

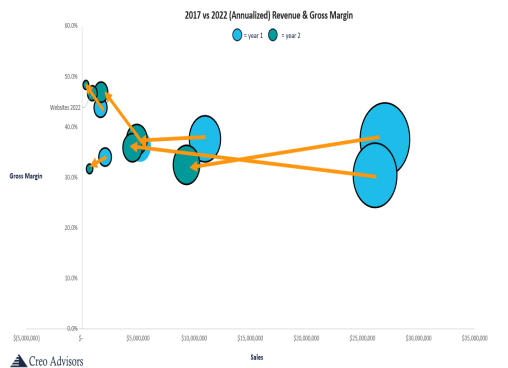
# Segmented customers and developed growth plan; led to growth and profitability

## CONSUMER

### Situation

- Worked with a Canadian subsidiary of a consumer brand
- Company responsible for in-house product as well as other banners
- Canadian business had declined by 66% in the recent years
- While volume had declined, complexity increased due to limited repeat business year over year

The firm has seen falling revenues across all key BUs with stagnant or falling margin excl. select cases.



### Actions

- Conducted extensive customer SKU modeling analysis
- Updated costing to get to true to cost to serve model
- Developed detailed product profitability with fully representative costs
- Forecasted pricing, customer product profitability, and inventory management

Top SKUs account for % of revenue while comprising just % of SKU's. However, % of revenue from the top churns annually (year 1 – year 6)



### Results

- Company began to grow after 4 years of consecutive decline
- Initiated pricing increases across product lines
- Identified a 2x improvement in EBITDA

% of Customer-Product combinations delivered below-target margin. Achieving target margin equates to \$ k in margin opportunity (\$ annually)

