

Turn DTC insights into growth

88 brands open up about marketing expectations in a direct-to-consumer world.

DIRECT TO GROWTH

For better or worse, the direct-to-consumer (DTC) business model has changed customer expectations—and not just for mattresses and eyeglasses.

We interviewed DTCs and surveyed B2Cs (those with more traditional GTM strategies) to understand what's happening in the market, and how these trends will impact marketing, today and in the future.

These are just some of the brands that opened up and helped us make several key discoveries.

NOM
NOM
NOW

BEAU TIES^{co}
Handmade in Vermont

SWANSON

FOUNT

APT
2B

SPIN



DTCs have impacted established brands' marketshare.

80%

of B2Cs are feeling the influence of DTCs

B2C brands say DTCs excel in:

43% digital media buying

41% social

31% delivering curated experiences

DTCs have outdone B2Cs in product innovation & customer interactions.



DTC brands see opportunities to solve customer needs through product innovation that B2Cs are overlooking.

"It all starts with creating a great product. Because no matter how clever or visually pleasing your Instagram feed is, **if your product sucks, you'll be out of business within a year.**"

Greg Shugar
CEO & creative director | Beau Ties of Vermont

Since DTCs focus so much on how customers experience the buying process, they're changing what consumers expect from the brands they pick.

81%

of the B2Cs we surveyed said DTCs changed expectations of their own brand

"Just pure 'get some initial relationships' might become a little bit less important than honing in and **refining the ways that we engage with different customer groups.**"

Nate Phillips
CEO & cofounder | NomNomNow



DTCs are winning over millennials—and everyone else.

82%

of B2Cs are concerned DTCs are more popular with digitally native generations

Contrary to popular belief, the DTCs we spoke to largely agreed that millennials are an audience for them, but may not be their primary audience.

Just because a more traditional brand's target demographic skews older doesn't mean they won't have DTC competition.

DTCs' biggest challenges are scale & churn.



In the next five years, B2Cs expect DTCs to struggle with:

58%
copycat competitors

34%
customer retention

32%
product variance

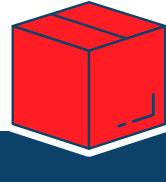
30%
consumer privacy regulations

27%
audience diversification

23%
scaling growth

The DTCs we spoke to were only vocal about two of the challenges their B2C counterparts foresee. **There could be more on the horizon that DTCs aren't considering.**

This is just a small bundle of insights.



Our new report is the full package.

Hear direct from all the brands we spoke to, and **learn how you can grow by acting on these emerging trends.**

Download the report >

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