

How D2C Marketers Are Adapting to Changes at Facebook

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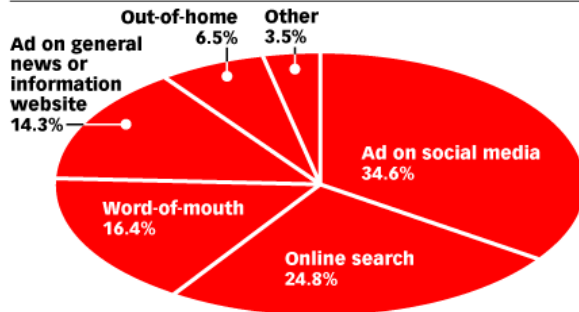
Blake Drosch

Direct-to-consumer (D2C) brands have traditionally **relied on Facebook** for cost-effective, performance-based marketing. But with climbing rates and uncertainty surrounding the **roll back of Facebook's ad-targeting features**, D2C marketers have started diversifying their advertising strategy.

Investing in social was crucial in the rise of D2C brands. According to a March 2019 survey conducted by consumer insights firm Toluna, 34.6% of US internet users who purchased something from a D2C brand were first exposed via a social media ad.

How Did US Internet Users Hear About the First Direct-to-Consumer (D2C) Brand They Bought from?

% of respondents, March 2019



Note: n=896 ages 18+; among internet users who have purchased from a D2C brand; numbers may not add up to 100% due to rounding
Source: Toluna, "D2C Survey," March 6, 2019

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Facebook is still the No. 1 platform for new brands to reach a large audience, according to Fabian Seelbach, CMO of D2C skin care brand Curology. After branded search on Google, he recommends that startups look to Facebook when setting up a marketing strategy. However, he warns against becoming overly reliant on the platform.

"[Facebook] is great, but it has its limitations," Seelbach said. "And it's important to create a healthy mix of unbranded search, various social platforms and other channels like connected TV. You have to be able to shift very quickly when there are difficulties with the Facebook algorithm or changes on the platform."

While it's the largest social network, Facebook is also appealing for its advanced targeting. We forecast that Facebook will have 171.5 million monthly active users on its platform in 2019, far exceeding that of any other network. Instagram ads can be purchased on the same interface as Facebook ads, making it a one-stop shop to reach social media's two largest audiences.

Social Network Users, by Platform

US, 2019

Millions

Facebook

171.5

Instagram

106.7

Twitter

53.2

Pinterest

78.7

Snapchat

77.5

Tumblr

18.8

Source: eMarketer, March 2019

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Even if targeting becomes less effective, as long as users remain on the platform, there will be creative ways to reach them.

D2C fashion company Betabrand said it often receives thousands of **comments on its Facebook ads**, and hopes to get extra mileage out of each impression by engaging with potential customers firsthand.

“We noticed that we were getting a lot of comments on ads, and we saw patterns where people were talking about the products in ways that weren't true,” said Douglas Hoggatt, vice president of digital marketing at Betabrand. “We needed to reply to these comments and start a dialogue with our customers. That's what we did, and we realized that it started a conversation about our products before anyone even got to our website.”

Toluna data shows that this kind of marketing does work. When asked how positive user comments on social media affected consumers’

behavior or perception toward a brand, more than half of US internet users said it helped them remember the brand, while just under half said it made them more likely to purchase their products.

How Do Positive User Comments on Social Media Affect US Internet Users' Perceptions of Direct-to-Consumer (D2C) Brands?

% of respondents, March 2019

Will likely remember the brand or recognize it when I see ads

52.9%

More likely to purchase from that brand in the future

48.8%

Will likely think that the brand is leader in their respective industry

32.7%

Will likely bring up the brand in conversation with friends and family

23.8%

Won't affect behavior towards the brand

12.3%

Note: n=896 ages 18+; among internet users who have purchased a D2C brand

Source: Toluna, "D2C Survey," March 6, 2019

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For Betabrand, this creative approach to Facebook marketing helped turn negative comments into positive ones.

"We noted that some of the sentiment in our comments could be very negative, and they would feed on each other," Hoggatt said. "We went in and helped steer that conversation."