**Nick Lane Speech– Business Opportunities: Our Brand Platform Will Drive Business Results - AXA Brand Launch Event - January 23, 2014 - 2:40-2:55 p.m.**

1. **Opening remarks - overview**

* Now that Mark has shared our new brand positioning and our plans to communicate it to our U.S. target audience, you may be wondering—how do we plan to make this work in the marketplace?
* I am here to discuss our business opportunities, and how our brand platform will drive business results

1. **U.S. Insurance Market is largest in the world, offers significant opportunities to U.S. and our global parent**

* We have unprecedented opportunity to strengthen our business. The U.S. insurance market is largest in the world, and it offers significant opportunities to us in the U.S. and to our global parent
* We represent the number one insurance brand in the world, and our strategic analysis has discerned that tremendous opportunity lies ahead for us in our U.S. target market

1. **To capitalize on these opportunities we’ll revisit existing (business) strategies**

* But in order to capitalize on these opportunities, we must first revisit existing business strategies
* Our strategy is to move from surviving as a business to winning
* Our existing strategy maintains the current scope of operations. However, while industry trends are creating significant opportunities for us, overall, these trends are not favorable to our current scope of operations
* It is time for a new direction if we are to thrive as a business. Our goal is to make substantial inroads in the U.S. target market
* Our recent Strategic Review concluded that we should leverage AXA Group capabilities to enter the middle market through group and voluntary products
* We see great opportunity in expanding our offering of Employee Benefits, and we are from moving the concept stage to a feasibility review
* When we undertook our Strategic Review, three opportunities emerged
* The first is in the arena of Employer Sponsored plans. We will expand our presence in institutional retirement, with a focus on 403(b) plans in the K-12 group, in higher education, and in healthcare. We will also offer 457 and 401(k) plans for small and medium enterprises, known also as SMEs
* The second opportunity lies in Retail Mutual Funds. We plan toleverage our FMG—Fund Management Group—platform to create retail mutual funds for distribution through AXA Advisors to gather assets and generate fee income
* The third area of opportunities we uncovered is in Employee Benefits. Our strategy is to develop an employee benefits offering focused on targeting the underserved SME market
* We are basing our business development strategy on a firm foundation—our strengths in the fields of retirement, insurance, and advice
* We must make consumers aware of the range of sophisticated products available to them—in Advice, Retirement and Life Insurance—which makes AXA their ideal partner

1. **Our opportunity - Provide solutions across key issues facing consumers – retirement crisis, wish for financial stability, need for financial literacy and confidence**

* Our opportunity lies in providing solutions across key issues facing consumers – the retirement crisis, their wish for financial stability, and their need for financial literacy and confidence
* Let’s address these issues one by one and examine our solutions
* Issue One: the Retirement Crisis. Our customers fear outliving their money. However, we offer a solution: through our expert planning, we provide people with dignity in retirement
* Issue Two: U.S. families are seeking financial stability, and insurance ownership is at historic lows. However, we offer a solution: we are experts at providing security and protection via life insurance, and we can make consumers aware what a reasonable and affordable solution it is
* Issue Three: Financial Literacy. Less than 40% of our U.S. target market is financially literate. As a result, they are making bad or misinformed decisions for their families. However, we have a solution for that as well: we offer expert professional advice and guide them every step of the way
* Another factor we realized, which is a strong motivating factor with our market: as your age increases, your ability to succeed at tackling these issues is diminished. That gives us a powerful sales driver in marketplace

1. **Business Goal: 15% growth in new sales year and NBV – New Business Value**

* Now I would like to address the question: what are our specific goals? Our precise sales targets?
* We are aiming for 15% growth in the new sales year and 15% growth in New Business Value
* By 2013 Year To Date, our target is 20% growth in sales and 30% increase in New Business Value

1. **Strategy – Key segments, more access points, distribution strategy**

* In order to achieve these goals, we will pursue this strategy:
* A) **Key segments**
* We will focus on three key segments:
* First, Employer Sponsored plans. Here we will reach out to teachers, women, and first-time investors—those with a minimum of $1,000 to invest
* Two, Independent Advisors. Our target audience in this segment is affluent, more sophisticated, at retirement age, with a $25,000 minimum to invest
* Third, Life Insurance. We see opportunity a bifurcated market, split between younger, term customers and older investment customers
* **B) More access points**
* We will make our brand positioning real by tapping into our extensive sales and distribution network, and by pursuing other channels. Our network has demonstrated proven success, and we are confident it will deliver the experience we promise to our customers in an expert fashion
* To support our market expansion, we will create more access points. Our plan is to develop multi-channel access points, supported by enhanced distribution and a multi-product offering
* The foundation of our distribution strategy is to establish 700 distributors. This includes banks, wirehouses, Registered Investment Advisors, and Property and Casualty firms.
* **C) Distribution strategy**
* In what proportion will we concentrate our development efforts on these three markets? What is our distribution strategy?
* Market action and activity will drive the proportion, but our goal is for a diversified 30/30/30 split among the three segments

1. **Priorities, Opportunities, “Must Do’s”**

[This is an area where Nick will have to supply his expertise. The outline below is taken from his presentation, but I don’t have the wherewithal to confidently fill in the blanks. – WW]

* Goals
* Product Launches
* Distribution
  + Channels
  + Partners
  + Expansion
  + AXA Advisors
* What trend can AXA take advantage of uniquely – why?
* What does our client base/book suggest our strong suit is?
* What is a “next best” product for LIFE owner? Annuity owner? Investment owner?
* What MUST we do in 2014 or goals are at risk – name 3?

1. **Call to action – your crucial role in AXA’s success**

* I would like to point out that not even the best sales and distribution network in the world and the finest sales strategy can make a brand launch effective
* Our brand identity can only be solidified if we pull together and unite as One AXA
* I am confident that our new goals are within our reach
* I thank you in advance for your efforts to come
* I look forward to working together with you, as together, we gain our rightful market share in the largest insurance market in the world