

WHEN THE COLOR OF CURRENT CUSTOMERS IS GOLD

Magenic[®]

Thinking ahead.

Most company case histories are of the problem/solution variety...this is not one of those. Magenic Technologies is a Microsoft® custom applications development consultancy with five offices in the United States. The company's good fortune was a steady stream of revenue from a large and enviable customer base. Not one to rest on his laurels, and knowing full well how fast the market can turn, Magenic CEO Greg Frankenfield wanted to put in place nextgeneration growth strategies that would keep his revenue flowing, profitable and secure.

Dance with the one that brought you.

Revenue RocketSM Consulting Group, LLC was charged with the task of taking what was working well and making it work even better. Borrowing a cue from the Shania Twain hit song, "You've got to dance with the one that brought you and you can't go wrong," Revenue Rocket realized there was gold in the breadth of Magenic's customer base, and the opportunity was to go deeper with these customers with a new service offering.

Recognizing that Magenic Technologies' clients were well-served by the company's Advisory and Technical Services, Revenue Rocket recommended that Magenic round out its service triumvirate with the addition of a new Managed Services offering. This solution proved to be just what the doctor ordered:

- The new Managed Services line, starting from scratch, now represents 30% of the company's revenue—all in new-found money—and not a penny of cannibalization.
- This is rich revenue, with profit margins 30% higher than the existing service offerings.
- The longer-term contracts of the Managed Services offering are yielding predictable streams of income that not only throw off operating cash and profit, but add significantly to the company's market valuation.

Says Greg Frankenfield, CEO, Magenic

Technologies: "Revenue Rocket has been a valuable partner to us for a number of years, and we've prospered by their counsel. Among other things, they helped us roll out a Development Center offering, which helped to improve our bottom line."