

# MULTI CENTER

Santa Cruz de la Sierra, Bolivia 30<sup>th</sup> of April 2019

Multi Center is a Department Store company with over 28 years in the Bolivian market. Multi Center has 5 stores in the city of Santa Cruz which amass to over 13,000 m<sup>2</sup> of salesroom space, a corporate sales channel, an e-commerce channel and an industrial channel. Multi Center has a portfolio of over 70 thousand distinct products which are divided into 28 departments or sectors within the stores and over 500 product families, and they offer quality customer service and a good level of service to its suppliers.

Between October 2018 and May 2019, in conjunction with London Consulting Group, we developed a project in order to increase sales and profitability, and improve our inventory, with the objective of promoting a culture of measurements and a focus on results. This was done by optimizing and implementing new processes in the **Stores and the Portfolio Management**, as well as, through the **Managerial Skills** program.

Through the implementation of improvements in the work systems, we have achieved, among others, the following results:

#### **Store Management:**

- 6% increase in the average sales receipt amount.
- 10% increase in the margin per sales receipt.
- 14% increase in Sales.
- 18% increase in Margin.
- 6% increase in products per sales receipt.
- 6% improvement in Commercial Productivity through the implementation of a Capacity Plan for the sales force.
- 6,100 commercial coaching evaluations were carried out for 148 sales people, throughout 4 key stores.
- 200 hours of training were provided for the sales people through a Sales Clinic and the Multi Center Institute.

#### **Portfolio Management:**

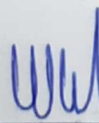
- 12% improvement in the accumulated GMROI.
- 25% reduction in the lost sales due to shortages index.
- 14% improvement in the quality of the inventory.
- 28% improvement in the inventory reliability.
- 80% improvement in the level of service (OTIF).
- 20% reduction in financial expenses derived from the implementation of the Cash Flow Model.
- 32% operative improvement in the store distribution picking process.

#### **Managerial Skills:**

- 684 hours of training were provided to 56 Multi Center personnel members through the Managerial Skills Seminar.
- 36 hours of Individual Coaching Sessions were provided to 6 key Multi Center personnel members.
- A Project Fair was carried out which generated 10 initiatives to improve the company.
- An 8% to 17% improvement in the MVS (Managerial Values Survey) for the personnel members within the Training Team.

During the project we were able to make important improvements to the company's work practices and organizational culture, through the utilization of an analysis system which is based on management indicators. By the end of the project in March 2019, the return on investment generated by the project is 1.4 : 1, and based on the improvement made to the copay, we forecast an annualized return on investment of 5 : 1.


We highly recommend London Consulting Group as a professional consulting firm which has an excellent work methodology and a focus on attaining results.



CHRISTOPH POSTEY  
CEO  
MULTI CENTER



Oficina Central 4to. Anillo y Av. Centenario • Telf. (591-3) 343 1700

www.multicenter.com.bo •  multicenterbolivia