



FABRIZIO FANTINI

Interview

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by Simona Cocola

He firmly believes in the collaboration between humans and machines. He was born in 1979, making him 34 years old in 2013 when he created the startup, Evo Pricing. Evo anticipates the trend of the demand-supply combination through an algorithm. "Selling the right product, in the right place, at the right time" could be the mantra for the customers that have turned to his company. Evo Pricing is currently located in Turin and has grown over the years, with other offices in Mexico City, Hong Kong, London, Paris and San Francisco. Fabrizio Fantini is his name and he is the CEO of Evo Pricing.

When you were young, what did you dream about doing when you grew up?

I've always liked the sea and sailing. As a child I wanted to compete in the America's Cup. For now, I've limited myself to the regattas and sailing on holidays with friends and even members of the Evo team! Today, pleasure and work go hand in hand, the way collaboration between humans and machines creates synergy each way.

How did the idea behind Evo Pricing come about?

Through my Harvard education I realized that new technology allowed things, that up until now were impossible, like shaping the complex psychology of a customer's choice. Therefore, I showed that "Artificial Customer Intelligence" is not only accurate, but also significantly lower in cost, in comparison to the time and money that is required to invest in the previous technology. Then after my long experience in McKinsey, where I worked alongside top managers from all over the world, observing the unexpressed potential within companies, I learned how to make it commercially successful.

Was it inspired by the international market?

Today there's talk about the global market: It's fundamental to have the ability to understand what is happening across the border, from the start. Both my education and professional experience have helped me, beginning with my first American patent, to then launching the company in Italy.

What skills does the company use?

The gold mine represented by big data requires brilliant and specialized minds. Our team of data scientists and developers also require employees specialized in marketing and commercial aspects, in order to explain complex processes and products with a great deal of precision. Linguistic skills are fundamental, not just English, which is taken for granted in our international team, but also other languages such as Spanish, French and Russian, opening us up to markets all over the world.



How can you explain what you do simple terms?

We transform data into predictive signals of market trends and we use them to help companies make more systematic and profitable decisions. Variables such as historical sales, geographical area, climate and social media, and even product features and web images are used to predict the sales potential and therefore optimize prices, promotions, inventory allocation to stores and planning. Thus providing a software tailored to companies, who then benefit from the extremely rapid and low-cost of the implementation time, thanks to artificial intelligence and machine learning.

What is innovative in this project?

Often you hear about the fear of robots and machines replacing man in the workplace. We think of it in a different perspective. Given that complex, but repetitive tasks are carried out much quicker by artificial intelligence: when we work with large amounts of data, we know that a computer can perform operations in a few minutes and that for man to achieve the same result, it would take years. We look at the other side of the coin, where in all the cases that we can't deny man is the added value; everything is innovative, different, ambiguous, maybe emotional and discontinuous, too difficult for machines and must therefore be delegated to a human decision maker, who then acquires greater leverage, instruments and therefore power, with respect to the past. We have in fact shown that the human-machine alliance is a winner and leads to surprising results, better than each of these two ingredients separately. This is our winning formula.

What were the results obtained thanks to the strategies used?

Last year our systems managed goods worth over 10 billion euros, changing over 1 million prices, and physically moving it over 15 million times, generating an impact of over 100 million euros in profit for our customers. For example, on April 19th, in Florence we received an award for best "digital supply chain" startup at the It4fashion Award.

Who are the companies that approach you?

Companies with a turnover of more than 100 million euros, from different sectors such as fashion, retail, insurance, travel and hospitality.

Is the Italian market ready for Evo Pricing?

We already have customers in Italy, and generally there is great appetite for it, in comparison to innovations with demonstrable impacts, but there is still a mistrust in what's new, all over Europe, compared to the United States where all that is new takes off with the benefit of the doubt, rather than with the burden of proof.

What are the major Italian and foreign sectors which you work on?

In Italy above all fashion but abroad in many other sectors too.



Is Evo Pricing only recommended for large companies?

Today we are focused on customers with at least a 100 million turnover per year, because they have more data and greater return from our support, typically estimated at 3-7 percent of turnover.

Are there any possibilities for young talents from the Piedmont area to work for Evo Pricing?

The collaboration with the universities and our recent hires prove this to be true. In Evo we have a team of data scientists, under 30. We chose to open an office and invest in Turin, after we kicked off the London office, was exactly for this reason. We collaborate with the master course in "Stochastics and Data Science" from the 2014-2015 academic year, thanks to the intuition of a pool of avant-garde academics led by Laura Sacerdote, full professor of Probability and Statistics at the University of Turin. This is the first Italian training offer, of this type, all in English and based on applied mathematics, probability, statistics, machine learning and computer science.

Future goals?

We are about to present an app that will provide sales expectations and recommended prices, a year in advance, from just an image. All you will need to do is take a picture of a new product model sketch that is yet to be launched and the application will do the rest. You'll soon be hearing talk about it...