DTC: Direct to Consumer

Covered in this section:

<u>Skipping the retailers</u>

➢ This model is based on sending your product directly to the client, skipping retailers who take up a lot of time and a part of your profit

➢ Example: Dell computers

‒ You purchase directly from their website

‒ They have more competitive prices

➢ You can use this model with designer clothing

• Pay attention: People might assume that it's lower quality because it's cheaper - explain why that's not the case

• Ask yourself: Do you need a retailer to sell your product?

➢ If you sell directly, you can spend money on other things

➢ The size of the item has to be proportional to the price. If the items are large, you can't charge less, because shipping is expensive

➢ This model works well with smaller items that are more expensive

➢ Example: Warby Parker

‒ They sell glasses and allow you to try them on before buying

‒ They will ship them for you to try them up to three times

➢ For lower price items, curated boxes work better, because you can sell more stuff at once