



## Customer and Product Profitability for Financial Services





Financial Services companies are challenged to understand profits generated their customers and products because the majority of their costs are indirect and involve activities provided by supporting departments and accounts are often opened by one agency but serviced by another.

## Customer and Product Profitability

The cycle of profitability begins when a customer opens an account. Accurately calculating customer or product profitability is dependent on the organization's ability to determine the direct and indirect costs associated with each account, the product and services they consume and their behavior. ImpactECS provides a flexible modeling platform for financial services organizations to model their costs and then assign or allocate those costs to customers, products or services based on their characteristics, providing meaningful insight to drive business decisions.

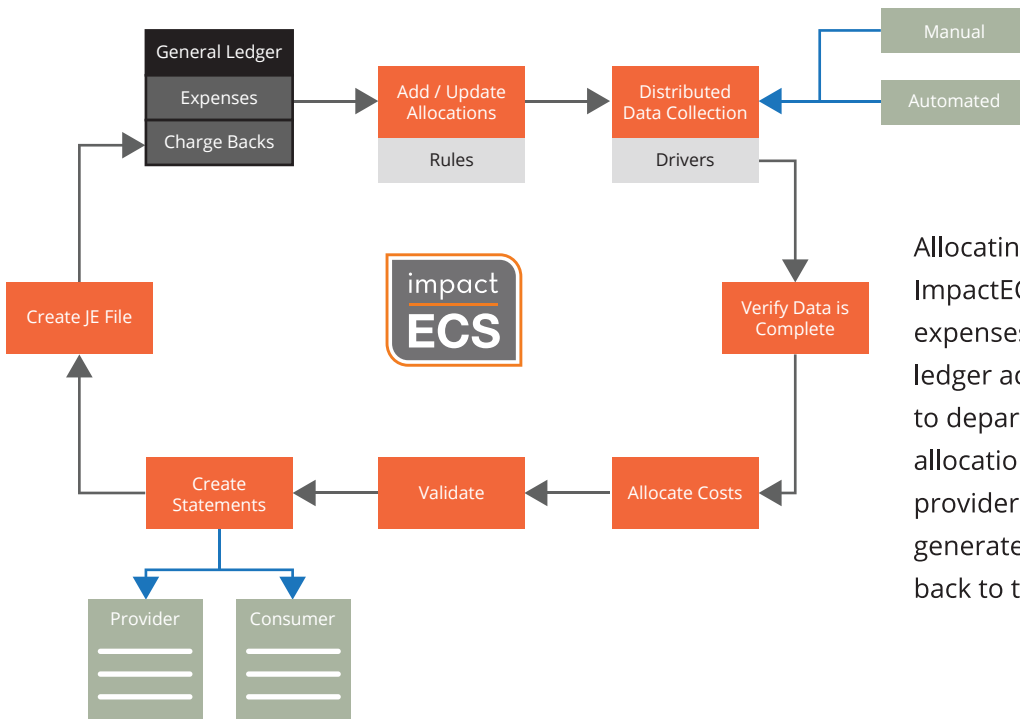


Financial services firms often lack an understanding of the cost required to serve unique customers. This limitation generally leads to equal treatment of all customers even when their behaviors are quite different. A true cost-to-serve requires that cost is assigned based on the actual business activities and overhead costs incurred to service the customer. These costs span the front, middle and back offices and having exposure to detailed cost answers provides the information necessary to better manage customers and to improve the bottom line.



## Handle Shared Services Expenses and Chargebacks in One System

One of the most complicated tasks in determining the cost to serve customers in financial services is properly allocating the costs of shared services. With ImpactECS, middle and back office activities are allocated to functional departments, support departments, and specific activities to determine the cost of each product sold to a customer.



Allocating shared services costs using ImpactECS creates a closed loop where expenses are taken from general ledger accounts and costs are allocated to departments and activities, allocations are validated, customer and provider profit and loss statements are generated and chargebacks are written back to the general ledger.

## Cost and Profitability Analytics with ImpactECS

The level of detail included in an ImpactECS Customer and Product Profitability model gives business leaders the tools to take a previously unattainable comprehensive approach to data analysis. And beyond the analytical capabilities, data is easily aggregated for executives interested in solving larger, more strategic challenges. ImpactECS is uniquely designed to give business leaders access to analysis of past performance and insight into future scenarios on the same platform.

### Integrated Cost and Profitability

**Solution:** Get a complete view of performance across multiple dimensions including product, line of business, and customer.

**Track Unique Attributes:** With no predefined set of cost or revenue categories, ImpactECS lets the user define every attribute in a way that is meaningful.

**Scenario Analysis:** With ImpactECS' sandbox environment, it is easy to predict the affect of adjusting any rule or driver used to allocate costs within the model.

  
Product &  
Services Costing

  
Profitability &  
Margin Analysis

  
Shared  
Services

  
IT Chargebacks

  
Budgeting &  
Forecasting

  
Scenario  
Analysis

  
Reporting &  
Dashboards

Learn more about ImpactECS

3csoftware.com



## About 3C Software



Founded in 1988, 3C Software has become the leading provider of cost and profitability systems to a wide range of industries. With over 600 installations in North and South America, Europe, Asia, and Australia, the ImpactECS platform gives business leaders the tools needed to build dynamic models to support the unique and complex analysis required to effectively manage their business.



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