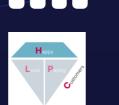
Sales- and Service value levers: Costs can be reduced by avoiding incidents and push automatization, while the customer lifetime value can be boosted through sales performance





How can we reduce our costs to acquire and serve, while keeping our customers satisfied?



Customer value

What can we do to drive value selling, incentivize cross- and upsell and increase sales efficiency?



Costs

Costs

Costs-to-serve Customand -acquire

Customer touchpoints

Customer lifetime value 😑 ARPU 😢 Tenure



Reducing costs-to-serve and costs-to-acquire

- Lowering costs-to-serve and -acquire through digitalization
- Steering of sales- and service workforce and demand

Decreasing the service incidents

- Routing to customer self-service
- Increasing the first call resolution



Increasing ARPU levels

- Transition from volumeto value selling
- Customer insight based cross- and upselling pushes



Extending customer tenure

- Incentivizing customer value development
- Lowering SRCs¹ through proactive retention

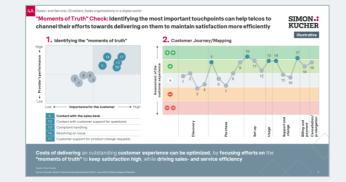
Sales- and Service value frameworks: To support telcos with lowering sales- and service costs, while keeping customer satisfaction high to drive CLTV¹, there are three frameworks



Conceptual

Costs

Customer value



"Moments of truth" check

Mapping the customer journey to optimize selectively

Focuses on the key customer experiences ("moments of truth") that are the main satisfaction drivers

Revising existing incentivation structures

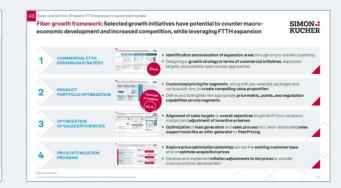
AIR AND STABL

Incentivation

framework

tivation Framework: To dedicate more sales attention towards value

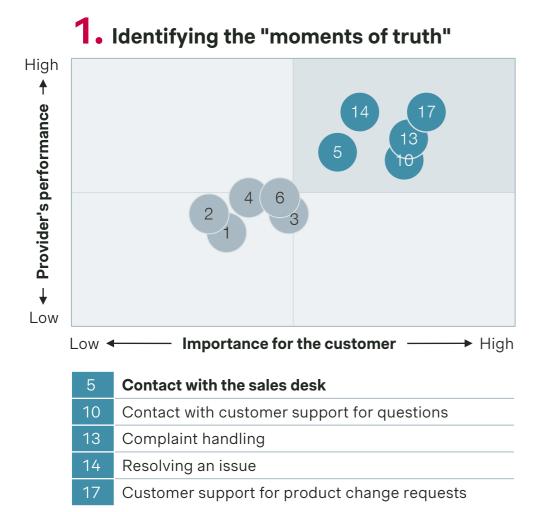
Consists of eight different levers to incentivize valuebuilding sales behavior



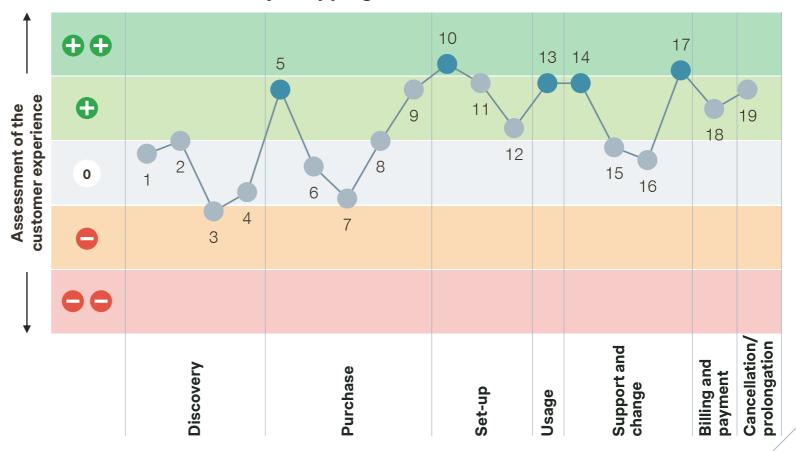
Fiber growth framework

Define main levers to push fiber growth acceleration

Addresses four different levels, how fiber growth can be secured, depending on main challenges **"Moments of Truth" Check:** Identifying the most important touchpoints can help telcos to channel their efforts towards delivering on them to maintain satisfaction more efficiently



2. Customer Journey/Mapping



Costs of delivering an outstanding customer experience can be optimized, by focusing efforts on the "moments of truth" to keep satisfaction high, while driving sales- and service efficiency

Source: Simon-Kucher

3

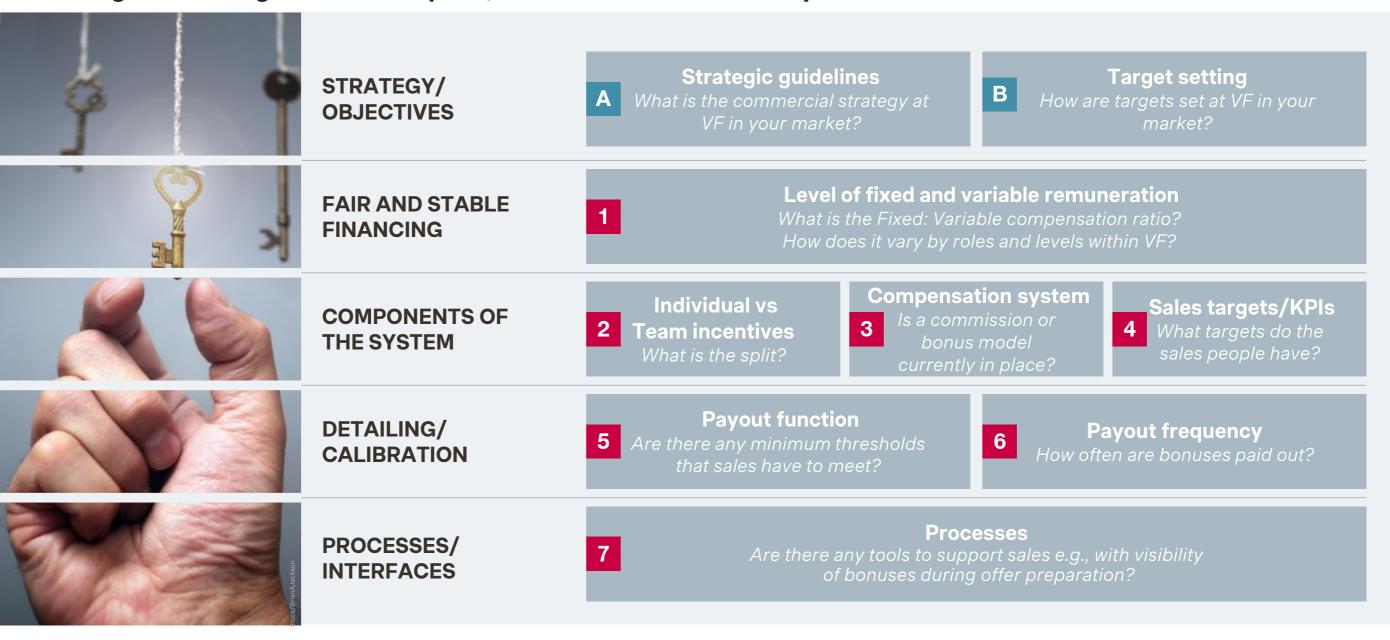
Simon-Kucher | Global Telecommunications Study 2024 | June 2024 | Global Research Results

SIMON.

KUCHER

Illustrative

Simon-Kucher's Incentivation Framework: To dedicate more sales attention towards value SIMON, selling and driving cross- and upsell, a sustainable incentive system needs to address 8 levers KUCHER



Simon-Kucher | Expert interview framework

Source: Simon-Kucher

Fiber growth framework: Selected growth initiatives have potential to counter macroeconomic development and increased competition, while leveraging FTTH expansion





	· Communicational Indexiant	2 Deservation of the superson	3 Operation of providence
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P			
-	Constraint only provided equipment Constraint only provided equipment Disconstraint on provided equipment Constraint on provided equipment Constraint equipment Constraint Constraint	Schedul and contention of delegate of Parameters of the content of the content of Parameters and an experiment of the content of Parameters and an experiment of the content of Parameters of the content of the content of the content of the Independent of the content of the content of the content of the Independent of the content of the content of the content of the Independent of the content of the	Incurrenting of comparison of the second secon

- Identification and evaluation of expansion areas through micro-market clustering
- Designing a growth strategy in terms of commercial initiatives, expansion targets, and possible open access approaches

PRODUCT PORTFOLIO OPTIMIZATION

reating new bund	ling propositions v	with better value pe	ercep	tion and	proach when SIM d margin impact KUC
1 identify the right portfolio approach	Define core- and ron-core pertitule elements	22 Insprove price/value perception	••	-	Packaging and printing mutas • Definition of potential uterrative portfole approach • Selection of differentiating approaches to competiti
Alternative portfolio routile:	Leader/Filer/Killer analysis	Behavioral economics building blacks:	-12		Lander/Filer/Kiler studyck • Scoreg of each offic daman • Assessment of leading/lankars in the burelies
	a and a second			-	Soluminal economics building Stocks • Psychological aptrobation on francing/ presentation • Price & product design and decision-making presentation is been up. & mean anting
Increase up-/cross- setting of customers		ce take rates Eng proposition	•	-	Up-foreas cell potential and feasibility screen • Exclusion of sector peopletisis arrang cambres • Assessment of up-foreas cell princial and feasibility
sell potential and flow birthy screening	served at				Take rate analysis • Optimize particles to their type: NRM(s) to understanding time rates and relative drifty of which and relative drifty

- Customized pricing for segments, along with pre-selected packages and various add-ons, to create compelling value proposition
- Define and strengthen the appropriate price metric, points, and negotiation capabilities across segments

OPTIMIZATION OF SALES EFFICIENCIES

focus on profitability		RUCE
Spinolation of administrations based		Argent of raise teams with Rest Contentration Tool
Control of the sectors of the sectors of the sectors of the sectors of the sector	Experiment of the providence of the provide	 Support same and antise set services provide same context action possible in: Day, > 200 - same context (action service fluctuation for context (action service fluctuation) action actions

- Alignment of sales targets to overall objectives (might shift from volume to margin) and adjustment of incentive schemes
- Optimization of lead generation and sales process incl. semi-automated sales support tools like an offer generator or PeerPricing

PRICE OPTIMIZATION PROGRAM

P	The regenerations The regeneration approaches and be applied The optimization approaches can be applied SIMON.4 however, acquisition and base prices need to be aligned to optimize success KUCHER								
0	Options for price optimization								
1	Dimension	Selected Jevers							
		Reduce discounting	Benchmarks Inflationary price adjustments are exclusive arress Take on track						
	Acquisition price optimization	Re-launch portfolio/ adjust price model	ad report						
		Increase list prices	Simoh-Kucher approach						
2	Base price optimization	Inflation-based price Increase							
		Service fee introduction	Selected success						
		Inflationary price increase and volue alignment	Austa anality go reports an inflution based girls framework						

- Explore price optimization potentials across the existing customer base and/or optimize acquisition prices
- Develop and implement inflation adjustments to list prices to counter macroeconomic development

Source: Simon-Kucher

Simon-Kucher | Global Telecommunications Study 2024 | June 2024 | Global Research Results