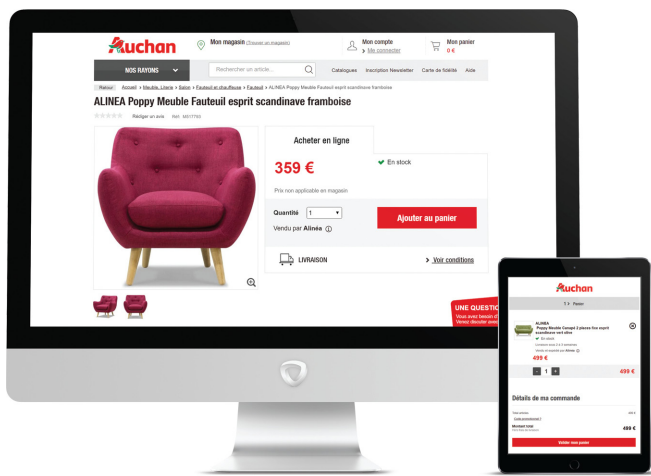


Auchan uses its marketplace to drive omni-channel growth and great customer shopping experiences

Auchan delivers more value to customers across all channels and grows its catalog in a cost-effective manner



Founded in France in 1961, Auchan is one of the world's biggest retail chains. Auchan is constantly searching for new business innovations; it invented the 'Drive' feature in 2000 and now gives its customers a wide range of methods to shop and receive their purchases through around 100 stores in France and several merchant sites.

- **€54.2 billion** total sales in 2015
- **30,000** SKUs
- **338,000** employees
- **4,000** supermarkets/hypermarkets
- Operating in **16** countries

A new and innovative way to approach growth

Auchan sees the marketplace model as a way to continue strengthening the core of the Auchan brand: choice. "We wanted to offer more products and brands on our site to better serve our customers," explains Pierre-Alain Baly, Manager of Partnerships and Commissioned Operations at Auchan Retail. "The marketplace also allows us to develop a business model based on commissions, which is more virtuous than the buy-sell model." Because the commission on a sale of a

third-party partner's product is pure profit, the marketplace proves to be an effective way to generate profitable growth in online sales. The result is greatly reduced risk and much more effective merchandising decision-making.

This innovative strategy presented challenges on two levels. First, Auchan was replatforming its eCommerce platform, the company needed a way to manage a new product catalog system as well as integrate the

catalogs of a diverse set of partners. Second, the marketplace model was a new way of thinking about the business; culturally, this created some occasional doubts because the marketplace was a disruptive project. "We spent time with the staff to show them that the marketplace complemented the buy-sell model and that it had several benefits, such as expanding the number of SKUs in collaboration with existing categories."

The marketplace model benefits the whole company

Because Auchan had several project managers already well versed in the marketplace model, the company could overcome the cultural challenges by educating all the relevant teams – executive, merchandising, marketing, supply chain – on the merits of the strategy. "Now our product managers want to take advantage of the marketplace and are involved in building our offer and choosing vendors," observes Pierre-Alain Baly. The marketplace has become a tool of the trade to expand and fill out categories and improve the product mix to better meet customer demands. It also demonstrably boosts the profitability of online sales.

Implementing the marketplace has also allowed Auchan to update its processes to deliver the best possible customer experience. "The marketplace forces you to re-invent yourself," agrees Pierre-Alain Baly. "It made our company more agile."

While the marketplace exists online, it is connected to the physical business for Auchan – it is a truly omni-channel marketplace. Customers can place an order online and have their purchase delivered to a store with the same level of service as Auchan products.

They can also return their products to a store or order marketplace products from in-store kiosks with help from a sales associate. This is extremely useful for products like bedding, for which Auchan cannot physically display all the items it sells. For customers, there is no difference between the physical and online store. For Auchan, this creates even more opportunities to interact with customers – and every additional interaction is a chance to drive up the lifetime value of that customer. Since activating click & collect for marketplace products, Auchan has seen a 10% increase in growth to physical store traffic.

The Mirakl marketplace platform's beauty lies in its simplicity and power

Auchan wanted to rely on a proven, comprehensive solution that would be easy to integrate and use. "We chose the Mirakl marketplace solution for many reasons, the first of which is the ease of use for our sellers," says Pierre-Alain Baly. "They can log on directly through a portal or automatically via APIs, depending on the IT expertise they have. This simplicity is important when persuading merchants to join Auchan's marketplace."

Another critical factor in Auchan's selection was Mirakl Catalog Integration®, a module

that allows for simplified catalog management and a unified navigation experience for the consumer. The support from the Mirakl staff also ensured the marketplace transition was a success. Their expertise was crucial during project management phase. They helped define the right integration priorities in terms of upgrading the Auchan eCommerce platform, which was simultaneously migrating to the SAP Hybris platform.

Because the marketplace affected every aspect of the eCommerce business, from

merchandising to payment, and because a site like Auchan's changes frequently, "we could not settle for two or three system connectors," notes Pierre-Alain Baly. "Integration was at the heart of the project, with stability being a critical requirement." Thanks to the commitment of employees and the technology partnerships formed with the various project stakeholders, the implementation was successfully completed in under eight months.



"Mirakl gave us a reliable, easy-to-use solution that can support us as we grow. Our strategic plan to expand our offer and diversify our revenue through the marketplace has already paid off and won over our entire workforce, from product managers to upper management. The unexpected impact was the modernization of our processes. Our marketplace has made us more agile and today we are pioneers in cross-channel marketplaces."

Pierre-Alain Baly, Manager of Partnerships and Commissioned Operations at Auchan Retail

Marketplace features

- Complete features of the Mirakl MarketPlace Platform® module
- Vendor recruitment and management with the Mirakl Seller Portal® module
- Centralized catalogue management with Mirakl Catalog Integration®
- The same customer services and purchase paths as for Auchan products
- Full, and seamless, integration with the SAP Hybris platform

Marketplace results

- Fivefold increase in the number of SKUs: more choices for the customer, with more than 100 vendors and 100,000 new products
- In-store sales amounting to 20% for certain marketplace categories
- Addition and expansion of new categories
- Ability to order from the marketplace in the store with vendors
- Billions of turnover and a major contribution to profit margin
- Increased Customer loyalty thanks to the breadth of the offer

About Mirakl

The Mirakl Marketplace Platform™ plugs directly into both a retailer's own systems as well as the systems of various partners via cutting-edge, API-based technology. Mirakl automates the hard things: seller onboarding, catalog integration and management, communication with vendors and customers, and setup and management of rules (for things like shipping and logistics, customer service levels, vendor performance).



Mirakl is the global leader in online marketplace platforms, and is trusted by leading retailers like:



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