

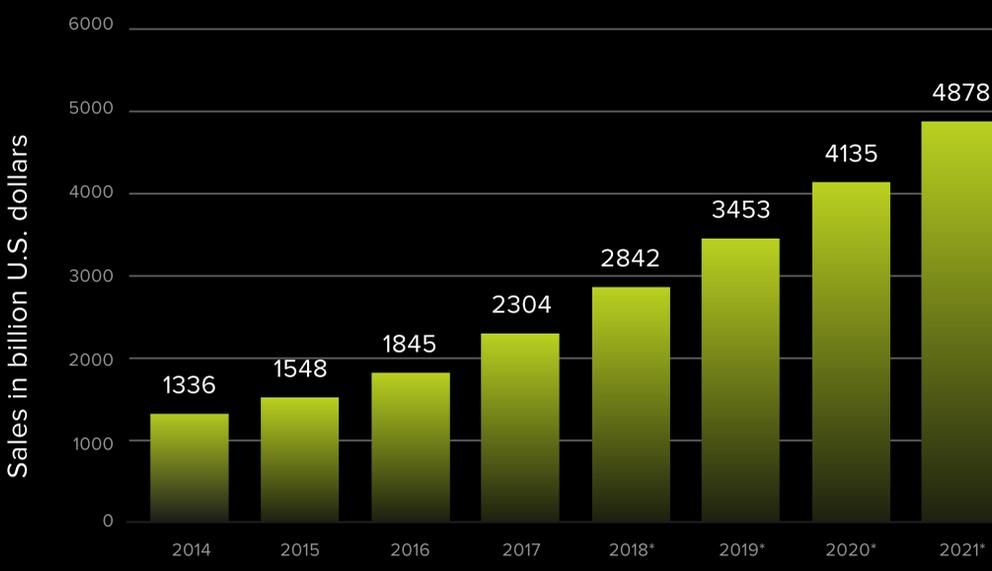
# E-COMMERCE

## Dynamic Pricing Case Study

Powered with Machine Learning

Over the past several years the e-commerce industry has been exploding in terms of sales. Forecast from eMarketer says that by 2021 there will be \$4876 Billions sales worldwide in just retail e-commerce sector. The market will be won by those who stay on top of the latest technologies and adjust to the market's needs.

### Retail e-commerce sales worldwide from 2014 to 2021 (in billion U.S. dollars)



**Source**

eMarketer  
©Statista 2019

**Additional information**

Worldwide, eMarketer; 2014 to 2017

German online store reached out to CHI Software with a request to develop and implement a **dynamic pricing** system. They were looking to reduce time on market and competitor's research, also increase the efficiency of their pricing strategy.

CHI Software made a research and development plan aiming to reduce risks for the business as much as possible. Before the start of any ML project, it's crucial to understand input variables.



**Dynamic pricing** is a flexible e-commerce pricing strategy that helps with setting the optimal price for the products taking into account your own costs and your competitor's prices through the use of big data.

The benefits of using dynamic pricing are increased profits and revenue because e-commerce business owners are able to stay competitive and price their products in accordance with sales volumes, competition and market trends. For example, the system can increase prices when it knows that competitor's stocks are running low. For consumers who want the product right away

## Results

Client's researchers no longer need to spend hours tracking the competitors' pricing, and warehouse prices to determine the best price point they should use. Thanks to **CHI Software** combination of machine learning, AI and algorithms allow to automate this process and focus on the most important thing: customers' satisfaction.

## Contact Us

Want to know how Machine Learning can be useful for your business?

Contact our Machine Learning expert Nick at [mykyta.korobov@chisw.com](mailto:mykyta.korobov@chisw.com)