

CASE STUDY

OUTERKNOWN

For People and Planet.

Outerknown

Making every decision with the highest regard for the hands that build our clothes and the world we call home.

“ Flow has doubled our international sales. By giving us the ability to extend promo codes internationally, Flow has allowed us to align our marketing message internationally. ”

– Travis Heard, CFO and COO of Outerknown

Outerknown was launched by professional surfer Kelly Slater in 2015 to create sustainable, planet friendly men’s & women’s lifestyle clothing. The brand’s mission to protect natural resources, empower the people crafting their clothes, and inspire change within the apparel industry resonated with domestic and international consumers. However, Outerknown’s inability to localize its currency, target its product catalog and the high expense of shipping handicapped international sales.

The Challenges

Outerknown was distributing its international products through wholesalers, but was struggling to match and track the wholesalers’ prices in each local market. Without the flexibility to display prices in local currency, to adjust pricing dynamically or to manage a myriad of categories, the brand was concerned about its ability to optimize the consumer’s experience.

>100% increase
in international sales

60% reduction
in year-over-year shipping costs

15%+ of sales
are international

PROBLEM

- Difficulty localizing global pricing and marrying international catalog with wholesale partner needs
- Lack of control and visibility into the international customer experience
- Inability to provide tax and duty functionality and remittance options to consumers
- Prohibitively high shipping costs eroding unit economics

SOLUTION

- Global price parity in all international markets with granular control over the entire product catalog
- Control over hyper-localized consumer experiences including giving consumers options for remitting taxes and duties
- Attractive global shipping rates to support global unit economics and the ability to offer free shipping worldwide
- Running global marketing programs with consistent global messaging and offering promo codes to international consumers





Selling internationally was further challenged by the need to accurately calculate and remit taxes and duties in each local market, and Outerknown was struggling to manage this complexity. The brand's ideal solution was to offer consumers a choice as to whether to pay taxes and duties at checkout or on their doorstep. However, the complexity of executing this strategy from a technical perspective limited Outerknown's ability to offer consumers this clear choice.

Outerknown tried to solve these challenges using legacy solutions available in the market, but found the cost of shipping to be prohibitive. Without sustainable unit economics in each market, it was becoming difficult to justify the international business case. Further, legacy technology solutions did not offer any control over the consumer experience leading to a lack of visibility into international sales which, combined with high shipping rates, made their approach unsustainable.

"The control Flow gives us is unparalleled. I love Flow's ability to manage our product catalog at the UPC level. Flow allows us to restrict products and align our global pricing strategy with our wholesalers."

– Travis Heard, CFO and COO of Outerknown

The Solution

Innovation

In Flow, Outerknown found a start-up oriented brand focused on moving the industry forward and incorporating client feedback along the way. Flow's pace of innovation vastly outpaced stagnant legacy solutions that Outerknown had previously tried. By constantly iterating to improve its solution, Flow was able to help Outerknown deliver localized customer experiences to shoppers in over 150 countries.

Onboarding

The implementation and launch process was clean, painless and efficient, taking only ten days from start to finish. Even though the brand did not have an in-house development team at the time, Flow was able to recommend a development partner and work together around the company's launch constraints and tight timeline. The combination of Flow and Shopify was powerful, and the launch process and go-live exceeded expectations.

Pricing and Catalog Localization

Flow offered Outerknown unprecedented control over pricing and catalog localization. Through Flow's easy to use console, the brand is easily able to not only convert prices into local currency, but also change its global pricing strategy on a dime. This seamless capability allows Outerknown to align its e-commerce business with its international wholesale offering within seconds. In certain markets, such as Australia, where Outerknown's distribution is well-developed, the ability to exclude certain products in order to avoid infringing on critical partnerships is paramount. With Flow, the brand can restrict its product catalog to make sure that all products on the website are offered in-market in order to avoid disappointing consumers at checkout.



Payments and Fraud

Flow offered Outerknown 70+ localized payment options vastly exceeding the number available through other solutions. Not only do localized payment options drive conversion, but the added fraud protection gives the brand security to deploy new payment methods in previously inaccessible markets. Not only that, but international consumers are savvy to the risks of fraud and take comfort in knowing that they and their purchase are protected.

Shipping and Logistics

Flow offered Outerknown cost effective shipping. Prior to Flow, Outerknown was paying exorbitant shipping rates which were eroding its international business case. For international consumers, the cost of shipping and complexity involved in delivery were often causes for concern. Flow was able to help Outerknown deliver on a strong value proposition of Free International Shipping to address these consumer pain points and drive conversion while also allowing the brand to control margins.

International Expertise and Optimization

By leveraging its global expertise, Flow’s team was able to advise Outerknown on specific promotional and in-market strategies that the company could test and deploy. Through these tests, Outerknown discovered that it was critically important to try different approaches to tax and duty depending on the country and give consumers visibility into their options, whether to remit at checkout or post purchase. With Flow’s A/B testing solution, Outerknown is able to test these strategies by SKU and market. With this functionality, the brand can also conveniently test pricing strategies on specific products in each of their markets.

“Often you’re sold a product that is not what you expect it to be, but in this case, the reality of the offering exceeded what was promised.”

– Travis Heard, CFO and COO of Outerknown

About Flow



Your growth engine for global commerce.

CONTACT US

Founded in 2016, Flow is the world’s most advanced SaaS solution for merchants seeking to scale their brands globally. By leveraging Flow, merchants can create a truly localized customer. With seamless integration of local pricing, tax and duty capabilities, 100+ payment methods and dozens of shipping options, Flow offers the perfect solution for painless international expansion. Flow is backed by Bain Capital Ventures, Forerunner Ventures and Fung Capital, the venture arm of Li & Fung.