Yieldigo

Lékárna.cz
ABYSTE SE CÍTILI DOBŘE

“Thanks to Yieldigo, we can now automate 100% of our repricing process and calculate 1,865,850 prices per month.”

Fully automated daily repricing in two different countries, proactively responding to market data and customer behavior.

About LEKARNA.CZ / MOJALEKAREN.SK

- **Country:** CZ & SK
- **Industry:** Pharmacy Online Stores
- **Active SKUs:** 33,000
- **Yieldigo Modules in Use:** Everyday Price Management

Risks and Challenges

1

Differing Market Needs

The different market conditions and customer preferences between Czech Republic and Slovakia posed to be problematic, at times. The two markets have different requirements, thereby needing different approaches.

2

Data Complexity

Integration and processing of large amounts of complex data from various sources means loads of time and effort from multiple contributors is needed for successful data alignment.

3

Change Management

Adoption of the new pricing strategy, plus training and internal communication on the benefits of their new approach was difficult, often requiring the involvement of key personnel in the implementation process.

Implementation & Onboarding

Yieldigo's Implementation and Onboarding team worked hard with the members of Lekarna.cz to **establish the following needs and goals**:

- Identify key product categories and pricing zones.
- Set goals for price optimization such as increasing margin, maintaining competitiveness on the market, and improving overall customer satisfaction.

The **data integration process** required Lekarna.cz to:

- Collect and integrate historical data on sales, prices, and competition.
- Ensure data quality and consistency for use of complex algorithms in their Yieldigo software.

The **pricing model setup** was established by:

- Creating the specific pricing models for both Czech Republic and Slovakia, separately, to cater to both market's particular needs.
- Testing and calibration of models based on real data and market conditions.

Solution

- After substantial market research and consideration of various price management solution options, **Lekarna.cz chose Yieldigo software due to its advanced algorithms for price optimization** based on data analysis and machine-learning (ML).
- Lekarna.cz's goal was to **find a pricing solution that would automate pricing, reflect the differences between the Czech and Slovak markets, and optimize prices** for maximum profitability and competitive advantage.
- Lekarna.cz was previously managing their prices manually in both Czech Republic and Slovakia. This process was time-consuming and inaccurate and did not take dynamic market changes into account. **By automating this process entirely, they were able to drastically reduce time-absorbing manual pricing** tasks as well as human error.
- With 33,000 active SKUs, **they needed to ensure an effective and speedy calculation of prices every month** to stay on top of their competition.

Results

- Thanks to dynamic pricing in Yieldigo, **Lekarna.cz were able to respond more rapidly to market changes and maintain competitive prices**, leading to improved competitiveness in their market.
- Lekarna.cz's **pricing team were enabled to automate 100% of their repricing process** helping them save loads of time and resources. Previously they spent countless hours doing manual price setting, which apart from time-consuming led to many human errors in their prices.
- Their team's **strategic pricing decisions improved significantly through regular review of their pricing strategy direction using the ML** offered via what-if simulations, and therefore be able to achieve the goals they set for individual product categories.
- Lekarna.cz's **pricing managers are now able to calculate 1,865,850 prices per month** with extreme ease.

Conclusion

The implementation of Yieldigo software in Lekarna.cz's online retail pharmacy business has been very successful. They are now accurately managing prices in two entirely different pricing zones: Czech Republic and Slovakia. This has led to significant improvements in price optimization, profitability, and process efficiency. The ability to automate 100% of their repricing process and calculate 1,865,850 prices each month has been an absolute game-changer for their business and daily pricing duties. This particular case study demonstrates how modern technology, and a data-driven approach, can transform antiquated manual pricing practices, all while providing the competitive advantage they need within the dynamic online retail pharmacy market.

> **"For the entire 6 years of collaboration with Yieldigo, they have truly been the supplier and partner we can always rely on."**

Jitka Potlukova
Chief Commercial Manager CZ/SK,
Pears Health Cyber, s.r.o.

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