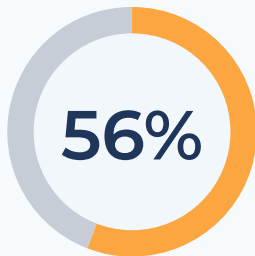


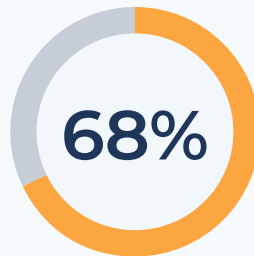
THE NEXT PHASE OF DIGITAL TRANSFORMATION

PART 3: ACHIEVING CONSUMER CENTRICITY

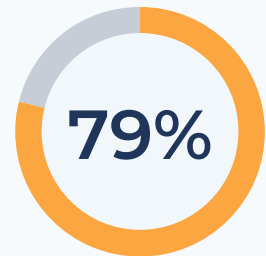
WHAT ARE PRODUCT & MERCHANT PROFESSIONALS SAYING?



say it is a **challenge to leverage consumer input** when building the assortment



report that assortments at their brand are **not consistently informed by consumer input**



believe their brand needs to **improve consumer knowledge to stay competitive**

Surging e-commerce sales and direct to consumer (DTC) strategies are making it essential for brands to better understand their consumers. Yet, **leveraging consumer information** within product creation and go-to-market processes has proven **easier said than done**.

Staying ahead in a crowded DTC landscape requires brands to evolve their current methods for measuring and understanding consumer sentiment, expectations, and satisfaction. This means **equipping product teams with data** that is easy to interpret and applicable to the development of the assortment. Updating and expanding data sources and the means of communicating this data will empower product teams to **consistently deliver consumer resonant assortments**.



CONSUMER UNDERSTANDING TODAY

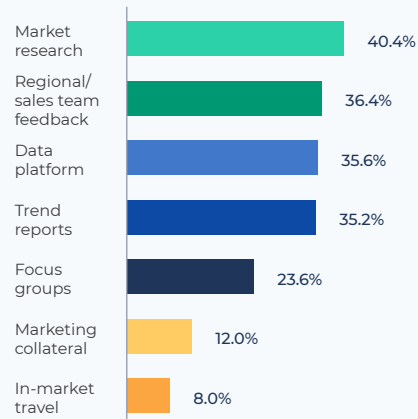
STATIC AND VAGUE

Brands typically rely on market research (used by 40%) and feedback from regions and sales teams (used by 36%) for consumer intel. **Market research details overarching industry trends, yet is limited** when deciphering which tone of red will sell best in a given channel. Furthermore, **feedback from regions and sales teams** is often relevant to assortment questions, but is usually **shared too sporadically or too late** in the assortment building process to be leveraged.

OVER-COMPLICATED

Consumer data is often organized and communicated in a way that makes it **difficult to extract value**. Sales teams communicate paragraphs of feedback in lengthy powerpoint decks. Reports can be upwards of 100 pages. Brands habitually spend money on consumer intel that is funneled into confusing research, **preventing quick analysis** and making it easy to **overlook critical information**. Product and merchant teams say their brands can help them to deliver consumer-centric assortments by presenting consumer data in **more digestible formats**.

Most-Used Methods of Consumer Feedback



CONSUMER UNDERSTANDING, EVOLVED

#1 way to improve consumer information:

**COLLECT
PRODUCT-SPECIFIC
DATA**

#1 way to incorporate consumer data into the assortment:

**SHARE DATA
IN DIGESTIBLE
FORMATS**

REAL-TIME

To be proactive about ever-changing consumer preferences, brands need to invest in more **dynamic data**. Leveraging the current increase in DTC sales to tap into outputs like CRM data, loyalty data, and even **communicating directly with consumers** themselves (with tools like digital surveys) will provide more up-to-date and relevant insights. This ensures that product and merchant teams can **keep up with rapidly evolving consumer expectations**.

SPECIFIC

Brands should be equipped to ask their target consumers **specific product and assortment questions**. Engaging **hundreds, if not thousands, of target consumers** will ensure that feedback provided on specific products does not just reflect the preferences of a select few, but of the people most likely to purchase those products. Product and merchant teams can leverage the more granular feedback they receive to **cut down on SKUs, identify cannibalization between products, or optimize products for specific channels and regions**.

DIGESTIBLE

Critical information should be summarized briefly and presented in formats that are simple to digest. When **data can be easily referenced**, it is both more likely to be **shared cross-functionally** and **more likely to be leveraged** for product creation and assortment building **on a consistent basis**. Brands should explore platforms or features that **incorporate data for easier communication**. These solutions eliminate the need for product professionals to dig through trend reports and waste time deciphering messages from sales teams.

IN CONCLUSION

To achieve consumer centricity, brands must **evolve their typical approach** to understanding and communicating consumer needs.

Those eager to make quick improvements should **start by assessing the connection between product and insights teams** at their brand. Strong collaboration between these teams will ensure that consumer insights are usable for product teams building the assortment.

Outside of strengthening these relationships, brands must explore new solutions for engaging consumers, organizing findings in more digestible formats, and leveraging insights to inform assortment questions. With these changes, **incorporating consumer data** is no longer a fruitless headache, but an **integral aspect of delivering products consumers love**.



SURVEY INFORMATION

A total of 250 professionals in product and merchant functions were engaged via the MakerSights platform. Respondents are based in the US and represent a cross-section of ages, experience levels, and go-to-market models. The research was conducted in the first two weeks of July 2021.

MAKER/SIGHTS

WHO WE ARE

MakerSights is rapidly evolving the speed and manner with which retail brands respond to their consumers. With our help, industry leading brands, including Ralph Lauren, Hoka and New Balance, frequently facilitate data-driven discussions and decisions amongst product to market teams. As the bar to serve today's consumers continues to rise, we are equipping brands to identify, react to, and execute against today's fast moving market opportunities.

Reach out to us at makersights.com/contact to learn how we're helping brands optimize their product to market processes to stay ahead in a rapidly evolving and increasingly competitive retail landscape.