

D2C Digest US

Essential insight for
D2C founders and
brand leaders



From the CEO



Jeremy King
Attest

Welcome to our first D2C Digest; where we distill a ton of D2C consumer insight and expert interviews into one unmissable publication. Why D2C? Well because we're working with more and more awesome D2C brands, like Gymshark, DRY, Bloom & Wild and Graze. The direct-to-consumer sector is booming and Attest is helping brands like these to unlock further growth by giving them access to reliable, high-quality consumer data.

We think it's an exciting time to be in D2C. Our research into the sector shows that Millennial consumers, in particular, are committed to online shopping and very open to trying new brands. Even as we move forwards and begin to put the pandemic behind us, many shopping

habits developed during this time will stick. And it means there's a lot of opportunity for D2C brands.

Alongside the latest consumer data, in this issue of the D2C Digest, we'll look at growth stories from letterbox flower brand Bloom & Wild and beverage brand DRY. Both show what's possible when brands are able to make discoveries about their consumers. Sometimes all it takes is that one, key piece of insight to find huge success. We'll also hear from the CMO of Beauty Pie on what it takes to grow a thriving direct-to-consumer business. We hope this issue leaves you feeling optimistic and inspired, and if you'd like to hear even more D2C chat, why not check out the [Wax Lyrical](#) podcast?

WAX LYRICAL

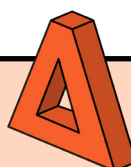


Jeremy King, CEO & Founder of Attest

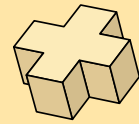
“Marketplaces are the new department stores for the D2C. Consumers want this middleman there. It's a little bit less direct and counterintuitive but it's very interesting to see this emerge in our data.”

A WAX. ON PRODUCTION



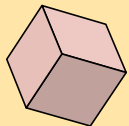


Contents



01

Who's leading
the return to the
stores?



02

Where to find your
D2C customers
post-pandemic

03

Red roses are a cliché
- the customer insight
that gave this flower
company their most
successful Valentines
Day

04

Beauty Pie CMO
Rob Weston on
the beauty of the
D2C model

05

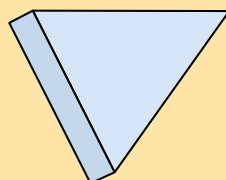
How DRY have
ridden the growth
of the sober
curious movement

06

9 US D2C brands
you should know

07

Online or offline?
The D2C winners
and losers



01



Who's leading the return to the stores?

Gen Z are excited about shopping IRL but Millennials will keep on clicking.

Millennials are more committed to online shopping than any other generation, a nationally representative survey of 2,000 US shoppers shows.

A huge 40% of shoppers aged 26-40 say they plan to shop online more in the near future, while only 8% plan to shop online less - that’s a net increase of 32%. Meanwhile, Gen Z (those aged 18-25) are the demographic most likely to plan on reducing their online shopping activity (17%). Countered by the 28% who plan to shop more, that’s a much lower net increase of 11%.

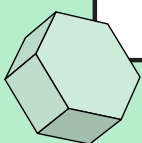
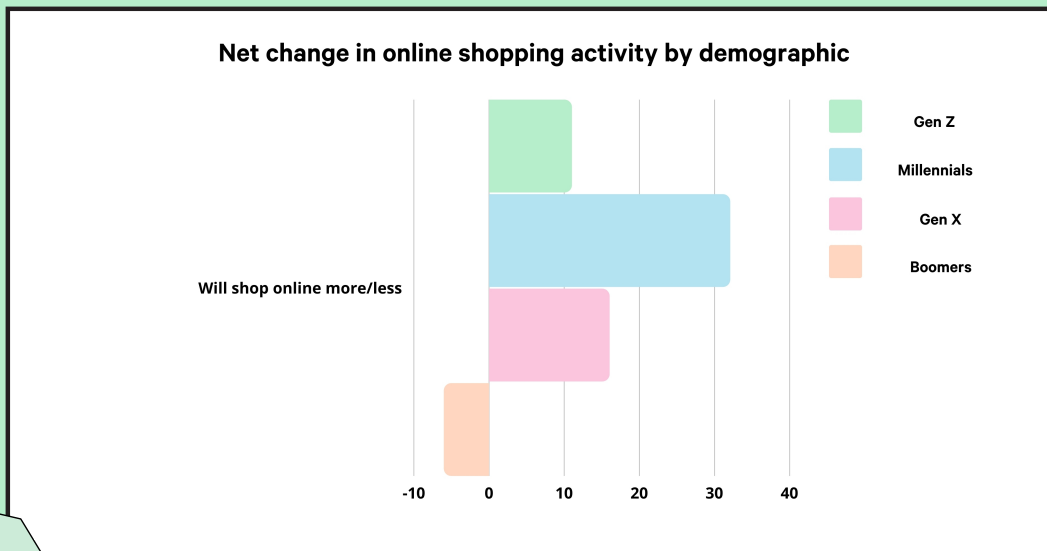
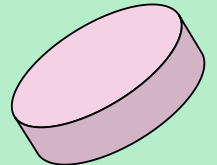
Despite being the most digitally native demographic, only 58% of Gen Z agree with the sentiment ‘in general, I prefer online shopping,’ compared with 71% of Millennials.

32% net increase in online shopping activity among Millennials

Millennials state a preference for shopping online in 7 out of 9 categories. The two categories they prefer to shop in physical stores for are food and drink and furniture and homewares. With Millennials likely to be juggling work and young kids, perhaps it’s the convenience of online shopping they find so attractive.

Gen Z, on the other hand, show a preference for shopping online in just one category - clothing, shoes and accessories. But the popularity of this category is huge, with nearly 76% of this demographic saying they have shopped online for clothing, shoes and accessories in the last 6 months.

Gen X (aged 41-55) prefer to shop online in 4 categories; electronics and home appliances, baby and kids, sports and hobbies, and gifts and flowers. Boomers (aged 56-66) show almost the same preferences, except from electronics and home appliances, which they prefer to buy in physical stores. Overall, less than half of Boomers agree they prefer to shop online (45%), compared with 58.5% of Gen Z.



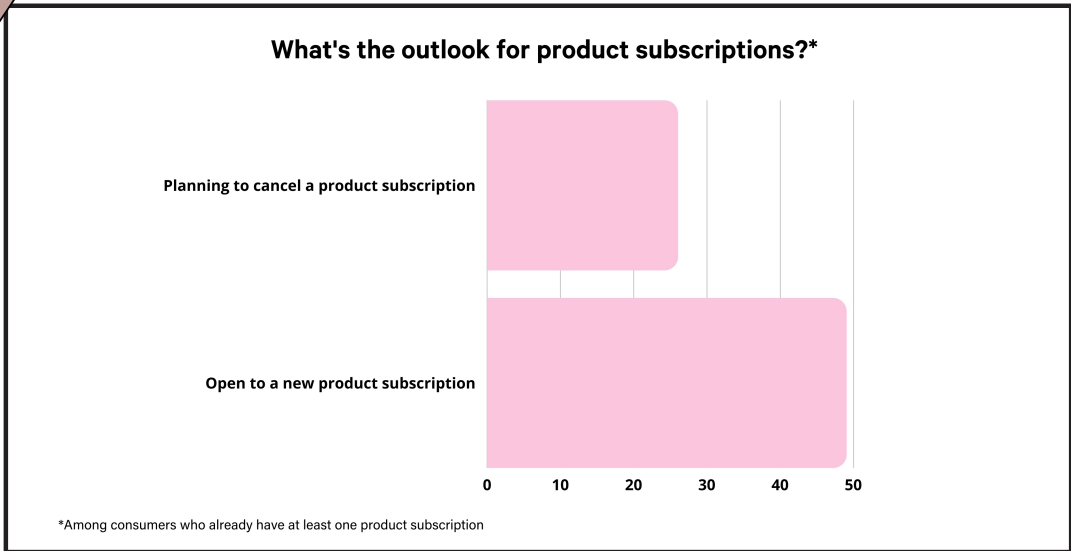
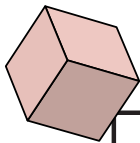
Subscribing is thriving among Millennials

Just over 16% of American consumers have received products by subscription during the last six months. Millennials are the demographic most likely to have product subscriptions (24%), compared with 15% of Gen Z, 14% of Gen X and 9% of Boomers.

The pandemic has proved a boom period for subscriptions; 56% of people with a product subscription say they purchased one during the pandemic. But as the pandemic eases, what will happen to those additional subscriptions? Nearly 27% have plans to cancel a product subscription soon.

40% of Millennials are open to a new product subscription

With that said, the outlook for the subscription economy still looks bright, as 28% of Americans say they’re open to purchasing a new product subscription this year (rising to nearly half of people who already have one). Millennials show the most intent; nearly 40% are open to the idea of a new subscription. This compares with 29% of Gen Z, 28% of Gen X and 9% of Boomers.

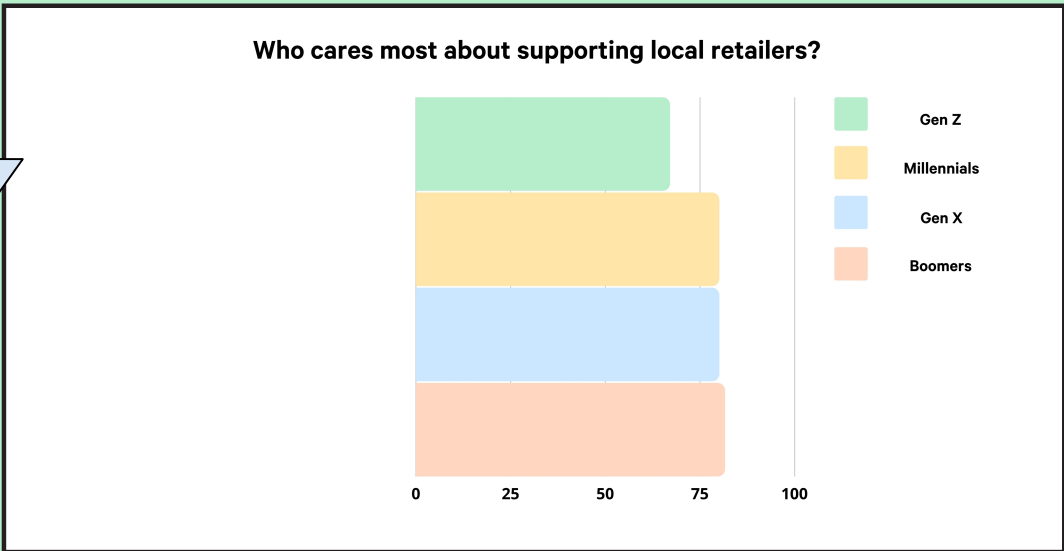
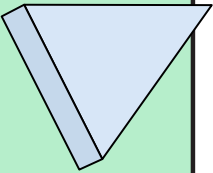
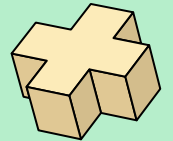


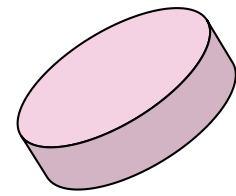
Only Boomers will shop less online

While Gen Z has the largest percentage of people planning to cut down on shopping online, this demographic still chalks up a net increase of 11%. Likewise, Gen X sees a 16% net increase in online shopping activity. The only age group to show a net decrease are the Boomers; 12% plan to shop online less versus 6% who plan to shop more (that’s a net 6% reduction).

6% net reduction in online shopping activity among Boomers

It could be significant that people in this demographic are the most likely to agree it’s important to support local retailers (81.5%). With that said, Gen Z are the least likely to say shopping locally is important (67%) so it doesn’t seem to be a big contributing factor in their decision to return to shopping IRL.





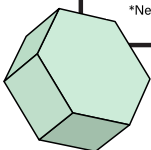
Men are planning to boost their online shopping activity

But intent to shop online or offline isn’t just driven by age, it’s driven by gender too. The data shows that men are more likely to maintain or increase their online shopping activity than women.

A third of men plan to shop online more (33%), while 9% plan to shop less. That’s a net increase of 24% in male online shopping activity. On the other hand, 21% of women plan to shop online more and 12% less, resulting in a much smaller net increase of 9%.

Looking at the categories, men show stronger commitment to shopping online for things like sports and hobbies (65% versus 59%), gifts and flowers (59.5% versus 53%) and electronics and home appliances (64% versus 58%).

Men are also notably more open to taking out a new product subscription this year (33% versus 23%). When asked if they agree that they generally prefer online shopping, 62% of men say they do but this doesn’t differ too significantly from the 59% of women who also agree.



Midwesterners keenest to get back to shopping in physical stores

Which region you live in also appears to influence whether you prefer shopping online or offline. People who live in the Midwest are the least likely to maintain their online shopping activities once everything is back to normal.

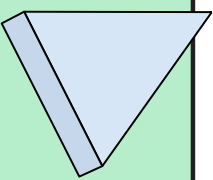
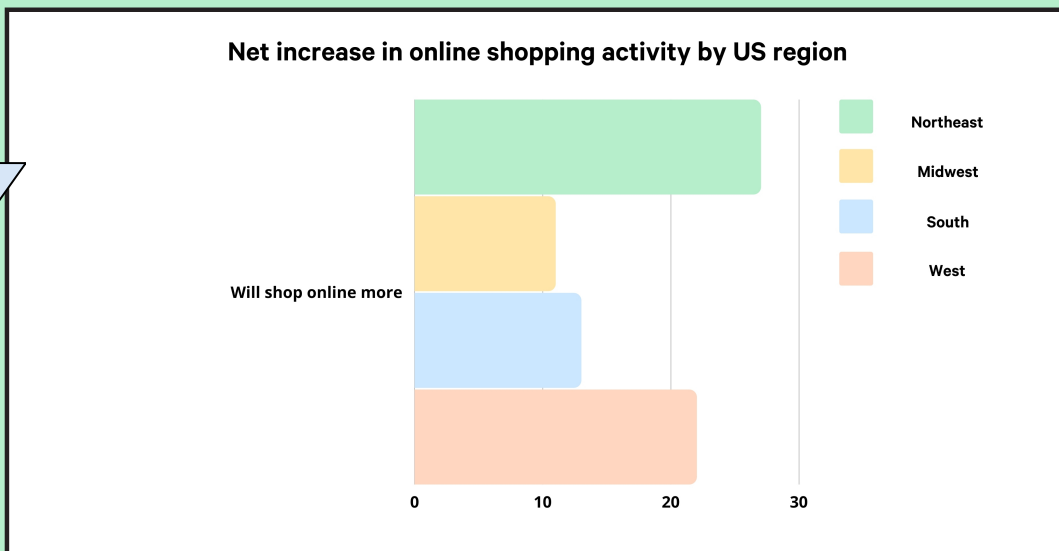
While 19% of Midwesterners plan to increase the amount they shop online, 8% plan to cut back, meaning there will be a 11% net increase in online shoppers - the smallest increase in all the regions. On the other hand, the Northeast will see a net 27% increase in online shoppers, making it the strongest region for online shopping.

Northeasterners prefer shopping online in 5 out of 9 categories, whereas midwesterners only prefer shopping online for sports and hobbies. Indeed, people in the Northeast are significantly

more likely to agree that they generally prefer shopping online (67% versus 52%). Meanwhile, they also remain more open to taking out new product subscriptions this year (34% versus 24.5%).

67% of Northeasterners generally prefer shopping online

This Northeast/Midwest divide could be down to the fact that the Northeast is much more densely populated than the Midwest, meaning ecommerce logistics are better. What’s more, far fewer people own cars in the Northeast so it’s likely easier for many people to order things online and have them delivered to their homes.



02



Where to find your D2C customers post-pandemic

What makes someone check out a new D2C brand - and what convinces them to give it a try? We have the answers.

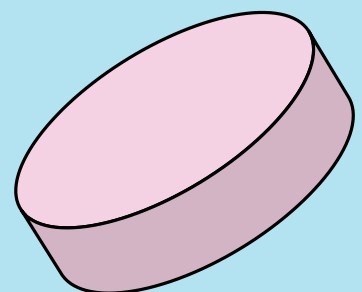
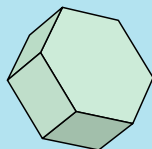
The pandemic helped many US direct-to-consumer (D2C) brands win new customers - and the good news is that a large percentage of Americans remain committed to online shopping as we enter recovery.

Millennials especially have turned to D2C brands and feel strongly about the benefits; 75% agree they like shopping directly with their favorite brands online (including 34% who strongly agree).

Gen Z also value the D2C experience, with 71% agreeing they like to buy directly (33% strongly so). The strength of feeling for these demographics is significantly higher than that seen in their older counterparts; 57% of Gen X and 55% of Boomers agree they like D2C shopping.

Meanwhile, Millennials remain overwhelmingly open to trying new brands; 90% say they're open-minded versus 81% of Gen Z, 85% of Gen X and 71% of Boomers. This makes consumers in the Millennial age bracket (18-25) the ideal target for D2C brands... but how do you go about finding them?

75% of Millennials like shopping D2C



D2C brands ignore marketplaces at their peril

Millennials prefer marketplaces across all categories

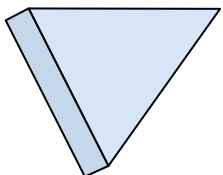
Nike caused a stir when it decided to withdraw from Amazon to focus on its D2C offering. The brand argued that selling through the marketplace didn't give them enough control over the customer experience. The concessions brands must make to do business with the likes of Amazon can certainly be off putting, but if you're not a super brand like Nike, can you afford not to?

The answer is a resounding 'No'. Our data shows that sites like Amazon are the primary place Americans in all demographics start their online shopping journeys - especially Millennials. This demographic favors marketplaces across every category.


Interestingly, it's Gen Z that gives most preference to going directly to D2C brands, being most likely to start shopping journeys for food and drink and pet care on a website selling own-brand products. Meanwhile, Boomers favor search engines when shopping for gifts and flowers, and websites selling multiple brands for furniture/homewares and pet care.

Outside of these categories, marketplaces dominate, showing how vital it is for brands to make them a part of their distribution strategy. They play an important role in discovery; 69% of respondents agree that marketplaces help them to discover new brands, rising to 80% of Millennials.

What's more, thanks to the confidence conferred by the likes of Amazon, brands can increase their chances of being purchased for the first time. More than half of respondents (53%) say they're more likely to try a new brand on a marketplace than directly with the brand's own website. This rises to 63.5% of Millennials, including 30% who strongly agree.



The importance of marketplaces for D2C discovery

		
Marketplaces are the primary place for starting shopping journeys	53% are more likely to try a new brand on a marketplace	69% discover new brands on marketplaces

Younger demographics respond to social ads

12% of Gen Z consumers start a clothing shopping trip on social media

We asked respondents what would most persuade them to visit the website of a new brand. The importance of word-of-mouth is no secret and, indeed, getting a recommendation from a friend is the number one thing that would persuade someone to check out a new D2C brand, across all demographics.

Of course, getting people talking about your brand relies on providing stand-out products and a great customer experience. But beyond this, D2C brands wanting to grow their awareness among Millennial and Gen Z audiences should look to social media advertising. Seeing an ad on a social media platform is the second most-likely factor to drive these consumers to a new website. This differs from Gen X and Boomers, who place reading or hearing about the brand second and social media ads much lower.

It's also worth noting that social media is in itself becoming a more popular starting point for shopping journeys among younger consumers - whether that's heading to a brand's page for inspiration or actually being able to purchase directly from the platform (i.e. Instagram Shopping). Just over 12% of Gen Z say they

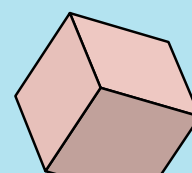
would start on a social media site if they wanted to buy clothing or accessories, while 13% would begin there if they were shopping in the toiletries, makeup and health supplements category.

All demographics agree on the third most-influential factor when deciding to visit the website of a brand; ranking high in search results. Although we saw earlier that search engines are not as important as marketplaces, they can't be discounted; 24% of consumers looking to purchase gifts or flowers and 22% wanting to buy furniture or homewares start on search engines.

Gen Z and Millennials agree that reading or hearing about a brand is the fourth most-likely factor to influence them, while Gen X and Boomers put TV, radio and podcast ads in this place. Least likely to be credited with driving consumers to a brand's websites were billboards, and newspaper and magazine ads, although these mediums often work on a subliminal level meaning people might be more influenced than they realize.

What most persuades people aged 18-40 to visit the website of a new brand?

- 1** Recommendation from a friend
- 2** Social media ad
- 3** Ranking high in search results



Delivery is a primary purchase driver for younger consumers

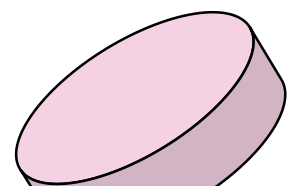
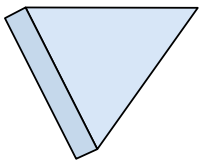
Getting consumers to visit your website is one thing, getting them to actually buy something is another. So what convinces people to get their wallets out? According to our research, providing fast/free delivery is the number one thing that persuades Gen Z and Millennials to make a purchase. This is followed by offering a discount on the first order.

For the older demographics, the top two motivators are reversed. But all age groups agree a great quality website is the third biggest purchase driver. Providing a free gift is the fourth most-persuasive factor, followed by a great brand personality (although Gen X rank them in reverse).

The least important factors in securing a first purchase are providing instant chat/responsive customer service or showing commitment to a particular social or environmental cause. That's not to say these last two factors are not important, but it's likely they are push factors rather than pull factors. Customer service only becomes important when the consumer has a negative experience. Likewise, a company with a poor CSR track record will deter consumers.

A great quality website is important to all demographics

What most persuades people aged 18-40 to make a purchase from a new brand?

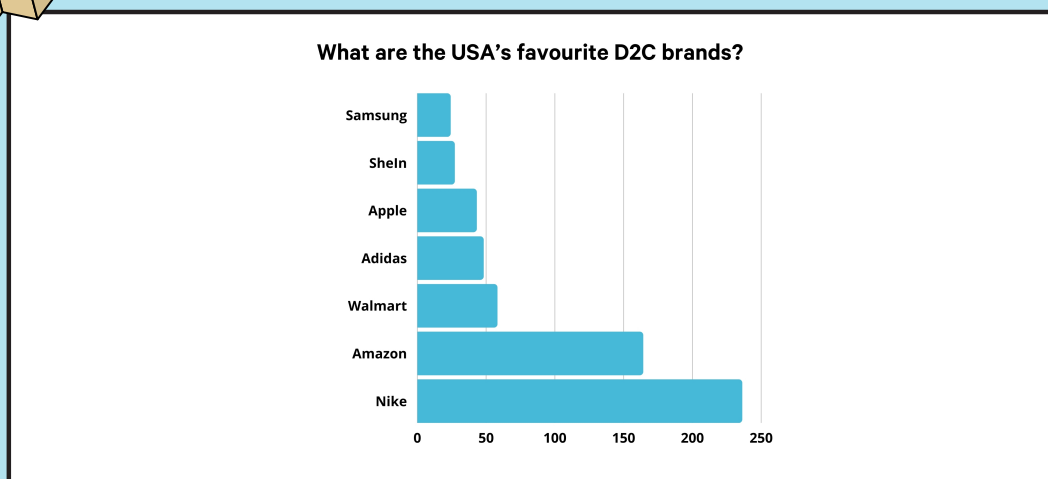
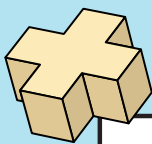


Nike is the king of D2C

For emerging D2C brands wanting to model themselves on those that are already successful, who should they look to? We asked respondents to name a brand they like to shop with directly online. Nike was the most-named brand by a huge margin, perhaps indicating that their decision to ditch Amazon was the right one.

One thing brands like Nike, Adidas and Apple have in common is that they have strong brand personalities. By providing a differentiated customer experience and bringing customers together into a community, it makes it rewarding to shop with them directly. D2C brands targeting Millennials and Gen Z will want to consider a similar strategy.

Amazon itself was the second most-named brand - and the site does sell a large range of Amazon branded products - although we're unable to tell if respondents were referencing the marketplace's D2C offering or misunderstood the question. Meanwhile, Walmart came third, followed by Adidas and Apple.

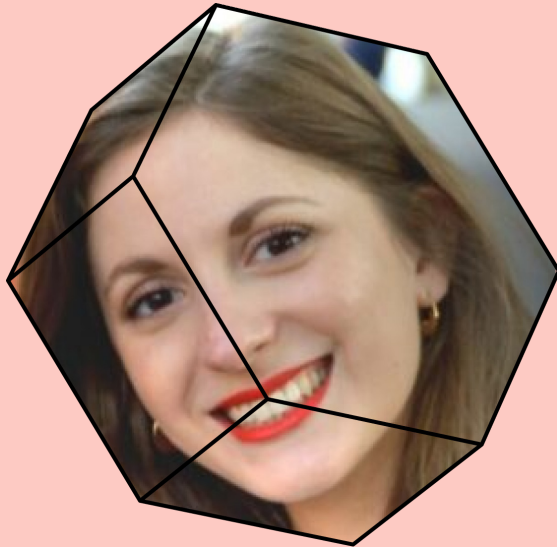


03



Red roses are a cliché – the customer insight that gave Bloom & Wild their most successful Valentine’s Day

Not selling red roses resulted in 4x Valentine’s Day sales growth for D2C flowers brand Bloom & Wild. But why ditch the flower of love?



Charlotte Langley

Brand & Comms Director,
Bloom & Wild



Valentine’s Day 2021 was Bloom & Wild’s most successful to date. The D2C flowers brand boosted sales by four times and secured 51% more press coverage. And it all came down to one crucial piece of consumer insight – red roses are a cliched Valentine’s gift.

On the back of this insight, Europe-based flower delivery company, [Bloom & Wild](#) made the radical decision to not sell any red roses for Valentine’s Day. Here, Charlotte Langley, Brand & Communications Director at Bloom & Wild, explains why they had complete confidence in their plan.

But first, how did the credibility of the red rose – the traditional flower of love and passion – come into question? Langley says it was the launch of Bloom & Wild’s new brand platform ‘Care Wildly’ that gave them pause for thought. The platform celebrates the honest feelings and real

relationships that sit behind the flowers we send to people we love.

“We just questioned whether red roses were really feeding into and supporting our Care Wildly ethos, and if they were really helping our customers show they care.”

The team wanted to know what UK consumers thought about gifting red roses on Valentine’s Day, so they used Attest to survey them. The results backed up the doubts they’d had internally.

“We found that 79% of people would prefer to receive a thoughtful gift rather than something traditional, like red roses,” says Langley. “58% of people thought red roses were a cliché. And they actually came bottom as the least favorite gift that people had received for Valentine’s Day. So that gave us confidence that we had correctly sensed growing reluctance towards those sort of Valentine’s Day clichés.”

The most talked-about flower brand

“We try to be insight-driven in everything that we do.”

Now they had the insight about red roses, how should they action it? Langley realized this was an opportunity not only to improve the product offering and experience for customers, but also to generate some noise for Bloom & Wild.

“Our ambition was to be the most talked-about flower brand on Valentine’s Day in the press and on social.”

She adds: “The survey that we ran on Attest really helped give us confidence in the decision to stop selling red roses. But also, with strong stats like that, we were confident that we’d have a compelling story to take to the press that would help us on that goal to being the most talked-about brand.”

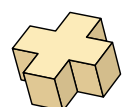
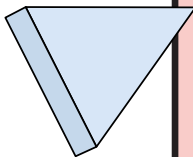
Bloom & Wild’s decision to turn their backs on red roses had the desired effect, sparking debate across the nation. They achieved impressive media coverage, with 30 articles that specifically

mentioned the campaign (not just their bouquets, which generally enjoy attention at the time of year). Overall, coverage was up by 51% year-on-year.

“This survey gave us those key stats that we could share with the press and helped us show that there’s a broader trend, which is worth writing about.”

As a result of the No Red Roses campaign, Bloom & Wild enjoyed their biggest ever Valentine’s Day. But did they achieve their goal of being the most talked-about flower brand?

Langley reveals: “Yes we did. We secured more press coverage than any of our key competitors. And importantly we generated some brilliant conversation in our social channels as people shared the beautifully thoughtful demonstrations of love they’d experienced. We were thrilled that the message had clearly resonated with our audience.”



The power behind the flowers

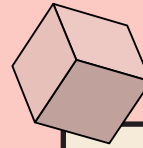
The success of the No Red Roses campaign has reinforced Bloom & Wild’s commitment to putting consumer insight behind their business decisions. Staying in regular contact with their audience allows them to both validate their own ideas and find fresh inspiration.

“In the past, we’ve run surveys on other seasonal moments, like Christmas to help us get into the customer mindsets and give us inspiration for how we message around those times of year.” Langley adds that Bloom & Wild also use Attest to monitor the effectiveness of their marketing campaigns.

“We track shifting key metrics, like awareness and consideration very carefully and also how our brand is perceived. That helps us to make sure that our media plan is working and that the creative is working hard. And also it helps us to identify areas of opportunity, like new products or how we can better serve the category drivers or overcome barriers.”

In addition to consumer surveys, Bloom & Wild use focus groups and user testing to make sure their business is truly customer-centric. Consumer research has also been central to helping the company expand into new markets.

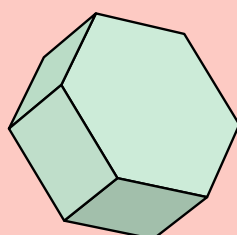
“We try to be insight-driven in everything that we do,” says Langley. “Research and insight is really



important in shaping our product offerings. For example, when we launched our Christmas tree range, it helped us understand things like, what size tree do people want, how much are they prepared to pay for it, what are the key pain points that we can solve?”

But it’s not just about ideation; it’s about iteration. Langley concludes that getting consumer feedback at every stage is the best way to improve customer experience and, in turn, maximise that all-important Net Promoter Score.

“We test everything from big creative things, like TV ads, down to smaller creative decisions, like e-commerce photography. We’ve also tested educational communications, like our flower arranging guides. We observe customers interacting with our product and our site so that we can make sure that we’re understanding how people do that. We’re always focusing on our customer experience and how we can make it even better.”

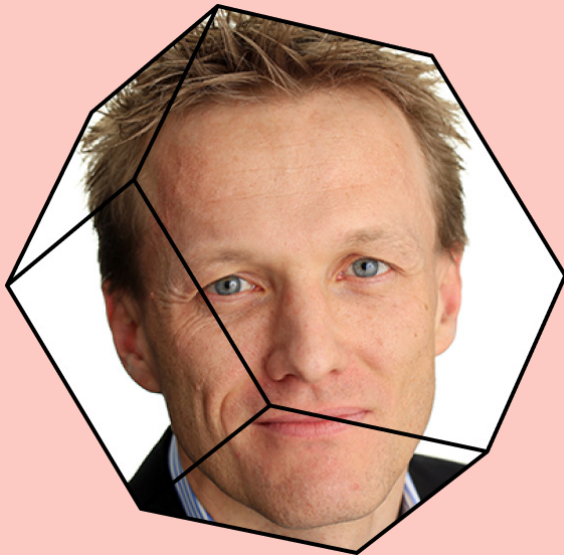
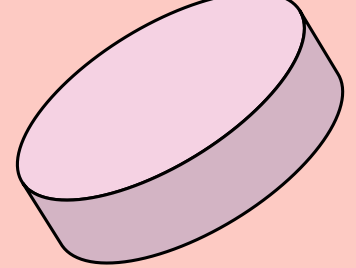


04

Beauty Pie CMO Rob Weston on the beauty of the D2C model

Ask not what your customer can do for you, but what you can do for your customer, says Beauty Pie.





Rob Weston

CMO, Beauty Pie

BEAUTY PIE™

Beauty Pie is the D2C brand Elle magazine describes as a “game-changer” and Glamor calls “disruptive and brilliant.” The beauty subscription business gives shoppers access to luxury skincare and cosmetic products directly from laboratories at a vastly discounted price.

We sat down with Beauty Pie’s Chief Marketing Officer Rob Weston to find out how a consumer-first approach can succeed in winning D2C brands hoards of loyal fans.

You have recently joined Beauty Pie, following an esteemed career across big retail brands such as Samsung, M&S and John Lewis. What drew you to Beauty Pie?

“I had spent enough time in oil tankers and was looking for a rocket ship. In Beauty Pie I found one.”

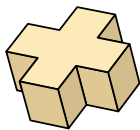
Beauty Pie is completely changing the face of the beauty industry, can you share more about your unique D2C/ subscription business model, and your current growth?

“Beauty Pie is the first online-only D2C buyers’ club for luxury beauty and health products, where every day, thousands and thousands of people can shop direct from the world’s best labs.

And because we do not add markup nor middlemen costs, we can afford to concentrate on the quality of our products, while allowing our members to shop up to 80% off typical retail prices.

“We are all about the product as it is the ultimate loyalty driver. We are about empowerment, self-worth, and teaching women (and men) that they deserve a bigger piece of it, even if ‘getting more’ starts with the price of an amazing moisturizer.

“Our business model has proven extremely resilient during the global pandemic, and we continue to grow exponentially in terms of memberships and product sales, and also workforce.”



“Make decisions because they are the right thing to do, not because you’re chasing a quarterly earnings target. Success follows the consumer-minded.”

With this phenomenal growth and success, you’re really leading the way in the growing world of D2C. If you had to map-out a few core choices and ingredients to build a successful D2C business, what would they be?

“Leverage the opportunities that digital can bring - whether that is in an app or on your desktop or on your journey home from work. It’s about helping you shop whenever you fancy and building an experience for the customer around that digital piece.

“The importance of having the right mindset is something that our founder, Marcia Kilgore, drilled into me from the very get go. When thinking about what to do, whether that be place, pricing or subscription types, speak to the customer, engage with them on their terms and let them tell you the answer. There are lots of exciting opportunities for D2C players to work with new partners and pop ups, and we will see a big blend of the digital and bricks and mortar world.”

What are the secret sauces for D2C success?

“Number one is engagement: empowerment is ultimately about helping customers to engage on their own terms. Being digital is an advantage as it brings convenience (especially during these uncertain times!) and digital storytelling is key. It is important to recognize that nowadays, most stories are conversations, which is where being transparent comes in. Be as transparent as possible and take people with you on the ride. Be human. Do not be a corporation. You only control the narrative until you publish it, so what you say must match what you do.”

On the other hand, what are some of the pitfalls or classic mistakes you’ve seen across D2C?

“One of the most common ones is the lack of a compelling USP. I am a strong believer in the WHAT and WHY behind a company, and if a D2C brand fails to clearly provide answers to these questions, it will not

appeal to consumers when competing against others. “Separately, most D2C brands use their website as their main channel and therefore having a malfunctioning website is an obstacle as it provides a complex customer journey, and limits SEO benefit which all negatively impact sales.”

Finally, could you share one piece of advice for businesses starting out on their D2C adventure in 2021?

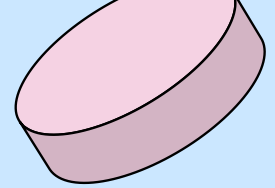
“Play to your strengths. Do what the big brands cannot do. And enjoy the benefits of being small. This means turning on a dime, making cross-functional decisions at light speed. Have conversations with your customers and the community at large - don’t talk at them. And make decisions because they are the right thing to do, not because you’re chasing a quarterly earnings target. Success follows the consumer-minded.” ▲

05

How DRY have ridden the growth of the sober curious movement

Low and no alcohol drinks are having a moment in the US. Here's how DRY have used Attest to understand the new opportunity.





Founded by Sharelle Klaus, 15 years ago, DRY was a brand ahead of its time; created to elevate the art of non-alcoholic celebratory drinks with sophisticated, crafted options. Finally, the market is now catching up.

Growth of the sober curious movement and a burgeoning low and no alcohol drinks segment stateside has changed the game, and, in this case study, we'll look at how DRY have used Attest to understand the new opportunity.

Chief Revenue Officer, Betsy Frost says the company is going through a “second wave of start-up” after rebranding their core product from Dry Sparkling Soda to Dry Botanical Bubbly and ramping up their focus on direct-to-consumer sales (D2C).

“After our initial growth curve, we have relaunched under our brand purpose, social drinking for everyone,” she says.

While the US is still some way behind places like the UK in terms of market maturity, the interest in non-alcoholic beverages has reached a tipping point.

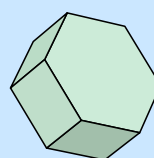
“When Sharelle started the company, the conversation around zero-proof was largely around recovery and pregnancy. Today, people are either drinking less or walking away from alcohol altogether as part of their health and wellness routines. But they don't want to give up the ritual of social drinking and are looking for things that

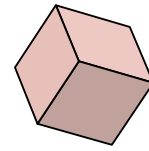
are interesting, sophisticated and fun. We are now seeing all kinds of offerings enter the market, which is exciting for everyone.”

Unfortunately, the change in tide came at a time when traditional routes to market were disrupted. Pub and bar closures due to coronavirus meant that manufacturers had to switch from on-premise to off-premise and seek out retail placements. This isn't an easy pivot, but alongside the challenge came an opportunity – new demand online. “Emerging brands that were planning 2019/2020 launches pivoted to the digital space as their core route to market quickly,” Frost says. “And with sober curious consumers connecting over Instagram, an efficient marketplace has quickly emerged.”

DRY have leveraged the increased demand to grow their D2C offering, while also benefiting from a national retailer footprint, established over the last 15 years. This has put DRY several steps ahead of their competitors, but the company are now seeking to push the whole sector forward by joining forces with other low and no alcohol brands.

“We have national distribution in a category that is emerging so we're trying to create a new category space. We're building a collation so we can go in and do it together because there's really no place for any of this to land in-store at the moment.”





Innovating in zero-proof

As innovation in the craft non-alcoholic beverage space has exploded, DRY continue to innovate on what zero-proof can deliver.

Frost and her team have been innovating to expand DRY’s product range and used Attest to help refine their first launch of DRY Botanical Bitters & Soda.

“The first inspiration came from our own team’s behavior and home experimentation and we heard the need for more interesting, less sweet options from a lot of our friends and fans,” Frost explains. “But, we needed better intuition if the job we were trying to do was being translated in the first moment of truth.”

Frost, who was previously a marketing director at General Mills, adds that Attest has helped them to navigate challenges presented by the pandemic during the product development process.

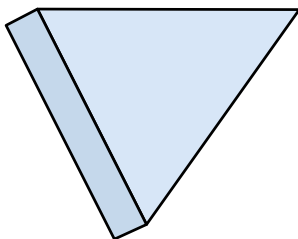
“Our original plan was to demo the product in store and at some bars and tasting rooms where people are drinking or looking for alternatives, to try and buy, but we were unable to do that because of the pandemic.”

Instead, DRY worked with small focus groups and then used Attest to validate the findings on a larger scale. Frost terms the research method “quasi-quant” because the quantitative stats are grounded in qualitative research.

“I’ve been using Attest to get gut, first moment of truth, reactions to concepts and to expand my sample sizes,” she says. “I’ve been doing in-depth focus groups with people, showing them the shelf set, seeing what they see, understanding where the brand is versus other brands, and then using Attest.”

“It gives me a larger sample size of a random group of people to see if what I am getting on a micro-level holds or to highlight gaps or warning signs in the feedback from a smaller, tip of the spear group. The directional look from Attest has also helped me come up with areas to dig deeper in qualitative conversations or refocus. For example, if I see 65% of people who highly like this product concept are men and my early interviews were primarily with women, I wanted to make sure that I was getting input from the right people.”

“We need to make sure we stay close to how people respond and are inspired by the category.”



Insight when you need it

According to Frost, she had a “high need” for insights when DRY signed up with Attest. At General Mills, she worked alongside a team of consumer researchers, but now that she doesn’t have those resources, getting data is more of a challenge. Frost has tried other self-service research tools but says Attest has several advantages.

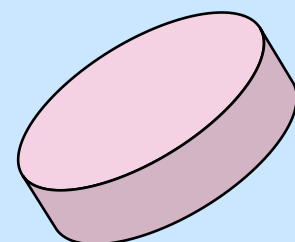
The real-time nature of the platform has enabled her to bring up-to-date insights into recent meetings with retail stockists: “The week before a meeting with one of our most important customers, we wanted to bring something more to the table. I was able to use the platform to directly reach their shoppers and bring in new, actionable data to the conversation.”

Looking ahead, Frost plans to use Attest for message testing and continued innovation work. Following DRY’s rebrand, she’s keen to see if the brand’s original customer base understands the new direction and how to best drive new penetration.

“Over the past year, we have seen the consumer and the zero-proof marketplace evolve rapidly. There are multiple non-alcoholic spirits, beers and ready to drink options that have just launched in the last 24 months and consumers’ adoption of alcohol alternatives has accelerated.

“What started as a sober curious trend, has moved to *something I might just incorporate as an alternative for tonight* and we need to make sure that we continue to stay close to how people respond and are inspired by the category.”

“The Attest interface is fast and makes creating and analyzing surveys and pulses easier than other tools I have used. I can field and get results back within eight hours and the variety of marketing research templates and direct analyst support has also been very helpful. On the backend, it is easy to filter by question, segment audiences and find insights directly in the tool.”



06

9 US D2C brands you should know

With his finger on the D2C pulse, Attest CEO Jeremy King shines a light on the most exciting American startups.

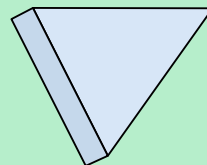


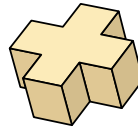
Reproductive health: Aavia and Legacy

I love this new self-managed fertility trend; there's Aavia for female fertility and Legacy for male fertility, both are brilliant US D2C companies. Aavia is an app that works with a smart contraceptive pill case to keep track of your medication intake and monitor hormonal cycles. It can make recommendations for all sorts of aspects of women's health.

Legacy help men to manage their own sperm health and do family planning. They offer sperm health kits that you can do at home, without any external medical attention. Once collected and analyzed, you get a report and you can also choose to have your sperm frozen.

Both of these are quite awkward topics but D2C makes it something that you control yourself and gives you huge advantages, particularly when you add large datasets.

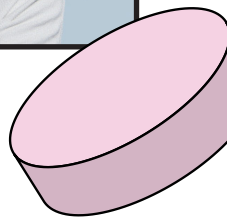




Personal care: Bite Toothpaste Bits and SOAPBOTTLE

Bite toothpaste comes in the format of little pills in refillable glass jars. They're chemical-free, contain all-natural ingredients and aren't tested on animals. Up until now, we've been forced to choose very specific brands of toothpaste in plastic tubes and I think that time has passed. Now you can buy a jar of toothpaste pills that you crunch up in your mouth and you can choose from a whole bunch of flavors.

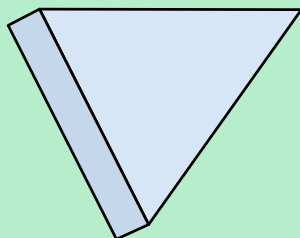
Another D2C brand making personal care more sustainable is SOAPBOTTLE. They make shampoo and body wash packaged in bottles made out of soap. Once the liquid content is finished, the bottle can be used as soap and gradually washes away, avoiding plastic waste. Clever!



Home: Judy and Tushy

Judy make emergency kits with everything you need to keep you and your family safe for 72 hours in the event of an emergency like a hurricane, flood or fire. There are four different sizes, the biggest one is called The Safe. There's also a fanny pack version and a backpack version, for on-the-go. I just love it because it's a great example of 'job to be done' theory. The job to be done is: feel safe. And that's what they're selling.

Tushy is a transformational bidet kit for your bathroom. You can give your toilet the craziest Japanese-style bidet features. I don't know why people buy this but apparently it's incredibly popular and they're absolutely crushing it.



Food & Drink: Kuleana, Raised Real and Glyph

In the D2C food space, I really like Kuleana plant-based tuna that you can put into sushi and Raised Real organic baby food. It's not baby food as we know it; it's real meals designed for children. They just put it together and deliver it to you.

Finally, there's Glyph, which is a molecular spirits brand. They make fake-aged synthetic whiskey and spirits that taste like they've been barrel-aged for 21 years, but actually it's just made overnight in San Francisco - I love that.

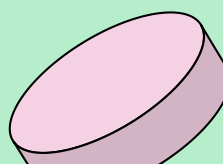


What makes these D2C brands ones to watch?

There are lots of people doing interesting things here but the main themes are:

- Taking away awkwardity
- Adding sustainability
- Adding customization and choice where you never had choice before
- Jobs to be done; the simplest form of marketing
- Crazy new stuff; just making it easy to try new things

The traits are the interesting things to copy, not the business model. The traits make these brands distinctive and I think that's the fun part of them.

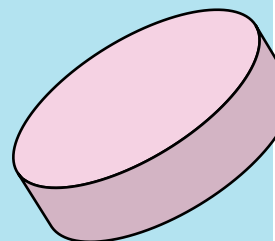
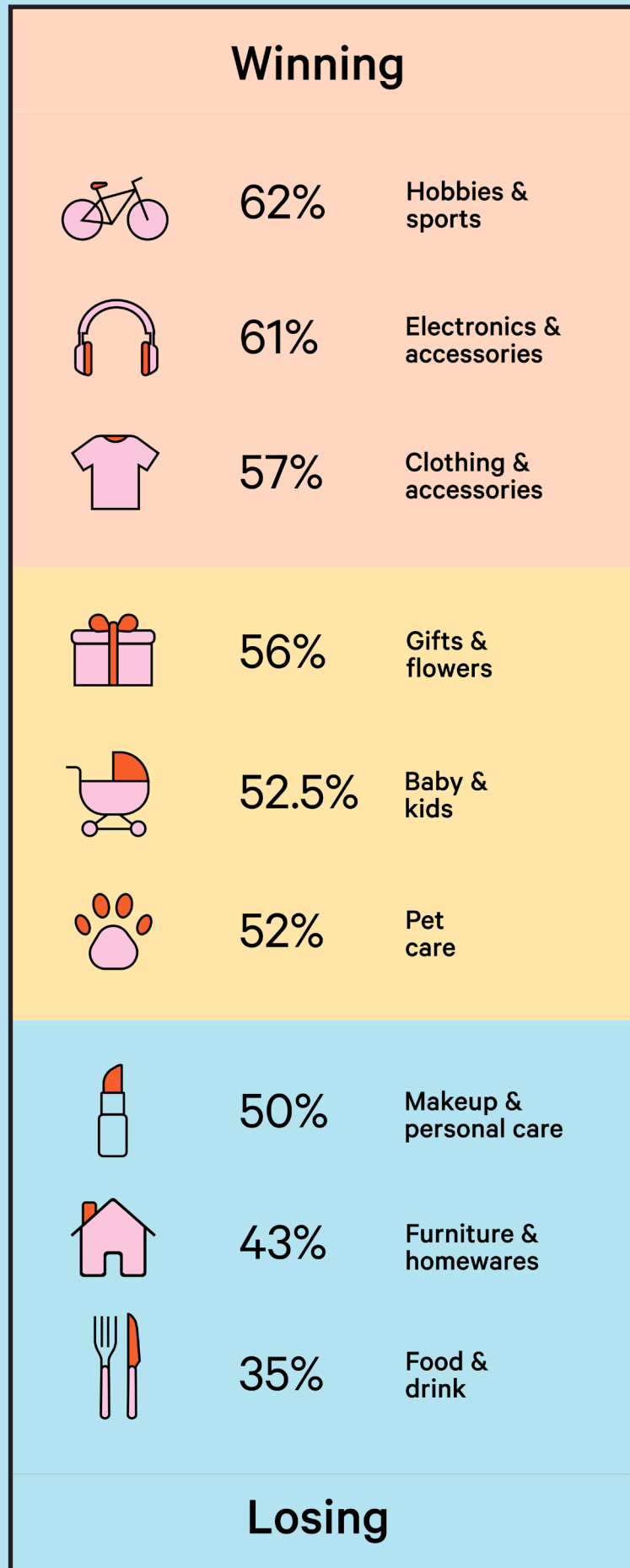
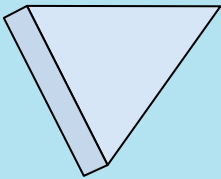
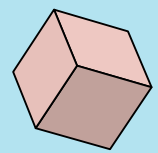


07

Online or offline? The D2C winners and losers

Which direct-to-consumer categories will people prefer to shop for online post-pandemic? Attest surveyed 2,000 US consumers ages 18-66 to find out.







Hungry for more?

askattest.com

Growth without guesswork.

