



## QL CASE STUDY: **CREATING A BUSINESS SUCCESS PLATFORM FOR A PROMISING ONLINE RETAILER**

### **THE CLIENT**

A leading European online retailer with \$97M in annual revenues and 8% profit margin that sells a wide variety of branded and private label home products. The retailer is a pure online player with no brick & mortar presence. Inventory is a central business component, and cross border shipping is utilized by the retailer to cover additional countries within the EU.



## The Main Challenges

When the collaboration with Quicklizard began, the retailer was using a single channel – its local ecommerce website – to sell products in its home country. When it came to pricing, the retailer used a sophisticated excel spreadsheet, which allowed for gradual price increases or reductions, mostly based on inventory and seasonality.

The retailer approached Quicklizard because it had decided to pursue a more advanced, AI approach to pricing. The retailer wanted to fully automate pricing decisions, while taking into consideration variables such as real-time user behavior, inventory data, pricing history, competitive data and cost constraints.



## The QL Solution

Working side-by-side with the retailer, Quicklizard established an AI-based solution for profit optimization. The solution encompassed 80% of the retailer's products.

After QL's AI-based dynamic pricing platform began delivering results, the retailer and Quicklizard decided to add an important feature that addressed inventory optimization.



This feature allows the retailer to optimize pricing in accordance with existing inventory status – especially for limited-time clearance sales. Inventory renewal costs (which may be higher or lower than existing inventory costs), and inventory renewal times have also been taken into consideration.

In addition, sophisticated competition modeling (for the retailer's own branded products) was also applied. This enables the retailer to use market data on its own brand as well, thus reducing competitive response times and preventing revenue loss.



## The Result

QL's dynamic platforms rely on AI-based pricing to effectively alter the retailer's approach to pricing. The new pricing strategies brought the retailer newfound success, which allowed it to branch out to two additional sales channels in two new European countries. Pricing was optimized individually for each sale channel, based on separate parameters, thus allowing the retailer to experience success in three countries.

Six months after implementing the Quicklizard platform, the company saw a 34% revenue increase, growing the retailer's sales to \$130M. During that time period, profit increased by 11%, when compared to the period prior to the implementation.



## The Future

The ability to respond to local competition has enabled the retailer to expedite its plans for expansion to additional countries. In addition, the retailer expects to increase the variety of its private brand.



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Quicklizard is a global solution provider that helps retailers make smart real-time pricing decisions across online and offline channels. Relying on accurate data analysis, QL's dynamic AI platform allows businesses to adjust prices with maximum precision, quickness, ease and efficiency, as a basis for enhanced profit and revenue.