

Top 15 North American Card Issuer

Customer Characteristics

Type

- Top 15 card issuer in North America.
- Longtime partner of PROFIT INSIGHT®

Outstandings

\$12 Billion

Purchase Volumes

\$65 Billion

Active Accounts

4.5 Million

Engagement Objectives

- Improve card acquisition performance and drive profitable balance growth.
- Seek to implement the latest pricing techniques and strategies in the market.
- No negative impact on the Client's reputation in the market
- Easy implementation

Results

CLIENT BENCHMARKS	Outstandings (bil)	\$12
	Purchase Volumes (bil)	\$65
	Active Accounts (mil)	4.5
Strategies		
PROFIT INSIGHT®	Number of Strategies Proposed	50
	Estimated Benefit - Low (mil)	\$40
	Estimated Benefit - High (mil)	\$60
	Number of Strategies Implemented	9
	Actual Benefit (mil)	\$30
	Benefits per Account	\$6.67

Figure 1. Summary of the Engagement Financial Impact

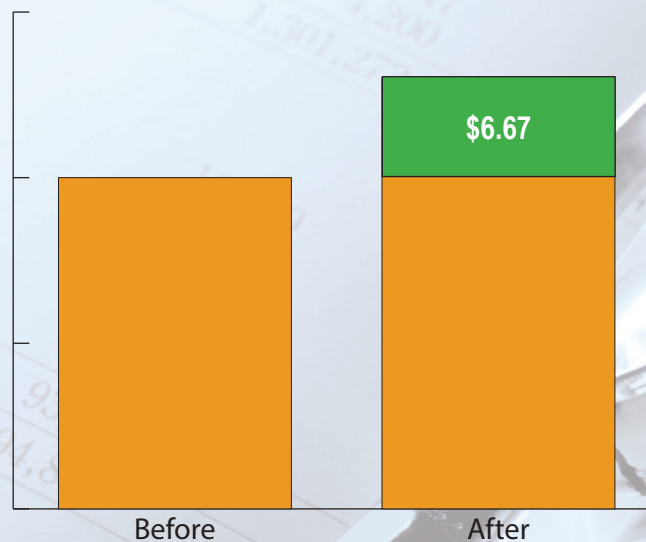


Figure 2. Benefit (per active account) from Strategy Implementation

PROFIT INSIGHT® is the

CLEAR CHOICE

to help you achieve
your financial goals.

Cumulative financial benefits with solutions that are
Legal and compliant focusing on revenue
Enhancement, revenue
Assurance and cost
Reduction.

Engagement Challenges

- The Client requested a fast and efficient review with limited time spent on-site.
- PROFIT INSIGHT® was asked to focus on strategies with large financial impact but relatively easy to implement.
- Although the review initially targeted card pricing activities, the Client was also interested in identifying possible areas of marketing efficiency that could be pursued in the future.

Engagement Highlights

- PROFIT INSIGHT® exceeded the engagement objectives and became a true partner with the client's card team.
- PROFIT INSIGHT® has intimate knowledge of the impact of various pricing decisions. This allows us to work efficiently to develop viable strategies that generate the most value for the Client.
- Value and creativity of strategies presented to Client far exceeded their expectations.
- The Client was so impressed with the results that PROFIT INSIGHT® now participates with ongoing internal client teams focused on competitive disruption efforts and balance growth. In addition, PROFIT INSIGHT® now assists the Client in reviewing potential portfolio acquisitions and the Client is investigating a number of operational recommendations made post engagement.

Implementation Results

The Client initially accepted approximately \$30 million for implementation with most of the remainder pending future approval. In addition, a number of previously identified opportunities are in development for future presentation and acceptance.

Implementation Benefits

Identified over 50 opportunities during the initial review in these areas:

- Points/Loyalty
- Fees
- Contractual Pricing
- Promotional Pricing
- Product Suggestions
- Targeting/Marketing
- Cross-Selling and Efficiencies

The PROFIT INSIGHT® Difference

The PROFIT INSIGHT® Credit Card Performance Consulting practice helps clients significantly improve the profitability of their lending business. We partner with our clients to deliver short and long-term value by identifying, analyzing and implementing tactical solutions to significantly improve portfolio and operation performance while limiting impact to their customers. Our consultants are recognized card industry experts and include former Federal Reserve officials, bankers, and card operations and marketing executives with expertise in Efficiency, Offer Targeting, Pricing, Interest Calculations and Operations.



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