



Private Equity

Taking Value Creation to the Next Level



Simon-Kucher & Partners, Strategy & Marketing Consultants

Simon-Kucher & Partners is a global consulting firm focusing on TopLine Power®. Founded in 1985, the company has more than 30 years of experience providing strategy and marketing consulting and is regarded as the world's leading pricing advisor.



Global presence

- ▶ 38 offices worldwide
- ▶ More than 1,300 employees
- ▶ €309m revenue in 2018



Americas

Brazil, **São Paulo**
 Canada, **Toronto**
 Chile, **Santiago de Chile**
 Mexico, **Mexico City**
 USA, **Atlanta**
 USA, **Boston**
 USA, **Chicago**
 USA, **Mountain View**
 USA, **New York**
 USA, **San Francisco**

Europe

Austria, **Vienna**
 Belgium, **Brussels**
 Denmark, **Copenhagen**
 France, **Paris**
 Germany, **Bonn**
 Germany, **Cologne**
 Germany, **Frankfurt**
 Germany, **Hamburg**
 Germany, **Munich**
 Italy, **Milan**
 Luxembourg, **Luxembourg**
 Netherlands, **Amsterdam**
 Poland, **Warsaw**
 Spain, **Barcelona**
 Spain, **Madrid**
 Sweden, **Stockholm**
 Switzerland, **Geneva**
 Switzerland, **Zurich**
 Turkey, **Istanbul**
 United Kingdom, **London**

Africa

Egypt, **Cairo**

Asia/South Pacific/ Middle East

Australia, **Sydney**
 China, **Beijing**
 China, **Hong Kong**
 China, **Shanghai**
 Japan, **Tokyo**
 Singapore, **Singapore**
 UAE, **Dubai**

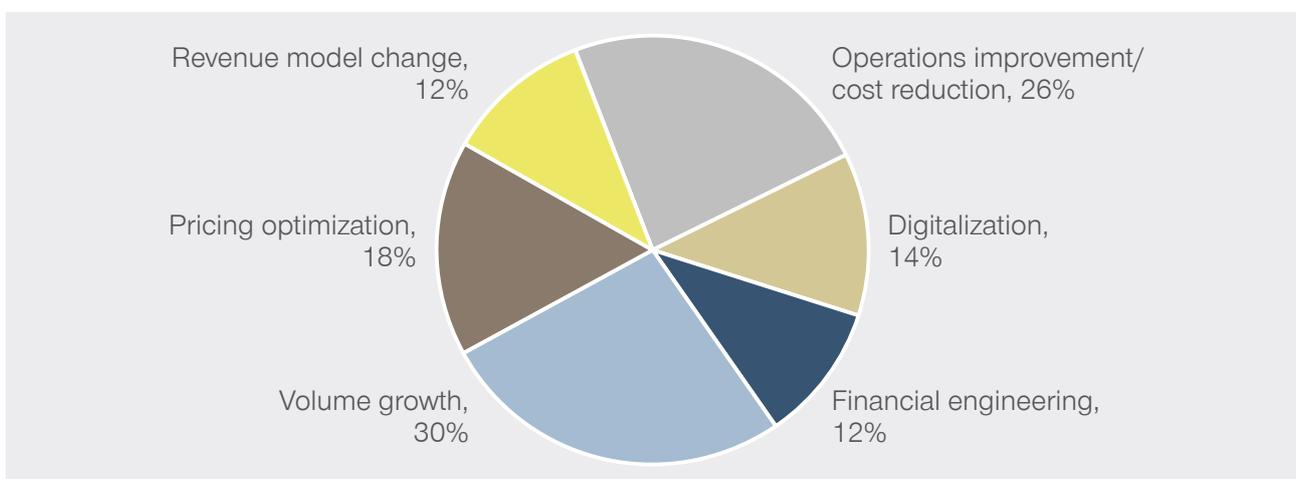
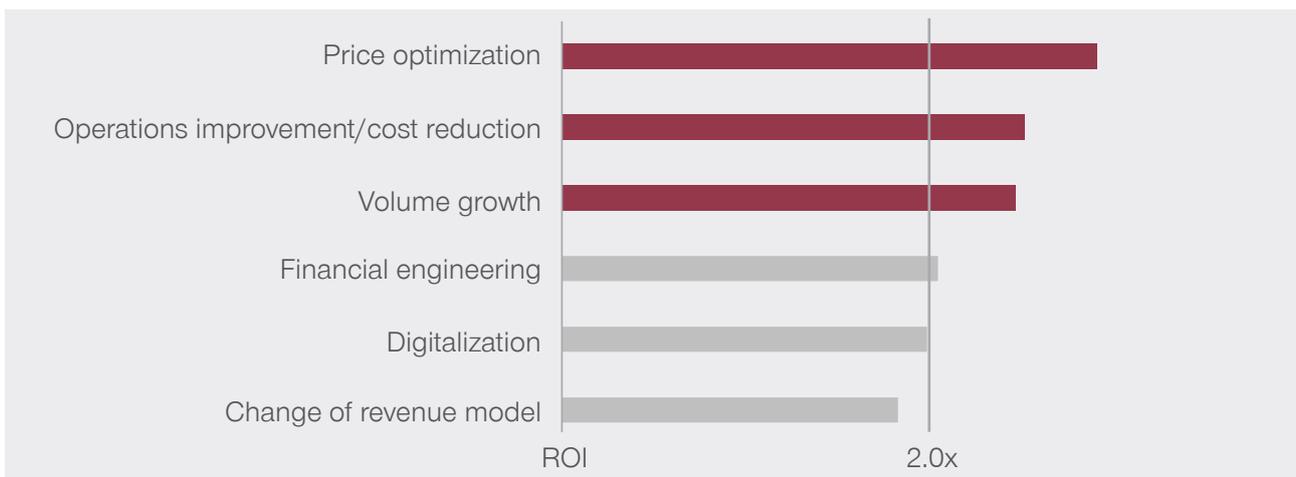


Private Equity

Thriving in an increasingly competitive PE landscape

The success of private equity firms in delivering returns to investors means that asset prices have been bid up to all time record highs, and private equity firms hold record amounts of dry powder. Today's inflated EBITDA multiples render the traditional cost-cutting and efficiency gain playbook for value creation less effective than ever before. It's no longer just about picking a winner and taking it to the finish line. You need to be more creative with how you create value.

Our research and experience tells us that private equity's approach to value creation is still predominately focused around operational improvement, cost, and volume growth. There is simply not enough focus on pricing within the top line. And this is despite the fact that, as an industry, private equity already knows that value creation through pricing has the highest ROI of any lever.



In such a competitive deal environment, the ability to underwrite, plan, and execute pricing change is more important than ever before.

Private Equity

Trusted advisors in private equity & venture capital

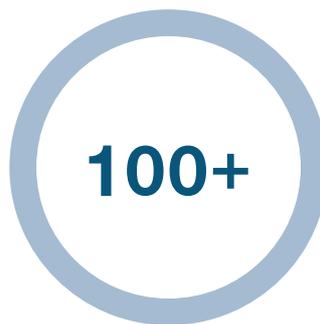
As a top ranked consultancy for pricing, marketing, and sales, Simon-Kucher has helped private equity firms to boost Topline Power® within hundreds of portfolio businesses across a broad range of industries. We advise firms on how to make the right acquisitions, grow their companies profitably, and maximize returns on exit. With 38 offices in 25 countries and 1,300 associates, we serve the private equity industry globally and offer local experts across all verticals.

Pricing is a key value driver, and we are the pricing experts. All of our associates are specialists in their fields, combining strong monetization techniques with profound industry knowledge. This enables us to focus on the key trends shaping a portfolio company's sector, positioning, competitor behavior, and growth potential. And with comparable benchmarks from many thousands of successful pricing projects, we are fully equipped to deliver a robust and targeted view throughout all the different stages of the deal.

Why Simon-Kucher?



We've worked on over 800 portfolio company projects...



... and supported more than 100 PE firms ...



... we are seen as the global #1 in the fields of pricing, marketing and sales



Private Equity

Our focused PE toolkit supports firms at each stage of the deal lifecycle

Exit

2-3 Weeks

**Full
Transformation**

3-4 Months

**Post Merger
Integration**

3-4 Months

100 Day Plan

4-8 Weeks

Due Diligence

1-3 Weeks

Private Equity

Underwriting deal values

Due Diligence

1-3 Weeks

Determine the size of the prize

Assess the pricing upside

Validate the revenue case

In a competitive deal environment, quantifying pricing-driven upside is crucial to underwriting ever larger multiples. We give our clients a competitive edge by presenting a clear and robust picture of both the size of the prize as well as the capabilities, resources, and investment required to realize pricing opportunities.

For a realistic view of pricing and growth opportunities, you need to go beyond the obvious. Our unrivalled expertise focusing on the topline, across many industry verticals and supported by our proprietary tools, makes us an ideal advisor in opportunities where price is a major aspect of the investment thesis.

Successful due diligence delivers the best starting point for the 100-day plan and value creation throughout the ownership cycle.

“

We know the right questions to ask and the realm of possible answers to look for. That's how we find opportunities and solutions that others overlook.

”

Mark Billige, Managing Partner at Simon-Kucher

Private Equity

Draw up a growth roadmap

100 Day Plan

4-8 Weeks

Draw up a growth roadmap

Identify quick-wins

Optimize the organization design

Develop a KPI dashboard

Early momentum is critical to a transaction's success and pricing should be part of every value creation plan.

We work alongside operating teams to understand the art of the possible and to build the plan for pricing: identifying and sizing the opportunity, crafting the business case for change, and delivering a roadmap that will propel growth.

We start with a detailed audit of the pricing and sales process, we mine the data to identify and quantify opportunities, and we bring new ideas for how to approach topline growth.

From the initial revenue upside estimation, to the right tools and training, Simon-Kucher is the best partner to accompany you in this initial period of ownership.

“

With Simon-Kucher, there are no ivory towers. Our down-to-earth, collaborative approach combines the best ideas from your people and ours, from day one.

”

Gunnar Clausen, Senior Partner at Simon-Kucher

Private Equity

Lead with a commercial strategy

Post Merger Integration

3-4 Months

Determine the size of the prize

Assess the pricing upside

Validate the revenue case

With record-high multiples, buy-and-build strategies have become increasingly relevant. Plenty of playbooks have already been developed on the success factors for capturing cost synergies. But as a top ranked consultancy in pricing, marketing, and sales, we are in a unique position when it comes to deliberately planning for revenue synergies.

Simon-Kucher takes a structured approach to developing post-merger commercial strategy. We drive tangible results from enhancing cross-selling across businesses, managing pricing and trade term risk, and aligning sales and commercial processes.

“

There's a lot of work to be done on the pricing side, but also with the people. Especially with a big sales force, a major alignment will be required. And we have unbeatable experience here.”

”

Brad Soper, Partner at Simon-Kucher

Private Equity

Combine technology and expertise

Full Transformation

3-4 Months

Transform revenue

- Price guidance
- Data-driven/
dynamic pricing
- Sales excellence
- Customer-centric
marketing

Transform tools & required skills

- IT integration
- Training

Revenue transformation programs need to be both ambitious and practical. That's why we combine forward-thinking revenue and growth targets with sophisticated analytical and market research and data science, along with IT integration, and staff training for successful implementation.

Our data science and digital experts regularly work on projects where Big Data delivers sophisticated but feasible pricing upsides, and can support with transforming existing tools into new and bespoke IT systems.

Our revenue transformation projects can deliver more than just profitable revenue growth. Helping portfolio businesses to overhaul their revenue models can lead to massive improvement in revenue quality and hence exit multiple.

Technical sophistication has to go hand in hand with real-world expertise. Our clients can rely on our specialists' extensive experience in implementing these initiatives across the entire industry spectrum.

“

The portfolio company needs to own the plan. We extract key insights from large amounts of data to create a fact base, generate buy-in, and enable decision-making.

”

Joshua Bloom, Partner at Simon-Kucher

Private Equity

Capture value in an effective sale

Exit

2-3 Weeks

Upside
quantification

Long-term price
roadmap

We help firms position their business to capture maximum value and facilitate an effective sale. This involves clearing up any perceived risks surrounding pricing and highlighting the remaining potential in a precise and transparent way.

Similar to a buy-side due diligence, we understand the importance of having a comprehensive picture on the competitive position and market context, so we provide buyers with a detailed and actionable roadmap to post-deal value creation.

Our reputation as trusted private equity specialists and world leaders in pricing means our recommendations are trusted by the PE Industry.

“

The single most important decision in evaluating a business is pricing power.

”

Warren Buffet

Private Equity

Fueling next-level value creation

Higher multiples are challenging the private equity industry, and the traditional cost-cutting playbook cannot deliver the gains that investors require. Fueling next level value creation requires having the right partner for turning opportunities into tangible results. Whether redesigning a revenue model, optimizing cross-sell in a bolt-on acquisition, or securing the greatest valuation at exit, pricing is a fast, effective lever with an almost immediate bottom-line impact. Simon-Kucher are exceptional partners for delivering returns throughout the investment lifecycle. Thanks to our extensive network across all industries and continents, paired with specialist insights and know-how, we can pinpoint and tap into exactly the right opportunities that will take your portfolio to the next level.

Simon-Kucher's focused PE toolkit across the deal lifecycle

From proprietary software and advanced customer research, to data science and Big Data, our teams are equipped with the necessary technical knowledge and tools to implement our recommendations. With our extensive benchmark library, pricing dashboards, and KPI universe, we generate buy-in and ensure everyone is working toward the same tried-and-tested targets. Our proven toolkit allows us to deliver sustainable impact faster. Contact us today to find out more about how our focused PE toolkit can be applied across the different stages of the deal lifecycle.



Focused PE Toolkit

Propriety pricing tools and software

Data science/big data

Deep benchmark and KPI universe

IT integration capabilities

Pricing KPI visualization/dashboard

Your contacts



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