

Return on Investment



Both Portfolio Connection™ and Customer Connection™ - powered by iLumen, are affordable systems

that do not require a major financial commitment from the bank and can easily be delivered regardless of the timing of the bank's budget cycle. The system requires no new hardware and does not impact the bank's existing systems.

Opportunities in the commercial portfolio that go unidentified represent unrecognized revenue. The example provided shows how Portfolio Connection can generate a 2 to 1 return on investment just by generating the closure of less than 2% of unidentified loan opportunities in the commercial portfolio.

This example assumes 1,000 commercial accounts and that 5% of the portfolio has unidentified loan opportunities. Just closing 20% of those opportunities with an average commercial loan value of \$750,000 generates \$225,000 in loan margin revenue. Additional banking fees were not incorporated into the analysis, but would add to the revenue increase.

Using this example, Portfolio Connection not only pays for itself, but generates a 2-1 return on investment.

Other ROI calculations can measure the financial impact of increased efficiency within the bank as relationship managers are freed up to maintain more face to face contact with their customers.

Element	Description
Asset size of bank	\$2 Billion
Number of commercial customers in portfolio	1,000
Number of unidentified loan opportunities	50 (5% of portfolio)
Average size of a commercial loan	\$750,000
Margin – 3%	\$22,500
Close 20% of opportunities (10)	\$225,000
Cost of Portfolio Connection	\$75,000
Return on Investment	\$150,000

- *The system pays for itself through increased revenue from newly identified loans, deposits, and up-sell opportunities*
- *Easily fits in between budget cycles*
- *Increased efficiencies, saving time and money.*

