

# Unlocking Better Growth opportunities for Flix

Inspiration document to discuss potential collaboration

**SIMON**   
**KUCHER**  
Unlocking better growth



# Content

## Why should we talk?

Introducing Simon-Kucher

# Volatile market dynamics, evolving customer requirements, regional specifics and implications of going public drive need to shift the gear in commercial excellence for Flix

Outside-in view on Flix' market challenges

## External factors

### 1 Volatile travel market dynamics



- While 60% of travelers want to spend more on travel in 2024, outlook remains unstable
- Changing hybrid work and studying habits impact need for travel
- Transport market liberalization in Europe attracts new players

**Market forecasting remains a challenge and requires agility in planning and commercial steering**

### 2 Travelers' journey and touchpoints evolution



- New distribution capabilities drive attribute-based selling
- Gen-AI enable hyper-personalization in client interaction
- Preference for more sustainable transportation is increasing

**Travelers expect personalized and sustainable travel options**

### 3 Deep-dive Germany



- Future of "Deutschland Ticket" unclear and Flix participation in DT still under evaluation
- Reduction in short haul demand for Flix negatively impacts long-haul profitability
- Changing preferences in choice of transport mode due to strikes

**Modal split is challenged by the the German market's 'new normal'**

## Internal factors

### 4 Continuous Value Creation required for going public



- Need to systematically ensure recurring revenues, profitability and stable customer base
- Substantial growth perspective required to attract financial market players
- Commercial Excellence is constantly scrutinized by financial market analysts

**Financial market requires ongoing commercial excellence initiatives targeting short and long-term impact**

# Based on our experience from numerous project in the mobility sector, we have identified 12 opportunities in three areas that will boost Flix' value creation

Key areas for value creation together with Simon-Kucher.



## Optimize Flix

- **Right-size bus network** based on route profitability and network contribution
- Systematically **skim maximum willingness to pay** through higher price differentiations, e.g. for peak demand periods
- **Optimize dynamic pricing**, e.g. by introducing pragmatic leg-based bid-pricing
- **Create an integrated commercial steering** approach based on overarching KPIs for product, pricing and marketing functions, e.g. total commercial contribution



## Innovate Flix

- **Introduce a loyalty scheme** for better management of Customers Live Time value, e.g. tiered program at Uber rewards
- **Design Fare Families** to boost conversion and value-capture simultaneously, e.g. fix vs. flex tariff
- **Leverage behavioral psychology** in offer presentation to influence willingness to pay, e.g. anchoring effect
- Embrace new technological **(Gen-AI)** opportunities for **higher customer proximity**



## Grow Flix

- **Win market shares in oligopoly situations**, e.g. through wargaming with rail competitors
- **Extend customer penetration** through new intermodal partnership/door-2-door offerings
- **Grow advertising business leveraging**, e.g. by personalized partner ads in 'captive' situation
- **Facilitate global scalability** through systematized and harmonized commercial practices, e.g. global initial pricing best practices



# Better Growth with Simon-Kucher:

Our service portfolio for mobility clients has highly relevant elements for Flix



Growth strategy	Portfolio excellence	Pricing excellence	Sales and CRM excellence	Marketing excellence
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
Market prioritization	Network/Footprint optimization	Pricing strategy & War gaming	Sales operating model & channels	Branding & value argumentation
Customer journey & segmentation	Bundling and offering	Initial pricing & RM	Loyalty program design	Promotion mgmt.
Value proposition & USPs	Portfolio diversification/extension*	Personalized pricing	Customer life-cycle mgmt.	Omnichannel campaign mgmt.
M&A and Commercial PMI	New product introduction	Innovative monetization models	Customer service optimization	Digital marketing

## Commercial transformation programs // Tracking and KPIs // Data, platform, and IT capabilities

<p><b>+30%</b> strategy realization rate</p> <p><b>+</b></p> <ul style="list-style-type: none"> <li>Higher market share</li> <li>Better product market fit</li> </ul>	<p><b>+10%</b> Incremental ancillary revenue</p> <p><b>+</b></p> <ul style="list-style-type: none"> <li>Higher value-orientation</li> <li>Reduced flop rate</li> </ul>	<p><b>+8%</b> Incremental revenue</p> <p><b>+</b></p> <ul style="list-style-type: none"> <li>Better exploitation of willingness-to-pay</li> <li>Higher pricing automation</li> </ul>	<p><b>-25%</b> Reduced customer churn</p> <p><b>+</b></p> <ul style="list-style-type: none"> <li>Loyal customer base</li> <li>Higher customer penetration</li> </ul>	<p><b>&gt;25%</b> marketing spend savings</p> <p><b>+</b></p> <ul style="list-style-type: none"> <li>Higher brand awareness</li> <li>Increased return on marketing invest (ROMI)</li> </ul>
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Source: Simon-Kucher; \*including digital and non-digital product /service extensions

# Agenda

Why should we talk?

**Introducing Simon-Kucher**

# Why Simon-Kucher is the right partner for Flix to manage commercial excellence and unlock Better Growth



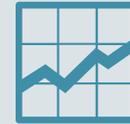
Your partner Simon-Kucher

**A** We are the leading growth advisor world-wide

**B** We bring deep expertise in the mobility space and adjacent verticals

**C** We manage growth for public listed companies and unicorns

**D** We drive digital growth and deliver data driven solutions



No other consultancy knows more about commercialization. We live and breathe driving tangible growth with more than **1,500 topline projects p.a. across the globe.**

With our **Travel & Transportation practice**, we bring substantial strategic and commercial experience within the mobility sectors

Within our **mobility competence center**, we unite know-how of **consumer transportation across all transport modes**

We help the world's **leading large- and mid-cap funds** to generate **sustainable business value** by enabling **better growth**

As **THE unicorn advisor**, we know the **success factors** for **market sizing** to **enable growth**

We have deep **advanced analytics capabilities and innovation power** driven by our **own experts** from Simon-Kucher Elevate and Engine subsidiaries

# We are the leading growth advisor world-wide

## PROFILE



### Global leading growth consultancy

As the leading commercial value creation power-house, we boost our clients' revenue and profits by optimizing their strategy, sales, pricing and marketing.



### The unicorn advisors & digital champions

We have worked for 50+ unicorns, advising them on how to improve their topline with monetization strategies and digital technologies.



### Leading advisor for growth-driven deals

Delivered by our specialist Transaction Services team in close co-operation with our industry practices, our strategic DD offering with a special focus on commercial value creation potential provides a competitive advantage for growth investors.

## KEY FACTS

 **45**  
offices

 **2,000+**  
employees

 **30**  
countries

 **1,500+**  
projects per year

## AWARDS | Global leading advisor for commercial value creation



Strategy, Pricing, Sales,  
Brand, CRM Marketing

Forbes



Marketing, Brand

Financial Times



Pricing,  
Sales & Marketing

Firsthand

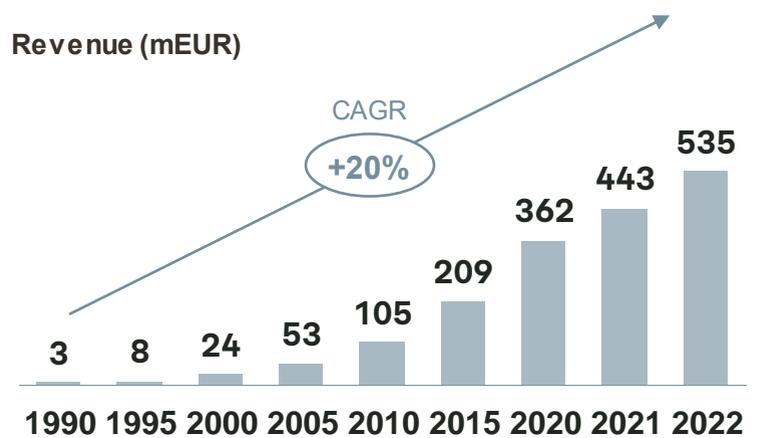


Sales, Marketing, Pricing

brand eins, Statista

## GROWTH

Revenue (mEUR)





# We bring deep expertise in the mobility space and adjacent verticals



## Mobility & Transportation

- Addison Lee
- ALSA
- Arriva
- Avis
- BMW
- CAT Airport Train
- COUP
- Deutsche Bahn
- Europcar
- Greenwheels
- iDbus
- Moovel
- MVGMainRad
- National Express
- ÖBB
- OEM-owned car rental start-up
- Ouibus
- Thalys
- SNCF
- Sixt
- ShareNow
- Volvo Mobility
- Uber
- Virgin trains
- ...

## Software & Internet

- Atlassian
- Autoscout24
- Cars.com
- Cisco
- Citrix
- Dropbox
- DowJones
- Evernote
- Equatex
- Glassdoor
- Haufe Lexware
- Intuit
- LinkedIn
- Mobile.de
- OpenTable
- Optimizely
- PayPal
- ReedElsevier
- Teamviewer
- Trulia
- SAP
- Sage
- Skype
- Workiva
- Zendesk
- ....

## Automotive OEM

- AGCO
- Alfa Romeo
- BMW (incl. motorcycles)
- Caterpillar
- Deutz
- EVOBUS
- Fiat
- Fendt
- IVECO
- John Deere
- Komatsu
- Kia
- KTM
- MAN
- Maserati
- Massey Ferguson
- Mercedes
- Porsche
- PSA
- Renault
- SEAT
- Tirsan
- Toyota
- Volkswagen
- Volvo
- ...

# We are a long-term partner and trusted advisor for major private equity companies

## Pre-Deal



## Added-value programs



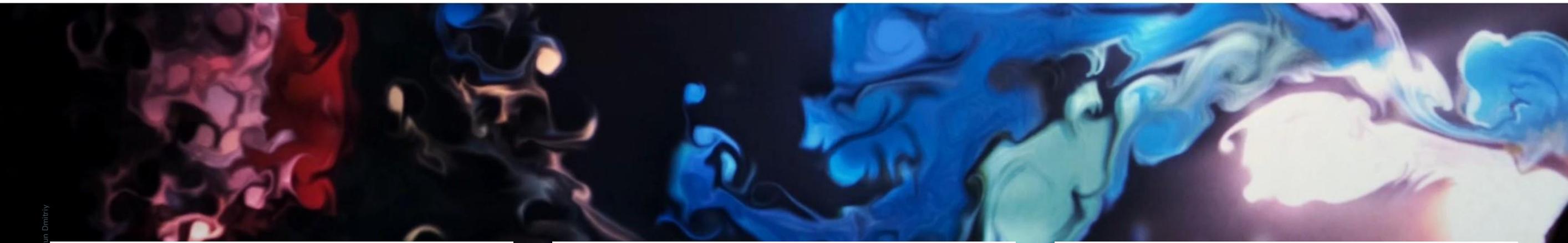
- 3i
- Advent International
- Aheim Capital
- Arbonia-Forster-Holding AG
- Arcadia
- Apax
- Archon group
- Bencis
- BPE
- Bridgepoint
- Capiton
- Capvis
- Cerberus
- Charterhouse
- Chequers
- CFH
- Cinven
- Clayton, Dubilier & Rice
- Credit Suisse
- Cross Equity Partners

- CVC
- DMB
- ECI
- ECM
- EQT
- Equita
- Exponem
- European Investment Bank
- Finatem
- Findosinvestor
- General Atlantic
- Gilde
- Gimv
- GMT
- Goldman Sachs
- Blackstone
- Halder
- Hellman & Friedman
- Hg Capital
- Hypo Vereinsbank

- KKR
- Insight Ventures Partners
- LDC
- Lion Capital
- Mitsubishi Research Institute
- Nord Holding
- Nordwind Capital
- Permira
- Phoenix Equity Partners
- Providence Equity
- Riverside
- Silverlake
- Süd Beteiligungen
- The Blackstone Group
- Thomas Bravo
- TPG
- VR Equity Partner
- Wendel
- Zurmont Madison
- ...

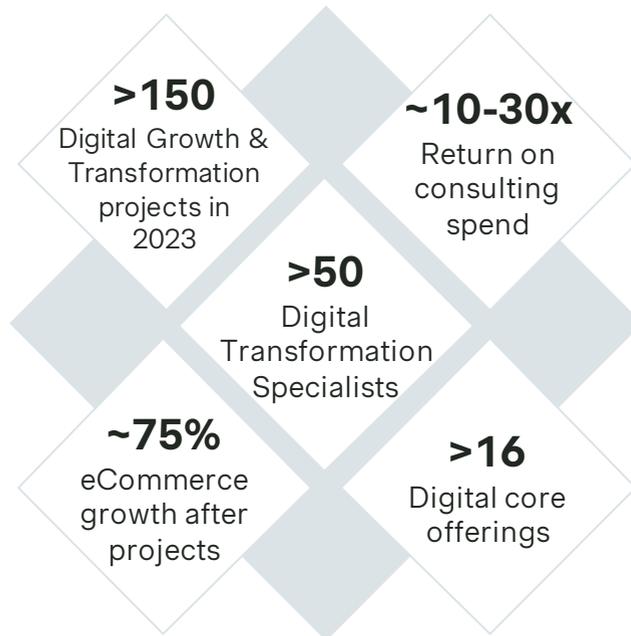
# Simon-Kucher Elevate: We drive digital growth

Combining tech, data, and creativity to deliver end-to-end projects with proven impact



Shutterstock/Kovalev Dmitry

## Facts and figures



## Our capabilities for digital strategy, sales, marketing & pricing

### Advanced Analytics

We take the guesswork out of growth decisions and make data the basis of everything

### Technology Advice

We guide you through the technology jungle – from CRM to data lakes

### Customer Experience

We create unique and convenient experiences across all touchpoints

### Strategy & Transformation

We create digital impact that matters and lasts for your business

## What clients say about us

*Simon-Kucher is a great partner and delivered excellent support in several strategic D2C and D2B projects across the globe. Their expertise, and commitment exceeded our expectations.*

Blake Cahill - Global Head of Digital Marketing & eCommerce, Philips International

*Simon-Kucher clearly exceeded our expectations in digital as well as traditional marketing.*

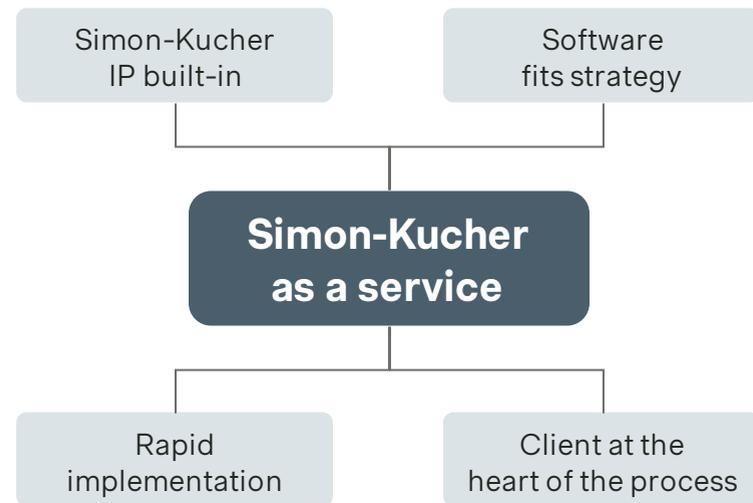
Timo Schmidt-Eisenhart, CEO Calida Group

# Simon-Kucher Engine: We deliver data driven solutions

Using cutting edge technologies to accelerate customer's commercial success



## Our mission



## Who we are – facts and figures

- A software company, 100% owned by Simon-Kucher
- 7 locations worldwide, headquarters in Germany
- >40 software specialists + network of external developers and partners
- More than 80 clients

## Our offering

### Pricing Software

We provide price management & optimization software for each vertical based on Simon-Kucher methods

### Marketing & Sales Platforms

Our sales and marketing platforms optimize sales, loyalty and cross-selling

### Tailored Applications

In addition to our standard product offerings, we develop, customize, maintain and operate tailored software platforms for our clients, using cutting edge technologies including low-code

# Your contacts



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