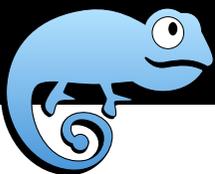


# Darwin Pricing

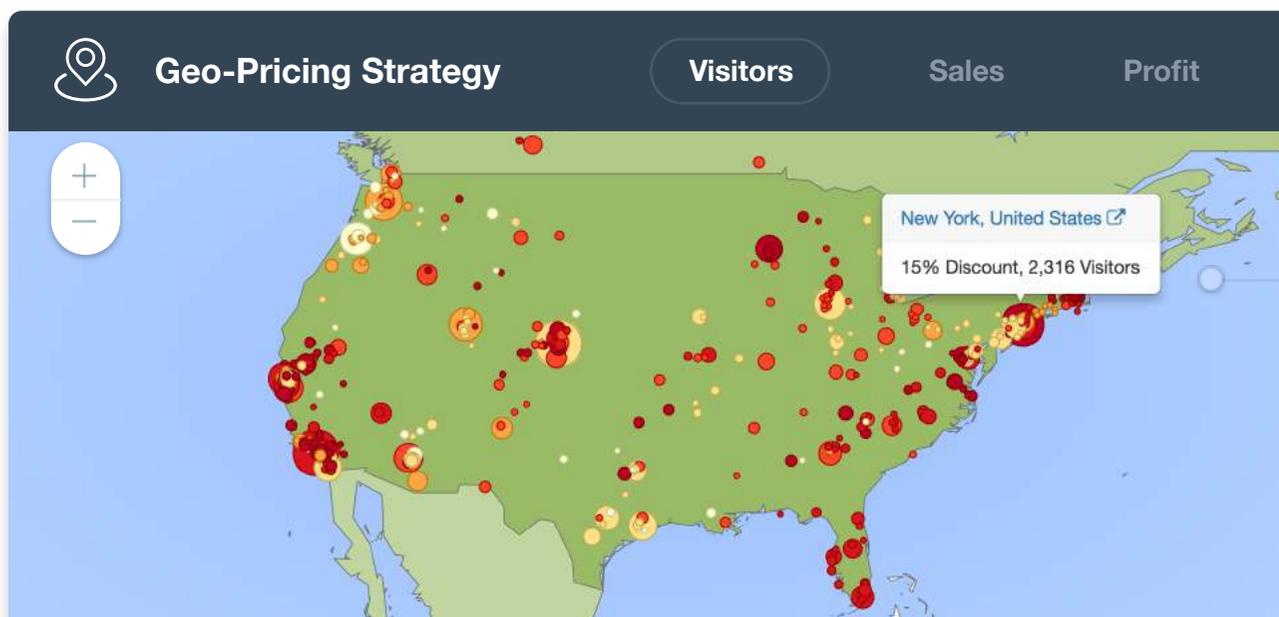
Case Study: Worldwide Cyclery



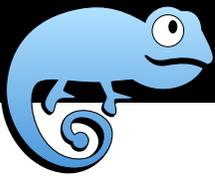


# Worldwide Cyclery grows net profits by 35% with Darwin Pricing in less than 4 months

They had already tried all the tools available to boost their eCommerce – but they had reached the point where more conversions didn't improve their bottom line any more. Darwin Pricing, the geo-pricing software as a service with a strong focus on machine learning and profit maximization, was their last chance to improve the profitability of their eCommerce in the United States and world wide. Jeff Cayley, former mountain bike champion and founder of the professional bike store [worldwidecyclery.com](http://worldwidecyclery.com), hasn't been disappointed. A case study.



Details of a geo-pricing strategy within the US



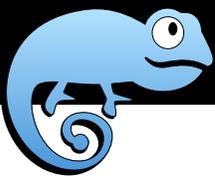
# Challenges

Competition on price is fierce in the online retail of professional bikes and cycling apparel. With an average profit margin of 30%, giving away discounts was becoming a profit killer – but customers were always on the lookout for discount codes on coupon sites and online stores.

After months of trial and error, a 10% discount for first-time customers turned out to be the best trade-off and to yield the highest profits.

But still, the impact on the bottom line wasn't so exciting. So what next?

That's exactly where Darwin Pricing comes into play.

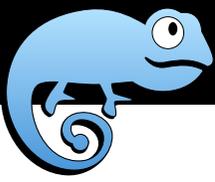


# Solutions

Breaking with the one-price-fits-all model of online retail, we tested different discount offers using a high-converting Exit Intent coupon box, and analyzed the impact of each offer on net profits based on the geo-location of website visitors. With these results, the optimal geo-pricing strategy is being computed in real-time by state-of-the-art machine learning technologies and instantly put into action.

In order to compute accurate net profits, the purchase costs of every SKU is being imported regularly into Darwin Pricing as an Excel sheet. Using our real-time profit reporting, Jeff Cayley has been able to increase with confidence the price of his low-value products, and verify instantly that he wasn't losing profits while freeing up his team from handling too many low-profit orders.

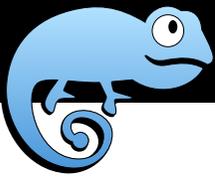
To put an end to discount codes leaking on coupon sites, we created individual, one-time use coupon codes for new customers using the Shopify Plus discounts API. And we created an exclusion zone around his local bike shop to avoid local customers from getting coupon codes online and redeeming them in their local store.



# Results

We have been running an A/B split test during 4 months to compare Darwin Pricing with a control group, where the best known setup so far – a 10% discount offer for first-time customers – was still in place. We could measure this way the actual impact of Darwin Pricing on the sales performance of Worldwide Cyclery in a very accurate manner:

- ✓ **Conversions: +7% more orders placed** with the help of our Exit Intent technology to retain visitors about to leave.
- ✓ **Sales: +38% more monthly revenue** with competitive discounts for international customers from Europe and LATAM.
- ✓ **Profits: +35% more net profits** by lowering or disabling discounts in low-competition, high-income areas within the US and abroad.



## Some love from our customers

**“Great software but even better genius running the implementation.”**

“The geo-targeted coupon codes are incredible. They work, but more importantly you will know for CERTAIN that they do actually produce more PROFIT, not just sales, but more profit than your previous setup.

Sébastien is the man behind Darwin Pricing and he is incredibly helpful and provides so much insight and value it’s unreal. The most important thing is he will spend all the time you need A/B testing everything to see exactly how much better all the results are with the Darwin Pricing system enabled compared to your existing coupon offers or even no coupon offer at all. He is full of knowledge and support and Darwin Pricing will work because of his brilliant support.

Legitimately increases profit and that metric is 100% traceable. No not sales, but profit!”



**Jeff Cayley**

CEO and Founder  
Worldwide Cyclery

# Interested?

You would like to improve the profitability of your business with our dynamic geo-pricing solution?  
We're looking forward to your enquiry!

Contact us at [sales@darwinpricing.com](mailto:sales@darwinpricing.com)  
to schedule a call and request a free demo!

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