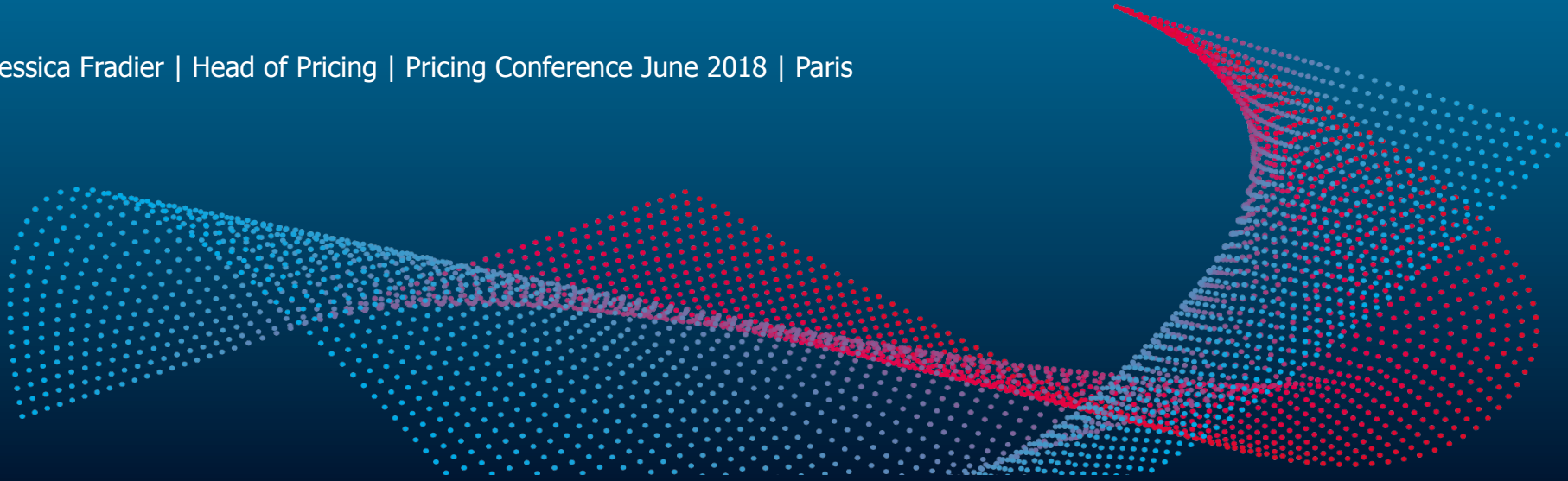




Do's and don'ts for implementing a Successful Pricing Organisation

Jessica Fradier | Head of Pricing | Pricing Conference June 2018 | Paris



Company Profile

ZF Friedrichshafen AG



Car Powertrain Technology

In the Car Powertrain Technology division, ZF is pooling its activities for passenger car driveline technology. Included in this context: development, production, and sale of transmissions, axle drives, traction modules, driveline components, as well as light metal die cast components.

Car Chassis Technology

The Car Chassis Technology division has the overall responsibility for complete front and rear axle systems for vehicles of up to 6 tons. The division's portfolio also includes chassis and steering components, dampers, electronic damper and chassis systems for vehicles from all renowned global manufacturers.

Commercial Vehicle Technology

The Commercial Vehicle Technology division is responsible for the ZF Group's international business of powertrain and chassis technology for vehicles over 3.5 tons.

Industrial Technology

Industrial Technology is the division where ZF bundles its activities for "Off-Road" applications.

E-Mobility

With driveline electrification, ZF is able to significantly contribute to reducing CO₂ emissions in road traffic.

ZF Aftermarket

ZF Aftermarket combines ZF, SACHS, LEMFORDER, TRW, BOGE and OPENMATICs brands as well as the global offering of the ZF group in retail, services and customer service.



Active & Passive Safety Technology

Under the "Active & Passive Safety Technology" division, ZF will continue the successful business activities of TRW Automotive, acquired in May 2015.

€35.20

Billion Sales

€2.00

Billion R&D spending

136,820

Employees

40+

Countries



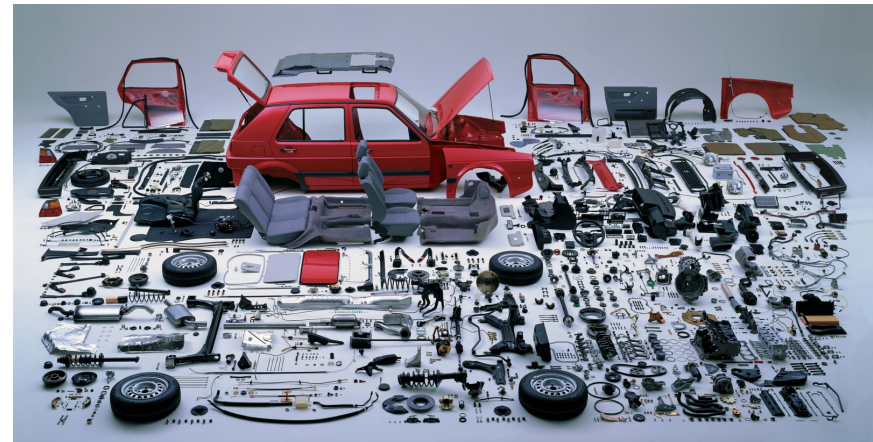




Learning by Experience

Go or No Go

- Volume over Value Sales culture
- Market intelligence via Sales Channels
- No pricing awareness
- No management buy-in
- Spreadsheet lovers
- Don't walk the talk
- Instable Internal Environment and organisation changes
- "Don't change something that is not broken"
- "We are a Different Business, We are a B2B Business"



Learning by Experience

Go or No Go



Key Ingredients

Successful Pricing Roadmap



Systems



Processes



Organisation



Culture

Pricing Truths

3 Fundamentals



Create THE Winner Team

Dynamic and Empowered with Pricing Skills, Commercial acumen, System management, Internationally minded. Celebrate Wins.

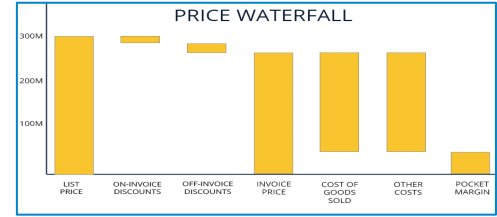
⇔ Build a Pricing Culture for sustainable results with key targets



Make the complex simple

Select your sample (low / high complexity), a product line, a country and replicate across the multiple business units globally.
Monitor

⇔ Demonstrate Value to the management team and replicate



Gain Control

Establish a Pricing Approval Matrix.
Secure investments in BI Tools starting with Analytics, Sales Guidance and Quotation

⇔ Trigger changes through the use of systems and tools

Pricing as a business Transformation

Enable the change

Leadership engagement

Build a strong governance body. Educate. Engage with key Stakeholders starting with Finance and Compliance.

Be a Go-To Function

Build trust with the Sales team. Ease quotation. Pricing responsiveness. Bring proposal and alternative

Don't settle for mediocre margin

Assess pricing opportunities (tangibles and none tangibles results from Pricing)

Think Pricing for Others

Gain engagement by understanding internal stakeholders needs. Build user-business oriented tools

Be Process driven

Pin point where they are broken (scorecard). Improve underperformance. Standardise before to differentiate.

Share your Vision

Define a Pricing roadmap and milestones with your team and aligned with business objectives.

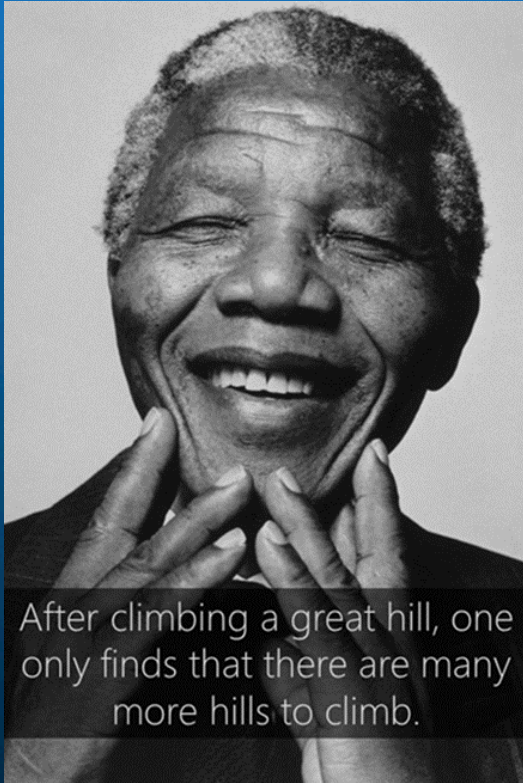
Communicate the change around Pricing (media plan)

Be data driven

Influence business intelligence data enhancement with automated integrated flow as a key lever for fact base decisions. Trust your data

Your are not alone

Leverage internal resources OR External. Pragmatic approach for diagnostic – roadmap – ROI and scalability



After climbing a great hill, one only finds that there are many more hills to climb.

Thank You & Get in Touch