

Order-less Retail

Flow eliminates friction and lessens uncertainty for international shopping

by SUSAN REDA, EDITOR

“The problem with cross-border international commerce is not one thing — it’s 100 small things that make it the bane of every merchant’s day,” says Rob Keve, co-founder and CEO of Flow. “We wanted to remove all the friction and make it a flowing process.”

Hence the name for the cloud-based software system that Keve and co-founder Mike Bryzek believe will help brands and retailers expand their e-commerce business globally. The platform uses artificial intelligence and virtualization to remove some key challenges of cross-border commerce, including multi-currency pricing, cost-efficient shipping and precise taxes and duties.

The co-founders began building Flow in stealth mode about two years ago, and quietly launched last year. The technology was formally announced at Shoptalk in March, along with news that Flow had received a \$16 million Series A investment led by Bain Capital Ventures with participation from other venture capital firms including Forerunner Ventures and Fung Capital.

“Any borders that existed in retail were in the real world. As we move online these borders are completely artificial,” says Keve, noting that shoppers are exposed to international brands today in a myriad of ways — be it social media or international friends and family.

“The only thing foreign to them is the idea that they wouldn’t be able to purchase something from whatever brand or retailer they choose to shop.”



AUTOMATIC CONFIGURATION

Flow’s platform uses AI to deliver change recommendations to a merchant’s website. For instance, if a Canadian consumer is shopping a U.K. brand’s website, how should the price be displayed? Should it be rounded and if so, should it be rounded to dot nine-nine or dot zero-zero? Should it show sales tax at checkout or inclusive in the price?

“Our software automatically configures the brand website to show the right display for maximum sales conversion rates in each country,” Keve says. “We also use AI to determine which products should have what level of duty assessed in which destination countries.”

The virtualization tool upends traditional warehouse practices, eliminating the need to send orders to the warehouse for pick, pack and shipping. The software allows the brand to do everything that they do physically in a warehouse, he says, from knowing what labels to print and which carriers it should go with to. “It automates the end-to-end workflows across pricing translation, landed costs, payments and logistics.”

From the consumers’ point of view, the process feels as though they’re ordering

from a domestic merchant. Meanwhile Flow’s systems are furiously humming on the backend, recommending what to show and what to do as soon as the order is placed so that it feels like a normal ordering and checkout process.

ADAPTIVE LOCALIZATION

“The software localizes the brands’ website and shipping to become adaptive for the consumer in any country in the world. The AI and virtualization are under the surface,” Keve says. “They represent the part of the iceberg that’s not visible, yet makes it all possible.”

Part of the proficiency of Flow stems from the blended expertise of its co-founders. Bryzek, the former CTO of Gilt, was well-acquainted with the challenges of international business.

Keve, the founder of customer experience innovator Fizzback, saw that consumers routinely raised issues related to the expense and difficulties of cross-border purchasing. “We each saw the challenge from different perspectives,” he says, “and over time we came to realize that this was a stumbling block that needed to be removed.” **STORES**