

# Profitability & Range Analysis

Using 80/20 principles to create greater business value

This analysis identifies the cost to serve for different product, inventory, supplier and customer segments/channels. It determines true product profitability by factoring in supply chain costs (which are typically overlooked) and identifies which products increase or decrease returns to the business and segments them accordingly.

## GRA's Profitability & Range Analysis Service

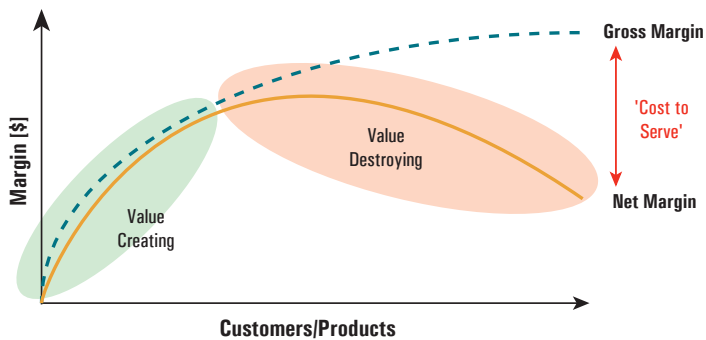
Makes recommendations regarding product range and business practices to improve profitability and business performance.

= **INCREASED ROI**

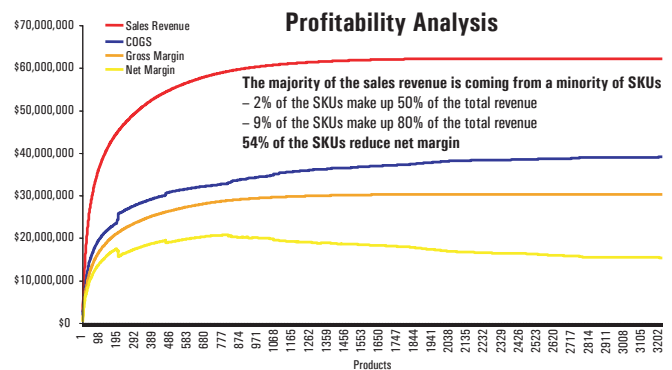


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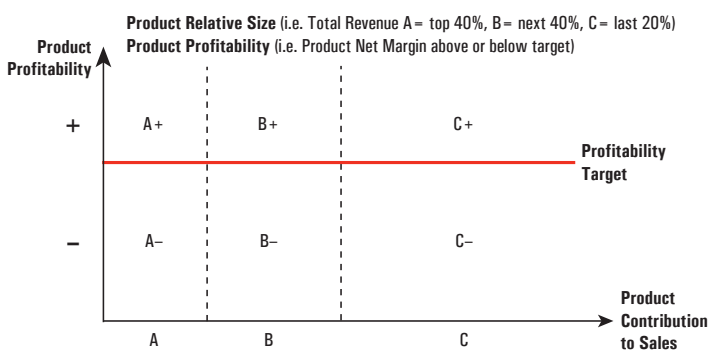
- ✓ identifies over/under performers (i.e. value-creating and value-destroying products)



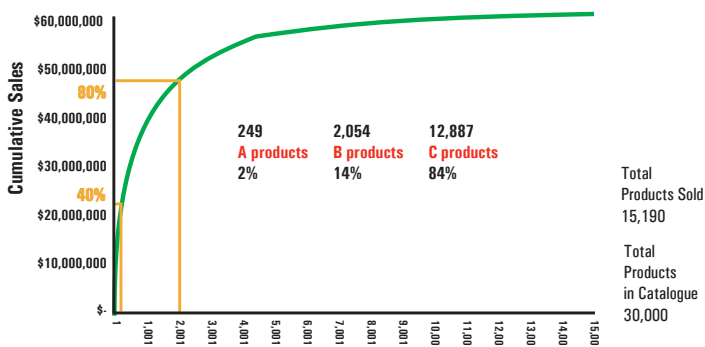
- ✓ identifies product profitability in terms of gross margin and net margin



- ✓ categorises products based on business contribution



- ✓ allocates activities and costs to products
- ✓ identifies opportunity for profitability improvement



- ✓ uses statistical modeling to validate business forecasts
- ✓ assesses product mix/range against business value proposition
- ✓ makes recommendations regarding product mix/range and business practices to improve profitability and better support the value proposition
- ✓ improves ranging and new item introduction processes

REAL PEOPLE • REAL WORLD • REAL RESULTS