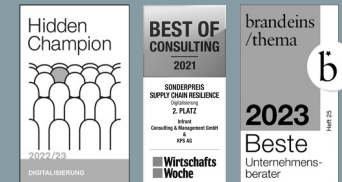
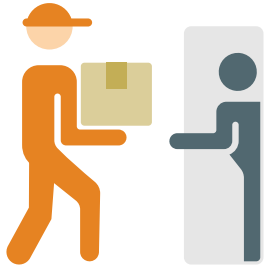


HAMBURG, 2023

Exploiting growth potential with a direct-to-consumer approach

Strategy, development and implementation of a D2C business model





ARE YOU AWARE OF THE OPPORTUNITIES & THREATS OF DIRECT-TO-CONSUMER (D2C) APPROACHES FOR YOUR COMPANY?

D2C is a business-to-consumer (B2C) approach where companies independently market, distribute and transport products and services to purchasers.

USE OPPORTUNITIES

Identify opportunities for direct customer interaction for your business and derive the appropriate D2C approaches.

+

MITIGATE DRIVEN

Identification of possible threats from third-party D2C approaches for your company and derivation of mitigating measures

=

BUILD & OPERATE D2C

Conceptual design, (technological) set-up and operation of a D2C approach up to independent takeover

CHAPTER

01 INITIAL SITUATION

02 OUR PROPOSAL

03 INFRONT PROFILE

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D2C approaches offer companies both opportunities and threats;
their diffusion has increased significantly

SELECTED OPPORTUNITIES

- Customer insights for targeted customer approach
- Brand differentiation & loyalty building
- Lower or no financial contributions to intermediaries
- Expansion of own value creation
- Additional sales

SELECTED THREATS

- Competitors with better customer understanding
- Price erosion
- Loss of market share



500

D2C Startups
established between
2021-2022

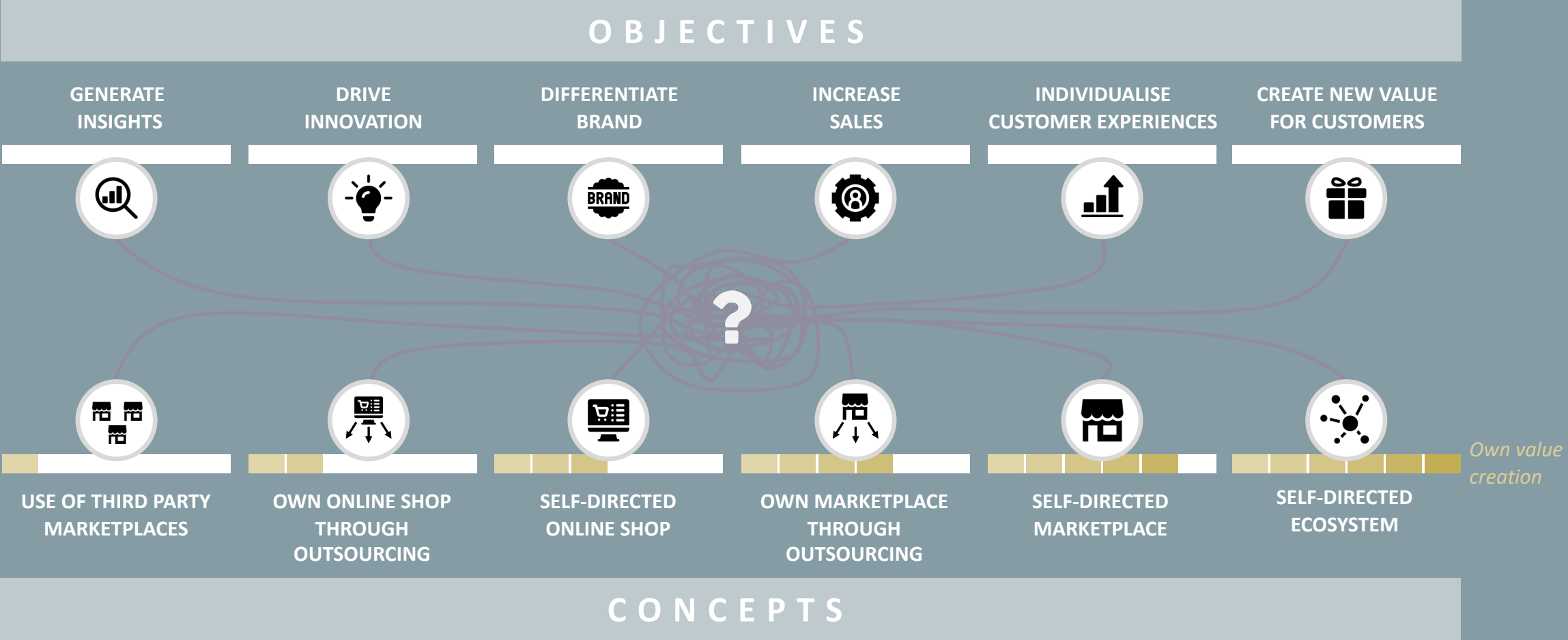
16%

Expected D2C growth
rate in
2024 in the USA¹



Corporates
are increasingly
focusing on D2C

Different D2C approaches are used to achieve different objectives



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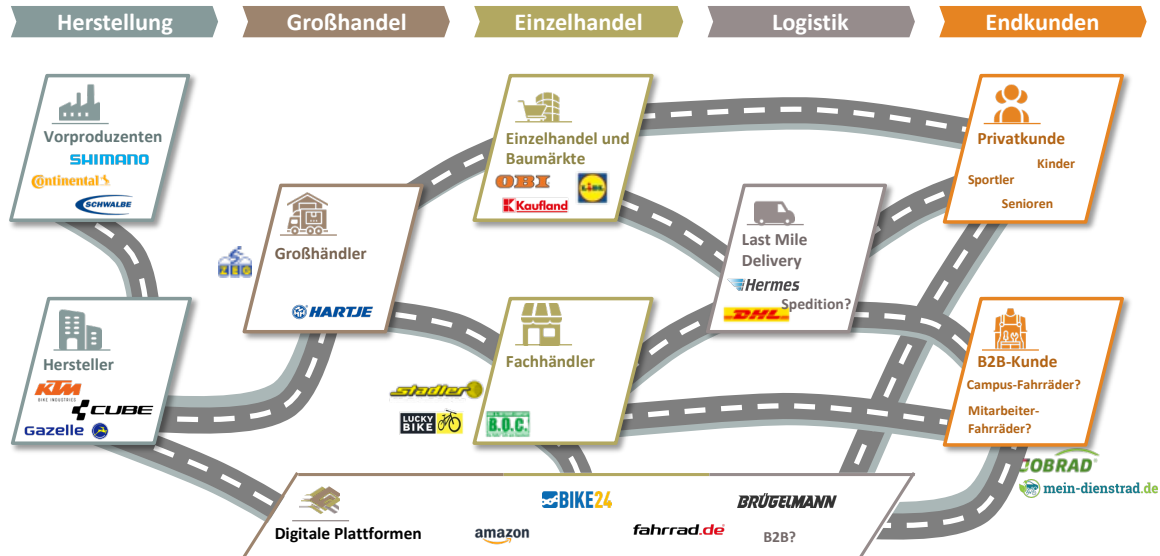
FINDING THE RIGHT APPROACH

Our methods & expertise help you to find out whether and which D2C approaches really fit your company

HAPTIC MEHODIC & DEEP PRACTICAL EXPERIENCE

Our award-winning methods provide a holistic view of your company's ecosystem to identify opportunities and risks related to D2C. Our approach also offers the possibility to derive the appropriate D2C approaches for your company, taking into account company-wide interdependencies.

EXEMPLARY ILLUSTRATION



CORPORATE D2C CEMETERY



From analysis & a tailor-made D2C concept through development to operation
Infront offers everything from one source

1

STRATEGY

- Assessment of opportunities and risks regarding D2C
- Decide whether a separate D2C approach makes sense – if so:
- Conceptualisation of own D2C approach: orientation, goals, possible further development, integration into existing business, etc.
- Derivation of requirements, e.g. for operating model, capabilities, product, fulfilment

2

DEVELOPMENT

- Operationalisation of the concept and structure of the D2C approach along the following dimensions
 - Strategy
 - Operating Model
 - Operations
 - Technology

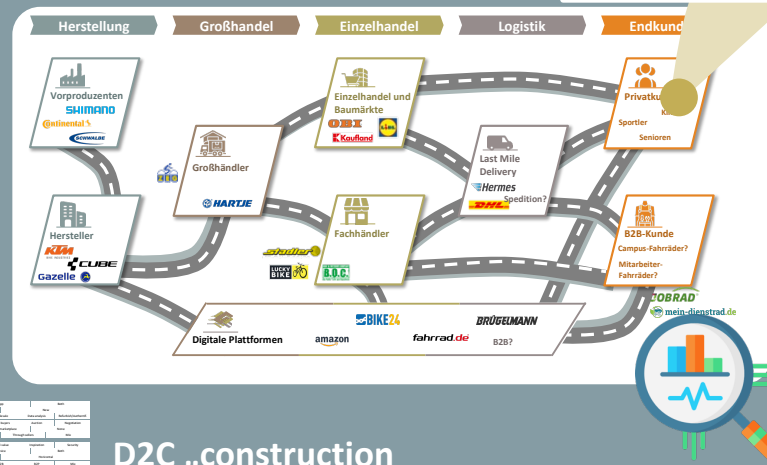
3

OPERATION

- Business & IT-side operation of the model from go-to-market to scale-up
- From coaching to taking over the complete D2C operation

Strategy

Blueprints



Trends & Benchmarks

QUESTIONS TO BE ANSWERED – SELECTION

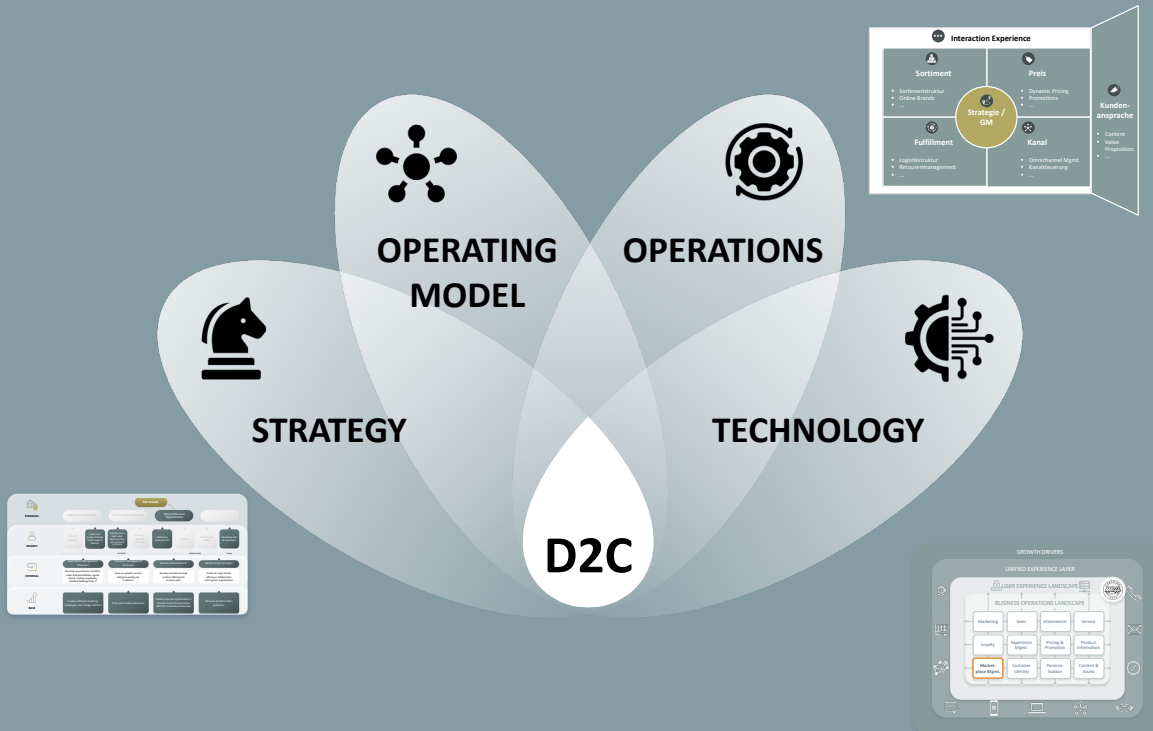
- What are the opportunities and threats for your company from existing D2C business models and those that can be expected in the future?
- How can which D2C approach meaningfully complement your (omnichannel) strategy?
- How would the respective D2C approaches be further developed in the future?
- What requirements must be met in order to successfully establish the respective D2C approaches in the long term?
- Which approach is most promising in terms of potential and feasibility?

RESULTS

- ✓ **Transparency and uniform understanding of the opportunities and risks of D2C business models** for your company.
- ✓ **Clarity on whether, and if so, which D2C approach** is suitable for your company
- ✓ **Long-term development perspective**
- ✓ **Defined requirements for successful implementation**

Development

We jointly operationalise and develop the chosen D2C approach in terms of strategy, operating model, operations and technology.



QUESTIONS TO BE ANSWERED – SELECTION

- How should the go-to-market approach be designed?
- Which activities are outsourced?
- Which future conceivable functions must be taken into account from the very beginning?
- Which interfaces need to be established?
- How can end-to-end processes be optimally coordinated?
- What logistics infrastructure and fulfilment processes are necessary to efficiently meet customer expectations?
- How can a tech stack be designed to be flexibly scalable, future-proof and integrated into the existing system landscape?

RESULTS

- ✓ Clear **strategic vision**
- ✓ **Operating model tailored** to individual needs
- ✓ **Efficient, state-of-the-art operations** that fit your approach
- ✓ **Flexible, state of the art technology**

Operation

With a well-coordinated digital team, we support you selectively or holistically in the operation of your D2C approach and enable your team to take the helm whenever possible.



LEADERSHIP

PLANNING &
GOVERNANCECONTENT
MARKETINGMARKETING
AUTOMATIONBUSINESS
ANALYTICSOMNICHANNEL
PROCESSES

UX/CX



LOGISTICS



FURTHER

QUESTIONS TO BE ANSWERED – SELECTION

- What skills and prerequisites are missing for the successful operation of the D2C approach?
- Which skills are only needed in the short term?
- Which employees should be trained to take over the helm independently?

RESULTS

- ✓ **Direct implementability** through **immediately available digital team** with **D2C expertise**
- ✓ **Flexible access to resources**
- ✓ **Systematic onboarding** and **empowerment of employees** to continue running the business independently



INTEGRATIVE WORKSHOP FORMATS

Our highly collaborative methods enable the active participation of all workshop participants



CHAPTER

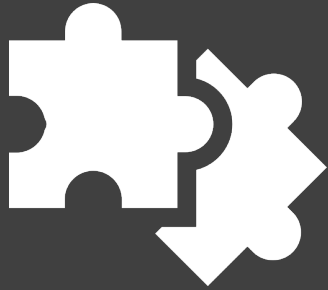
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YOUR ADVANTAGES

As a leading strategy and management consultancy, we help you develop effective and sustainable strategies for the future and implement them in a technologically business-effective manner



EXPERIENCE

Extensive consulting and practical experience

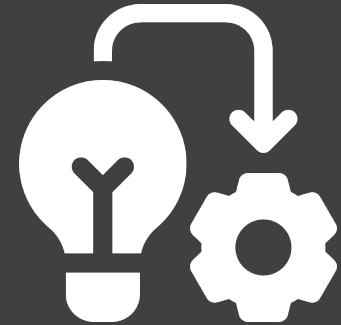
- Combination of high-quality strategy consulting expertise and many years of top management implementation experience
- Consultancy at eye level with hands-on mentality as well as visible, directly implementable and above all effective results based on our practical expertise



METHODOLOGY

Multiple award-winning methods

- Excellent method portfolio - implementation-oriented, haptic, involving and tailor-made
- Use of a unique good practice blueprint collection of business model strategies and profitability measures
- High "buy-in" from stakeholders through collaborative eye-to-eye cooperation

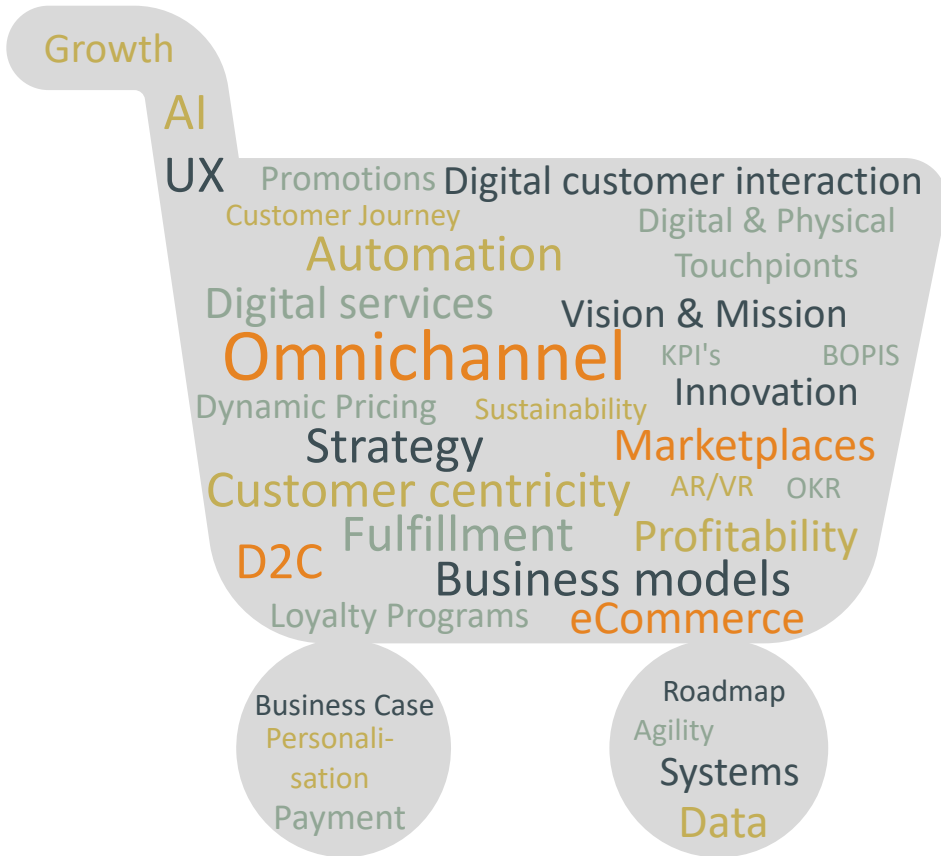


IMPLEMENTATION

E2E implementation competence

- Implementation-oriented concept development right from the start coupled with actual operational business and IT delivery capability
- Broad domain knowledge and partner network for a solution from a single source – right up to independent operational management

Our focus in Retail & Brands is on profitable business and operating model design and the development of a first-class omnichannel experience based on a resilient organisation



TOPICS

Our Retail & Brand Practice advises you on different topics

PROFITABLE GROWTH

Deriving a holistic strategy for generating top- and bottom-line potentials, as well as adapting the business and operating model to sustainably secure competitive advantages

OMNICHANNEL EXPERIENCE

Development of approaches to optimise the omnichannel experience, incl. assortment, price, fulfilment, channel selection, linking and design, customer approach, services

RESILIENT ORGANISATION

Testing and adapting organisational requirements: Strategy, organisation, processes, personnel, culture, technology and systems

In recent years we have successfully worked on several projects with leading retail & brand companies

Design of a D2C business model



OBJECTIVE

Developing and adopting a centralised **D2C business model approach** and design the relevant **D2C processes**

METHOD

- ☐ **Conception of D2C approaches** – in connection with the **stationary specialised trade** and the **responsible country organisations**
- ☐ Derivation of a **target operating model** incl. description of the **detailed processes**
- ☐ Calculation of a **business case** incl. revenue roadmap

RESULT

Elaborated D2C business and operating model for an omnichannel market approach

Development of a marketplace strategy



OBJECTIVE

Conception of a **strategy** for the **marketplace business** and **entrepreneurial evaluation** through a business case

METHOD

- ☐ **Strategy development** for the marketplace business
- ☐ **Description of the concept** on the most important dimensions
- ☐ Designing **differentiating business models** using the **Infront blueprint collection**
- ☐ Evaluation of the business model in a **business case**

RESULT

Marketplace strategy defined, **entrepreneurial perspective** assessed and **implementation roadmap** derived

Conception and scaling of digital commerce



OBJECTIVE

Development of digital business opportunities under the MediaMarkt and Saturn brands in **Europe**

METHOD

- ☐ Strategy development for digital commerce ("**omnichannel**")
- ☐ International **Trail Fast, Fail Fast, Learn Fast** approach for the right concept
- ☐ Intensive active **change management**
- ☐ Concept consisting of **Pure Play, Web2Store and Store2Web**

RESULT

Scaling of digital commerce to approx. 15 % (approx. 3 billion euros) of total turnover

Optimisation of logistics processes



OBJECTIVE

Consistent **optimisation of logistics processes** with regard to transparency and increased efficiency

METHOD

- ☐ **End-2-End logistics process analysis** using the Customer & Goods Flow Journey
- ☐ Evaluation of growth areas with the help of the **Infront position table**
- ☐ Development and implementation of a new **Target Operating Model**

RESULT

Implementation of a **4PL solution**, cost minimisation of the "**first-reverse-mile**" and introduction of a new **KPI-driven organisational structure**

Infront combines implementation-oriented management consulting with the necessary IT and process expertise

Infront Consulting & Management Focused business solutions



Infront is a leading strategy and management consultancy specialising in the following areas:

- Business model strategies
- Innovation ecosystems
- Renewal of the core business

KPS AG Immediate effect



KPS is one of the European market leaders for transformation programmes at process, application and technology level for retail, logistics and industry

740
Employees

14
International
offices

180 mio.
Euro turnover

OUR SUCCESSES

Infront is your award-winning consulting partner for strategy, innovation and business renewal

OUR EXPERIENCE

Strategy:

100+ developed ecosystems for future industries

100+ situation table strategies

1,200+ developed business model ideas

Innovation:

8+ built innovation labs

100+ ideas tested in the market

3 built and sold own start-ups

Renewal:

30+ Change Programmes: People, Organisation, Processes, IT

100+ Complex ERP implementations

100+ eBusiness systems implementations

OUR AWARDS



OUR STUDIES



SELECTED CLIENTS

Manufacturing industry:



Retail & Brands:



Logistics:



Service:



Devices/ Machines/ Plants/ Components:



CONTACT NOW

OUR DISCUSSION OFFER:

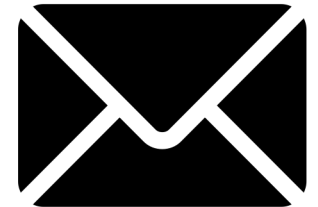
What opportunities and threats does D2C present for your business?



TOBIAS KINDLER

PARTNER AND RETAIL & BRANDS LEAD

- Many years of top management and consulting experience
- 10 years (co-)responsible for the international digitalisation of sales in the MediaMarktSaturn Group, including as VP Omnichannel & Pricing and as Country Manager and COO/CDO
- Deep understanding of structures and processes in the retail & brand environment
- Experience in the development and implementation of hybrid and digital business models as well as in the transformation of business units and entire companies



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CONTACT

THANK YOU VERY MUCH!

We look forward to working together with you!

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