

Revolut GP L90D Analysis & £4M Uplift Plan

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Confidential

Executive Summary

Objective: Increase Revolut's GP L90D by £4 M in next 6–12 months

Key Findings:

- High-Yield Niches:** Japan, Australia, Bermuda deliver 0.22–0.32 £ GP/user → scale premium bundles (+£0.8 M).
- Volume Engines:** UK, Ireland, Poland hold 72 K users at 0.02–0.09 £ GP/user → loyalty & fee tweaks unlock +£1.2 M.
- Negative Drains:** “Other” (–0.47 £), Card & Bank Payments (–0.13 £/–0.07 £) across 38 K users leak –£7.6 K → recovery plan nets +£2.7 K immediately.

Top 3 Levers to Hit £4 M:

- 1.**Replicate UK Playbook** in similar markets (+£2 M).
- 2.**Scale Premium Offers** in niche geos (+£0.8 M).
- 3.**Optimize Pricing** on Card/Bank Payments & Other to regain GP (pilot +£0.3 M).

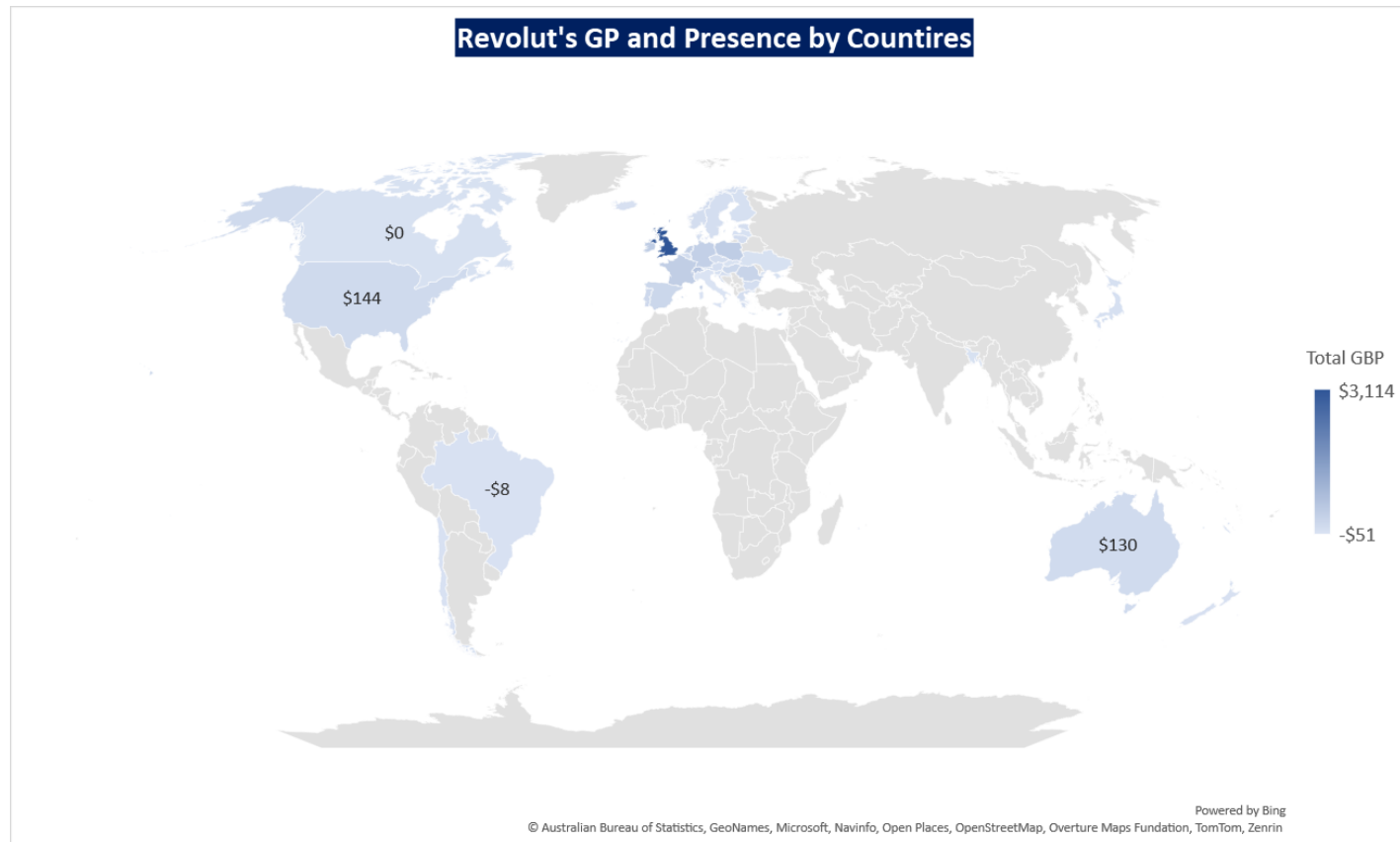
Next Steps:

- Launch Pricing & Promotions CoE for rapid A/B tests
- Form Retail P&L Task Force to remediate loss buckets
- Embed micro-KPIs in live GP dashboards

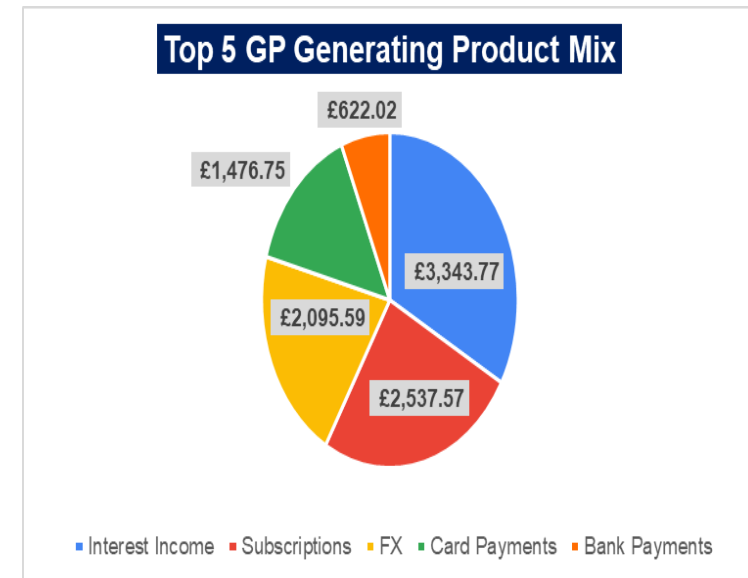
How the £4 M Uplift is Achieved

- £2 M** by rolling out loyalty tiers, referral bonuses and tiered pricing from the UK to Ireland & Poland (60 K users × +£0.03 GP/user).
 - £0.8 M** from premium niche scaling (Japan & Australia: grow user base by 20% × 0.24 £ GP/user).
 - £1.2 M** through small per-user GP uplifts in high-volume segments (France, Romania, Ireland: +£0.01 GP/user × 120 K users).
 - £0.3 M** from “Other,” Card & Bank Payments recovery (fee tweaks & cost renegotiations across 40 K users).
- Total: £4.0 M** incremental GP L90D.

Revolut's GP and Presence by Countries

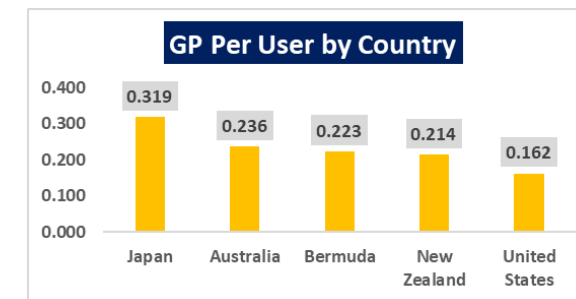


Top 5 Countries contributing highest GP			
Countries	Users Count	Total GP	GP Per User by Country
United Kingdom	35,315	\$3,114	0.09
Switzerland	3,967	\$564	0.14
Ireland	22,841	\$460	0.02
Poland	14,576	\$442	0.03
Netherlands	4,347	\$415	0.10



High-Yield Markets: GP per User & Action Plan

1. High-volume markets drive £1.2 M via modest per-user GP increases and new fee streams.
2. Premium niches unlock £0.8 M through growth and yield enhancement.
3. Core expansion in UK-like regions delivers £2 M by transplanting proven engagement & pricing tactics.



Country	User Count	Total GP	GP per User	Insight Summary	Recommended Action	Likely Initiative Impact
France	18,662	£ 411.5	0.020	High users, poor monetization	Reevaluate plan pricing, control partner costs	Initiative #4 (Stays cashback reduction)
Romania	17,202	£ 287.4	0.020	Likely hit from loan interest rate cuts	Review credit pricing post-Initiative #1	Initiative #1 (Loan interest rate cut)
Italy	8,962	-£ 50.7	(0.010)	Negative GP overall â€” loss-making	Audit cost sources (e.g., card delivery, onboarding rewards)	Initiative #6 and #9 (Vending machine rewards, card production costs)
Ireland	22,841	£ 459.8	0.020	Large base, low GP per user	Explore new revenue lines; reduce fixed costs	No specific initiative; check pricing and product mix
Poland	14,576	£ 441.7	0.030	Weak monetization despite volume	Push subscriptions / plan upgrades	No direct initiative, but weak subscription/FX monetization
Belgium	2,475	£ 82.4	0.030	Underperforming market	Localized promotions or cost renegotiation	No specific initiative; likely weak uptake or partner fees
Spain	9,861	£ 221.2	0.020	Low efficiency	Increase upsell efforts	No direct link, may require pricing improvements
Hungary	7,707	£ 203.0	0.030	Sub-par margin performance	Revisit partner charges (esp. for bank payments)	Possibly Initiative #5 (bank payment pricing) or #8 (card cost changes)
UK	35,315	£ 3,114.0	0.090	Strong volume & profit contributor	Scale further and replicate playbook elsewhere	NA â€” Strong performance; consider replication
Japan	62	£ 19.8	0.320	Highest margin per user	Scale high-margin niche segment	NA â€” Outstanding monetization; niche focus works
Switzerland	3,967	£ 564.2	0.140	Strong per-user value	Retain premium users, protect profitability	NA â€” Premium market success; retain segment
Singapore	475	£ 72.6	0.150	Efficient small base	Smart scaling opportunity	NA â€” Lean monetization model with potential to scale
Estonia	531	£ 63.3	0.120	Profitable niche	Increase presence with low-CAC strategies	NA â€” Profitable low-CAC base
Germany	8,828	£ 368.4	0.040	Moderate margin, but large base	Check loan provisioning impact from Initiative #16	Initiative #16 (Loan provisions in Germany)

Level-2 GP Drain & Recovery Plan

GP Per User by Account Level 2 : Entire Population				GP Per User by Account Level 2 : Negative Contributors			Forecast		
Product Mix (Account level 2)	Count of user_id	Total GP	GP Per User by Account Level 2	Count of User contributing Negatively	Sum of Negative Contributor's GP	AVG per negative user	Price Increase for negative contributors (in those countries)	To achieve Target GP per user for the Negative contributors	New Contribution
Bank Payments	4074	622	0.15	2973	-214	-0.07	0.22	0.15	454
Card Payments	80594	1477	0.02	30470	-3966	-0.13	0.15	0.02	558
Credit	532	313	0.59	223	-43	-0.19	0.78	0.59	131
FX	3342	2096	0.63	1	0	-0.25	0.88	0.63	1
Interest Income	76953	3344	0.04	22	0	0.00	0.04	0.04	1
Lifestyle	250	575	2.30						
Market Making PnL	2499	94	0.04						
Merchant Acquiring	19	31	1.64	3	-1	-0.48	2.12	1.64	5
Other	6866	-3251	-0.47	6864	-3260	-0.47	0.00	0.00	0
Savings	2430	431	0.18				0.18	0.18	0
Subscriptions	18165	2538	0.14	11004	-138	-0.01	0.15	0.14	1537
Treasury Services	9	18	2.05						
Grand Total	195733	8287	0.04	51560	-7623	-0.15			2687

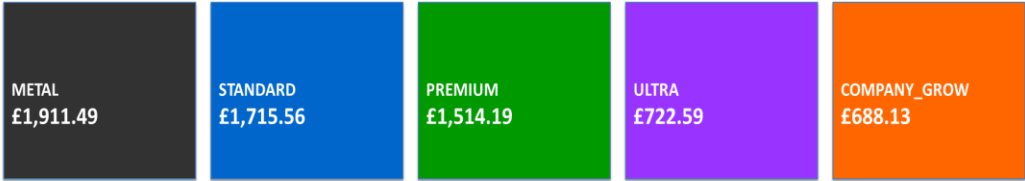
- Negative-GP segments (Subscriptions, Card & Bank Payments, Other) create a significant drag at –£0.15 per user.
- Raising their GP/user to the global average (£0.04) unlocks immediate uplifts—Subscriptions and Card Payments offer the biggest gains.
- Small, targeted fee adjustments in those buckets can recoup thousands in GP, turning losses into breakeven or profit.
- Embedding these per-user levers into our pricing strategy and monitoring via micro-KPIs will accelerate progress toward our £4 M GP goal.

- Key Assumptions We use the global average GP/user across all Account Level-2 users as our uplift target for each negative-GP category.

- To achieve this, we will implement country- and category-specific fee adjustments (e.g. modest surcharges, revised partner rates) so that each negative bucket's GP/user rises from its current level up to match global average.

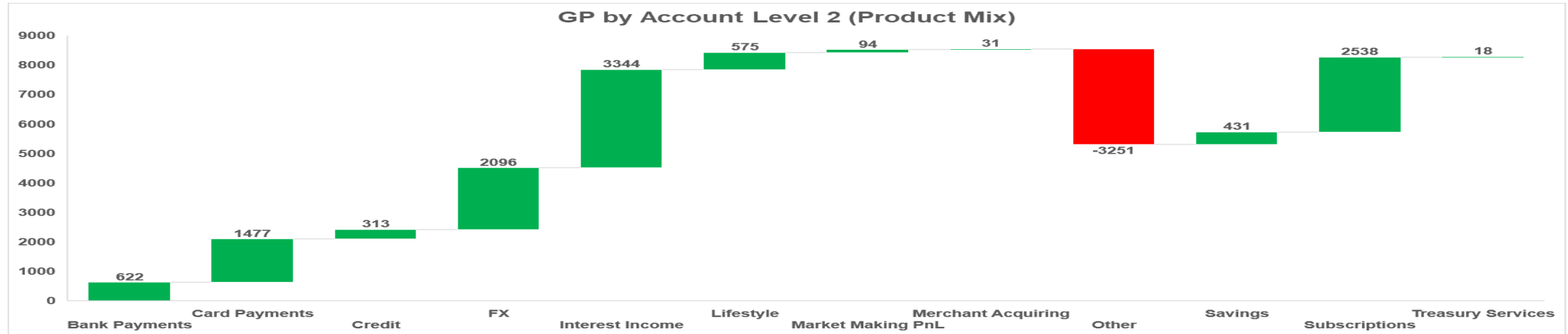
- Price changes are calibrated proportionally to each segment's user count, ensuring that the overall target GP uplift aligns with our unit economics and market tolerances.

Top 5 Plans: GP Contribution & Action Plan



Plan	Total GP	Strategic Insight	Recommended Action
<u>METAL</u>	£ 1,911.49	Highest absolute GP—strong monetization per user	<ul style="list-style-type: none">• Deepen loyalty perks (concierge, travel credits)• Bundle premium services (eSIM, lounge access)
<u>STANDARD</u>	£ 1,715.56	Largest user base driving significant GP	<ul style="list-style-type: none">• Target “Standard→Plus/Premium” upgrade campaigns• Introduce a low-fee add-on (“Standard+”)
<u>PREMIUM</u>	£ 1,514.19	Solid GP and mid-tier engagement	<ul style="list-style-type: none">• Cross-sell Savings & Investment products• Offer exclusive partner discounts
<u>ULTRA</u>	£ 722.59	Highest GP per user—affluent segment	<ul style="list-style-type: none">• Launch premium FX/crypto bundles• Add personalized financial advisory services
<u>COMPANY_GROW</u>	£ 688.13	Fastest-growing business segment	<ul style="list-style-type: none">• Promote “Scale” plan upgrades with FX cost savings• Cross-sell Treasury Services & MMFs

Product Mix GP Waterfall & Action Plan



Actionable Recommendations:

1. Audit & Eliminate 'Other' Losses

- Deep-dive into "Other" cost drivers (onboarding rewards, delivery, reversals); restructure or sunset underprofitable components.

2. Scale High-Yield Niches

- Launch targeted campaigns for Lifestyle and Treasury Services, leveraging their premium appeal to attract new NAP users.

3. Optimize Core Revenue Streams

- Incrementally raise small fees on Card Payments and Interest Income (e.g. tiered ATM fees, weekend FX surcharges) to lift GP/user by £0.01–£0.02 across 160K users (£1.6–£3.2 K uplift per 1p).

4. Expand Subscription & Savings Uptake

- Bundle FX and loyalty perks into Subscription plans; cross-sell Savings products to Plus/Metal members to boost GP/user by 10–15%.

Key Highlights & Insights

• Top GP/User Drivers:

- **Lifestyle (2.30 £/user)** and **Treasury Services (2.05 £/user)** deliver the highest yields, but across small user counts (250 and 9 users respectively).
- **Merchant Acquiring (1.64 £/user)**, **FX (0.63 £/user)** and **Credit (0.59 £/user)** profile as mid-to-high GP engines with modest user bases.

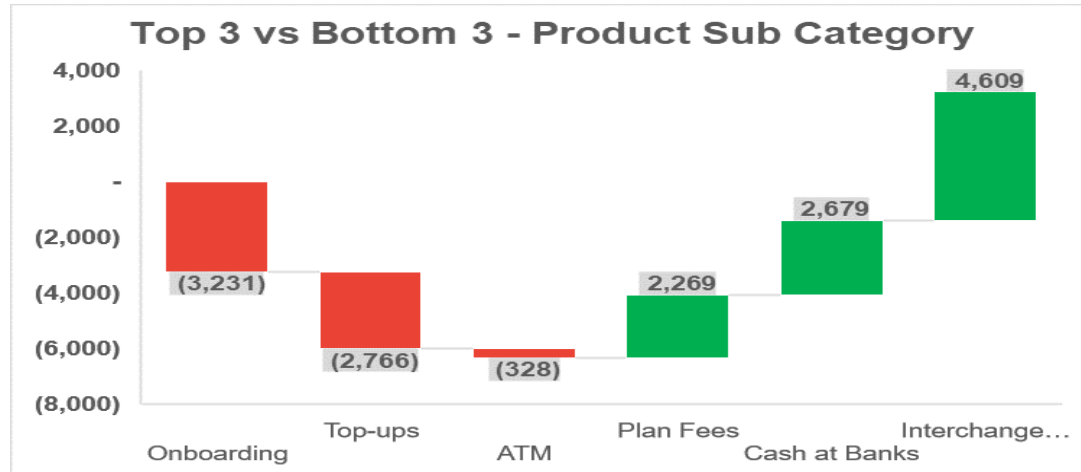
• Core Volume Streams:

- **Card Payments (0.02 £/user, 80 594 users)** and **Interest Income (0.04 £/user, 76 953 users)** together represent ~75% of users but low per-user GP—levers for small uplifts at scale.
- **Subscriptions (0.14 £/user, 18 165 users)** and **Savings (0.18 £/user, 2 430 users)** show healthy GP/user and room to grow via upsells.

• GP Drain Alert:

- **Other (–0.47 £/user, 6 866 users)** is a net loss center—significant cost-leak that offsets gains elsewhere.

GP by Sub-Category (Account L3)



Corrective Actions: High-Loss Drivers

Account Level 3	Sum GP (£)	Insight	Recommended Action
Onboarding	-3,231.25	Largest cost center—likely issuer & reward payouts	Streamline onboarding workflows; cap or restructure welcome bonuses; automate KYC checks to cut manual fees.
Top-ups	-2,765.83	Negative GP from payment-in fees & vendor charges	Renegotiate top-up processing fees; limit free top-ups per month; introduce surcharge on low-value top-ups.
ATM	-327.65	Loss on cash withdrawals—partner costs exceed fees	Pass through a portion of partner ATM fees to users; introduce fair-usage surcharge after threshold.

Steps to be taken:

1. Launch a “Cost Recovery” task force to remediate onboarding & top-up losses (Q3).
2. Roll out targeted marketing for high-yield drivers (Interchange & Cash) with clear GP uplift KPIs.
3. Embed these levers into monthly GP dashboards to track savings and incremental revenue in real time.

Growth Levers: High-Yield Drivers

Account Level 3	Sum GP (£)	Insight	Recommended Action
Interchange Fees	4609.11	#1 GP contributor—card volume driver	Increase promotional spend on card usage; negotiate higher revenue share with vendors.
Cash at Banks	2678.9	Strong deposits GP—treasury margin	Cross-sell high-yield savings & MMF products to bank depositors; upsell Treasury Services.
Plan Fees	2268.65	Subscription revenue backbone	Target “Standard→Plus/Premium” upgrades; bundle add-ons (eSIM, FX passes) to boost plan uptake.

Data & Key Assumptions

- Dataset: User-level GP L90D segmented by Account Levels and geographies.
 - Global average GP/user benchmark: £0.04.
 - Negative GP segments normalized to benchmark via fee adjustments.
 - Assume minimal user churn from modest price changes.

Methodology Overview

- Data cleansing & validation
 - Segmentation by Account Level, Plan & Country
 - Calculate Total GP & GP/User metrics
 - Identify positive vs negative buckets
 - Forecast GP uplift by normalizing negatives
 - Map initiatives and prioritize levers

Appendix:

Proof of workings: Heavily used Advanced Excel (pivots, xlookups, index match, macros, VBA)and PowerPoint to complete the assignment.

