AXA Konzern AG Becomes First German Cloud-Native Insurance Platform Using msg.Life Factory on AWS

AWS Partner msg helped AXA Konzern AG to migrate to AWS to gain flexibility and scalability and give its teams the freedom to innovate.

Overview

AXA Konzern AG (AXA Germany) is a large primary insurance provider in Germany, and part of the AXA Group. It has over 8,000 employees, 7.4 million customers, and generates annual revenues of around €12 billion. AXA Germany had been running its life insurance platform and back-office systems from an on-premises data center and, since 2015, was using msg.Life Factory, an industry-recognized policy administration system for life insurance. The solution was provided by msg insur:it, a subsidiary of AWS Partner msg, a Germany-based organization that specializes in developing IT solutions for different industries.

Inflexible Infrastructure Restricts Innovation and Lacks Scalability

AXA Germany was facing some issues, including a challenge to quickly scale its infrastructure. This affected its ability to produce new services and features for its customers because its development team had limited access to test environments and spent too much time maintaining the infrastructure. The company decided to migrate all of its systems to the cloud. Its parent company, AXA Group, was already using Amazon Web Services (AWS), which met all the necessary regulatory requirements for the country and made it a logical choice for the migration.

In April 2022, AXA Germany started to work with msg to create a proof of concept (PoC) that would migrate msg.Life Factory to AWS. msg.Life Factory is a cloud-enabled application that complies with the necessary security standards for cloud or software-as-a-service operations as defined by financial supervisory authorities. "Neither msg nor AWS had ever migrated msg.Life Factory from on premises to AWS, so we had to develop the solution together," says Marcus Weinert, IT area lead protection and savings/life run at AXA Germany. "We worked out the different AWS services that would provide us with the most benefits, and the three companies worked closely to develop the software, platforms, and configurations that would make this project a success."

About the customer

AXA originated from a small mutual insurance company based in France in 1958. The company offers life, automobile, liability, health, fire, marine, accident, and property insurance coverage to a global body of customers. The AXA Group has around 150,000 employees, with 95 million customers and generates €100 billion in revenue. AXA Germany has over 8,000 employees and 7.4 million customers, with annual revenues of around €12 billion.

AWS Services Used

- Amazon EC2
- Amazon RDS for Oracle
- AWS DMS
- Amazon EFS

Benefits

- 25% faster batch processing
- 1 hour or less to create new server instances
- Freed developers from maintenance duties
- Improved elasticity and scalability

AWS Migration Reduces Scaling Time and Eases Compliance

AXA Germany migrated msg.Life Factory to the cloud in August 2023, using Amazon Elastic Compute Cloud (Amazon EC2), a secure and resizable compute capacity for virtually any workload, and Amazon Simple Storage Service (Amazon S3), object storage built to retrieve any amount of data from anywhere. To replace the insurer's on-premises databases, msg used Amazon RDS for Oracle, a fully managed commercial database that makes it easy to set up, operate, and scale Oracle deployments in the cloud.

The company's data was transferred over a weekend using AWS Database Migration Service (AWS DMS), a managed migration and replication service that helps migrate database and analytics workloads to AWS quickly, securely, and with minimal downtime or data loss. It used the change data capture (CDC) feature of AWS DMS to replicate its production databases from on premises to AWS by only synchronizing the changes. "The CDC feature means we didn't have to transfer all the data in one go," says Weinert. "So we were able to migrate a database from on premises to the cloud over a weekend with no disruption to business."

To enable its legacy applications to exchange data in its AWS environment, AXA Germany used Amazon Elastic File System (EFS), which provides a serverless, fully elastic file storage system. "Not all of our systems are yet capable of using an Amazon S3 bucket, or streams, or messaging services, so we still need EFS to exchange data," says Weinert.

Since the migration, AXA Germany can share IT services with its parent company, benefitting from AXA Group's compliance efforts.

The migration has also freed developers of maintenance duties, allowing them to innovate and adopt continuous integration and continuous deployment (CI/CD) principles—which complement the CI/CD development processes of msg.Life Factory. "Now, instead of taking many months, creating a new server instance takes an hour," says Weinert. "Our developers can define the variables in code and instantly deploy a new environment. We can have test environments on demand. If something doesn't work, we just shut that instance down."

The project has also transformed the company's batch processing system, which is how AXA Germany processes the majority of its data. Batch processing and online usage of msg.Life Factory has been separated. As a result, Weinert says batches should be about 25 percent faster than before. "Now we can do whatever we want, whenever we want," he says. "We can run a batch process without affecting other parts of the business." Weinert explains this is due to the scaling options made possible by running the system on AWS.

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Marcus Weinert
IT Area Lead Protection and Savings/Life Run, AXA Germany

Progress Now Depends Only on Imagination, Not Technology

Since its migration, AXA Germany is enjoying many benefits. "We have just become a cloud-native company, but it's only the start of our journey," says Weinert. "Using msg.Life Factory on AWS, we already feel our systems are easier, faster, and our employees more efficient, and it feels really good."

Weinert explains that, although his team members are making progress, they are still experimenting with the new technology and working out how it can be used to drive the business forward. "We are experimenting, having fun, and learning—there is so much potential here," says Weinert. "How we move forward now as a business is up to our imagination. We are no longer constrained by things like processing power and storage."

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About the AWS Partner

msg is an independent, international group of companies with more than 10,000 employees worldwide. It is represented in 32 countries and supports its customers in their digital transformation. The company, founded in 1980, provides a range of services that includes business and IT consulting as well as the development of standard software and individual solutions for a wide range of industries. msg insur:it is the competence center for standard software in the insurance industry within the msg group.

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