

*Full Report*



# Moving Ahead With Mobile

Mobile Technology Initiatives Among  
Defined Contribution Plan Providers

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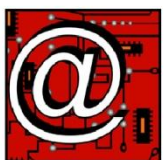
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## Overview

Defined contribution plan providers continually seek to offer more resources to their various stakeholders — plan participants, plan sponsors, and advisors/intermediaries — as they strive to better serve them and strengthen existing relationships. Mobile access options increasingly enable companies' various stakeholders to engage with them from anywhere and at anytime, and preferences for communication and service are changing. Companies in all industries need to evaluate the role that mobile devices will have in their business.

*Mobile is becoming a primary way for customers to manage their lives. Any company that does not compete in mobile will soon be unable to compete.*

— Survey respondent

Prior research with retirement plan providers found that all have websites for plan participants and almost all offer websites for plan sponsors and advisors/intermediaries.<sup>1</sup> Although the development and enhancement of websites continues to be essential for plan providers, the growth in ownership of mobile devices in conjunction with rising interest in using them to connect with companies makes it important for plan providers to consider mobile access options for their stakeholders. In an increasingly competitive marketplace, technology tools — and specifically, *mobile* technology tools — may make companies more competitive as stakeholders engage with them in more ways, from wherever they are. Mobile is becoming a critical channel to engage with your customers for education, communication, and service. The availability of mobile access options can influence sales opportunities as a way for plan providers to differentiate themselves. A mobile strategy that is built in to the overall education and communication program will help providers stand out in a tough business environment.

LIMRA found that 41 percent of tablet and smartphone owners are interested in mobile service options from insurance companies with which they own products.<sup>2</sup> It is likely that many mobile device owners will want to access their defined benefit plans from mobile devices too. Tablet ownership has increased rapidly from only 4 percent of adults in September 2010 to 25 percent in August 2012. Tablet ownership is highest among people earning \$75,000 or more (47 percent) and those with college degrees (41 percent).<sup>3</sup> Smartphone ownership has grown to 45 percent of adults, with ownership highest among those earning \$75,000 or more (68 percent) and those between ages 18 and 29 (66 percent).<sup>4</sup>

To learn more about the status of mobile technology initiatives among defined contribution plan providers and to assist companies in the development of future mobile strategies, LIMRA surveyed 19 companies in the fall of 2012 regarding their mobile initiatives. (See the Methodology on page 7.) This research provides an initial investigation into how these technologies are being used and the benefits and best practices that are emerging.

<sup>1</sup> *Retirement Plan Provider Internet Practices: Defined Contribution Plans Summary*, LIMRA, 2010.

<sup>2</sup> *The Insurance Service Process: The Role of the Internet in the United States*, LIMRA, 2012.

<sup>3</sup> Rainie, Lee, *Twenty-Five Percent of American Adults Own Tablet Computers*, Pew Internet & American Life Project, October 4, 2012.

<sup>4</sup> Rainie, Lee, *Smartphone Ownership Update: September 2012*, Pew Internet & American Life Project, September 11, 2012.

<i>Findings</i>	<i>Implications</i>
<ul style="list-style-type: none"> <li>■ Almost 2 in 3 plan providers with current or planned mobile initiatives have created mobile strategies. Through these strategies, providers most often look to improve service to plan participants, followed by a desire to keep pace with their competitors.</li> <li>■ Mobile initiatives for plan participants are considerably more common than mobile access options for other stakeholders. This is followed by initiatives for advisors and intermediaries, and lastly, by mobile initiatives to benefit plan sponsors.</li> </ul>	<ul style="list-style-type: none"> <li>■ Plan providers should work to develop mobile strategies, if they do not have them now. Given the rapid changes in mobile technologies, providers with current strategies should ensure that these strategies are updated as mobile technologies change.</li> <li>■ Plan providers should incorporate mobile options into future technology developments. Mobile access options are “value-added” services that will set your company apart from other defined contribution plan providers. <ul style="list-style-type: none"> <li><i>Our strategy is to think mobile first on every Web project. It is combined in as part of each project.</i></li> <li style="text-align: right;"><i>— Survey respondent</i></li> </ul> </li> </ul>
<ul style="list-style-type: none"> <li>■ Mobile access options for education, services, and communication will increase in importance for all stakeholders as mobile device adoption increases.</li> <li>■ Plan providers’ greatest challenges around building mobile initiatives include securing sufficient human and financial resources, defining ROI, and supporting multiple operating systems.</li> <li>■ Thirteen plan providers offer access to multiple services from mobile devices for plan participants. These providers typically engage in a number of activities to build awareness of these services and to measure their success.</li> <li>■ Only four of the 19 plan providers currently have mobile access options for advisors and intermediaries.</li> </ul>	<ul style="list-style-type: none"> <li>■ Mobile access options will be used for activities like research, checking balances, and self-directed asset allocation changes. While plan providers should offer mobile access options, it is important to offer personal interactions, such as access to knowledgeable customer service representatives by phone.</li> <li>■ Some plan providers have overcome their challenges through various actions, such as prioritizing projects, hiring experienced vendors, and focusing on stakeholder satisfaction rather than ROI.</li> <li>■ Mobile access options are still relatively rare among defined contribution providers and most of the services offered are new. It is important to draw attention to these tools, measure usage, and update and modify tools that do not meet intended needs.</li> <li>■ Other research indicates increasing advisor usage of mobile devices (e.g., smartphones, tablets).<sup>5</sup> Demand for mobile access options will increase, and plan providers need to be ready to respond.</li> </ul>

<sup>5</sup> “iPads Are Apple of Advisors’ Eye,” *Investment News*, August 26, 2012; and *From Connected to Mobile: Producer Use of Technology*, LIMRA, 2012.



**METHODOLOGY** To learn more about the status of mobile technology initiatives among defined contribution plan providers and to assist companies in the development of future mobile strategies, LIMRA surveyed 42 plan providers in the fall of 2012 regarding their mobile initiatives via email. We received responses from 19 plan providers for a response rate of 45 percent. This research provides an initial investigation into how these technologies are being used and the benefits and best practices that are emerging.

Although we asked companies to complete a few questions even if they do not have current or planned mobile initiatives, it may reasonably be expected that a larger number of companies that have mobile initiatives completed the survey than those that have no plans. As such, the information reported herein may overestimate mobile efforts among plan providers.

## Plan Provider Mobile Initiatives

*Roughly 4 in 5 plan providers have or plan mobile initiatives for at least one of their stakeholders. Mobile initiatives for plan participants are the most common, followed by mobile services for advisors and intermediaries. The majority of providers are challenged to secure sufficient resources, support multiple platforms, and manage multiple devices as they seek to offer better service to participants and keep pace with their competitors.*

### Status of Mobile Technology Initiatives

- More than 2 in 3 plan providers have already launched mobile initiatives focused on plan participants, and a few more have plans to launch them in the future (Table 1).
- While only four of the 19 plan providers have current mobile initiatives for advisors and intermediaries, an additional eight companies expect to offer mobile capabilities for them in the future.
- Mobile initiatives for plan sponsors are rare, but the majority of plan providers expect to add them.
- Four plan providers neither have nor plan to have mobile initiatives for any of their stakeholders.
- All but one plan provider considers their mobile initiatives for plan participants to be their primary focus; one plan provider focuses on advisors/intermediaries.

Table 1 —  
Current Status of Mobile Initiatives by Type of Stakeholder  
Number of plan providers

	Plan Participants	Plan Sponsors	Advisors/ Intermediaries
Have already launched some mobile initiatives	13	1	4
Plan to launch mobile initiatives	2	11	8
Have neither current nor planned mobile initiatives for this stakeholder	4	7	7
N=19			

- **What does this mean for your company?** Plan providers that have not started to offer or develop mobile service options should begin to do so. Nearly 9 in 10 insurance and financial services industry experts project that mobile technologies will have a considerable or extreme impact on the industry over the next five years.<sup>6</sup> Ownership of mobile devices will continue to increase, and it is likely that plan providers will find that their customers will want to interact with them via mobile, at least some of the time, depending upon the type of information or service they need. Mobile initiatives can be an important part of the overall participant communication and education strategy, offering a potentially less costly way (relative to traditional means)

<sup>6</sup> Access Anytime, Anywhere: 2012 Emerging Technologies Top Trends, LIMRA, 2012.

to engage with participants. Furthermore, mobile access options can influence sales opportunities. As it becomes more challenging for plan providers to differentiate themselves during the RFP process, mobile access options for communication and education will help providers stand out in a challenging sales environment.

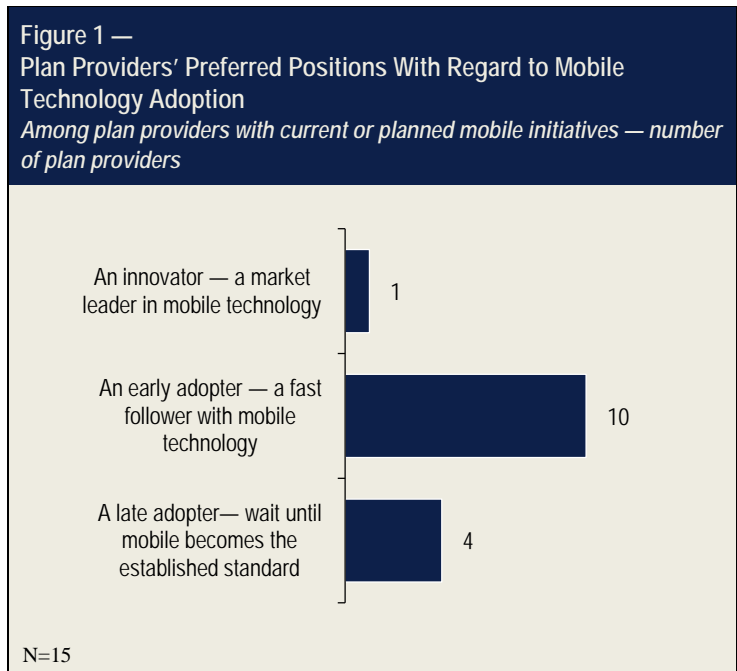
*Accessing account information, sales materials/tools, etc., via mobile devices is quickly becoming an expectation of our customers and advisors. We will support their needs to interact with us however they choose.*

— Survey respondent

### Mobile Technology Adoption by Plan Providers

LIMRA asked plan providers to self-identify their company’s “preferred position with regard to mobile technologies.”

- Most respondents view their company as early adopters; only one provider views its company as an innovator (Figure 1).
- None of the plan providers with current or planned mobile initiatives consider their company as a “resister.” Given that each of these providers either already has or plans mobile initiatives, this is not surprising.
- ***What does this mean for your company?*** Plan providers that do not have current or planned mobile initiatives may be “resisters,” or they may have other technology priorities. Allocating dollars for mobile technology is challenging with so many competing technology needs.



Combined with constantly-changing mobile devices and platforms, it may be difficult for some providers to build arguments for mobile development at this time — despite growing usage and expectations of stakeholders. Innovators and early adopters will have an advantage over more resistant plan providers as demand for mobile access to information and services increases. These providers should consider the value of being more proactive with mobile technology development:

*Insurers have been more reactive than proactive in response to the rapid adoption of mobile devices. ... The combination of being stuck in a reactive mode and the near-constant introduction of devices results in a series of siloed front-end solutions.*

— Wendy Aarons-Corman, edge IPK<sup>7</sup>

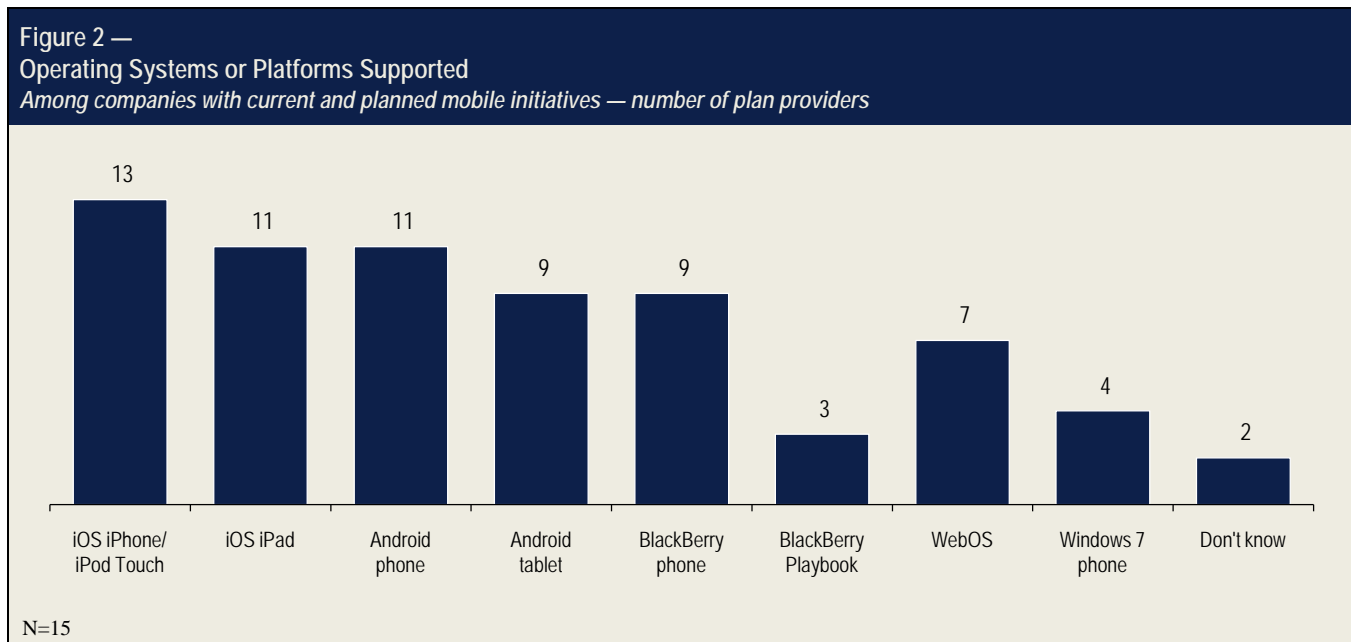
### Mobile Access Options Offered and Planned

- Plan providers already offer, or plan to offer, a variety of mobile access options (e.g., mobile apps, mobile websites, and mobile-friendly modifications to their standard websites) to meet the needs of their stakeholders, especially for plan participants (Table 2).
- Plan providers most often support Apple/iOS and Android operating systems for both phones and tablets, followed by BlackBerry phones and WebOS (Figure 2).

Table 2 —  
Mobile Access Options Offered and Planned by Type of Stakeholder  
Among plan providers with current or planned mobile initiatives — number of plan providers

	Plan Participants	Plan Sponsors	Advisors/ Intermediaries
Downloadable mobile applications	11	2	2
Separate mobile version of plan provider websites	10	1	3
Modified version of regular website to be mobile-friendly	8	2	5
No actions taken or planned for this stakeholder	1	10	6

N=15



<sup>7</sup> Cited in McMahon, Chris, “Mobile Lessons Learned,” *Insurance Networking News*, July/August 2012.

- **What does this mean for your company?** Plan providers are exploring various mobile options to meet stakeholder expectations. Demand is likely to increase, especially from plan participants and advisors/intermediaries. Plan sponsors are probably less likely to do transactions on-the-go, so they will be more likely to request mobile services for plan participants than for themselves. It is important for plan providers to support multiple platforms in order to meet the needs of multiple users, while at the same time monitoring changes in the market. Advisors most often use iPhones, Androids, BlackBerrys, and iPads, and their interest and usage is growing.<sup>8</sup> Among consumers, Android and iOS devices are the most common smartphones.<sup>9</sup> Whereas iPads represented 81 percent of the tablet market in 2011, there has been substantial growth in Android tablet ownership, such that iPads are now 52 percent of the tablet market in comparison with 48 percent for Android tablets.<sup>10</sup>

*Leverage the capabilities of the device to create differentiated and innovative experiences versus just porting over your site to work on the device.*

— Survey respondent “best practice”

Although HTML5 may help, mobile tools still need to go through testing and approvals. Some providers have benefited from vendor support.

*When we created our first mobile app (a retirement income calculator), it was very challenging setting up an account with each of the app stores (Apple, Google, and BlackBerry). Having an outside firm that has experience in this will be very helpful.*

— Survey respondent

## Where Will Plan Providers Focus in the Future?

- When asked on which single mobile access option they will focus in the future, the largest number of plan providers (7 of 15) say that they will direct their attentions to mobile apps, followed by mobile versions of their websites (5 in 15) (Figure 3).
- Nearly all plan providers with mobile initiatives are either already taking advantage of HTML5, or plan to do so, as they develop mobile tools for their stakeholders (Figure 4). Plan providers that already use HTML5 sometimes use outside vendors for support. They seek compatibility across platforms, ease of use, and a replacement for Flash-based tools.

*[Our company is] using HTML5 technology to ensure compatibility across multiple device platforms for existing sites, tools, charts and calculators.*

— Survey respondent

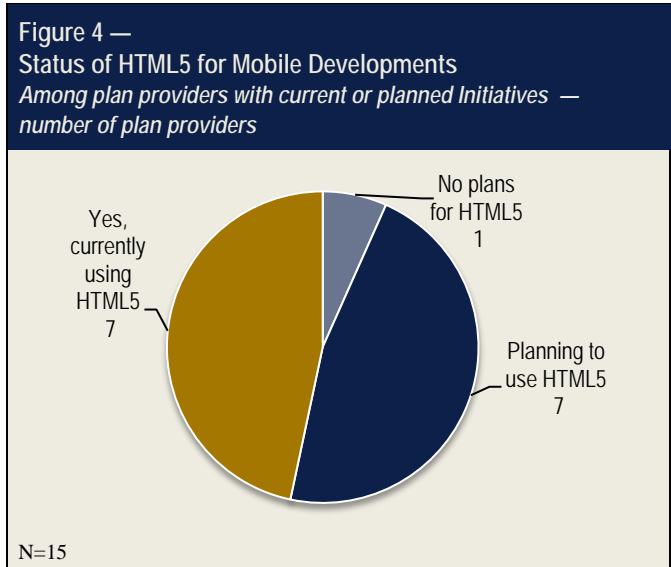
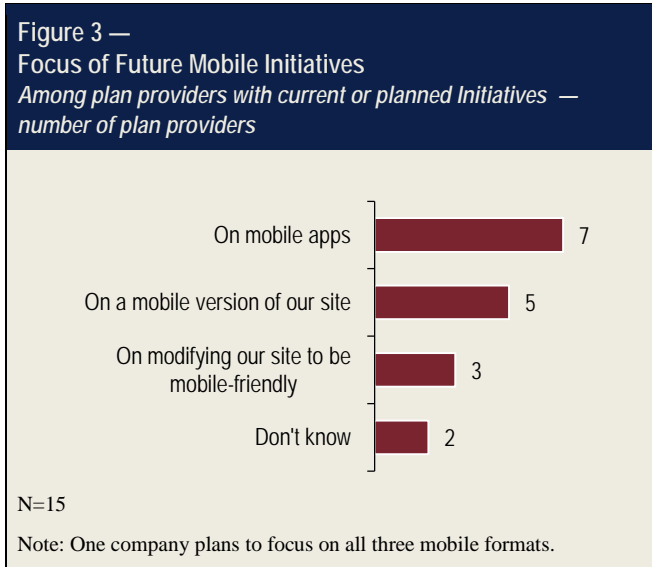
<sup>8</sup> From *Connected to Mobile: Producer Use of Technology*, LIMRA, 2012.

<sup>9</sup> Velazco, Chris, “Android and iOS Still Lead in Smartphone Market Share, But the Race for Third Rages On,” *TechCrunch.com*, July 12, 2012.

<sup>10</sup> “Android Tablets Scoop Up Market Share,” *eMarketer*, November 15, 2012.

*[Our company is] converting sites to run in HTML5 for complex interactions. This allows sites to be more mobile friendly. We have also wrapped HTML5 Web experiences within dedicated mobile apps.*

— Survey respondent



- **What does this mean for your company?** Regardless of the mobile access options chosen (e.g., mobile apps, mobile websites, and mobile-friendly modifications to regular websites), ease of use is essential.

*We understand that our customers want basic — meaning simple — frequently sought, or time-sensitive functionality on their mobile devices. [Our company’s] mobile app currently provides the most commonly used functionality, viewing transaction, and balance inquiries.*

— Survey respondent “best practice”

Plan providers that offer mobile access options feel that HTML5 can help offer a more mobile-friendly experience for stakeholders across multiple platforms and operating systems. Although there is likely to be a shift to Web apps from mobile apps, as more plan providers use HTML5, at least one source feels that native apps can offer “the best user experience and most sophisticated features.”<sup>11</sup> Responding plan providers suggest best practices to achieve successful mobile initiatives. Although they may differ in the mobile access option they champion, the goal of each is to build a positive customer experience:

<sup>11</sup> Thibodeau, Patrick, “Gartner’s Top Tech Trends for 2013,” *Computerworld*, October 23, 2012.

*A successful mobile app has to add value to the customer experience. It has to give the customer what they need, when they need it, and in the format they want it.*

— Survey respondent “best practice”

*[Our company] looks at the overall user experience when determining what and how to deliver to mobile platforms. [It is important to] be consistent in what we deliver [to make] it easy for customers to find and use the applications.*

— Survey respondent “best practice”

*Don't try to build a solution for every type of mobile phone. Focus on a mobile website that can be used by all mobile devices.*

— Survey respondent “best practice”

### Why Do Plan Providers Invest in Mobile Technology?

- Almost 2 in 3 plan providers with current or planned mobile initiatives have developed mobile strategies, and one company is working on their strategy now (Figure 5).
- Most providers seek to provide better service to plan participants (Figure 6). The desire to provide better service to their various stakeholders and meet the demand for mobile capabilities is often one of the top-three reasons to develop mobile options.

*Mobile fits into our other strategies of delivering the right user experience to our participants, advisors, and plan sponsors. Those strategies will drive what we deliver to mobile devices versus the Web.*

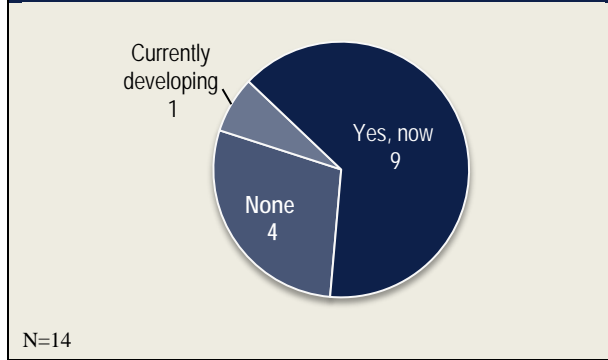
— Survey respondent

*Mobile is a rapidly growing channel of choice and provides another access point for plan participants to access and manage their retirement accounts. Our strategy recognizes that users are accessing their accounts on differing devices (e.g., smartphones, tablets, PCs) with differing goals in mind (e.g., monitor, research, take action) and strives to create a streamlined, consistent approach across these multiple channels.*

— Survey respondent

- Roughly 1 in 2 plan providers view investments in mobile technology as a way to keep pace with competitors in an increasingly mobile business environment.
- Three companies each seek to keep up with advisor demand and provide better service to advisors.

**Figure 5 —**  
**Status of Formal Mobile Strategies**  
*Among plan providers with current or planned Initiatives —*  
*number of plan providers*



**Figure 6 —**  
**Top-Three Reasons Defined Contribution Plan Providers Invest in Mobile Initiatives**  
*Among companies with current and planned mobile initiatives — number of plan providers\**



N=15

\*Reasons listed by at least two plan providers.

Note: One plan provider checked more than three reasons.

- What does this mean for your company?** Plan providers should develop a mobile strategy if they do not have one already. In research with multiple industries, 69 percent of businesses had a mobile strategy by the end of 2011, up from 43 percent in 2010.<sup>12</sup> Companies with current mobile strategies need to ensure that they are kept current, making adjustments as mobile technology matures.<sup>13</sup>

<sup>12</sup> *Mobile Self-Service: The New Lynchpin of Customer Engagement*, IntelliResponse white paper, 2012.

<sup>13</sup> McMahon, Chris, "Mobile Lessons Learned," *Insurance Networking News*, July/August 2012.



Plan providers most often view mobile initiatives as a way to provide better service to stakeholders (especially to plan participants) and to meet stakeholder demands for mobile services options. While only a few providers list increasing participation and savings and deferral rates among their top-three initiatives, mobile service options and tools may increase plan participant engagement by enabling access to defined contribution plan information almost anywhere and anytime. Calculators and interactive content (which will be discussed further in the next section) can help employees better understand the value of participating in their plans.

Mobile initiatives can also save costs. Research on channel costs within the banking industry found that the mobile channel is lower cost. The per-transaction cost at a bank branch is the highest (\$4 per transaction) followed by call center (\$3.75 per transaction), IVR (\$1.25 per transaction), ATM (\$0.85 per transaction), online (\$0.17 per transaction), and mobile device (\$0.08 per transaction).<sup>14</sup>

### **What Are Plan Providers' Challenges With Mobile Technology Initiatives?**

- Plan providers often find it challenging to secure resources for their mobile technology initiatives. Specifically, at least 2 in 3 plan providers have difficulty obtaining sufficient human resources, and more than 1 in 2 have challenges securing financial resources (Table 3).
- At least 2 in 3 plan providers list supporting multiple operating systems, managing multiple devices, and defining ROI for mobile initiatives as one of their challenges.
- Plan providers' single greatest challenge varies somewhat, with resources (financial and human) the most mentioned. Defining return-on-investment is the greatest challenge for three providers.

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<sup>14</sup> *Mobile Channel Addresses Offline Consumers' Needs for Frequent Transactions While Reducing Bank Channel Costs*, Fiserv Inc. white paper, 2009.

**Table 3 —  
Challenges With Mobile Initiatives**  
*Among companies with current and planned mobile initiatives — number of plan providers*

	All challenges	One greatest challenge
Securing sufficient human resources	11	4
Supporting multiple platforms/operating environments	11	2
Managing multiple types of devices	11	—
Defining ROI for mobile investments	10	3
Securing sufficient financial resources	8	3
Encouraging the plan participants to use our mobile site/apps	7	—
Keeping pace with plan participant demand	7	—
Keeping pace with advisor/intermediary demand	7	—
Determining how to measure success	7	—
Ensuring data security	5	1
Keeping pace with plan sponsor demand	5	—
Understanding/working with compliance and/or regulatory issues	4	—
Managing development related to full HTML5 site	4	—
Obtaining senior management buy-in	2	1
Encouraging advisors/intermediaries to use our mobile site/apps	2	—
Encouraging plan sponsors to use our mobile site/apps	1	—
Other — Keeping pace with competitor offerings	1	—
N=15, 14		
— No cases.		

- **What does this mean for your company?** Challenges with mobile technology are many and varied, and plan providers work to overcome them in various ways. A number of providers struggle to sufficiently fund mobile strategies, as was found in other research with asset management firms and insurers.<sup>15</sup> One provider suggests that stakeholder demand, plus their success with mobile initiatives, helped overcome funding issues:

*Feedback from the market place has routinely highlighted the need to respond to mobile demands. Advisors, plan sponsors and participants continue to press for new mobile abilities, which have helped establish the first round of mobile enhancements. The success of the first mobile initiative helped support adding additional efforts to the roadmap; however, the priority remains low.*

— Survey respondent

<sup>15</sup> Lemann, Mariana, “Firms’ Mobile Strategies Suffer From Lack of Funding: Survey,” *Ignites.com*, June 8, 2012.

Rather than trying to define ROI, one plan provider focuses on participant satisfaction.

*Rather than focusing on ROI, we are focusing on participant satisfaction. We have added mobile as a module in our quarterly survey, and we can demonstrate mobile users are more satisfied.*

— Survey respondent

Other plan providers have overcome at least some of their challenges — most notably issues around human resources — through the use of third-party vendors and specialized consultants.

*We have used several tactics to resolve our human capital issues including prioritization, scoping, and funding development using external resourcing.*

— Survey respondent

*Developing and supporting native applications on multiple platforms/operating environments (iOS and Android) presented staffing challenges as developer skill set is typically specialized. [Our company] leveraged supplemental staff to mitigate internal technical skill set deficiencies.*

— Survey respondent

## Mobile Services for Plan Participants

*Twelve plan providers responded to additional questions regarding their current mobile initiatives for plan participants. All provide access to multiple services from mobile devices, although not all services are currently available in a mobile-friendly format. Providers use multiple methods to encourage participant use, such as emails with links, automatic redirects to mobile sites, mailings, and QR codes.*

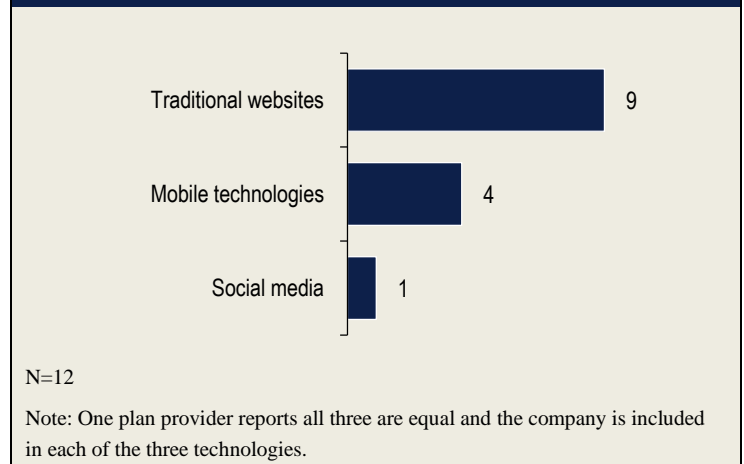
### Plan Providers' Technology Priorities for Plan Participants

- When it comes to technology for plan participants, most plan providers (9 in 12) focus on traditional websites (Figure 7).
- Mobile technologies are in second place, ahead of social media. One plan provider will shift its focus from its websites to mobile initiatives once they launch their new plan participant site.

*We are re-launching our website, so the focus is there now, but there are growing initiatives for mobile.*

— Survey respondent

**Figure 7 —  
Technology Priorities for Plan Participants**



#### ■ **What does this mean for your company?**

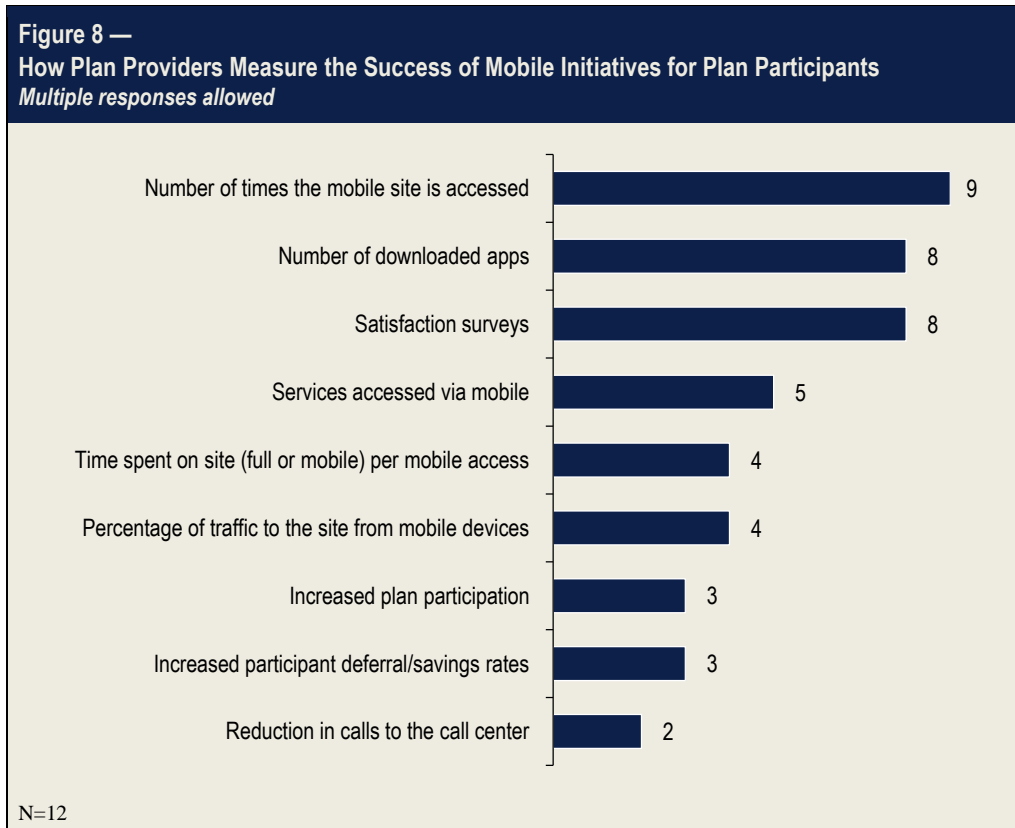
More consumers want to obtain services on company websites than via mobile devices.<sup>16</sup> However, once plan providers have established or updated their websites, they will find it advantageous to address the demand for mobile services. EBRI found that 20 percent of employees use smartphones and 11 percent use tablets to manage their overall finances.<sup>17</sup> Although mobile devices are used less often than desktop and laptop computers, this demonstrates a need for mobile service options for employees. Once they learn to manage other finances from mobile devices, it is likely that they will want to manage their retirement plans this way as well.

<sup>16</sup> *The Insurance Service Process: The Role of the Internet in the United States*, LIMRA, 2012.

<sup>17</sup> *Retirement Confidence Survey Fact Sheet 6: Using Technology to Help Manage Finances*, Employee Benefits Research Institute and Matthew Greenwald & Associates, Inc., 2012.

### Measuring the Success of Mobile Initiatives for Plan Participants

- About 2 in 3 plan providers use the number of times mobile sites are accessed, the number of downloaded mobile apps, and satisfaction surveys to evaluate the success of their mobile initiatives for plan participants (Figure 8).
- Four plan providers measure the percentage of traffic to plan participants’ websites from mobile devices; they report percentages ranging from 2 percent to 14 percent of total traffic.



- **What does this mean for your company?** While it may be too early to truly assess the success of mobile initiatives, plan providers that use multiple forms of measurement should be better positioned to evaluate their mobile initiatives and improve and modify mobile capabilities in their early stages. It is important to ensure the quality of mobile services: Research in other industries found that more than 4 in 5 adults who use mobile devices for online transactions experience problems with the process.<sup>18</sup>

*We manage and monitor our digital channel experiences to identify and remedy client issues, proactively improve and evolve capabilities, and ensure experiences are integrated across client touch points (e.g., channels) and the firm’s business units. We will assure channel management services align with, support, and are driven by business strategy.*

— Survey respondent “best practice”

<sup>18</sup> *Mobile Self-Service: The New Lynchpin of Customer Engagement*, IntelliResponse white paper, 2012.

## Mobile Functions for Plan Participants

We asked plan providers with current mobile initiatives how participants can access 14 different functions from mobile devices.

- A number of functions are available in mobile-friendly formats, although availability differs from one plan provider to another (Table 4). For example, the majority of providers make it possible to view transactions, view account balances, and check investment performance using downloadable mobile apps, but these functions are less likely to be available through mobile websites.
- In addition to functions shown in Table 4, some providers say plan participants may change contribution rates. Another company lists more mobile functions:

*[Our company provides] a free iPhone and Android mobile app that allows users to log in to their employer-sponsored retirement accounts to view their portfolio summary, plan summary, personal performance, and transaction history. [They may] make a fund inquiry, use a savings gap analysis tool, access their financial advisor profile and contact information, locate contact information for [our company], and read industry and company news.*

— Survey respondent

- Most plan providers offer mobile access to retirement income or savings goals, calculators, and retirement visualization tools. Among plan providers that provide mobile access to calculators, the majority offer retirement savings goal and projected retirement income stream calculators (Figure 9).
- Most providers (10 in 12) offer enrollments via mobile devices. A few of them make tablets available for participants to use during enrollment (Figure 10). None of the companies currently offer handheld devices (e.g., smartphones).

**Table 4 —  
Mobile Access Options for Plan Participants  
Number of plan providers**

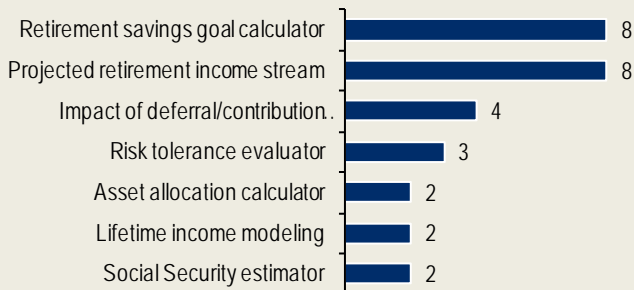
	Available online	Access on the mobile website	Access on the full site: mobile-friendly	Access on the full site: NOT mobile-friendly	Access via downloadable mobile app
Review transactions/check contributions	12	5	2	9	7
View account balances	12	7	2	8	8
Check investment performance	11	4	2	7	6
View retirement income/savings goals	11	2	2	9	4
Access calculators	11	3	2	7	3
Transfer assets between funds*	11	1	2	8	1
View plan summary	10	2	1	8	3
Watch educational videos	10	2	2	6	2
Access a retirement visualization tool*	10	4	1	6	3
Enroll in plans*	10	2	3	7	0
Access performance trends	8	2	0	7	1
Access market commentary	8	1	0	7	2
Access advice on retirement planning	8	0	1	6	2
Use interactive games**	2	0	0	3	2

N=12

\* One company offers this function online, but it is not accessible on mobile devices.

\*\*Two companies offer interactive games via mobile, but do not make them available on their websites.

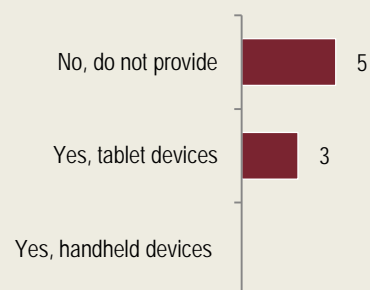
**Figure 9 —  
Calculators Plan Participants May Access Via Mobile Devices  
Among plan providers with retirement calculators — number of plan providers**



N=11

Note: One provider enables plan participants to see retirement estimates, but not to calculate them on mobile devices; another also offers retirement expenses and budgeting.

**Figure 10 —  
Are Mobile Devices Provided for Onsite Enrollments?  
Among plan providers with mobile enrollment options — number of plan providers**



N=8

- **What does this mean for your company?** Plan providers that already offer mobile access options are ahead of their competitors, and will be well-served to continue to add mobile services. They provide valuable services that may encourage plan participants to save more for retirement. (Only 27 percent of pre-retirees, for example, feel that they are “very prepared” for retirement; many have done little or no retirement planning.<sup>19</sup>) While it is important to have these tools on websites for plan participants, offering access to participants via mobile devices increases the likelihood that they will use these tools. For example, Prudential reports success with the mobile app version of its retirement income calculator for plan participants: About 1 in 10 of the provider’s plan participants used the calculator; and, of these, 20 percent increased contribution rates by 5 percent.<sup>20</sup>

*We’re working to get into the hearts and minds of participants through behavioral motivation ... Our role and part of our mobile strategy to provide greater benefits to our participants is to increase their accessibility [to their accounts] in those off hours.*

— Eric Feige, Prudential<sup>21</sup>

Just as readily available retirement calculators can help employees plan for retirement, simpler enrollment processes may increase participation rates. Offering mobile options for enrollment is valuable, as is enabling mobile enrollments during educational and enrollment meetings. Although only a few plan providers offer tablets for enrollments, at least one provider has experienced success boosting enrollment rates through the use of mobile devices: ING provides tablet computers at enrollment locations and enables employees to access enrollment capabilities from their own mobile devices. During the pilot program, 97 percent of employees attending the enrollment meetings enrolled or re-enrolled using mobile devices.<sup>22</sup> J.P. Morgan offers a “quick enroll” mobile app that makes it easy for non-participants to enroll by entering some basic information. The mobile app works in sync with the full website function.<sup>23</sup>

The literature sheds light on additional mobile developments for plan participants:

- VALIC’s retirement savings calculator enables participants to enter plan assets, Social Security, and outside assets to see if they are on track to meet retirement goals. For plan participants that fall short of their retirement goals, the tool offers suggestions, such as contacting an advisor or increasing contributions.<sup>24</sup>
- ING has a mobile game app to educate consumers on the fundamentals of investing.<sup>25</sup>

<sup>19</sup> *The Pre-Retiree Market: Surveying the Landscape*, LIMRA, 2012.

<sup>20</sup> Hallez, Emile, “Firms Push Out Mobile Apps in Bid to Woo 401(k) Savers,” *Ignites.com*, June 13, 2012.

<sup>21</sup> Cited in, Hallez, Emile, “Firms Push Out Mobile Apps in Bid to Woo 401(k) Savers,” *Ignites.com*, June 13, 2012.

<sup>22</sup> “ING U.S. Turns to Mobile Technology to Boost Enrollment Rate,” *Life Insurance International*, December 2011.

<sup>23</sup> “J.P. Morgan Retirement Plan Services Launched a Mobile Application for 401(k) Plan Participants,” *Plan Sponsor*, June 28, 2012.

<sup>24</sup> Panko, Ron, “VALIC’s Smartphone Application for Plan Participants,” *Best’s Review*, June 2012.

<sup>25</sup> “ING U.S. Introduces Game App That Teaches Investing and Retirement Savings Concepts,” *PRNewswire*, July 24, 2012.



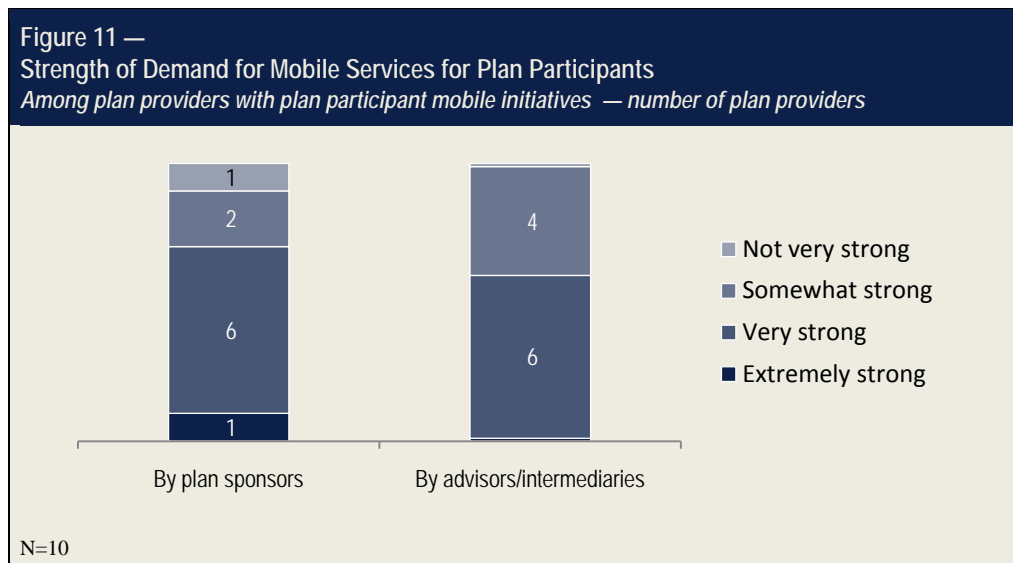
- Vanguard offers multiple mobile services, such as the ability to check account balances, review transactions, and study stock market trends.<sup>26</sup>
- TIAA-CREF has an interactive mobile app for plan participants to test their financial literacy.<sup>27</sup>
- MassMutual’s “FutureMoves” interactive game is available via mobile app. It targets younger consumers and enables them to upload pictures and imagine a future in which they have not planned for retirement.<sup>28</sup>
- The Newport Group has a mobile version of its plan participant website, making it possible to view account balances, pending transactions, statements, and other capabilities via mobile devices.<sup>29</sup>
- T. Rowe Price’s mobile app makes it possible for plan participants to check account balances, asset allocations, and pending transactions. Additional functions are planned, including enrollment.<sup>30</sup>

*Participants want easy access to their workplace retirement savings information, and this app gives them that in a secure, convenient manner.*

— Cynthia Egan, T. Rowe Price Retirement Plan Services<sup>31</sup>

### Demand for Mobile Functions for Plan Participants

- Seven in 10 plan providers rate plan sponsor demand for mobile tools for plan participants as very or extremely strong (Figure 11). Demand from advisors is only slightly less, with 6 in 10 providers rating it as very strong.
- Contribution changes, enrollments, transactions, retirement income scenario tools, rebalancing, account summaries, and investment updated are the most frequently requested mobile services for plan participants.



<sup>26</sup> Steyer, Robert, “Providers Going Big With Technology,” *Pensions and Investments*, 39(22), October 31, 2011.

<sup>27</sup> Ibid.

<sup>28</sup> Carney, Ellen, *Case Study: MassMutual Helps Gen Yers See Into Their Futures*, Forrester Research, Inc. white paper, July 27, 2011.

<sup>29</sup> “Newport Announces Mobile Version of Website,” *Plan Sponsor*, November 29, 2012.

<sup>30</sup> Hallez, Emile, “J.P. Morgan, T. Rowe Debut New Mobile Features,” *Ignites.com*, July 3, 2012.

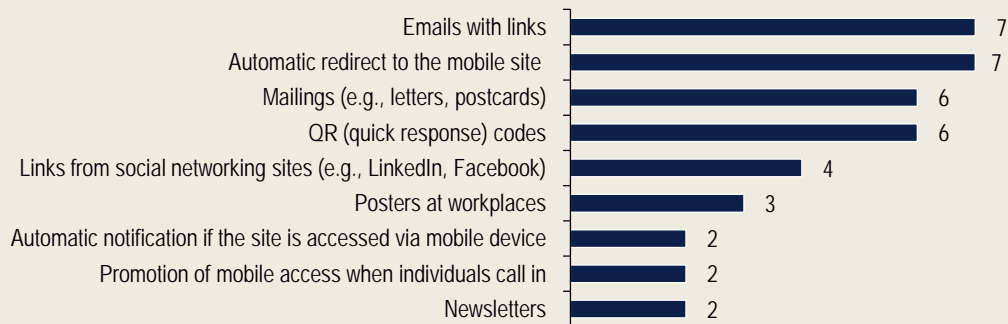
<sup>31</sup> Cited in, Hallez, Emile, “J.P. Morgan, T. Rowe Debut New Mobile Features,” *Ignites.com*, July 3, 2012.

- What does this mean for your company?** A number of plan sponsors and advisors want to encourage plan participants to save more for retirement and want them to be able to self-service on their workplace retirement plans. As ownership of mobile devices increases, requests for mobile access options are likely to grow. Availability of mobile access options for enrollment, education, and service may encourage more plan sponsors to select your company as their defined contribution plan provider.

### Encouraging Plan Participants to Use Mobile Services

- Plan providers use a variety of methods to encourage plan participants to use mobile services, including emails with links, automatic redirects to the mobile site when accessed using a mobile device, mailings, and QR codes (Figure 12).
- Plan providers estimate that, on average, about 8.9 percent of plan participants have used mobile capabilities, although the range reported by seven plan providers extends from 2 percent to 20 percent.

Figure 12 —  
 Methods Used by Plan Providers to Encourage Plan Participants to Use Mobile Services  
 Multiple responses allowed — number of plan providers



N=12

Note: Other responses listed by one company each include meetings (group and one-on-one), Web messages and demos, notices on participant websites, emails from plan sponsors, and links to the app store from the primary participant website.

- What does this mean for your company?** Plan providers should use multiple ways to inform plan participants about mobile services that they have developed for them. Several plan providers use QR codes. For example, Securian uses QR codes on quarterly statements and envelopes to enable participants to instantly access account balances, contribution rates, and personal rates of return from their mobile website.<sup>32</sup>

*Participants want to see their information anytime, anywhere. The QR codes and mobile site give them access to their accounts whether they're at the airport, the mall, or sitting in front of the TV.*

<sup>32</sup> "QR Codes Provide Quick Securian Retirement Account Access for Employees," [www.businesswire.com](http://www.businesswire.com), August 15, 2012.

— Rick Ayers, Securian<sup>33</sup>

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<sup>33</sup> Cited in “QR Codes Provide Quick Securian Retirement Account Access for Employees,” [www.businesswire.com](http://www.businesswire.com), August 15, 2012.

## Mobile Services for Advisors and Intermediaries

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*Four plan providers have mobile initiatives for advisors and intermediaries and responded to additional questions. Plan providers currently offer limited functions for mobile devices. They measure success in multiple ways, including the number of times mobile sites are accessed, time spent on the site, and advisor feedback.*

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### Demand for Mobile Functions From Advisors and Intermediaries

- Plan providers with mobile capabilities for advisors/intermediaries focus their technology initiatives for advisors on their traditional websites rather than on mobile technologies or social media.
- Respondents report that their advisors' demands for mobile services and functions range from somewhat strong to very strong.
- Plan providers currently offer limited functions accessible from mobile devices. Of the eight functions that providers were asked about, none are offered via downloadable mobile apps. Only a few providers make any of these eight services accessible from mobile sites or on mobile-friendly websites at this time (Table 5). For example, while all four providers enable mobile access to product and compliance information in non-mobile-friendly format, only one provider offers mobile-friendly access on the full site and another offers access to these functions on a mobile site.

*We offer plan health, which uses a responsive Web design. It allows advisors to easily determine the overall well-being of their defined contribution retirement plans, and shows which services are being used by the plan. It provides key plan information that is intuitive, visual, and available on-demand, shows trends and benchmarking data, and allows users to filter data to get to greater levels of detail.*

— Survey respondent

**Table 5 —  
Mobile Access Options for Advisors and Intermediaries**  
*Among plan providers with mobile initiatives for advisors/intermediaries — Number of plan providers*

	Available online	Access on the mobile website	Access on the full site: mobile-friendly	Access on the full site: NOT mobile-friendly	Access via downloadable mobile app
Access product information	4	1	1	4	0
Access compliance information	4	1	1	4	0
View client account information	3	2	0	2	0
Check pending business status	3	1	0	3	0
Order marketing materials	3	1	1	3	0
Access Morningstar ratings	3	0	1	3	0
Model portfolios	2	1	0	2	0
Access e-signatures at the point-of-sale	0	0	0	0	0

N=4

■ **What does this mean for your company?** Offering mobile service options can help differentiate your company from others as innovative and responsive to the service needs of advisors. Although plan providers tend to be moving slowly with mobile access options for advisors, they have an advantage over plan providers that have not started. The literature provides additional information on plan providers’ mobile services for advisors:

- Vanguard was early in developing mobile access options for advisors. The firm offers a fund-finder function for iPads and iPhones.<sup>34</sup>
- Franklin Templeton offers advisors (including those not affiliated with the firm) access to a mobile website.<sup>35</sup>
- American Century offers account access for advisors through a mobile site.<sup>36</sup>
- Securian’s mobile site for advisors seeks to recruit experienced advisors; usage has exceeded the company’s expectations.<sup>37</sup>
- Invesco offers advisors a mobile app that makes it possible for them to access defined contribution plan benchmarking data.<sup>38</sup>

<sup>34</sup> Lemann, Mariana, “Firms’ Mobile Strategies Suffer From Lack of Funding: Survey,” *Ignites.com*, June 8, 2012.

<sup>35</sup> Ibid.

<sup>36</sup> Ibid.

<sup>37</sup> Appel, Tammy McInturff, “Demand Drives Race to Develop Mobile Sites,” *Resource*, April 2012.

<sup>38</sup> Cornfield, Jill, “Invesco App Benchmarks DC Plans,” *Plan Advisor*, November 13, 2012.

## Measuring Mobile Initiative Success and Encouraging Use

- Plan providers measure success in multiple ways, although all providers measure the number of times mobile sites are accessed (Table 6). This is followed by time spent on the site per mobile device access and user feedback.
- Three of the four plan providers actively seek to encourage advisors to use mobile services. Methods used include emails, mailings, training, promotions when advisors call them, and developing a responsive Web design (Table 7).

**Table 6 —**  
**How Plan Providers Measure Mobile Initiative Success for**  
**Advisors and Intermediaries**  
*Among plan providers with mobile initiatives for advisors/  
intermediaries — number of plan providers*

- Number of time the mobile site is accessed (4)
- Time spent on the site (full or mobile) per access by a mobile device (3)
- Feedback from advisors (3)
- Percentage of traffic to regular websites from mobile devices (2)
- Number of downloaded apps (1)

N=4

**Table 7 —**  
**Methods Used to Encourage Advisors and Intermediaries to**  
**Use Mobile Services**  
*Among plan providers with mobile initiatives for advisors/  
intermediaries — number of plan providers*

- Emails with links (2)
- Mailings (e.g., letters, postcards) (1)
- Promotion of mobile access when advisors call in (1)
- Training (1)
- Use a responsive Web design (1)
- Nothing (1)

N=4

- ***What does this mean for your company?*** Measuring mobile initiative success can help companies identify services that should be added or improved and should ultimately drive greater usage and service satisfaction. It is important for plan providers to draw advisors to their mobile capabilities in order to achieve greater ROI and to ensure that advisors who want to use mobile services are aware these services are available from your company. One plan provider, when referring to their mobile site promotion (including one for advisors), says it uses automatic redirect to the mobile site when the site is accessed from mobile devices. They also use email blasts, marketing on extranets, and traditional emails to promote their sites.<sup>39</sup>

<sup>39</sup> Appel, Tammy McInturff, “Demand Drives Race to Develop Mobile Sites,” *Resource*, April 2012.

## Participating Companies

Thank you to the following companies for their support of LIMRA's research program:

Ameritas Retirement Plans	MetLife Resources
AXA Equitable	Nationwide Financial
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Fidelity Investments	Principal Financial Group
Great American Financial Resources	Prudential Retirement
Guardian Life Insurance Company of America	Putnam Investments
GuideStone Financial Resources	Transamerica Retirement Services
ING Retirement	T. Rowe Price Retirement Plan Services
John Hancock Retirement Plan Services	VALIC
J. P. Morgan Retirement Plan Resources	

## Appendix — Additional Tables

Table A-1 — Defined Contribution Plans Offered by Responding Plan Providers	
401(k)	17
403(b)	14
401(a)	13
457	13
Other	5
N=19	

Table A-2 — Primary Market for Responding Plan Providers	
Micro: Less than \$1 million	2
Small: \$1 million to less than \$10 million	9
Mid: \$10 million to less than \$100 million	7
Large: \$100 million to less than \$1 billion	2
Jumbo: \$1 billion or more	1
N=18	
Note: One plan provider listed four primary markets.	





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