



ACCORD/LOMA

Best Practices in Financial Services Fulfillment

May 25, 2004

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Director Marketing Logistics

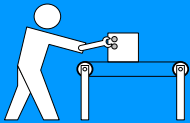
Allstate Insurance Company



Marketing Logistics

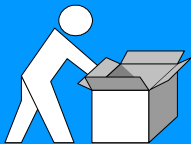
2003 Overview:

Production



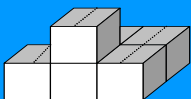
- Partnered with APCC (Allstate Print and Communication Center) to revamp print/fulfillment procedures resulting in reduced headcount, cost/cycle time saving and improve quality
- Printed 7,200 marketing jobs
- \$142,000 savings in 2003; \$2.6 million savings since 2001

Fulfillment



- Introduced web-based ordering system (Arasys) for the enterprise that provides agents/producers with a single, search, order, confirmation tool
- Currently adding Property & Casualty and Workplace Division marketing materials to system
- Established monthly activity report with performance metrics for channel management.

Inventory Management



- Transferring most inventory to APCC for print and fulfillment
- Significantly reducing warehouse/shipping costs & gaining inventory management efficiency
- Establishing ratio between material usage vs. sales – leading to segmenting top producers/agents

The Allstate Print Communication Center (APCC)



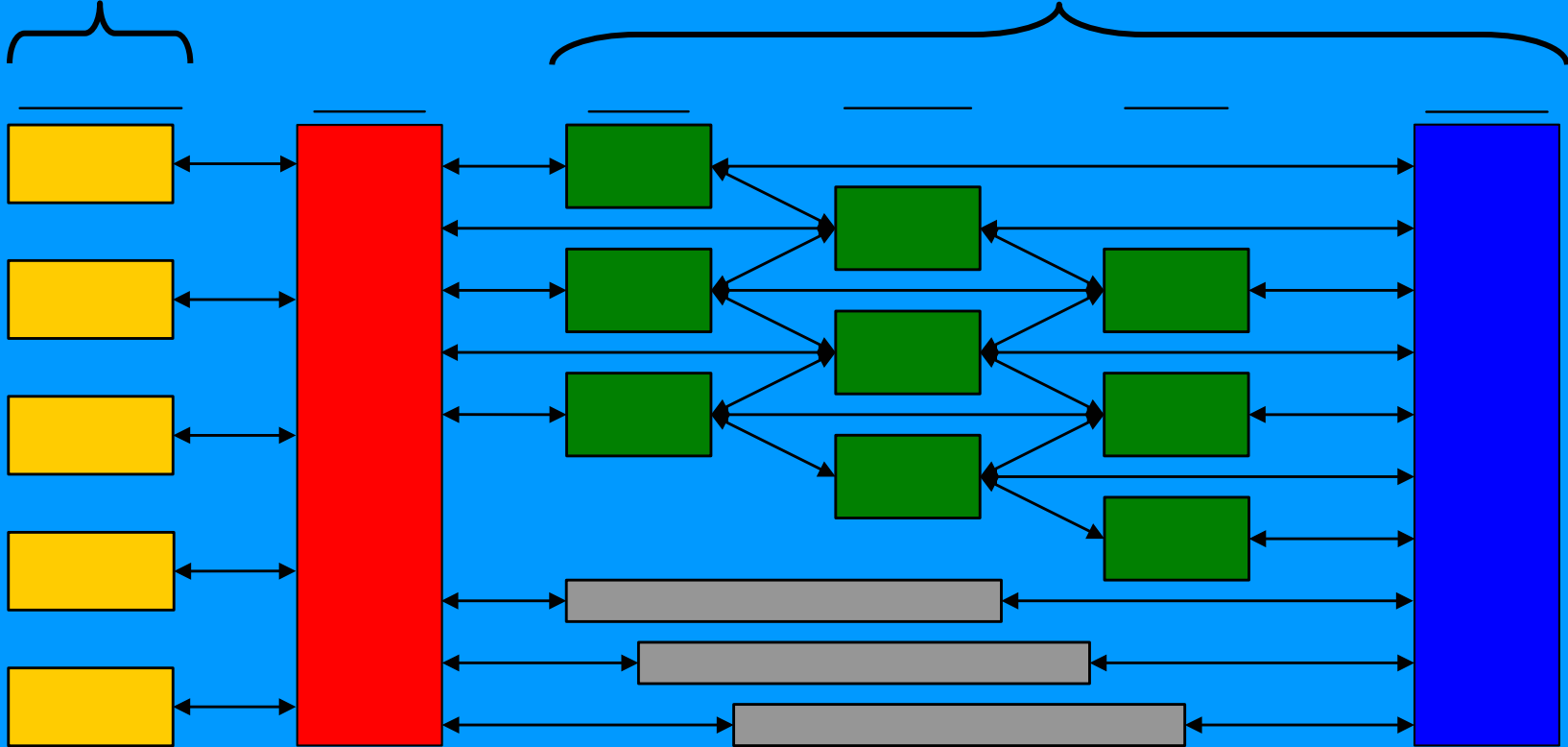
- Largest in-plant print and fulfillment facility in U.S.— (second only to the U.S. Government); 429,000 square feet
- Produced 1 billion sheets in 2003
- 7 web, 10 sheet-fed, 17 digital presses run up to 6 colors/aqueous coating. Maximum sheet—28" x 40"; 4-color process, electronic pre-press/computer-to plate; comprehensive bindery/finishing; spot colors; PMS and Toyo inks
- Fulfillment/Distribution Services: Fulfillment, Kit Assembly, Record Retention
- Tracking to produce 4 billion kits in 2004



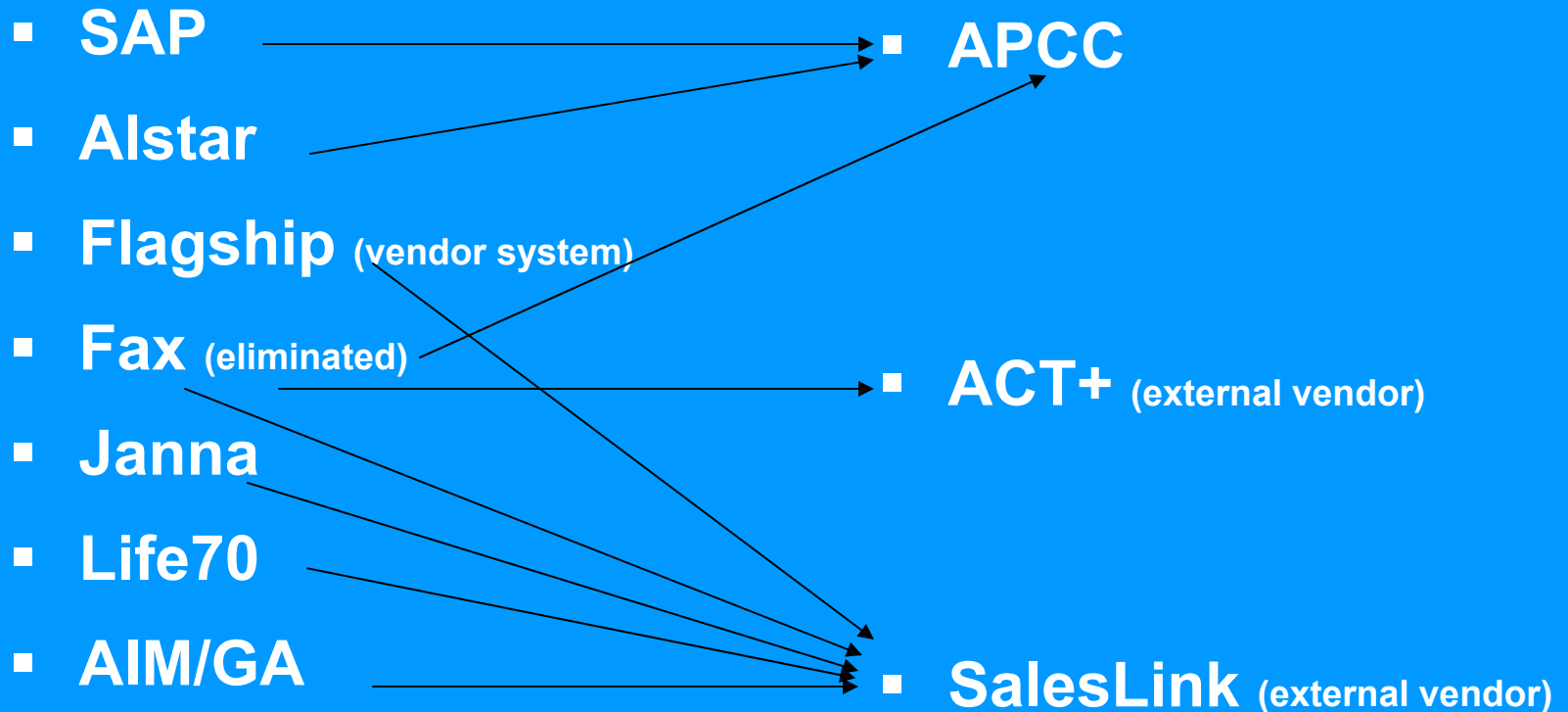
Supply Chain – Pain Level

The Supply Chain

The Demand Chain



Allstate Financial Entry Portals vs. Distribution Centers



Ordering/Fulfillment Process Problems

- Producers didn't always get marketing materials on time resulting in lost sales opportunity, productivity & customer satisfaction
- Order input, fulfillment and distribution were not differentiation factors in the marketplace for Allstate – no competitive edge here
- No centralized order entry point; no ability to see image of item
- No central database to control and manage inventory
- Inventory reports were costly, paper-based & outdated upon receipt
- The back-room process to manage order entry and inventory levels was not integrated and therefore reactionary and manual
- Technology was not being leveraged to best utilize print-on-demand or PDF downloading of black and white forms to the desktop.

Objectives for Logistics Re-engineering

- Establish a “best in class” system to manage the ordering, fulfillment, distribution and inventory levels of marketing materials
- Fix problems that included frequent back-orders, poor activity reporting, inaccurate shipping addresses, expensive warehousing/ fulfillment costs
- Create a single Web-based order-entry point, a repository of all order information and inventory data to forecast and manage inventory
- Provide functionality for the orderer to: search, view, order, download to print at desktop and get order confirmation
- Integrate with existing Allstate Information Technology systems
- Drive significant cost and time efficiencies into the process

Looking For A Solution

- Front-end (ordering) fully integrated into the back-end (fulfillment and inventory management)
- System focused on the unique and complex requirements of financial services marketing fulfillment
- Quickly deployable Web-based ordering system
- Ability to integrate with a number of distribution centers (internal and external)
- Ability to integrate with existing corporate computer systems as necessary (AccessAllstate.com, SAP, Life 70)
- Ability to customize various elements for the administrative users and end user
- Functionality for the orderer to: search, view, order, download to print at desktop (forms/apps only) and receive confirmation



Solution

Implement an integrated marketing order and fulfillment management system to meet our needs in for the following:

- A web-ordering portal that can integrate with AA.com for all distribution sales channels and their agents, producers, wholesalers, customer service and marketing representatives
- Capability for real-time control of inventory planning and management
- On-line uniform reporting across vendors for proactive supply/demand decisions
- Enable more efficient utilization of APCC to reduce dependencies and costs from other vendors
- An integrated view for production and warehouse suppliers



Accomplishment to Date

- Time-to-Benefit
 - Deployment for Lincoln Benefit Life (independent broker/dealers) in 90 days
 - Subsequent rollouts by distribution channel: Allstate Agency, Financial Institutions (Workplace Division and Broker Dealer)
- Integrated Supply Chain
 - Integration to Third Parties = SalesLink, and Allstate In-plant
- Financial Success: \$3 Payback for every \$1 Spent
 - Shipping Costs, Obsolescence, Supplier Optimization
- Recognition from Dalbar WebMonitor - #1 Ranking Q4-2002
 - “Allstate launched a new financial professional web site that immediately leapt to #1 spot...(AccessAllstate.com) concentrates on providing advisors with extensive sales and marketing resources...”



Benefits

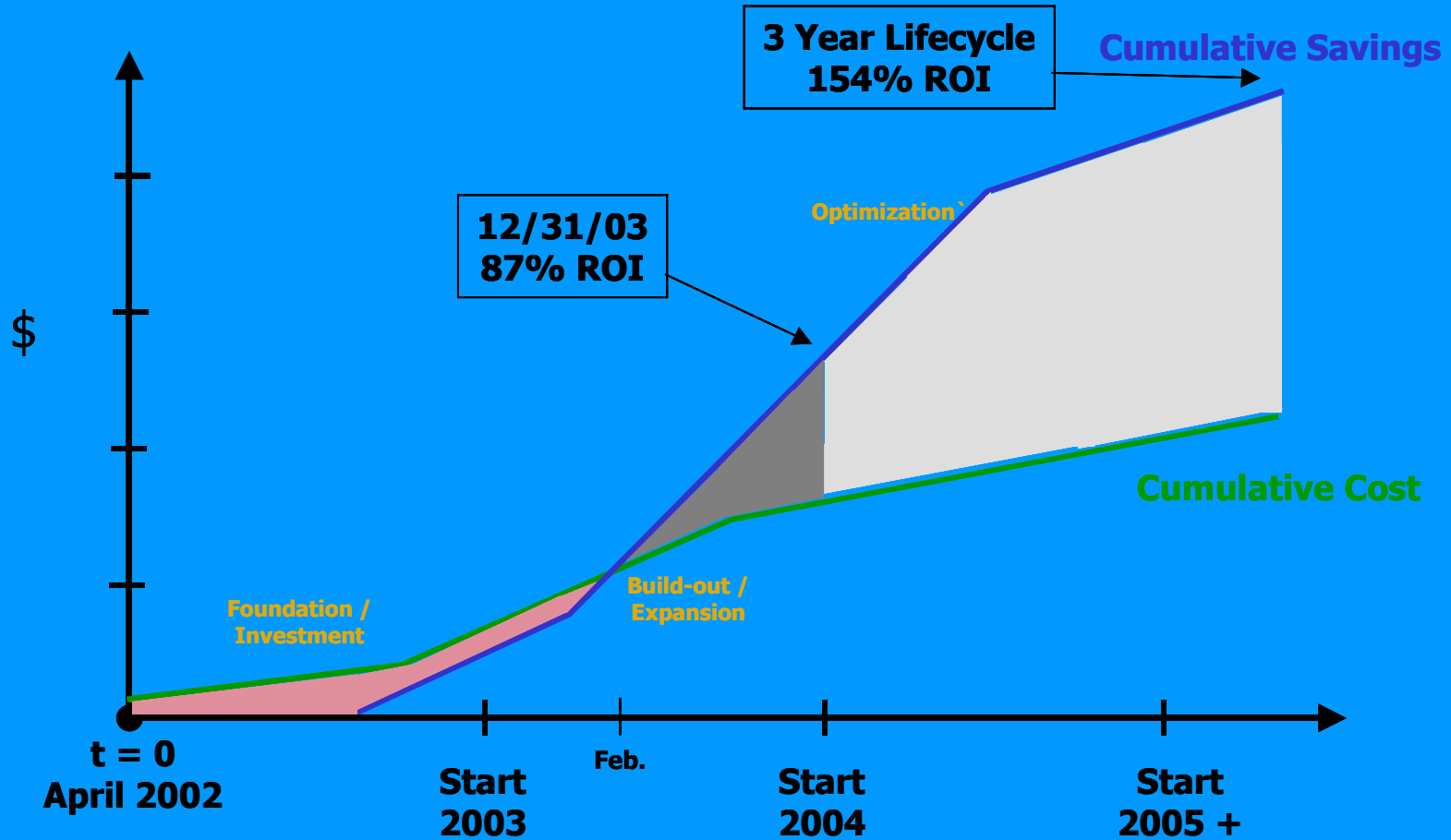
For Producers

- View orderable materials in an easy, user-friendly manner
- Faster delivery because of process automation & fewer back-orders
- Confirmation of order emailed to person who ordered
- Ability to track; direct link to shipper
- Can see recent order history and easily replicate as a re-order
- Ability to download materials and print to desk-top

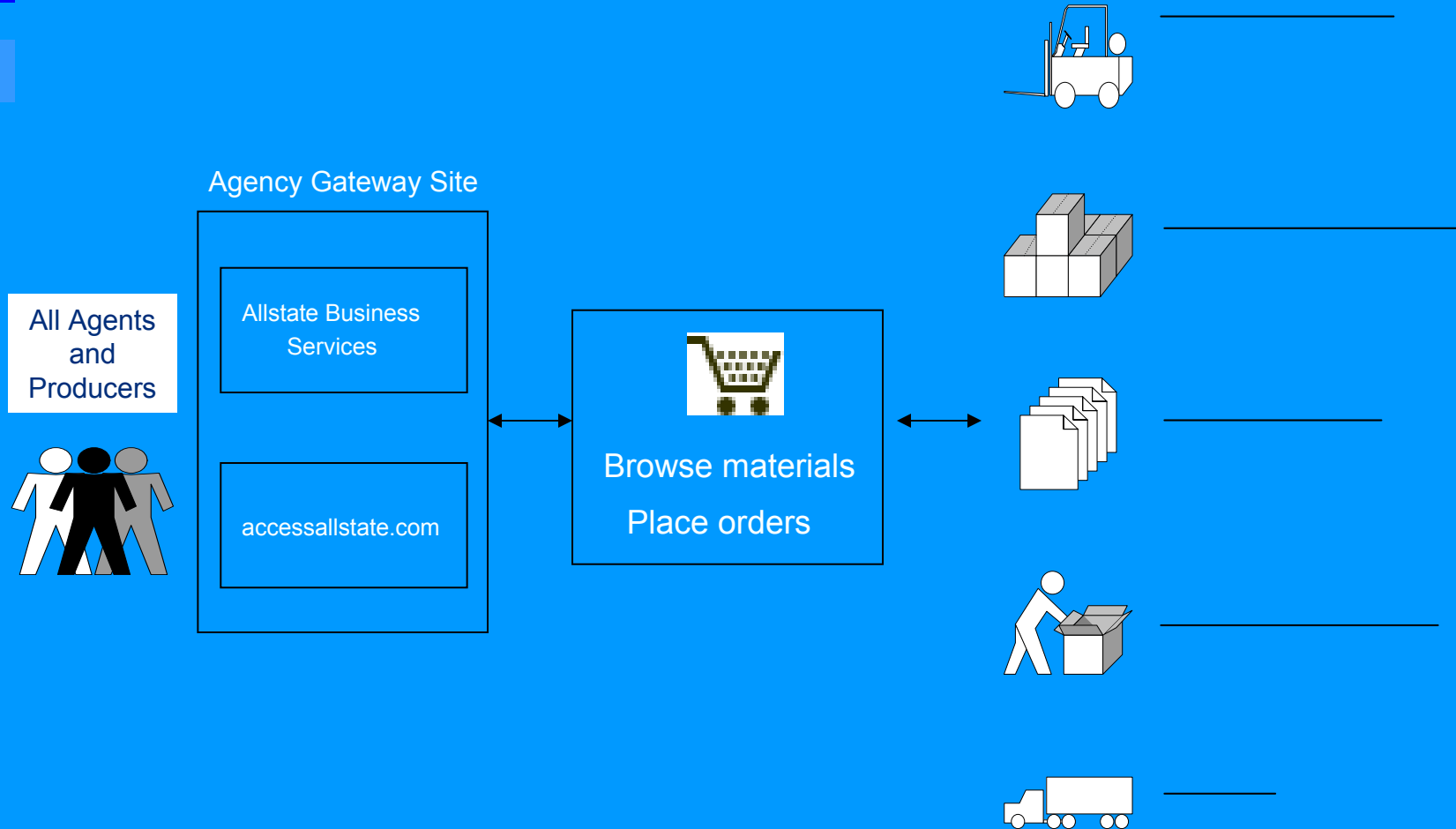
For Allstate

- Real-time ability to procure and manage inventory
- On-line, uniform reporting across vendors for proactive supply/demand decisions
- Better utilization of APCC; reduce dependencies & costs from other vendors
- Integration with current enterprise IT architecture
- Allows one-stop shopping for PDF, print-on-demand, kits, promotional items, applications and forms
- Obtain e-reports that reflect real-time and cost less

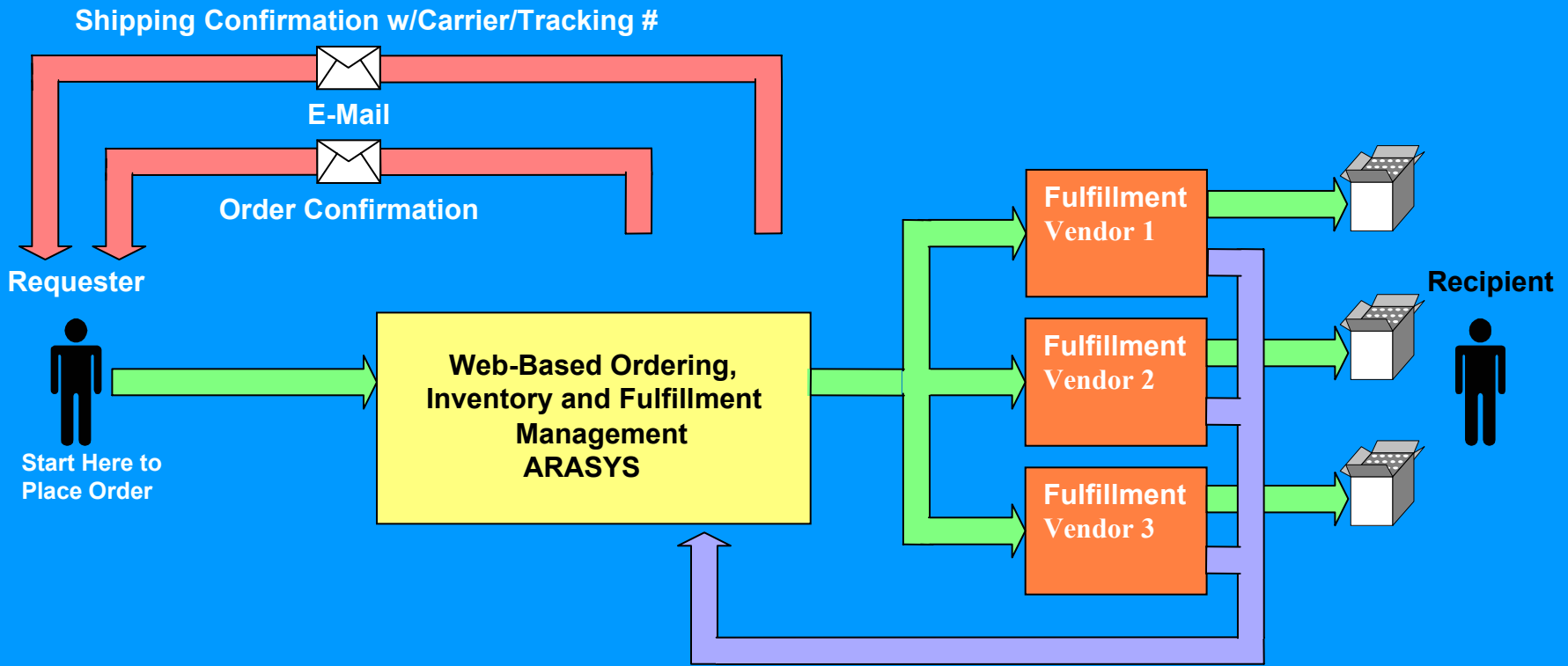
Initiative Timeline and Estimated ROI



Order Entry / Inventory Management Workflow



Order Workflow



This Screen Has a Prompt and a Drop Down for “Order Marketing Materials”

The screenshot shows the Lincoln Benefit Life website interface. At the top right, the logo reads "Lincoln Benefit Life A Member of Allstate Financial Group". Below the logo is a navigation bar with tabs: "SERVICING ACCOUNTS", "FORMS LIBRARY", "PRODUCT INFO", "SALES TOOLS", "SUPPORT CENTER", "About Us", "Contact Us", and "Log Out". The "SALES TOOLS" tab is active, and a dropdown menu is open, listing "Sales Support", "Order Marketing Material" (highlighted), "Hypotheticals & Illustrations", "Financial Planning Tools", and "Financial Planning 101".

The main content area is divided into several sections:

- Welcome:** Start making your job easier - save time and work online. forms, review customer accounts, complete transactions as safe, secure and you'll always have the latest information. your customers is just a mouse click away.
- Browse Policies:** Inforce | Pending | Long-Term Care
- Find Inforce Policies:** Simply insert your customer's last name or policy number. Last Name: Policy Number:
- Quick View:**
 - Pending Policies:**

Received	Policy Number	Policy Owner	Product
9/13/2002	01T1444442		Term
7/31/2002	01T1444449		Term
7/31/2002	01T1444433		Term
7/31/2002	01T1444439		Term
10/30/2002	01T1444402		Term
 - Recently Issued Policies:**

Issued	Policy Number	Policy Owner	Product
02/13/2003	01T1444446		Term
02/07/2003	01T1444498		Term
01/31/2003	01T1444468		Term
01/16/2003	01T1444442		Term
- Order Marketing Material:** To order marketing material, click below. LBL material now available. [Go to Order Marketing Material](#)
- Product Info:**
 - Product News:** Find the latest news on all our products
 - Interest Rates:** Check out the latest product interest rates
 - Your Products:** Go right to the product information you use the most. Allstate Treasury-Linked Annuity [View all saved products](#)
- Find Forms:** Find the forms you need to view or download for any applicable transaction or activity. [Go to Forms Library](#)
- Your Forms:** Go right to the forms you use the most.
 - AA2001 - Annuity Application**
 - LA2000 - Life Application**
 - LA9050 - Life Application - Short Form**[View all saved forms](#)
- Smart Tools:** Being successful means having the latest tools. Get smart sales ideas, create illustrations, access financial calculators, order new sales materials, and more. [Go to Sales Tools](#)
- Need Help?:** Just ask us. Maybe you have software support or service center questions. Or maybe you want to continue your education. Whatever the question, your answers are here. [Go to Support Center](#) [Ask us a question](#)

AccessAllstate-Web Log-in Screen

verb your noun



We're committed to your success.

Allstate truly values each of its financial representatives and customers. That's why we designed this site around you - to make your job and your life easier. If you're a customer, use the links below to learn more Allstate. If you're a financial representative, simply log-in to access the industry's latest financial information, tools, products and services. It's just another way we're helping you reach your goals. If you happen to know us by another name, you can use the following links to access these subsidiaries or partners.

[ALLSTATE AGENCIES](#)

[LINCOLN BENEFIT LIFE](#)

[GLENBROOK LIFE](#)

[MORGAN STANLEY](#)

[AIM](#)

[PUTNAM ALLSTATE](#)

■ For Our Financial Representatives

Financial representatives log in here to access your clients' policies and information.

User ID

Password

GO

Password is case sensitive

Remember my log-in

New to our site?

- [▶ Join now](#)
- [▶ Take a Site Tour](#)

Trouble logging in?

- [▶ Forgotten user ID](#)
- [▶ Forgotten password](#)
- [▶ Log-in FAQ's](#)
- [▶ Ask us a question](#)



Select "Order Marketing Materials"

work smart

Lincoln Benefit Life
A Member of Allstate Financial Group

SERVICING ACCOUNTS
FORMS LIBRARY
PRODUCT INFO
SALES TOOLS
SUPPORT CENTER
About Us
Contact Us
Log Out

Welcome

Start making your job easier - save time and work online. Forms, review customer accounts, complete transactions all in a safe, secure and you'll always have the latest information. Your customers is just a mouse click away.

Browse Policies: [Inforce](#) | [Pending](#) | [Long-Term Care](#)

Find Inforce Policies
Simply insert your customer's last name or policy number.

Last Name:

Policy Number: GO

Quick View

Pending Policies

Received	Policy Number	Policy Owner	Product
9/13/2002	01T1444442		Term
7/31/2002	01T1444449		Term
7/31/2002	01T1444433		Term
7/31/2002	01T1444439		Term
10/30/2002	01T1444402		Term

[View all pending policies](#)

Recently Issued Policies

Issued	Policy Number	Policy Owner	Product
02/13/2003	01T1444446		Term
02/07/2003	01T1444498		Term
01/31/2003	01T1444468		Term
01/16/2003	01T1444442		Term

Order Marketing Material

To order marketing material, click below. LBL material now available.

[Go to Order Marketing Material](#)

Product Info

Product News
[Find the latest news on all our products](#)

Interest Rates
[Check out the latest product interest rates](#)

Your Products

Go right to the product information you use the most. Allstate Treasury-Linked Annuity

[View all saved products](#)

Smart Tools

Being successful means having the latest tools. Get smart sales ideas, create illustrations, access financial calculators, order new sales materials, and more.

[Go to Sales Tools](#)

Find Forms

Find the forms you need to view or download for any applicable transaction or activity.

[Go to Forms Library](#)

Your Forms

Go right to the forms you use the most

AA2001 - Annuity Application
LA2000 - Life Application
LA9050 - Life Application - Short Form

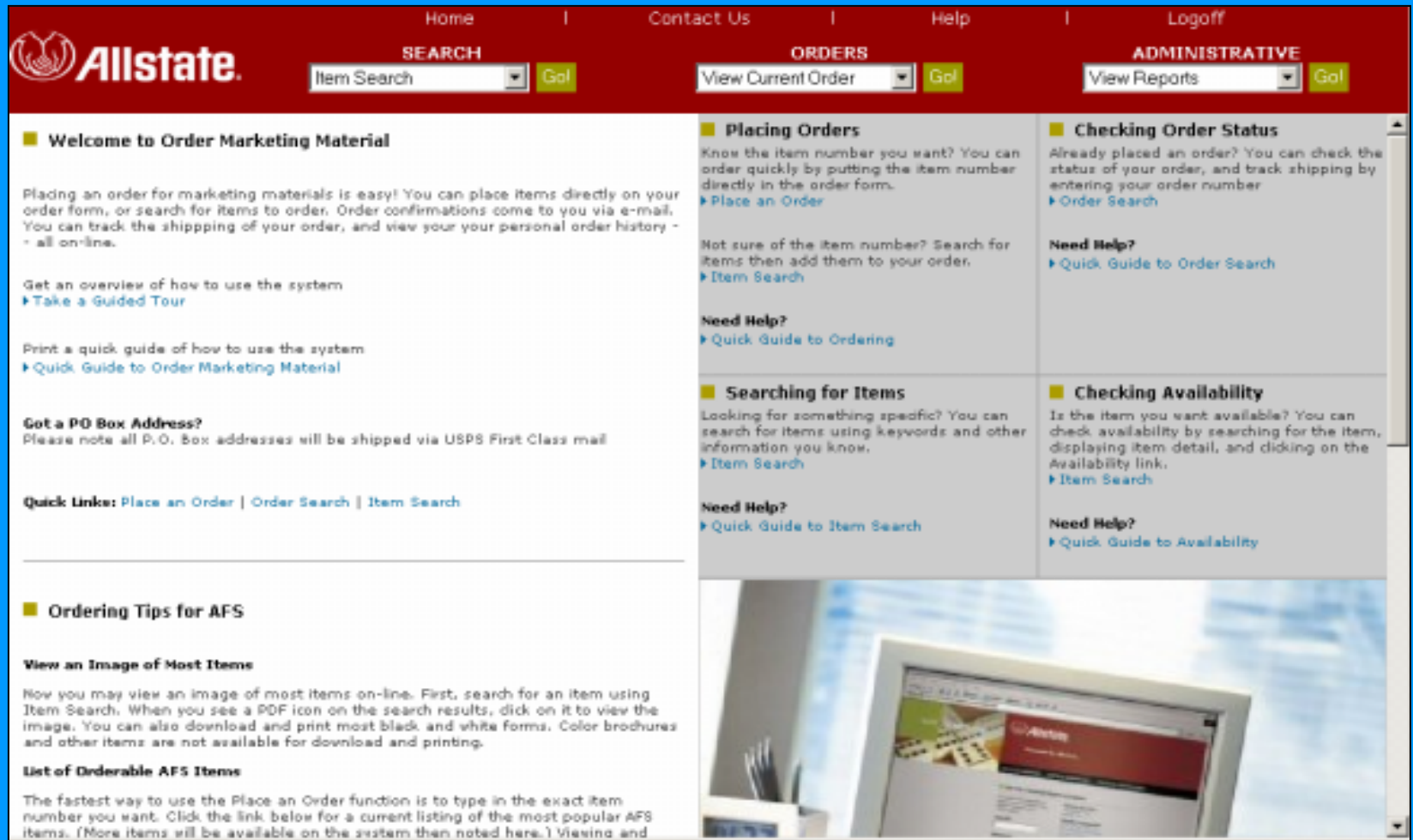
[View all saved forms](#)

Need Help?

Just ask us. Maybe you have software support or service center questions. Or maybe you want to continue your education. Whatever the question, your answers are here.

[Go to Support Center](#)
[Ask us a question](#)

This is the Home Page for Ordering Marketing Material




The screenshot shows the Allstate Order Marketing Material Home Page. At the top, there is a navigation bar with links for Home, Contact Us, Help, and Logoff. Below this is a search and navigation area with three main sections: SEARCH, ORDERS, and ADMINISTRATIVE. Each section has a dropdown menu and a 'Go!' button. The SEARCH section has 'Item Search', ORDERS has 'View Current Order', and ADMINISTRATIVE has 'View Reports'. The main content area is divided into several sections:

- Welcome to Order Marketing Material**: A welcome message explaining that placing orders is easy and can be done online. It includes links for 'Take a Guided Tour' and 'Quick Guide to Order Marketing Material'.
- Got a PO Box Address?**: A note that all P.O. Box addresses will be shipped via USPS First Class mail.
- Quick Links**: A row of links for 'Place an Order', 'Order Search', and 'Item Search'.
- Ordering Tips for AFS**: A section titled 'View an Image of Most Items' explaining how to view item images online. It also includes a 'List of Orderable AFS Items' section.
- Placing Orders**: A section explaining how to place orders quickly by item number, with a link to 'Place an Order'. It also includes a 'Need Help?' link to 'Quick Guide to Ordering'.
- Searching for Items**: A section explaining how to search for items by keywords, with a link to 'Item Search'. It also includes a 'Need Help?' link to 'Quick Guide to Item Search'.
- Checking Order Status**: A section explaining how to check order status and track shipping, with a link to 'Order Search'. It also includes a 'Need Help?' link to 'Quick Guide to Order Search'.
- Checking Availability**: A section explaining how to check item availability, with a link to 'Item Search'. It also includes a 'Need Help?' link to 'Quick Guide to Availability'.

At the bottom right, there is a photograph of a computer monitor displaying the Allstate website interface.

This screen allows agents to Search for items or View a Previously Placed Order

Home | Contact Us | Help | Logoff

 SEARCH ORDERS ADMINISTRATIVE

Item Search View Current Order Change Password

Item Search

Show Full Page Search Results.

Item Number

Keyword

Title

Revision Date ex: 12/28/1999 OR 28 DEC 1999

Channel Name


Library

Language

Item Type

Screen Shows Item Search Results



Home | Contact Us | Help | Logoff

 SEARCH: Item Search ORDERS: View Current Order ADMINISTRATIVE: View Reports

Item Search Results

Reminder: Before selecting any of the item number links, be sure to click Add to Order so any item quantities you have selected are added to your current order.

There were **221** items that matched your query.
Displaying items **1** thru **25**

Source	Item Num	Title	Revision Date	Qty per Unit	Status	List Cost	Order Quantity
	FIN1	KNOW: WHERE YOU STAND workbook	18 Jul 2001	EA	Replaced	\$0.00	<input type="text"/>
	FIN1-1	KNOW: WHERE YOU STAND workbook	14 Nov 2002	EA	Orderable with Restrictions	\$0.00	<input type="text"/>
	FIN10-2	FUND COMPANY PROSPECTUS (2002)	07 May 2002	EA	Replaced	\$0.00	<input type="text"/>
	FIN10-3	FUND COMPANY PROSPECTUS (2003)	01 May 2003	EA	Orderable with Restrictions	\$0.00	<input type="text"/>
	FIN100	529 College Savings Options: Plan Compare	21 Feb 2002		Replaced	\$0.00	<input type="text"/>
	FIN100-1	529 COLLEGE SAVINGS OPTIONS: PLAN COMPARE	06 Dec 2002	EA	Replaced	\$0.00	<input type="text"/>
	FIN100-2	529 COLLEGE SAVINGS OPTIONS: PLAN COMPARE		EA	Orderable with Restrictions	\$0.00	<input type="text"/>

Producers Can View PDF Files of Marketing Materials

The screenshot shows a web browser window displaying a PDF file. The browser's address bar shows the URL: <http://files.awdm.com/eFiles/demo/afs/fin77.pdf>. The PDF content features a yellow box with the word "think" in red, followed by "everyday." in white. Below this, the text reads: "Wake-Up Call You're not too young to plan for retirement." and "“You Think I’m Made of Money?” Teaching kids the value of a dollar." On the left side of the PDF, it says "Fall 2001 AN ALLSTATE FINANCIAL PUBLICATION".


The website header includes navigation links: Home, Contact Us, Help, and Logoff. Below these are three main sections: SEARCH, ORDERS, and ADMINISTRATIVE. The SEARCH section has a dropdown menu for "Item Search" and a "Go!" button. The ORDERS section has a dropdown menu for "View Current Order" and a "Go!" button. The ADMINISTRATIVE section has a dropdown menu for "View Reports" and a "Go!" button. The Allstate logo is in the top left corner with the tagline "You're in good hands."

On the left side of the browser window, there is a sidebar with a "Source" section. It contains a list of PDF files with their sizes:

Source
263K
199K
143K
77K

Confirmation & Place Order

Home | Contact Us | Help | Logoff







 SEARCH: Item Search ORDERS: View Current Order ADMINISTRATIVE: View Reports

Current Order

Requisitioner Number: AF-NORTHBROOK
 Requisitioner Name: AF SUPPORT IN NORTHBROOK

Add Quantity of Item


Current Order Contents

Source	Media	Item Num	Title	Qty per Unit	Quantity	Req'r Cost	Line Item Cost
		FIN1-1	KNOW: WHERE YOU STAND workbook	EA	<input type="text" value="5"/>	US\$.00	US\$.00
		FIN101-2	THINK CARD:WHO WANTS TO RAISE MILLIONARE	EA	<input type="text" value="10"/>	US\$.00	US\$.00
		FIN2-2	Know Your Risk Tolerance Workbook	EA	<input type="text" value="5"/>	US\$.00	US\$.00
<input type="button" value="Change Quantity"/>						Total Price	US\$.00


Coming Soon – New Interaction Design

Welcome: **Customer Name** [logout](#)

Search Site [Advanced Search](#)



Mutual Benefit Life
A Member of the Insurance Group



HOME FIND PRODUCTS MY ORDERS MY PROFILE HELP [View Orders](#) [View Messages](#) [View Cart](#)

Welcome

dkfdf kdfjdf kdfjdf dkfjdf lkdjfldfkjdf kldjfdf kdjfdkfd kdfjdf
dfkdfd fdkfoleirer eoeure oiroi oeuirer kjsdsd ksdskd
skjsdsd owweuw logifkjgfgfhf ksjhdsd klweuweh
klsdjsjdhs skdsdksdh

[kdfhdf kdfhdf kdhfd](#)
[kdfhdf kdfhdf ddfdf kdhfd](#)
[kdfhdf kdfhdf ddfdfdfdf kdhfd](#)

My Orders

Pending orders:
[kdfhdf kdfhdf kdhfd dfkjfd dfkf kdfjdf kdfjdf](#)
[kdfhdf kdfhdf kdhfd dfkfd dkfjdf kdfhd](#)
[kdfhdf kdfhdf kdhfd dkhd](#)

Recently shipped:
[kdfhdf kdfhdf kdhfd dfkjfd dfkf kdfjdf kdfjdf](#)
[kdfhdf kdfhdf kdhfd dfkfd dkfjdf kdfhd](#)
[kdfhdf kdfhdf kdhfd dkhd](#)
[kdfhdf kdfhdf kdhfd dkhd](#)

Favorite orders:
[kdfhdf kdfhdf kdhfd dfkjfd dfkf kdfjdf kdfjdf](#)
[kdfhdf kdfhdf kdhfd dfkfd dkfjdf kdfhd](#)
[kdfhdf kdfhdf kdhfd dkhd](#)

Find Products




Search

[Advanced Search](#)


Browse for Products

[dfdkjfhdf dkfhdf kdfdf kdfdf kdfhdf](#)
[dfdkjfhdf dkfhdf kdfdf kdfdf kdfhdf](#)
[dfdkjfhdf dkfhdf kdfdf kdfdf kdfhdf jkhkh](#)
[dfdkjfhdf dkfhdf kdfdf kd](#)
[dfdkjfhdf dkfhdf kdfdf kd](#)

Specials

	Item title Arasys Technologies specials, Arasys		Item title Arasys Technologies specials, Arasys
	Item title Arasys Technologies specials, Arasys		

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Advance Item Search Capabilities

Welcome: **Customer Name** [logout](#) Search Site [Advanced Search](#)

HOME FIND PRODUCTS MY ORDERS MY PROFILE HELP [View Orders](#) [View Messages](#) [View Cart](#)

■ Advanced Search For Products

Enter information in the fields you want to limit your search by. Note that fewer products will be returned as more information is entered.

Item Number: <input type="text"/>	Revision Date: <input type="text"/> (MM/DD/YYYY)
Alternate: <input type="text"/>	Business Unit: <input type="text"/>
Catalog Number: <input type="text"/>	Brand: <input type="text"/>
Item Title: <input type="text"/>	Library: <input type="text"/>
Category: <input type="text"/>	Language: <input type="text"/>
Owner: <input type="text"/>	Supporting DC: <input type="text"/>
Item Type: <input type="text"/>	Role & State Restrictions: <input type="text"/>
Item Status: <input type="text"/>	Used in a KIT: <input type="checkbox"/>
Sort By: <input type="text"/>	


[Return To Basic Search](#)

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Easier and Faster Order Process

Welcome: **Customer Name** [logout](#) Search Site [Advanced Search](#)



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HOME **FIND PRODUCTS** **MY ORDERS** **MY PROFILE** **HELP** [View Orders](#) [View Messages](#) [View Cart](#)

Shopping Cart

Current Shopping Cart Contents

Delete	Item Title	Item Number	Quantity/Unit	Quantity	Unit Price	Line Item Price
<input type="checkbox"/>	Point Brochure with inserts	1734-BR001A-US-P	1 each	<input type="text"/>	\$1,00.00	\$1,00.00
<input type="checkbox"/>	Point Brochure with inserts	1734-BR001A-US-P	1 each	<input type="text"/>	\$1,00.00	\$1,00.00
<input type="checkbox"/>	Point Brochure with inserts	1734-BR001A-US-P	1 each	<input type="text"/>	\$1,00.00	\$1,00.00

Total Price: US \$15.50

[Cancel Order](#) [Continue Browsing](#) [Print](#)

Add Additional Items

Item Number:
Quantity:
Using Saved Orders:

Find Additional Items

Title, Item or Keyword: [Advanced Search](#)

Cart Summary

Requisitioner Number:
Events 02000
Requisitioner Name:
Events Non-Events 200
Number of Items:
Events Non-Events 200
Total Cost \$15.50

Marketing Logistics

Allstate Life Print Production:	2001	2002	2003
Total # of print jobs	1,034	3,435	7,203
% of jobs printed at APCC vs. outside vendor	25%	50%	80%
Annual production cost savings	\$1.1 million ¹	1.2 million ²	142,000 ³
Fulfillment:			
	2001	2002	2003
Orders placed	120,278	157,113	182,404
% of orders shipped same day	69%	87%	92%
% of orders placed online (Expect 99% by 2004)	0	20%	86%
Number of SKUs*	4,350	6,122	6,761

	Active SKUs by channel*	Killed in 2003
AFS	486 (1,800 Protection items will be added in 2004)	241
FID	3,079	131
LBL	1,314	2,128
BDD	182	N/A
AWD	1,700 workplace items will be added in 2004	N/A
TOTAL ACTIVE SKUS: 6,761		

1. Savings realized with purchase of numbering machine allowing APCC to number FID applications
2. Savings realized through transition of print production to APCC 97% of AFS in 2002; savings includes increase in Print-on-Demand
3. Savings from transition of 20% more LBL Print to APCC

