

The positive and consistent performance levels of our operation in 2017 is reflected in the execution of our strategy, which in large measure is attributable to the timely integration of our brick-and-mortar stores with digital platforms; this allows us to offer an omnichannel experience by satisfying the differing shopping habits and preferences of our customers. Our Centers of Excellence is a program that reflects the proper execution in our physical stores in Mexico, allowing us to clearly establish the value proposition for each of our operating formats; focus our attention on key merchandise divisions; and align our initiatives so that we may better serve our customers.

What initiatives are encompassed within the **Centers of Excellence**?



New category adjacencies



Clean stores



service at the cash registers



Service for our customers



Improved signage

Bodegas and discount stores

We maintained our focus on price and began laying the foundations for a new online shopping experience.





One of the primary achievements during this year consisted of widening the price gap with our competitors, with special attention paid to key categories such as Produce, Meat, and Bakery. Through the *Morralla* program in Bodega Aurrera -one of the self-service campaigns that have achieved the greatest top-of-mind levels in Mexicowe reinforced messages on price as part of our value proposition. Likewise, in Central America we have offered better prices for Perishables, thus becoming more competitive than even the informal market.

As part of the omnichannel shopping experience in Mexico, we accelerated the expansion of in-store kiosks specializing in ecommerce; with this measure, we offer an extended catalog of products, providing the additional option of letting our customers pay with credit, via our *Credibodega* program.

We launched *Radio Bodega*, the first digital radio station for self-service in Mexico. Its purpose is to build a means of closer communication with our customers, thus enabling us to extend the scope beyond our stores.



Hypermarkets

We have a broad assortment for our customers to access items either in store, or via our digital platform, thereby making it possible to satisfy their differing shopping habits and preferences.





Our Walmart Supercenter units offer easy ways for our customers to purchase grocery and general merchandise items, either in our stores or on line, making their shopping experience simplified and improved. In 2017 we launched the Pick Up Here service, which allows them the opportunity to pick up their orders at the store, but without getting out of their vehicles. Late last year we enabled the Marketplace functionality at our walmart.com.mx portal, thus tripling our online catalog.

During the same year we relaunched our Tuesday Freshness program, offering greater value in Perishables at our every day low prices, with new products and displays, through a robust communication campaign resulting in considerable growth in traffic and sales. In parallel and in response to market needs, we incorporated the Intelligent Home category to our instore product catalog. With this, our customers now have the benefit of purchasing certain items from the safety, comfort, and energy-savings segments.





We reinforced our quality and price offerings for an assortment of goods that satisfy the tastes and preferences of our customers, while building at the same time new vehicles for future growth.





As part of our improved shopping experience for our Superama customers, we retrofit our stores with a new image that highlights the quality, price and features of the products offered, including tips for use. The quality and freshness of perishable items has been maintained, offering a greater number of gluten-free and sugar-free products; developing our catalog of organic products; reinforcing communication on Our Brands; and driving our Pharmacy division, with the opening of 80 instore doctor's offices.

In addition to the Grocery Home Delivery service, Superama now offers its customers the possibility of shopping on line and picking up their orders at the store, either via Click & Collect or Pick Up Here. At our superama.com.mx portal, we now have a catalog with over 300 gourmet items, in addition to the assortment available in our stores.

Likewise, we are building new store prototypes that enable us to take our value proposition to a greater number of customers, focusing always on quality, price, and assortment.





Membership Warehouse Clubs

Our membership base has grown by reinforcing the value of being a member, and we equipped all our clubs as pickup centers for online orders.





In 2017 we continued highlighting our Sam's Club value proposition, achieving increased memberships thanks to our innovations, differentiated product offerings, competitive prices, and alliances with our commercial partners. As part of the initiatives undertaken to add value to our memberships, we broadened the benefits program to include savings in travel services. In addition we have begun renovating the sales floor of our clubs, growing the space for the categories deemed most important to our members.

With the relaunching of our sams.com.mx portal, we increased our online commercial offering, making it possible for our members to purchase on line 90% of the products available in our clubs. By the close of the year, all our clubs are now equipped with Club Pickup services, and in this manner all members can shop on line and pick up their orders at specialized modules located at our Sam's Club locations. Pick Up Here services are now operating as well, giving our members the possibility to pick up their merchandise without leaving their vehicles.



Our primary goal is to increase **customer satisfaction**

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estos sam: At Walmart de México y Centroamérica, the customer is first, *always*. Therefore every day we work to exceed their expectations and listen to their opinions and needs so as to improve our performance.



CEI for 100% of Walmart Supercenter, Bodega Aurrera, Mi Bodega, and Superama units





MEI for 100% of Sam's Club units

9% increase

in Bodega Aurrera and Walmart Supercenter customer satisfaction





+17.7 Million
Surveys applied
to customers and
members

The purpose of the Customer Experience Index (CEI) and Member Experience Index (MEI) is to monitor the shopping experience within the units, including satisfaction regarding assortment, freshness, product availability, prices, cleanliness, service received while in the unit, etc. These indexes help to improve decision-making and to generate action plans that will ensure the proper operation of the units, in keeping with customer needs and expectations.

Multichannel Contact Center



Available at our corporate website 24/7

Comprised by the **Telephone Service Centers** customized for each business format



The convenience of having a scheduled call at a time chosen by the customer

E-mail address

Online chat

Our social media have played a strategic role, as it allows us to hear and respond directly to our customers and members. We have therefore been able to greatly increase the level of contact and interaction, building relationships based on reinforced loyalty and commitment



The tool used in Central America to measure customer satisfaction is Store Track and Customer Pledges, with a sampling of approximately 14,000 surveys per month. The tool allows for evaluating the following points, among others:

- Our customer pledges, by format
- Service
- Other areas such as: bathrooms, safety, parking facilities
- **Perishables**
- **Buying share**

The results have served as a guideline for working on the more relevant opportunities and for developing programs or initiatives that will improve our customers' in-store shopping experiences.

Launching Central America Guarantee Policy

Said policy sets the guidelines for enforcing product guarantees in electronics, household appliances, and major appliances; the purpose is to offer our customers enhanced service.

