

# BNV MOBILITY

Netherlands, [www.bnvmobility.com](http://www.bnvmobility.com) & [www.myjini.nl](http://www.myjini.nl)

An app developer joined forces with an insurance company to develop an application which encourages responsible driving in exchange for financial incentives. The marketing of the app via the insurer's website helped considerably to boost the number of users

## Executive Summary

MyJINI is a connected car service with an insurance solution developed by BNV Mobility (an app that registers driving behaviour and trips). The service is unique because it re-invents the means of incentivizing safe driving behaviour in a positive way. The MyJINI solution rewards drivers with discounts on fuel, lower insurance fees and other products in the web shop. The concept was co-developed together with an insurance company and consultancy firm. Other partners were involved in the development and commercialization phases (e.g. Shell for go-2-market and a firm of IT system developers).



CASE N° : SD36

SECTOR: APP DEVELOPMENT

TECH INTENSITY: LOW-MEDIUM TECH

LIFE CYCLE STAGE: ESTABLISHED

INNOVATION VECTORS: PRODUCT, SERVICE, CUSTOMERS & MARKETING

01 PARTNERS: LARGE CORPORATION, OTHER SME, INDIVIDUAL EXPERTS

KEYWORDS: App development, smart city, vehicle, driving, Insurance, mobility, connected-driving

- BACKGROUND FRAMEWORK
- INNOVATION CHALLENGE & MARKET OPPORTUNITIES
- OI TRAJECTORY
- BUSINESS IMPACT
- LESSONS LEARNED

**BNV**mobility

## BACKGROUND

The team of BNV Mobility consists of 15 full-time employees who have been providing solutions for personal transportation (mainly in cities and on highways) in the Netherlands since 2010. In the past, the company has already developed 8 digital solutions to incentivize drivers to avoid traffic jams and to nudge drivers towards better driving behaviour (avoid speeding, aggressive actions, etc.)

The company currently consists of 3 shareholders:

- Sherlock Venting: Dutch-based company with mobility-related consultancy expertise. It is a small-scale consultancy company which shares the same founder as BNV Mobility.
- Brisa: the largest highway operator in Portugal; active worldwide (India, US, etc.).
- Egis Projects: French engineering company (Egis Group) with more than 12 000 employees, in which Egis Projects has a focus on the maintenance of highways, bridges and smaller airports, often in combination with the collection of tolls. In 2013 it realized revenues of €881 million.

As part of their future plans, the company will continue with developing creative solutions for traffic and mobility divisions of regional institutions and cities to solve mobility issues. BNV Mobility considers that there are still many more opportunities to create added-value for these types of clients and become a mature (reference) provider of consultancy and plug-and-play solutions (e.g. apps).

They seek to grow their business steadily in this way. Managing road congestion and driving behavior in regions with a high population density will remain a hot topic in societies of today and tomorrow. Currently, a new mobile platform is being developed to offer transport solutions as a service in a one-stop shop approach. People will be able to pick their preferred mode of transport and will be incentivized for certain choices that contribute to less congested roads.

## INNOVATION CHALLENGE & MARKET OPPORTUNITIES

The company has a constant challenge to find new opportunities to solve mobility issues and

introduce new services in the market. Before the initiation of this project they were seeking possibilities to develop a solution that would encourage drivers to adapt their driving behaviour.

This particular market opportunity capitalizes on the trend of 'gamification' of insurance contracts. It introduces an IT-based service solution with gamification for regional and national traffic system operators to support greater mobility through an offer of positive incentives.

## OPEN INNOVATION TRAJECTORY

### Concept development

The idea was conceived by the team of BNV mobility. It was named MyJINI. The MyJINI concept includes among other connected-car services, a usage-based insurance solution to reward users for good driving behavior. The rewards include loyalty coins which can purchase lower insurance premiums, cheaper fuel and various products in the myJINI-webshop.

The service concept aims to incentivize drivers in a positive way (compared to toll fees). During the conception phase, a local Dutch government released their ambition to support financially initiatives that lead to a decrease in traffic congestion during peak hours ('Verkeersonderneming Rotterdam'). This financial support was meant to be results-based. No projects would be pre-financed and the participating parties would only be rewarded for every driver that avoided the rush hour peak. BNV Mobility was already working on such a solution to incentivize drivers and avoid road congestion, and the additional financial trigger of this governmental project was the decisive argument to start developing the app.

A consulting company (further referred to as 'external experts') was hired to help define and sharpen the concept with the aim of increasing its chance of being accepted by the market. This refining process led to a clear value proposition for drivers. If they used the app to log their transportation activities (mode of transport, time of use, speed and route taken) they would be incentivized for 'good behaviour'. For example, by logging his speed, the user would get a reduction on his next insurance premium for his car. Or by logging his activity, the user would save points that could be used to cut the price of his next fuel purchase from a certain supplier or 'buy' a

a selection of goodies in a webshop.

## The development process, IPR and competition strategy

BNV Mobility understood that they needed external partners, for example, in usage-based insurance to offer added value to customers. They therefore prospected a few companies and selected an insurance company called Allsecur to develop jointly the innovation. It was a good fit with this partner since Allsecur had a young and flexible company culture, which was seen as critical in the development process. (Allsecur is a medium-sized company which is part of the large Allianz insurance group.) They co-developed the solution with around 90% of the initiative coming from BNV. There was no step-by-step fixed approach.

Later in the development process, Shell (worldwide energy and fuel supplier) joined the project. Shell wanted to support initiatives to tackle mobility issues as a CSR objective. The idea was to connect the reward system for app users with a positive driving behavior (discounts on fuel purchase). It proved to be a challenging task for BNV Mobility to take decisions together with a multinational company (due to a fragmented decision-making structure, multiple stakeholders, etc.).

In a next stage, additional partners were sought to develop the platform (front and back-end IT). These external SME software developers were involved in a co-creative way, but hired as service suppliers. Finally, an (undisclosed) industrial product & service provider with a specialization in the automotive sector was contracted to supply and install the hardware in the cars of users.

BNV Mobility tried to approach this joint project in a very lean way, as they did not receive funding for the concept development. This financial context was an important trigger to organize the project in this way and to tackle the biggest issues first. They explicitly sought partners who could help them to reach (and grow) a customer base in order to strengthen and co-create their go-to-market approach.

All the solutions developed (brand, app and platform) are the property of BNV Mobility. No specific IP was developed.

The company's competition strategy consisted of the following:

- A unique service combination: a usage-based insurance as part of a mobility solution. Originally, the company

wanted to release the offering as an innovative solution under a new brand to fully differentiate the offering from existing alternatives.

- The cooperation with the insurance company was essential for market penetration.

To speed up the growth of the customer base the connection with the insurance company was strengthened by posting the offering as a choice to (young and potential) visiting clients on the insurance company's website.

## Commercialization and follow-up

An organic service adoption (supported by coverage in the local press and mouth-to-mouth peer recommendations) did not provide the expected growth. The company searched for additional ways to capture potential users and decided to focus on prospects/visitors to the insurance company's website. In the meantime, they have agreed with the insurance company to make an explicit reference to a 'myJINI proposition' to potential customers (with a target group focus on drivers under 40 years old).

BNV Mobility was forced to look for additional marketing channels to boost the growth of its customer base. As a result, the myJINI service is now also offered on the website of the insurance company. The results of this effort are already noticeable, leading to a significant increase in the number of clients. The company aims to improve the added-value for users by offering additional services, such as a health check of the car, etc.

## BUSINESS IMPACT

One of the main skills which the team acquired was an agile management approach. It was necessary to keep moving forward and not to miss any window of opportunity despite a number of uncertainties. Some of the team members felt uncomfortable with this way of working at first but learned to embrace this philosophy over the years.

The open innovation project had considerable impact on the business.

- MyJINI became a flagship product of the company, involving insurance and other partners. Developing and monetizing the myJINI solution put BNV Mobility on the map as an innovative company in the Netherlands when it comes to creative

- solutions for mobility challenges. As they were one of the first to bring a usage-based insurance offering to the market in the Netherlands, they were seen as pioneers in the field. This has led to the acquisition of additional projects.
- The customer base grew with the help of their project partners, e.g. capitalizing on their marketing channels and brand power.

## LESSONS LEARNED

This is a case in which an SME involves a variety of partners throughout the innovation process in a relatively non-structured way.

- The innovative concept could not be developed and rolled-out by one partner alone.
- The time (and money) invested in this project was high-risk for all parties, which could lead to frictions in the partnership. However, the concept owner was leading the development and managed to bring the solution to market. All of this was done without government financial support (during project development).

### Main lessons learned:

1. Approach an innovative project in an agile way. Don't spend too much time analyzing the steps forward. Experiment and learn from the outcomes.
2. Tackle the biggest issues and idea killers first.
3. Agile management and working methods are useful also for open innovation projects with multiple partners involved at different stages of the project.
4. Open innovation with a go-2-market approach can bring enormous benefits for SMEs.