



A step-by-step guide for trialling a D2C eCommerce strategy

The benefits, challenges and an expert's tips for testing the waters successfully.

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What does direct to consumer mean?

D2C is a low barrier-to-entry eCommerce strategy that allows manufacturers and CPG brands to sell directly to the consumer. It removes the need for a middleman (ie. retailer or reseller) to get your product on the market.



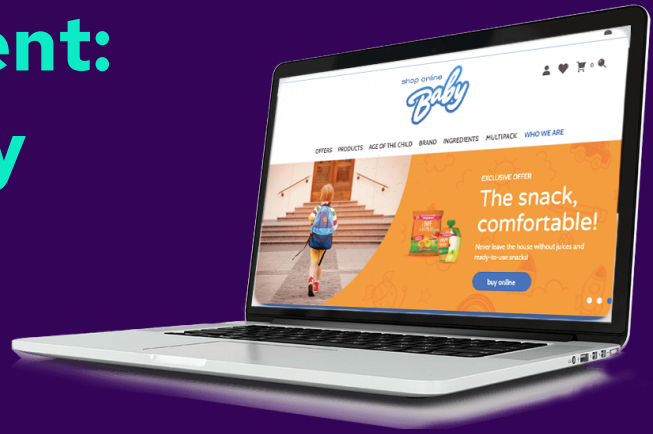
However, dipping your toe in the D2C waters doesn't necessarily mean that you have to cut the middleman out altogether. You can easily add a D2C strategy to your offering and still maintain the sales channels you already have. Luckily this can be done in a fast, affordable, and very successful way.

So what needs to be considered before testing the waters? We have a full breakdown of the opportunities available to retailers who choose to dabble and how to prepare for the challenges they may face.



D2C Kooomo Client: Shop Online Baby

Shop Online Baby is a trusted online store where parents can buy food from the best Italian specialised brands at an affordable price. It supports kids in their growth - from weaning to early childhood - and aims to become THE reference in the market while opening up sales to a wider global audience. Parents are increasingly looking for product quality, easy ordering and fast, stress-free delivery; and this new online retailer is actually surfing on a real boom in online stores for babies and kids' products.



Ask the Expert

We asked Jennifer Puzzo, our Head of Client Services,

why did Shop Online Baby choose to go D2C?



"Shop Online Baby wanted to be the trusted online store where you choose and buy a great variety of products at an affordable price. They chose Kooomo because of different added values: - scalability, flexibility, and high performing cloud software. The dynamic and qualified and performance-oriented client services team and the huge partners' network could help them to rocket their objective business."

What are the benefits of going D2C?

Better Consumer relationships

A recent study found that 59% of consumers prefer to do research directly on the manufacturer's website, with 55% preferring to make purchases the same way. With direct control of customer support, D2C brands are more responsive and can effectively build trust, even throughout a crisis like COVID. This customer nurturing leads to brand loyalty.

Data control

When selling D2C (and on the right platform) you own the data from all consumer interactions whether that be sales, customer service or marketing. Now, you have direct contact with your customer through every stage of the sale process. Not only can you then improve your CX but deliver content that's perceived as respectful and relevant to your audiences.

Process Control

D2C brands have full control of their sales channels. While traditional retailers scrambled to manage store closures and rebalance inventory during lockdown 1.0, D2Cs kept selling online – and with surges in demand.

Omnichannel eCommerce

Another advantage of selling D2C is the potential of selling through multiple channels.

These brands can set up their online store and even set up their own physical outlets for the unification of off and online. Consumers now have an experience where they can browse and purchase across multiple channels, choose from a range of delivery options and, if necessary, return it in several ways regardless of which channel through which they originally bought the product.

Consider the challenges – are you in a position to overcome them?

Precision analytics

Supply chain processes and systems work a little differently for D2C brands, and companies will need a warehouse network that excels at picking at the sell-unit level, rather than at the case or pallet level. When working with smaller quantities that aren't shipped to large consolidation points supply chains become piece-specific. Therefore, accuracy is essential.

Liability risks

A D2C model exposes a business to risks that have previously or normally been borne by distributors such as wholesalers and retailers. Most notably, data management will be crucial for both your brand reputation and legal issues such as GDPR. You will also need to consider the checkout process, ensuring that each transaction is processed safely and securely.

Organising and Optimising Product Information

Effective PIM is one of the biggest challenges D2C brands face when starting out or making the switch from wholesalers. Every size, colour, and product specification has to be accurate. If it's inaccurate or out of date, it could lead to lost time and customers. A well-defined catalogue enables omnichannel, improved conversion rates, fewer product returns and more.

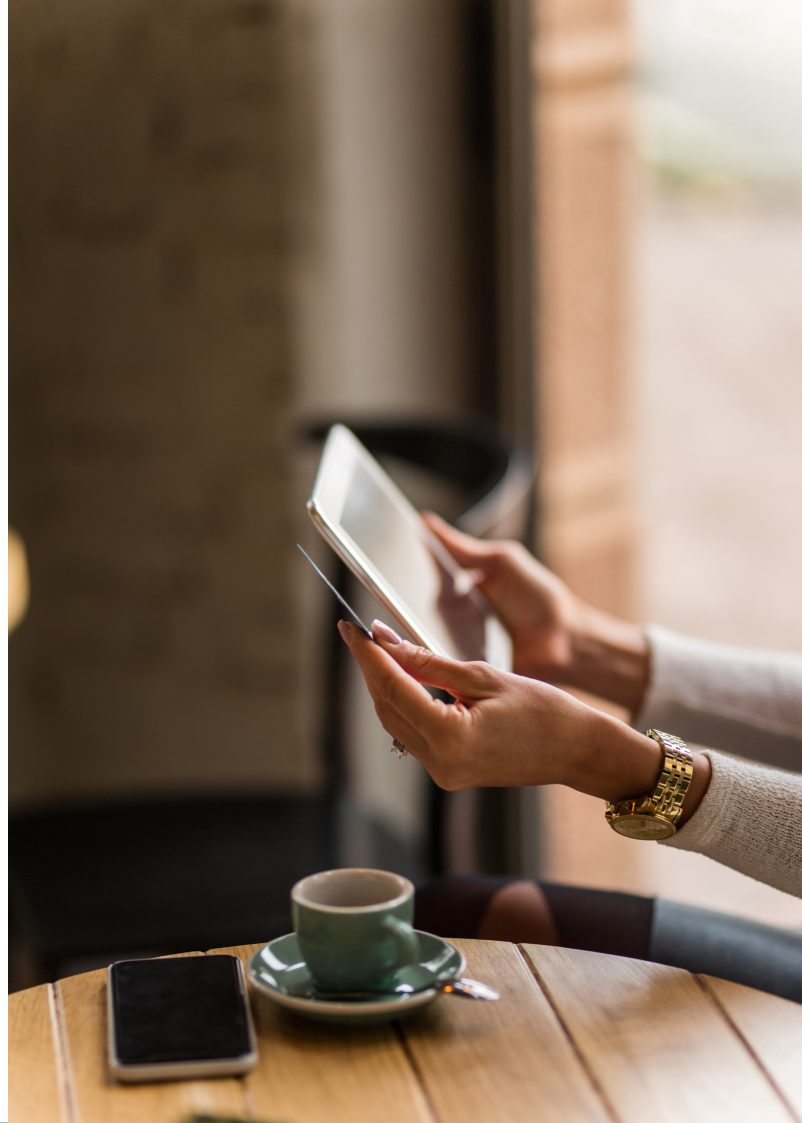
D2C Koomo Client - Shop Online Baby

Jennifer says...

"The biggest challenge was the time to market - we had only 4 weeks to start all the activities, from Brand Identity to UX & UI Design, Front end and Back end development for multi-devices, desktop, iPad, mobile and hybrid ecommerce app."

The steps for moving to D2C - long story, short!

- Identify market and target insights
- Competitor & Swot Analysis
- Define Unique value proposition, Vision, Mission, Buyer Personas, Brand Identity



- Choose a qualified production company.
- Choose a scalable, flexible, performance-oriented platform and partners.
- Launch the online business through different sales channels

How our account managers roll out a D2C strategy

1. Define the Unique Value Proposition for the Brand

Before you even decide to create a D2C brand, have a reason on why you should enter the market in the first place. Perhaps you've had the best selling product in B2B and wish to take it directly to the consumers? You're here to resolve a pain point.

2. Create the buyer personas

The best way to build trust is to show genuine understanding of your customer. Buyer Personas ensure that marketing, sales, product development and customer support are all equipped to provide the best possible customer experience.

3. Create the experience

Design the user interface and user experience according to the needs of each buyer persona and how the brand will be their best solution.

4. Get your communications in order

Define keyword research, competitor analysis, SEO strategy and Information Architecture with an SEO specialist.

5. Develop the Front End of the website

Simply, set up the platform, upload your catalogue, information architecture, countries, Vat, languages, payment methods, privacy policy.



6. Develop the Back End of the website

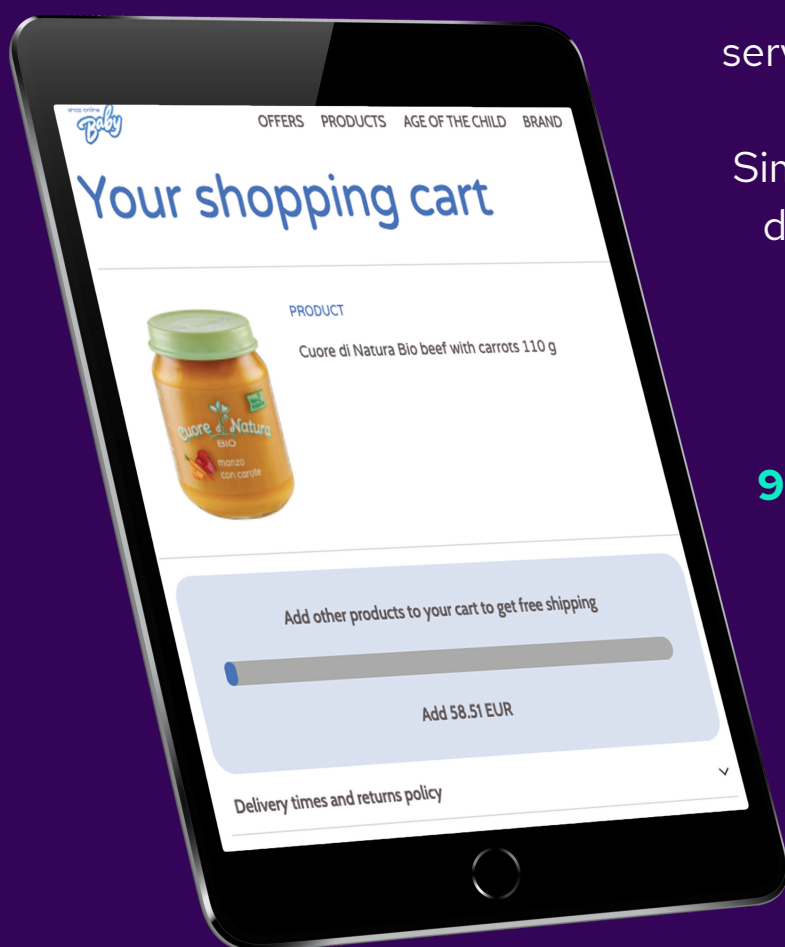
What specific features will you require? D2C logistics can be easily managed and rolled with integration between the Kooomo platform and ERP, allowing for Automated order management, manageable logistics and an array of billing methods.

7. Manage your data

Selling direct allows you to collect rich customer data that you can use to provide an intuitive, personalised experience at every touchpoint. In turn, this leads to improved loyalty and higher customer lifetime value. Kooomo provides analytics via Google Tag Manager, Google Search Console and Google Analytics.

8. Set up your 1-click third-party integrations

Brands using the Kooomo platform do not require the services of System Integrators to utilise different technologies. Simply click and go live with your desired feature. (LiveChat, adv platform, Hotjar, Crazy Egg, marketing automation)



9. Test and debug your site.

Because you wouldn't live without some rehearsals...

10. Showtime

Take your D2C site live!

To Summarise...

While there are some pain points involved with getting up and running, the advantages of going D2C are evident. It may take some organisation, but once put in place, a D2C strategy could play a major role in increasing the longevity of your brand, maintaining a glowing reputation and improving relationships with your current and potential customers. Kooomo will support your journey every step of the way, with flexible technology that can quickly adapt you're offering to the D2C space.



Keen to get moving, or looking for more information on how we can tailor the experience to your businesses needs? Simply book a 1:1 consultation with a member of the team now.



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