

Freebies Can Motivate Trial of D2C Brands

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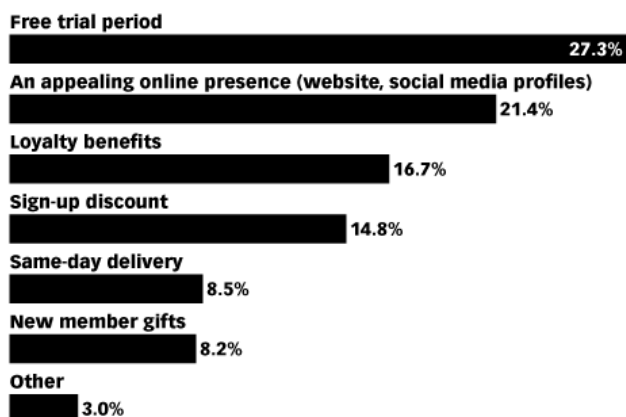
Lucy Koch

Direct-to-consumer (D2C) brands are growing rapidly by meeting the needs of modern consumers, disrupting traditional retail along the way. But traditional initiatives like free trials may entice those wary of digital-only D2C shopping.

More than one in four US internet users said they would be motivated to consider trying a new direct-to-consumer brand if they were offered a free trial period, according to a March 2019 survey from consumer intelligence platform [Toluna](#).

Which Benefits Would Most Motivate US Internet Users to Consider Trying a New Direct-to-Consumer (D2C) Brand?

% of respondents, March 2019



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

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And one in three US internet users said a risk-free trial period with a product would influence them to make more digital purchases, as cited in an October 2018 survey by [Activate Inc.](#), a technology consulting firm.

Historically, consumers prefer in-store shopping over online to browse items, sample products or make immediate purchases. But digitally native D2C brands that offer free trials are attempting to solve the drawbacks to online-only offerings. While D2C free trials may not have the same benefits as in-store shopping, they do allow consumers to test products for free, illustrating the trust brands have in the quality of their offerings.

D2C free trials help bridge the disconnect between shopping online and shopping in-store by allowing consumers to physically interact with the product, potentially turning them into customers. Also, shoppers who feel they've had a good experience with a brand's free trial are more likely to recommend that product to friends and family. That's important, because the Toluna survey found that nearly one in five consumers said a recommendation from a family member or friend is what they need to try a new D2C brand.

Free trials work better in some categories than others — most notably, lower-priced consumer products that have repeat-purchase potential. Fortunately, the most highly penetrated D2C category in the Toluna study was personal care and beauty, (52.1%) while food and beverage was No. 3, (39.8%). Both categories are ideal for free trials and product samples.

Which Categories of Direct-to-Consumer (D2C) Brands Have US Internet Users Purchased* in the Past vs. Will Likely Try in the Future?

% of respondents, March 2019

	Will likely try in the future	Purchased in the past
Personal care & beauty (e.g., Glossier, Harry's, Dollar Shave Club)	53.9%	52.1%
Clothing & apparel (e.g., Allbirds, Everlane, Bonobos)	57.1%	49.0%
Food & drink (e.g., HelloFresh, Blue Apron, Freshly)	45.4%	39.8%
Travel & transportation (e.g., Away, Uber, Airbnb)	38.4%	36.4%
Pet Care (e.g., Ollie, BarkBox, KitNipBox)	36.1%	29.1%
Home & furnishings (e.g., Casper, Brooklinen, Brandless)	35.6%	29.1%
Marketplace & rental chains (e.g., OfferUp, Jet.com, Letgo)	30.5%	29.1%
Wealth management & financial services (e.g., Wealthfront, Acorns, Robinhood)	14.7%	11.8%
Other	1.9%	4.1%

*Note: n=896 ages 18+; among internet users who have purchased a direct-to-consumer brand; *or used services from*
Source: Toluna, "D2C Survey," May 6, 2019

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"Free trials only work when the customer acquisition cost is easily offset by strong customer lifetime value," said Andrew Lipsman, principal analyst at eMarketer. "That's why the customer relationship aspect is also so critical for consumer goods marketers that want to try this approach. Not only does it give them the ability to recontact trial customers, but the feedback generated can help quickly iterate a consumer product to better meet the needs of customers—which is ultimately where a new brand's staying power will come from."