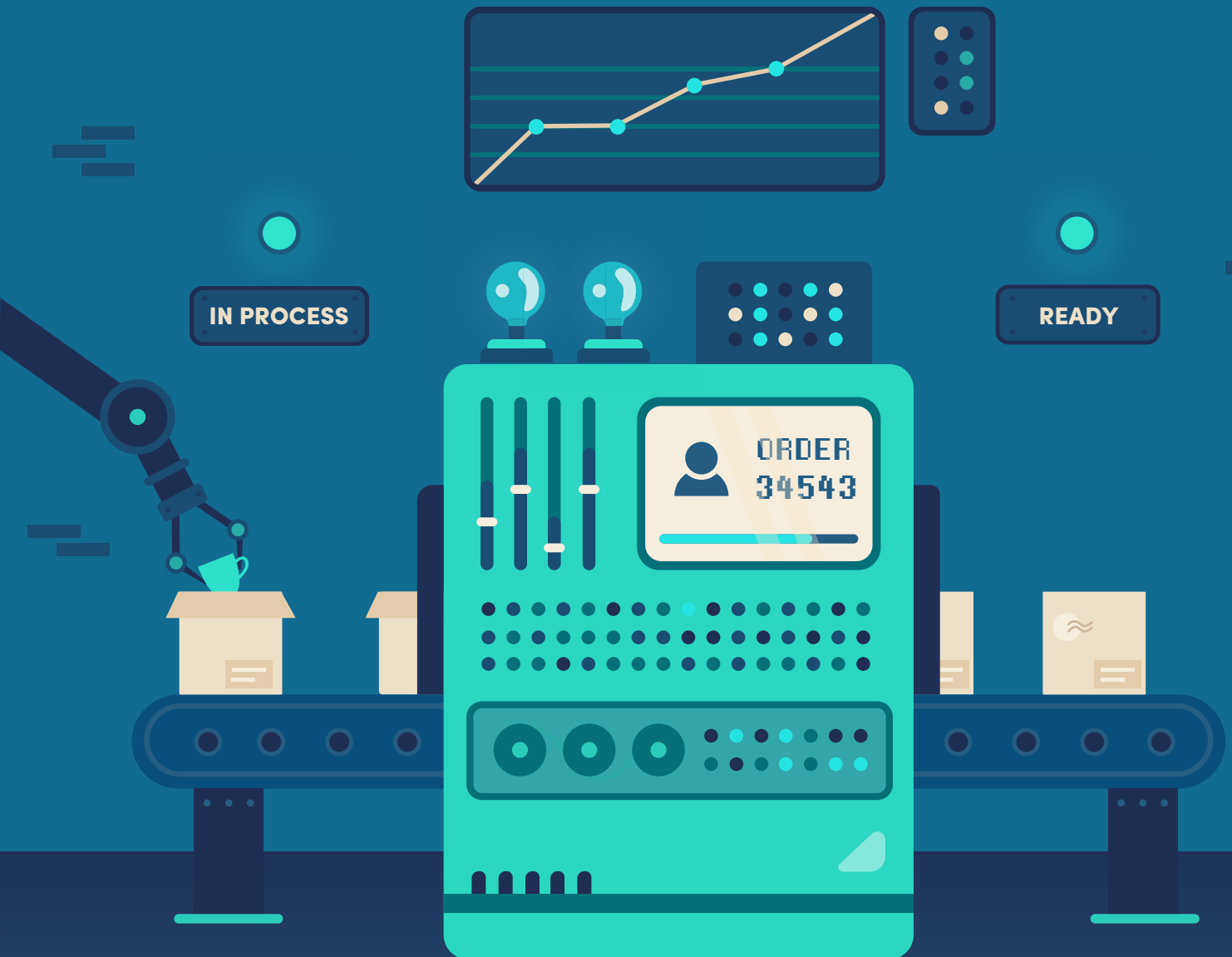


WHITEPAPER

# The DTC Switch

Your Guide to Adapting, Thriving, and Profiting with a Direct-to-Consumer Model



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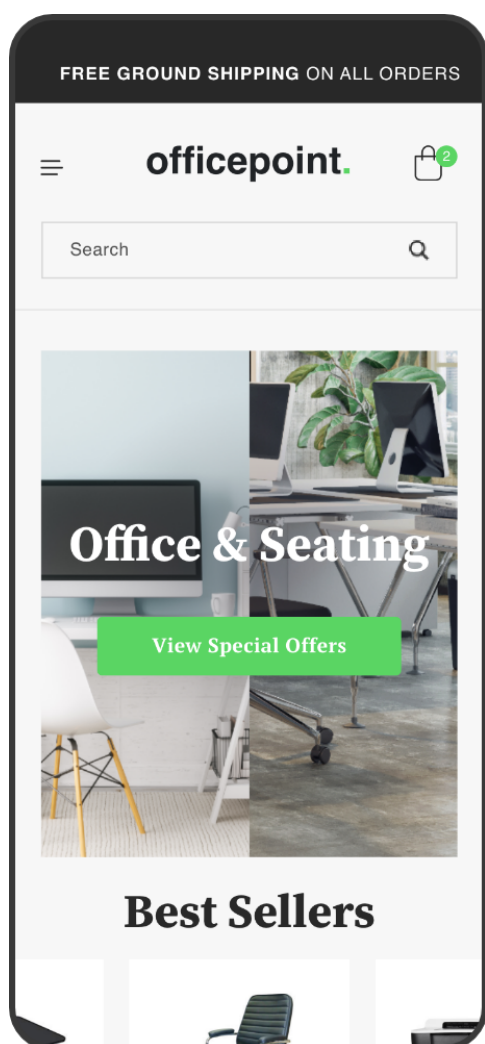
Offer More Than Your Product

# The Case for Going Direct

During uncertain and changing times, a direct model can future-proof your business.

# Businesses are taking a direct approach.

To stay competitive, many companies are making the jump to selling their products directly to consumers.



Global efforts to reduce the spread of COVID-19 have prompted big names to [join digital-native](#) brands in bringing competitively-priced products directly to online shoppers.

Fortunately for them, many others have laid the groundwork for a successful transition to direct-to-consumer (DTC) sales. Between 2016 and 2019, online DTC sales grew [three to six times](#) the rate of overall sales. The number of customers served by DTC businesses is expected to reach an estimated [103.4 million](#) by 2022. While having an ecommerce site to sell to customers was nice to have before the current shift in the commerce landscape, it has recently become a key channel for growth and survival.

Selling direct gives you full control of the end-to-end journey of your product. You have direct contact with your customers, providing opportunities to deliver value, address pain points, and create a standout brand experience. These benefits help spur brand loyalty and repeat business, enabling your brand to weather any future crisis and thrive in the long run.

# Making the Switch to Direct

Selling direct online presents many opportunities, but there are important things to consider before you make the switch.

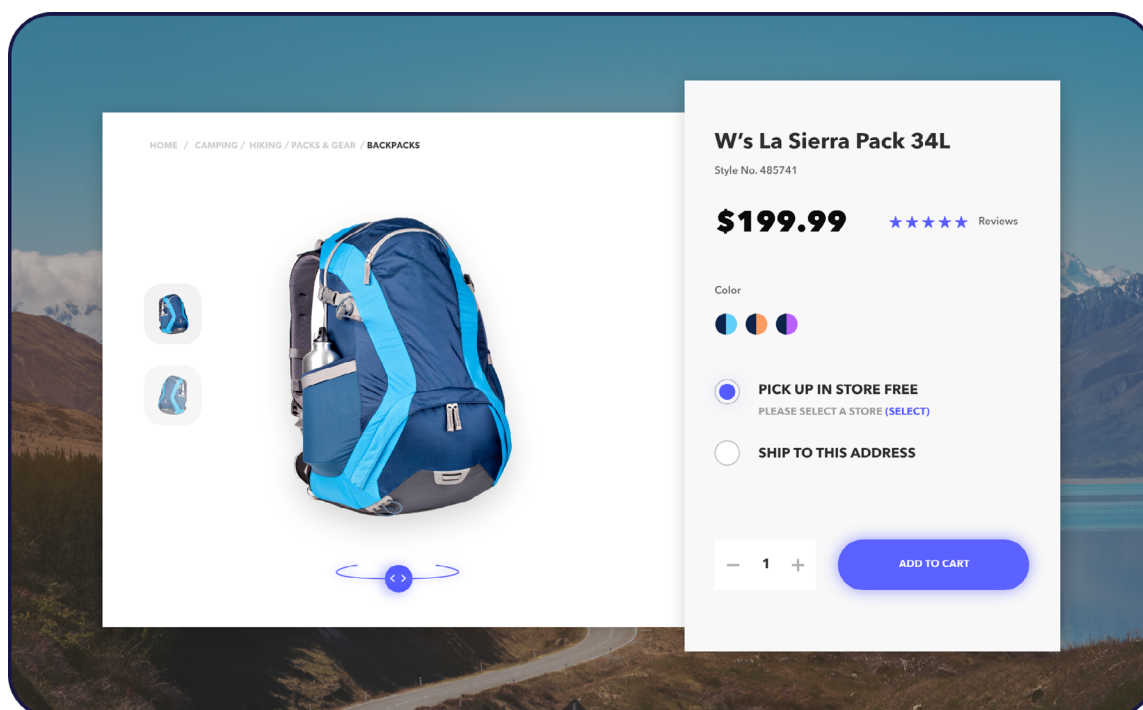
# Direct selling is a whole new game. Here's how to prepare.

If your business has never sold direct, the process will be different from anything you've ever done before.

Forging a direct path to your buyers involves communicating to a different audience, leveraging different strategies, and implementing new processes. Here are things you and your team will need to consider:

## Shifting Your Distribution

For many merchants, this will be the first time you are fulfilling products directly for your end-users. To establish a relationship with them and create a good impression for your brand, you'll need to develop an effective shipping strategy. This means working with the right carriers and providers, determining your shipping rates, and finding good warehouse locations to control fulfillment costs while getting products efficiently to your customers. Further build trust by offering convenient shipping options, good customer service, and flexible return policies.



## Defining Your Metrics

As a direct seller, you'll want to look at the metrics that measure brand loyalty and customer engagement. Beyond sales and revenue, prioritize metrics like repeat purchases, average order value, and [lifetime value of customers](#). Tracking the right key performance indicators helps to guide your business decisions and gives you insights into the effectiveness of your strategy.

## Knowing Your Customers

As a DTC seller, your value proposition needs to be compellingly different from those of your competitors. Hone in on your key differentiator by understanding your customers' behavior, motivations, and attitudes. Ask yourself the following questions:

- What are the interests of my target audience?
- How can I make my customers feel more valued and engaged?
- How can I turn my top customers into brand ambassadors?
- What can I learn from my customers that can help my business improve and evolve?

## Creating a Digital-First Experience

Selling DTC online means aligning your operations, products, and service into one effective digital infrastructure. Plan how you'll obtain traffic, showcase products, collect customer data, and leverage technology. Make sure you have a capable [ecommerce platform](#) that enables you to execute your DTC site.

In their recent move to DTC, PepsiCo was able to take their site to market in less than 30 days. While a 30-day site launch might not be possible for everyone, there are [important steps](#) you can take to quickly shift your systems online and launch a functional, shopper-friendly site.

## Shifting Your Marketing

Going direct requires a change in your marketing. If you have an existing customer base, it's less about generating brand awareness and more about encouraging consumers to buy directly from you. This starts with communicating a compelling brand that provides something of value to customers.

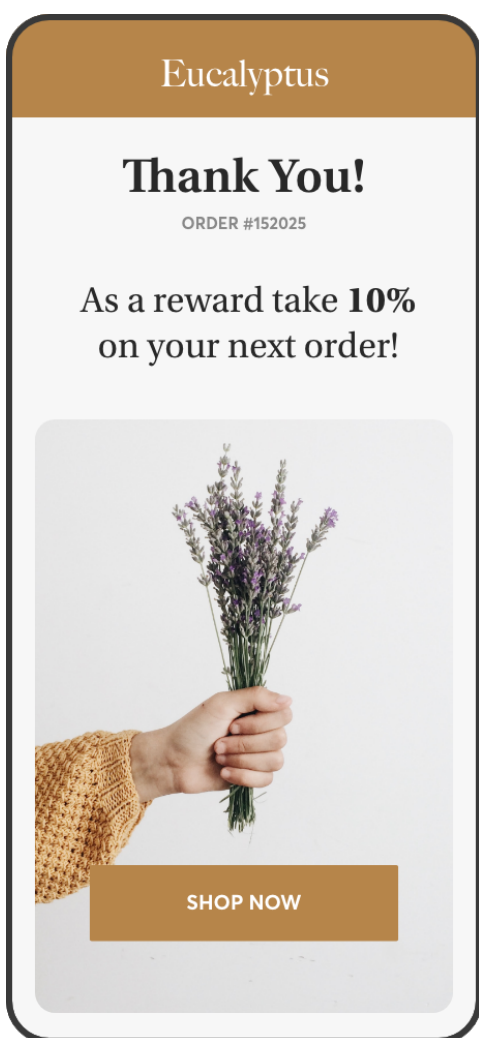
# Convince Your Customers

Your customers are out there but they  
need a little persuasion to hop on board.



# Your customers need a change of heart.

How to encourage shoppers to engage with your new business model.



Whether you are a digital-native brand or a B2B seller, the end goal with adopting a direct sales model is to sell products to your end users. Meeting that goal requires you to create an experience that meets demand and brings customers closer than ever to your products.

If you've previously sold to distributors, chances are you have an existing customer base that is already familiar with your product. The key is to retrain the buying habits of the end-users, **showing what they can gain out of purchasing directly from you and presenting your business as a valuable shopping destination.**

To encourage this shift, the most successful DTC brands create memorable interactions with both their potential and current customers. Conduct research into what customers want out of your offerings and brainstorm ways that you can leverage your brand to provide value. Then, reach out to customers via mediums like packaging, email, and social media and promote your unique differentiators to get them on board.

# Provide Customer-First Benefits

To get customers accustomed to buying directly from you, show them that you have something unique to offer that they can't get from any other seller.

Here are a few potential differentiators to consider highlighting on your website:



## Product Insights

Customers like detailed information from brands. Now that you own your product merchandising, this is the time to go even deeper with detailed product descriptions, how-to videos, and social media photos to bring customers closer to your products.



## Unique Selections

You can offer a greater assortment of products that are exclusively available on your site, giving shoppers a compelling reason to shop with you. Launching new lines, brands, and premium products can also set you apart from your competitors.



## Content

Content marketing helps to generate buzz, attract new customers, and provide customer service—all important for a DTC channel. Leverage testimonials, user-generated content, videos, and helpful blog content to engage your customers.



## Frictionless Shopping

Selling direct gives you the opportunity to introduce flexibility and convenience into the buying experience. Consider options like free shipping, multiple payment methods, and flexible return policies to make things easy for your customers.



## Giving Back

There's no doubt about it: shoppers relate more to brands that stand for a purpose. Show your unique values by aligning with a specific cause that connects to your brand and provide opportunities for customers to contribute.



## Loyalty Program

Reward your top customers with exclusive perks, rewards, special offers, and personalized coupons. Encourage participation and engagement with inside information and sneak peeks.

# Offer More Than Your Products

Having a great product is only half of the battle.  
Meaningful customer relationships are key to DTC success.

# Here are your next steps.

The ability to develop direct customer relationships is one of the biggest benefits of going DTC.

As a direct-to-consumer seller, you aren't communicating with just a few distributors. You are now tasked with messaging to a much larger audience—consumers.

Your digital channels can provide valuable insights about your customers' attitudes, shopping data, and preferences. Through integrating shopper data at every touchpoint, you can **build stronger relationships with customers and create the unbeatable experience that they're looking for.**

Building meaningful customer relationships allows you to gain insight into what your target market is looking for, helping you adapt your DTC channel to best serve customer needs. This goes a long way toward increasing your bottom line and helping you to innovate and ultimately [scale your business](#).

## Three Ways DTC Sellers Can Use Data and Make Customers for Life

### 01 Personalize the Purchase Journey

When customers browse around your site, you get direct insights into their behavior. You can use this data to offer [relevant upselling](#) based on the products they browse, implement website elements that address their specific needs, and send post-purchase messages to gather valuable feedback on the products they purchased. This can help inform your product development and marketing and help you make overall improvements to your DTC experience.

# 82%

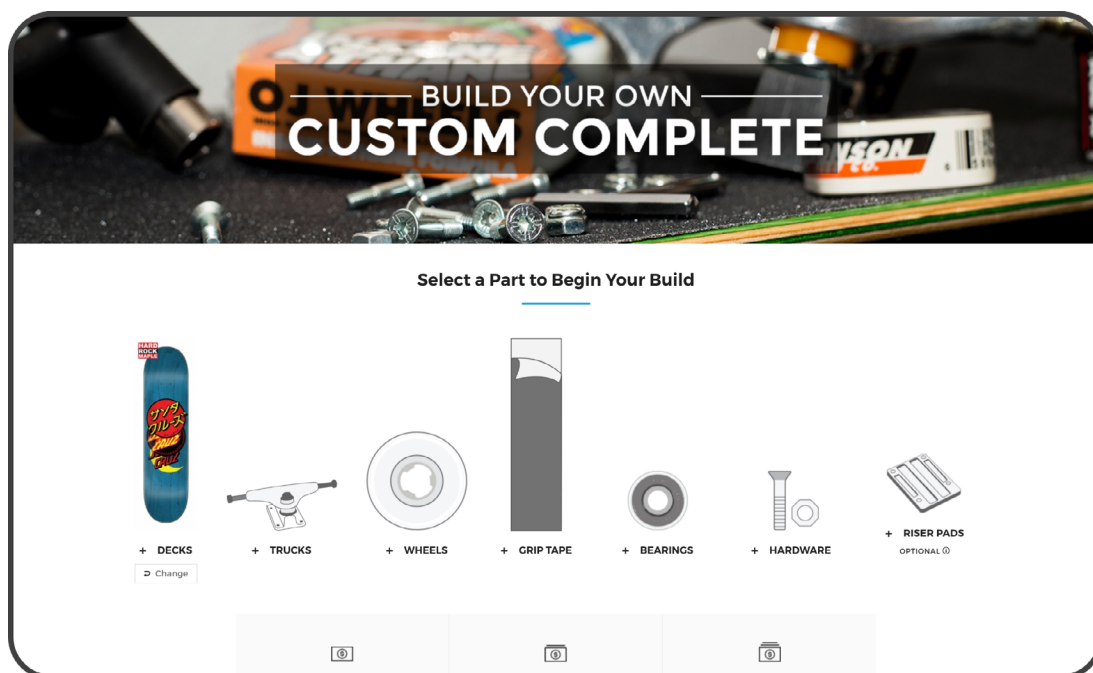
[Eighty-two percent](#) of brand manufacturers say that selling direct improved their customer relationships.

## 02 Offer a Subscription

In a [subscription model](#), customers opt for an ongoing relationship with your brand instead of a one-off purchase. Give shoppers the ability to configure their own subscription. This not only provides recurring revenue but also allows you to build loyalty and learn more about how your customers interact with your products.

## 03 Exceed Customer Expectations

Consumers are no longer satisfied by a generic, one-size-fits-all product offering. They want products and services that are tailored to their specific needs. One way to capitalize on this is to allow customers to personalize some aspect of their product. In addition to offering customization and creating a standout experience, this can provide an unobtrusive opportunity to collect customer data that you can use to send more targeted messages.



To connect with their customers, skateboard manufacturer NHS Inc. employed a custom deck builder for shoppers to configure their own skateboards and add layers of personalization. In doing so, NHS was able to offer a [premium experience](#) that engages their customer base.



# Ready to Achieve Your Own DTC Success?

Miva has the tools you need to bring your products closer to customers, foster loyalty, and drive profitable growth.

[SCHEDULE FREE CONSULTATION](#)

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