



PERAISON

How Techtronic Industries Australia used data to unlock customer and product profitability



Executive Summary

Techtronic Industries Australia needed to understand the true profitability of its customers and products. With a complex mix of direct and indirect costs that could not easily be attributed at customer level, the business had no reliable EBIT view — making it impossible to know which customer relationships and product lines were genuinely driving value.

The Challenge

Techtronic Industries Australia serves a broad range of customers across multiple product groups and categories. While revenue and gross margin were visible, the business had a large pool of indirect costs — including overheads, shared services and distribution expenses — that could not be directly attributed to individual customers. Without a method to allocate these costs in a consistent and defensible way, a true EBIT figure at customer or product level simply did not exist.



Speak To Our Team

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Key issues included:

- No customer-level EBIT figure available, making it impossible to identify which customers were genuinely profitable versus those that appeared strong on gross margin but consumed disproportionate indirect costs.
- Indirect costs spread across many P&L accounts with no systematic way to attribute them to customers or products.
- Commercial decisions around pricing, marketing spend and customer prioritisation were made without reliable profitability data, risking misallocation of resources.
- No way to identify which customer segments or product lines were the primary drivers of overall company EBIT.

This left the executive team making important strategic decisions — about where to invest, which customers to prioritise, and how to price — without a clear picture of where profit was truly being generated.

The Solution

Techtronic Industries Australia partnered with Peraison to build a cost allocation model and executive profitability dashboard using their existing Snowflake and Qlik environment.

The solution was built around three core elements:

Bespoke cost allocation model

Working closely with the Techtronic finance team, Peraison designed a cost allocation model that attributed every P&L account — direct and indirect — to individual customers and products. Distribution ratios were based primarily on gross margin, calculated against customer and product grouping totals, ensuring allocations reflected commercial reality rather than arbitrary splits.

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Customer and product P&L

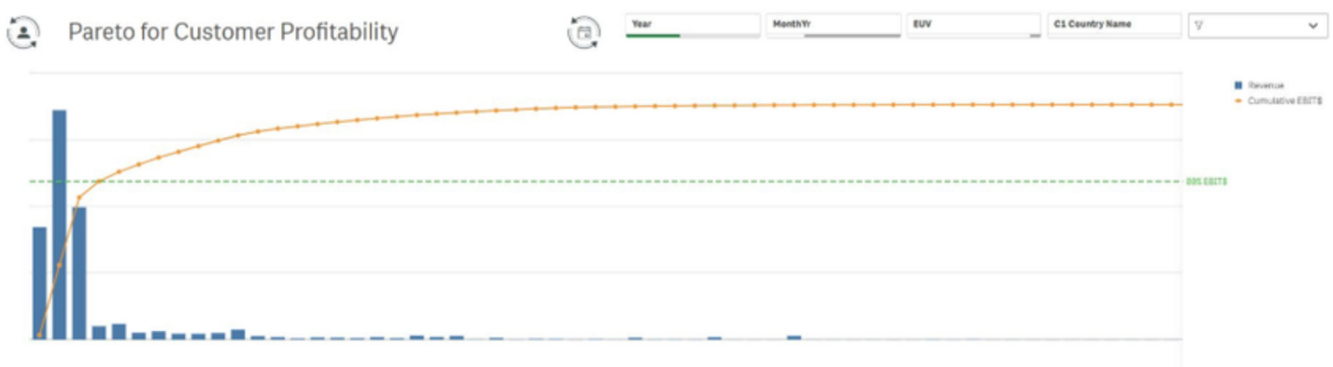
The model produced individual P&L account values for every customer and product, rolled up to deliver a true EBIT figure at each level. This data was loaded into Snowflake and structured to support flexible analysis across the full customer and product hierarchy.

Executive profitability dashboard

Peraison built a Qlik dashboard published on Qlik Cloud and made available to the executive team, providing:

- A Pareto view of customer profitability, showing which customers deliver 80% of EBIT and how cumulative EBIT builds across the customer base.
- Full EBIT visibility at customer and product level, with the ability to slice and dice by customer segmentation, location, product group, type and category.
- Cost component analysis that reveals which specific cost lines are driving low profitability for a given customer segment, enabling targeted action on pricing or cost reduction.

This gave the executive team a single, trusted platform to understand profitability across the entire business — and act on it.



Pareto analysis of customer profitability — identifying the customers delivering 80% of EBIT



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The Impact

The solution delivered immediate and tangible commercial value for Techtronic Industries Australia.

80% of EBIT identified

For the first time, the business could see precisely which customers and products were generating the vast majority of its profit — enabling focused investment in the relationships and lines that matter most.

Smarter commercial focus

The executive team shifted attention and resources toward the most profitable customers and segments, reducing effort spent on relationships that were diluting overall returns.

Marketing spend redirected

With clear visibility of profitability by product line, Techtronic reduced marketing investment in less profitable product categories and redirected spend toward those generating stronger EBIT contribution.

Cost transparency and pricing confidence

By understanding exactly which cost components were suppressing profitability in specific customer segments, the business gained the clarity needed to either reduce those costs or adjust pricing to restore margin.

By making the true cost-to-serve visible for every customer and product, Peraison helped Techtronic Industries Australia move from intuition-led commercial decisions to data-driven ones — with direct impact on where the business invests, how it prices and which customers it prioritises.

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