

# Major Bank

# The Setup

- Our consulting firm has been retained by a major bank to help improve the profitability of their largest credit card offering. Their card (in the same class as a Visa or MasterCard) provides average returns in comparison to the industry, however, our client believes it can become more profitable. You need to analyze the situation and make recommendations.

# Additional Information

	Costs		Revenue
Marketing, SG&A, Personnel	Can't Change	Annual fee of \$50	Can Change
Bad Credit theft etc.		Annual percentage rate is 14%	
Other costs		Merchant fee is 1.5%	