

Consumers Don't Shop Like They Used To, And The Changes May Be Here to Stay

The pandemic ushered in a proliferation of new iterations of a blended online/offline shopping experience with curbside pickup and increased direct-to-consumer sales for consumer product companies.

Trends like these are redefining the role of ecommerce in the marketing mix and raising new questions for decisive marketers like:

- 1. How much should I spend to capitalize on rapidly growing e-commerce channels?
- 2. If I shift dollars from bricks-and-mortar to fund e-commerce, what will be the financial impact in-store?



- **3.** What is the interplay between my e-commerce and bricks-and-mortar spends?
- 4. What is the overall financial impact of my strategy, and what can I expect from each distribution channel?

# Direct-to-Consumer Becomes Popular, Low-Cost Channel For Brands

In the aftermath of the pandemic we're seeing many of our consumer brands usings online sales and website traffic to drive direct-to-consumer sales, cutting out the distribution expense and fostering a cozier relationship with their consumers.

While it's a small piece of the pie, typically less than 20 percent, it's growing at a remarkable clip, upwards of 20 percent a year.

In a traditional marketing mix approach the relatively small 20 percent increase in sales would be overshadowed by the other 80 percent of the mix.

Keen's clients are able to run a digital and brick-andmortar model and analyze and optimize each as its own ecosystem by understanding what is driving momentum in each scenario. Here's how those analyses looked.



In an industry where marketing drives just about 2 percent growth it's easy to understand the intense interest in digital marketing when it's able to drive double-digit growth.

The question decisive marketers are asking is, "How can we optimize and make it part of our overall goal?" The digital plan also will impact in-store sales and brand exposure. A submodel of digital only helps marketers account for both and bring those learnings back into their overall plan.

We're seeing more brands embrace this direct relationship with consumers. It's faster, cheaper and builds greater brand loyalty.











## **Trade Spending Gets Kicked To The Curb**

Retailers scrambled to adapt to COVID fears and lockdown orders resulting in a hybrid online/offline point-of-sale model where consumers increasingly order online, but pick up in-store or via curbside.

Marketing typically has not had access to trade spending; but now Instacart and other in-app point-of-sale solutions introduce new opportunities for marketing to get in front of consumers and drive an experience and impact similar to trade's effect with their marketing dollars.

## **How Keen Keeps Up with Your Consumers**







As the brave new world of post-pandemic shopping habits evolves, making decisions without support looks and feels more and more like guesswork.

Keen helps you reduce your risk and increases your confidence by modeling future outcomes for channels and spending levels, even when you don't have past experience to draw on.



#### **About Keen Decision Systems**

Keen Decision Systems is an Inc. 5000, software-as-a-service company whose solution helps marketers make future-focused marketing investment decisions that build winning brands. Keen's software utilizes Bayesian modeling, algorithms and machine learning that enable marketers to run planning scenarios to achieve their financial goals. Over the past 52 weeks Keen clients have driven a 41% improvement in marketing contribution.

Named ClickZ's Best Predictive Analytics Platform, the Research Triangle Park, N.C.-based company manages more than \$2 billion in marketing dollars for leading brands including Post, Church & Dwight, 3M, Boston Beer and Capital One.

Ready To See How Our Solution Can Create More Value For Your Brand?

Schedule A Demo Now

#### **Get in Touch**

We're always here to answer any questions you might have. Email us now to start a conversation.







