

TRIZ Meets Progressive and Flo



I am sure that most of you have seen the Progressive Insurance ads that have been running for some time now, featuring Flo, the not so dumb representative who puts her competitors to shame. Let's analyze her latest ads and Progressive's latest product from a TRIZ perspective and see how wonderfully it fits with several TRIZ concepts. We are frequently asked about the use of TRIZ in business, as opposed to the technical and engineering universe, and this new business concept demonstrates that well.

The product is variable rate insurance based on a device, placed in your car with your permission, that tracks your driving behavior. If you're driving fast or your car is sitting around and not moving, your collision and liability rates change. Let's look at this from a TRIZ perspective.

First, adding useful complexity to make a system more ideal. The addition of the device in the car is such an example. It costs the driver nothing and does not interfere with driving the car. It is also added useful complexity from the insurance company's standpoint. In their case, there is added cost, but they obtain useful data that allows them to charge a more accurate premium. It is also probably an incentive to the driver to watch their driving habits. In this case everyone benefits (except maybe the claims adjuster, the body shop, the lawyers, the doctors---interesting how different people might define whether a product change is more "idea", isn't it?)

Second, dynamism. One of the key TRIZ lines of evolution is that systems, products, organizations, and businesses become more dynamic over time. This product and service makes car insurance pricing more dynamic and responsive.

Third, use of resources. This new business was not possible until satellite networks were in place that allowed the tracking of drivers to the degree of accuracy needed in this product and service. That wasn't possible decades ago. Not it is. That's why we always suggest that problem and business owners revisit the TRIZ list of resources frequently to make sure there hasn't been some change in resource availability or cost. In this case it is an informational resource, one of the seven resource classifications we use in TRIZ.

Fourth, the inventive principle of "do it in advance", TRIZ inventive principle #10. A driver gets to try this system out for 30 days, see the results, and then decide whether to switch to this type of insurance.

Now ask yourself, how could TRIZ "informational resource" thinking improve this product and service even further?

What about who is driving the car?

What about the traffic density around the car?

What about the car theft rate?

What if the car is sitting in the garage? Sitting in a parking garage in a high auto theft area?

What about the weather and road conditions?

What about if the radio is on in the car?

What if the car is passing another car in a no passing zone?

Now I realize that several of these things begin to interfere with some privacy issues, but the point is to get you to think about this concept from a TRIZ perspective and what might be coming next. What are your thoughts? How would these thoughts apply to your business? What new resources are available to you now that weren't 10 years ago?