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Consulting Report Team 2- MASEDI Contratistas Generales

**TESIS PARA OBTENER EL GRADO DE MAGÍSTER EN ADMINISTRACIÓN DE
NEGOCIOS OTORGADO POR LA PONTIFICIA UNIVERSIDAD CATÓLICA DEL
PERÚ**

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Dedication

We would like to dedicate this thesis to God, the parents of each of the members of our team, as well as to the brothers and sisters of each of the members. In addition, we want to dedicate it to all those people who put a grain of sand to this consultancy with their advice and experience. We want to dedicate it in particular to Professor Sandro Sanchez and Professor Lisa Bunclark, but especially to the company MASEDI and Mr. Vladimir Sokolic that we have developed with great care for their company.

We also want to dedicate it to all the friends we have made in this MBA, to our friends and family who have supported us. We dedicate it to life and how fortunate we have been to acquire all these experiences and experiences prior to the program and to this new learning where this team has been consolidated as not only friends, but as a second family.

Abstract

MASEDI is a Peruvian construction company created and founded by Vladimir Sokolic in 1999. They provide services in the field of architectural design, construction, maintenance and everything related to the area. Its approach as a company is based on leadership, experience, quality and personalized service in each project. The main problem identified is the low brand awareness which prevents from obtaining a greater number of clients in the private sector. This is mainly due to the strong competition, lack of a marketing department to promote the brand, as well as the reliance on word of mouth advertising thanks to its good reputation in the public sector. In that sense, the CEO is interested in finding strategies to make MASEDI recognized in the private sector for its quality service and expertise.

The theory reviewed to develop the solution to the problem suggests marketing strategies through social media and content management; customer relationship management (CRM); and corporate social responsibility activities (CSR). Then, four alternatives were developed and evaluated regarding to cost, feasibility, effectiveness, ease of implementation and reliability. The final proposal includes an integrated marketing communication strategy through digital and non-digital media, as well as the division of the client portfolio, whose implementation plan is detailed step by step for MASEDI, in order to obtain new clients, get brand recognition and increased traffic on the web and social networks.

Resumen Ejecutivo

MASEDI es una empresa constructora peruana creada y fundada por Vladimir Sokolic en 1999. Brindan servicios en el ramo del diseño arquitectónico, construcción, mantenimiento y todo aquello concerniente al rubro. Su enfoque como empresa se basa en el liderazgo, experiencia, calidad y servicio personalizado en cada obra. El principal problema identificado es el bajo reconocimiento de marca lo cual impide obtener un mayor número de clientes en el sector privado. Esto se debe principalmente a la fuerte competencia, inexistencia de un departamento de marketing que promueva la marca, así como la dependencia de publicidad boca a boca gracias a su buena reputación en el sector público. En ese sentido, el CEO está interesado en la búsqueda de estrategias para que MASEDI sea reconocida tanto en el sector privado por su servicio de calidad y experiencia.

La teoría revisada para desarrollar la solución al problema sugiere estrategias de marketing mediante redes sociales y administración de contenido; gestión de relación con clientes (CRM) ; y actividades de responsabilidad social (CSR). Luego se desarrollaron cuatro alternativas las cuales fueron evaluadas en cuanto al costo, factibilidad, efectividad, facilidad de implementación y confiabilidad. La propuesta final comprende una estrategia de comunicación de marketing integrada a través de medios digitales y no digitales, así como la división del portafolio de clientes, cuyo plan de implementación se detalla paso a paso con el fin de que MASEDI obtenga nuevos clientes, reconocimiento de marca y un mayor tráfico en la web y redes sociales.

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Chapter I: General Situation of the Organization

1.1 Presentation of the Organization

1.1.1. About MASEDI Contratistas Generales

MASEDI General Contractors SAC, hereinafter referred to as MASEDI, is a Peruvian medium-sized enterprise with RUC 20426128803 created and founded by Vladimir Sokolic in April of 1999. The company provides a wide range of services within the construction industry. Its approach as a company is based on leadership, innovation, teamwork and quality. Due to their extensive experience and professionalism in the construction market, they offer a service of integral solutions through their team of fully qualified and experienced engineers and architects. MASEDI offers services such as remodeling, expansion, architectural design, projects maintenance with creativity and good performance, willing to solve the needs of their customers with dedication, professionalism and ethics.

MASEDI has a wide range of state-of-the-art machinery and equipment that allows them to ensure high efficiency and performance for their clients. In addition, they carry out a thorough study of the physical location where they will be working in order to assign the best people for each type of job, providing their clients with a budget in accordance with the complexity of the projects. Part of their competitive advantage is to give a personalized service depending on the needs of the client (MASEDI Contratistas Generales, 2015a).

According to the General Manager, Vladimir Sokolic, the company focused for a long time only on the public sector, and in 2013 decided to start entering the private sector in order to reach more people. The marketing the company conducts is mainly via word of mouth through the recommendation of past clients and referrals. The excellent performance and quality of the company, along with marketing via word of mouth has made it possible for clients to be loyal

and recommend them. Despite the capacity to work up to twelve projects simultaneously, the company has a contracting capacity of approximately S/. 68'750,153.44.

MASEDI seeks to generate a brand awareness of an honest and ethical company before all its clients in order to change the concept of corruption that has existed over the years in the construction sector. In 2013, the company received an award for belonging to the top 10,000 most important companies in Peru between 2009 and 2013 (rank: 5203 in 2013) (MASEDI Contratistas Generales, 2015b).

1.1.2. Vision, mission and strategic objectives

The actual MASEDI's Mission and Vision are defined as follows (MASEDI, 2020):

Mission: “We offer integral solutions in construction projects for our clients, with the highest quality, for which we have a highly competent team dedicated to the use and exploitation of the available technology.”

Vision: “In 2020 we will be the best Peruvian company in the construction sector at a national level, and we will be recognized for our reliability and innovation.”

Due to COVID-19 and other factors that have affected the construction industry during these last two years, the company did not reach their vision this year. So, because of these reasons, a new mission and vision is proposed for the company based on new priorities in this crisis. (MASEDI Contratistas Generales, 2015c)

Proposed Mission and Vision for MASEDI:

Mission: “Provide the best personalized integral solution for our clients' construction projects delivering it before time with the highest quality and according to the specifications needed, for which we have a high quality team of professionals dedicated to the use of the available technology.”

Vision: “By 2025, be amongst the top 10 construction companies in Peru, building trust with our experience, quality service, and innovation with high ethical standards.”

MASEDI has many policies in order to maintain an order inside the company, as well as ensuring equality within their corporate culture. The policies the company has developed include:

- Ensuring workplace safety
- Offering equal opportunities for employees
- Complying with the employee code of conduct
- Encouraging pro-activity and problem-solving amongst employees
- Complying with the company’s values
- Providing clients transparency, honesty and reliability
- Fulfilling agreements and exceeding expectations
- Aiming for efficiency & maximum productivity

Long-Term Objectives (LTO). The long- term objectives represent the desired results that the company wants to reach after implementing some strategies that are aligned with the vision. MASEDI plays an important role in a very competitive and dynamic industry, where previous history and financial capacity are two important factors. Considering these reasons, the time horizon for these long-term objectives will be based on three to five years. The LTO are necessary for all levels of the organization and are used by those in top managerial positions in order to evaluate and control the development of this measures (D’Alessio, 2015). MASEDI currently has seven LTOs supported by their respective Short-Term Objectives (STOs), these are shown in the following table.

Table 1

MASEDI's Long- and Short-Term Objectives

MASEDI's Long-Term Objectives (LTOs)	MASEDI's Short-Term Objectives (STOs)
<p>LTO 1: By 2025, be considered one of the top 10 largest construction companies in Peru according to the Ministry of Economics, and increase brand awareness by increasing the number of projects within a year.</p>	<p>STO 1: Increase the client portfolio by at least 3 new customers per year by referrals from the old clients and by participating actively in activities as EXCON. And also, by 2025 increase the traffic of the web page by at least 5 times by generating marketing strategies about SEM and SEO in our website.</p>
<p>LTO 2: By 2025, increase the market share above 1%. In 2018, the company had the market share of <1%, almost 0,6% in the private sector.</p>	<p>STO 2: Develop at least 2 real estate and 1 commercial construction project per year, and increase by one the number of projects every 2 years in order to maintain a substantial growth.</p>
<p>LTO 3: By 2025, incorporate CSR to the activities of the company in order to increase the social brand's image. The goal is to support at least one social project a year that can be align with the sustainable goals.</p>	<p>STO 3: Start working with green brands and eco-friendly materials in at least 10% of the project. And, obtain the ISO 14001 certification in operations and waste management in order to support the sustainable goals.</p>
<p>LTO 4: By 2025, have more efficiency in the processes and allocated resources, reducing</p>	<p>STO 4: Establishing the BIM standards by implementing the BIM software and hiring technical experts to train the employees.</p>

<p>intrinsic costs by at least 10%, by incorporating the Building Information Modeling System (BIM).</p>	
<p>LTO 5: By 2025, increase the number of high qualified supervisor engineers by at least 50%. In 2019, the amount of high qualified engineers in charge of supervising projects was 12.</p>	<p>STO5: Invest in increasing the number of trained engineers to have high qualified engineers and develop hard and soft skills for employees.</p>
<p>LTO 6: By 2025, increase the annual sales to more than S/ 160 million soles by investing in more machinery and hiring higher qualify engineers. In 2019, the total annual sales were S/ 31'941,574 soles.</p>	<p>STO 6: Increase the maximum capacity of projects per year in two more projects per year, and increasing the annual sales in 50% by investing in having more production capacity.</p>
<p>LTO 7: By 2025, MASEDI will increase the EBITDA from 1.56 million soles in 2019 to 4.32 million soles by increasing the number of sales to more than S/160 million soles.</p>	<p>STO 7: Reduce the administration costs and supply costs by at least 5% of the total expenses each year.</p>

Regarding the first two LTO 1 and LTO 2, are trying to approach MASEDI's vision, that tries to reach a certain market share aligned with the total sales and how some investment strategies will lead the company to increase the current capacity of approximately S/ 68'750,153.44 in 250% for 2025.

The LTO 3 and STO 3 are focused on helping MASEDI to add value to the brand and let the clients know that MASEDI is socially responsible and that they care of the planet and want to build a relationship with social communities in order to gain the trust of the clients.

Referring to the LTO 4 and STO 4, when applying the BIM software to the company will help them reduce possible intrinsic costs and avoid re-doing errors that human doing can make while drawing the plans. There are some important trends that are beginning to be implemented in the construction industry and if they can apply them to the company will give a boost to the company to be at the forefront of technology, systems and processes. The only issue is that, currently there are not too many technological improvements in Peru, because of the lack of investment in Research & Development in Peru that is only 0.08% of the Gross Domestic Product (GDP).

The LTO 5 and STO 5 are appointing that having highly qualified workers would help ensure the promise of giving the projects before time with the expected quality.

Regarding LTO 7 and STO 7, for 2020 MASEDI is expected to decrease their earnings before interest, taxes, depreciation and amortization known as EBITDA, in 22% with respect to 2019, because of the contraction in the construction industry by 12,5% (El Comercio, 2020). The annual forecast for the next years will be composed by an annual growth rate of 20% in revenues until 2022; and an annual growth rate of 30% until 2025 considering the new opportunities in the industry.

According to the financial statements provided by MASEDI, the EBITDA at the end of 2019 was 254% higher than in 2018, as shown in Table 2. The growth will be supported with some actual and upcoming projects of great magnitude like Torre Tagle 161 and Mall Chosica respectively, but also taking in consideration the optimization of resources.

Table 2

EBITDA Forecast for 2020 to 2025

	2018	2019	2020	2021	2022	2023	2024	2025
EBITDA Forecast (in PEN mil)	0.62	1.56	1.37	1.64	1.97	2.56	3.32	4.32
Var. % Respect Previous Year		254%	88%	120%	120%	130%	130%	130%

1.1.3. Products

MASEDI offers a wide range of services for the construction sector, including: building construction, paving, excavation and earthmoving, interior architecture. Building construction refers to multi-family buildings, hospitals, retail, education centers, and any similar construction containing cisterns, basements and a number of floors. As far as paving is concerned, they are usually parking lots, but they also develop part of the asphalt of the urbanization where the work or roads are carried out. On the other hand, we are afraid of the excavation and movement of earth that practically refers to a service previous to the beginning of works where a study is made to be able to excavate depending on the magnitude of the Project and to extract the earth. Finally, we are concerned with interior architecture, which are architectural solutions to remodel, strengthen or change some aspect of the interiors of an existing building or make a completely new interior design. (MASEDI Contratistas Generales, 2015b).

A short extract of MASEDI's portfolio demonstrates some of the buildings constructed by the company (MASEDI Contratistas Generales, 2015b):

- Mall Plaza Chosica
- Tienda Elektra Trujillo

- Edificio Aldana
- Edificio Torre Balta Torre Porta
- Edificio Parque Bollar
- Instituto de Formacion Bancaria IFB – Sede Villa El Salvador

MASEDI started working in the public sector only recently, until 2013 that they have seen a big opportunity to enter the private sector. Some of the most important clients are shown in Table 3 (MASEDI Contratistas Generales, 2015b).

Table 3
Customers of MASEDI in the Public and Private Sector

Public Sector	Private Sector
<ul style="list-style-type: none"> • Municipalidad de Miraflores <ul style="list-style-type: none"> • Ministerio Público • Seguro Social De Essalud • Dirección Regional de Salud Hospital San José <ul style="list-style-type: none"> • Caja Militar Policial 	<ul style="list-style-type: none"> • Cementos Lima • Lima Golf Club • Real System S.A • Universidad Ricardo Palma • Third Way Business S.A.C

Note. Retrieved from “MASEDI Contratistas Generales - folleto” by MASEDI Contratistas Generales, 2015b (<http://masedi.com.pe/brochure/>).

1.1.4. Structure and corporate culture

Vladimir Sokolic assures a personalized attention and immediate action in decision making through his presence in each of the projects he carries out, but also through his twelve

engineers and architects qualified to supervise the works. Its two-year training policy to participate in the supervision of works, ensures the client the necessary knowledge of the team in charge of the work, generating closeness and confidence in their peers. Before the COVID-19 pandemic, the company had 42 people working for them, currently there are only 20 employees.

MASEDI's corporate culture translates into its great commitment as a company to provide the highest quality standards, promoting values such as integrity, commitment, transparency and efficiency. Reliable work, honesty and ethics are an essential part of the culture that its leaders promote in order to create a climate of trust among all its workers. The professionalism of its workers and the corporative vision they possess generate synergies within the teams and can generate integral solutions for each one of its clients, leading to a better management of resources and exploiting to the maximum the capacities of its workers. Through its vast experience in the field of action, MASEDI ensures the trust of its clients, accompanying them in each stage of the project and giving them personalized advice in order to form profitable ties in the future, with commitment and passion to fulfil the promises in the established time (MASEDI Contratistas Generales, 2015c).

1.2. Industry Analysis (Porter's Five Forces)

Porter's five forces model allows the execution of competitive analysis, and determines the structure and attractiveness of the industry where the organization competes, as well as the development of strategies in many industries. The analysis of competitive and industrial forces is the starting point for evaluating the strategic situation and position of an organization in the sector and its markets (D'Alessio, 2015). As for the construction industry today, the sector in Peru makes up 5% of GDP and is one of the few seeing growth, along with potential for further growth (Hayes & Malone, 2016). That being said, the forecast in 2021 is anticipated to have a

value of \$11,004.04 million, an increase of 27.4% since 2016 (MarketLine, 2017). These estimations account for the opportune advancements this sector is having on the economy and it all drizzles down to the brand image, services and scope of the companies which drive these economic capabilities. An interaction of the Porter's five forces in the Peruvian construction industry is shown in Figure 1.

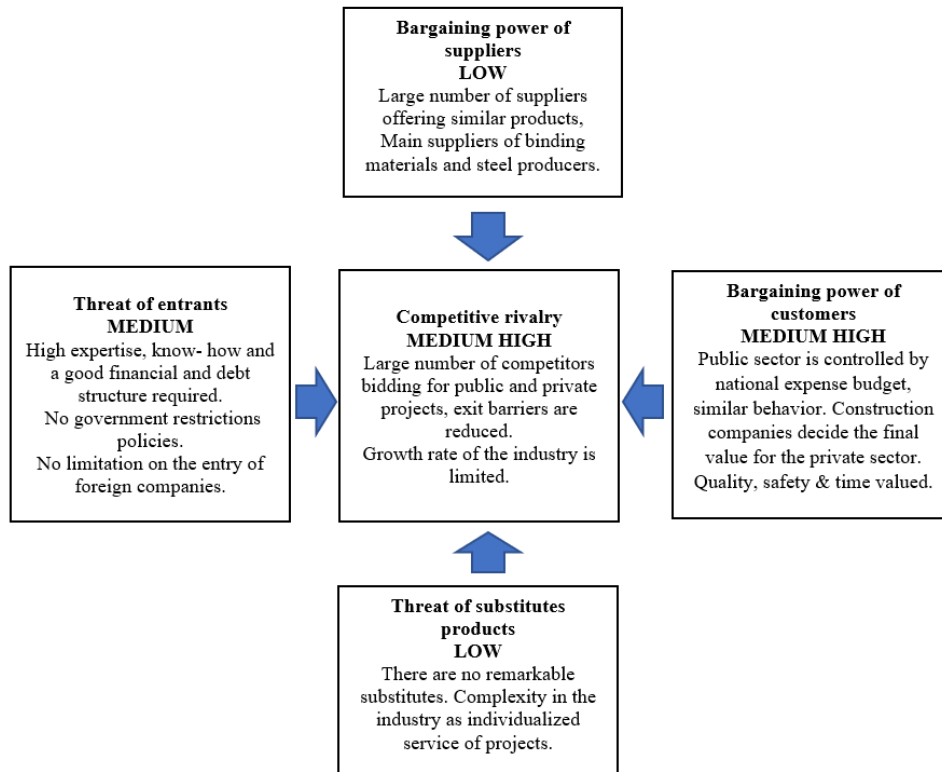


Figure 1. Porter's five forces for the Peruvian construction industry.

Retrieved from "Peru Construction Equipment Markets 2011-2021 by PR Newswire, 2019 (<https://www.prnewswire.com/news-releases/peru-construction-equipment-markets-2011-2021-300505468.html>).

1.2.1. Bargaining Power of suppliers – low

Suppliers can exert a bargaining power when the companies are dependent on them; however, construction companies have access to many suppliers and brands that offers materials with similar quality and price. Therefore, it can be said that negotiation power of suppliers in the

industry is low. The main suppliers in the construction sector are those offering binding materials as concrete or cement and steel producers of metal bars; alike, those manufacturers of wood, electrical supplies, glass among others.

The most recognized suppliers in Peru for concrete materials are Cementos Inka, Cementos Pacasmayo, UNACEM and Cementos Yura. Each of these suppliers is concentrated in different regions i.e. C. Pacasmayo focus its effort in the coast and north sierra of Peru, while Cementos Selva supply the north jungle region. The central region is taken by Cementos Lima and Cemento Andino while the south region is supply by Cementos Yura and Cementos Sur. Also, the most recognized steel producers are two: SIDERPERU which is focus in the north region and Aceros Arequipa in the south (Cementos Inka, 2017).

Table 4 shows the variation in percentage of the construction material prices and it shows there is low price sensitivity as they haven't changed much over the years.

Table 4

Percentage Variation (%) of the Price Index of the Construction Market in Comparison to the Previous Month

Year	January	February	March	April	May	June	July	August	September	October	November	December
2019	-0.08% ↓	-0.22% ↓	-0.07% ↓	-0.09% ↓	0.06% ↑	0.03% ↑	-0.12% ↓	0.71% ↑	-0.33% ↓	-0.10% ↓	-0.50% ↓	0.09% ↑
2018	0.11% ↑	1.42% ↑	0.17% ↑	0.59% ↑	0.15% ↑	0.11% ↑	0.10% ↑	0.21% ↑	0.21% ↑	0.16% ↑	0.09% ↑	0.01% ↑
2017	0.96% ↑	-0.41% ↓	0.07% ↑	-0.34% ↓	0.21% ↑	0.10% ↑	0.08% ↑	0.84% ↑	0.47% ↑	0.30% ↑	0.04% ↑	0.25% ↑
2016	1.79% ↑	0.10% ↑	-0.35% ↓	0.16% ↑	1.05% ↑	0.08% ↑	-0.23% ↓	0.14% ↑	0.08% ↑	-0.08% ↓	0.07% ↑	0.36% ↑
2015	1.07% ↑	0.47% ↑	0.51% ↑	0.07% ↑	0.15% ↑	-0.31% ↓	-0.18% ↓	0.11% ↑	0.62% ↑	0.14% ↑	0.23% ↑	-0.13% ↓
2014	0.23% ↑	0.49% ↑	0.18% ↑	-0.07% ↓	0.13% ↑	0.04% ↑	0.01% ↑	0.10% ↑	1.07% ↑	0.60% ↑	0.30% ↑	0.05% ↑

Fuente: INEI / DNIE ↑ Prices went up ↓ Prices went down

Note. Adapted from "Índice de Precios – Lima Metropolitana" by Ministerio de Vivienda, Construcción y Saneamiento, 2020 (<http://www3.vivienda.gob.pe/destacados/construccion.aspx>).

1.2.2. Bargaining Power of customers – medium-high

The bargaining power of clients refers to the pressure exerted by the customers in order to get better prices or conditions (Porter, 2008), and there are some differences within the public and private sector. The public sector clients are controlled on an expense budget policy assigned by the government for public projects as schools, hospitals, public offices, urban improvements, among others. Those clients are mainly the municipalities and regional government and all of them have similar available financial and debt capacity which can cause a high negotiation power when doing public contracts. On the other hand, the private sector clients are represented by companies requesting projects such as home residentials, shopping malls, universities among others. Those clients do not experience the same negotiation power as the public companies, since the final value is determined by factors as the materials quality, project safety and delivery time which are specified by the construction company. The difference between both sectors make a medium-high level of bargaining power for MASEDI.

1.2.3. Threat of substitutes products – low

The threat of substitutes refers to the potential entry of companies offering alternative products and able to move into the market. The industry of buildings and infrastructure construction doesn't have remarkable substitutes that provides the same services and products, except if the clients choose pre-existing stock manufactured such as pre-fabricated houses. However, complexities for the industry requirements relapse in the individualized service of the projects that must be under high management and responsibility for the integrity of projects. Therefore, the threat of substitute services is very low, it becomes difficult to replace the service that construction companies offers, so any opportunity is created for this force.

1.2.4. Threat of entrants – medium

The threat of new entrants refers to how difficult it is for new construction companies to enter into the industry and it will clearly depend on the entry barriers and the position created by the existing companies in the market. In this industry, it is important to consider technical training as a fundamental aspect for the development of the projects, however, the biggest construction companies not only comply this requirement, but they subcontract parts of the project to specialized smaller companies. The gateway for new entrants might be through collaboration with peer companies that complement each other to embark on a project.

The largest companies are characterized by high expertise, know-how and a good financial structure that grant the projects. In civil projects, the government demand potential companies to accredit financial capability to undertake a project by itself and avoid future problem during the execution. Though, construction is an industry with no government restrictions policies, so there is no limitation on the entry of foreign companies with higher expertise. These aspects make that the threat of new entrants has a medium level.

1.2.5. Competitive rivalry – medium-high

It refers to the other construction companies which compete for the same market by size, quality service and speed. In the construction industry, there is a large number of competitors bidding for public projects promoted by the central, regional or municipal government and private institutions. Also, the exit barriers are reduced because once a project is done, there is not important assets susceptible of divestment; the fixed costs are low, part of the hired staff is per each project only and in many cases the machinery is rented. However, there is little differentiation within large, medium and small companies, whereas the competitive advantage is related to

the previous experience and the capital structure. Also, the growth rate of the industry is limited, because it is directly related to public policies that promote infrastructures, therefore the industry rivalry is considered medium high. Table 5 shows the most important companies in the construction industry.

Table 5

The Most Successful Competitors on the Peruvian Construction Market

Ranking	Organization	Volume of Sales (in US\$ mill.)
1	GYM Ingeniería y construcción	1.190,9
2	COSAPI	486,5
3	San Martín Contratistas Generales	341,0
4	STRACON	295,1
5	Const. y Admin. Casa contratistas	244,2
6	Obrainsa	220,1
7	Mota-Engil Perú	212,4
8	Inversiones Centenario	195,4
9	Ing. Civiles & Contratistas Generales – ICCGSA	187,8
10	La Viga	185,5

Note. Adapted from “Las empresas más importantes del Perú: sector de la construcción y sector de la minería” by Rankia, 2019 (<https://www.rankia.pe/blog/analisis-igbv/2247071-empresas-mas-importantes-peru-sector-construccion-mineria>)

1.3. External Analysis (PESTE) – Opportunities and Threats

The PESTE analysis provides an overview of the external environments of the company; and provides a fundamental component for the consultation process. PESTE focuses on 5 different factors: Political and government (P), Economic (E), Social (S), Technological (T), and Ecological (E). The main opportunities and threats of the company are identified as a result of the analysis.

1.3.1. Political and government

These are the forces that determine the rules, both formal and informal, under which an organization must operate. They are the most important variables in external evaluation according to the degree of influence they have on the activities of the business, its suppliers, and its buyers (D'Alessio, 2015).

Political stability. This stability can have a positive or negative effect to the industry, currently it seems that political stability will continue, although there are some uncertainty for future events to come, as the future presidential elections and the change of government cabinet in 2021, however this situations cannot be avoided and MASEDI just need to be aware and analysing the decisions that can affect the organization in a negative way. It is important to mention that municipal regulations limit construction companies in terms of the size of buildings, as well as there is uncertainty in relation to the changes of the new governments. As is known, this increases even more, when the country does not have political parties that guarantee ethics and the work demanded by society (V. Sokolic, personal communication, 25th of June of 2020)

Regulations to boost the industry. In order to promote the industry, the Peruvian government allows access to credit through the Mi Vivienda (MV) and Techo Propio (TP) programs. Mi Vivienda program credit consists of granting a greater amount of mortgage credit, which can reach 70 UIT, that is S/ 259,000.00. The Techo Propio program loan, has a maximum home value of S/.51,800.00, offers facilities for the acquisition of new housing, construction, and improvement (Ministerio de Vivienda, Construcción, y Saneamiento, 2020).

Recently, the Ministry of Housing, Construction and Sanitation (MVCS) announced that in order to boost the real estate sector and the country's economy, the government is preparing a

regulatory proposal to promote mortgage loans. They are proposing a law or a legislative decree to be granted a delegation of powers, in order to improve the regulatory framework in this state of emergency to provide facilities throughout the mortgage credit scheme, The MVCS expects to benefit this year more than 80,000 families with access to housing through its various programs and product (El Peruano, 2020a) ; this is a positive factor for the industry, as the demand in the real estate will increase and represents a good opportunity for MASEDI's future in the private sector and reactivation through the Covid 19 crisis.

Corruption. According to the 2019 Global Competitiveness Ranking, prepared by the World Economic Forum (WEF), Peru ranks in position 94 out of 141 economies evaluated. This result is explained in the transparency indicator that includes the corruption index. Peru was placed among the 50 most corrupt countries. It should be noted that this index measures perceptions of corruption in the public sector. In the report, the scale varies from 0 (very corrupt) to 100 (very clean); where Peru got two points less than in 2018 (Gestion, 2020a). The most recent corruption scandal was Odebrecht that involved some big construction companies, which represent an opportunity to MASEDI to be recognized as honest and ethical company against their competitors.

1.3.2. Economic

Economic and financial forces are those that determine macroeconomic trends, financing conditions and investment decisions (D'Alessio, 2015).

Evolution of GDP. During the last 10 years the Peruvian economy has maintained a stable GDP growth (See Figure 2). The average rate during this period (2009-2019) had been of 4.4%, reaching a value of over US\$ 215,000 million in 2019 (ProInversión, 2020). Moreover, the national production grew by 2.16% in 2019 (Andina, 2020).

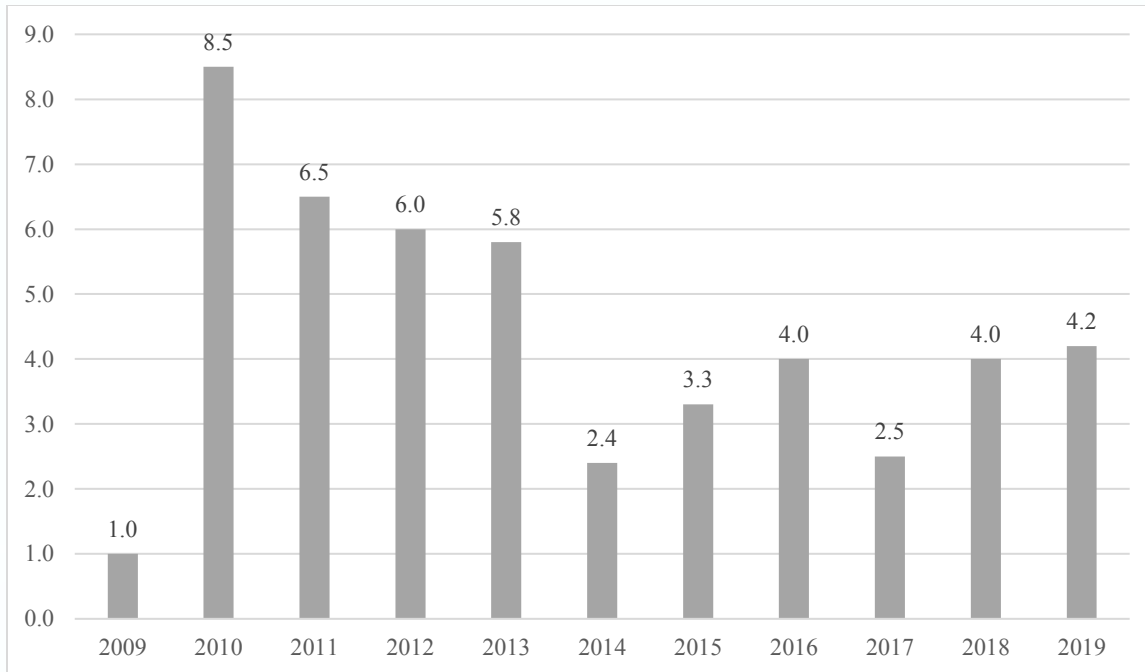


Figure 2. Gross domestic product 2009-2019 (annual percentage variation). Retrieved from "Reporte de Inflación", by Banco Central de Reserva del Perú, 2019 (<https://www.bcrp.gob.pe/docs/Publicaciones/Reporte-Inflacion/2018/junio/reportes-de-inflacion-junio-2018.pdf>).

On the other hand, the GDP in 2020 of the construction sector grew by 1.51%, driven by a greater number of works in the private sector in Real estate projects and domestic cement consumption 4.65%. (Revista Perú Construye, 2020). According to CAPECO (2019), is predicted that the companies of the sector would grow 3.78% in 2020. Due to the different projects that is expected to take place in 2020, the representative of the Ministry of Housing, Construction and Sanitation (MVCS), Minister Yáñez will invest S/. 14,346.3 million in 857 projects (Gestion, 2020a).

Inflation. Annual inflation has been falling since 2019, and has been most pronounced in February 2020, falling from 2.34% to 1.86% due to the drop in the Consumer Price Index (CPI). As a result, a decline in production activity since March 2020 due to the mandatory quarantine

has led to a decrease in income and less pressure from demand on prices (Banco Central de Reserva del Perú, 2019b). According to the Banco Central de Reserva del Perú (2019b), inflation is expected to fluctuate near the lower limit of the target range by the end of 2020 as shown in Figure 3. The lower consumption of the population will generate a decrease in prices.

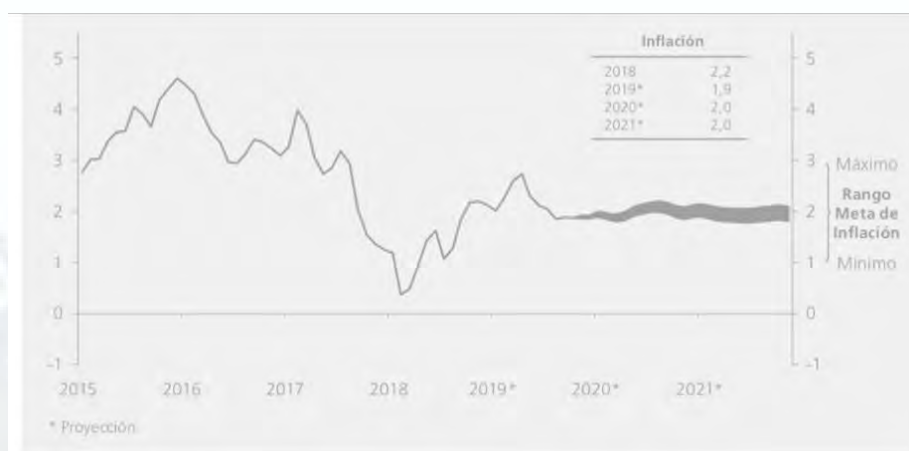


Figure 3. Inflation Projection 2015-2021.

Taken from "Síntesis Reporte de Inflación", by Banco Central de Reserva del Perú, 2019

(<https://www.bcrp.gob.pe/docs/Publicaciones/Reporte-Inflacion/2019/diciembre/reporte-de-inflacion-diciembre-2019-sintesis.pdf>).

Exchange rate. According to the BCR, in the last 10 years the exchange rate has been increasing, having an average exchange rate of 2.63 soles per US dollar as the lowest and 3.33 soles per US dollar in 2019 as the highest shown in Figure 4 (Banco Central de Reserva del Perú, 2019b).

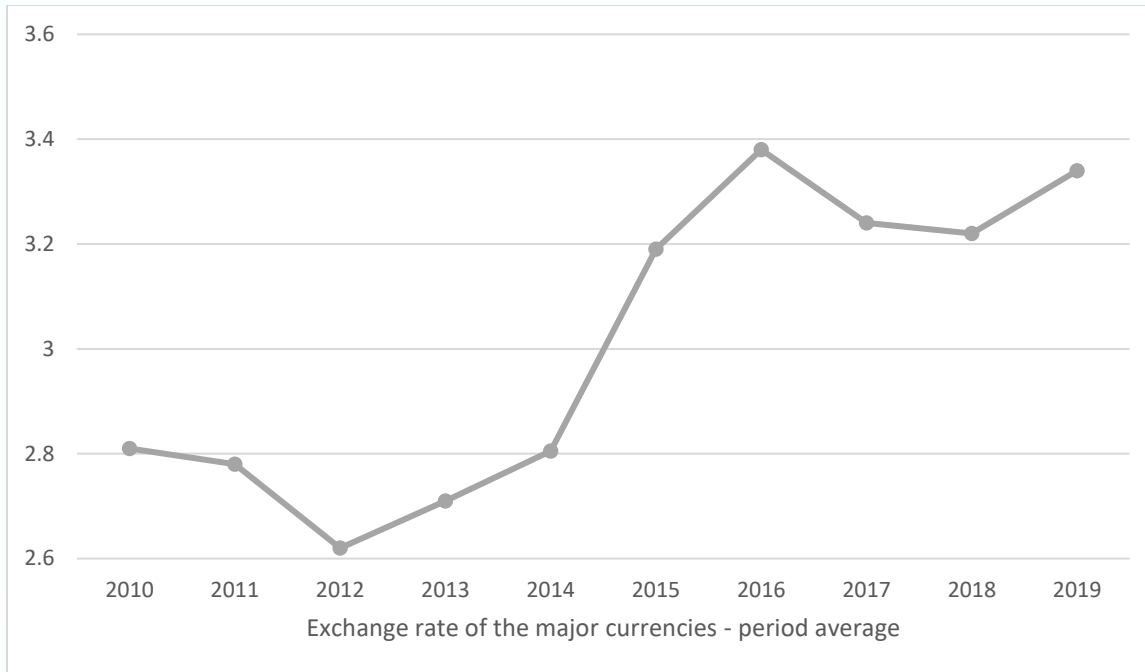


Figure 4. Exchange rate of the American dollar (US\$) 2010-2020. Adapted from “Dólar Americano (US\$)“, by Banco Central de Reserva del Peru, 2020 (<https://estadisticas.bcrp.gob.pe/estadisticas/series/anuales/resultados/PM05289PA/html>).

Country risk (uncertainty associated to invest in a specific country). The country risk is calculated by JP Morgan, using a measurement called Emerging Market Bond Index Global (EMBIG). The concept comes from the differential between the rate of return on emerging country bonds and the rate on the US Treasury Bond. This indicator shows the solvency of the governments that issued the bonds (Banco Central de Reserva del Perú, 2019a)

Peru is considered to have one of the lowest country’s risk in the region, meaning that the country is more attractive for investors, because it has reliable banking system and lower interest rates. In April of 2019, it represented 123 percentage points measured by the spread of EMBIG (Banco Central de Reserva del Perú, 2019a). To make it clearer you can see the comparison between some countries of the Latin America and Caribbean (LAC) region in Figure 5.

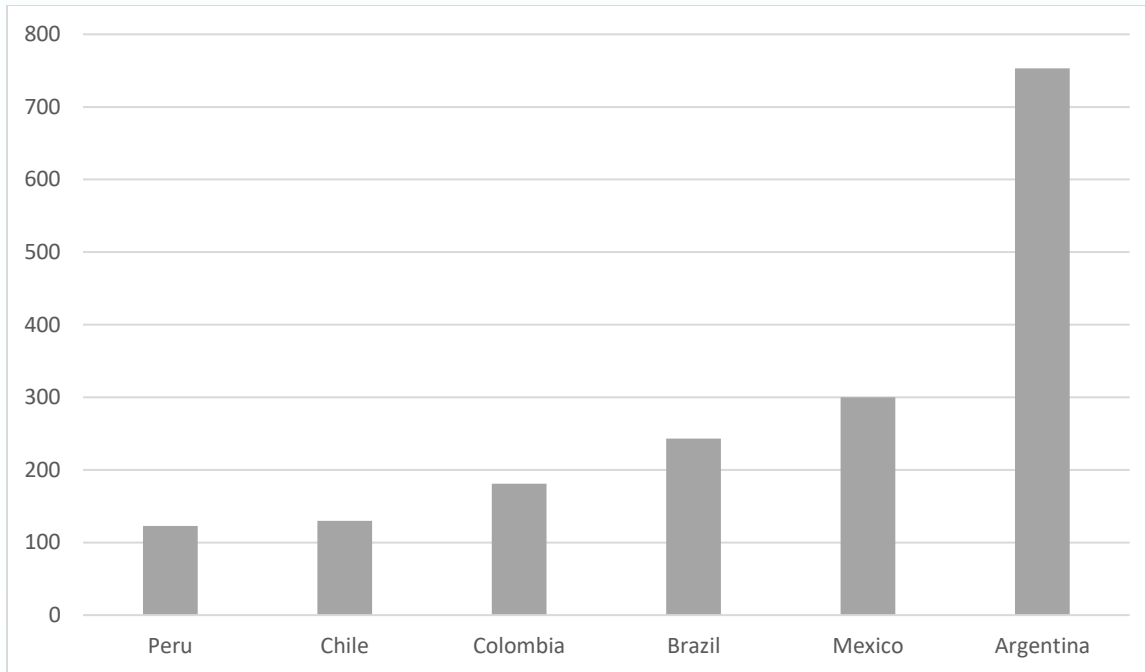


Figure 5. Country risk in the region as of April 3. Adapted from “Riesgo País de Perú es el Más Bajo de América Latina”, by Banco Central de Reserva del Perú, 2019 (<https://www.bcrp.gob.pe/docs/Transparencia/Notas-Informativas/2019/nota-informativa-2019-04-08.pdf>).

According to Gestion.pe (2020b), in the analysis of July 1st, 2020, the calculation of the EMBI + Peru concerning the country risk of Peru reached 1.45 percentage points, adjusted after closing, decreasing in four points compared to the previous session. On this date it was determined that Peru had the lowest country risk of the reaction, reaching 1.49 percentage points, followed by Colombia with 2.90 percentage points and Mexico with 3.08 percentage points.

The low country risk of Peru is an opportunity for the country to be more attractive for foreign investment and will generate more incentives to the Peruvian economy to get loans with cheaper rates. An example of this could be the bonuses of Reactiva Peru that had helped many companies to receive a loan from the Government to maintain their efforts in doing business. MASEDI had already presented documents to receive this financial injection.

1.3.3. Social

The social part involves a series of values, attitudes, beliefs and lifestyles that occur in different social, cultural, demographic, ethnic and religious contexts that develop around the organization (D'Alessio, 2015).

Population growth. The latest projections offered by the National Institute of Statistics and Informatics (INEI), in the document "Peru: Estimates and Projections of the National Population, 1950-2070", specified that Peruvians will be 33,035,304 million in 2021. The rate of annual growth is 1.01% according to Ipsos (Agencia EFE, 2019)

Housing deficit. According to the Ministry of Housing, Construction and Sanitation (MVCS) in Peru more than 140 thousand families are constituted annually (La República, 2020), which causes the housing deficit in the country to be around more than one and a half million families that don't have their own house and basic conditions to live. For this reason, the Government's goal is to promote the construction of 212,000 homes between the years 2019 and 2021 (La República, 2020).

Skilled labour. The Institute of Economic and Social Studies of the National Society of Industries indicated that youth unemployment and the problems that companies to find qualified labour are a consequence of the Peruvian education system does not provide skills and competencies required to perform in the labour market. To perform a job in competitive companies, it is necessary that the worker has developed the necessary skills to carry out the tasks of the job. This through systematic learning and the practical application of relevant knowledge, skills, attitudes and values (Sociedad Nacional de Industrias, 2015)

Civil construction mafias. The topic of the mafias in the construction sector is something recurrent and with greater scope in the last decade by some scandals that have been pronounced like the one of the Brazilian companies. Unfortunately, the civil construction mafias control public works in Peru and generate an increase in corruption in all aspects. The collection of fees, as well as the extortion of businessmen and workers is commonplace, especially in the public sector where there is a black market where payments are made "under the table" or outside of the legal operation, either to obtain works or to have them delivered, and which also promotes the appearance of the famous "ghost companies", where there are fake workers on the payroll.

1.3.4. Technological

Some of the technological factors are characteristic and influenced by technological advances as trends in construction, which through constant scientific innovation, speed of change and dissemination of knowledge, allow a better adaptation to modernity and evolution of sectors. For the purposes of this consultancy, the topics of access and speed for the transfer of technology and knowledge, the use of information technologies, and technological advances in materials and research and development will be mainly addressed (D'Alessio, 2015).

Access and speed of technology transfer. Access and speed in technology transfer refers to the ease with which the experience and knowledge of the company's older people can be passed on to the newer members. The mistrust factor is something that predominates in most sectors due to the Peruvian culture and that in particular (V. Sokolic, personal communication, 25th of June of 2020), in the construction sector is observed at the time of using some Enterprise Resource Planning (ERP) systems, as well as the bias of not knowing how to efficiently implement the products offered in the market.

Due to the current world situation and the technological advances that we have seen in the last decade, companies are more promiscuous to use social media, because it has become a way to have your letter of introduction and have more reach to people. Somehow or other, social networks like YouTube, Facebook and Twitter, or web platforms or blogs, have allowed companies in the construction sector to reach more customers, and be their entry portfolio for the newest ones (Interserve, 2020). While it is true that web-based relationships do not generate the same impact as face-to-face ones, this potential tool helps to generate a contact channel with companies, which can lead to more direct relationships with key clients and share valuable information.

Finally, the growth of the sector encourages companies to continue innovating in some processes and generate more competitive products according to the new needs of the market. The current pandemic has generated that many institutions can redesign their positions and ways of doing business (V. Sokolic, personal communication, 25th of June of 2020), therefore, there are many systems that are also innovating to be at the forefront. The planning of enterprise resources or better known as ERP systems, help establish and efficiently manage certain procedures in an integrated manner, facilitating the use and access to information in real time avoiding repetitive tasks and increasing productivity (Chung, Skibniewski, & Kwak, 2009). Therefore, ERP systems, as well as others used in the sector such as AutoCad, allow you to properly manage your resources and reduce possible errors.

Use of information technologies. The information technology has been having a tremendous boom due to the technological advances that the sector has been having at local level as the incorporation of the Building Information Modelling (BIM), that allows to visualize in a more detailed way and to be more accurate in the calculations at the moment of drawing in three dimensional. This system manages all the necessary information to be able to carry out simulations

of the Project before being carried out to be able to see in greater detail the characteristics of the structures, pipes and sections of the construction. In addition, the program is updated immediately when any change of data is made and it is transferred to all the phases of the programming, which facilitates the work and avoids unnecessary copies or errors when modifying phase by phase.

Investment in R&D and advances in materials science. New advances in science are focusing on the creation of new spaces and intelligent architectural designs, which are interconnected with technology through nanochips and allow to regulate energy consumption, reduce environmental impact and maintain the greatest amount of natural resources. Part of this advance includes new trends in construction processes and changes in materials for new climates or specific customer needs, which help them generate a positive social impact and reduce their costs. An example of this is the new solutions in polymers with greater resistance to extreme climates.

In this area, Peru only allocates 0.08% of GDP to R&D. A rather low number if we compare it with other Latin American countries such as Colombia (0.25%), Chile (0.38%) and Brazil (1.24%). Figure 6 shows a comparison of Peru with other countries in the world (Almeida, June e27, 2019).

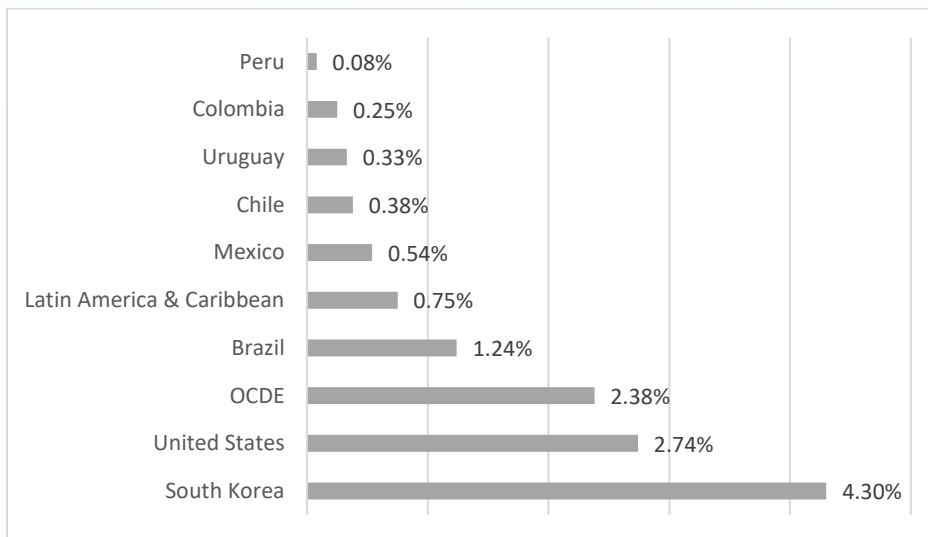


Figure 6. Research and Development (R&D) in certain regions.

Adapted from “Investigación y Desarrollo (I+D) en el Perú: ¿invertimos lo suficiente?”, by RPP, 2019 (<https://rpp.pe/columnistas/alexandrealmeida/investigacion-y-desarrollo-id-en-el-peru-invertimos-lo-suficiente-noticia-1204891>).

When any country wants to improve its competitiveness in the market, they should invest in R&D (Almeida, June e27, 2019), because the low investment in this area limits innovation and harms directly to the country’s economy.

1.3.5. Environmental

The importance that ecological awareness and environmental conservation has acquired in the last decade, both as a major concern for humanity and as a responsibility to future generations, is undeniable. In that sense, they affect the organization's decisions in operational, legal aspects of image, and even commercial ones (D’Alessio, 2015).

LEED certification. Even though legislation in this point is quite recent, companies such as MASEDI should take into account the implementation of appropriate environmental management. It should be part of their policies in order to reduce the negative impact on the environment. It is recommended that commitments be made to avoid exceeding the maximum permissible limits that are part of the components to protect the environment. Although growth is important in addition to the need for multi-family buildings, offices, public works (bridges, roads, airports), can lead to the loss of natural environments, water pollution, and loss and/or alteration of ecosystems. MASEDI must take measures that do not affect the environment in the areas where these types of projects are carried out.

The Leadership in Energy and Environmental Design “LEED”, is the most widely used sustainable building certification system in the world(Peru Green Building Council, 2020).

LEED certification provides independent verification of the sustainable characteristics of a building or urban development, which allows their design, construction, operation and maintenance to be more efficient in the use of resources, high performance, healthier and profitable.

1.3.6. Opportunities & Threats

The opportunities and threats shown below have been evaluated and summarized in Table 6, based on the PESTE analysis and the 5 porter forces. In it, each one of the opportunities and threats will be given a weight in order to evaluate how much they directly affect the company MASEDI. In order to choose the weight of each of the factors, it has been taken the opinion of the company's management to know the importance of each evaluation of the factor. In addition, the ratings indicate the degree of effectiveness with which the company's strategies respond to each factor. A value of 1 to 4 is assigned to each of the opportunities and threats presented, with 4 being the factor best developed by MASEDI and 1 the one requiring the most observation. The result of 2.57 means that it is barely above the average of companies, which is 2.50. This determines that the company has a good response to market complications, but it lacks the ability to take better advantage of some of the opportunities that arise in the market and to act on them in a timely manner.

Table 6

External Factors Evaluation Matrix (EFEM)

<i>Critical Success Factors</i>	<i>Weight</i>	<i>Value</i>	<i>Score</i>
Opportunities			
1. <i>Market Development Through Expansion to Neighbouring Countries</i>	0.10	1	0.10
2. <i>Technological innovation in the industry</i>	0.08	2	0.16
3. <i>Implementation of mortgage loans and bond policies by the government</i>	0.12	4	0.48
4. <i>Obtaining contracts in the public sector</i>	0.12	3	0.36
5. <i>Diversifying in new types of construction</i>	0.10	3	0.30
6. <i>Major competitor's reputation problems</i>	0.08	2	0.16
Subtotal	0.60		1.56
Threats			
1. <i>Unfair competition due to corruption</i>	0.07	3	0.21
2. <i>Economic slowdown due to COVID-19</i>	0.10	3	0.30
3. <i>Exchange rate volatility</i>	0.04	1	0.16
4. <i>New regulations on construction due to COVID-19</i>	0.08	3	0.24
5. <i>Political uncertainty</i>	0.06	2	0.12
6. <i>Strong labour union are increasing costs (FTCCP y CGTP)</i>	0.05	2	0.10
Subtotal	0.40		1.01
Total	1.0		2.57

External Factors Evaluation Matrix (EFEM). After the PESTE analysis it can be observed that there are a series of factors in which Peru is an attractive country to invest because of its low country risk (Banco Central de Reserva del Perú, 2019a), being the lowest in the region (Gestion, 2020b), but there are also factors that can complicate a little the companies in general when talking about the current panorama where the inflation is fluctuating very close to the lower limit where it practically denotes that people can buy less inputs with the same money as

before. On the other hand, stable GDP growth can help to maintain the balance. However, the rise in foreign currency is also something that fortifies foreign companies that use the U.S. dollar as their main currency as the exchange rate in the last decade has remained high, but can be detrimental to local companies that earn in local currency (Banco Central de la Reserva del Peru, 2019b). There are some opportunities in the Peruvian market to start investing in technology and explore new ways of doing business despite the low investment of the State in R&D. The new constructive advances that are coming to Peru are an opportunity to start growing in the construction sector and can generate a better ecosystem that can be more efficient for both the producer and the final client. Finally, some of the corruption that has been present in the construction sector may be beneficial for the MASEDI company to start making itself known since its stronger peers have started with the corruption scandals. However, the unstable politics that plague the country may be something to take into account for its operations.

1.4. Internal Analysis (AMOFHIT) – Strengths and Weaknesses

In order to understand the general context of MASEDI, it is important to do an internal analysis of the company and factors. For this, the framework used is the AMOFHIT methodology that considers six functional areas: administration and management (A), marketing (M), operations (O), finance (F), human resources (H), and information technology (I). This analysis provides the strengths and weaknesses of the organization and identifies possible opportunities and problems.

1.4.1. Administration

The administration department is in conjunction with the finance department, they control practically all the documentation, permits, and insurance needed to enter the site. These professionals are mainly dedicated to generate the payments to accounts, invoices, or referral guides needed to move all the machinery to work. They have professionals who are also in charge of filling out the Concard, which is an accounting program where you can keep your accounts in a more orderly manner by providing you with information from the same guides and knowing how much inventory is in each job site, as well as gathering the accounting information. On the other hand, this department is in constant coordination with Operations, who will inform you of the progress of the work, and if there are additional requirements to manage the order to suppliers or additional permits that may be needed. Part of the administrative work is also to coordinate with the other companies the dispatch and reception of the products requested, whether they are minor office items or work materials together with the project managers in charge.

The CEO of the company together with the COO, are the people who are mainly responsible for giving the approval to the budgets for each work. In addition, part of what they do to assure the client that everything will be done in an optimal and conscientious way, is that they also supervise the administration in all its processes to guarantee a product of the highest possible quality. Currently they have some software that helps them to make the drawings on site more efficiently, knowing in advance the material required to develop it, which gives them a more detailed idea of what is necessary for the uniqueness of the project.

1.4.2. Marketing

There is not an own marketing department in the company, however they have an external person in charge of the web page development and the Facebook page management. Through all the years, they have relied on their excellent reputation in the public sector and have done a

lot of word-of-mouth promotion. Due to the customization for each project, customers need response and high-quality service, they have approached a good customer retention rate. What makes MASEDI unique compared to their competitors, it's the continuous presence of the CEO Vladimir in every project from the customer acquisition until the project finalization.

They haven't approached or developed marketing campaigns to acquire new customers, especially in the private sector, which is one of the reasons for the low brand recognition. Regarding to social media, they have a Facebook page up to date with frequent pictures of their projects done as well as special holidays posts; a YouTube channel with short videos of their most important projects. However, they need to build a better social media presence, and continue the word-of-mouth promotion which strengthens the relationship to previous customers and demonstrates the high-quality standards it proves that the company stands by their high-quality standards.

1.4.3. Operations

Operations is one of the most critical departments within MASEDI due to the characteristics of the business. The Head of the Operation's department is in charge of supervising the work in each step of the projects, giving the client an overall analysis of the possible threats of different working styles. The general manager is an essential actor in the company's operations, since he ensures that he is involved in every project his company carries out. His presence on site during each stage of development allows him to offer the facility of making decisions on the spot, ensuring that certain conditions are met that remain with his clients. The average number of works carried out per year is twelve, due to the fact that the owner of the company, Mr. Vladimir Sokolic, makes sure that each of the people in charge of the projects have spent at least two years of intensive preparation under the MASEDI methodology, in order to carry out the processes in a

totally orderly manner and maintaining the adequate quality margin to carry out everything in due time.

Most of the operations are carried out in the field, that is, within each work, where each of the engineers or architects in charge can make decisions and recommendations to finish the project in a faster and more efficient way. For the services they perform, such as demolition, paving, architectural design and development of multi-family buildings or shopping centers, they count on main suppliers of cement, iron and additives, but they also usually look for suppliers of scaffolding and formworks when needed. MASEDI has its own machinery to perform these works, which allows them to be more efficient in their costs.

1.4.4. Finance

As mentioned earlier, the Financial Department is joined together with Administration, and so are in constant coordination about the deadlines of the projects, budget, accountability and finances itself. The investments about purchasing machinery or any material must be solicited by Operations, be checked by Finances, and lastly send to Administration in order to be purchased with the approval of Mr. Vladimir Sokolic. Pedro Arbulu is the CFO that is in charge of the finances and with the CEO they decide on what to invest and where to allocate each of the machinery to create more rentability for the project. Something positive from the company, is that they have a strong financial backup, having almost every machine needed for any type of construction already owned. That means that they don't need to negotiate or rent any machine unless they are getting to mega structures that might need other type of solutions, then they rent, but its only 10% of the projects, so they can have a more accurate idea about their costs and make it easier to start doing the business on time.

The construction industry demands to have an endorsement or guarantee letter to support the purchase of goods for some projects that is a type of contract issued by the bank assuring to the suppliers that they will be paid, so this is an important factor that they always need to increase by elevate the equity and assets from the company. The CEO is the one that negotiates the rates with the banks, so he is the one in charge of some financial tasks also. By now, they have the capital to back-up twelve projects a year with more or less the capital of approximately S/ 68'750,153.44 nuevos soles.

For 2020, MASEDI is expected to decrease their earnings before interest, taxes, depreciation and amortization known as EBITDA, in 22% with respect to 2019, because of the contraction in the construction industry by 12,5% (El Comercio, 2020). The annual forecast for the next years will be composed by an annual growth rate of 20% in revenues until 2022; and an annual growth rate of 30% until 2025 considering the new opportunities in the industry.

According to the financial statements provided by MASEDI, the EBITDA at the end of 2019 was 254% higher than in 2018, as shown in Table 7. The growth will be supported with some actual and upcoming projects of great magnitude like Torre Tagle 161 and Mall Chosica respectively, but also taking in consideration the optimization of resources.

Table 7

EBITDA Forecast for 2020 to 2025

	2018	2019	2020	2021	2022	2023	2024	2025
EBITDA Forecast (in PEN mil)	0.62	1.56	1.37	1.64	1.97	2.56	3.32	4.32
Var. % Respect Previous Year		254%	88%	120%	120%	130%	130%	130%

1.4.5. Human Resources

MASEDI has an employee structure of 20 engineers up to date. This number of employees got reduced due to the COVID-19 crisis, which before was a total of 42 employees. Vladimir demands a high educational level and required competences for the potential employees. For that reason, MASEDI offers a 2-year traineeship, for the new employees to go through all departments of the company and have a broad overview of the process, as well as work on a 3D image of the project, in order to analyze the cost for all the materials and calculate the budget. Through this learning process, the CEO is able to recognize those trainees with high qualifications to stay working with them and the ones who don't qualify at first, at given another chance of improvement for a half year more.

Not all employees are in the same educational level, and this traineeship makes everybody can work together and align to the corporate culture. MASEDI doesn't focus only in education but also building the character of the employee, as this type of work needs employees with flexibility and willing to overcome a new challenge every day. The strictness of the quality standards and expectations setting are one of MASEDI's competitive advantages, that's why if any employee does not meet those criteria, they are removed from the company.

1.4.6. Information and technology

MASEDI is a company that is always looking to innovate in new ways of doing business while being productive, therefore they try to be at the forefront of new technologies, and one of them unavoidable is ERP software such as Concard. This software allows the company to manage in an easy and efficient way the accounting issues in principle, but at the same time to facilitate the development of administrative documents. The interesting thing about this program

is that, according to Mr. Vladimir Sokolic, the company, together with the company that implements the software, has adapted the program so that it can also benefit the operation department in the sense that they can know how much material and machinery they have in each of the works.

In addition, they have other drawing programs such as AutoCad that are essential to make a proper 3D drawing. This allows them to also develop the 3D plans with certain requirements that the System also throws so that it can reduce drawing and design errors. They also have other technological tools that their engineers and architects recommend in order to constantly improve in this field.

1.4.7. Strengths and weaknesses

Table 8 gives an overview over the strengths and weaknesses of MASEDI. MASEDI is a company that has a well-defined organizational culture, they have a fully trained and motivated staff to provide the best advisory service in the different stages of the construction process. In turn, the presence of CEO Vladimir Sokolic has great relevance when it comes to supervising and approving certain processes, and to make some changes that may occur during the execution of a work by the client's hand. The latter is seen as a competitive advantage from the point of view that they have a controlled amount of works in which he can be present and make decisions at the moment for the client, providing the security and effectiveness promised. On the other hand, the construction capacity that MASEDI currently has is quite high compared to others, with 68 million soles of construction capacity and with a view to continuing to grow up to 400 million soles for this year (V.Sokolic, personal communication, July 24th of 2020), shows that it has a strong financial back. The leadership and culture promoted by MASEDI through its CEO, generates a work of synergy between all areas of the company that meets the highest standards of

quality, and therefore, maintains a good working environment with a balance between personal and work life of its workers. Finally, the ability to strengthen the quality in their works and early delivery times, are the result of continuous training they provide to their employees. According to Vladimir Sokolic, engineers and interns who enter the company receive one or two years of hard training in order to provide A1 service to clients, with a specific appreciation of the real needs on site and that they may be able to recommend certain details that may make a positive difference.

On the other hand, we found that some of MASEDI's weaknesses are mainly in the focus of Marketing, perhaps not having a department or people dedicated to these strategies. For the time being, they have a company hired to provide them with marketing services towards digital platforms such as Facebook, YouTube, and the web. As it is a topic that they are attacking recently with less than a year of validity of their networks, they still have a low brand awareness which does not allow them to be so well known in the market, especially in the private sector where they started in 2014. However, they are willing to start receiving action proposals that may be linked to a better brand awareness that will make them better known to the common people and may start to sound in the media. Currently they do not have Corporate Social Responsibility, which may also be a cause of the weakness of the brand in the eyes of society, since nowadays they are looking for companies to start being sustainable, but also to take care of the environment or to carry out social activities. Its high dependence on the CEO may mean that sometimes there is a lack of assignment of roles, which begins to highlight more a person in singular, in this case Vladimir Sokolic and not the brand as MASEDI. That is why the brand has a low recognition, because they know their partners more than the brand itself.

The strengths and weaknesses shown below have been evaluated and summarized in Table 8, based on the AMOFHIT analysis. In them, a weight will be given to each one of the strengths and weaknesses in order to evaluate how much the average put forward directly affects the company MASEDI. In order to choose the weight to each one of the factors, the importance of each one of these factors for the company's management has been evaluated. In addition, the ratings indicate the degree of effectiveness with which the company's strategies respond to each factor. A value of 1 to 4 is assigned to each of the strengths and weaknesses presented, with 4 being the factor best developed by MASEDI and 1 means requiring the greatest observation. MASEDI's greatest strength is its strong financial capacity, which allows it to enter into more projects simultaneously, followed by its vast experience and market knowledge in the company's 21 years of experience. On the other hand, their weakness is the low Marketing activities & Brand Awareness that the company has in the private sector, which implies that they have to generate more effort towards that area. The result of the company's strengths is 2.04 against weaknesses that add up to 0.70, which means that MASEDI is a financially and operationally consolidated company. The final result of 2.74 indicates that the company's internal strategic position is above average of 2.50.

Table 8

Internal Factors Evaluation Matrix (IFEM)

<i>Critical Success Factors</i>	<i>Weight</i>	<i>Value</i>	<i>Score</i>
<i>Strengths</i>			
1. <i>Strong financial capacity</i>	0.10	4	0.40
2. <i>Holistic working process</i>	0.07	3	0.21
3. <i>Experience and knowledge</i>	0.12	3	0.36
4. <i>Personal assessment (CEO's presence)</i>	0.07	4	0.28
5. <i>Good reputation in the public sector</i>	0.08	3	0.24

6. <i>Quality (process & delivery)</i>	0.09	3	0.27
7. <i>Below-average delivery time</i>	0.07	4	0.28
<i>Subtotal</i>	0.60		2.04
<i>Weaknesses</i>			
1. <i>Lack of Corporate Social Responsibility</i>	0.07	2	0.14
2. <i>Dependence on the CEO</i>	0.10	2	0.20
3. <i>Lack of Marketing & Sales approach</i>	0.10	1	0.10
4. <i>Weak Marketing & Brand Awareness</i>	0.13	2	0.26
<i>Subtotal</i>	0.40		0.70
<i>Total</i>	1.0		2.74

1.5. Conclusion

The construction sector is one of the most dynamic and considered a driving force of Peru's economy, because it involves other industries that provide it with resources such as cement or steel. The performance of the construction sector depends on the dynamism of both public and private investment but, due to Covid-19 crisis, the expected growth has been affected after the shutdown of operations in Peru. However, some recent legislation by the government aimed to boost the economic slowdown and increment the demand of construction projects.

MASEDI is a medium size company that has gained a good reputation due to the high personalized service offered and the great qualified employees. Especially in the public sector, they have built a loyal client portfolio through excellent word of mouth marketing. However, this strategy is not enough and there is a lack of brand recognition due to the reduced marketing investment on activities they have done. The construction industry has a very competitive market that represents an important threat to MASEDI, especially in the private sector in which they are not well-known yet. However, MASEDI's competitive advantage relies on the involvement of the CEO in every phase of the projects. Also, some of their direct competitors are related to corruption scandals which represents a great opportunity for the company to penetrate the market and develop its brand positioning.

After the detailed external and internal analysis of the company that was already revised with support of the CEO, the next chapters will focus on the specific problem found regarding MASEDI's brand recognition in the industry and the adequate qualitative and quantitative analysis that will lead to the company to revise their marketing strategies and the development of operations according to our proposed solution. So that MASEDI stays competitive they have to revise their marketing strategy and organization of their operations. The general manager needs to invest in a marketing department, so that the company can receive more brand awareness and gain new customers. This also supports the customer acquisition process. Furthermore, MASEDI has the resources to take more projects, but the general manager needs give the engineers more responsibility, so that they can increase their capacity.

Chapter II: Key Problem

2.1. Identified Problem

The General Manager, Vladimir Sokolic, wants to strengthen the position of MASEDI in the private market of the construction industry. Currently, MASEDI lacks brand awareness and faces trouble with acquiring new customers especially in this sector of its business. As customer relationship management is the key factor for increasing the customer base in the Peruvian private sector and in order to strengthen its position in this specific market, MASEDI requires an improvement in marketing in order to be able to secure additional projects in the sector.

2.2. Substance of the Problem

MASEDI claims that it lacks market share in the private construction sector and aims to increase it. It currently belongs to the top 50 construction providers in Peru's private sector with 1% market share (Sokolic, 2020). The public sector is manipulated by corruption scandals that portray the public sector in a rather unflattering light. As MASEDI values fair competition and doesn't want to be an active part of illegal business, the organization aims to reposition its brand and move its business from the public to the private sector. In this sector whatsoever, MASEDI currently lacks the ability to acquire new customers and projects as construction companies in the private sectors are mainly acquired through mouth-to-mouth propaganda and recommendations by trusted persons. In the Peruvian construction industry, it therefore accounts for the more known the construction firm and the better its brand awareness, the more projects the construction organization will receive. It currently completes around six projects per year in the private sector which amounts to 1% market share. In order to increase its brand awareness within the private sector and the number of projects per year, MASEDI needs to strengthen its brand itself as well as gain trust from existing and potential customers to acquire more projects, increase its

market share and ultimately position itself in the private sector as one of the leading construction providers.

2.3. Location of the Problem

Increasing brand awareness to gain market share is mainly accomplished through a re-structured and improved marketing. Nevertheless, other departments and functions such as sales, the general manager accompanied by his deputy and project managers as well as partners and customers are able to contribute to solving the above mentioned problem statement. In order to increase brand awareness, it is therefore important to recognize the problem as an organization-wide one.

2.4. Ownership of the Problem

MASEDI is a small company with currently around 25 employees. Therefore, the decision magnitude mainly lays within the role of the general manager, Vladimir Sokolic, and the deputy to the general manager, Pedro Arbulu. This is supported by the fact that the organization does not have an own marketing department which would have been part of the problem's ownership.

2.5. Magnitude of the Problem

The general manager and his deputy aim to increase of the number of projects in the private sector to 12 per year which would utilize the capabilities with 100% and target to double MASEDI's a market share in the private sector to 2%. This will account for doubling the volume of sales of currently PEN 563,449 to PEN 1,126,898 in 2025. Increasing brand awareness and evolving customer trust are ancestors for increasing MASEDI's market share in the construction industry. Positioning the brand within the market as well as creating a significant market share are crucial predecessors for a potential expansion to neighboring countries. Therefore, and in

comparison, with other problem MASEDI currently faces, increasing brand awareness should be one of the prioritized issues. It focuses on the already existing as well as potential customers and clients and lays the ground for various medium- and long-term objectives such as the expansion to Colombia and Chile.

2.6. Time Perspective of the Problem

In the current time and despite of the present COVID-19 crisis, MASEDI is positioned financially well wherefore, the target to increase market share in the private sector by building brand awareness and customer trust is not urgent. Nevertheless, one long-term objective of the construction organization is the expansion to neighboring countries such as Colombia and Chile. One major antecedent of a successful expansion is the stable and reputable position in the home country. Therefore, increasing brand awareness and customer trust in the private sector is important in order to reach the long-term objectives. With the current COVID-19 crisis, it is set a timeline for increasing market share in the private sector within the next 3 to 5 years.

Chapter III: Literature Review

3.1. Literature Mapping

In order to get a deeper insight of the company's problem and to maybe even find an approach for solving it, it is necessary to take a look at past literature. To holistically cover the main issue of MASEDI (low brand awareness), a literature map was created (see Figure 7). The literature map helps to cover all the relevant sup-topics, related root-problems, and possible methodologies that are related to the main problem. Low brand awareness in the construction industry was analyzed in the past by scholars such as Naranjo et al., 2011, and Polat and Donmez, 2010.

The required organizational change when companies are growing is another issue that needs to be addressed in order to solve the problem. Stages of company growth and potential crises was mentioned in past literature by for instance Greiner, 1998.

Customer relationship management and the need for its adaptation in the Peruvian environment is important in order to effectively handle business relationships in the construction industry. A lot of scholars elaborated on this topic such as Voss et al., 2019, Gournaris & Tzempe-likos, 2014, and Jukić, Stantić, and Jozipović-Sudar, 2018.

Potential channels to increase brand awareness ultimately were identified and analyzed by Azhar and Abeln, 2014 or Perera, Victoria and Brand, 2015.

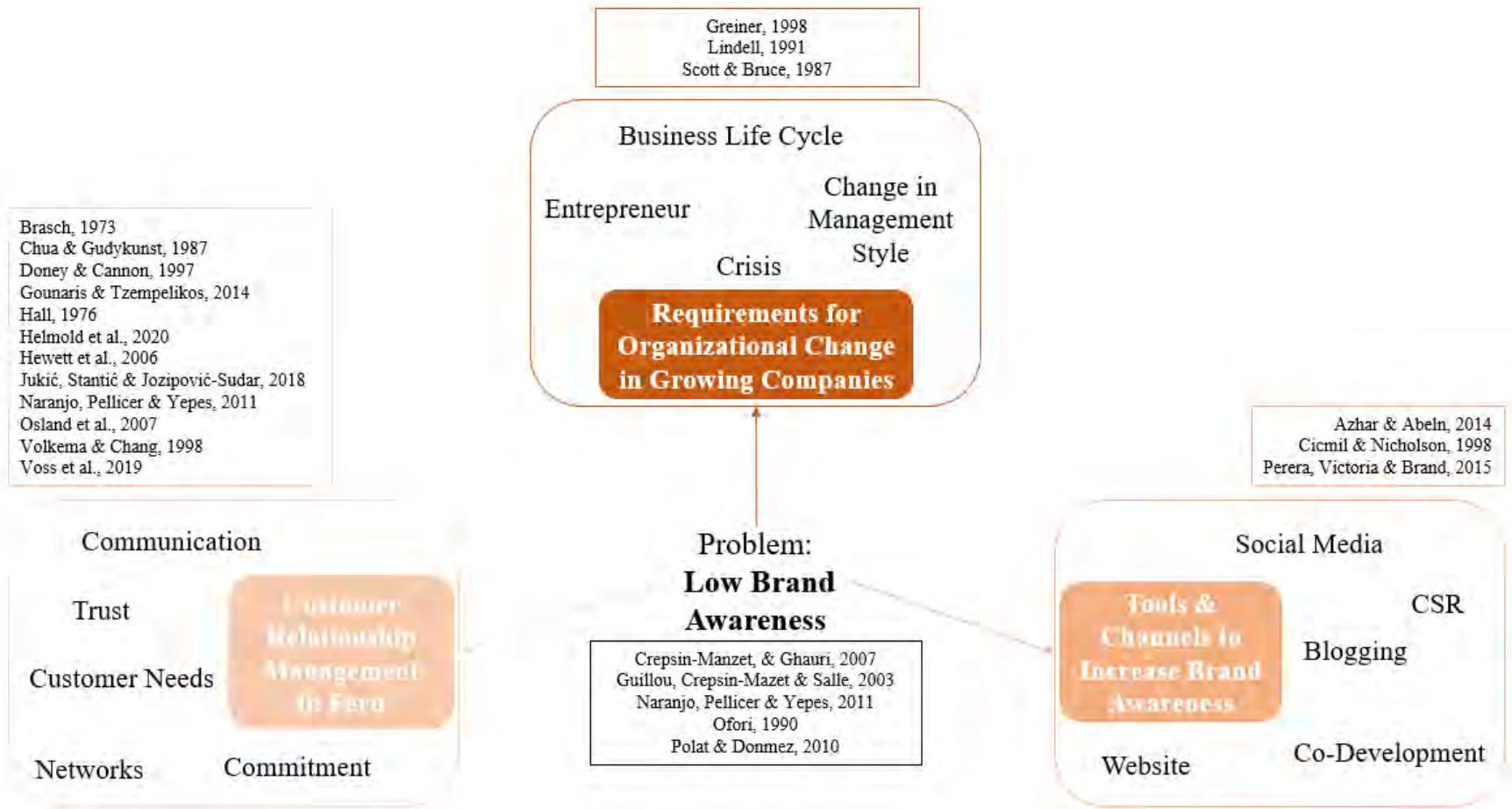


Figure 7. Literature Mapping for analyzing MASEDI's low brand awareness.

3.2. Literature Review

The literature mapping above demonstrates the problem (See 2.1 Identified Problem: low brand awareness in the private sector) and a corresponding marketing strategy involving the key elements i.e. Customer relationship management in Peru, Requirements for organizational change in growing companies, and tools and channels to increase brand awareness.

It is important to analyze how past literature identified the specific requirements for customer relationship management in the Peruvian business context, as characteristics such as high in-group collectivism and high-power distance shape the potential success of the relationship with a customer.

The requirements for organizational change when a business aims to grow are often neglected by entrepreneurs. In order to successfully manage growth and at the same overcome the challenges and crises that small businesses are likely to encounter when expanding to new customer or product markets.

Lastly, in order to effectively encounter the problem of low brand awareness, it is crucial to analyze potential marketing strategies and channels. Supplementary ways of marketing the brand and service/product need to be identified as MASEDI apparently currently lacks in its ability to reach out to new customers.

Each topic is addressed with specific issues, characteristics, and components that will be further discussed by analyzing peer reviewed studies, journals and academic resources to fully expose an in-depth literature map in the following chapter.

3.2.1. Branding in the construction industry

According to construction industry economics i.e. seeking to overcome or at least alleviate the effects of the difficulties that the industry in most countries face, one of these difficulties

may very well be brand awareness. The construction industry is unique in the fact that it's classified as both a service and product industry or a hybrid of both due to its nature; While some economists classify it as a service industry because it resembles what other sectors of the economy produce, others assert that construction is a production because it results in identifiable, tangible physical products (Ofori, 1990). The former claims the product cannot be resold, transported or stored and involves managerial skills that convert into a building; Therefore, it's considered a service. In addition, the construction industry is often defined in terms of the activities and products that are included in it, as presented in Figure 8.

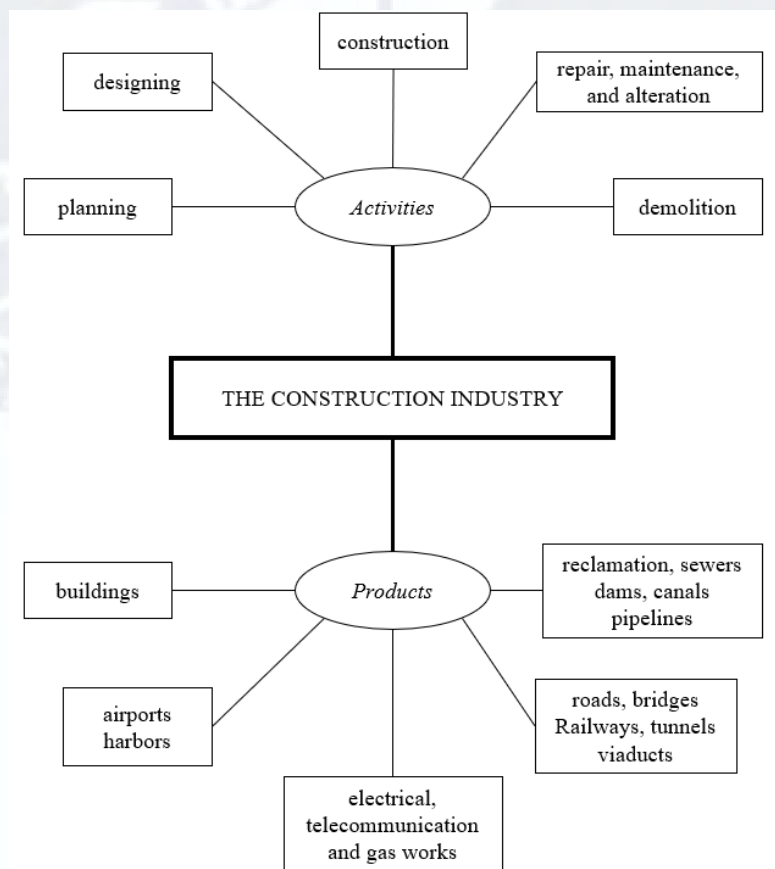


Figure 8. The construction industry.

Retrieved from "The Construction Industry: Aspects of Its Economics and Management", by Ofori, 1990 (<https://books.google.de/books?hl=de&lr=&id=glkZox6TStwC&oi=fnd&pg=PP10&dq=The+Construction+Industry:+Aspects+of+Its+Economics+and+Manage->

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struction%20Industry%3A%20Aspects%20of%20Its%20Economics%20and%20Manage-
ment.The%20Construction%20Industry%3A%20Aspects%20of%20Its%20Econom-
ics%20and%20Management.&f=false\).](#)

Marketing is focused on the customer and his or her satisfaction. With the customer being the most important stakeholder, marketing is therefore a crucial tool to improve overall business performance as well as developing a competitive advantage. Past research nevertheless depicts on the lack of research in marketing for the construction industry. Difficulties in finding a common sense of marketing are for instance that construction companies sell a hybrid consisting of product as well as service, differences between the private and public sector, as well as the intensity on scientific and technological knowledge instead of managerial education (Naranjo et al., 2011). With those difficulties, past research tried to adapt the marketing mix for the industrial sector to the construction industry. Others applied service sector strategies such as the relational marketing, business-to-business, customization or differentiation. Naranjo et al. (2011) suggested that construction organizations can jointly take advantage of several marketing strategies such as marketing mix, market/product focus, relationship and social marketing, customization pricing strategy, marketing in alliance with others, etc. The company however needs to deeply analyze its customers in order to define which marketing strategy or which mix should be applied.

Nevertheless, also specific strategies for the construction industry have been proposed such as public private partnership, design and construction, pricing strategy, and social marketing. One still major existing gap in the research is the differences between contracting methods and expectations by public and private clients being recognized by only 10% of past research (Crespin-Mazet & Ghauri, 2007).

Polat and Donmez (2010) furthermore add that construction companies allocate only limited resources for marketing activities. With this limitation they suggest that construction organizations should focus and invest in marketing activities such as providing clients with more competitive prices, offering extended/customized services, developing human resources to provide better services, and conducting out-bound focused campaigns, as well as cultivating goodwill and alliances. It is suggested that there is a need in the construction industry to evolve from fragmentation and adversarial relationships between the various parties of the supply chain to integration and cooperative approaches (Crespin-Mazet & Ghauri, 2007). Guillou et al. (2003, p. 65) explain why adversarial relationships are common on the construction industry: “Each project being specific, contractors focus on winning the bid even if this means adopting win–lose relationships with other actors”.

3.2.2. Requirements of organizational change for growing companies

In order to effectively realize the demanded growth of MASEDI, it is important that the general manager realizes the importance of organizational change as well. According to Scott and Bruce (1987), a small business undergoes five growth stages as it develops whereby every change required for the transition to the next step may cause some crises that may be external or internal. In order to ensure the survival of a small company depends on the anticipation of those crises as well as the successful management of the change. The five stages are: (a) Inception, (b) Survival, (c) Growth, (d) Expansion, and (e) Maturity (Scott & Bruce, 1987). Table 9 shows some of the most important criteria for each stage and for instance portrays the evolvement of a direct supervision by the top management to a decentralized organization as well as the importance of certain investments during each stage of lifecycle. They furthermore mention that

supplementary to managing the specific crises of each lifecycle stage, managing the “new company” (Scott & Bruce, 1987, p. 45) is the second concern of the entrepreneur. It indicates that additionally to certain firm characteristics such as organization structure and cash generation, also the role of the top management as well as its management styles need to be adapted with each transition.

Table 9

A Model for Small Business Growth

	Stage 1 Inception	Stage 2 Survival	Stage 3 Growth	Stage 4 Expansion	Stage 5 Maturity
<i>Stage of Industry</i>	emerging, fragmented	emerging, fragmented	growth, some larger competitors, new entities	growth, shakeout	growth/shakeout or mature/declining
<i>Top Management Role</i>	direct supervision	supervised supervision	delegation, coordination	decentralization	decentralization
<i>Management Style</i>	entrepreneurial, individualistic	entrepreneurial, administrative	entrepreneurial, co-ordinate	professional, administrative	watchdog
<i>Organization Structure</i>	unstructured	Simple	functional, centralized	functional, decentralized	decentralized, functional/product
<i>Product and Market Research</i>	none	Little	growth, some new product development	new product innovation, market research	Production innovation
<i>Major Source of Finance</i>	owners, friends and relatives, suppliers leasing	owners, suppliers, banks	banks, new partners, retained earnings	retained earnings, new partners, secured long-term debt	retained earnings, long-term debt
<i>Cash Generation</i>	negative	negative/break-even	positive but re-invested	positive with small dividend	cash generator, higher dividend
<i>Major Investments</i>	plant and equipment	working capital	working capital, extended plant	new operating units	maintenance of plant and market position

Note. Adapted from “Five Stages of growth in small businesses” by M. Scott and R. Bruce, 1987, *Long Range Planning*, 20(3), p.48.

Table 10 shows the crises that businesses are most likely to undergo when in a certain stage. For Stage 1 (Inception) for instance it is important to emphasize on profits rather than on the establishment of itself and its product. In this stage it is crucial that small business owners realize the importance and requirements of their energy, time, and finances in order to overcome the first phase of crises and ultimately reach stage 2 (Survival). The overall crises many small companies experience while transitioning from stage 1 to stage 2 was identified by Scott and Bruce (1987) as “Leadership crisis”. With the transition from stage 3 (Growth) to stage 4 (Expansion) it is necessary to implement a more formal organization structure as it will be essential to spend more time on coordinating the efforts of the functional managers. If the business is able to adapt to the environmental changes, it is likely that the stage will continue to grow.

The different crises show that each stage requires a different and adopted management style by the top management. During the Inception stage (1), an entrepreneur needs to realize his supervisory and administrative tasks supplementary to the “typical” entrepreneurial responsibilities such as creativity and developing the idea to a product. If the business owner neglects those crucial tasks, backlogs, bottlenecks and confusion is likely to emerge.

In stage 2 (Survival) for instance, the increased complexity of expanded distribution channels calls for a management style that is adapted to the delegation and coordination from a distance as the spans of control are broadened by operating in new geographic locations. Especially when it comes to the crisis of the demanded expansion into new markets or products in stage 3 (Growth), Scott and Bruce (1987) emphasize on the struggle many business owners have in terms of adapting their management styles. The expansion into new markets or products requires a need for decentralization with which most entrepreneurs struggle to realize as they are not willing or not trusting enough to give up some power and authority wherefore the required

adaptation of the management style in stage 3 (Growth) by transitioning to stage 4 (Expansion) is regarded as a crossroad for most of the entrepreneurs. (Scott & Bruce, 1987) In general, Scott and Bruce (1987) also suggest that supplementary to the personal desires and the ambitions of the business owner, the nature of the industry might also be a factor why not all businesses that survive grow to be large enterprises.

Table 10

The Most Likely Crises

Stage 1 Inception	<ul style="list-style-type: none"> → Emphasis on profit rather than establishment of itself and its product → Administrative demands and need for some formalization of systems and record keeping → Increased activity and its demands on time calls for a change in management style
Stage 2 Survival	<ul style="list-style-type: none"> → Overtrading (= uncontrolled growth) → Increased complexity of expanded distribution channels through the drive for sales growth and thereby the expansion of the existing customer base → Change in the basis of competition through new competitors (thereby likely a greater emphasis on price at the expense of differentiation) → Pressure for information (e.g. cost control, formalized control systems, budgetary control system)
Stage 3 Growth	<ul style="list-style-type: none"> → Entry of larger competitors with economies of scale as major competitive weapon results in pressure on price → Demands of expansion into new markets or products that stretch both managerial and financial resources (Key issues: financing the growth and maintaining control of operations)
Stage 4 Expansion	<ul style="list-style-type: none"> → Distance of top management from the “action” and thrusting into the role of watchdog and planner that is often against his/their nature → Need for external focus in order to maintain a competitive advantage through a differentiated product
Stage 5 Maturity	<ul style="list-style-type: none"> → Key issues: expense control, productivity, finding growth opportunities, price competition, need for major investments, plant upgrading and maintenance

Note. Adapted from “Five Stages of growth in small businesses” by M. Scott and R. Bruce, 1987, *Long Range Planning*, 20(3), p.49-51.

Greiner (1998) also identified five stages of growth, however called them (a) creativity, (b) direction, (c) delegation, (d) coordination, and (e) collaboration. The main difference to the model indicated by Scott and Bruce (1987) is that Greiner (1998) regard each state as result of the previous phase and likewise as cause for the next phase. Scott and Bruce (1987) contrarily stated that entrepreneurial business do not necessarily need to find themselves in one phase but rather may exhibit characteristics of various stages at the same time. Supplementary, they suggest that small businesses may not necessarily need to follow the exact path that their model suggests and therefore may be described as a hybrid in certain situations. Similarly to the previous model nevertheless, Greiner (1998) also stresses the importance of evolving to a decentralized organizational structure in Phase 3 (Delegation) accompanied by giving the managers of plants and market territories greater responsibility as well as infrequent communication from the top.

Lindell (1991) also emphasizes that it is essential for top managers of small entrepreneurial firms to change their style of management during a business life cycle. Nevertheless, many of them struggle to evolve their innovative management style to a task-oriented behavior.

3.2.3. Customer relationship management in Peru

In a highly competitive industry such as the construction sector, potential customers commonly measure the value of a construction provider by comparing the experience or the brand of the potential construction providers (Jukić et al., 2018). Furthermore, the construction industry operates as a moderator of economic activity and therefore directly influences the demand growth industrial branches. Despite all those indicators for the need of an effective marketing strategy, the strategies for effectively marketing your company and brand are to their demise, only slightly used in the construction sector (Jukić et al., 2018). Marketing can thereby be de-

defined as a management function that “seeks to increase a target market, to build long-term relationships, to satisfy clients, to ensure the desired profitability, and to strengthen competitive advantage” (Naranjo et al., 2011, p. 245).

A key value of Latin Americans is the idea of *personalismo* which indicates that people in the Latin American culture do something for someone primarily because of an individual relationship with them (Osland et al., 2007). *Personalismo* furthermore suggests that once a relationship is created, one can expect that the other party is loyal and can be relied on in almost any circumstance. Between members of a Latin American in-group, favors are done generously for each other. Supplemented by the *particularism* sight of the Latin American culture, Latin Americans expect to be treated differently than others. This should be reflected in a personalized and customized attention which only happens when a successful relationship including trust and loyalty has been created (Brasch, 1973).

Communication. Communication is one crucial tool to effectively manage international relationships. In past literature, communication additionally to “Information Sharing, “Conflict Resolution”, “Cooperation”, and “Flexibility” are regarded as relational capabilities that promote the management of effective international business relationships (Gounaris & Tzempelikos, 2014).

Hall (1976) created a model that analyzes the different ways of communication in various cultures and not only focused on direct communication but also indirect. He divided cultures into low-context and high-context whereby in a low-context culture, messages are explicitly and directly addressed, and members of this specific culture say what they mean. Contrary in a high-context culture, messages are implicit and indirect whereby the other party needs to “read the air” in order to get the truly intended message. Explicit value should be provided for non-verbal

communication such as voice tone, gestures, facial expressions, or eye movements. Rather than solely relying on the directly communicated words, one needs to look for the meaning and the understanding of what is not said. Small details, such as the duration of silence might be vital indicators for the actually intended message.

Latin America, and especially Peru is considered as a high-context culture (Chua & Gudykunst, 1987) indicating that Peruvians prefer indirect communication which makes it crucial to “read the air” and pay close attention to the nonverbal communication hints. Past Literature also identified that Latin Americans are heavily relationship-oriented rather than task-oriented (Helmold et al., 2020). With those characteristics of the Peruvian business environment, it is essential to place value on indirect communication and messages as well as creating a relationship before getting down to business in order to successfully manage customer relationships in Peru. interpersonal relationship in the beginning; Otherwise, it is unlikely that a deal will take place. Therefore, formal business talks usually happen only at a developed stage of the relationship in which relational comfort has already been built. The social context and the familiarity play a major role when negotiating. This indicates that creating business relations takes more time in a Latin American environment than in for instance a North American or European context. Nevertheless, Latin Americans are also long-term oriented (Hewett et al., 2006) indicating that once the relationship is created, it is unlikely to be disrupted or destroyed easily. Rather, Latin American customers will be loyal to the selling organization and it is improbable that they will switch to a competitor.

Nevertheless, Latin Americans are also long-term oriented (Hewett et al., 2006) indicating that once the relationship is created, it is unlikely to be disrupted or destroyed easily. Rather, Latin American customers will be loyal to the selling organization and it is improbable that they

will switch to a competitor. Additionally, a Latin American manager might prefer a deal with someone he or she feels a better connection with rather than with someone who provides more economic benefits but with whom the Latin American manager was not able to create a good relationship

Trust. Supplementary to perceived satisfaction and commitment, trust is considered to be a major indicator and ancestor for the relationship quality perceived by the customer. Trust cannot be created immediately. It takes time to develop trust and is likely to increase with the frequency as well as the size of interactions (Voss et al., 2019). According to this characterization, trust is built effectively on two different levels of a trustee. On the one hand, trust directs to the perceived capability of the trustee by the trustor thereby addressing the customers' belief or expectation of the suppliers' trustworthiness. This suggests that a customer trusts or trusts not depending on the level of the suppliers' expertise, reliability, as well as intentionality; This also called the "objective credibility (Doney & Cannon, 1997).

Latin Americans usually tend to decide who to trust and who not based on their intuitions and emotions. Trust thereby is not built based on logic assumptions such as the potential benefit or outcome of the relationship. They do not carefully consider the decision but act in an impulsive manner. Therefore, building trust is a crucial antecedent for a high perceived Relationship Quality as well as for ensuring the desired outcome. Due to their high in-group collectivism, Latin Americans have only a low level of trust towards outsiders and need some time to develop trust towards people outside their circles (Osland et al., 2007). Within a group, trust as well as loyalty are anticipations. Only those persons are trusted that an individual personally knows or that someone they personally know has recommended them. If an outsider wants to gain the trust of a Latin American person, he or she could therefore approach a person that one the one hand

regards the one wanting to get in touch with the third person as trustworthy and on the other hand is already trusted by that third person (Volkema & Chang, 1998).

3.2.4. Tools and Channels to Increase Brand Awareness

Social media. The industry is known to illuminate a “misfit between modern business philosophy and traditional engineers paradigm” (Cicmil & Nicholson, 1998). Rather than going with the trends and possibilities that evolved through ICT and innovation, the majority of the construction companies are known to be traditional, not innovative and to lack behind the present time (Azhar & Abeln, 2014). Furthermore, the reluctance of the top management as well as its missing encouragement, a lack of understanding, unfamiliarity of the staff combined with a lack of technical skills in handling social media platforms, the perceived unimportance of this marketing channel operates as barriers for implementing social media marketing in many construction organizations (Perera et al., 23-25 November, 2015). Several studies suggest that through digitalization and especially social media usage might add additional profit for construction organizations but only few actually go with the trends and take advantage of them to operate an outbound marketing and develop a competitive advantage on the well-competed construction market. A study in the UK in 2015 showed that solely 20% of the construction companies used social media (mostly Facebook, Twitter, and LinkedIn) and that the bigger and leading construction companies are pioneers in using social media to enhance brand awareness (Perera et al., 23-25 November, 2015). It is identified that especially using social media (e.g. Facebook, YouTube, LinkedIn, etc.) might increase brand awareness as well as positively influence several applications such as recruitment, client networking, showcasing innovations and disseminating the company’s and/or project’s news (Azhar & Abeln, 2014). It is identified that social media is a useful tool to communicate the brand including the company’s recognition within the industry, or its

charitable efforts within its community. Although it is proven that digitalization and social media usage positively influences brand awareness by enhancing information sharing, collaboration, as well as building relationships, facilitate knowledge management, increase online visibility of the organization, and allowing customers to engage with the company (Perera et al., 23-25 November, 2015), solely few construction organizations currently take advantage of the evolutions in the technology sector rather using it as a one-way communication tool within a sporadic time frame if at all (Azhar & Abeln, 2014). In order to efficiently use those modern technologies and to ultimately create a competitive advantage, they suggest that a construction organization needs to invest a great deal of time and resources in order to support its daily operations, maintenance and security of content management and social media marketing to see results. Despite the proposed benefits, many feel that social media is inappropriate in this industry as it is highly unregulated, unmanageable and perceived to be of high risk to reputation. Further, a survey revealed that 36% are unsure how to use social media to engage their market, yet 72% state they know having a social media strategy is important yet they lack the know-how to create an appropriate strategy (Azhar & Abeln, 2014). These explanations and empirical evidence notions suggest the implications for the many barriers to social media implementation in construction companies. On the other hand, there is significant opportunity for social media as a positive medium of marketing in the construction industry due to attracting the younger generation and by spreading knowledge through interactive, popular forums (Perera et al., 23-25 November, 2015). In the long-run, social media implementation could provide economic and social sustainability in the business environment.

Website. Websites have become a standard communication and marketing tool for big and small businesses. According to Sastika et al. (2016), a website may promote an attractive appearance and the easiness of use brand awareness of the customers as well as ultimately customer trust and loyalty. Main advantages of a website are information sharing as well as the promotion of products and services next to promoting an additional sales channel if suitable. Customers thereby assess the value of a website according to qualities relating to ease of use, explore, understand, good competence, attractive, use, provide new experiences are good (Sastika et al., 2016). A website thereby should also express and embody the history, vision, products, and purpose of the business. It should also be designed and organized attractively in the assessment of the customers in order to encourage repeat visits thereby increasing brand awareness (Keller, 2009a).

Websites are considered as potentially highly effective and efficient in terms of communication due to the wide range of functionality which affects brand resonance and equity (Keller, 2009b). With the evolvement of social media whatsoever, its importance nowadays is more recognized wherefore businesses often neglect an effective website creation (Afsana & Wood, 23-25 October, 2018). Reasons for the favorability of social media as marketing channel are amongst others the increased traffic as well as providing content to the customers where and when they want it (Cawsey & Rowley, 2016).

Similar to websites, increasingly more businesses supplement or even replace their traditional company website with a blog to make this marketing and/or sales channel more attractive and social. It is nevertheless suggested that this kind of online marketing tool is less effective for corporate communications (Cawsey & Rowley, 2016).

Corporate Social Responsibility (CSR). Another major aspect to increase brand awareness is to communicate the Corporate Social Responsibility of the company which portrays “the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large” (Watts & Holme, 2003, p. 3). Not only socially conscious clients nowadays expect a demonstratable CSR record but also the wider community is increasingly expecting it leading at the same time to an ever more importance of CSR in the construction industry (Loosemore & Lim, 2017). As the Peruvian construction sector (especially the public one), is strongly negatively shaped by corruption scandals, not only implementing but also communicating your CSR may be a strong alternative to increase your brand awareness and ultimately develop a competitive advantage on the strongly competed market (Loosemore & Lim, 2017; Mark-Herbert & Schantz, 2007). One major way to portray the company’s attitude towards CSR is the implementation in its vision, mission and policy (Xia et al., 2018). Thereby, CSR becomes an integral part of the company providing a platform for effective CSR management and control the compliance of employees as well as supply chain partners. By implementing CSR in its vision and mission, a construction organization established a corporate governance structure which contains a portfolio of social responsibility.

As the main sources of influence on a construction company are the clients of the construction services and products as well as the existing and new employees, the commitment of the industry to CSR is very much likely to change if the priorities of the two stakeholders (employee engagement and client satisfaction) change as well (Loosemore & Lim, 2017). Marketing your CSR in the construction industry might at the same time be an applicator to promote seemingly intransigent issues such as the lack of diversity in the construction sector (Loosemore &

Lim, 2017). Next to increasing and improving brand awareness and recognition and corporate image (Xia et al., 2018), CSR might have several positive side effects such as improved reputation, better staff recruitment, development, engagement and retention, improved innovation and competitiveness, access to broader markets, as well as better supply chain relationships and community and governmental relations (Loosemore & Lim, 2017). Past literature furthermore propose that CSR might appease host communities who may be against proposed projects and also build loyalty and engagement from employees and customers (Xia et al., 2018).

Although the importance of CSR in the construction industry is widely acknowledged by the companies, several studies in the past state only poor CSR performance for the majority. This might be the case because of difficulties to establish a culture and ways of working in regard to CSR, a confusion of what CSR actually means, a lack of leadership and management skills by the top management, a lack of CSR data, a skepticism about the return on investment, supply chain resistance as well as skeptical clients whose skepticism is increased through the many corruption cases and greenwashing in the past. (Loosemore & Lim, 2017) This should not only be done by the individual construction organization; Literature suggests that also taking a proactive approach towards collaboration with the business partners to implement certain standards of acceptable social and environmental performance might enhance the brand recognition (Loosemore & Lim, 2017). To effectively promote the CSR, a construction company therefore needs to holistically implement CSR strategies in several divisions such as the workplace, supply chain, community engagement, and in regard to the environment (Loosemore & Lim, 2017).

Co-development. Construction companies should operate proactive marketing strategies that address the co-development of the project with the customer and/or other actors involved in the project network indicating that the contractor should be involved in both, the design stage as

well as the realization stage of the project. Thereby, both parties are able to minimize the project uncertainty, decrease project complexity as well as decreasing the project stakes (Crespin-Mazet & Ghauri, 2007). In order to effectively and successfully co-develop projects, it is crucial that the parties develop trust, commitment and share a minimum of common goals. Trust is thereby considered as critical success factor and most important as it reduces uncertainty and problems are solved more easily.

3.3. Conclusion

All the analyzed papers show that it is crucial to focus on the customer. The construction industry is depicted of services which need to be tailored to every single customer wherefore relationship management is a critical tool for successfully positioning oneself in the construction industry.

In order to evolve from a conservative and efficacy-based construction provider to a customer-oriented one, it is crucial to also adapt the organizational culture which should depict from technically biased operations and conservative operations to professional concurrence and organizational systems to intensify learning (Cicmil & Nicholson, 1998).

In conclusion, given the uniqueness of the construction industry, it's no surprise that many construction companies struggle with obtaining and maintaining strong brand awareness to diversify from competitors and position themselves well in the market. In the prior analysis and review, the group formalized ideas and reasoning for a prospective marketing strategy based on the current opportunity in Peru in respect to the sector as well as through relevant scholarly resources, studies and theories to gather a solution to the problem. A marketing strategy consisting of social media and content management implications, communications and CRM, CSR activities and involvement and brand positioning and management are all thoroughly backed up

through the literature review. Overall, all the analyzed papers show that it is crucial to focus on the customer. The construction industry is depicted of services which need to be tailored to every single customer wherefore relationship management is a critical tool for successfully positioning oneself in the construction industry.



Chapter IV: Qualitative/Quantitative Analysis

4.1. Qualitative Analysis

MASEDI offers some distinctive values and characteristics that contribute to its competitive advantages and ultimately promotes to potential growth in the construction industry (see Table 11). Firstly, MASEDI is able to provide service and work of high quality. It has already worked for several locally well-renowned clients such as Club de Regatas Lima, Club El Golf, Club Terrazas, Colegio de Inmaculada, Elektra, Diesa S.R.L., EsSalud – Seguro Social, Gobierno Regional de Pasco., Honda, Grupo Avanza, Ministerio Público, Municipalidad de San Luis, Real Systems S.A., and Universidad Ricardo Palma (MASEDI Contratistas Generales, 2020) and provided them with their service for often several construction projects. The repeated utilizations show that MASEDI was already able to create a customer foundation that trusts the construction company and its service as well as values the industry-specific expertise. It also demonstrates that the general managers and the project managers supplemented by the on-the-field workers have the capability and capacity to build long-lasting, enduring and fruitful relationships with their clients. One major competitive advantage of MASEDI is thereby the high degree of individualization, customization, and personalization of its customer services. Differently to most its competitors, MASEDI's representatives are involved into the project from the beginning on i.e. from the first step of planning and architecture, over required governmental and legal agreements, to the actual construction phase and afterwards. Most of its competitors, only join the project after architectural plans have already been designed, legally checked, and approved. The late cooperation is thereby often associated with higher costs due to no agreements previous

the construction phase between the customer and the service provider which causes unmanageable and unbearable barriers that can only be overcome by changing plans or finding alternatives that are associated with additional and unplanned costs.

It seems that MASEDI is in the possession of critical success factors that should provide them with the amount of market share and number of clients they desire; Nevertheless, Vladimir Sokolic claims a lack of brand awareness especially within the private sector.

The construction industry is claimed to be very old-fashioned and rather technical oriented. Researchers therefore concluded that the importance of marketing is often neglected by construction enterprises. Although they realize and trouble with having a low brand awareness within their industry, they often do not accept that marketing strategies might actually support their effort to increase brand awareness supplemented to the fact that they are often unwilling to spend money on “unnecessary” and “useless” marketing efforts. MASEDI was founded in 1999 and the entrepreneur, Vladimir Sokolic, is still the general manager in present with the age of around 50. This being the first indicator supplemented by a rather “old school” looking logo and the business owner’s passion about technology and innovation, it shows that a contempt of the importance of marketing and branding is indeed likely. Another hint for the managers’ insensitivity towards marketing is the fact that MASEDI does not have its own marketing department. This indicates that no or only little importance has been given to marketing strategies in the past. The website was created by a third-company provider with which MASEDI is only on an irregularly basis in contact.

Construction providers are most of the times rather small with a large number of little enterprises sharing only a minor significant market share. It is therefore crucial to adopt the marketing strategies to the specific region with the specific customers rather than simply conducting

general search engine marketing that cannot be specified to a precise region or customers. It is therefore essential to identify the target customers in order to come up with a specific set of marketing strategies to target them thereby making people recognize your business and ultimately increasing your brand awareness.

Another factor for MASEDI’s low brand awareness might also be associated with the lack of going with trends. Taking advantage of future and mostly technological advances and progresses provides a chance to not only become more effective in general but also to evolve the competitive advantages thereby providing additional value for the customers which might ultimately be recognized more often. For instance, apps and mobile solutions are increasingly regarded as highly effective alternative to ensure a successful project. With the interconnection of information and data amongst the offices and the other parts of the construction site, it does not only save costs and time, a first-mover also gains a competitive advantage as it is able to provide additional value to its customers. With mouth-to-mouth propaganda being significantly important in the Peruvian construction industry, MASEDI might be able to increase its brand awareness through being a first-mover in terms of trends and innovations.

Table 11

Qualitative Analysis in Comparison to Benchmark and Industry Average

	<i>MASEDI</i>	<i>Benchmark (San Martín)</i>	<i>Industry Average</i>
<i>Reputation</i>	Medium	Medium-High	Medium
<i>Customer Satisfaction and Trust</i>	High	Medium-High	Medium
<i>Going with Trends</i>	Low – Medium	Medium	Medium-High

4.2. Quantitative Analysis

The construction industry in general accounts for about 5.8% of Peru's GDP in 2019 and a prospective growth of 3% was expected by the Lima Chamber of Commerce before the COVID-19 crisis (SOURCE). Despite the aftermaths and consequences of this worldwide emergency, the prospect of the construction industry is still promising as work in the construction industry is finally allowed again since June 2020. Furthermore, construction providers are a key element in every society as the need for especially public buildings and infrastructure such as schools, roads, social housing, etc. This shows that the customers of the public sector are essential for ensuring success in the Peruvian construction industry. Nevertheless, also private investments, especially in mining projects and infrastructure, are projected to fundamentally contribute to the growth of the construction industry in general and of the construction companies specifically. Future investments such as the US\$6.5 billion Lima and Callao Metro Line 2 as well as the expansion of Peru's Private Investment Promotion Agency (Proinversión) portfolio governed by the Ministry of Economy and Finance of private investment projects to US\$ 10 billion (compared to estimated US\$ 7.6 billion in 2018) accelerated through a programmed of public private partnerships that has been impacted by corruption scandals and project delays. Further governmental investments, such as the US\$ 7.7 billion "Reconstruction with Changes" programmed, or the National Infrastructure Plan comprising 52 projects with a combined worth of approximately US\$ 30 billion, provide additional support to the positive prospect for Peru's construction industry (Thomas, 2019)

Table 12 gives a comparison of significant quantitative measures between MASEDI, its competitor San Martín and the industry average. It shows that MASEDI substantially lacks in market share. It is open to discussion why the competitor San Martín is in the possession of higher revenues and bigger market shares. Another closer look should be taken on competitors and analyze how they effectively built their market share. In the specific case of MASEDI, the marketing strategies and brand building of the rivals should be investigated and evaluated further so that MASEDI can implement some of the already effectively working strategies of their competitors and adopt them to the specific environment MASEDI operates in.

Table 12

Quantitative Analysis in Comparison to Benchmark and Industry Average

	MASEDI	Benchmark (San Martín)
<i>Volume of Sales (in PEN)</i>	563,449	341,000,000
<i>Market Share in the Public Sector</i>	1%	5%
<i>Market Share in the Private Sector</i>	< 1%	6%
<i>Projects per Year</i>	5-7	15-22

4.3. Conclusion

The conducted qualitative and quantitative analysis offered a deeper investigation of the MASEDI's missing lack awareness.

The qualitative analysis showed that MASEDI already is in the possession of the personal capabilities for solving the problem of low brand awareness as the general manager and the deputy are aware of the importance of the customers. With their customers, they try to create and

maintain meaningful relationships by letting them feel important and unique. The result of the ne qualitative analysis nevertheless demonstrates that despite the customer-oriented approach of the general manager, this capability does not necessarily indicate that acquiring new customers is as easy as maintaining business relationships with already existing and convinced customers.

The quantitative analysis showed that MASEDI should not only focus on its own processes but take advantage of identifying the processes of customers that are ahead in terms of branding and marketing. It should then be considered to copy the proven and successfully working strategies of the company and adapt them to the business environment in which MASEDI operates in.

Although the qualitative as well as the quantitative analyses identified some crucial capabilities and operations that MASEDI currently lacks that are whatsoever crucial for solving the problem of low brand awareness, it also demonstrated some areas of potential in which MASEDI could and should improve and evolve in order to counteract the lack of brand awareness thereby becoming more present and visible for the customers on the market.

Chapter V: Root-Cause Analysis of the Problem

5.1. Identified Causes

After showing the soft and hard data from MASEDI, a root cause analysis of the main problem has been done. The main causes were identified along chapter two about the key problem and the qualitative and quantitative analysis done in chapter four. The tool used for this analysis will be the Ishikawa diagram or also known as the Fishbone. The exhaustive list of causes identified for MASEDI's low brand awareness are presented below and are categorized as (I) Internal and (E) External:

1. Strong competition in the market. (External)
2. Lack of marketing department i.e. managing a marketing budget, plan, strategies, campaigns, advertising, etc. (Internal)
3. Lack of social media presence and website promotion (I)
4. High reliance on mouth-to-mouth promotion and relationships with past customers (I)
5. High dependence on the CEO (I)
6. Lack of brand image and professional reputation (I)
7. Invisibility of the business (I)
8. Lack of compromise of the third-party marketing agent (E)
9. Lack of communication and coordination between areas (I)
10. Low responsiveness of client requirement (E)
11. Lack of involvement within community (I)
12. Lack of focusing on a niche market and target customers (I)
13. Lack of or non-existent industry-wide platform to promote its service to customers (E)
14. Low public understanding and enthusiasm for construction brands and business (E)

5.2. Main Causes of the Problem

After mentioning all the possible root causes for the main problem, those were classified in : (a) External, related to the industry and market current factors that affects the brand; (b) Processes, which is related to the current procedures and activities for marketing; (c) Materials, are about the digital and non-digital tools MASEDI currently is using; and (d) Personnel, which is related to the people and role delegation in the company. Figure 9 shows the fishbone diagram with all the main identified causes for the problem, classified in four categories.

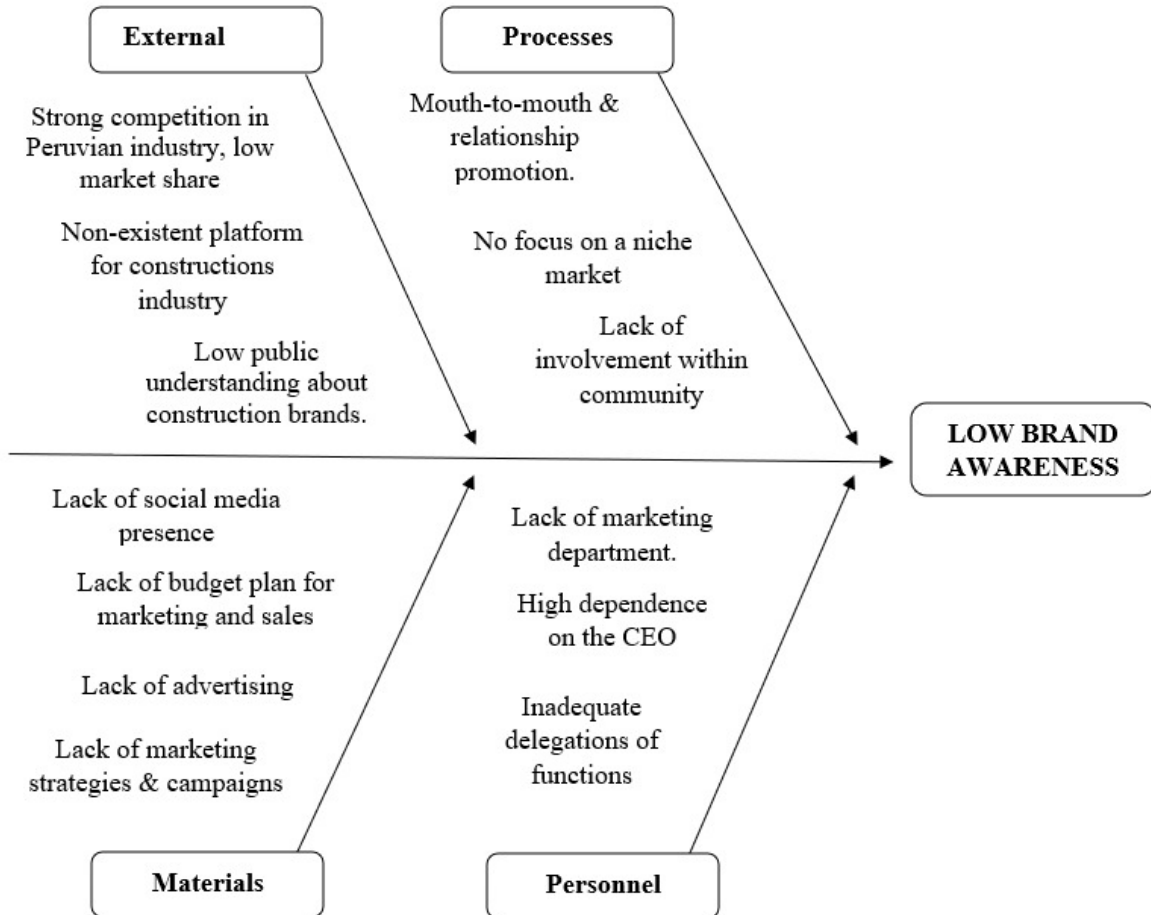


Figure 9. Fishbone diagram for MASEDI.

5.2.1. External

Strong competition in the market. The previous analysis in chapter one about the construction industry in Peru, revealed that there is fierce competition in the sector and MASEDI's market share represents only 1% in the public sector and less than 1% in the private sector. The largest national and international players as Graña & Montero, COSAPI or ICCGSA are well-known and have a great brand recognition due to their size and longer trajectory.

Lack of or non-existent industry-wide platform. In the Peruvian construction industry, neither in the public or private sector, there is not a platform for companies to promote their services to customers. A search engine would let people find a service compatible to their needs as well as companies to find new projects. Some of the current ways to find a project is through public tenders from the government municipalities and the network done in past projects.

Low public understanding for construction brands. The lack of knowledge about the construction companies is not only a Peruvian issue but worldwide, there is not much awareness and enthusiasm for what companies and services exists in the sector. Most of the time, people don't know which companies worked on the largest and most important buildings in the city because of the low promotion and marketing on the industry. Due to the recent corruption scandals in Peru about Odebrecht, people might have been aware of these largest companies related because of the high media involvement and television reports.

5.2.2. Processes

Reliance on mouth-to-mouth promotion. As mentioned before, since MASEDI's foundation, the marketing and promotion was done solely by word of mouth from previous clients that had a good experience and recommended the companies' services to others. Their good reputation in the public sector for almost 15 years allowed them to be easily recommendable after every

project and many times they were invited by the municipalities to the public tenders. They have always deeply trusted in this promotion strategy because it works very well in the public sector in which they already have many loyal customers.

However, there are many times when this type of word-of-mouth marketing is not enough, and in order to have a greater reach and brand recall, you need to have a presence on other digital platforms, especially in an environment like the current one with the pandemic we are going through. People need to trust twice as much to be able to do anything, and the only way to become known is to be able to reach more people, consolidating the brand.

Lack of focusing on a niche market and target customers. As previously mentioned, MASEDI offers a lot of different kinds of services which initially seems beneficial, yet in the long run compromises its potential. Instead of trying to be everything to everyone, MASEDI should focus on a niche market and target customers to gain better brand recognition and become an expert in a specific area. This will also help them prioritize where to spend the marketing budget.

Lack of involvement within community. MASEDI haven't involved with the community i.e. not partnering with schools, organizations, or business to gain awareness and build rapport or support. The company doesn't have a Corporate Social Responsibility installed in, the reason might be the high costs it would incur for them, especially because MASEDI is not a large company with an important budget for implementing this currently.

5.2.3. Materials

Lack of social media presence. MASEDI has a very interactive website page that shows their services, past projects, main clients, contact information and on top of everything is being

updated constantly. However, the Facebook page and YouTube channels have only a few followers, subscribers and low engagement in their posts. This must be because of the recent creation of content in their social networks, which are just now gaining more relevance for the brand. The number of posts they currently make is on average one per month, which generates low traffic for now, and the number of appointments or contacts that are made through their virtual platforms to date do not represent a considerable number. For example, on YouTube, they have some short videos of projects that have recently been posted during 2020, but unfortunately have few views. On average, they have 10 views per video, yet their maximum viewing reaches 53 views to date. Although it is true that the competition does not invest much in social networks (as is unsurprising of the industry), MASEDI and we believe that it is an important factor to be analyzed, due to the potential of virtual platforms today and the positive effect of brand awareness that they can generate. Moreover, through the networks, a huge amount of data is collected, where they can generate a high traffic of information and contacts if they specify any attractive content.

The development of key words and interface in the navigation of the Google server are also an essential part to generate more traffic on the web. Although it is true that MASEDI appears on the first page when searching "contratistas", if a search is made with "contratista" or "constructoras" or any other similar keywords, they do not appear in the first five pages that are the most relevant and with greater possibility of entry for new customers. Therefore, we consider that this is also a cause of the problem to which we could look for a solution.

Lack of marketing activities and campaigns. MASEDI does not have a budget plan for marketing and sales strategies and along these years of trajectory, any previous marketing campaigns were done. Some of the materials used for promotion are the banners and logo put on the

project's surfaces, which would need to be highly visible in more surfaces as equipment, trailers, cranes. A brochure was also designed to provide to the potential clients and the CEO mentioned that the invested amount on this brochure is high, that includes a good quality of print and pictures but they are not sure if the return for this investment is worth the cost.

5.2.4. Personnel

Lack of marketing department. MASEDI does not have its own marketing department in the company. Instead, they have been working with external agencies since the company's founding. In the beginning of operations, Vladimir was the one who designed a very basic logo that has been changing since then with assistance from an advertising agency that also developed a brand manual worth S/50,000. Due to their low budget for marketing activities, they hired an external community manager who is in charge of their online network activities as the website updates, management of appointments through the Web page, and postings on Facebook and YouTube like videos with an investment of \$500 monthly. The main objectives of a marketing department would be understanding the market and competitors, defining MASEDI's positioning and pricing, and promotion to the target audience as well as explaining how they might benefit by working with MASEDI. That is to say, offering the right services with the right benefits to the right audience. However, the lack of a marketing department is common in SME in the construction industry, not only in Peru, but worldwide. Overall, the lack of a marketing department is one of the most crucial root causes since it directly affects the lack of marketing strategies, campaigns, managing a marketing budget and much more.

High dependence on the CEO. MASEDI considers that one competitive advantage is the involvement of the CEO in every project from the acquisition phase to the project termination, because being able to act and decide on a quick and effective way in-site, transmits security

to the client and ensures everything is done with the highest quality. However, this also denotes an inadequate delegation of roles for the rest of managers in every phase of the project development. What has been identified as a major issue is that the CEO cannot be available for every face-to-face situation, especially due to COVID-19. This is especially harmful since throughout the past 21 years, they have been using the same working method, which denotes too much dependence on Vladimir as a trust factor, and not necessarily MASEDI as a brand.

5.3. Conclusion

In conclusion, MASEDI is a company that wants to be at the forefront of its sector, as since mid-2019 it has begun to invest in digital channels such as boosting its Facebook page and creating its YouTube channel which, although it has few short videos and less than ten subscribers, wants to boost its content. The root causes for the problem were divided into four categories: (a) external, (b) processes, (c) materials, and (d) personnel. The external, refers to the high impact of the industry for the low market share for MASEDI and the low public awareness for the existing brands in the industry. The processes, describes the current operations regarding to marketing in which the company has been relying on the mouth to mouth promotion as well as the relationships done through all the years; in addition, in this item it has been noticed a delay in the transfer of information about certain aspects of the company during the consultation, which has led to identify other factors that directly impact the image of the brand, because if that happens with the team of the consulting project, it must be replicated with some of its customers. The materials refer to the lack of social media presence due the low promotion done online, as well as the lack of marketing campaign through all the years. The personnel describes the outsourcing of the marketing activities, Finally, the personnel refers to the lack of people in charge of marketing but instead, it is outsourced to external agents; also there is a high dependence on the CEO who

must be at all times approving the tasks to be performed, forming a delay when there is a need for a quick response in the administrative field.



Chapter VI: Assessed Solution Alternatives

6.1. Alternatives to Solve the Problem

The following alternatives proposed by the team will be given with reference to the causes identified in the previous chapter. Therefore, alternative solutions will be given for each one of them concerning the different areas directly affected in order to make a proposal that is quite appropriate to MASEDI's real needs. Each of the subtitles refers to a factor from the previous chapter.

6.1.1. Implementation of Corporate Social Responsibility

As it has been reviewed in chapter three, another factor to increase brand awareness is communicating the Corporate Social Responsibility of the company, which means looking beyond the immediate needs of the business such as just earning profits but also consider the impact it has in the natural environment and the people's quality of life. In order to fight the strong competition in the market, this alternative is a good way to do it, especially in the Peruvian industry that has been negatively shaped by the Odebrecht scandal that involved competitors as Graña & Montero and ICCGSA, CSR might be a good way to increase the brand awareness and compete in this strong market. The factors involved could be (i) safety and occupational health; (ii) Environmental awareness; (iii) Relationship with remote communities.

6.1.2. Hiring a person in charge of the marketing activities

The lack of a marketing department can sometimes be detrimental, but sometimes it is not entirely necessary either. According to the conversations we had with Mr. Vladimir Sokolic we can see that they have not been completely necessary during the period of the brand's existence, however he thinks that marketing is quite an important issue today to make it known and to

start having a greater reach and recognition of the brand in different media. Therefore, we propose to give a different look to the marketing efforts made to date giving greater impetus to the tools they use today by providing a more effective communication strategy and a more concentrated customer that would be their potential customers. It is also their desire not to appear in some construction magazines, as they are seen by the competition, but if a possible idea would be to start entering other social interest magazines such as COSAS, SOMOS, and Mercado Negro, among others, that can help reach potential customers and not just their competitors. We consider that, just like MASEDI, entering the social part can generate more recommendations, since relationships can provide a significant boost, and that better in these new times of COVID-19 to be able to adapt to new technological environment where digital platforms have a crucial performance to be known as a letter of introduction. Therefore, begin to acquire more marketing services for their digital platforms would be of great importance, but what better than to propose also have a person responsible for this area of marketing so that person can monitor social networks, but in turn can improve the brand manual they currently have, providing alternative solutions according to the company. The brand manual has a brand profile, a way to establish relationships through the platforms, and with a language according to the person who is addressed. These manuals usually also have a contingency manual for any information or negative accusations on the networks, if not have it would be proposed to make a before malicious or negative communications in order to cushion them and generate an appropriate content to handle it. On the other hand, the new services to be taken would be focused on generating more content related to safety and health at work for their employees and customers both outside and inside the work. Storytelling through videos could be an alternative to start to make the brand known through the

circle of the same employees who can share it through social networks in an organic way, showing how positive and happy they feel with the brand. Another point is to be able to generate interactions through the networks by posting tips of the construction process, new possible avant-garde projects with new trends in construction or start looking at sustainable projects focused on the environment or social or cultural character to start having a more friendly view of the public. To do this, it is essential to take into account that the marketing efforts currently paid by the company are focused on this new marketing redirection. However, having a person in charge within the company to this marketing redesign project can be crucial to manage the most important accounts and keep the most important accounts of the company that is the relationship via digital platforms with customers and keep in touch for any questions or concerns that may arise along the way. For those new potential customers, it is easier for them to use the networks to know the experience and trajectory of the companies as well as see the web where it practically becomes this first impression of the magnitude of the company and ability to develop various projects. While it is true that they are well known for the vast experience they have doing hospitals, schools and multi-family buildings, they must also begin to focus on other services they offer in a more professional manner and with content on these platforms to become known in the diverse portfolio of products they have to have a greater range of possibilities to enter new businesses.

6.1.3. Reliance on mouth-to-mouth promotion

With regard to word of mouth marketing, we need to know how important and effective a strategy it is, it can be devastating for any brand when negative comments come out. Therefore, we propose not only to give personalized attention and always maintain a direct relationship with customers, but also to start promoting social, cultural and community support events. This means

that part of the marketing efforts could be focused on seeking or financing part or all of a multi-cultural event where music, art, education or sports are promoted, in order to generate an awareness of change not only by giving an image of a brand that applies CSR, but also to generate a real impact on society that benefits some community or sector of the population. This can undoubtedly be something that is good as long as it is managed and has a coverage in their digital platforms that denotes an importance for culture and learning, and leads to more Peruvians have the opportunity to know something else. Apart from that, it is indispensable to be able to make some cocktail events or private events for exclusive clients, to generate a much more pleasant and personal relationship with the main actors of the "partner" companies or of our assiduous clients to be able to strengthen bonds of trust. Likewise, participating in this type of event not only as a host, but also as a participant, can generate a more friendly and social connection between the partner companies and can be very useful to establish connections with others in the field. Finally, something extremely effective is to have a well-trained and motivated team to give everything on the court, and that is achieved with a base of intrinsic and extrinsic training and motivation that the company can provide to work in an optimal way and can recommend their customers about how well MASEDI employees work. As well as an environment of prosperity between the balance of personal life, family and work can help increase productivity and that can be transmitted to their final clients. In the same way, it is advisable and we propose that a satisfaction survey is always carried out, which is currently done year after year and which is an index of how much our employees and clients are really satisfied, but that is not all. Evaluating the results and doing one-to-one interviews can generate a better in-depth analysis and help to visualize the true figure about the perception of the brand and its services. Therefore, we propose that satisfac-

tion surveys can be 360 degrees that means that all the members of the organizations must participate and provide continuous improvement to the company as they detect points of improvement, where the main actors of change are the leader in co-creation with their employees for the benefit of all.

6.1.4. Presence in Social Media and action in Google search engine

The issue of lack of social presence refers to a series of factors concerning social networks and digital platforms mainly, but also to the issue of the Google search engine and the reach that can be reached via your website. Starting with the issue of social networks where we see a recent entry into social networks, perhaps with a somewhat blurred strategy. To do this, we must focus on being able to generate a communication strategy that can generate more traffic on Facebook platforms and the web in order to attract more customers and know the brand. We propose to provide a more aggressive strategy in digital media to invest a certain amount in high impact publications in order to generate awareness with potential customers. The reach through Facebook can be defined for a potential public to which the company wants to approach, proposing some posts that may be of interest to them as tips of the construction process or safety on site. Likewise, we propose to use the YouTube platform in a complementary way to Facebook in order to show previous works, their construction processes and finally the finished work so that they can see the quality in the processes and the professionalism in each stage of the construction process. In addition, we propose to make videos on this platform that refer to safety on and off site, with testimony from their own employees and customers who can ensure quality and concern at all times on the part of MASEDI. Another aspect of interest for MASEDI is to show the brand how it participates in community activities such as the one they posted on Facebook supporting culture with a cultural music event. On the other hand, something very interesting is also

to start touching on issues of mental health, cyber security processes and among other things that can generate a message of health and safety to their followers, promoting the common welfare inside and outside the company.

As far as the Google search engine is concerned, we can see that there are many issues such as keywords that are essential to appear in the first pages of the search engine, in addition to a series of tasks that must be performed in order for our page to appear in the most searched. Primarily, we must think about what keywords we can associate to our website and our social networks so that even if they are poorly written, we can appear within the first searches through SEO, which is the search engine optimization that we can appear organically, and another is the SEM, which is the search engine marketing that has the same logic as the previous one, but in a paid way to appreciate between the first three starting from the top, the last two of the first page, or on the sides as a display pattern. All these paid places belong to a marketing tool called SEM that determines who appears in the search engine as "sponsored" and has the opportunity to generate more traffic through clicks. While it is true that one could pay for a SEM and always appear in the first searches, SEO plays an extremely important role and MASEDI should consider it to generate traffic and consolidate the brand. The Google robot, which analyzes the contents of the pages and determines what searches are made through each keyword in the first pages, should be concerned with the quality of the content, the weight of the web load, the traffic within the same web platform, and most importantly, the updating of this content. Bearing all this in mind, MASEDI should invest or propose to its current people in charge of social networks to be able to generate these keywords and keep the brand's website updated with relevant information. For example, SEO keywords can be generated through marketing content on a company blog which can be updated by a freelance content writer for a low cost or the community manager. A

blog is a major way for the company to not only utilize keywords, but to also spread its business through an informal channel informing other of its projects, relevant current events in the industry, and more.

6.1.5. Delegate roles to reliable people

Sometimes having the highest authority as a representative of the brand in the different stages of the construction process, from the bidding of the work or the evaluation of the budget, until the completion of the same, can mean that everyone gives their best for the presence of this person. However, it is possible that when the brand grows in number of works or demands a longer time of dedication to each one of them, it could start to generate a decline in the efficiency and effectiveness of the work, since it is not possible to supervise everything in the same way as before. For this reason, we propose that Vladimir starts delegating more functions to different people like Pedro Arbulu and another of his most trusted engineers to provide the right advice to each client, and start pronouncing the MASEDI's brand more strongly and not just Vladimir Sokolic. In order to generate a change in the clients' thinking regarding this dissonance between the trust related to the brand and its owner, it is convenient to carry out a strong positioning of the brand, and then carry out the brand design. This will allow a better understanding of what the company could do to position itself with better brand recall and therefore attract more customers. Another thing that could work quite well for role derivation, is that they can separate the focus of efforts by splitting up trusted people perhaps for old customers and maintaining profitable relationships with more works with them; and on the other hand, have Vladimir Sokolic start opening new markets and making partnerships with new customers as part of his competitive advantage and empowering his trusted people to forge the MASEDI brand in old customers. This

would help strengthen the brand image with customers, and could generate a stronger bond for future deals.

In the same way, it is proposed that just as they are already partners with some universities such as the Ricardo Palma University or the University of Ayacucho, they can continue to establish relations or synergies with some other universities in which they can promote internships, practices or some type of activity in which MASEDI can participate together with their students and give them a pleasant experience so that they remember them in the future. Another high-impact activity that can be carried out at these universities is that they can give talks on construction to future civil engineers or architects to make themselves known and interact with them. Lectures in and out of class or special invitations from the same universities or teachers of some courses, can be key to the formation of students and taking into account that they will remember the talk, may have a greater chance of increasing brand recall. Also, the possibility of becoming a participant in the incubators of the same universities or being an advisor of these projects can help them to build a strong relationship and start recommending them. They will not only be recognized under people within the industry itself, but will start to be known and recommended through other people who in the near future will remember their name and start talking about MASEDI as they currently remember other brands such as Graña y Montero.

6.2. Assessment of Alternatives

These six criteria listed below will be used to evaluate the proposed solutions and identify the final solution that will be proposed to MASEDI in the next chapter. Using these criteria will help us to result in eliminating infeasible solutions and coming up with the best possible solutions to implement.

1. Cost

2. Feasibility
3. Effectiveness
4. Ease of implementation
5. Reliability

First, the cost analysis will be used to determine how costly a solution is to be implemented and if the benefits derived are worth the cost. Second, the feasibility will define the likelihood and easiness of implementation due to any restriction. Third, the effectiveness will measure the level in which this solution will be successful for our problem. Fourth, the ease of implementation will determine how difficult will be for the solution to be aligned to the company current resources and operations. Finally, the reliability measure if the proposal will be adequate with the future trends in the industry and can be managed through all the years.

Table 13 represents the solution alternatives described throughout this chapter, which have been determined with a weight for each of them that in total add up to 100%. The weights in percentage refer to the level of importance that MASEDI has suggested for each criterion.

Table 13

Assessment of Alternatives

CRITERIA	WEIGHT %	IMPLEMENT CSR	HIRING A PERSON FOR MARKETING	BRAND POSI- TIONING	DIVISION OF CLIENT POR- TOLIO
COST	20%	5	6	4	5
FEASIBILITY	15%	5	7	8	6
EFFECTIVENESS	25%	6	8	8	7
EASE OF IMPLEMENTATION	25%	4	8	7	6

RELIABILITY	15%	6	8	9	6
TOTAL	100%	5.15	7.45	7.1	6.05

Note: The rating goes from 1 to 10 in which 10 is the best rate.

The results show that the best solution alternative would be a communication strategy together with the brand positioning.

6.3. Conclusion

After identifying the causes of MASEDI's low brand awareness, five alternative solutions were developed. The first solution suggests implementing CSR which would help to improve the reputation and image in comparison to its competitors, as the sector has been damaged by corruption scandals. The second alternative refers to hire a person in charge of marketing activities, since although it is true that they are already being advised by an external company, and they have a brand manual, it is highly recommended that there might be a person directly related to MASEDI and who knows the values and vision of the company in order to be aligned with future strategies and in the brand's social networks. The third alternative that has to do with social activities has been determined that participating in or developing social events increases the number of connections that they can have and improves relationships with current clients. To this end, there are a number of events and companies that can help generate greater brand recognition by being participants such as the Lima Chamber of Commerce (CCL), Expoferia de Construcción (EXCON), belonging to private groups such as Business Network International (BNI), etc. The fourth solution is related to the presence in Social Media and Google search engine, which would repower the website and its social networks in which it is very important to provide quality information and messages that are attractive and convincing to their potential customers. And finally, there is the role designation where it is suggested that they can use the strategy that a trusted person like Pedro Arbulu can have the portfolio of current clients and Vladimir Sokolic

can be in charge of opening new markets as a brand strategy. The evaluation of the alternatives considered factors such as: cost, feasibility, effectiveness, ease of implementation, and reliability. After this evaluation we concluded with alternatives two, three and four that are included in the hiring a person in charge of marketing activities and brand positioning.



Chapter VII: Proposed Solution

After seeing the findings revealed through the alternatives exposed in chapter 6, we propose a hybrid solution considering important points regarding the current situation and MASEDI's capabilities. We will propose an integrated solution where it will take three stages: (i) seek to improve brand positioning; (ii) propose a brand design to generate greater brand awareness; (iii) develop an integrated marketing communication strategy through digital and non-digital media. Although there are administrative and cultural issues that can also be improved, the main focus will be on the brand and how to generate a better brand positioning and thus, increase brand awareness.

The first one about the proposal of positioning the brand is to develop marketing strategies that allows MASEDI to obtain a privileged position in the mind and heart of the consumers through certain unforgettable experiences at a functional or emotional level. For this, we will use some of the competitive advantages of MASEDI to be able to generate a positioning that differentiates them from the competition to such an extent that it generates high brand awareness. To do so, we propose a positioning from inside the brand, that is to say, from inside the company, and then we will also focus on the exposure of the brand. MASEDI is a brand with many positive attributes compared to the industry players, above all its experience, track record and the satisfaction of its customers in past works. This means that for them it is important to provide a corporate image that transmits the expertise, the trajectory, the magnitude of works that you can produce, but more important is the confidence that you can effectively solve any complexity within your approach. It is important to take into account that Peru is a country with high context culture, where building relationships is necessary to close any business, due to the trust you have

in the person you are working with. The first impression, non-verbal communication such as gestures or tones used during a negotiation or a talk between people, can be a start for a close relationship that can last for many years or simply not make anything concrete.

Firstly, the inward implementation should start from the focus of recruitment and selection of employees, where the orientation activities at the beginning will play an important role to create brand awareness, because employees are the face towards the public and depending on their performance and what they transmit outward, it will be part of the brand perception towards potential customers or the community. Within this orientation, which we recommend to be at least one week, the person will be trained on the history of MASEDI, its corporate values, founders, symbols that represent them, and focus also on the culture inside and outside the company, since it is necessary to generate the feeling of belonging in the employees not only to the company but also to identify themselves with the brand. The leadership style of Mr. Sokolic plays an extremely important role to empower and transmit confidence and a promising future to those new members, and to strengthen the knowledge and motivation in the old ones.

Secondly, a brand strategy is proposed through integrated marketing communication in which we seek to communicate MASEDI's main attributes, but also generate a dynamic interaction with potential customers in digital media. It is important that as well as internally employees must be fully motivated, so can customers and what better way to share it through social networks. In Peru, the use of social networks for business has begun to set a trend, which means that networks such as Facebook, Instagram, LinkedIn, or YouTube are platforms that are used complementary to the web in order to have greater reach of people. In a situation like today's thanks to the pandemic, we propose to attack digital platforms and make them MASEDI's letter of introduction. To do so, we propose that the company hire a person in charge of the Marketing area so

this employee can focus solely on the digital platforms and evaluate possible marketing strategies that can strengthen the brand together with the company which is already acquiring the service. We consider that the investment of having a person in charge of this area with a fixed salary, would generate that he/she knows in a more grounded way and specifies the real needs of the construction sector and of the company to be able to evaluate the different strategies that the professionals in Marketing propose to implement them. While it is true that they already have external agent services for the networks management, it is not the same as a person who additionally knows more about the industry than only an agent with marketing knowledge. Therefore, the effectiveness of the result will not always be appropriate because the integrated marketing communication not only involves the efforts in digital platforms such as social networks, but also includes the message you want to address to your visitors and how they will perceive the brand. MASESDI aims to give a message of quality, knowledge, seniority and ability to solve future projects quickly.

Lastly, we will make a division for integrated marketing communication in which we will propose for each of the social networks, the web linked to the search tools in google, and non-digital media.

7.1. Facebook

On Facebook we propose to increase the content from one post per month to at least two, where it can show out of the progress of the projects, security advices or some post with representative images of each project to show their great capability, these post can be linked to a short video on YouTube to make more effective communication. It is necessary that on Facebook, the posts have short texts and impressive pictures without so much volume that in turn, can generate a friendly interaction with the users. In addition, we propose to generate an option of

frequent questions & quick answers through chat for general questions, but if they are more specific questions, the user can send it to a chat where the Community Manager would be in charge of the networks. We also propose to pay sponsorship for the most relevant publications in order to generate more reach and focus on the target audience according to the publication, i.e. the option of Facebook Ads would be used to generate a greater reach to the target audience.

7.2. YouTube

At YouTube we propose to create videos about various topics that can generate a positive response and knowing the brand in a different way. We propose to create videos in which the employees and customers talk briefly about what MASEDI means to them and the most remarkable things within the company, so they spread the message of well-being in the workplace. Also, we propose to show short videos of less than 5 minutes, suggesting tips on safety inside and outside the worksite, cyber security, and mental health issues that can be beneficial in today's environment where social distancing, video conferencing, cyber security and most importantly, the mental health are crucial for people's well-being. This would represent an assertive communication towards your target audience and would be shared among different posts on the digital platforms, as well as on a special section of the website. This strategy of making videos not related to the product, but of social interest can generate great benefits of brand awareness, since it can generate shares in an organic way with the option of connecting to Facebook.

7.3. Web

Although MASEDI's website has a responsive design, we propose to have a better organization design of the option tabs for a smartphone or tablet, since it looks very loaded. The main objective is to optimize the website by promoting what MASEDI really wants to communicate. At this point, we propose to generate a communication focused on the trajectory, expertise

and quality in the projects in order to generate a better brand image. Part of the strategies of achieving greater reach and therefore generating a greater interaction, are the search tools in Google, in which through SEO or SEM which benefits were already explained in chapter 6. The use of keywords and payments on display when searching for words related to the products, projects or any word related to the industry, can generate greater brand recognition because the probability of being shown in the first page of Google gives the chance to the users to enter into the website and discover MASEDI. The interaction of web traffic and the Google search engine will help the brand to generate more contacts through web platforms and therefore more projects opportunities.

7.4. Non-digital media strategies

Part of the non-digital media strategies are to invest in participating in or preparing cocktails among potential and loyal clients or partners in order to strengthen relationships when social activities are renewed. Also, sponsoring some soccer events with actual clients to give their employees a different view of MASEDI that can rely and that they want to strengthen relationships with their partners.

Another proposal comes from the idea of generating long-term brand awareness, which can be approached in different ways. One of them is to continue promoting relations with universities such as Ricardo Palma or the University of Ayacucho, with activities such as internships, talks or professional practices in order to generate brand awareness through unforgettable experiences that they can have together with MASEDI. Sometimes the talks about internships, construction process or even the physical visits to the construction site can generate an intrinsic brand awareness that is then shared organically, using the word-of-mouth marketing system. In the same way, it is proposed to start looking for other universities in which, through academic

support, they can generate a social and academic impact on students who in the future will be construction engineers and can recommend the brand.

Cooperativism and relationships are crucial to develop business in Peru. The construction sector is a sector where trust can make a difference, since the amounts to be invested are quite high and have a long duration of work time apart from the additional intrinsic costs at the end of each work. Therefore, we propose the possibility of generating better Customer Relationship Management with the clients through the follow-ups in work where not only it is dependent on the General Manager, but they begin to be managed as two internal products: new clients and old clients. For new clients, we will propose that Mr. Vladimir Sokolic continues to be the face of MASEDI's entry into new works and clients totally unknown to the brand, but to delegate to his trusted people such as Pedro Arbulu the clients with whom he has already worked to strengthen the bonds of friendship with them.

Chapter VIII: Implementation Plan & Key Success Factors

This chapter explains how the solution suggested in the previous chapter will be implemented by MASEDI in a given time frame. The implementation of the solution will focus more on an administrative area and the possibility of having a person in charge of the Marketing area, which is the main reason why the consultancy is being carried out. The lack of a marketing plan and department is something that has generated that the brand is not so well known in spite of its experience and size of its previous projects. However, the enterprise has the resources and the right people to have a bigger growth and be well-known in the industry. Therefore, the proposed solution has been based on the real needs of MASEDI in conjunction with agreement and analysis with its CEO and COO.

In order to be able to detail the implementation of the proposed plan, we will propose two fronts, the first one refers to a suggestion of change from the recruitment and selection process; and, as second front, it will refer to the brand strategy in order to generate in the medium term the increase of the brand awareness. The information will be detailed below and then there will be a possible schedule for the implementation of the proposed solutions, including the costs scheme. The purpose of this consultancy is to provide the organization with attainable solutions under certain requirements that the company has proposed to generate brand awareness in the market.

The best way to implement a proposal for improvement requires the approval and commitment of its main actors such as the CEO who is the leader of the company and its main peers. For this, these people must be the main actors of change and must feel that this will really be in favor of the company and for their departments, in order to participate in conjunction with their respective teams. It is very important that there is a person responsible for this action, since it

will be the person who supervises and accompanies during the entire implementation process, and it is recommended that it is not the CEO so that it feels like a corporate change of continuous improvement and not something that is imposed. Therefore, the person in charge should be a person of great confidence with the owner, but who in turn knows closely all or most employees so that everyone can feel more comfortable and open to this new implementation.

8.1. Activities

8.1.1. First Front

For this first front, we will talk about the concept of recruitment and selection that we propose in the sense that a person has to be in charge of a series of tasks to increase the performance of the employees, but integrating the corporate values and the history of MASEDI so that they can intrinsically integrate the culture of the company as part of their day-to-day and long-term work, and start talking about the company making good references about it. It is essential (i) to create a job design to be able to determine the necessary tasks that this person should perform in order to increase employee satisfaction, but at the same time contribute to make MASEDI a love mark for their employees. In addition, as part of the proposal, there might be requirements for the person to be able to carry out the future tasks in this position, part of which has to be a person with a minimum of a bachelor's degree in the careers of Administration, Marketing or Human Resources or careers related to them so that he/she can fulfill the necessary skills of the position. On the other hand, this person needs to have an attitude of openness, empathy, joviality and enthusiasm in order to establish better relationships with employees. However, it is recommended that if there is a reliable person from the MASEDI who has already been working with them for several years, he or she would be the ideal person, because he or she knows in detail the culture and values of the company apart from the workers where he or she could be the best start

the improvement. Also, part of the job design is to know the job description and the tasks and responsibilities to be performed by the person in charge.

Once this person has been recruited with all the characteristics mentioned above, he or she will be in charge of providing the respective orientation and training. It is recommended that this orientation last at least one week in order to generate greater acceptance and integration with the brand culture and then be able to preach the MASEDI's vision in its corporate activities. It is important that this person also ensures that future and current employees can have a clear understanding of the company's culture and values as part of their training and education. In order to strengthen the brand, starting with the employees, corporate activities will be implemented within the company with the aim of generating satisfaction and brand awareness with certain experiences such as those we will recommend below. There are quick and dynamic activities that generate beautiful experiences especially at the beginning of the day to start the work, such as certain exercises of calisthenics, stretching and relief to energize the body as used by the Japanese in their companies that do not take more than 15 minutes, and that besides the positive facts for the body, they do it to promote a sense of community and team. Other activities that can be made in a weekly-basis as trivia about MASEDI or related topics with some prizes like souvenirs or merchandising on the last day of the week will help to make a lesson-learning about the company. In addition, being able to generate low-cost, high-impact initiatives such as a healthy fruit day will show employees that MASEDI also cares about their health and wants to improve the lifestyle at work. Finally, we propose to implement a mailbox of ideas that every 3 months can deposit new business ideas or ways of doing things differently and that it will be done as a contest under the area of human resources and be given certain incentives for them to promote to present these well-developed ideas. These and other activities will serve as examples to be able

to establish better relationships and increase productivity and commitment to the company, since there will be ties that they can start developing with MASEDI in parallel to their career line.

8.1.2. Second front

Digital media. On the second front we will focus on brand strategy so that MASEDI is able to define, direct and maintain its attributes, characteristics, values in people's minds. All this must be transmitted in such a way that the consumer recognizes these attributes and be reminded of the brand. To begin with, we propose hiring a person by the company in charge of all marketing activities. This person must have a degree in Marketing, Administration, or similar and have experience in areas related to construction, that is, knowledge and experience in the industry and not only in marketing. Although it is true that they currently have the external marketing service, they will have an internal person in this area who can feel identified with the company, and will work with the same desire to fulfill the common objective of MASEDI. For the implementation of digital media, we will divide it into three platforms which are Facebook, YouTube and the web.

Facebook. In order to implement an efficient communication strategy through the social platform Facebook, it is necessary to create a very attractive and interactive content on the page that can generate interactions with users and generate engagement. For this, it is necessary to create quite interesting content that can be commented and shared by many other users. But, creating an interactive post requires first having a person to brainstorm and together with the MASEDI authorities form a message to the public. Likewise, once this brainstorming has been generated, the image or post as such is created with a small description that summarizes the message to be sent to the public. Once this is done, the second step is to be able to define the goal which could be to get more views or get more messages depending on the main objective. The

third step is to define the audience by placing a specific target with a certain age and location in order to have a marketing focused on a target audience, or if the publications are for current followers you can focus on the people who follow the page or reach also their friends on Facebook. Finally, select the budget that will be invested in each post and how many days we want to appear in the newsfeed of the target and put the specific dates. Depending on the number of days and the budget allocated will have a certain average range that is given by the Facebook and lets you know how much scope and interaction each of these posts have.

YouTube. As described in the previous chapter, the YouTube platform is a tool that could boost MASEDI's business by generating a different concept within companies in the same sector. To be able to implement the videos that will be posted on the brand's channel, the first thing that has to be developed is a brainstorming session with the marketing manager and the on-site engineers to generate ideas about the most important aspects of safety inside and outside the site and see what is really important and could be taken as advice as safety tips. On the other hand, in conjunction with the systems managers you can talk about cybersecurity, and with some occupational doctors can be talk on mental health issues. Once all the brainstorming has been compiled, an idea of content will be generated for each of the topics, generating a quality message for the MASEDI's community, showing that it is interested in the well-being of its audience. As a third step, each of the contents of these videos will be presented to the company's CEO so that they can be approved and uploaded to the channel by connecting it to Facebook and the web so that it can generate more brand noise on the different platforms.

On the other hand, the storytelling or testimonials of MASEDI's employees are a fundamental aspect for the brand and its recognition. To this end, the employees with the longest track record and best performance in the company will be invited to an interview and communicate

how they are identified with the brand. They will be told about MASEDI's idea of being able to count on their collaboration to appear in the brand's channel and be part of the great community and family that is MASEDI. If they accept, they will be given a short interview and then they will go on to the editing and posting the video.

Web. The web is a fundamental tool for companies in the digital world, since it is seen as the presentation of the company. For this reason, we seek to achieve greater traffic, with the right audience and make it a reference point in the sector. MASEDI's website already has a programming code, web design and relevant content for Google which includes a fast loading website. The implementation of the improvement of the web tool will be generated by the concept of search engine optimization (SEO) which is done organically from certain elements that the page must contain. As a first instance to be able to implement a better reception of the Google search engine, we propose to create a Buyer Persona which is a fictitious and generalized representation of our ideal client, and for that purpose we will use the database of current and past clients to see what type of profile MASEDI is looking for to work with them and thus a much better focused communication strategy for this target. As a second step, we propose to make a list of keywords and phrases that refer to and are most significant for the business and the brand, including misspelled words or related words that could lead to MASEDI or its services. To do so, it can be based on the Google Trends tool and Google AdWords if available, in order to generate a much more efficient list for searches in an organic way. On the other hand, uploading or having trend news on the web with short descriptions can also generate keywords that can be identified and redirected to the web page, therefore, including the Uniform Resource Location (URL) in the brand's social networks will generate a Google connection with the web page so that the search

engine can identify a greater number of documents related to a web page with relevant content and will allow more visits, which means increased traffic and rating for the search engine.

In the case of the payment by search engine marketing (SEM) strategy, it is applied for cost per click (CPC) and where first a brief description of the page related to the relevant keywords of the brand would be applied with a maximum of 25 characters. Then, it is associated with the link which is recommended to have keywords and redirections directly to the website and finally two lines of development with a maximum of 35 characters each in order to reposition the search words. This will serve to reach more users and generate traffic to the web being in the first pages of the Google search engine.

Non-Digital Media.

Agreements with Universidad de Piura or PUCP to give talks. The initial agreement with these universities will be similar to the current activities at Universidad Ricardo Palma. First, the talk to the representatives of the engineering faculty of the Universidad de Piura and Pontificia Universidad Católica del Peru, in order to reach an agreement or arrangement to be able to give talks in person, and these will have access to the MASEDI job bank (internships and traineeships) and in-house work visits. Once the agreement has been signed with one or both of these universities, a brainstorm of the possible interesting topics has to be done together with the proposals from the university. Once the topic is chosen, the right people either Vladimir, Pedro or any other reliable engineer that has less workload, needs to agree on the date, and at the same time, the community manager has to advertise these events in digital media such as Facebook. Regarding the job's boards, these positions that were already designed by Human Resources will be posted frequently as monthly, so MASEDI can have access to potential candidates from these institutions for any urgent projects. Similarly, the in-house project visit will first be coordinated

with the director of the projects during the development of a preferable large and important project to have a greater impact on students. After these activities are developed, the pictures, videos, interviews, must be registered in the social media as well as in institutional magazines.

Social activities. The social activities proposed are the fraternity cocktails with their clients every year, as well as integration sports such as football between partner companies that can be held on important dates such as company anniversary week or civil engineering week. However, these activities are recommended once the social restrictions are lifted in our country. For the cocktails, first MASEDI has to do a brainstorming to define the theme or main purpose which can be a celebration of some achievement, new announcements of the company or relevant holiday. When the thematic is decided, the guests will be chosen based on the target clients they want to address in the event, those that might be more interested in attending or those that MASEDI consider as the ideal client to build relationships with. Having the number of guests, it's time to make a budget that includes the ideal location chosen, drinks, snacks, merchandising items and decorative banners. For the football championship among the workers of all the partner companies, similarly to the cocktails, it has to be evaluated with which partners is needed to strengthen the relationships, MASEDI as host of the event would be in charge of picking the field place, finding sponsors as drinking companies, delivering the shirts to the teams that will carry the logo and name of the company , as well as the cup. Both social activities' budgets need to be confirmed with Vladimir or the finance department.

Division of client portfolio. Pedro Arbulu would now be in charge of the old client portfolio while new clients under Vladimir's management. For this, it will first be proposed to them and have them both agree and comfortable with this action, since Vladimir is MASEDI's brand image and represents every single project, his workload can be reduced and only have to focus

fully on looking, finding and addressing new potential customers. Although Pedro knows most of these old customers, it will be necessary at the beginning for him to receive an orientation or training from Vladimir to corroborate the characteristics and ways of working of each company so the clients can feel also comfortable with the idea of working now more closely to Pedro as they didn't before.

8.2. Implementation Gantt Chart

After the description of the implementation of the proposed solutions, MASEDI will be provided with the appropriate guidelines to start the project. To this end, the following Table 14 will specify each of the fronts, with their respective activities and responsible parties in order to maintain an order and timely follow-up of each of the proposals. Likewise, the duration of the implementation of each one of the solutions detailed in chapters 7 and 8 will be detailed so that they can take into account when it would be appropriate to start within an attainable time frame. In each of the implementation activities it is important that the CEO approves the content to be published to avoid any negative impact on the brand, this takes between one or two days because of the reduced time the CEO has.

Table 14

Implementation of the Propose Solutions

Implementation Plan	Responsible	Timing
Front 1		
Preliminary activities		2 weeks
1. Define and create the job design.	HH.RR.	1-2 days
2. Approval from Board of directors	CEO	1- 2 day
3. Hiring process	HR	2-3 weeks
4. Orientation and training	HR, CEO	1 week
Routine activities		
5. Health and dynamic activities for employees.	HR	Routine
6. Evaluation of employee satisfaction	HR	Monthly
Front 2: Brand Strategy		
Hire 1 person in charge of Marketing activities		19-25 days
1. Analyze CV's	HR, CEO	5-7 days
2. Make appointments	HR, CEO	2-3 days
3. Interviews and choose the candidate	HR, CEO	3-5 days
4. Contract and healthy procedures	HR, Administration, CEO	2-3 days
5. Training	HR, Administration, CEO	7 days
Facebook		10-15 days overall
1. Define content and target that MASEDI want to communicate	Marketing and CEO	3-5 days
2. Brainstorming about the ideas and define the message	Marketing	3-5 days
3. Approval from the CEO	CEO	1-2 days
4. Post and sponsored on Facebook	Marketing	1 day

5. Analyze Facebook Ads		2 days
YouTube		
Videos as interesting facts or tips for the industry		7-8 days overall
1. Brainstorming about the ideas on safety on and outside projects; cybersecurity; mental health	Marketing, Engineers, IT service, Occupational Medic	3-5 days
2. Define content and present it to approval	Marketing, CEO	1-2 days
3. Upload it to the channel and link to the social platforms	Marketing	1 day
Storytelling and Testimonies		15 days overall
1. Make a questionnaire	Marketing	2-3 days
2. Choose the candidate	Marketing and HR	1-2 days
3. Approval of CEO	CEO	1-2 days
4. Film the interview and edition	Marketing	5-7 days
5. Post and link with other platforms	Marketing	1 day
Website		11 days
1. Create a Buyer Persona	Marketing, Sales, CEO	3-5 days
2. Define characteristics and elaborate a list of keywords	Marketing, Sales, Administration, Engineers, CEO	2-3 days
3. Apply and renew the content	Marketing	2 days
NON-DIGITAL MEDIA		
University agreements		4 weeks and 5 days
Arrangement with faculty representatives.	Administration (new person)	2 weeks
Decide on the talk topic and speaker	CEO, Administrative	5-7 days
University talk	CEO, Engineers	1 day
Coordination of in-project visits with director	Administrative	5-7 days

In-project visit by students monitoring	CEO, Engineers	1 day
Post pictures and videos on social media	Marketing	3 days
Social Activities		
Decide on the purpose or thematic of the activity.	CEO, Administration, Marketing, Sales	2-3 days
Target the clients or partners to invite.	CEO, Administration	3-5 days
Make the budget and decide on providers.	Administration	2 weeks
Invite and promote the event	Administration, Marketing	starting 3 weeks before the event
Develop of the activity	Administration, Marketing	1-2 days
Post pictures and videos on social media	Marketing	3 days
Delegation of client portfolio		3 weeks
Approval from board of directors	CEO	5-7 days
Decide on client's portfolio for each one	CEO	1 week
Orientation about client characteristics	CEO	1 week

Apart from the previous table, it is also necessary to prepare a Gantt chart for MASEDI in order to make it easier to visualize a schedule of activities with possible implementation dates during the year.

ID	Title	Start Time	End Time	Sep				Oct				Nov		
				06 - 12	13 - 19	20 - 26	27 - 03	04 - 10	11 - 17	18 - 24	25 - 31	01 - 07	08 - 14	15 - 21
1	Finding an HR person	09/14/2020	09/28/2020		█									
2	Hiring a Marketing person	09/07/2020	09/25/2020	█										
3	Facebook posts	09/28/2020	10/12/2020				█							
4	▲ Feeding Youtube channel	09/28/2020	10/12/2020				█							
9	Storytelling/Testimonies	09/28/2020	10/12/2020				█							
5	Website improvement	09/28/2020	10/10/2020				█							
6	University agreements	10/05/2020	11/13/2020					█						
7	Reviewing social activities	01/04/2021	01/29/2021											
8	Delegation of client portfolio	09/07/2020	10/02/2020	█										

Figure 10. Gantt Chart of the Implementation Plan.

8.3. Implementation Costs

After showing the proposed schedule to implement all the different strategies, it is important to mention the specific costs in order to have a viable budget. A new chart was created to show some costs to take in account that will be accurate to the actual strategy that MASEDI is looking for. First of all, the HR department might have a budget of \$300 U.S. dollars for the activities mentioned in the Table 15. All the implementations might have a time frame of 15 days due to the definition of the initiative, approval of the CEO or the person in charge and to buy the things needed. Part of this are routine activities such as looking forward to the health and security of its personnel, but it is crucial to have a monthly evaluation of the employee satisfaction and performance of the employees by different forms, like the 360 degrees evaluation or surveys of satisfaction to identify the possible aspects that affect directly to them. Secondly, they need to assign a budget of \$700 U.S. dollars for hiring a person in charge of the marketing activities that can be with or without an intern. This person possible intern can be the Community Manager or stay with the actual third party, this can take a time frame from nineteen to twenty-five days to analyze the candidates, health procedures and training. This person will be in charge of the following actions, referring to the social media actions:

For Facebook, we are proposing to have from one to three campaigns within a month that include between two to five posts each. This will be referring to tips about the construction industry, projects that are in progress or already finished, and other attributes from the brand and culture of MASEDI. For this, it will be assigning a cost between ten to twenty U.S. dollars per campaign for FACEBOOK.

For the YouTube Channel, will be expected to buy a good professional camera with a one-time

investment of \$500 U.S. dollars for the Facebook and YouTube videos or posts. Depending on the type of video, will take from seven to fifteen business days and will be part of one of the campaigns to be aligned with the strategy. These videos will be about different storytelling or testimonies from MASEDI's clients and employees, so for this will be in charge the Marketing and HR departments reviewing the best candidates for the shoots.

For the website, the team had identified that MASEDI does not appear always in the first five pages on Google, so in the Appendix A is considered a list of 30 keywords related to the construction industry and MASEDI's attributes itself, defining them with Peruvian words of the same industry and putting it in English and Spanish, because of their vision to expand abroad in the future.

Table 15

Costs of the Implementation Strategy

ACTIONS	RESPONSIBLE	COST	DAYS OF IMPLEMENTATION
HR PERSON	Adm/CEO	\$300*	15 days
MARKETING PERSON	Adm/CEO	\$700	19-25 days
FACEBOOK POSTS	MKT	\$10-20 per campaign	10 -15 days per campaign
YOUTUBE CHANNEL	MKT/HR	\$500 one time **	7-15 days per video
WEBSITE SEO	MKT/Sales/ CEO/ IT	-	11 days

* Budget for HR activities during the month

** Buy a good camera if don't have one already

8.4. Key Success Factors

In order to provide the most chances of the suggested actions to be successful, it is essential to identify certain Key Success Factors (KSF). KSFs are generally defined as “a description of the major skills and resources required to be successful in a given market” (Grunert & Ellegard, 1993, p. 256). As KSFs vary depending on the specific problem, it is important to identify those critical factors that best measure the analyzed problem and that are tailored to it. The previous detailed analysis concerning the problem, possible alternatives and ultimately the implementation operate as the backbone for identified the most important KSFs.

In order to ensure the success of the proposed implementation, it is crucial to monitor the commitment of the management team. Especially in the case of MASEDI in which the general manager is still the main decision-maker and most influential person of the organization, the success depends on the commitment of the top management team. If they do not believe in the implementation plan and its success, it is unlikely that it will succeed. If they are convinced whatsoever that the suggested solution will indeed solve their problem and increase customer's awareness of MASEDI, there will be another major force emanating from the top management team leading the organization into the right direction. In order to secure to most commitment of the top management team it is useful to ensure that it understands the proposal and the advantages and benefits it will provide for MASEDI and make them excited about the implementation. Qualitative as well as quantitative arguments and portraying MASEDI's future after the change might be useful tools to ensure that this first KSF will be obtained. If this is done, it is likely that the passion and enthusiasm of the top management team will spread across the employees. It will be then easier to implement the change if the employees are included into the

process and feel the same spirit as well as recognize the advantages and benefits the transformation will provide not only for MASEDI but for every single one of them. The change process also needs to be transparent. This way, employees are most likely to understand the intentions of the change and support it.

Transparency is nevertheless not only crucial for convincing the employees of the benefits that the suggested implementations will provide but is also necessary when dealing with clients. Only if the customers are able to trust the employees of MASEDI, they will recognize the organization as a brand that can be trusted. The clients need to be continuously updated on possible improvements and also possible negative attributes need to be communicated rather than be hold back. Customer complaints need to be addressed directly and in a timely manner. Every process and action taken needs to be clearly explained to the clients. Thereby, MASEDI will be able to create a reputation for honesty as well as standing up for its mistakes. The customers also should be engaged over the time of the relationship which will likely increase their loyalty. Surveys thereby could play an important role for engaging them as well as assessing their satisfaction. Surveys provide customer insights that furthermore help to identify areas of competition, evaluate service and product strengths and weaknesses.

In addition to transparency towards the clients, strong business ethics help to increase the trust and loyalty customers identify in MASEDI. The general manager needs to demonstrate the customers of the organization, that it operates only legally and is not involved in an illegal action such as corruption scandals. MASEDI furthermore needs to communicate its Corporate Social Responsibility (CSR) in order to show the altruistic characters of the organization. By implementing and actually enforcing policies in regard to business ethics and CSR, the top manage-

ment team of MASEDI will be able to not only create a good reputation within the Peruvian construction industry, but also to build and expand the brand of the organization. They should therefore work closely with the customers in order to identify and enforce CSR strategies.

To furthermore ensure that the employees understand the need for change, they should be trained and sensitized. The quality of those trainings might also be considered as KSF. It is possible that the spirit and enthusiasm of the top management team does not reach every single employee. In this case, the training is essential for making them go along with the change thereby not sticking to the old ways and hindering the process of transformation. During those trainings, employees should be sensitized of the existing problem and how it hinders the success and growth of the organization. It should furthermore be portrayed how supporting the suggested implementation will provide benefits for each one individually, not only for MASEDI. Only if every employee realizes the need for the suggested implementation process, the transformation is most likely to succeed.

Supplementary necessary to the commitment of the top management team is a strong leadership by the responsible person. Although the commitment is a crucial antecedent for the success, the capability of leading change and implementing necessary transformations is likewise important. It is thereby important that the person in charge is respected by the employees and that he or she is in the possession of not only the theoretical knowledge but also the practical one about implementing and leading change. To ensure the obtaining of this KSF, it is crucial to choose the right person responsible for the change as the success of the implementation proposal heavily depends on him or her and his or her ability and capabilities to lead change. The leadership should also be managed under consideration of the vision and mission of MASEDI. Only if

the intentions are adapted to the core values of the organization, it is likely that the change will be successful.

As can be identified in the above paragraphs, persons (especially the top management team as well as the person in charge of implementing the change) and attributes related to them are KSFs. Additionally, policies should be considered as crucial for analyzing the potential success of the change. A transformation hardly ever can be conducted without introducing updated or completely new policies. Those guidelines need to be precisely and accurately elaborated in order to prevent any misunderstanding. The new policies also need to address in detail every newly introduced attribute so that everyone knows what is expected and what outcome is striven for. Nevertheless, it should also be considered that the updated or newly introduced policies should not be too complicated or contradict each other. Rather, they should complement and self-reinforce each other so that the success is ensured in the most possible way.

Another KSF that plays an essential part in almost every circumstance is the financial backing that needs to be provided for implementing the change. The top management team needs to realize that the problem of low brand awareness cannot be solved without certain investments financially and non-financially. It is typical that top management teams are unwilling to invest into projects of which the success is not guaranteed. In the specific case of MASDEI furthermore, the top management team is not affine with marketing and brand management. It is therefore likely that although the general manager and his deputy have the desire to solve the problem, they are unwilling to invest monetary assets that could otherwise be used for other projects that are more likely to succeed. It is therefore essential to provide convincing arguments that portray the necessity of the transformation as well as identify quantitative figures and analyses that

are likely to be obtained if the transformation is pursued. It should be demonstrated that the potential future benefits of the implementation process will outweigh the present monetary investments.

After it had realized this crucial fact and is willing to invest, it needs to be identified how the capital will be financed. Possibilities therefore could be already existing own capital that can be freed up, fund, loans, and also profitable projects. As decisions concerning financial attributes are never easily made, it is important that the financial statements are precisely monitored and improved if necessary.

Another KSF for MASEDI's problem of low brand awareness is a strong customer service which is can be quantified in terms of number of satisfied clients, number of returning customers, or number of being recommended by already existing clients to potential ones. As already analyzed, the general manager as well as his deputy recognized the important and decisive position of the customers. It is thereby essential to identify the true needs of the clients and actively engage in the relationship with them. A unique and personalized customer service is necessary in a Peruvian business environment in order to maximize customer satisfaction (Osland et al., 2007). Although relationship management is mainly operated after the client has been acquired, it is still a critical antecedent for ensuring not only a successful business relationship but also to build and create one in the first place. If the managers of MASDEI weren't aware of the critical position of their customers and wouldn't know how to handle the relationships, it will be unlikely that MASEDI will recruit any new customers. In a Peruvian business world, the quality of the relationship between the provider and the customer often outweigh other hard factors such as price, offer, etc. Therefore, the quality of the relationship management should be considered as a KSF.

Supplementary of a high qualitative relationship management is a high quality of the provided products and services as well as a strong product portfolio. Only if MASEDI is able to provide the accurate products and services with the demanded quality, it is likely that customers will choose MASEDI over its competitors. It is therefore important to continuously analyze the market in order to understand trends and know what its competitors are up to. In terms of quality, the general manager should strive for obtaining ISO certifications.



Chapter IX: Expected Outcomes

It is the intention of this project, and is to be expected that MASEDI sees great growth, improvement and results through the above recommendations and respective implementation plan. Our team firmly believes in our proposed solution and we expect MASEDI's brand awareness to improve in Peru.

9.1. First Front – Recruitment, Onboarding & Employee Satisfaction

The outcome of the proposed recruitment and onboarding activities will set the stage for greater employee satisfaction and loyalty to the company. The team believes it is very important to align the employee's values with the company's so everyone is on the same page and is promoting the same values when promoting the company whether by word of mouth or online. The goal is to make MASEDI a fantastic place to work, to uplift its workforce and have those positive remarks trickle down to the very core of its business.

9.1.1. Digital media

It is expected that the selected marketing manager will make tremendous impact on all digital media activities for MASEDI. The team is confident that this key person will transcend MASEDI's business on the online world and therefore keep MASEDI up to date with the current trends in today's world. The marketing manager will work with the external marketing service to produce top notch marketing strategies and campaigns and this person will implement important change at MASEDI to get more traffic to the site, generate more clients and boost brand recognition online. This outcome will do wonders for the company and will possibly promote more digital practices and social media implementation in the construction industry at large.

Facebook and YouTube platforms. With a higher presence on Facebook and YouTube, MASEDI will see progressive improvement as it pertains to views, likes, shares, clicks and eventually business. Once MASEDI's marketing manager and the executives come up with a clear message to portray to audiences, people will recognize it as their message on different platforms and associate it with their brand, logo and name. On Facebook, the expected outcome is 5x the amount of views in the first three months of implementation and 10x the views in the first six months of implementation. Moreover, it is expected to have more likes and this data will all be recorded to track the progress of the Facebook campaign. On YouTube, it is expected of the marketing manager to bring creative, storytelling ideas whether he/she produces them him/herself or through a outside freelancer. The result will be a greater knowledge of the company, its services and interesting content being transmitted to the public. The team expects MASEDI to be at the forefront of construction company videos that are compelling and will generate interest to reel in new clients and prospects.

Web. It is expected that through our proposed initiatives for the website like SEO and SEM, that MASEDI's traffic to the site will improve. Once keywords have been implemented, a Buyer Persona is established, and the appointed key marketing person fully takes advantage of website optimization strategies, the company will see higher numbers of visitors and eventually more clients. Our projection is to see about 1-2 new clients per month through the updated website implementation. Today, websites are one of the main sources for business and MASEDI will soon be part of this source's success.

9.1.2. Non-digital media

Working with the universities. It is expected that working with universities such as Universidad de Piura and PUCP will not only greater boost MASEDI's reputation and image in the

community, but create interest in working for the company which will be a great benefit in the long run. Once posts on social media are seen of the event, onlookers will share to their friends to show that a great construction company is working with university students. As for the magazine, MASEDI could be up for awards in its contributions toward engaging its community and next brightest minds and this will further produce a positive view on who MASEDI is. Through this outcome, the team expects higher public brand recognition, leads on new clients and more dedicated, skilled and savvy employees due to the internship program. As we Master's students know, when a company provides an opportunity to join a stellar internship program with a good brand name, we see it as competitive and students will be flocking for this opportunity, greater boosting the MASEDI brand among its top competitors who don't implement this plan.

Charitable and social activities. Participating in charitable efforts as well as igniting the social scene in MASEDI's local community is a sure way to boost reputation and clientele. We expect that through these efforts, even though the considerable time and money both need, will deliver results such as (i). An overall higher brand recognition which will be tested and evaluated through a community wide survey delivered on Facebook by the marketing personnel (ii). Approximately 1-2 more clients per month and (iii). More local partnerships within the community that will enhance outcomes (i) and (ii) to a higher extent.

Division of client portfolio. With Vladimir solely in charge of new clients and likewise Pedro in charge of old clients, it will greater create organization within the executive team, take off unnecessary workload for both, and open new frontiers and opportunities whilst both managers have a focus. It is expected both Vladimir and Pedro take ownership of their new specific responsibilities and duly continue good relations with the old clients and foster great relationships with the new clients.

Overall, through each of these different areas, MASEDI should expect to see improved outcomes and results to build brand awareness and thus boost profits. The team anticipates MASEDI to rise higher in its rank among competitors within the first 3-5 years, with steady implementation of the proposed plan.



Chapter X: Conclusions and Recommendations

10.1. Conclusion

The present report reveals the result of the consulting process done for MASEDI, which includes a solution proposal and the implementation plan. The solution alternatives were based on the analysis of the company and its current situation that is described along Chapter 1, one the most important aspect to mention about MASEDI is the good reputation and expertise gained in these 21 years of trajectory as well as the personalized service offered to the clients with the CEO presence in every single projects they have done until now. Also, the company put a great importance on getting great qualified employees through intensive training to be part of the company as well building a good relationship with them. That focus on building relationships also applies to its clients, and had let them to have a loyal client portfolio in the public sector.

Chapter 2 clearly portrayed MASEDI's problem of low brand awareness as well as its weak position in the private construction market. The problem thereby addresses the whole organization with a specific focus on marketing and brand awareness. As the major decision-making power still lays with the general manager, he and his deputy are mainly responsible for implementing the necessary steps in order to double the market share in the private sector to 2% as well as increase the number of projects from currently 7-8 to 10-12 per year.

The literature review in Chapter 3 helped to get a deeper insight into the theoretical background of the problem. Related root-problems as well as possible alternatives to encounter the problem were analyzed and identified based on past literature. A special insight was put on customer relationship management in a Peruvian business environment, the required organizational changes when an organization is growing, as well as tools and channels to increase brand awareness.

The qualitative analysis in Chapter 4 provided a more practical insight of this issue. It was thereby analyzed that MASEDI's top manager as well as employees are in the possession of capabilities and abilities to provide excellent customer service. They understand the need for a customized and unique customer relationship management which is a key asset of the organization. In quantitative terms it has to be mentioned that MASEDI lacks outstanding numbers and figures that differentiates the organization to its competitors. Encountering MASEDI's problem of low brand awareness is likely to improve the quantitative figures. Through these analyses, the key problem has been broken into four causes that could be described as the main antecedents and bases for the issue, which are external, processes, materials and personnel. External factors have been threats for MASEDI as the fierce competition in the industry didn't let them to increase their low market share. The current procedures they have relied through all the years as the mouth-to mouth promotion and the lack of a budget plan for marketing campaigns, together with the outsourced area to third party agents while during the daily operations there is a high dependence on the CEO. As a result of these 4 categories of causes, MASEDI has a very low brand awareness, the main problem identified here.

Chapter 6 talks about the solutions proposed as opposed to those of the previous chapter in which many possible solutions are mentioned that have been consulted with the directors of MASEDI. Many of them are viable, but they are not completely in the company's interest, so it has been determined through a strategy chart to see the values weighted to certain factors such as feasibility, ease of implementation, costs, among others, in order to evaluate which would be the most suitable and which would best adapt to its needs. For this reason, the proposed solution described in Chapter 7 of this report demonstrates the options that best fit the real needs of

MASEDI identified in Chapter 6 in the strategy chart, since they are the most viable to be implemented. To this end, it was concluded that a position design for a person in charge of Human Resources will be detailed, who will be in charge of the future new and existing employees in order to generate a greater connection between the collaborators and the brand. The purpose of having an induction more focused on the vision and corporate values, is to be able to generate an organic marketing by word of mouth as a result of an increase in the satisfaction in the work environment and an approach where everyone benefits by putting more effort to the company to be re-powered. Moreover, thanks to the new approach of MASEDI disclosed by its current CEO, it has become more disruptive and innovative in the sector that is characterized by its traditional character. This is reflected in the constant use of the brand strategy that aims to promote social platforms such as Facebook and YouTube in particular, and the best use of the web related to the Google search engine. MASEDI's constant focus on change includes having a person in charge of marketing activities in order to focus on the real needs of the brand and communicate the company's corporate culture. At the same time, we hope to promote future projects in a different way and begin to interact more with the community by providing safety tips on and off the projects, on the Internet, and have the initiative to be disruptive and with a social mentality implementing mental health tips. In the same way, we are looking to implement relationships with prestigious universities in the civil engineering and architecture careers, to generate better brand recognition with the next generations as well. It is crucial for them to be able to show that innovation combined with professionalism and trajectory are factors that will consolidate the brand towards a new future where new clients will see a new face of MASEDI and old ones will be recognized as partners in the different works in the future.

Therefore, in Chapter 8 we talk mainly about the implementation of the proposed solution where it is detailed how, step by step, we can strengthen the objective of the consultancy, which is to generate greater brand awareness organically, consolidating the brand and strengthening the culture preached by MASEDI. Likewise, it details the key factors to be able to develop the implementation of the solution in the most suitable way, such as the importance of the CEO creating and preaching the new changes as part of the brand's strategic plans in line with the vision. This person who is the leader and the person who influences the whole organization must be the first and most important one to support this change. In the same way, communication and commitment to customers must be given at all times, since they will associate certain attributes related to the brand depending on how the complications are handled on site and what solutions the customer receives. In this case, MASEDI must be willing to invest to generate new opportunities where they can exploit certain tools and gain a larger market. It can even be said that the brand could find a new channel through the implementation of social networks, where it is used as a letter of introduction to the cyber community that seeks solutions in construction.

The expected outcomes in Chapter 9 show the anticipated results that would occur if the implementation plan is followed for our teams' proposed solutions. Through the recruitment process, digital and non-digital media, and the division of the client portfolio, the section explains how the implementation plan will result in more new clients, higher brand awareness and more traffic on the website and through its respective social media platforms. Overall, it is expected that MASEDI will greatly benefit from the proposed plan and its business will improve and soar.

10.2. Recommendations

10.2.1. Keep in touch

First and foremost, it is highly recommended that MASEDI keep in touch with the consultants of this team during the entire implementation process i.e. through the change management, trainings, adjustments as well as afterwards for the termination i.e. the evaluation, final reports, and more follow-up plans. It's very important for Team 2 to be regarded as a "helpful hand" by MASEDI throughout the entire consulting process; because as we consultants know, no change is ever easy and our team of "experts in training" believe it's our job to provide this crucial recommendation.

10.2.2. Evaluation of the marketing manager

An important recommendation is to closely evaluate the progress of the newly onboarded marketing manager and make sure communication is clear between he/she and the executives at MASEDI. This is crucial because we want to make sure that the marketing manager is necessary and is actually making improvements within the company, and is doing a better job than a 3rd party service would. Through our consulting analysis, we are confident in the decision to hire a marketing manager because we believe the hired individual will truly be a beneficial addition to the team, however it's still vital to keep close tabs on the individual. If all goes well, the marketing manager will soon develop into a fully-fledged marketing department, with many other individuals, potentially even interns, under the manager. Overall, the coordination and communication should be frequent and specific between the new marketing manager and the executives, especially during the beginning months of the implementation to ensure strategies and plans are aligned with MASEDI's vision, values and even budget.

10.2.3. Follow trends and changes

Another recommendation is to try to stay up to date on new trends and changes within social media. For example, our team has advised MASEDI to continue utilizing Facebook and

YouTube, however there are other popular platforms such as LinkedIn and Instagram that are equally as useful and attract different target customers. LinkedIn, the professional networking site, is not only used to find and promote new jobs and positions, but to network, post about new findings in the industry, as well as to stay informed about colleagues and their successes and findings. After Facebook and YouTube are improved and solidified within MASEDI's social media management, LinkedIn can be tested to see if it too entices new clients or brings more interested viewers to the website. In addition, Instagram is a popular photo posting site mostly used by millennials and youth, however it has become more than just a photo posting app; through its "stories" it allows users to transmit informative messages and information about world news, politics and is an app that companies can utilize to promote their business through ads, influencers and aesthetic branding on their page. Nevertheless, social media is a highly volatile and inconsistent marketing source, yet when used correctly and trends are closely observed and analyzed, it can result in huge gains for a company who partakes. We recommend that the marketing manager be in charge of new trends, all social media management and strategies on how to approach any problems that may arise with social media.

10.2.4. Review and update brand manual

One of the main recommendations we would give to MASEDI is to be able to review and update if necessary, the brand manual in order to continue communicating in an optimal and timely manner to its different targets. It is quite important to be able to define on a half-yearly or annual basis whether they continue to address the same target audience, as the Marketing Manager will be guided by this. In case the company wants to enter a new market or implement a new product it would be important to be able to make not only a new marketing strategy, but also a communication strategy and add it to the brand manual.

10.2.5. Contingency plan

Another recommendation is to be able to prepare a contingency plan that can be updated continuously within 90 days, since new challenges will appear throughout MASEDI's growth. If these challenges are identified in time, the company will be prepared for certain situations with this contingency plan in advance. For this reason, it is important that a person in the company can be in charge of always seeing that the plans are updated as the market changes in order to have the possible scenarios mapped out and know how to act in cases of emergency, especially when the CEO is not present. Being able to identify the problems in time is always a way to correct the problems effectively and have more time in case something does not work, which would be one more reason to contribute to this contingency plan. It should be noted that these plans are made with supervision and approval of the owners and directors of the company.

10.2.6. Customer relationship management

Implementing Customer Relationship Management (CRM) Systems may be another great recommendation that for now would not be totally viable because of the cost of implementation, but in the future along with growth would help to be able to evaluate in a different but more organized way their customers. Taking into account that one of the proposed solutions is the delegation of roles to divide new clients with old ones, it can be one of the ways to sub-divide their clients and to be able to channel different analysis that the system can give, having the percentages and product identified on site.

10.2.7. Barcode program

Another recommendation from what was discussed in one of the meetings is that within their stores can implement the same barcode program putting the stickers in their materials to feed the system more efficiently and keep track of how much product is in store and how much

in each of the projects. This would help to know the real cost and how much product has to be replaced to keep the same inventory. It would be something that would facilitate not only to know the real production capacity, but if they really have all the necessary pieces to cover the promised footage and improve their budgeting and accounting.

10.2.8 Trainings and social events

Something that we consider a key driver for the implementations to take place in the best possible way is that the people within the company, especially the leader, know the importance of each of the proposed solutions and must believe that they will have a positive effect, so we propose that they can participate in talks and trainings such as social media and how it is the best way to serve customers. Attending events once the social events are reactivated can be of great help to see the new solutions in the market and generate an innovative communication strategy.

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Appendices

Appendix A

This appendix was made to give ideas on what keywords MASEDI could use to improve their SEO on Google. It is important that these words might be added in English and Spanish, because MASEDI wants to go abroad in the near future to other countries inside Latin America.

List of Keywords:

1. Contratistas Generales
2. Contratistas
3. Construction
4. Buildings
5. Peru
6. Construction industry
7. Pavements
8. Constructive solutions
9. Integral solutions
10. Subcontractors
11. Build
12. Private Sector
13. Public Sector
14. Architecture
15. Arquitectonic solutions
16. Houses
17. Hospitals

18. Parking lots
19. Construction designs
20. Design my apartment
21. Apartments
22. Lima
23. Contract
24. Concrete
25. Design Solutions
26. Projects
27. “Maestro”
28. “Obrero”
29. “Multifamiliar”
30. Roads

