



savvy<sup>///</sup>

Steer your  
profitability.

Make informed decisions.  
Grow profitably.

## Net contribution is key

Many wealth managers steer their business through discount levels and target RoA.

This provides orientation and comparability but neglects key cost drivers such as direct expenses, client risk, complexity and servicing efforts.

What truly drives profitability is the effective net contribution of each client, not the calculatory deviation from the product list price.

## Where profitability is lost

Discounts are often approved without a holistic client profitability view. Typical gaps are:

- Focus on discounts, not on the business case
- No view on the entire client group
- Lack of transparency on complexity and effort
- Margins and additional revenues not fully integrated
- Routine renewals without true reassessment

## We increase your profitability

We define a limited set of **relevant cost drivers**, focusing on marginal costs. Fixed cost rates create transparency and avoid constant operational recalibration.

The **target net contribution** is deliberately kept simple and transparent, since segmentation and client size are already reflected through the cost drivers. This makes the target clearly understandable and broadly accepted.

Analytically, we integrate all revenues, both fees and margins, across all products of a **client group**. Cost drivers are assigned based on behaviour and aggregated per client group.

Steering is **tool-based**, enabling relationship managers to see a granular client P&L and share the same view as management and approvers.

The new pricing decision framework is best anchored through a concrete use case, such as client book planning or a repricing initiative.

**Project duration: 2 to 4 months.**

savvy is a Swiss consulting boutique. We pioneer data-driven sales and revenue excellence for leading wealth managers. Our experienced specialists combine passion with precision to deliver tailored solutions that generate sustainable top-line impact.

## Revenue uplift delivered

Project example: During a book migration, all clients were assessed based on their net contribution. 17 relevant cost drivers were defined and assigned to clients. After deduction, a defined minimum net contribution had to be achieved at the level of the client relationship.

Revenues	CHF	bps	Costs to serve	CHF	bps
Basic fees	2'800	16	Foreign custodian costs	-1'260	-7
Custody fees	2'340	13	Foreign brokerage costs	-1'170	-7
Brokerage fees	3'420	19	Risk and capital costs	-2'280	-13
Mandate fees	5'400	30	Relationship management	-5'000	-28
Product revenues	1'440	8	Front risk reviews and BRM	-4'500	-25
Cash margin	1'260	7	Discretionary portfolio mgt	-	-
Credit margin	5'700	32	Advisory and order execution	-4'800	-27
FX margin	2'520	14	Manual payments	-1'040	-6
Retrocession, finder's fee	-	-	Tax reporting, wealth planning	-80	-0
<b>Total revenues (gross)</b>	<b>24'880</b>	<b>138</b>	<b>Contribution (net)</b>	<b>9'310</b>	<b>52</b>
			<b>Target not achieved</b>		
			<b>Contribution (target)</b>	<b>12'600</b>	<b>70</b>

*Illustrative net contribution: international client with 1.8m AuM and a loan.*

The client P&L was transparently displayed in a tool that automatically triggered structured approvals depending on deviations.

**Financial impact: +5 basis points uplift.**

