Intelligence Node
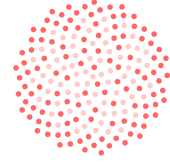
Global Grocery Giant Leverages AI Analytics to Streamline Pricing Across 200 Stores

About The Client

The client is a traditional grocery retailer based in the USA, operating with an annual revenue of around **$1.5 billion.** It manages a substantial network of approximately **200 store locations**, spreading across various states, making it one of the largest grocers in the United States.

Business Challenge

The client was facing challenges to accurately match products against similar competitor products and track prices across multiple zip codes. Finding matches and comparing prices for the fresh produce category and non-branded SKUs was especially difficult. Another challenge was the inability to monitor discounts and promotions run by competitors.

Project Highlights

Industry: Grocery, FMCG/CPG

Location: USA

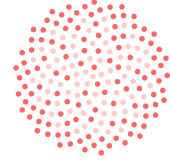**Company Size by Annual Revenue:** ~ 1.5 Billion USD

Number of Store Locations: ~200

Number of SKUs: 6000

Number of Competitor SKUs scraped: 7 million

Key Competitors: Trader Joe's, H-E-B, Meijer Inc, CVS, Walgreens Boots Alliance, Walmart Inc., Instacart
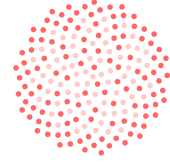
Scope of Work

- **Competitor Domains:** 10; Including Walmart and Instacart
- **SKU Count:** 6000
    - **Fresh Produce:** ~300
    - **Private Label:** ~200
    - **Rest:** National Brands
- **Zip-codes:** 40
- **Time for Implementation:** 5 weeks

Primary Users

- Pricing Department
- Procurement/Category Managers
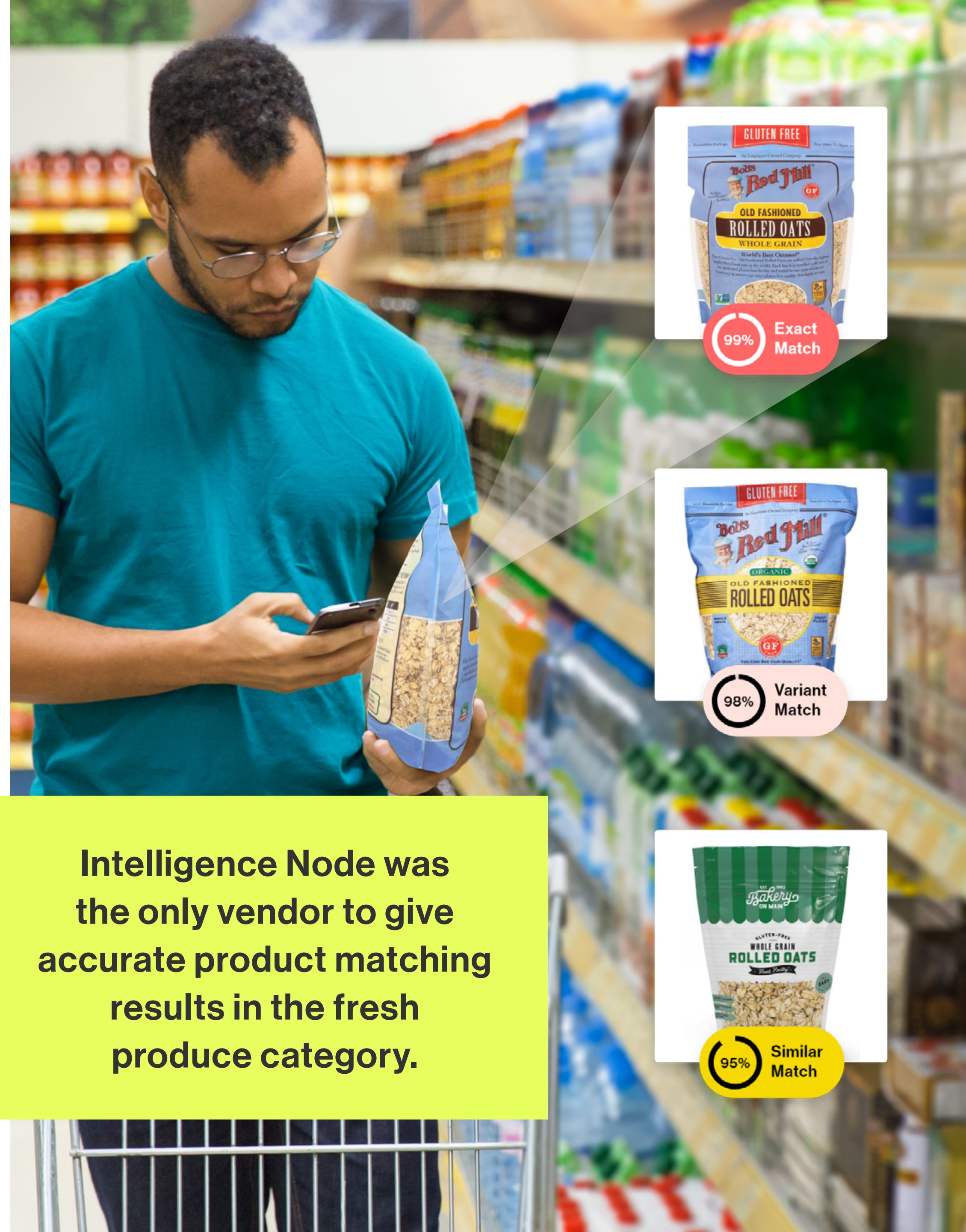- Marketing
- eCommerce & Business Growth
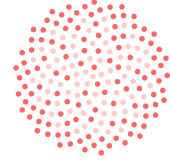
Product Matching

- Intelligence Node delivered **99%** algorithm-driven product matching accuracy. The algorithm remains active and finds new product matches as the assortments get updated/refreshed.

- **Fresh produce was a big challenge for the client:** Intelligence Node was the only vendor in the trial phase to give accurate results in this category as product comparisons in this category often require attribute equalization in addition to scraping.

- Our algorithm gave far better results in the fresh produce category. We did this by implementing the quality factor equalization and making the price per-unit calculations to make price comparison easy & direct for the users.

Pvt. Label vs Pvt. Label Comparison

- Intelligence Node's in-house developed, proprietary matching engine i.e. "Sherlock.AI" helped our clients to train the algorithm to get the best kind of "similar" matches in case of:

  - **Pvt. Label vs pvt. Label**
  - **National Brand vs national Brand**
  - **Pvt. Label vs. national Brand**

99% Exact Match

98% Variant Match

95% Similar Match

Intelligence Node was the only vendor to give accurate product matching results in the fresh produce category.

High Velocity-High Volume Scraping

Scraped 6000 products for the customer. Found approx. 3 matches for each of these products across 10 competitors and 40 different zip codes. Making the total count of **product matches over 7 million** - While refreshing at a high rate of once every hour in the initial few months.

Full Domain Scrape (Gap Analysis)

• Scraped the entire competitor catalog, helping with decision-making regarding location specific price points and assortments.

• This also enabled a very high-level brand gap analysis.

Online Delivery Partner Scraping

• Scraped 3rd party delivery partner websites like Instacart, enabling a much deeper analysis of commissions and mark-ups.
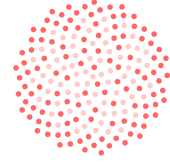
Zip Code-level Scraping & Analytics

• Scraped data across 40 different zip codes.

• This required extensive data analysis and the creation of custom templates to give end-step analysis.

• This enabled the client to analyze the "premium" charged depending on the locality and helped them make prices proportional.

Coupons Scraping

Intelligence Node scrapers scraped promotions/discounts/coupons even when they were present in different locations on the websites like:

• Product page

• Shopping cart-checkout page

• The dedicated promotions page

Pricing Team

- Improved competitive pricing of common products, increasing the sales volume from the second month onwards by **up to 4%**.

- Improved pricing of private label brands and helped the client promote them aggressively, leading to a significant increase in sales share vs national brands by **over 8%**, compared to highs of previous months.

- The customer could mark up and mark down pricing depending on the store's location.

Procurement Team

- The client could negotiate better with national brands on pricing by getting more visibility on competitor pricing.

- Could analyze whether to ship or to source locally in different locations.

Marketing

- The marketing team could develop a more robust promotion strategy that canceled out the competitors' promotion timings by scraping the data at very fast rates.

- The team got a better understanding of competitor's promotional strategy by scraping all promotional information from different pages on the website.

- Could implement promotional zones by getting zip code-level data to better align with competitors' pricing and promotional strategies.

4%
uplift in sales volume

>8%
increase in sales share of private label brands

~3%
cost savings on national brands with data-driven negotiations

Powering Digital Commerce With the Most Accurate Data

Schedule a Demo to see how Intelligence Node empowers global category leaders to leverage data and convert it into cost savings and eCommerce profitability

BOOK A DEMO