

**Price/value ratio:** Proven concept to fairly compare offerings in the market and identify the right balance between both dimensions for each telco player

Conceptual



**Price / value ratio =**

- **Price vs. GB comparisons don't fully reflect the full value** of tariff offerings
- Thus, this **concept provides the foundation to fairly compare** offerings and **identify the right balance** between both aspects



**Value**  
perceived

Perceived value **summarizes all aspects that create value:**

**Brand value:** How much value does your brand add on-top of the services?

**Tariff value:** What value do your rate plans offer (data, minutes, VAS, etc.)?

**Price**  
level



Price levels reflect the **potential range that can be monetized in a market**

**Price changes:** What price changes are necessary to balance P/V?

**Price perception:** How can you optimize price perception without changing price levels?

**Price/value frameworks:** To improve the commercial levers of a brand, a portfolio or pricing measures, two frameworks can be used



### ICE-Model

Identifying the right positioning in the market to optimize brand image

2B Brand, portfolio and pricing levers: Brand positioning as intangible value differentiator

**Simon-Kucher's ICE Model:** To improve a telco's brand image, there are levers across three different perception stages that telcos should address

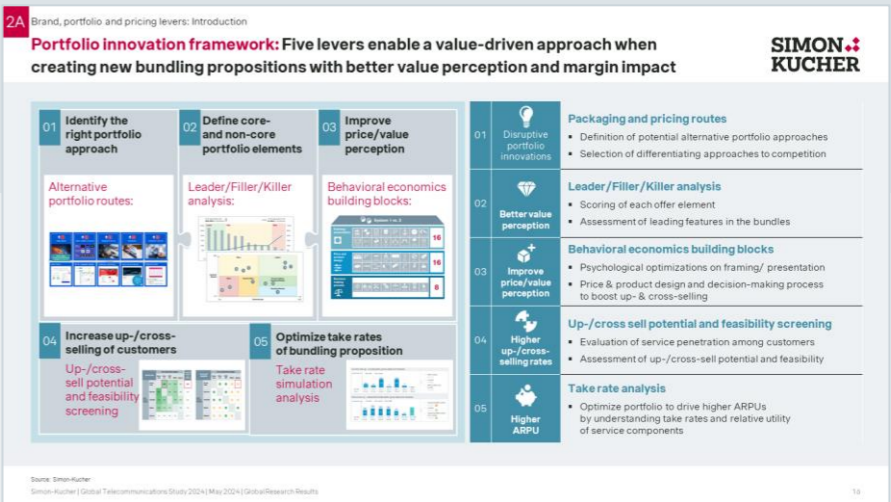
	I Image	C Communication	E Execution
Actively perceived by customers	Brand positioning Customer satisfaction	ATL communication Public statements	Proposition Customer interactions
Partially perceived by customers	Price/value perception	BTL communication	Historic price increases Psychological price thresholds
Subconsciously perceived by customers			Behavioral economics effects

Source: Simon-Kucher  
Simon-Kucher | Global Telecommunications Study 2024 | May 2024 | Global Research Results

Provides **guidance on intangible levers**, according to **three different customer perception layers**

### Portfolio Innovation Framework

Designing an innovative and value-driven telco portfolio



Consists of **five levers to identify new ways to sell telco services** and **design them in a way that drives growth**

**Simon-Kucher's ICE Model:** To improve a telco's brand image, there are levers across three different perception stages that telcos should address

		Conceptual		
		I Image	C Communication	E Execution
<b>Actively</b> perceived by customers 		Brand positioning	ATL communication	Proposition
		Customer satisfaction	Public statements	Customer interactions
<b>Partially</b> perceived by customers 		Price/value perception	BTL communication	Historic price increases
				Psychological price thresholds
<b>Subconsciously</b> perceived by customers 				Behavioral economics effects

Source: Simon-Kucher

# Portfolio innovation framework: Five levers enable a value-driven approach when creating new bundling propositions with better value perception and margin impact

