

## Retailer entering the highly competitive online market

**expert** 

Expert ČR, s.r.o., a buying group, founded in 1996, is a member of Expert International, a group consisting of retailers who run over 7,400 shops worldwide (4,000 shops in Europe). Czech expert network has 47 shops and plans to open a new shop this year. Since 2011 it also runs its e-shop at [www.expert.cz](http://www.expert.cz).

### Objectives

-  Achieving a good market position in a highly competitive sector
-  E-shop as a suitable complement of retail sale
-  Long-term growth in the e-shop's turnover
-  Maintaining high margin on goods

### Solutions

#### Creating a strategy for the online market

- presenting the strategy to companies associated under the Expert brand

#### Identifying competitive advantages

- searching for strengths and how they can be applied

#### Designing an e-shop

- and supervising its realisation

#### Carrying out a marketing strategy

- in support of acquisitions

### Results

-   Year over year revenue growth was 21% while high margin was maintained
-   Significant contribution of internet sales to the company's total revenue
-   Supporting brick and mortar shops – especially in Prague

#### How did we help?

Our consultants prepared an overall strategy for the online market and presented it to companies associated under the Expert brand. Together with the client we identified Expert's competitive advantages that we communicate in its e-shop and advertising. We pay special attention to pricing with the aim to preserve an appropriate margin.

## Expert.cz Launching a multi-channel sales of an electronics retailer

### STARTING THE COOPERATION AND SETTING GOALS

Expert has been one of the latest electronics retailers to enter the online market. Expert has cooperated with ACOMWARE since 2011 when we supported the company's decision to open an e-shop as a new sales channel.

The main objective of the e-shop is to **support brick and mortar shops** while being a new source of revenue and maintaining appropriate margin on goods.

### OUR COOPERATION

#### Strategy for entering the online market

The crucial step was to **create a strategy for the online market** and present it to **over 20 independent companies** that are members of the Expert brand. On the basis of our initial analysis the client decided to launch online sales, although Expert does not run an e-shop e.g. in neighbouring Germany.

We also prepare for our client on regular basis recommendations concerning products, logistics, pricing or communication:

- **Conception of the e-shop** – identifying competitive advantages and finding the right style for the e-shop.
- **UX** – designing a website and its functionalities, supervision in the development phase
- **Training** – before launching the e-shop we trained shop assistants and other employees from the company
- **Marketing support** – accentuation of performance marketing, focus on district towns and provinces



[www.expert.cz](http://www.expert.cz) - products category

#### Competitive advantages and specialities

In order to help our client succeed, we first needed to identify its strengths that could be applied in the online segment:

- **Brand and branch network**

Expert is a well-known brand with many branches. When entering the online market, we focused primarily on district towns and provinces. Performance marketing was also aimed at regions.

- **Own delivery services**

Thanks to a chain of retail shops, the client can provide its own delivery services and is thus able to deliver goods from any of its 47 branches. It also offers convenient forms of delivery with many high-standard services (delivery at a specific time, assembly, installation, old appliance removal).



Map with branches – distribution points

- **Pricing = accentuation of the margin**

Special attention needs to be paid to the price of the goods. Prices on the internet have to be attractive while they must respect the client's requirements for high margin.

### RESULTS

Introduction of the e-shop to the highly competitive online market of IT and electronics retailers was successful. Today, the e-shop **achieves 21% year over year growth of revenue**. Since the e-shop was launched, **the margin on sold goods has been increasingly growing**. Moreover, the e-shop **helped some brick and mortar shops**, especially in Prague.