

Sample Profitability Framework

Price

- What is our client pricing products at?
- How has pricing changed over the past few years?
- What is our pricing strategy?
- How is pricing expected to change over the next few years?
- What are competitors pricing similar products at?

Quantity

- What is the demand for our client's products?
- How has demand been changing over the past few years?
- How is the client marketing its products? How have our marketing efforts affected demand?

Variable Costs

- What are the variable costs with regards to variable labor? Has this been changing?
- What are the variable costs with regards to materials? Has this been changing?
- What are the variable costs with regards to distribution? Has this been changing?

Fixed Costs

- What are the fixed costs with regards to salaried labor? Has this been changing?
- What are the fixed costs with regards to rents? Has this been changing?
- What are the fixed costs with regards to utilities? Has this been changing?

