

## Measuring success



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**NYSE (ADR): AXA**

**Chairman AXA Group's Board**  
Henri de Castries  
**Group CEO AXA Europe North**  
Alfred Bouchaert  
**2006 Revenue**  
€79 Billion  
**2006 Earnings**  
€5.1 Billion  
**Employees**  
~120,000

### ROI Study Highlights

- 260% ROI over five years
- 23% IRR over five years
- € 187,000 Initial Investment
- Payback within 2 years
- € 489,000 Net Savings over 5 years vs. alternate solution

### Business Benefits

- Eliminating errors while improving data accuracy using LiveCycle's automated forms
- Accelerating loan contract processing—from 2+ weeks to same day
- Tailored offers using risk profiles; improved margins
- Reducing burdens on agents and improving coordination with customers

### Study Scope

- Business Fisc
- Adobe LiveCycle Enterprise Suite (ES) products
  - Forms
  - Reader Extensions
  - Designer

## AXA generates business value through improved processing and automation with Adobe® LiveCycle® Enterprise Suite software realizes a 260% ROI

### Executive Summary

In 1980, AXA did not exist. Today, the AXA Group is an important global player whose ambition is to attain leadership in its core Financial Protection business. Its winning strategy is built on a set of defined values and commitments. AXA's business model entails fortifying, consolidating and developing organic growth-retaining existing clients and acquiring new ones to ensure that the Group is able to seize genuine opportunities for external growth. AXA's development efforts are focused on the most profitable segments, and the Group seeks to enhance its positioning in developed or high-growth markets.

Since 1998, the AXA Group has been doing business under a single brand with global reach: AXA. Simple, natural, optimistic and intimate, the 'Be Life Confident' tagline reflects AXA's culture and ability to move forward. Today, 51.5 million clients in the world trust AXA.

In 2002, AXA management decided to launch a new program named "AXA-Way" designed to increase efficiencies and streamline processes to enhance all its business capabilities. Business Fisc product, which handles the pre-payment, financing and filing of annual company taxes was the only product remaining in the Bank that was not automated. AXA needed a reliable and automated solution to help it boost sales, improve processing and performance all while allowing it to tailor offers and improve product profitability. Business Fisc is an easily sold, entry product as every company needs to pay their taxes and the financing solution provides a financial incentive. AXA needed a solution that would help it reduce errors at origination, thus streamlining and accelerating the downstream, back-office processing time. With the AXA-Way, the organization has measurement as part of its DNA, and knew their had to be away to improve its current Six Sigma measure of 1.4.

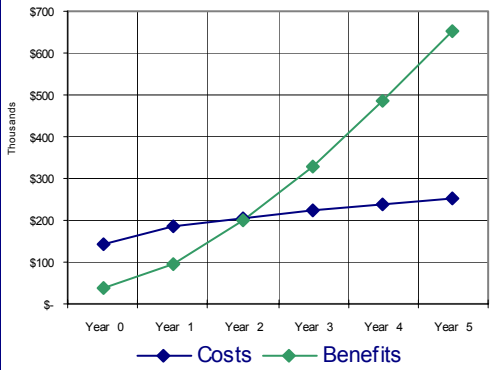
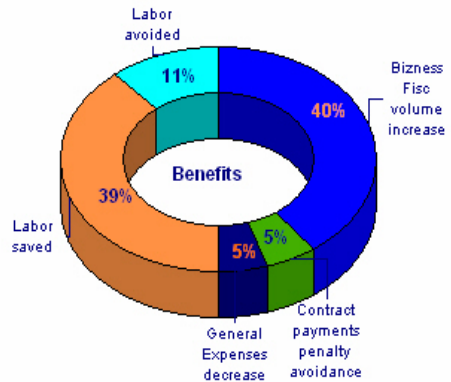
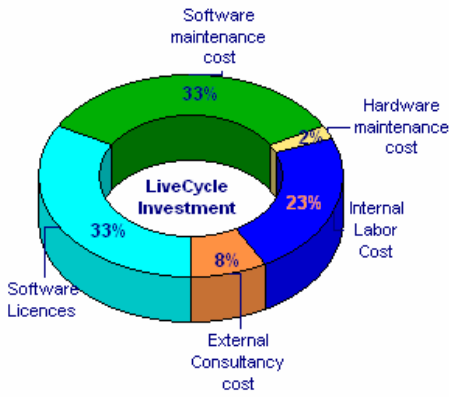
In 2004, AXA launched a five year plan to streamline and automate business processes to speed contract initiation. The company wanted to increase its nominal market penetration and management believed the manual, labor-intensive process was a barrier. In order to push aggressively into the market, AXA needed to put a reliable and automated solution in place that could quickly support their strategic initiatives. They needed to manage and track processes and forms that capture critical data and extend the reach of AXA's core business, without adding technology complexity or cumbersome education and training during roll-out.

AXA was facing an error rate of 25% and cycle times of 2 to 3 weeks because the Business Fisc loan contract was being handled manually. AXA was also facing missed opportunities in up-selling, as brokers would favor better and easier technology solutions from competitors—AXA was perceived as technology laggard. Communication between AXA and its agents was also inefficient. Before Adobe, agents did not receive confirmation of receipt or processing status. Agents simply mailed loan contracts and hoped for the best—creating extra busy work following up on status to ensure completion. AXA faced intensified competition in the marketplace, and was struggling to differentiate themselves.

In searching for a reliable solution, AXA sought a user-friendly solution with advanced capabilities that would improve transaction cycle time with electronic forms. They chose Adobe's LiveCycle ES. The Adobe solution gave AXA a way to contain costs and reduce errors, enhance their customer relationships, and ultimately, to increase market share. In using LiveCycle ES, AXA has been able to improve their transaction time with electronic forms and is now better able to cross-sell and bundle products.

***Using Adobe, AXA has streamlined and improved their processes, facilitating better communication, cycle times and while reducing risk and increasing market share resulting in an impressive 260 % ROI in five years.***

# Financial Impact



## Quantifying the Adobe Investment

- 33% of the overall investment is the software licenses
- Another 33% of the investment is software maintenance
- Internal labor (23%) and external consultancy (9%) illustrate the nominal development and ease of deployment and lastly,
- 2% of the investment is hardware maintenance cost

## Benefits achieved from Adobe Investment

- 40% of benefits will derive from enabling a 10% annual increase business volume. Adobe's enabling role is attributed to 30% of the calculated value.
- 50% of the benefits are derived from labor savings and labor avoidance. Automation of the loan contract process will save AXA one FTE's salary.
- 5% of the benefits will come from eliminating AXA's exposure of the 9% penalty charged on cases arriving past the deadline.

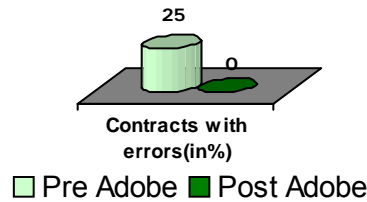
## AXA Breakeven Analysis

Adobe LiveCycle ES has helped AXA solve its loan contract efficiency problem by delivering a solution with quick implementation, simplified training requirements, and robust growth capabilities. With Adobe, AXA is able to manage the entire loan contract process more effectively and is able to provide better, more efficient service. As illustrated in the chart above, the benefits of the Adobe solution exceeded costs, with the investment reaching breakeven in about eighteen months.

# Operational Impact

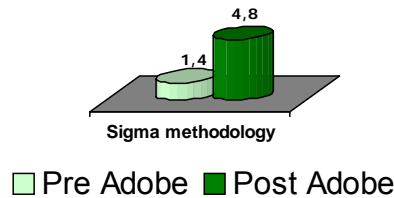
## Greater Reliability

Before Adobe, over 25% of the contracts contained problems and had to be returned to agents for correction. Now, contract errors have been significantly reduced to less than 1%, using pre-populated fields and data edits.



## Efficiency Gain

Quality and efficiency have greatly improved. Prior to Adobe, the AXA process was 1.4 sigma, increasing to 4.8 and still improving as further automation is rolled-out.



# Future Benefits

## Harvesting additional value

Leveraging its Adobe LiveCycle ES solution, AXA has the opportunity to harvest additional value by:

- Incorporating digital signatures, allowing straight-through processing. This will further increase benefits to AXA, its agents and customers, replacing the current process, which requires 'wet signatures' and disrupts process flow and automation
- Automating and increasing integration with AXA's core systems, information can be better shared across the value chain of bank, agent and customers for improved processing and communication.
- Further leverage data integration and intelligent forms to enhance broker/customer communication

## About the Value Measurement Series

This study is one of a series of investigations into the business value companies have derived from their investment in Adobe® LiveCycle® Enterprise Suite software. It is intended to serve business executives and managers who are evaluating Adobe Solutions to improve the way they operate their business leveraging technology. This case study was commissioned by Adobe, and is based on original research and analysis conducted by Thoughtware Worldwide, LLC, an independent research and consulting firm. Thoughtware Worldwide's research included on-site interviews with members of AXA Bank's management. Information contained in the publication has been obtained from sources considered reliable, but is not warranted by Thoughtware Worldwide, LLC, or Adobe. © 2005 All rights reserved. For more information about this study, please visit: [ThoughtwareWorldwide.com](http://ThoughtwareWorldwide.com) or contact your local Adobe office.