

Chapter 12

Mobile Customer Acquisition in the Swiss Health Care Industry: An Empirical Study

Niklas Nohlen

Institute of Research on Information Systems (IRIS), Germany

Stefan Smolnik

European Business School (EBS), Germany

Gerold Riempp

International University Schloss Reichartshausen, Germany

ABSTRACT

Applications based on mobile technologies are predicted to achieve increasing distribution as well as high potential for business processes especially with regard to customer interfaces. This chapter is going to analyze and present perspectives and approaches for initiation efforts by means of mobile technologies of Switzerland's health care industry. On the one hand, acceptance and success factors of such mobile applications are analyzed by means of empirical studies involving customers and companies, on the other hand a prototype of mobile processes for initiation efforts is introduced, which was developed in the course of a case study.

INTRODUCTION

Challenges for Customer Acquisition in Switzerland's Health Care Industry

Switzerland's act on health care insurance (KVG) allows a compulsory basic insurance contract for each obligatorily insured person. Regardless of the chosen insurance company this contract offers the same services for all persons without previous

medical examination. Thereby insurance companies have to accept every obligatorily insured person within their regional operating area. Switzerland's health care insurance system comprises a cost sharing for the insured person that consists of a fixed annual fee (so-called Franchise) and a co-payment of 10% which compounds the costs exceeding the franchise. The insured person can reduce the annual fee through an optional higher franchise. In addition to the franchise rate, age, gender, and place of residence also have an influence on the premium

DOI: 10.4018/978-1-60566-074-5.ch012

level. Unlike in Germany, there is no income-dependent premium provided in Switzerland. Due to the newly published annual premiums approved by the Federal Council of Switzerland, the insured have the possibility to switch health insurance providers with a 30 days' notice by December 31 (KVG, 2006). In 2006, for example, about 170.000 people have changed their health care provider (comparis.ch, 2007). Hence, the insurance companies try to acquire via different sales channels and sales promotion activities as many customers as possible who are willing to switch.

One of Switzerland's leading insurance companies – Helsana Versicherungen AG (Helsana, 2007) – can be used as a good example to illustrate the increasing significance of mobile sales channels. In 2003/04, the Helsana Versicherungen AG implemented a mobile offer for the first time. This mobile application, based on the Short Message Service (SMS) technology, enables the interested person to request via SMS the actual insurance fee for the coming year by sending an SMS. The fee is hereby calculated on the basis of age, gender, and the region where the interested person lives, in relation to a standard franchise, whereas no further influence capabilities can be considered concerning the interested person. After receiving the requested information, the prospective customer can, via SMS, ask for a call from the insurance company's call center (Reichhold & Schierholz, 2003). Meanwhile, many Swiss insurance companies offer this SMS process of premium calculation. The process as such does no longer offer a characteristic monopoly or innovation potential, and this has led to the loss of users. Nevertheless, further development of mobile technologies provides new possibilities for customer acquisition by means of mobile applications.

In their review of the literature, Ngai and Gunasekaran provide an overview of mobile commerce (m-commerce). They identify five kinds of publications that cover aspects of m-commerce:

M-commerce applications and cases, wireless user infrastructure, mobile middleware, m-commerce theory, and research (Ngai & Gunasekaran, 2007). Our chapter focuses on three of these five aspects: research, m-commerce application, and cases. We specifically wanted to know (1) whether these health care insurance consumers would use m-commerce, and (2) what the key determinants of success are with regard to the use of m-commerce. In section 2, we therefore review the relevant literature and mention some determinants for the successful use of m-commerce.

Relevance and Development of m-Commerce

Mobile commerce can be viewed as a subset of electronic commerce. Devices like cellular phones, personal digital assistants, pagers, notebooks, etc. represent the wireless environment that supports mobile electronic business transactions and gives mobile commerce its name (Coursaris & Hasanein, 2002). Mobile commerce (m-commerce) describes any business transaction, in which transaction partners apply mobile electronic communication techniques (in connection with mobile devices) within the scope of initiation efforts, services agreement, or provision (Turowski & Pousttchi, 2004, p. 1). Thus, the previously described SMS process is a typical example for m-commerce. Considering economic aspects, mobile applications are distinguished according to a generic market model. On the supply side, mobile applications can be employed for optimization and support of added value and services. Within the market transaction, they can help to coordinate and handle benefit transfer. From the consumer perspective, mobile applications as information or service products can turn out to be an economic commodity (Hess, et al., 2005, p. 6). From a technical point of view, mobile technologies form the basis of m-commerce. This includes mobile networks, mobile devices, and available basic services (Scheer, Feld, & Göbl, 2001, p. 8).

21 more pages are available in the full version of this document, which may be purchased using the "Add to Cart" button on the publisher's webpage:
www.igi-global.com/chapter/mobile-customer-acquisition-swiss-health/39147

Related Content

Crowdsourcing Corporate Sustainability Strategies

Peter Jones, David Hillier and Daphne Comfort (2018). *Digital Marketing and Consumer Engagement: Concepts, Methodologies, Tools, and Applications* (pp. 767-779).

www.irma-international.org/chapter/crowdsourcing-corporate-sustainability-strategies/195123

Online Shopping: Exploring Perceptions of Digital Natives in the United Arab Emirates

Muneeza Shoaib and Hameedah Sayani (2016). *International Journal of Online Marketing* (pp. 12-35).

www.irma-international.org/article/online-shopping/165480

T5: Tackle the Task of a Transition through Technological Targets

Gilbert Ahamer (2015). *International Journal of Technology and Educational Marketing* (pp. 1-14).

www.irma-international.org/article/t5/129770

Decision Makers' Mindsets in the Jewelry Capital of America

Jovanna Nathalie Cervantes-Guzmán (2019). *International Journal of Marketing and Sales Education* (pp. 30-42).

www.irma-international.org/article/decision-makers-mindsets-in-the-jewelry-capital-of-america/253528

Examining the Online Wine Tourism Experience of California Wineries

Roblyn Simeon and Lutfus Sayeed (2011). *International Journal of Online Marketing* (pp. 24-40).

www.irma-international.org/article/examining-online-wine-tourism-experience/52103