

# Emerging Customers

An Interview with Garance Wattez-Richard, Chief Executive Officer, AXA Emerging Customers, AXA Group

**EDITORS' NOTE** In 2016, Garance Wattez-Richard launched AXA Emerging Customers, a business whose objective is to protect the low income to mass market segments and close the insurance gap across emerging markets. Before developing this business, she spearheaded SheforShield, the first global study to put under the spotlight the potential represented by Women – as asset owners, as decision-makers, as household-protection entry points – for the insurance industry.



Garance Wattez-Richard

She started her career at the European Commission in Brussels, went on to work within the Office of the Chief Economist of the European Bank for Reconstruction and Development (EBRD) in London and spent several years working as a strategy consultant. She began her AXA journey in 2005, when she joined AXA Investment Managers as Executive Assistant to the CEO. Wattez-Richard is a graduate of the Institut d'Etudes Politiques de Paris (Sciences Po.), an M.Sc. graduate of the London School of Economics, and holds an M.B.A. from INSEAD.

**COMPANY BRIEF** AXA ([axa.com](http://axa.com)) protects people and businesses worldwide and creates value analyzing, pooling and managing a wide range of risks. The group started as a local French company and became a global insurance leader in just 30 years. Recently, AXA has transformed its risk profile, from financial to insurance risks, by completing the disposal of its US Life & Savings and Asset Management entity and acquiring the XL Group. AXA is accelerating on Property & Casualty, Health and Protection, which are less sensitive to financial markets. AXA is a responsible leader and launched in 2019 a new phase in its climate strategy to accelerate its contribution to the transition towards a low-carbon and resilient economy. The group has a proven track record in delivering sustained earnings and dividend growth to its shareholders.

## How do you define the AXA culture?

I see AXA as a company that is both very French and very global in the sense that it is not an international company, but rather it has two legs, a French leg and a global one, which makes for a very enriching dichotomy. When you visit any of our offices around the world, even though several leaders may be

French, they are an integral part of their environment and community, and the cultural mix is quite special. It makes AXA a very dynamic place to work and have an open mind about the world.

## Will you provide an overview of AXA Emerging Customers and highlight how the business was born?

We realized that we were focusing on very low-income individuals as a part of AXA's Corporate Responsibility efforts, and rightfully so. At the other end of the spectrum, our business strategy was very much focused on the high-net worth, mass affluent segments. You do not need to be a rocket scientist to see that as one of the largest insurers in the world, it was important that we extend our focus beyond the top 5-10 saturated percent of the income pyramid to drive both scale and impact at the same speed. So what about the middle – those that are too poor to be rich and too rich to be poor? Our leaders decided that we should look at this large segment of the population and explore opportunities to build a business targeted for them, "starting where insurance stopped," as they said.

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We gradually developed the strong conviction that the opportunity was even greater than we thought, but that it was going to be a long journey, quite inward-turned in terms of

bottlenecks as it was a new business, a new client segment we had to become intimate with, new products to design and file, IT systems that needed to be complemented as most of the existing ones were not adapted to these levels of volumes or duration or premiums, and operations that needed to be adapted. It was a change of mindset. This takes time and it comes down to a mix of humility, ability to listen and drive to actually bring something to the local table. Meeting with clients and distribution partners in these emerging markets is one thing, and comes with quite an adrenaline rush, but you are also meeting with people who are colleagues and who we do not really know. Initially you're perceived as a person from the head ivory tower coming into their territory to tell them how things should be done. So the objective was to get back on the plane having left the exact opposite impression.

## When you look at the insurance industry, do you feel that there are strong opportunities for women to grow and lead in the industry?

If I had to summarize my feeling about this in one sentence, I would say that the insurance glass is no longer a glass half empty but a glass half full. This is a good thing and we are moving in the right direction, but the glass still needs to be filled to the rim. For example, one of the questions that quite a few people working in big corporates ask themselves, and the insurance industry is no exception, is whether women continue to be recruited on their experience and men on their potential and why are there still many more men at the top than women?

There is an empowerment movement taking place, an upward one. We haven't yet exited the "she got the job because she's a woman" phase, but we're getting there. It's probably an increasingly shared responsibility. From the outside of any company, it's easy to say, "the leadership should do this or that" or "why isn't the CEO imposing that or this?" It's not that simple. For example, when I look at our CEO, Thomas Buberl, he is way ahead in terms of his own convictions on the subject, not only in terms of his peers but maybe even ahead of the company with regards to gender diversity. But it takes time, conviction, energy, relentlessness and resilience to bring an entire, global organization forward with you. He's taking it step by step, sustainably, making sure it's at every level, trickling down – and up. ●