser usage on mobile 80% of the time
- The #1 reason people use smartphones is to feel connected
- Mobile devices are already being adopted for “blue-collar” employees
- Over 40% of “Young Boomers” own a smartphones (age 47-56) with over 60% of Generation X owning smartphones (age 33-46) Millennials top the chart with 72% owning a smartphone (age 24-32)
- National Business Group on Health reported that 93% of employees would use an app for health and wellness if their employer offered it.
- Satellite driven smartphones have started to penetrate rural areas which have not had access to even dial-up internet services
- Over the past 4 years, email open rates on smartphones increased by 300%
- According to Forrester Research, 78% of U.S. email users will access their e-mails via mobile by 2017 (<http://mobilehealthconsumer.com>) **TEL**



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