



Problem

Financial professionals don't always know which clients are profitable, how to service different levels of clients, or what to do with unprofitable ones.



Solution

Cetera's Client Segmentation tool identifies the profitability of each client and walks you through how to boost the profitability of unprofitable clients.

Overview

Get greater insight into your business' profitability and how to manage your client experience model. The Client Segmentation tool uses six factors (assets under management, gross dealer concessions, time with client, future potential, likeability, and referrals) to rank clients, who are then scored and segmented into four tiers. The tool's report shows the following information per tier: number of clients, profitability, amount of overhead and employee wages spent, overall return, and operating profit margin.

There is no cost to use the Client Segmentation tool. It requires one to ten hours of time to complete, based on the size and complexity of your book of business.

Key Differentiators

Analyze a greater depth of information: The tool segments clients based on six factors, as opposed to one or two, to give you a robust picture of profitability per client segment

Find opportunities in your book: See where you have the greatest returns, what's the impact on your operating profit margin, and who is unprofitable and make plans to address

Get personalized results fast: The Client Segmentation tool is the most comprehensive automated segmentation analysis available

Gain more time and capacity: Knowing which clients are unprofitable or need to work with can help you move them to a different service model and free you up to focus on more profitable activities

Key Drivers of Success

- Creating a plan and taking action to drive profitability
- Building efficiency in your business
- Offering a better client experience:
 - Giving profitable clients their appropriate level of attention
 - Taking action with clients who may not fit your service tiers or business model so they can find the right fit for their needs



Ideal Users

All financial professionals can benefit from using the Client Segmentation tool.

Testimonials

“This is the single greatest piece of intellectual property Cetera has. It has literally transformed our business. We have strategically set services for each level of client and implemented Fee for Service for our unprofitable clients.”

*Eric Pascarella
Cetera Advisors*

“After going through client segmentation, I gave away 300 clients to a junior advisor. Those clients represented only \$15,000 in GDC, so it was a great relief to have them go to someone who could build on them.”

*David Tozer
Cetera Advisor Networks*



Related Tools and Resources

- [Pentameter](#) hosts helpful information on the importance of segmenting your book
- The [Business Consulting Group](#)'s senior business consultants can help you with your business planning and succession planning.



Get Started Today

Use detailed insights to enhance the profitability of your book of business.

For more information, please contact your Growth Officer or Engagement Team.

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