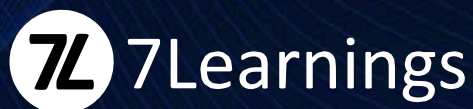# Online Furniture Retailer Raumschmiede Uplifts Revenue and Profit With 7Learnings ' Predictive Pricing Technology

Raumschmiede achieves impressive results after implementing predictive pricing

Learn how 7Learnings helped Raumschmiede increase their profitability while reducing the complexity and workload of setting prices.

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AI-POWERED PREDICTIVE PRICING.

Company Overview

Raumschmiede
DIE E-COMMERCE EXPERTEN

Since 2005, Raumschmiede has been operating as an online retailer specializing in selling furniture, both for indoor and outdoor. The company employs 300 employees at offices in Germany, Poland and Ukraine.

A leader in the furniture retail space, Raumschmiede boasts an annual revenue of 93 million euros (in 2020).

"

We benefited greatly from the pricing know-how and expertise provided by the data science team at 7Learnings. With 7Learnings' predictive pricing solution, we achieved a fast ROI and completely automated our pricing process."

Jürgen Schuster
Founder & General Manager,
Raumschmiede

Challenges

Large, diverse assortment

As a furniture retailer, Raumschmiede offers a large assortment of both indoor and outdoor furniture and caters to a diverse range of tastes. As a result, their assortment has a mix of high and low selling products.
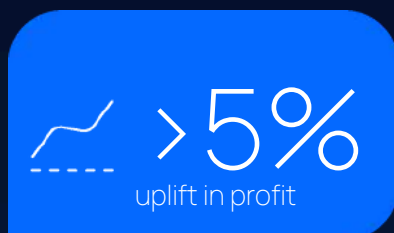
Lack of competitor data

Many of the products Raumschmiede sells are private label brands, where a direct comparison with a competitor product is not possible - leading to a gap in data that would otherwise be utilised for price optimization.

Inefficient manual price-setting

With a growing assortment of products and disruptions to global supply chains, the team at Raumschmiede was finding price setting to be an increasingly complex task, requiring a large amount of time and effort to effectively manage.

Results

>5%
uplift in profit

3%
points more profit margin

Solution

Raumschmiede benefitted from a significant margin increase while simultaneously automating their pricing processes.

In the absence of competitor data, prices for private label goods could be optimized with the aid of price elasticity calculations.

Delivered measurable results that had a significant impact on business targets and operations.

Helped Raumschmiede retain a competitive edge and strengthen its position as an industry leader thanks to powerful forecasting capabilities.

Conclusion

7Learnings' price optimization solution equips Raumschmiede with the capabilities of advanced machine learning models, which work to forecast customer demand with high levels of accuracy. This cutting-edge technology allows Raumschmiede to benefit from the full range of its data, with software which is easy to implement and intuitive to use. With just a few clicks, Raumschmiede is now able to gauge the impact of different prices at a product and category-wide level, and also see the projected impact on profits, revenues and other key business targets.

This has saved their team valuable time and effort. With their predictive pricing solution, 7Learnings have created an easy- to-use software that makes it possible for any company like Raumschmiede to implement industry leading machine learning based pricing optimization.
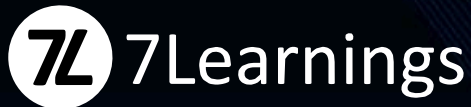
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Elevate your Business
with Predictive Pricing

Schedule a Demo and see first hand
the insights that our leading clients
are leveraging with 7Learnings.