ELKJØP

Racing with the Giant: How Elkjøp Sustained the Competition with Amazon

Learn how a consumer electronics retailer enhanced its competitive data monitoring with Competera.
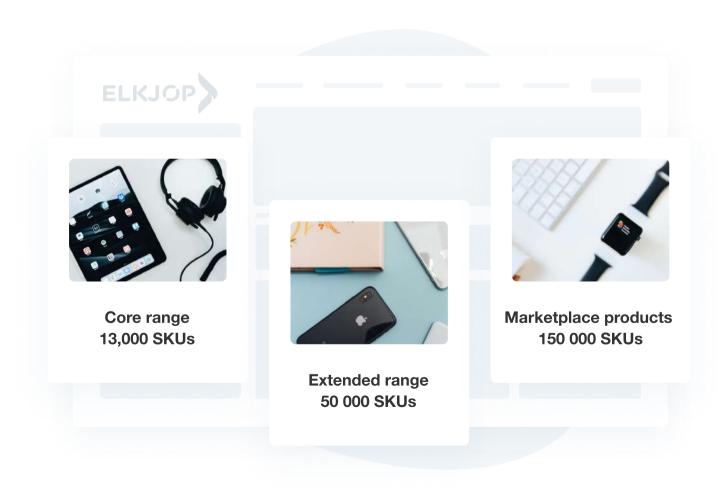
Client

Elkjøp is the largest omnichannel consumer electronics retailer in the Nordic countries. Founded in 1962, it runs a business in **4 countries and owns 414 stores with 10,000 employees** on board and **top-notch IT infrastructure** under the hood. According to the most recent report 2019/2020, Elkjøp claimed a record Nordic market share, turnover of 41.3 BNOK, and profits of 1.343 of MNOK. Driven by the mission of helping everyone enjoy amazing technology, Elkjøp is well-known for the rich assortment of consumer electronics goods which accounts for **more than 200 000 SKUs** in the Nordic countries.

Core range
13,000 SKUs

Extended range
50 000 SKUs

Marketplace products
150 000 SKUs

Project Highlights

A quick overview of the retailer's main achievements.

1,000,000 data points delivered monthly

Full automation of Amazon Sweden data scraping
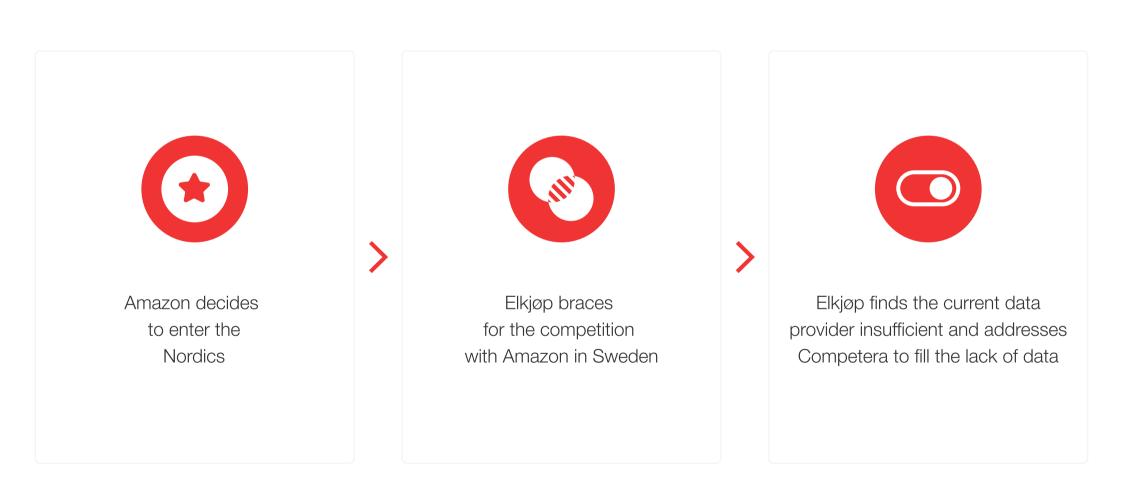
60,000 Amazon Sweden product matches

"Time was an issue for us, as we didn't know when exactly Amazon was about to launch in Sweden. Nonetheless, our key requirement from a data provider was to receive Amazon Sweden and its sellers' prices within 24 hours after the marketplace launch. Competera did the job within 8 hours, and that was a great success."

Trond Samuelsen
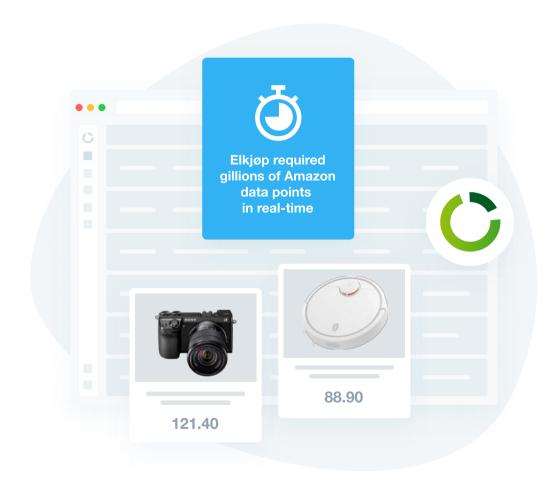Commercial Project Director at Elkjøp

Challenges

Amazon's entrance into the Swedish market brought
several challenges to Elkjøp's table.

Amazon decides
to enter the
Nordics

Elkjøp braces
for the competition
with Amazon in Sweden

Elkjøp finds the current data
provider insufficient and addresses
Competera to fill the lack of data

For a long while, the general public was buzzing about Amazon launching a dedicated eCommerce website in Sweden. But in August 2020, the rumors were confirmed by Amazon's official announcement of the upcoming Amazon.se launch that sank local retailers in despair.

Although Amazon named the launch "Project Dancing Queen" after the song of the Swedish pop group ABBA, it was no fun for local retailers. For a significant majority of them, such a move from the retail behemoth meant a considerable **loss of market share and plummeting sales.** Moreover, Amazon's silence about the actual date of its entry in Sweden made Swedish retailers wait breathlessly.

Elkjøp required gillions of Amazon data points in real-time

121.40

88.90

Since Amazon was poised to become Elkjøp's direct competitor in consumer electronics products, the retailer chose to measure swords with the eCommerce heavy-weight and started preparing for its market entry. **To sustain the competition** with Amazon Sweden and **remain the leader** in the Nordic consumer electronics market, it was vital for the Elkjøp team to keep the prices competitively lower and increase sales volumes. The strategy required gillions of quality, competitive data points in real-time.

But here was the **challenge:** the local competitive data provider that Elkjøp used was delivering data for only **42-45%** of the retailer's assortment and could not scrap prices from Amazon and its sellers. The data insufficiency made the retailer search for a partner to collect broader data scope and scrape Amazon prices.

Goals

In partnership with Competera, Elkjøp was pursuing
several short-term and long-term goals.

Short-Term Objectives

To receive pricing data from Amazon
Sweden and its sellers within 24 hours
after its launch and immediately update
the pricing system with the marketplace
prices.

To automate data scraping and matching.
Elkjøp had been doing generic price
scrapings for several years, but the process
turned out to be very labor-consuming.

Long-Term Objectives

To integrate a flexible tech partner into
the developed pricing system landscape.
Elkjøp had built a dynamic in-house Price
Tool used by almost 400 users daily and
required a data provider that could regularly
fuel it with up-to-date competitive data.

To develop a sustainable strategic
partnership to implement advanced pricing
and data scraping solutions across all
4 regions.

Solution

Competitive Data for daily repricing campaigns.
Competera Price Index Analytics to retain a competitive edge in price perception across Sweden.

Realization

As Amazon was only polishing its Swedish marketplace, Elkjøp and Competera started the Great Preparation.

Elkjøp on the Alert

Competera's team built the PoC project **within a week** and performed the **solution test on Amazon Germany,** which owns about 30% of the regional eCommerce market. This stage enabled the team to make all the necessary adjustments and **set the stage for price scraping from Amazon Sweden** right after its launch.

Having considered the specifics of Elkjøp's product range, the team integrated the fields from the client's product feed and enhanced the dashboard with the custom ones.

To interpret stock status for the client's products

Online stock

In-store only

The data scope provided

amazon.de

Buy Box

Custom fields for smooth data segmentation

Separate the core range from marketplace products

Marketplace product

Own product

30.398

prices collected daily

New Kid on the Block

Despite the date of Amazon Sweden's launch was a closely guarded secret, it still did not catch Competera and Elkjøp by surprise. After the retail giant launched its marketplace in Sweden, every hour counted.

It took Competera **8 hours to switch from Amazon Germany** to Amazon Sweden and scrape its prices for 46% of the assortment monitored by Elkjøp.

Solutions In Action

For the utmost success, Elkjøp used an array of Competera's solutions.

Product Matches

Competera provided 60,000 product matches for the client. For every unfound match, the team continuously performs rechecks to keep the data accurate.

Competitive Data Scraping

Since the launch of Amazon in Sweden, Competera was providing competitive data for around 60,000 products from Elkjøp's assortment twice a day. It revealed product availability, the minimum and regular price offers, the name of an Amazon seller offering the minimum price, sellers' presence for a specific product, products on promo, and markdown.

Competera Price Index Analytics

Since Elkjøp's pricing strategy requires keeping the price competitively lower, price index analytics enabled the retailer to monitor the overall market situation and track its position in terms of prices.

"Elkjøp trusted us with an essential part of their business, so we made sure to prepare every part of the project before Amazon Sweden launch and deliver data rapidly. I also believe it was a great collaborative experience for both Competera and Elkjøp teams. Since both teams were unaware of the exact date of the Amazon launch in Sweden, we were constantly in touch and kept exchanging information every hour to successfully walk through this journey together."

Eugene Sazonov
Product Manager at Competera

Project Results

Driven by competitive spirit and proactivity,
Elkjøp reached all the project goals:

Elkjøp received
competitive data
from Amazon Sweden
within **8 hours after
its launch**

Full automation
of Amazon Sweden data
scraping and product
matching

Elkjøp retrieves the data
using **Competera API**
and fuels its in-house
pricing solution

The client received
a tailored roadmap
for future business
growth

Elkjøp Journey with Competera

After fulfilling all the set goals, Elkjøp has a clear
understanding of further project scaling.

PoC: competitive data scraping of Amazon Germany 1 time/day for the limited scope.

Live Project: competitive data scraping of Amazon Sweden 2 times/day

Today: Competera monthly delivers around **1,000,000 data points** from Amazon Sweden and keeps to 99% of SLA

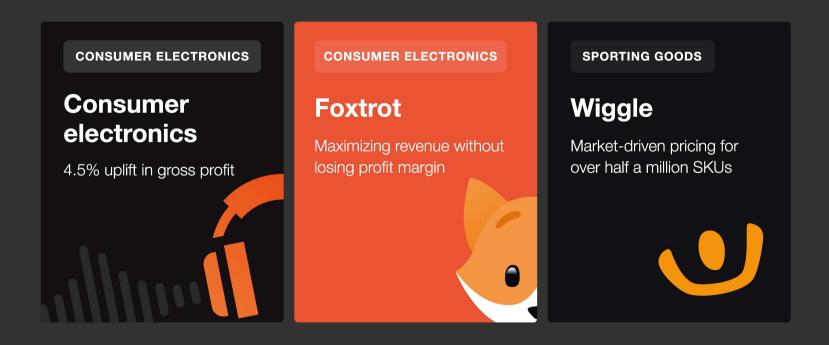**Future:** Real-time automatic repricing across all 4 regions

"There are a lot of providers out there who are very fixed on old solutions. They can provide competitive pricing, they can support online, but as soon as you bring 4 countries, different markets, different channels in, a lot of them fall out. Competera smoothly fit into our rapidly developing landscape and provided us with a flexible solution that addressed our challenges and helped us reach our goals. Competera is still developing and going somewhere, and we are happy to accompany them on this journey."

Trond Samuelsen
Commercial Project Director at Elkjøp

Competera Pricing Platform **helps retailers craft optimal offers** by using **dynamic pricing** across all retail selling channels

A consumer electronics retailer automated Amazon Sweden
data scraping and product matching

CONSUMER ELECTRONICS

Consumer electronics

4.5% uplift in gross profit

CONSUMER ELECTRONICS

Foxtrot

Maximizing revenue without losing profit margin

SPORTING GOODS

Wiggle

Market-driven pricing for over half a million SKUs

Want to give feedback or ask a question? **Email us via info@competera.net**