



Nuevo León, Mexico. December 2020

To whom it may concern:

Grupo Gonher is a leading manufacturer and seller of auto parts with over 60 years of experience at a national and international level. Its main product lines include filters, batteries, and lubricants, for a wide range of vehicles.

We've developed, in conjunction with **London Consulting Group**, an improvement project which focused on **Transforming the Sales Model** in 28 branches throughout the country. Including three main axes: **Customer Experience, User Experience and Operational Excellence**.

The results of the project have generated tangible improvements in the pilot branches vs the other branches:
2.5 fold increase in the Pilot Branches' Operating Profits.

- 27% increase in total sales
- 18% growth in sales from New customers and Customer Recovery and 9% growth in sales to Current Customers.
- 10% reduction in the branches' controllable costs.
- 35% reduction in overdue accounts.

Some of the models developed and implemented during this transformation are:

Customer and User Experience

- **Strategic segmentation of clients** which strengthened Gonhermex's value chain by combining the spray distribution capabilities with a better stance with the big clients.
- Defining the **customer service model** for each client segment, with the objective of providing a better service at a more cost effective price.
- **Sales and operative structures** in each branch were adapted to meet the needs of the new customer service models.
- Defining the **sales objectives** at a customer level, based on their sales potential and the product penetration.

Operational Excellence

- Creating **visiting routes and optimized deliveries** by using a **modeling logistics software** called Roadnet.
- Simplifying the **client sign up process and the credit limit control process** with the help of a **BPMs** (Business Process Management System) called Openser.
- Creating a new **KPIs model** based on Oracle's **Business Intelligence** platform. Defining the managers' and salespeoples' compensation model.


The financial savings generated by the project yielded a **return on investment of 1:1** by the end of the project, with an **annualized forecasted return of 5.9:1**.

We **highly recommend London Consulting Group** and that is why we have decided to continue with them while we roll out these improvements at a national level.

Sincerely,



Rodrigo González Calderón
CEO Grupo Gonher



Carlos Alberto Olmeda
CFO Grupo Gonher y
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