## **Schibsted**

# Schibsted Marketplaces: Powering smarter recommendations with Bigtable and BigQuery

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#### **GOOGLE CLOUD RESULTS**

- Reduced infrastructure costs by 70% compared to previous solution
- Improved data access speed and enabled faster model development, improving time to market
- ✓ Increased potential for future AI integration

Schibsted Marketplaces, a leading online classifieds group in the Nordic region, cut infrastructure costs by 70% and accelerated data insights and model development by adopting Bigtable and

## BigQuery. This led to faster, more relevant recommendations and a better user experience.



## Enhancing efficiency and reducing costs with Bigtable

Online marketplaces <u>now account for the largest share</u> of online purchases worldwide. While this is due in part to a pandemic era ecommerce boom, the continued growth of marketplaces over the past three decades is rooted in strong buyer-seller communities that increase with each new member. Recommendation engines are central to this dynamic, helping buyers discover relevant products while boosting seller visibility.

"Recommendations are a crucial aspect of online marketplaces. They drive traffic and help buyers find what they're looking for—or even discover something they didn't know they wanted—therefore enabling vendors to sell their products faster and more easily," says Johan Boberg, Engineering Manager at <a href="Schibsted Marketplaces">Schibsted Marketplaces</a>. "They're an essential part of keeping users engaged."

Schibsted Marketplaces, which is currently in the process of shifting its workloads to <u>Google Cloud</u>, operates in Norway, Sweden, Finland, and Denmark, focusing on four core verticals: mobility, real estate, employment, and "re-commerce," or second-hand goods. The company previously based its recommendation engines on a distributed, non-relational database but found themselves between tiers in its scaling model, leading to inefficiencies and high costs with a non-cloud-native hosting setup. The team decided to shift to <u>Bigtable</u>, enabling them to significantly reduce overall costs, improve performance and boost operational efficiency.

"Bigtable turned out to be a great alternative in terms of cost and also allowed us to keep our services in one place, simplifying our operations by reducing the need to manage multiple vendors," says Boberg.

"Bigtable allowed us to keep our services in one place, simplifying our operations by reducing the need to manage multiple vendors. It offers greater real-time consistency, ensuring that deletions propagate across all instances immediately, making it more reliable. But the major difference has been in terms of cost. Since the shift, we've saved around 70%."

### Johan Boberg

Engineering Manager, Schibsted Marketplaces



## Powering fast and easy data analysis with BigQuery

Recommendation engines depend upon machine learning (ML) models that predict what content or products a user might be interested in by analyzing their behavior and patterns. For the past 10 years, data scientists at Schibsted worked with data stored in files, which complexified and slowed down model development. In order to streamline data access and reduce retrieval times, the team implemented <a href="mailto:BigQuery">BigQuery</a>.

"Moving to BigQuery has significantly improved the speed and ease with which our data scientists can do their job," says Boberg, "This allows them to develop models faster, experiment more, and ultimately deliver better products to our users sooner. We now have a much shorter time to market."

The team worked closely with Google Cloud experts based in Norway to implement and optimize the new solutions. "We've had a continuous dialogue with the Google team, and whenever necessary, they've called in product experts to help us design our setup and ensure we're using it in the most efficient way," Boberg adds. "Instead of just letting us transfer over from our previous

solution, they reviewed our specific use case and made sure we were on the right track. I think that was a key factor in our success."

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## Looking to the future with Vertex Al

Boberg is excited about the possibilities offered by <u>Vertex AI</u> when it comes to building, training, and using ML models. "Right now, our data scientists are using Vertex AI to develop some of the models we use, but it's very much a work in progress," he explains. "We're also using it for other machine learning models beyond recommendations. It's helping with faster model development, and I think there's a lot of potential there."

Boberg and his team are enthusiastic about the potential of AI and ML to transform not only their recommendation engine, but also the development of entirely new products and possibilities within Schibsted's marketplaces. "The pace of development in AI is extremely exciting. It feels like a paradigm shift. We're seeing the emergence of completely new products and possibilities based on this technology that we couldn't have imagined before," he says. "As far as we're concerned, it's crucial to stay on top of these developments. It's not just about top-down directives; everyone across the teams needs to see how they can take advantage of AI."

While it's still early days, the Schibsted team is looking forward to continuing to collaborate with Google Cloud throughout this process. "Having our services under the Google Cloud umbrella also opens up potential to create more innovative products for our customers in the future," Boberg says.

**Schibsted** is a family of digital brands with more than 5 000 employees with world-class media houses in Scandinavia, and leading marketplaces and digital services that empower consumers. Millions of people interact with Schibsted companies every day.

Industry: Retail

**Location**: Norway

Products: Bigtable, BigQuery, Vertex Al

Why Google	Products and	Solutions	Resources	Engage
Choosing Google Cloud	pricing	Infrastructure modernization	Google Cloud Affiliate Program	Contact sales
	Google Cloud pricing			Find a Partner
Trust and security	Google Workspace pricing	Databases	Google Cloud documentation	Become a Partner
Modern Infrastructure Cloud		Application modernization	Google Cloud	Events
Multicloud	See all products	Smart analytics	quickstarts	Podcasts
Global infrastructure		Artificial Intelligence	Google Cloud Marketplace	Developer Center
Customers and case		Security	Learn about cloud	Press Corner
studies		Productivity & work	computing	Google Cloud on
Analyst reports		transformation	Support	YouTube
Whitepapers		Industry solutions	Code samples	Google Cloud Tech on YouTube
Blog		Center Small business	Cloud Architecture	Follow on X
			Training	Join User Research
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