

# XPLN

The Importance  
of Insight

★euronics

CASE STUDY

## EURONICS

Increase sales with intelligent market analysis



# Your best home in the world!

**This literal translation of the German tagline describes in a nutshell the guiding principle of retail cooperative EURONICS: to offer its customers both the best quality and the best service when buying domestic electronic goods. With more than 10,000 locations in 36 European countries, EURONICS International is the industry's largest group of companies worldwide. In Germany alone, more than 1,200 dealers at almost 1,500 locations joined together to form the EURONICS Deutschland eG group. These companies range from smaller electrical retailers to large chain stores and specialist markets.**

Price search engines and online marketplaces make it very easy for end-customers to determine the market price of products. This price transparency has far-reaching consequences for retailers: the customer journey no longer begins in the local branch, but online – which means that today's customer is very well-informed, and can buy wherever the offer seems most attractive. Increased competition in the marketplace also raises the pressure on EURONICS dealers to offer their products at competitive prices, without incurring losses themselves.

On the euronics.de marketplace, members sell over 100,000 products. The challenge is to optimize their offers for competitive comparisons on the market. Whereas prices used to remain unchanged over a long period of time, today this quickly generates negative feedback from customers, whether they are shopping online or offline. Just ten percent of potential buyers actively ask the retailer for a lower price. This is only the tip of the iceberg, however – a much larger part of the dissatisfied target group migrates unnoticed to the competition. The consequences for the retailer include loss of credibility and loss of sales.

Market players must therefore continuously observe their environment and react dynamically to the market in order to remain competitive. Attractive pricing that takes the offers of the competition into account is a key success factor – and not just in online retailing. Only an automated price update – so-called "repricing", which adapts to market conditions and the prices of the competition – helps the trade to tackle these challenges.

# Automated monitoring: from problem to competitive advantage

How is it possible to maintain a comprehensive overview of the prices of the competition, and decide whether a price adjustment is necessary for your own products? Manual and time-consuming market research is out of the question for a retailer with an extensive product range. EURONICS therefore relies on the SaaS platform XPLN, which automatically provides an overview of the market prices of its products and the product ranges of the EURONICS competition.

Prior to the introduction of the new solution, EURONICS members were able to receive price information on competitor products from headquarters once a week. However, this data was neither comprehensive nor current enough for attractive pricing.

The basis for optimal pricing of products is reliable data updated on a daily basis – and therefore a higher refresh rate of price information is crucial for modern pricing strategies. This increased refresh rate could only be achieved cost-efficiently with an automation tool. When selecting a suitable application, EURONICS used the data quality and timeliness of the web crawling as a basis for decision-making. The cloud-based software solution XPLN was able to convince on both these points.

## Increased performance thanks to fast and efficient repricing

Using a well-maintained database consisting of individually configurable price rules and the current market situation, MARGIN MAXIMIZER determines an optimal price for each individual product offered. This proposed competitive price can then be transferred either automatically or manually to the company's own web shop, ERP or other interfaces.

MARGIN MAXIMIZER provides EURONICS with the competitive prices of around 100,000 products, several times a day. Based on configured rules that depend, for example, on the respective brand or product area, a dynamic and competitive price is suggested, which the dealer can then adopt for his products. Based on this crawling, around 30,000 products receive a new price on euronics.de every day. This price takes

into account the market environment and the dealer's own set of rules.

Around 100 EURONICS members who already work with electronic price tags especially benefit from automated price monitoring. Their price tags no longer have to be laboriously exchanged manually week after week, but display the price determined directly.

For traders like EURONICS members, who are in direct competition with online giants such as Amazon, the price information provided by the XPLN SaaS platform is crucial for their own success and thus serves as a strategic competitive advantage in trading.

## Competitive prices through automated price monitoring

“To begin with, some of the dealers were skeptical about the new solution,” explains Raphael Beguin, Director of Business Development at EURONICS Germany. „They doubted the price recommendations and were not sure whether the data could really be relied on.“

There were reservations time and again, particularly on the subject of price ranges. There was great concern among dealers that they might even have to sell below the purchase price. The objections were not entirely unjustified: in fact, with many price monitoring and dynamic repricing solutions, there is a risk that competitors will try to lower prices as quickly as possible by exploiting the logic of rivals' pricing algorithms. Simple pricing algorithms are vulnerable to such attacks and can actually push product prices down very quickly. EURONICS avoids exactly this risk thanks to intelligent sets of rules. “Price is not the only relevant factor. We are also concerned with minimum margins, delivery times and much more. All of this flows into the price recommendation,” says Philipp Neuffer, Head of Multichannel Marketing, EURONICS Deutschland eG.

After intensive tests, confidence in the new solution gradually developed. „Our members noticed that the advantages clearly have the upper hand. In addition, our tests have shown that a competitive price does not automatically imply a price reduction. We help the dealers so that they do not offer products which are too expensive, nor too cheap,” confirms Philipp Neuffer.

In fact, it was found that prices were lowered many times over a fixed period of time, but also increased again. „Adopting XPLN's price recommendations does not lead to an aggressive price war, but rather the system helps us to better align the ‚guard rail‘ from below and above with the market and thus increase our sales,” adds Raphael Beguin.





# Reliable data as a success factor

*„XPLN is absolutely essential for EURONICS. With XPLN, we are laying the foundations for marketing our products in the best possible way, stabilizing our prices and, in the future, selecting the best products to purchase and using them for our advertising,”*

Raphael Beguin, Director of Business Development at EURONICS Germany

Thanks to the provision of daily updated prices for 100,000 articles by MARGIN MAXIMIZER, EURONICS is laying the foundations for dynamic pricing of its members' products. Pricing is key – and it not only has a direct influence on the target group's purchase decision, but also contributes to overall conversion rates and sales.

But even as the online business at EURONICS grows more and more, the clear advantage of the group is in the supply of online customers to retailers with a physical presence. EURONICS clearly focuses on cross-channel commerce: the online shop allows customers, among other things, to view offers and stock levels of local dealers at the click of a mouse, and to offer products at a fair price to the customer. Purchases can then be made directly online or at the local dealer.

The customer benefits from this concept in two ways: online, they receive up-to-date information at any time and, in addition, they benefit from the competent services provided by the local electrical retailer. Using this model, EURONICS creates a strong interlocking connection between the selling channels for its dealers. Fair prices and optimal service put the customer first. This interplay of price information, availability, services and customer focus forms the basis for the high level of customer satisfaction at EURONICS – and thus lays the foundation for sustained corporate success.

# XPLN

The Importance  
of Insight

---

You've read enough.  
Let's talk!

We are very familiar with your day-to-day work in the e-commerce sector. And we know why reliable data is the key to confident decision-making.

Let's sit down and talk about how we can address the challenges you face every day and improve your sales and margins together.

TELL ME MORE

---

## ABOUT XPLN

XPLN unearths buried e-commerce data troves and reveals their riches, empowering our clients to make confident decisions and take decisive action. Our unique SaaS+ approach combines AI-based software with human expertise and data consulting to correctly interpret data and use them profitably. It informs crucial branding decisions by major brands and retailers and offers structure for maximized performance. This is the heart of XPLN – The Importance of Insight.

XPLN supports key players in diverse industries such as Calvin Klein, Tommy Hilfiger, Gardena, Euronics and Swarovski.

---

### **XPLN – The Importance of Insight**

Motorstrasse 25, 70499 Stuttgart  
Germany

#### CONTACT

Kai Hilsenbek, Sascha Budil

+49 711 758 866 400

[info@xpln.com](mailto:info@xpln.com)  
[xpln.com](http://xpln.com)

---