



Adapting Your Direct to Consumer Retail Experience to Meet Shopper Needs



Direct to Consumer retail is here to stay as growing consumer expectations have created the norm for buy anywhere, pick up anywhere, at any time.

So, how do you ensure your brand meets shoppers where they are? As we focus in on the impacts from COVID-19, now more than ever consumers need direct delivery to their doorstep. According to an [Adobe Analytics survey](#), 93% of consumers say they expect to shop online more (60%) or at the same level (33%) as they did before the outbreak. With that in mind, consumers care about the entire shopping experience and have placed even greater emphasis on **digital-first** offerings. CPG companies are continuing to evaluate the heightened importance of factors like convenience, transparency, availability, and community as they influence online purchasing habits.

We've highlighted some of the key steps in the consumer path to purchase that can improve direct to consumer retail sales. While each brand will have a unique consumer journey, these channels serve as a starting point to focus your organization where it matters the most for consumers both today and in the future.

INTEGRATE SOCIAL CHANNELS WITH ECOMMERCE PLATFORMS

How can you ensure your social channels are integrated with e-commerce platforms?

Mobile commerce is expected to contribute to about 45% of total eCommerce this year. In addition, social has proven to be one of the most relevant purchasing channels during the COVID-19 crisis. That being said, it is critical for retailers to stay ahead of the curve by implementing a mobile strategy that will successfully engage consumers and drive them to a purchase.

One of the key drivers of mobile eCommerce is the [integration of social channels](#) into retailer eCommerce platforms. UGG, an American footwear company, has channeled Instagram through its various features to engage consumers to make a purchase through their profile. They actively engage the Story feature on the app to share new product drop announcements, behind the scenes in the making of products, as well as promoting their blog content.

SELL WHERE THEY SHOP

Today's consumer expects to find your product where they like to shop. To stay competitive, organizations should focus on strategically maximizing their reach across a mix of eCommerce channels, with the end goal of catering to consumer needs. This drives revenue while increasing engagement, and [74% of brands selling multi-channel see increased revenue](#). We've identified [key considerations](#) brands should make to evaluate their approach and capabilities in delivering multi-channel direct to consumer retail models.

Market leading brands are realizing the value of multi-channel offerings, and consistently refining and improving their approach. In consumer goods, Yeti Holdings is one of many examples of a brand successfully meeting consumers with products through multiple channels. In addition to physical retail, Yeti sells direct to consumer (DTC) on their website, through marketplaces like Amazon, and in online partnerships with retailers like REI, Dick's Sporting Goods, and ACE Hardware. Pick a product category and you'll find multiple brands implementing similar approaches.



With a planned multi-channel strategy identified, operationalizing this effort is key to capturing customer loyalty and delivering positive eCommerce experiences. Key operational pillars to sell through any eCommerce channel include storefront operations, order management, payment experience and processing, and fulfillment capabilities. Each new channel in the eCommerce landscape offers additional challenges and requirements to create a unified experience. Can your brand successfully create seamless experiences across multiple channels?

To answer the question above, a strategic evaluation of your readiness related to each operational category should be performed. To operationalize the payment capabilities required, payment capture, fraud prevention, card tokenization and refund facilitation processes are just a few core competencies that must be evaluated, planned and implemented. These must be in harmony with other operating considerations including order management, tax processing, distribution, and others. Adding sales and operations from third party channels increases complexity, but customer desire for seamless experiences and reliable performance remains consistent across all channels.

BUILD THE BEST ONLINE ORDER EXPERIENCE

DTC brands and retailers should be building an ordering experience that serves customers at every step of the purchasing journey. According to [Nielsen](#), 72% of consumers are encouraged to buy online if the website provided real-time updates on their order status. Order experience drives conversion and customer satisfaction, including efficient product search and selection, online support channels, engaging product listings and reviews, simple path to purchase and strong post-sale experience. At the core, strong web design which engages and delights each consumer sets apart your DTC offering. Additionally, it is critical for eCommerce sites to provide transparent COVID-19 updates and impacts directly to consumers.

From the beginning of a site visit, the right online order experience starts with technology and features that help visitors find products. Site search that returns results quickly is often the starting point. Beyond predictive search capabilities, product recommendations, engaging web design and proper product attributes all facilitate the customer successfully discovering products.

On product pages, prioritizing consistent product information, customer reviews, and product imagery or videography conveys product value and trust to a customer. [Glossier](#) has curated their online presence through web design, video content, and social media campaigns that tie together a message of authenticity. Properly communicating product value, and providing trust indicators through reviews, descriptions and other information engages buyers to deliver enjoyable purchase experiences.

With the right product identified, customers want a streamlined purchase path and clear checkout experience. This includes direct and simple call to action from a product page, transparency in shipping, pricing and data collection, and offering convenient payment options. When a user checks out, providing small features like address autofill, digital wallet payment providers, and clear shipping indicators all contribute to positive and successful checkout experiences.

Each individual step in the click path of an online purchase journey should be tailored to meet customer needs, delivering enjoyable customer experiences that also facilitate conversion.





THINK BEYOND DIGITAL CHANNELS TO MAXIMIZE CONSUMER REACH

How can your brand connect to consumers online and offline?

Consumers are looking for the most convenient and cost-effective ways to purchase the brands they love. While DTC brands are competing to offer the quickest shipping guarantees, many consumers are equally interested in picking up products within hours of purchase in-store. According to a recent study, **50 percent** of consumers have decided where to shop online based on whether they could pick up their order in-store.

This model breeds opportunities for digitally native brands interested in testing physical retail, along with legacy brick and mortar brands aiming to increase foot traffic through exclusive partnerships. Take Target Corporation, who over the last three years, has **grown their DTC partnership** footprint with brands such as Native, Quip, and Harry's. While direct to consumer brands face tradeoffs of online vs offline sales, they generate other benefits such as capturing consumer data that improves marketing and sales strategy.

To support cross-channel experiences, retailers and brands alike need to assess their **omnichannel capabilities** across technology, distribution, and store operations. Especially during COVID companies are seeing offerings such as contactless delivery, curbside pick-up, locker retrieval, and self-service pick-up kiosks implemented in a variety of stores. Retailers should decide what method works well for their store layout and location, as determining the in-store pick-up experience will be unique based on consumer preferences. Beyond the physical store fronts, retailers will need to ensure their inventory management, sales, and CRM systems are well integrated to truly create a seamless pick-up, return, or in-store purchase for consumers.

ESTABLISH TRUST THROUGH YOUR CONTACT CENTER

How do you evolve a DTC experience both domestically and globally and meet consumers where they are?

Demand for quality customer service remains consistent, if not greater, with eCommerce buyers. Customers will still have just as many questions regarding product sizing, shipping policies, returns, and payment options as in physical retail. The needs may be greater in eCommerce, which has observed a return rate triple the average for brick and mortar retail.

To meet customer needs, a multi-faceted approach is needed for customer service. Many brands leverage traditional call center operations, email correspondence, chat bots, and more to meet ever expanding customer needs. The important evaluation each brand must make is considering which service channels customers expect, and how to operationalize, staff and fund these service offerings to provide efficient and positive engagement with customers. Leading DTC brands like Bonobos have differentiated by using best-in-class customer contact operations to build brand loyalty by delivering a highly responsive experience. In addition to selling great products, these positive interactions serve as a contributing factor to their industry leading direct traffic rate of over 50%.



Customers still prefer speaking to a human over receiving automated support, but those preferences are changing as the majority of consumers engaged with a chatbot at least once in the past year for customer support. A forward-looking perspective to efficiently handle customer service in a satisfactory way is critical to close the experience loop of the online shopping experience and provide positive customer interactions well into the future.

CREATE CONVENIENCE THROUGH THE POST-SALE EXPERIENCE

How do you maintain a positive post-sale experience without significantly hitting your bottom line?

As online shopping habits grow, brands need to invest in the post-sale experience just as much as their website design, marketing, and commerce functionality. Determining an effective eCommerce strategy that best fits your consumer audience is the first step, coupled with a strong social engagement strategy that sustains online foot traffic. Next comes a compelling and convenient shopping experience to convert sales... but the journey does not end there. One of the most important ways to increase consumer retention is through the post-sale experience including customer service capabilities, delivery speed, and ease of returns. The key thread across each of these offerings? Emphasis on convenience is key.

Trust can be harder to build without in-person interaction through the purchase. Some key tactics to keep in mind include:

- Provide flexible and secure payment options through PCI compliant partners.
- Create consumer-facing customer service channels that are inviting to engage with
- Make consumers aware your company is there every step of the way through order confirmation notices, SMS messages, and real-time shipping updates.
- Strive for an environmentally responsible delivery experience through reusable packaging, recyclable materials, and social responsibility measures that are transparent to your consumers.

- Allow for easy and affordable returns to make up for the inability to try before buying.

With each of these tactics, consider the opportunities and investment that comes along with either owning or partnering to deliver the best seamless post-sale experience.

Ask, "How did we do?" Opening the door for consumer feedback tells them that you want their voice to be heard. Consider adding incentives, exclusive product offers, and future discounts can drive return online visits and purchases.

THE BOTTOM LINE

The consumer experience doesn't end after a purchase. Brands should strive for increased consumer retention by creating a positive shopping experience through transparency and convenience that converts into brand loyalty. By upgrading your direct to consumer retail experience, companies will be more likely to drive shopper engagement and conversion wherever your brand and shopper intersect.

About Clarkston Consulting

Leading retail businesses partner with Clarkston Consulting to address and adapt to the most critical industry challenges stemming from evolving consumer expectations, a highly competitive landscape, and an unrelenting pace of change. Our people combine industry and functional expertise to deliver solutions that fit your business, your goals, and your future.

clarkstonconsulting.com

