Project Example – PE Value Creation

Cost Optimisation – DIY Retail

Situation

- Largest Benelux DIY Retail chain operates multiple formats across multiple countries, each format has a separate Buyer department which creates cost redundancies
- Global Private Equity owner seeks consulting advice to build business case to consolidate different purchase departments and realise cost and purchase savings

Actions Proost Ventures

- Facilitate a working team of the DIY chain, to analyze the potential to re-organize the Buying function in the group
- Build objective factbase and rigorous analytics on the pros and cons of combining the Buyer departments: Category management, workloads, supply chain impacts,...
- Include softer qualitative aspects impacting the pros and cons of combining the Buyer departments (implementation realism, HR impact, organizational friction)
- Facilitate several workshops between Buyer heads of different countries to converge to joint recommendation
- Recommend a solution fully endorsed by Private Equity owner, Group Management, countries, and formats

Project Results

Facilitated solution endorsed by all stakeholders

Buying Function in DIY Retail Chain

- Before and After re-organisation, 20XX -

Format-driven (Before) **Group-driven (After) Format Format** Own Sourcina QA **CSR Development Brand** Asia **Branding Macro Space Mgmt. Group Category Strategy** Format category strategy Select core ranges & Suppliers Signing & Merchandising Service Parts Planning (SPP) Add-on ranges for local needs



Central Buying

Central Supplier Management

