

generación
Afronta





Sodimac Argentina

In 2012, Sodimac Argentina opened a store in Córdoba, its first in the provinces, in a milestone that formed part of a broader effort to offer an ever better shopping experience.

The year of expansion into the provinces

For Sodimac Argentina, 2012 will be remembered as the year when it started operations in the provinces, inaugurating its first store in Córdoba. In addition, the company continued to implement measures to foster a culture of customer service, concern for the environment, and a work climate that invites employees to grow together with the company.

In Argentina, Sodimac's commercial management continued to focus on strengthening relations with clients, a policy aligned with the chain's promise of quality, service and low prices. The model implemented enabled the company to achieve significant improvements across all its indicators in 2012, demonstrating high standards of efficiency that were reflected in a 26.4% increase in same-store sales.

At the beginning of 2012, the company formally embarked on a program to improve processes, seeking to increase efficiency throughout the chain. Over the course of the year, 17 workshops were held as part of this program, with the participation of all the company's areas and stores.

In addition, measures were implemented with the teams working in bathrooms, on shop floors and in the Construction Patio, with the emphasis always on increasing the value provided to clients. The results were excellent, generating changes that were both apparent on observation and reflected in numeric indicators.



“Systematic work seeking to provide satisfaction to our clients has resulted not only in an improved shopping experience as regards products and service but also in the incorporation of complementary services among which financing plays a key role.”

PABLO ARDANAZ E, GENERAL MANAGER,

SODIMAC ARGENTINA.



For the company, one of the program's most satisfying results was the motivation it generated among the people involved in the process and this was one of the keys to its achievements in 2012.

A consolidating brand

With seven stores in Argentina, including its latest store in Córdoba, Sodimac Argentina continues to strive to accompany clients throughout their life, inspiring them and helping them to achieve their personal and/or professional home improvement and construction goals. The company's principal aim is, in other words, to make a constant contribution to the quality of life of its clients.

In March 2012, the prestigious and internally renowned consultancy firm Millward Brown carried out a study for the company in order to gather information about clients' perception of its brand and value proposition. It produced excellent results as regards close-ended brand recognition among both the general public (74%) and professionals (97%), indicating that, in this area, Sodimac has achieved sustained and very significant growth in recent years.

However, it also showed that ongoing work is required on customer loyalty in order to increase the present 60% rate of conversion of frequent purchases into preferred purchases. The company's aim is to become the preferred shopping place of all clients who buy there frequently.

Complementary qualitative studies likewise showed that Argentine consumers value their shopping experience at the chain's stores, highlighting its range of products and the quality of attention as the key pillars of the service it provides.



For the sixth consecutive year, Sodimac was elected as one of the Best Companies to Work in Argentina. In 2012, it took seventh place in the ranking of organizations with more than 1,000 employees published by the Great Place to Work Institute (GPTW). This was, without doubt, a satisfying achievement but implies ongoing efforts to continue improving in this ranking.

Human resource management and training

In line with its undertaking to contribute to the development of all its stakeholders in the different markets where it is present, Sodimac Argentina has in place a systematic policy for the support and training of all its work teams under which it implements numerous activities.

Both the company's managers and its heads of section received theoretical and practical training in 2012, focusing on principles related to the improvement of processes and operational efficiency. At the same time, the chain launched a permanent training program for all store employees that is now in full operation and will also be one of its priorities throughout 2013.

The courses given in 2012 included English proficiency, an Office e-learning course, Autocad, induction, leadership in action, basic and advanced development of leaders for stores and support offices, time management, negotiation, executive development, the Regional Leadership Program, public speaking, an executive retail management program for store leaders (given by the Belgrano University), safety and health, integration of operations, code of ethics, information security and an e-learning course on free competition.



7

physical stores, plus
a virtual store in Argentina.

1

new store in Córdoba opened in April 2012,
the first in the provinces; another store currently
under construction and due to open in April 2013.

74,785

m² of sales floor.

US\$176,200

invested in training.

53,954

hours devoted to
employee development.

1,319

employees.



Sodimac Argentina has taken important steps in the area of information technology, exploring the omnichannel concept (of connected, interactive consumers seeking a personalized shopping experience) and incorporated QR technology in its catalogues and some packagings to provide information about products' use and characteristics.

A company involved with the community

Sustainability and social responsibility have always been a feature of the development of Sodimac Argentina's operations, leading it to collaborate with different organizations in providing support to vulnerable individuals and families.

In 2012, the company implemented initiatives that included a campaign to collect paper for recycling (1,000 kilos were collected, saving 29 mid-sized trees) and plastic bottle tops (300,000 were collected and used to make buckets, clothes hangers and garbage bins). The funds raised were donated to the Garrahan Pediatric Hospital.

The company also collaborated with the Construyendo Sueños (Building Dreams) volunteer program through which employees at every store had the opportunity to present a project in conjunction with a social organization. One project per store was selected and the company donated 15,000 Argentine pesos in the form of construction materials to each beneficiary organization.



More financing alternatives

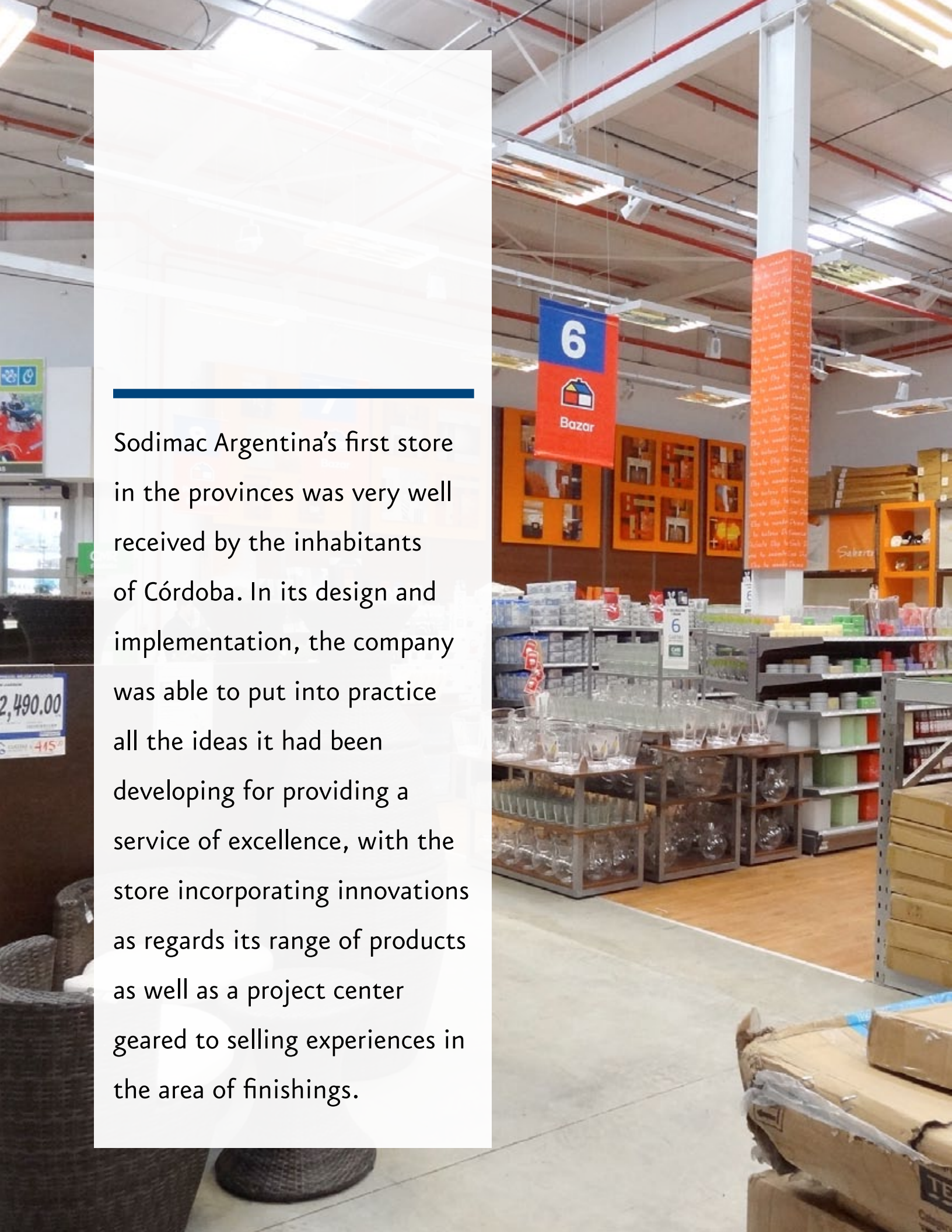
In addition, the company donated materials to other initiatives such as the Perros de la Calle (Street Dogs) radio program through which it made over ten donations worth more than 70,000 Argentine pesos to different institutions. Similarly, it collaborated in the construction of a child care center (Merendero Primero los Chicos de la 20) for which it provided materials worth 50 million Argentine pesos.

The company also donated four air conditioners to the Vicente López Hospital and made many other contributions with an estimated value of 40,000 Argentine pesos to different institutions.

Continuing with its strategy in recent years, the company supported its clients' financing needs in 2012, implementing concrete measures targeted by category and sub-category according to their seasonal variations (for example, air conditioning equipment, indoor and outdoor furniture, paint, swimming pools and inflatables during the summer).

In 2012, Sodimac Argentina also expanded the range of financing alternatives available to clients, incorporating new bank options thanks to alliances with institutions that included Banco Galicia, Banco Macro, Banco Ciudad, Banco de Córdoba, Banco Provincia and Banco Nación.

The CMR card continued to account for 29.5% of sales at the company's stores. In 2012, it launched a strategy designed to deepen its understanding of the chain's clients so as to be able to offer financing tailored to their repayment capacity. In addition, the company focused on providing financing to those categories that require it and giving priority to projects while, at the same time, introducing a strategy based on the implementation of less massive measures more focalized on specific categories and the provision of solutions.

The image shows the interior of a Sodimac store. In the foreground, there are shelves stocked with various glassware, including tumblers and decanters. A hanging sign with the number '6' and the word 'Bazar' is visible. The store has a high ceiling with industrial lighting and a concrete floor. In the background, there are more shelves and a large orange pillar. A price tag on the left shows '2,490.00' and '415.00'.

Sodimac Argentina's first store in the provinces was very well received by the inhabitants of Córdoba. In its design and implementation, the company was able to put into practice all the ideas it had been developing for providing a service of excellence, with the store incorporating innovations as regards its range of products as well as a project center geared to selling experiences in the area of finishings.



De izquierda a derecha:

Sergio Cristaldo
Systems Manager

Natalia Gabrielloni De Rosa
Corporate Human Resources
Manager

Santiago Rupar Castañeda
Planning and Management Control
Manager

Yamila Solis Celardo
Commercial Intelligence Manager

Sebastián Escanaverino Feijoo
Corporate Projects
and Infrastructure Manager

Tomás Quinteros Ferrer
Operations Manager

Pablo Ardanaz Emens
General Manager

Javier Trillo Coca
Logistics and Foreign Trade Manager

Ana Fleba Di Risio
Remote Sales Manager

Alejandro Insunza Ulloa
Development and Services Manager

Maximiliano Garimaldi Parsons
Commercial Manager

Andrés Lúpori Bonsignore
Marketing Manager