

With over 58 years of experience in the Ecuadorian market, PROMESA (Productos Metalúrgicos S. A.) has become a leader in the wholesale market of hardware products and automobile spare parts in the country. Among the main brands we sell are: Makita, Paolo, KYB, Stanley, DeWalt, and others.

One of the main successes we've achieved at Promesa has been the level of innovation that we've attained through our agile processes, our complete portfolio, our technology, and the level of efficiency we operate at in order to attend to the client's needs. PROMESA has managed to become the client's first option when purchasing goods.

Between June and December 2020, we developed a process improvement project called "**BUSINESS RECONFIGURATION**", which was led by LONDON CONSULTING GROUP. The project focused on the **Strategic and Sales Operation Modules**. Throughout this project, we were able to implement initiatives that enabled Promesa to digitally transform its processes, define and implement *route to market* strategies, and design and implement work systems based on results. These initiatives increased the number of new clients, cross sales, and the Sales Force's productivity, along with, increasing the company's sales and maximizing the portfolio's profitability. After implementing these distinct processes, tools, policies, and management model, we were able to assess the following results:

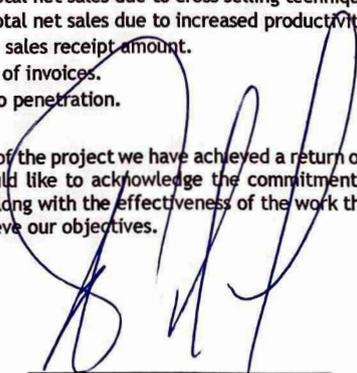
Sales Strategy:

- **Digital Transformation:**
 - Following the "Design Thinking" methodology, we applied 3 distinct tools to the "Empathize" stage:
 - Generating and analyzing Promesa's Buyer Personas for the different clients which are most important.
 - Building a Customer Journey Map for each type of client.
 - Validating the hypothesis through an Agile Research study carried out with Promesa's clients.
 - For the "Definition" stage, we designed Promesa's *Road Map* that included the initiatives that need to be implemented in the next 6, 12, 18, and 24 months.
 - Designing and implementing an evaluation mechanism for the E-commerce platforms for both the *B2B* and *B2C* sales models.
- **Customer Centricity:** Based on the client's necessities, we defined the channels and sales models which seeks to give each client what they require in terms of time, and frequency of visits and contact, which reduced the cost of the service.
- **Route to market:** The roles of the product portfolio categories were defined, which allowed us to design policies regarding the portfolio management, price management, and adherence to the policies, that enabled us to optimize the portfolio.
- Increasing the gross margin by 1.2%
- Analyzing the client's geolocations.
- Reducing the Head Count by 33% by defining the Organizational Macro-Structure for the Sales and Marketing departments.

Commercial Operation:

- **Digital Transformation:** Designing and implementing a management model based on indicators developed on Power BI and Qualtrics, along with, 100% digital scheduling of meetings which enabled us to manage the Sales team and reverse the tendency of the results we've achieved in the last 3 years.
- Increasing Promesa's total net sales by 13.6%.
 - 6.7% increase in total net sales by attracting new clients
 - 2.1% increase in total net sales due to cross selling techniques
 - 4.8% increase in total net sales due to increased productivity
- 5.9% increase in the average sales receipt amount.
- 7.9% increase in the amount of invoices.
- 4.9% increase in the portfolio penetration.

We are happy to state that by the end of the project we have achieved a return on investment of 3.7:1 with a projected annualized return of 13.6:1. We would like to acknowledge the commitment and professionalism displayed by the LONDON CONSULTING GROUP team, along with the effectiveness of the work that was carried out in conjunction with PROMESA's personnel in order to achieve our objectives.



General Manager
Alberto Bustamante