



Industry: Grocery, Convenience
Locations: 280+ stores
Founded: 2005
Employees: 11,200
Head office: Riga, Latvia
Website: rimibaltic.com

Revionics Case Study

Looking to the Future: Rimi Baltic modernizes pricing to serve customers better

Grocery and convenience retailer turns to data-driven pricing with Revionics to drive better results than human intuition

For over two decades, Rimi Baltic has been serving shoppers in the Baltic states with healthy and sustainable grocery and convenience choices. Prompted by a larger innovation initiative, the leaders at Rimi Baltic identified a critical need to drive more efficient and intelligent pricing actions across their distinct banners. Accomplishing this would require a science-based solution to handle the complexity and guide them to the next step on the price optimization journey.

The pursuit of more strategic decision making

One of the largest retailers in the Baltic states, Rimi Baltic operates 283 stores across Estonia, Latvia and Lithuania. With a commitment to create the shopping experience of tomorrow, they are no stranger to innovation. As part of an organization-wide transformation program by its parent company, ICA Gruppen, Rimi Baltic aimed to adopt a more data-driven approach to decision making across the business, including pricing.

Their existing excel-based pricing tools were no longer sufficient to meet the company's needs and foster growth. In order to enhance their pricing processes and performance, they wanted a way to provide better visibility and information to commercial teams on competitive and financial metrics. The team at Rimi Baltic also sought a solution that would provide the ability to analyze pricing decisions and control compliance with a unified pricing strategy across all countries and categories.



Advancing on the price optimization journey to deliver customer-focused pricing

To bring their pricing organization up to speed with the latest technology, Rimi Baltic turned to Revionics. Rimi's sister company, Apotek Hjartat, was already utilizing Revionics to optimize their pricing and had achieved good results and strong ROI. The Rimi Baltic team was confident that Revionics could provide them with the same clear direction and price recommendations to support more strategic decision making, but more importantly, they had the ability to deliver science-based customer-focused pricing.

Before Revionics, Rimi Baltic utilized a rules-based pricing strategy that depended largely on competitor pricing information and simpler

pricing rules. With Revionics, the grocery and convenience retailer can leverage price elasticity to more accurately predict consumer demand and set prices. "Our goal was to bring the customer dimension into the pricing decision," said Mārtiņš Ķezberis, Promo and Pricing Manager at Rimi Baltic. Consumers are familiar with the price of everyday products so they instinctively know if an item is reasonably priced or expensive. "We want to make sure that our customers feel confident that they are always getting value for money in our stores." Ķezberis continued.



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Mārtiņš Ķezberis

Promo & Pricing Manager,
Rimi Baltic



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Mārtiņš Ķezberis, Promo & Pricing Manager, Rimi Baltic

Live in less than a year

Following a recommendation from the Revionics team, RIMI Baltic chose a two-step approach to shift from simple rules-based pricing in its ERP system to Revionics without too much complexity. In the first step, the retailer switched its rule-based pricing to the software-as-a-service platform category by category. This was completed after just four months. Only then, RIMI Baltic implemented the price elasticity-based pricing category by category.

During the implementation phase, the team at Rimi Baltic began to see improvements in their approach to pricing. “Already the first step, in which we implemented the rules in

Revionics, helped us to get a better grip on our pricing,” Ķezberis said. The team was able to identify and correct mistakes in the rules logic, as well as improve the brand gap architecture for private label products.

Throughout the project, the Revionics team showed dedication to helping the retailer shift their strategies, minimize complexity and finish the implementation on time. As a result, the Rimi Baltic team was able to complete the Revionics implementation in less than a year across their entire product assortment and in all three countries in which they operate.

Now, with Revionics data-driven price optimization and improved logic at the shelf, the team at Rimi Baltic is better able to find the balance between competitive pricing and healthy margins as well. Bringing the customer dimension into the pricing helped to improve the results significantly. They can now more effectively offer lower prices where it matters to customers, while still achieving strong growth for the business. In turn, this has helped Rimi Baltic improve their price perception across all markets since the Revionics rollout.

Ongoing pricing innovation

Fueled by the greater transformation process and organizational engagement, the team at Rimi Baltic continues to see a strong ongoing adoption of data-driven pricing. With the rollout complete, they are exploring further pricing optimization opportunities to drive value for the grocery and convenience retailer and their customers.

Currently Rimi Baltic is looking into ways to optimally combine promotional and base pricing strategies. Additionally, with the help of Revionics’ advanced configuration capabilities and some sharp change management, the company hopes to adopt the AI solution for their Fruits and Vegetables department, where there are extra challenges due to the

highly dynamic and seasonal nature of cost changes. Whatever steps they take next to further innovate pricing, Rimi Baltic knows they have a strong solution and dedicated partner to guide the way.

Challenge:

Transform pricing technology, processes and strategies as part of an organization-wide innovation effort

Approach:

Adopt data-driven price optimization to support a unified pricing approach and more strategic decision making

Results:

- Greatly improved customer-focused pricing
- Positive lifts in units and revenue
- Significant return on subscription
- Improved price perception in all markets
- Best in class compliance



Already the first step, in which we implemented the rules in Revionics, helped us to get a better grip on our pricing.

Mārtiņš Ķezberis, Promo & Pricing Manager, Rimi Baltic

Deliver the Right Prices with Confidence

Revionics guides retailers on the lifecycle pricing journey with leading AI solutions for pricing, promotions, markdowns and competitive insights. As a trusted partner, we provide our customers with clarity and confidence to make optimal pricing decisions for powerful results.

Revionics is an Aptos company and plays a key role in their suite of unified retail solutions.

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