

“Turning The Corner” To REAL PROFITSM

The “rules of the game” are changing in many industries as today’s pace of change accelerates. Since the Great Recession, our experience has shown that five key opportunity areas can help a business “turn the corner” from a focus on cost-cutting **toward profit and growth-oriented opportunities**

We call these areas the “**Big 5**” because they are commonly the biggest value levers owners / managers can pull to drive **profitable growth** and **maximize the value** of their business

The BIG 5

Motivating Facts and Statistics



Get back to basics with **action-oriented segmentation**

Understand how the **changing nature of competition** influences today’s customer values and needs, which are in turn reflected in whether different customer types are profitable or unprofitable

“It’s About More Than Just Product”



Identify your *real* winners and losers with **customer profitability management**

Identify and better **manage best and worst customers**. The bottom 10 – 25% of customers can reduce profitability by up to 200%. Yes, that’s a *negative* -200%¹

“Go From Gross Margin to Operating Margin”



Make the most of a 1% improvement with **pricing and value-selling**

Get the **biggest bang for the buck**. A 1% improvement in price can increase profit by 8%, an impact nearly 50% greater than a similar decrease in variable costs and 3x greater than a similar increase in volume²

“Good Data + Good Process = Good Pricing”



Align to the “right, next, best” opportunity with **salesforce effectiveness**

Maximize **selling efforts**. The salesperson’s inability to communicate value during customer interactions is perceived as the #1 inhibitor to sales success³

“Be Relentless About Execution”



See (literally) what really creates value through **business performance visualization**

Create **new ways to look at a business** and related opportunities. A typical transactional analytics effort can shift 1 – 3% of revenue to the bottom line in the first 12 months⁴

“Begin to Realize the Promise of Technology”

1. Customer Profitability Measurement and Management, 2. The Price Advantage, 3. Conversations That Win The Complex Sale, 4. Pricing and Profitability Management

? **Has your business turned the corner?**

COST FOCUS

“Turning the Corner”

REAL PROFIT STRATEGYSM

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