

Monoprix: How to sustain growth in a department store chain, by empowering sales management

Background

Monoprix is a French generic, urban distribution group, with 300 stores located mainly in city centers, and positioned on “daily life products” (both food and non-food products). In the mid-2000’s, Monoprix faced not only the threats linked with the general evolution of distribution (business moving from city centers to malls located in the city outskirts) but also internal difficulties (a high turn-over, a somehow aging image...).

The strategy chosen to reverse the trend was to focus on the needs of urban population, to make everything possible to make the life of urban people easier and to change the quite traditional image of the stores into something more modern, young, urban, lively. The group launched a battery of initiatives and projects dealing with: products, prices, opening times, deliveries, communication campaigns ...

The success of these initiatives relied on an efficient roll-out in the stores and had to be sustained by an efficient management. Hommes & Performance was asked by the Chief Sales Officer to work on the effectiveness of the management chain of sales from headquarter to stores.

Approach

Hommes & Performance contributed to the diagnosis of the sales organisation and management. The key improvement points were: first, the need to strengthen the transmission between headquarter and stores; second, the need to provide more support to the store managers on many aspects (product management, human resources problems, analysis of profitability, design of remodeling projects...). The previous organisation (each of the 10 regional sales managers was in charge of 30 stores) was too weak to support all the planned changes. To achieve objectives, the relevant ratio should rather be 1 regional manager for 10 stores.

Hommes & Performance then worked on the step by step implementation of this new organisation. To ensure everyone’s support, the approach alternated working sessions with headquarters and collaborative sessions with regional sales managers and store managers.



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The first step was to work with store managers and regional managers to assess mutual expectations. This enabled clarification of objectives and responsibilities of each level of management (headquarter, regional sales managers, store managers). The next step was to build a portfolio of projects, with all the changes necessary to reach the target. For example: What has to change in the management process (frequency and content of management meeting)? What skills are necessary to endorse the (new) responsibilities consistently? What is the training plan? How do the stores get support on very technical points?

Actions ranged from qualification and organisation of «technical support» for stores, training programs of 10-days for regional sales managers, management and support for cashing desks, process of stores remodeling projects.

Outcome

Aligning a market entry strategy requires profound insights in the target market. A reliable local partner may provide valuable benefits as he contributes comprehensive understanding of the local market, a good network to industry experts, agencies and media as well as knowledge of legal, political and cultural conditions.

Monoprix and Hommes et Performance were jointly nominated in 2009 for the award „Les Espoirs du management“, for the initiative regarding management and professionalisation of the cashing staff. “Les Espoirs du management” is a prize attributed yearly to management initiatives delivering value to an organisation and its employees.



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