

Pricing Strategy & Value Capture Consulting

Research Summary

Pricing is fundamentally about capturing the value inherent in a company's products and services.

As such, the function consists of a broad range of activities, from setting price architecture and list prices, to the execution of discounts, promotions, and channel terms and conditions.

And, while companies tend to diffuse pricing responsibilities across vertical hierarchy and horizontal functions, relying on ad hoc processes to coordinate linkages, many are increasingly recognizing the untapped potential of pricing to improve profitability under pressure from a variety of external drivers.

With this and other developments in mind, Kennedy's new research details key capabilities among top firms in a growing consulting specialty where buyers of consulting services are starting to ask, "How do we not only come up with the answer, but also sustain it?"

MARKET TRENDS looks at the engagement trends and factors affecting growth for services in Pricing Strategy & Value Capture consulting.

The relative immaturity of most companies' pricing capabilities furnishes substantial unmet or, better said, unactualized demand for pricing strategy & value capture consulting. This results in steady growth that is relatively unaffected by broader economic forces.

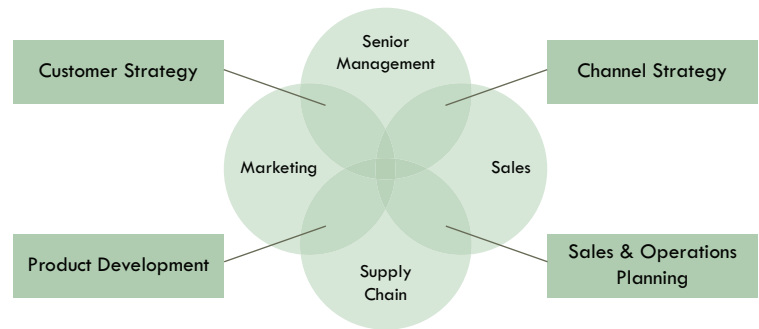
The report clearly illustrates each top firm's core competencies, strengths and weaknesses, with detailed analysis across geographic regions and client industries.

"Cost-based pricing is precise but totally wrong because the data have nothing to do with the amount of value created or customer willingness to pay. Value-based pricing, on the other hand, requires companies to step outside of their comfort zones by relying on data that are only approximate, but are much more relevant to a customer's purchase decision."

– Dr. Andreas Hinterhuber, Partner,
 Hinterhuber & Partners

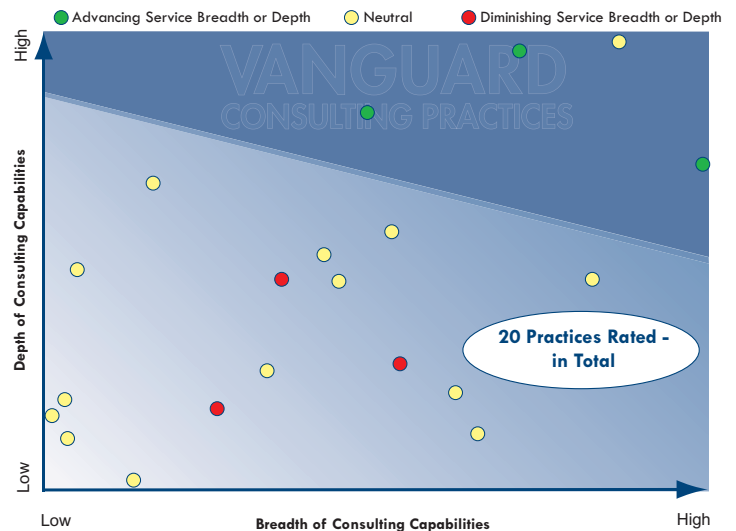
Pricing Strategy & Value Capture Consulting is an exclusive 100+ page report supported by over 50 data-rich tables and charts.

Example: The Pricing Strategy & Value Capture Landscape



Source: *Pricing Strategy & Value Capture Consulting*; Kennedy Consulting Research & Advisory

Example: The Kennedy Vanguard™ of Pricing Strategy & Value Capture Consulting Providers



Source: *Pricing Strategy & Value Capture Consulting*; Kennedy Consulting Research & Advisory

For details, please contact your Kennedy Client Service Leader at +1.603.357.8102 or e-mail research@kennedyinfo.com.

Pricing Strategy & Value Capture Consulting

Client Spending and Competitive Landscape

CLIENT SPENDING TRENDS AND FORECASTS details the size of the Pricing Strategy & Value Capture consulting market and its projected growth. This section slices the market by key geographic region and client industry, includes valuable data on current challenges and timely growth opportunities.

The research is organized by:

Key Geographic Region

- Asia Pacific
- Europe, Middle East and Africa (EMEA)
- Latin America
- North America

Client Industry Size

- Aerospace and Defense
- Communications and Media
- Financial Services
- Healthcare
- Manufacturing
- Natural Resources and Power
- Transportation and Logistics
- Wholesale and Retail
- Other Industries

THE COMPETITIVE LANDSCAPE features in-depth analysis of the market and its leading players by consulting segment/provider focus, service capabilities, and areas of expertise. It includes rankings of the top consulting practices. Additionally, the full study provides clients with expert perspective on the relative strengths and weaknesses, and go-to-market strategies of these providers.

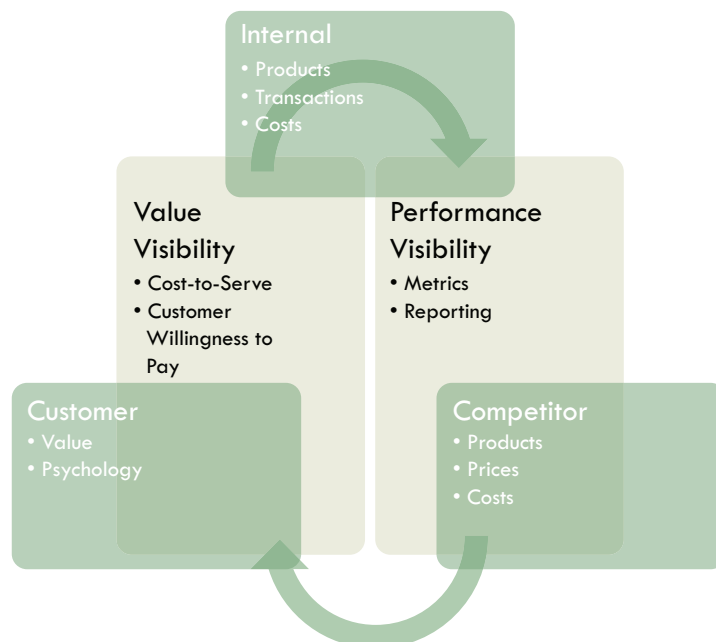
PLUS

- **The Kennedy Vanguard™ of Pricing Strategy & Value Capture Providers**, featuring the strongest consultancies, assessed on relative breadth and depth of firms' capabilities within the overall service area
- **Client Case Studies:** Monitor Deloitte Helps Fortune 500 Manufacturing Company Develop a Core Pricing Competency; and Hinterhuber Assists Logistics Services Company in Adopting Value-Based Pricing
- **Sector Capabilities**, detailing each profiled firm's strength in relation to business-to-consumer and business-to-business clients

- **Consulting Provider Profiles**, detailing key service strengths and weaknesses, firm focus, AND Capability Maps illustrating each practice's standing with respect to:

- Visibility and Diagnostics
- Pricing Analytics
- Pricing Strategy
- Pricing Execution
- Pricing Platform
- Capability Development

Example: Data Visibility and Diagnostics



Source: *Pricing Strategy & Value Capture Consulting*; Kennedy Consulting Research & Advisory

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Provider Profiles

PROFILES OF SELECT PRICING STRATEGY & VALUE CAPTURE CONSULTING PRACTICES

examines the consulting firms featured in this report — complete with key statistics, core competencies, firm focus, and specific capability strengths.

The following firms are profiled in this research:

A.T. Kearney
Bain & Company
Booz & Company
The Boston Consulting Group
Deloitte
EY
Hinterhuber & Partners
KPMG
McKinsey & Company
PwC
Revenue Analytics
Roland Berger Strategy Consultants
Simon-Kucher & Partners

Other firms mentioned or covered:

Accenture
Bridge Strategy
Camelot
Capgemini
IBM
L.E.K.
Oliver Wyman Group

With these capabilities:

Example: Sector Capabilities



Business to Consumer



Business to Business



Source: *Pricing Strategy & Value Capture Consulting*; Kennedy Consulting Research & Advisory

Example: Service Capabilities

Legend: ● Very Strong ◐ Strong ◑ Moderate ◒ Weak ○ None

Provider Capability Strengths: Pricing Strategy						
	Pricing Strategy	Visibility & Diagnostics	Analytics	Pricing Execution	Pricing Platform	Capability Development
Pricing Practices						
Firm	●	◐	●	◑	●	◐

Source: *Pricing Strategy & Value Capture Consulting*; Kennedy Consulting Research & Advisory

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Pricing Strategy & Value Capture Consulting

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Methodology

Kennedy Consulting Research & Advisory has been researching the management and IT consulting industry for more than 40 years. Kennedy studies the global consulting marketplace at multiple levels. The resulting research assists buyers of consulting services in effectively targeting best-in-class providers. The market analyses also assist consulting providers in identifying and evaluating business opportunities.

The group's proprietary research methodology comprises four components:

- **Extensive interviews** with consulting practice leaders, financial analysts, consulting clients, and client-side industry experts

- **Data and background material** from Kennedy's proprietary library of research on the consulting industry and individual firms
- **Quantitative data collection** from primary and secondary sources
- **Key economic data** relevant to the sector(s) being analyzed

For any specific project, Kennedy's research output is derived predominantly from primary research.

The group's long-term relationships with consulting clients and industry leaders are based on trust and respect. Kennedy's fundamental goal is to deliver objective assessments and insightful viewpoints on the management and IT consulting market.

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Definitions: Provider Capability Strengths

The competitive landscape and profiles employ the criteria described in the figure below to evaluate provider strengths and weaknesses across the range of pricing strategy and value capture consulting capabilities.

Example: Pricing Strategy & Value Capture Consulting Provider Capability Strength Descriptions

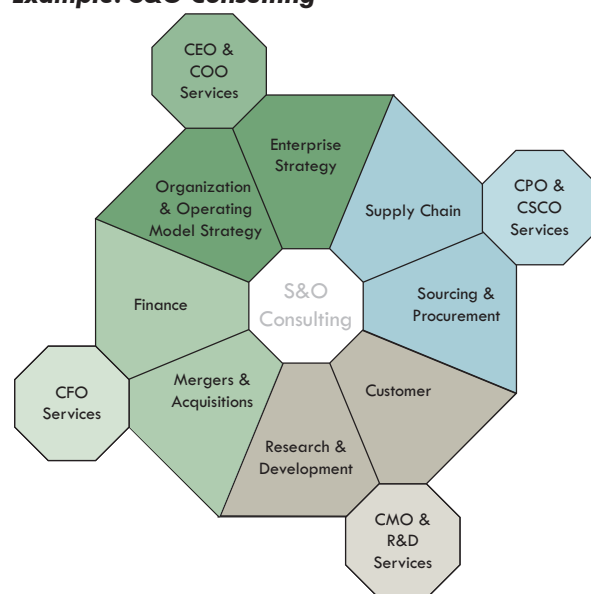
Capabilities	Description
Visibility & Diagnostics	Collecting, aggregating, and preparing data from external and internal sources, including transactional, point-of-sale, and CRM systems, and performing diagnostics to assess opportunities for improvement.
Pricing Analytics	Performing segmentation, demand forecasting, price sensitivity, and market modeling to inform pricing strategy and execution.
Pricing Strategy	Developing pricing strategies that align with corporate strategy objectives, respond to drivers in the external environment, including changes in competitor behavior, cost models, and capacity, and integrate with customer strategies, including branding, products and categories, channels, and customer experience.
Pricing Execution	Developing price architecture, setting prices, and devising pricing programs, communications, discounts, promotions, and channel incentives in line with pricing strategies.
Pricing Platform	Devising pricing policies and processes, organizational structures, roles and responsibilities, decision rights, performance measurement, and incentive systems aligned with sustainable execution of pricing strategy.
Capability Development	Enabling client talent acquisition and skill building, deploying tools and systems to facilitate ongoing data-driven decision making and embed and enable the pricing platform, and leveraging methodologies, frameworks, facilities, and practices for supporting change and transformation.

Source: Pricing Strategy & Value Capture Consulting; Kennedy Consulting Research & Advisory

What Comprises Strategy & Operations Consulting

Consulting services provided to top leadership to improve the long-term growth prospects of a company, along with streamlining value chain and operations.

Example: S&O Consulting



Source: Kennedy Consulting & Research Advisory

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Kennedy brings over 40 years of expertise to buyers and sellers of consulting services with in-depth research and advisory on the Management and IT Consulting profession.

Kennedy Information delivers relevant, accurate, meaningful, and valuable intelligence to the business markets it serves through a variety of media. The organization strives to over-deliver on client expectations, develop mutually beneficial relationships with industry leaders and influencers, and provide value to its clients.

Published and Custom Market Research

Consulting Firm Management Report Series

Designed for buyers of consulting services, and consulting firm leaders and financial managers, Kennedy's Firm Management series of reports provides critical decision-making tools for assessing and managing consulting's determinants of revenue, profitability, cost, and overall operational performance.

Service and Competency Reports

Kennedy's competency-based research examines provider capabilities at the engagement level to inform buyers of consulting services of the strengths and limitations of specific providers. The research contains:

- Emerging market trends and drivers
- Market forecasts and segmentation by geographic region and industries
- Qualitative assessments of providers
- Ranking of providers by revenue and market share
- Detailed profiles of the leading consultancies

Market Index Reports

Kennedy's Market Index research for consulting service providers deliver data and market intelligence with a quantitative overview of:

- Market sizing and segmentation
- Revenue rankings by service lines
- Revenue rankings by geographic regions:
 - North America and Canada
 - Europe, Middle East and Africa (EMEA)
 - Asia Pacific (APAC)
 - Latin America

By Service Area

- Strategy & Operations Consulting
- Financial Consulting
- IT Consulting
- Human Resource Consulting

By Industry

- Financial Services
- Healthcare
- Public Sector

Advisory Services

- Compensation & Utilization Benchmarking
- Organizational Development
- Marketing Strategy
- M&A Appraisal
- Consulting Spend Optimization

For Consulting Buyers

- Consulting Firm and Practice Ratings
- Provider Capability Mapping
- Fee/Rates Analysis
- Consulting Spend Management

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