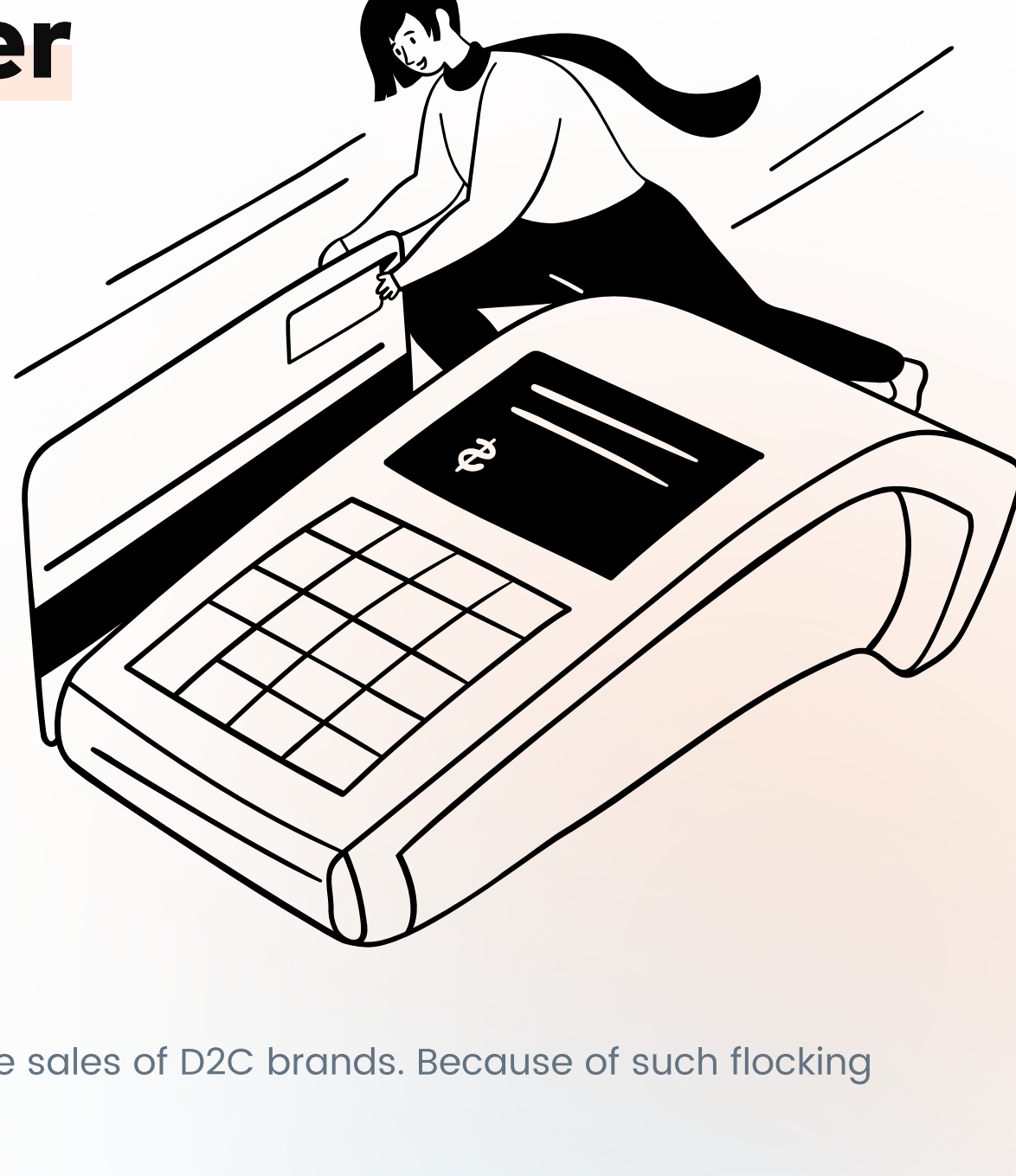


How Can Big Data Help You Create Seamless Direct-to-Consumer experiences?



Direct-to-Consumer brands, or D2C brands, have carved a new path to online success. The simple ingredients of this "success recipe" include eliminating service agents, wholesale chains, and middle-man from the entire operation. Such an approach aids brands in delivering products direct from the source to the hands of the buyers.

Due to its simple concept, the working of D2C brands is not difficult to fathom. Although D2C brands were already struggling off the online barriers and witnessing an influx, the advent of COVID-19 has further fueled the growth of such companies. One can notice this in the 533% increase in search of D2C brands after COVID-19.

Even the increased consumer spending has played a significant role in boosting the sales of D2C brands. Because of such flocking towards the D2C brand, it has been crowned as an ultimate recipe for success.



Source : Pexels

The D2C market might look seamless when targeting and increasing sales, but companies still need to hone their skill. A critical aspect that D2C brands need to focus on is understanding the customer by using big data.

The use of big data gleaned from CRM interaction, POS, and clickstream provides details on what the customer is doing and what the customer wants since customer experience is a requisite for success in D2C marketing.

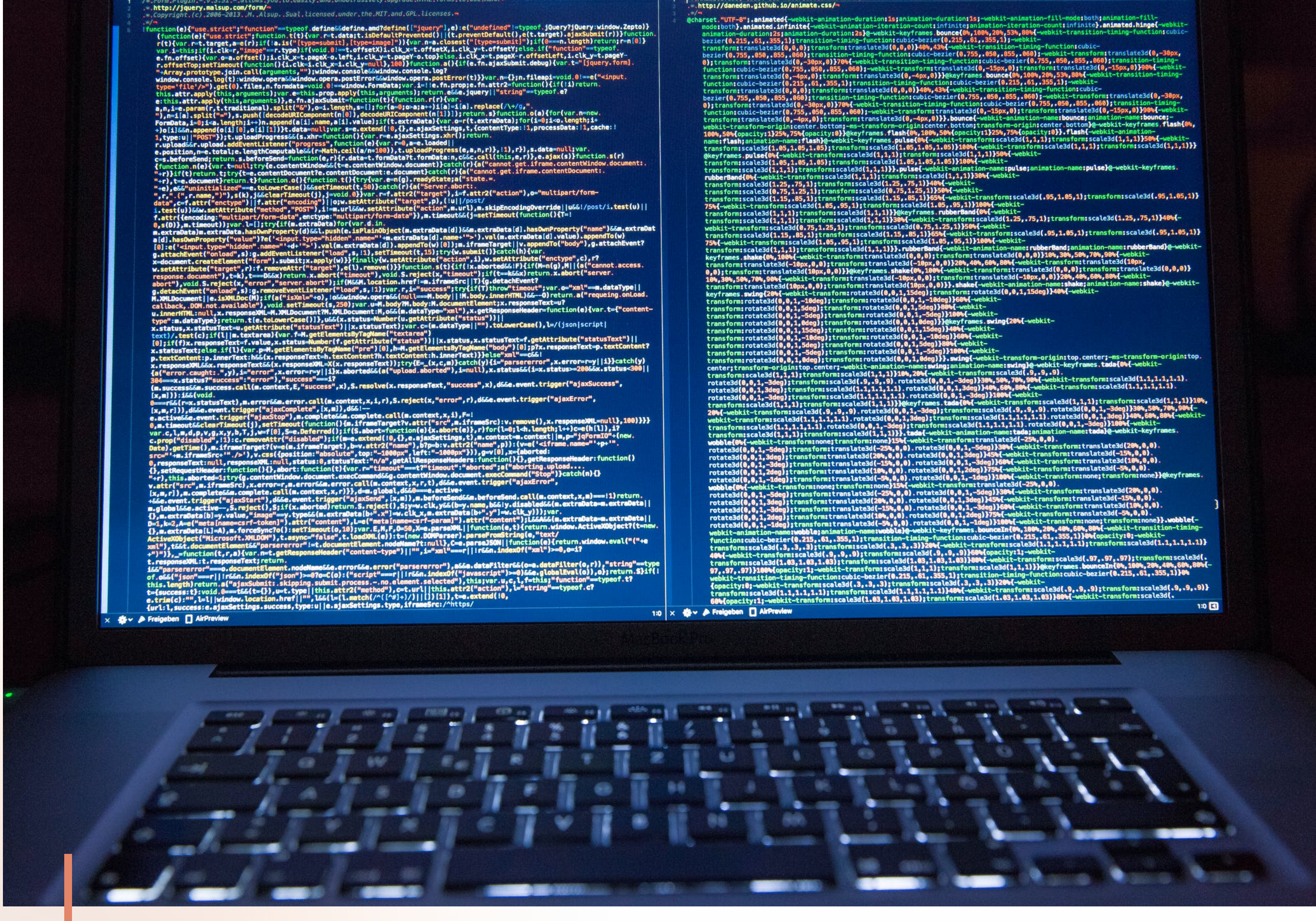
Because of the bundle of benefits big data offers, more than 52% of the companies worldwide have already started using big data. Its advantages in terms of customer experience for D2C brands are unique. Here is a look into how the incorporation of big data allows D2C brands to delve deeper into the customers' thoughts, perceptions, and needs and how it improves the customer experience.

Understanding Big data

Big data has allowed businesses to rely on guesswork and speculation when it comes to an understanding the nature of the customer. Instead, companies can now systematically inspect the data at their disposal to find insightful details about who the ideal customers are, what they want, and which process leads to better conversion.

When a company has a better understanding of its customer and market, it can reap more benefits from the same amount of effort, and Warren Buffett said something similar in 1996

"What an investor need is the ability to evaluate selected businesses correctly. Note that word 'selected'. You don't have to be an expert on every company or many. You only have to evaluate companies within your circle of competence. The size of that circle is not very important; knowing its boundaries, however, is vital."



Source : Pexels

Because of such ability, the demand for big data is increasing. The market for big data is expected to reach \$103 billion by the end of 2027; with 436 exabytes of new data being created every day, there will never be a scarcity of data for businesses.

With that being said, there is a difference between having big data at your disposal and using the big data to pave the way to success. Many businesses that aren't ready to delve into the big data realm are still struggling to reap the benefits. That might be why 63% of the companies can still not garner insights from big data.

Examples of D2C companies thriving on big data

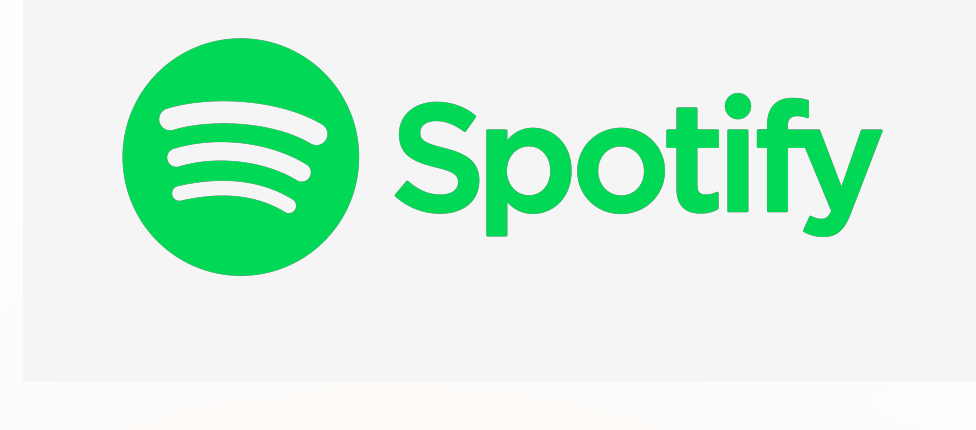


Netflix

Netflix has one of the highest customer retention rates; 93%. And such a surreal number is being achieved by Netflix through big data. Netflix garners data such as hours of watching, binge-watching patterns, preferred genres, rate of resuming, and then it builds a personalized account for every customer.

The New York Times

The ubiquitous New York Times builds its big data with the help of survey emails, and it does so in the perfect manner possible. For boosting email marketing performance, they segment contact lists, use customer data, and send recommendations based on the personal interest of every account.



Spotify

Spotify is quite good at using big data to steer the customers toward new options, which is why they keep the customers engaged. From digitizing the user's taste through 'Daily Mixes' to developing personalized content, Spotify does everything possible to make the customer stay, and all this is based on big data.

The most significant sources of big data



Source : Pexels

Media

It is the most popular big data source as it offers detailed information regarding customer preferences and current trends. It is also the fastest way for any D2C business to get an in-depth overview of its target audience.

Cloud

Cloud storage gives D2C businesses access to both structured and unstructured data. Also, the cloud provides real-time information along with on-demand insights. That is why the cloud acts as the most used stack for big data. And with 92% of the workload being shifted to the cloud, it can become the most prominent big data source.

Internet

It is the most easily accessible and widely spread source of big data. The data available on the internet is available to both individuals and companies, but with better tools, the company can unlock the real power of the data.

IoT

With technology already in the AI phase, machine-generated data also contribute vastly to big data. This data is usually garnered from sensors directly connected to electronic devices.

How wielding big data is improving the D2C experience?

Keeping only the ideal leads in the target list

Lead acquisition is the garnering of potential customers in the database to be further pushed in the journey for conversion. If a business can make sure that they collect only qualified and quality leads, they can hone the conversion strategy for better results. That is where big data comes into the picture.

By using the gigantic online user data, you can get information about the consumer market's general state, which they can use to pinpoint the targeting strategy to only qualified leads. It can also help you personalize your targeting, as more than 63% of the consumers want a personalized experience from brands, including D2C.

Using qualitative data analytics to strengthen emotive connections with the audience

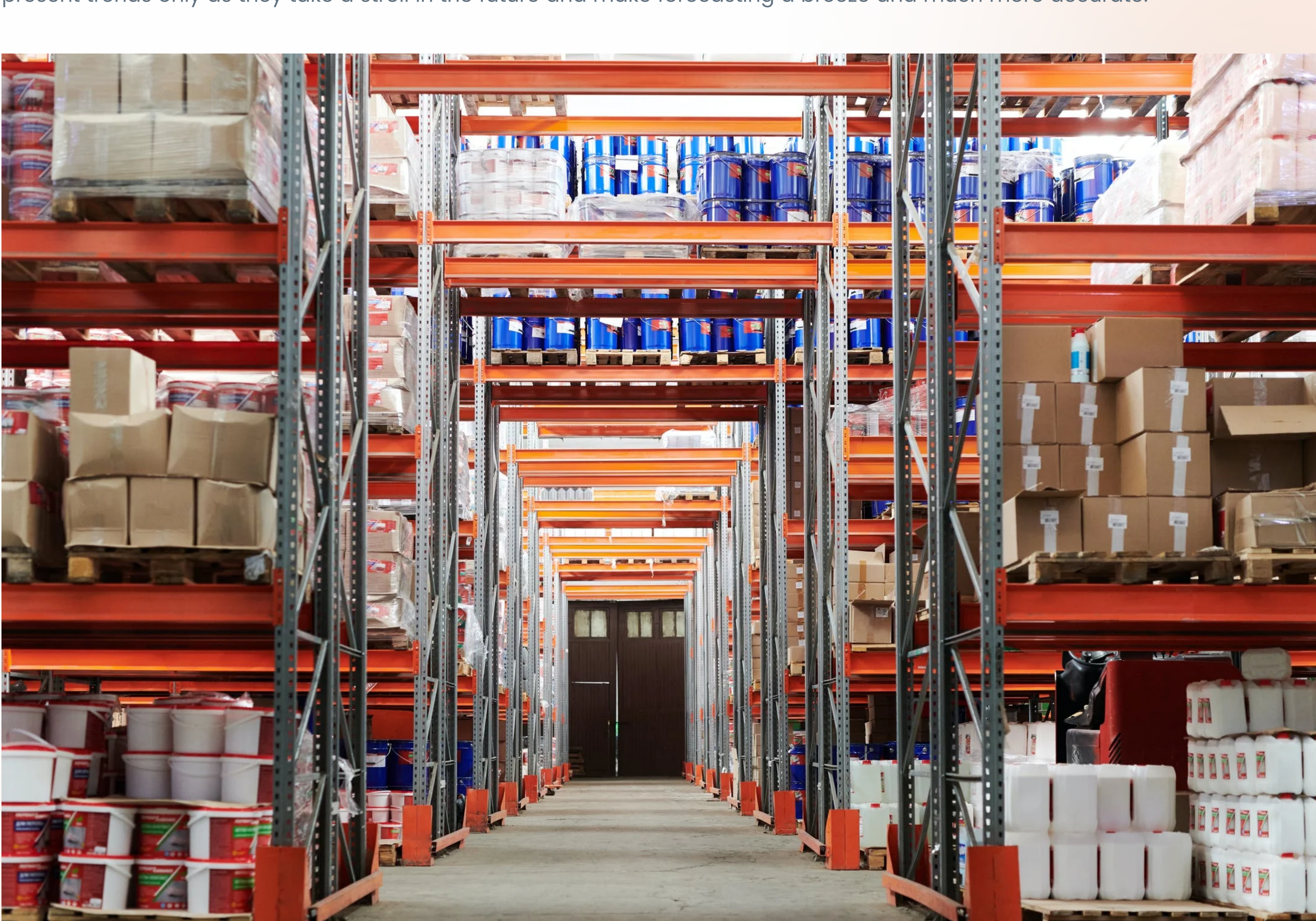
According to a study by Harvard Business Review, the emotional connection with customers draws more attention from the market, and the customer feels inclined towards such brands. The good news is that qualitative data analytics through big data helps amplify the emotional connection with the audience.

The qualitative data helps a D2C brand understand how the customers feel about the brand. Various types of data can be used to know how the customers rate the product, and it can even give answers to some of the most challenging questions, like why the customer chose your product in the first place.

D2C brands can utilize this data to turn an average customer into a brand advocate. And since D2C brands are connected directly with the customers, there will be no issues collecting qualitative data.

Better forecasting

The true potential of big data lies in its predictive ability. Because of big data, D2C businesses are no longer past and present trends only as they take a stroll in the future and make forecasting a breeze and much more accurate.



Source : Pexels

For example, big data allows D2C businesses to understand the current purchase pattern of customers. Based on this data, any company can predict when the next purchase will occur, which product customers will purchase in what quantity, and which type of strategy will be required to make the purchase seamless.

Also, only 13% of the businesses can reap the advantages of future forecasting. In such a case, using big data for future forecasting can give you a competitive advantage.

Helps in building a buyer persona

More than 82% of businesses have improved their value proposition by using the right kind of buyer persona, and therefore, the use of buyer persona doesn't need any sort of squeal. Any business that views the market as a faceless demographic can never get the required competitive advantage, and it can never target the right audience.

Delving into what acts as a springboard for the purchase made by the customer, what their hopes are, which type of taste they have, and what they want helps the marketing team decide the right communication channel.

Building a buyer persona is challenging; however, it can be made easy by simply using big data. Data analysis can help you filter out relevant data points and locate the patterns based on what customers expect when they visit your website over a long period.

Later, the brand can categorize the customer base based on buyer persona and use personalized content to target the ideal customers who have better chances of conversion.

With 2.5 quintillion bytes of data being generated daily, D2C businesses should never miss the opportunity to optimize their approach using the insights gained from proper big data analysis. But just sitting on a big pile of data is not enough, as D2C firms need to use the best tools and methods to get the insights necessary for streamlining the approach.

From improving the customer experience to helping the business with future forecasting, big data has a lot of potential uses for D2C brands, which might be why D2C brands are coming forward to unlock the real power of data.