Rewired in Action

Real-world examples of Digital and AI transformations
and how leading companies succeed

Grupo Mariposa:
Harnessing connected technology in the LatAm food and beverage market

The opportunity

Disrupting a fragmented CPG market

Guatemala-based Grupo Mariposa traces its roots back to 1885 when it started with a single soft drink factory. Today, through its CBC, Bia, and Beliv subsidiaries, it has become a major Latin American food and beverage company with operations in more than 16 countries.

In Latin America, the food and beverage ecosystem is highly fragmented, with over 5 million points of sale. This fragmentation creates complexity on multiple levels, from sharing data with store owners to planning efficient delivery routes. Companies need to manage the commercial activities of thousands of salesforce, merchandisers and delivery personnel that serve local stores.

Mariposa believed that with the right technology, digital tools, and capabilities, it could transform the way it serves store owners while overcoming some of the challenges of fragmentation. With technology, Mariposa aimed to change the beverage ecosystem and progress on its purpose of becoming the best solution for store owners and the first choice at the point of sale.

The solution

Creating a new digital ecosystem that puts store owners at the center

Grupo Mariposa partnered with McKinsey to create an end-to-end ecosystem powered by AI and digital solutions to help overcome the challenges of a market with over 3 million points of sale.

At the heart is a new platform powered by advanced analytics, and the strategic partner Yalo offering "conversational commerce," which allows store owners to conveniently connect with the brand and manage order inventory. The easy-to-use digital tool also gives store owners greater agency by supplying them with personalized recommendations based on market trends and supporting them to better serve their customers and rotate inventory. Instead of relying only on a salesperson to tell them what to order, store owners (*"tiendas"*) are advised by digital tools which learn from micro-segments in their own neighborhoods to help them place and track orders digitally.

The platform also includes modular solutions for customer service, microloans, loyalty programs, and other services. It enables shopkeepers and sales team to receive stock-out predictions and order suggestions, place and track orders, and participate in customized loyalty programs. It also helps drive growth by offering business intelligence and knowledge to build management skills, contributing to the evolution of small shopkeepers into micro business owners.

McKinsey and Mariposa built the platform with open technology and microservice architecture, enabling future integration with external partners. Ultimately, the partners intend to make the platform available to additional companies as a SaaS offering. The vision is to bring lenders, food and consumer goods suppliers, delivery services, and other companies that create value for store owners into an open ecosystem.

Just as important as the connection with store owners, Mariposa's transformation digitizes its go-to-market model. Mariposa co-developed with McKinsey a proprietary platform to provide digital tools to transform the commercial frontline roles. This platform is also being marketed to other CPGs and distributors. It includes an Atomic Task module that provides each

The impact

+100k

Points of sale that are touched so far by the digital service channel in Mariposa's new ecosystem.

8-10%

Sales uplift from store owners that are daily using the solution.

5000+

Sales employees using new digital tools for commercial and deliver management.

"We believe our superpower lies in fostering strong relationships with SMEs and harnessing the potential of connected technology to generate prosperity in communities. Our ambition is to serve our clients by providing them with the tools and capabilities to make our vision a reality"

– Juan Pablo Mata, CEO of Apex by Grupo Mariposa

"Our biggest learning is that digital transformation is not solely about the technology. It is about the people – having the right set of talent, knowing how to recruit people, and how to retain them. It's the people that create the technology that will come closer to the business. "

- Alfredo Jose Castaneda, Digital Transformation Leader, Grupo Mariposa

"In the digital transformation process, a leader must have two key elements - the first one is a growth mindset. Once you begin to understand this different perspective of how you can bring different capabilities to the business, you begin a whole growth mindset process. And then the second one is servant leadership. Servant leadership is to accept that the way that we used to work, it just doesn't apply to the modern business"

- Alfredo Jose Castaneda, Digital Transformation Leader, Grupo Mariposa

salesperson with a prioritized list of each day's tasks. Reps check off tasks as they finish them on their mobile devices, doing away with paperwork. Reps can also review an AI-generated suggested order list based on consumer behavior data for each store they visit and place orders digitally. Delivery drivers, whether in-house or through a vendor, can instantly call up the most efficient route for the day's stops.

All these technology solutions were made possible by a transformation of Mariposa's internal culture. Mariposa integrated digital transformation as part of its identity and communicated the goals and rationale of the transformation throughout the organization. The company created an implementation playbook that spelled out the elements of the transformation and then formed a change management committee to oversee the process and support the new agile operating model. It cemented the changes with a revamped performance management system and incentives.

With these supports in place, Mariposa hired more than 50 highly skilled digital team members in eight countries across all digital domains. Working in global agile teams, they helped build tools and capabilities while redesigning and streamlining processes. The final cornerstone of the success was the engagement of the senior leadership team. Mariposa's CEO and Group President met weekly with the transformation team for over two years to bring the vision to action.

Lessons learned

Strategic Roadmap

Align the digital solution to the actual needs of clients (store owners)
Mariposa created the new platform with a focus on store owners and shifted the go-to-market approach to "pull". For example, recognizing that storeowners already used WhatsApp, the Mariposa team leveraged it for conversational commerce, rather than imposing a new platform.

Talent

Recruit and retain the right tech talent to drive mindset shifts
Mariposa focused to attract, recruit, and assemble the right teams and hired over 50 dedicated digital experts in data, technology, agile, and UX in eight countries. These people became digital ambassadors to pollinate the culture and mindset shifts throughout the organization.

Adoption and Scaling

Scale the transformation across the organization with a top-down approach
Along with a clear strategic vision, Mariposa established a change management committee to implement its plan and change the operating model. Top leaders consistently and relentlessly communicated the change plan to internal and external stakeholders, including visits to stores and directly working with salesforce.