



GOING DIRECT *to* CONSUMER *in* MANUFACTURING

The Guide for Bringing Your Brand and Consumers Together



salesforce



Why should you go direct to consumer?

More than ever, consumers prefer to order products and services online and in new channels such as mobile and social. In fact, global digital revenue increased 71% year over year in Q2 2020,* and most [Fortune 500 CEOs say](#) they need to accelerate their digital transformation.

Going direct to consumer (D2C) lets manufacturers meet digital demand without relying solely on the traditional distributor/dealer revenue model. The D2C approach drives growth, increases revenue, and puts you in control of your relationship with consumers.

But going D2C also means directing organizational change. You need to select the right team to craft a customer-centric approach and also to balance existing relationships with channel partners.

With years of experience launching more than 3,000 D2C ecommerce sites and providing premium consumer experiences for brands of all sizes and industries, we've seen firsthand how D2C elevates brands.

In this guide, we'll show you how to:

- Establish a D2C ecommerce site
- Evaluate your business readiness
- Assess the staff, strategy, and operations needed for a D2C revenue stream
- Stay in control of your brand experience

* "Shopping Index: Q2 Marks the Most Intentional Shoppers on Record," Salesforce, 2020.



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MEET ASTRO

Hi, I'm Astro.

My friends and I love showing Trailblazers like you around Salesforce and its business solutions. Follow along as we guide you through your journey when going D2C.



EVALUATE *your* D2C READINESS



Know what to expect when you go D2C for the first time, and learn how to prepare your business, teams, and distribution partners.

How do you prepare your business?

Get ready to meet customers directly with these four considerations.

1 Define your vision.
Identify your ultimate goal (or goals) for going D2C. You may start with a content-only site that builds overall brand awareness or dive in with transactional elements to drive growth and online revenue. You may also want to expand to new markets, launch a consumer-facing brand, or gather better shopper insights for a more personalized experience.

2 Understand potential obstacles.
D2C is an investment in technology, resources, and time. If you are ready to open this new revenue stream, make the business case to key stakeholders, from the C-suite to product, IT, marketing, sales, and service teams. For example, a D2C approach could have ensured continuous operations at the start of the pandemic, when [53% of U.S. manufacturers surveyed](#) anticipated the need for operational changes.

There may be obstacles in managing existing partnerships. Before launching a D2C channel, you need to communicate the change and find ways to strike a balance with existing revenue streams (more on that in the next section).

3 Define success metrics.
Clear key performance indicators (KPIs) will direct all brand, commerce, and channel-related decisions and help establish internal alignment. Beyond sales targets and overarching revenue growth, these may include repeat purchases, increased loyalty, or higher customer satisfaction that only you can provide for your brand. Consider brand awareness as an important measure of success as well. Identify success metrics early, evaluate often, and evolve them.

4 Reflect your company values.
Your D2C channel must align with your brand's overall business goals and values. Communicate clearly how it will feed your ecosystem and support enterprise stakeholders.



SONOS

Due to COVID-19, [Sonos](#) pivoted their business by focusing on their direct-to-consumer channel. The company's data-driven approach to digital marketing, commerce, and service accelerated D2C revenue by 400% year over year. D2C now represents 40% of their overall business.



How do you balance existing distribution streams?

To protect from instability, it's key to diversify your revenue model. When coordinated effectively, your existing relationships with partners and suppliers and your D2C channel go hand in hand.

Offer experiences on your D2C channel that consumers can't get anywhere else while supporting existing partnerships with these best practices.

- 1 Deliver details on your site.**

Great content and memorable experiences bring consumers closer to your company and develop their trust in you. Offer comprehensive product information on your site and go deeper with enhanced content types like how-to videos, all differentiated from your marketing and promotions with distributors.
- 2 Complement retail partnerships.**

D2C drives awareness that benefits and boosts other channels. Give consumers a reason to visit your brand site and also to purchase through retailers. For example, a consumer might come to your site to learn about various products, then visit a retailer to see it or test it out in person. Vary the mix of product offerings across channels.
- 3 Personalize product assortments and promotions.**

Your D2C channel will provide direct access to first-party data to help you better understand your customers and their shopping behaviors. This means you can create targeted promotions, adjust product assortments, or add more personalized site elements and products.



We saw a day in March 2020 where the business totally went from one direction to another. All of our partner retailers shut down. We had to change the focus of our business from a predominantly third-party retail-driven business to one that was very reliant on D2C.



ZACK KRAMER

VICE PRESIDENT AND GENERAL
MANAGER, CONSUMER
SONOS



4

Offer a wider assortment of products.

A “digital shelf” gives you the control to show products in the best light. (One of the biggest struggles faced in retail execution is that only 48% of marketing and merchandising plans hit the mark.)*

You can also showcase a greater assortment of products and create a special line only available for purchase on your site. You can even give partner retailers exclusive access to your special product line.

5

Leverage the power of the manufacturer’s suggested retail price.

Set the manufacturer’s suggested retail price (MSRP) online to maintain value and a high price point. You can also give distribution partners the exclusive ability to discount items using your MSRP.

6

Align with a cause close to you.

Connect customers directly with your core brand values. With a D2C channel, you can donate an automatic percentage of profits to a preferred foundation. It really matters: 72% of consumers say they feel it is more important than ever that the companies they buy from reflect their values.**



* “Consumer Goods and the Battle for B2B and B2C Relationships,” Salesforce Research, 2019.

** “Feeling Purpose,” Porter Novelli/Cone, 2019.



FIND *your* D2C TEAM



Find the people, partners, and technology you will need to establish and maintain your D2C channel.

Plan a seamless experience for your customers.

Going D2C requires a plan for operations, production, and support that gives customers options – from how they find your site to preferred payment, checkout, and service.

Here's what you'll need to account for when mapping out your ecommerce site.

- 1 Optimize the site experience for each end consumer.**
 - Create a search engine optimization (SEO) strategy that ensures site findability
 - Develop a comprehensive digital site strategy
 - Implement merchandising to surface the right products
 - Add transactional elements with flexible payment methods such as Apple Pay on mobile
 - Adjust your infrastructure and operations to handle individual orders by working with third-party fulfillment partners

- 2 Create engaging, informative, and relevant messaging.**
 - Find your brand advocates through paid advertising campaigns, social media, partnerships, and more
 - Develop engaging, informative, and relevant messaging with a consistent content development cadence
 - Use audience targeting and develop creative plans for digital ads, social media, and email channels
 - Establish and regularly evolve consumer journeys through awareness, engagement, retargeting, purchase, and loyalty

- 3 Enable premium experiences across the order lifecycle.**
 - Streamline the post-purchase process with a flexible, agile [order management system](#)
 - Empower customers with self-service and [commerce portals](#) for easy access to warranties and registrations
 - Give service agents a 360-degree view of each customer so they can resolve cases quickly across digital channels and improve customer satisfaction
 - Use data to continually improve the customer experience



Plan your people and partners.

Plan your team structure.

There isn't a standard structure for a D2C site: Some companies have a dedicated ecommerce team while others fold responsibilities into existing roles. We've seen that separate digital and wholesale operations make sense when overarching growth is the main priority. A fully independent D2C team can own channel revenue targets, marketing conversation metrics, and digital operations.

Consider the following questions to define your team's roles and responsibilities:

- How will you measure success?
- How will you make decisions?
- How will you prioritize activities?
- Who will decide final outputs?
- Who will own what responsibilities?
- What will the handoff process look like between team members?

Next, map it all out on a simple board by focusing on the workflows that will drive outcomes. Doing so takes otherwise complex organizational planning tasks and boils them down for you to best allocate resources and activities. Then, dive deeper into organizational planning with the [Retail Operations Canvas](#), our proprietary tool for planning on ecommerce teams.

Find your internal advocates.

Start with the teams that will benefit from going D2C as well as those you will need to work with to build out this channel (think IT and finance). Communication is key to help employees understand your plans and get them on board for the change.



Select the right technology partners.

The right partners act as a true extension of your team and learn everything about your business to help you succeed. It starts with identifying a core commerce solution to build out your site. Ask these questions when evaluating vendors.

- Is the commerce solution flexible and agile, allowing you to build on it for your business' unique needs?
- Does it guarantee speed to market so that you can get up and running quickly?
- Does it ensure **trust and security**?
- Does the solution give you a 360-degree view with access to data across touchpoints?
- Will business managers understand how to use the platform without ongoing support from IT?
- Is there educational support and training available to help along the way?
- Are there regular evaluations and business reviews to optimize performance?

Providers like Salesforce give access to solution integrators and **certified partners** and offer the ability to extend your brand across third-party platforms with a partner ecosystem – all critical to meeting consumers across channels. This approach will help you further your business and your goals, proactively adopt and provide recommendations that drive business value, and help you navigate the entire ecosystem.

SALESFORCE CUSTOMERS HAVE SEEN A ...

 **50% INCREASE**
in email conversion

 **28% INCREASE**
in conversion rate

 **21% YOY GROWTH**
and **540M unique peak**
monthly visitors

 **35% INCREASE**
in consumer satisfaction



See [how](#) the right partnership helps you scale and succeed leading up to and after site launch.

KNOW *and* SERVE *your* END CONSUMER



Improve engagement, drive loyalty, and increase your bottom line with better consumer insights and relationships.

Put customers at the center of everything.

Have one view of your data.

When you go D2C for the first time, you start with a clean slate with your first-party data.

Assess your current technology and determine how best to optimize it for D2C. One of the most effective things you can do is to aggregate data across every touchpoint into one unified platform. You'll achieve a 360-degree view of the consumer to tailor experiences and build loyalty.

Make your value prop about more than your product.

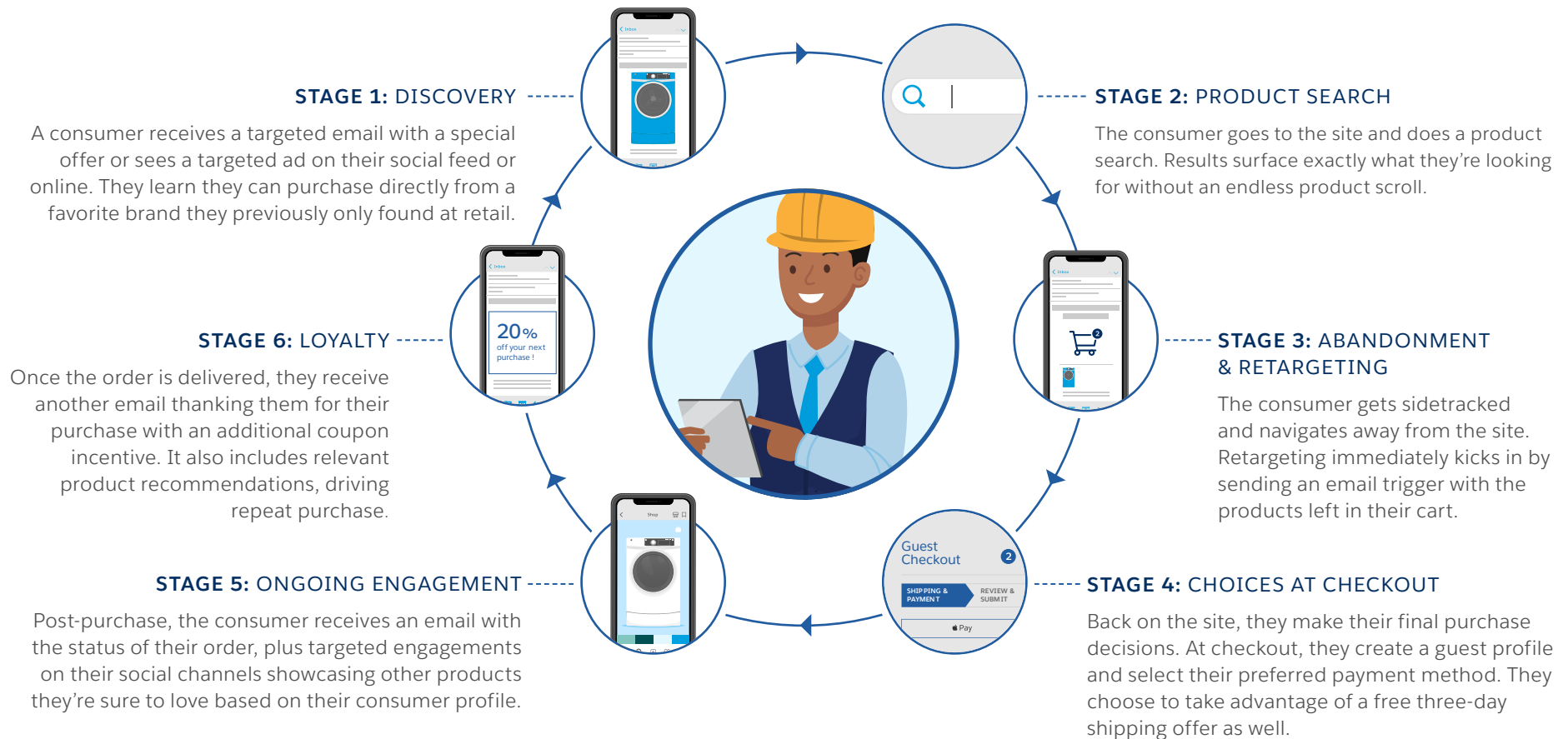
The most successful companies understand that their customer experience is their unique value proposition. Establish a customer-first strategy that goes beyond the transactional to connect people with products and experiences that resonate.

Manufacturers can do this out of the gate and differentiate distribution channels without the burden of legacy platforms and technology. Consumers will reward you for it with repeat purchases and loyalty. (Only [10% of brand leaders](#) currently say consumer experience is their unique brand proposition, making this an opportunity to differentiate your brand.)



Create the best shopping journeys.

Access to data across every touchpoint means you can identify consumers as soon as they visit your site – and continuously engage them so they keep coming back. This use case illustrates how you can tie your technology together to create a better shopping journey, from product discovery to brand loyalty.



Tailor each consumer's experience with artificial intelligence.

Personalized recommendations yield a 4.5x higher likelihood of creating a shopping cart and a 5x higher per-visit spend.* Artificial intelligence (AI) enables brands to personalize ecommerce experiences at scale throughout the consumer journey, identifying nuances and behaviors across touchpoints and surfacing relevant content that makes consumers more likely to convert.

Here's how you can leverage AI with [Commerce Cloud Einstein](#) to serve up highly relevant product recommendations and deliver personalized experiences.

Product Recommendations

Automate merchandising tasks and drive conversion with product recommendations unique to every consumer.

Search Dictionaries

Surface search terms not currently in your dictionaries with synonyms, hypernyms, and search redirects (like "pink," "rose," and "peach").

Predictive Sort

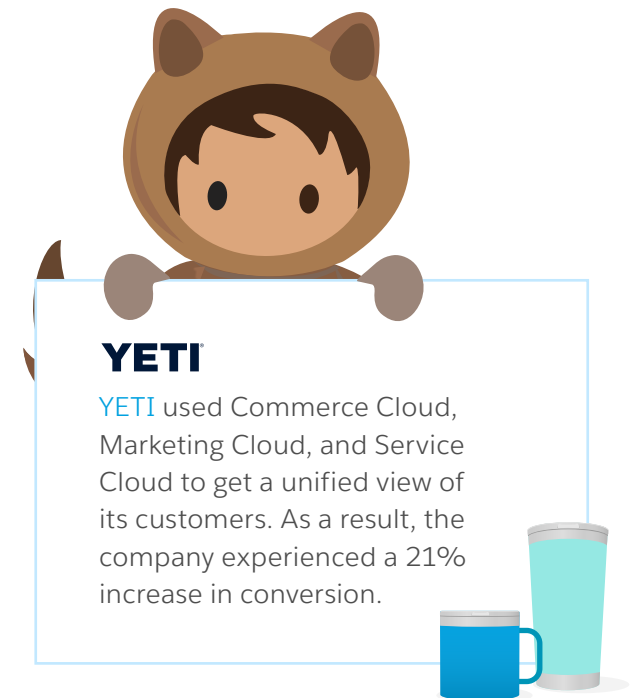
Automatically customize the order in which products appear in search and on category pages based on consumer actions.

Einstein API

Extend commerce to new touchpoints and offer image search everywhere, such as through product recommendations in mobile apps.

Commerce Insights

Get a granular view into product-specific sales and the top co-purchased products.



*"Personalization in Shopping," Salesforce Research, 2017.

Maintain an ongoing relationship.

The best experience consumers have anywhere becomes the experience they expect everywhere. Your direct relationship requires consistent interactions that keep consumers coming back. Consider these content and customer service imperatives to deliver the one-to-one relationship consumers want with your brand.

Institute agile content development.

Campaigns with B2B distribution partners are typically long and enablement-heavy. When it comes to D2C, you will have to develop a new, more agile process to develop high-quality content that can be leveraged across digital channels – website, social, email, and SMS – with short sprints.

Your homepage alone will hold hundreds of pieces of content tailored by device, and category pages can be just as rich. This means you must produce a mix of product and lifestyle imagery at different sizes as well as content that adds value to your brand and positions it as a trusted authority, such as through short how-to's and videos.

Snackable static and video content garners attention and boosts engagement on social. Layer in shoppable pins, posts, and videos to make on-platform shopping easy, and leverage user-generated content (UGC) to build brand advocacy.

Test and learn.

Testing your content helps improve the consumer experience and keeps you on top of consumer expectations. Always test initiatives, measure impact, and apply your learnings to the next iteration.

Build loyalty through customer service.

By going D2C, you may need to change your existing service infrastructure to handle a more continuous relationship with consumers. Offer the option for customers to engage with your brand in a way they most prefer through any channel service: via SMS, in-person web chat, or social media.

Before hiring more service agents, however, know this: There are a few simple tweaks you can make that will address your most common requests. [Make it easy to find answers](#) to frequently asked questions, like how to initiate a return, through a simple FAQ page on your site. If visitors can't find what they are looking for, allow them to submit a case through a web-to-case online form.

And chatbots can field your most-asked questions. When a case is more complicated, the bot can seamlessly escalate it quickly to an agent for additional support. Bots gather customer information ahead of time to decrease case handling time, leading to faster resolution.



ADDITIONAL RESOURCES

Make your transition a breeze with these tips.

Chances are your brand is already a big part of a consumer's everyday life, and D2C is an incredible opportunity to establish the type of relationship consumers want.

Stay consumer-first from the start and remember that D2C adds to your existing revenue streams. With the right people, partners, and technology to support you every step of the way, you'll reach your most loyal customers and exceed expectations.

For more tips on D2C success and how to connect with consumers in new ways, check out:

- The guide: [How to Jumpstart Growth in Commerce](#)
- The solution: [Salesforce for Manufacturing](#)
- A resource: [Maintaining Retail Relationships While Going Direct to Consumer](#)
- This blog: [5 Tips for Manufacturers Going Direct to Consumer](#)



Build your B2C commerce site quickly with [Trailhead](#), our customized learning tool with guided learning paths.



