

## PRESS RELEASE

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### **NKD implements aifora's intelligent price automation software**

*The Düsseldorf-based AI company aifora has developed a software that enables retailers to make intelligent price decisions in real time. With the textile retail chain NKD, aifora has now been able to convince another well-known retailer of the advantages of its solution.*

Düsseldorf, 27.02.2019 – The textile retail chain NKD is forging a new path in pricing. By evaluating large amounts of data and using self-learning algorithms, the company will further optimise its pricing and become even more competitive.

With aifora's Intelligent Price Automation (IPA) software, NKD has found the perfect solution. Through the use of artificial intelligence (AI), IPA determines the optimum price for each product in each sales channel. A self-learning algorithm continuously evaluates all available data - internal as well as external. "aifora's machine learning algorithm learns with every observation and develops ever better predictions," explains Thomas Jesewski, co-founder and CEO of aifora.

Thomas Jesewski is convinced that the use of artificial intelligence in retailing will become indispensable in the future: "Dominant retail platforms like Amazon are already threatening large parts of the retail industry. Companies that want to defend their independence urgently need their own digital strategies and instruments. We at aifora want to help you."

#### **Automatic pricing based on real-time data analysis**

Thanks to automated pricing, NKD will in future be able to make optimum use of its pricing range and avoid yo-yo effects. In this way, sales, revenues and earnings will be noticeably increased. "We were particularly impressed by the fact that aifora provides a forecast for each item and makes a transparent recommendation depending on the selected pricing strategy. This means that we can always track the algorithm's decisions and gradually increase the degree of automation," says Abraham Tadesse, Director of Merchandise Planning & Controlling at NKD. "With the introduction of this trend-setting tool, the NKD Group is taking a further step towards digitalisation," comments Rüdiger Hartmann, CFO and Head of IT at NKD.

#### **Competitive pressure forces efficient digital solutions**

The textile retail industry is exposed to strong price competition and high margin pressure. Seasonal collection changes, the rapid change of fashion trends and the large variety of products make constant monitoring and renewal of stock essential. Optimised pricing strategies are increasingly replacing the traditional instrument of seasonal sales. The more precisely the unique requirements of the respective retailer are taken into account, the more successful sales will be. Markdowns can thus be effectively reduced.

"The days when retailers could make their pricing decisions solely on the basis of experience and market knowledge are definitely over. If you want to survive in today's competitive market as a retailer, you need a powerful big data platform and intelligent systems that continuously provide you with relevant information in real time," says aifora CEO Thomas Jesewski.

Before making its decision, NKD tested the aifora solution extensively. The result was clear: "With the new Intelligent Price Automation tool from aifora, we will further improve our profitability. Our tests have shown that this not only optimises our internal work processes, but also significantly reduces our surpluses at the end of the season - while at the same time improving sales and margins," explains Abraham Tadesse.

**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 a significantly higher level of profitability. The aifora SaaS solutions are quick and easy to integrate, can be individually configured and thus deliver a very fast return on investment. Clients include companies such as NKD, KiK, Reno and Peek & Cloppenburg.

Find out more about aifora: [www.aifora.com](http://www.aifora.com).

**About NKD**

With a total of 1,800 stores in Germany, Austria, Italy, Slovenia and Croatia, its own online shop and 8,000 employees, the NKD Group is one of the largest companies in textile retail. At the end of the 2017 financial year, NKD had around 6,200 employees in Germany. Founded in 1962, the textile retailer's product range extends from the latest fashion for the whole family to functional sportswear, home textiles, seasonal decorative articles and select brand products.

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