

# Client Profitability

## Data driving income

### Challenges

- Lack of understanding at profitability at client level
- Pricing decisions were not being based on segmented offer of services
- Account allocation was designed with no clear or scientific criteria
- Scope of services with significant variation

### Approach

- Collection of raw client data: time and transactions – activity based
- Full mapping of all services for larger clients (80/20 rule)
- Matching of existing services vis a vis contract
- Creation of client relationship matrix

### Results

- Creation of 4 different strategies for entire portfolio, all based on margin and revenue size (2x2) – Maintain, Enhance, Reprice, Review
- Implementation of specific ‘playbooks’ for each cluster
- Net Operating Income improved by 6% within 12 months

