The DTC Collective is a community that brings together influential, global voices to realize the potential of digital retail. The group was founded in response to three force majeures that occurred in rapid succession: First was the onset of GDPR in Europe, which sent retailers who sell or market on digital channels scrambling to update their communications to comply with guidelines that weren’t designed in response to companies like theirs. Second was the slow and still ongoing elimination of third-party cookies by companies like Mozilla’s Firefox, Apple, and soon, Google. And third was the onset of coronavirus, which expedited what many analysts had previously predicted would be a three-year journey to a 50-50 online/offline shift in retail. The founding members saw a need for a community coming together to do things differently in order to move into an all direct-to-consumer world and help actively shape the trajectory of the retail industry.

In February, the Collective convened to discuss the fundamental changes retail will experience as a result of the pandemic. Executives shared their predictions on what consumer behaviors they think will stick in this new era of commerce, which we have outlined below.

Discovery, evaluation, and purchase are all now happening online. As brands shift from store-first to digital-first, technology will be instrumental in changing how brands service customers to drive longevity.

Having a centralized first-party data warehouse powering marketing activity is key for brands to focus on long-term loyalty instead of momentary, one-time transactions. To do this, brands must double down on understanding how customers are engaging with them across all channels in order to provide a full view of their customers, which requires organizing and activating data effectively and efficiently.

Another key facet of the online customer experience is content, which acts as an extension of the brand and when combined with commerce will drive sales and loyalty. Content can also bridge the gap between the brick-and-mortar and ecommerce experience: brands can leverage technology to implement virtual try-on experiences and curate content around fit and quality.

Members of the Collective stated:

“\[We’ve shifted from product to audience-focused marketing and our strategies are now always-on instead of campaign-based. We’re personalizing these always-on experiences to make them more relevant for the consumer and increase lifetime value. Once we acquire a customer, our goal is to grow them with specific audiences.\]"
The accelerated shift to ecommerce has raised customer expectations, with brands like UberEats, Netflix, and even Peloton providing curated, hyper relevant experiences. Consumers have adopted a learn, try, then buy mentality that requires signals like social proof (ratings/reviews), sharing, word of mouth and more. As a result, brands need to constantly be evaluating their communications with customers to ensure they’re as personalized as possible — and fix them when they’re not.

According to a recent study from 451 Research conducted in 2020, 88% of shoppers say a negative experience decreases their likelihood to buy, making the ecommerce experience about much more than a purchase.

### MEMBERS OF THE COLLECTIVE STATED

> What we’re seeing is ratings and reviews becoming key elements of the purchasing process. People have high expectations because there are retailers that are delivering superior experiences, and consumers are very decisive: there’s always another retailer to go to to get what you need. Quickly fixing those issues is what matters and what I’m focused on.

The aforementioned study shared 81% of shoppers will shift online and stay there — which will even stay true for big-ticket items.

Demographic behavior is highly indicative of consumer behavior. Older demographics and baby boomers did not grow up digitally native and were slower to adjust to ecommerce as digitally native generations. Retailers with higher ticket items had to adjust their communications accordingly and ensure necessary information is shared accordingly, such as details about fabric and fit and even recording 360 videos of products. This has been especially crucial for considered purchases like fine jewelry and furniture, which once used to take place primarily in store but is now predicted to continue to be online-first.

### MEMBERS OF THE COLLECTIVE STATED

> The 50+ age group has the highest jump in conversion rate we’ve ever seen — we don’t expect online to revert back at all. All generations are realizing time is our most precious resource, and the convenience of digital gives you time to do what you want to do.

> We had to adapt our selling process because it typically started with someone walking through the door. Now, they want to get in and leave as soon as possible because they’ve already made this decision browsing online. Even older segments will start online, because it’ll be awhile — maybe never — before they’re comfortable starting in store.

For inquiries related to the DTC Collective and becoming a member, please visit our website.