

## PRESS RELEASE

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### **aifora: The future of retailing is intelligent**

*The data-sharing and AI platform of the software company aifora is enabling retailers to compete with the large online players. Through intelligent price and inventory management, retail companies can significantly increase their sales, turnover and profits and simultaneously reduce inventories.*

Düsseldorf, 22.01.2019 - For several years now the retail sector has been affected by a massive structural transformation. As digitalization has impacted all areas of life, the markets have undergone profound changes. Online retailers such as Amazon and Zalando are recording rising sales, while the retail sector is struggling with heavy losses. One of the reasons for the success of these online pure players is their data-based business model, which uses algorithms to optimize the flow of goods and automate pricing. Retailers, on the other hand, in most cases lack the means to establish the necessary IT structures on their own.

#### **Artificial intelligence ensures optimal prices and demand-driven inventories**

The Düsseldorf-based software company aifora offers retailers and brands various SaaS solutions for intelligent inventory and price management on its data-sharing and AI platform. These solutions enhance retailers' profitability and thus enable them to assert themselves against the large online retailers. Thus, the diversity of the retail industry is preserved over the long term. Without an intelligent use of their data, it will be difficult for most retailers to operate profitably and to remain sustainable in the long run. The platform can be used by pure brick-and-mortar retailers, e-commerce as well as omni-channel retailers.

The cloud-based platform functions as a digital ecosystem on which retailers share their data. The platform uses this data to optimize and automate inventory management and pricing, using self-learning algorithms. Furthermore, additional factors such as product availability, competitive prices, special events like Valentine's Day and weather changes also flow into the calculations in real time.

"With our data sharing and AI platform we enable retailers to realize their full potential. Our machine learning algorithm is constantly improving - the more data it receives, the more accurate the forecasts become. In addition, we regularly scrutinize the forecasts and constantly optimize the algorithm," explains Thomas Jesewski, co-founder and CEO of aifora. "We are also currently working on including all data from all users in the calculations - anonymously, of course. Currently there is nobody on the market who offers this type of platform solution, this community aspect is unique. Together we are creating a counterweight to Amazon and Co. Moreover, we understand the needs of the retail industry very clearly, since we at aifora are ourselves from the industry and have developed the platform with our many years of retail experience in mind."

**Exploiting full potential with objective real-time data analysis**

The retailers enjoy several benefits: the SaaS solutions ensure that revenues and profits are increased, and inventories reduced. This leads to a reduction in tied-up capital. In addition, retailers no longer have to manually derive pricing and inventory decisions from the data. This saves time and reduces operating costs. Furthermore, the calculations of the algorithms are purely data-driven and therefore one hundred percent objective. In human evaluations, on the other hand, subjective criteria always play a role. For example, retailers sometimes delay the price reduction of goods for too long because they hope to be able to sell a higher number of articles at the original price. The algorithms run in real time, taking into account the retailer's data and current events in order to predict future demand. The platform's real-time data analysis combines two retail-relevant application areas: Intelligent Stock Automation (ISA) and Intelligent Price Automation (IPA).

**The optimal price at any time**

Aifora's IPA product suite uses a self-learning algorithm to analyze the data and subsequently set the optimum price for each product and each sales channel. Depending on the requirements, various SaaS solutions come into play. The aifora IPA software includes modules for calculating the optimal initial price, developing strategies for dynamic pricing, and planning and managing markdowns and promotions. The modules take into account information on prices and sales volumes as well as relevant competition, market and event data.

**Intelligent control of merchandise and inventory**

In addition, aifora offers its users the ISA product suite with modules for intelligent merchandise management and inventory management. The modules focus on the distribution of articles to different sales channels and branches, the replenishment of NOS articles and the transfer of articles between stores. With the help of the platform's artificial intelligence, users can determine the optimal time to order, the correct purchase quantity and the ideal distribution of goods across the various stores. This enables retailers to make optimal use of their sales and storage space, as they always have the optimum quantity of an item in stock, thereby reducing operating costs.

The aifora software is particularly user-friendly. Retailers can always trace the algorithm's calculations transparently via the user interface. In addition, flexible adaptation to individual business rules is possible through a simple configuration of the software.

**About aifora**

aifora enables retailers and brands to optimize their prices and inventories across all channels and to automate the underlying processes. Through the use of artificial intelligence, data is processed on the aifora platform in such a way that it achieves maximum benefit. This results in significantly higher profitability. The aifora SaaS solutions are quick and easy to integrate, can be individually configured and thus pay for themselves within a very short time. Customers include companies such as NKD, KiK, Reno and Peek & Cloppenburg.

Further information about aifora can be found here: [www.aifora.com](http://www.aifora.com)

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