

SHOPPER
2022

The impact of subscriptions on consumer behavior

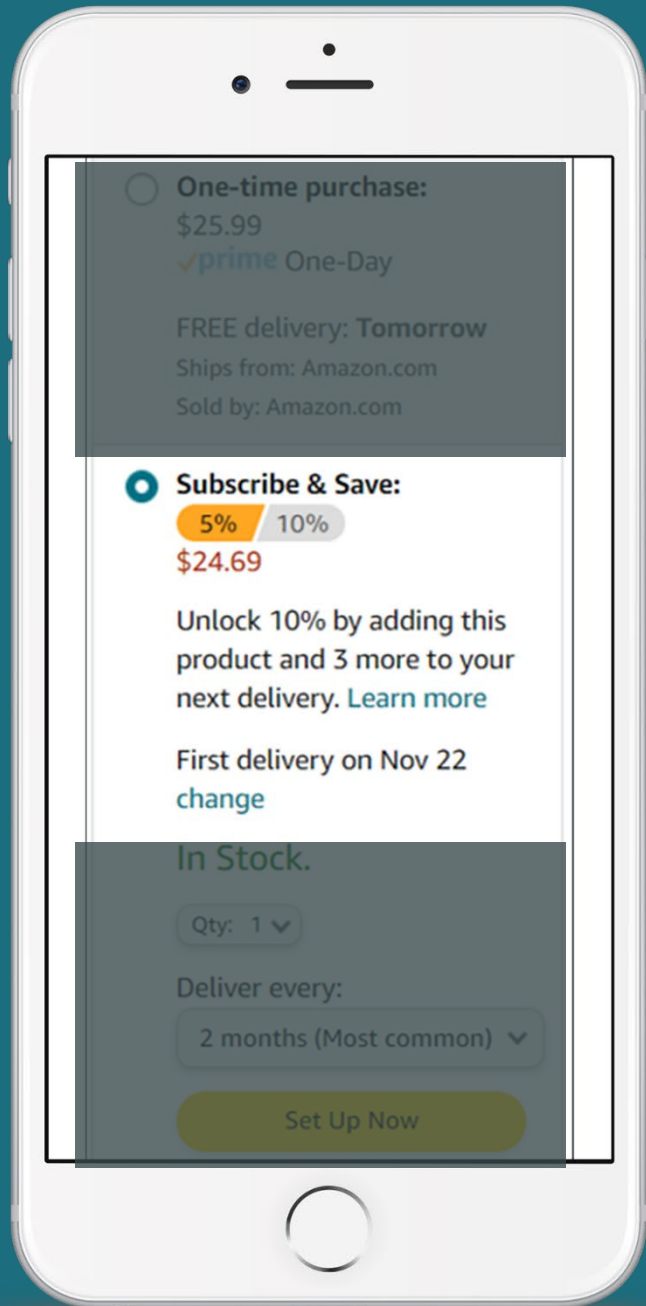
What marketers need to know

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SKIM Subscription Practice



SKIM

decision behavior experts



primenesia



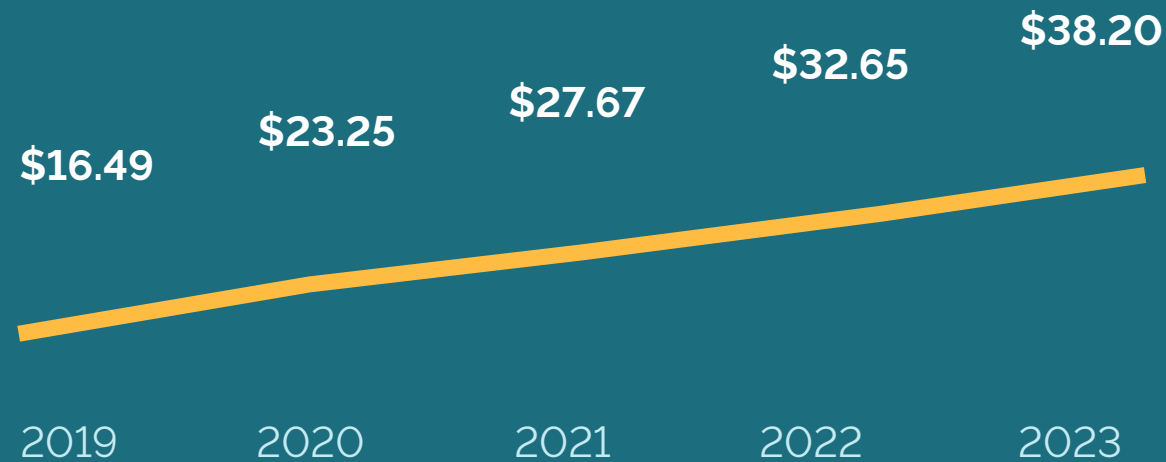


Primenesia

Primenesia is the condition of not remembering what you ordered from Amazon

Subscription eCommerce Sales (US)

in Billions



DOLLAR SHAVE CLUB



STITCH FIX



16,366 consumers



personal care
n=697



household
n=726



beauty
n=716



food & beverage
n=762

4,254 US tangibles

8,123 EU tangibles

3,989 US digital



5 hypotheses about the **subscription** consumer



01 It's all about the money



01. It's all about the money

BUSTED
kind of



02 Introductory offers and gifting are only for acquisition

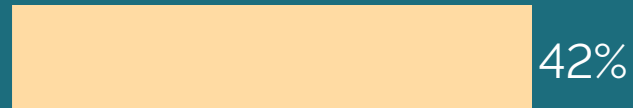


02. Introductory offers and gifting are only for acquisition

Reasons to sign up for tangible goods



Gift that I continued



42%



Introductory offer



65%



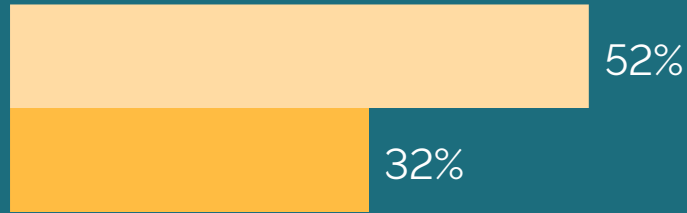
02. Introductory offers and gifting are only for acquisition

Reasons to sign up for tangible goods

BUSTED



Gift that I continued



Introductory offer



■ 7+ ■ 1



03

There are
generational
differences in
subscription
attitudes and
usage



03. There are generational differences in subscription attitudes and usage

CONFIRMED!

4 or more subscriptions

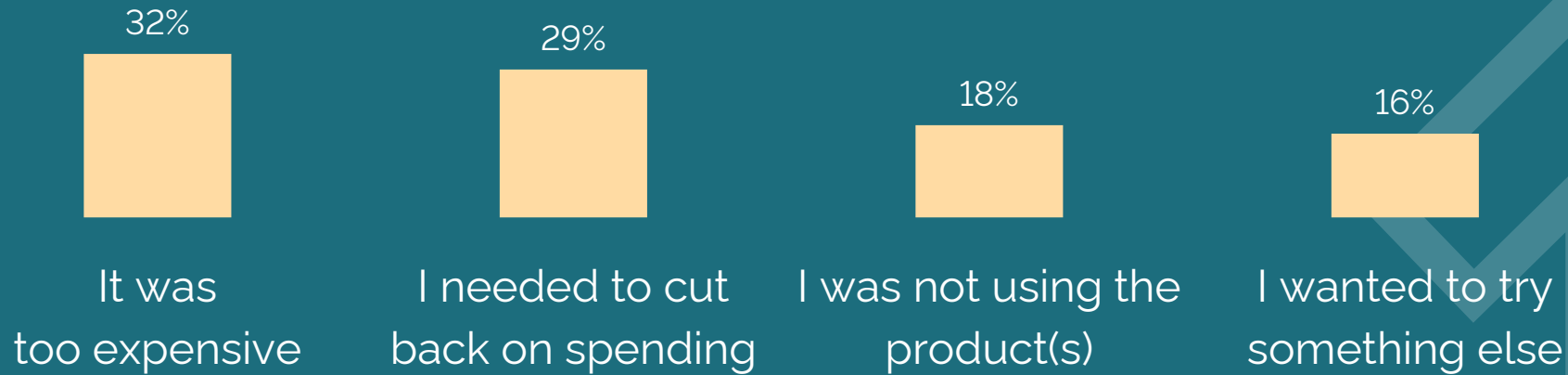


04 Churn is bad



04. Churn is bad

Reasons for canceling



it doesn't have to be

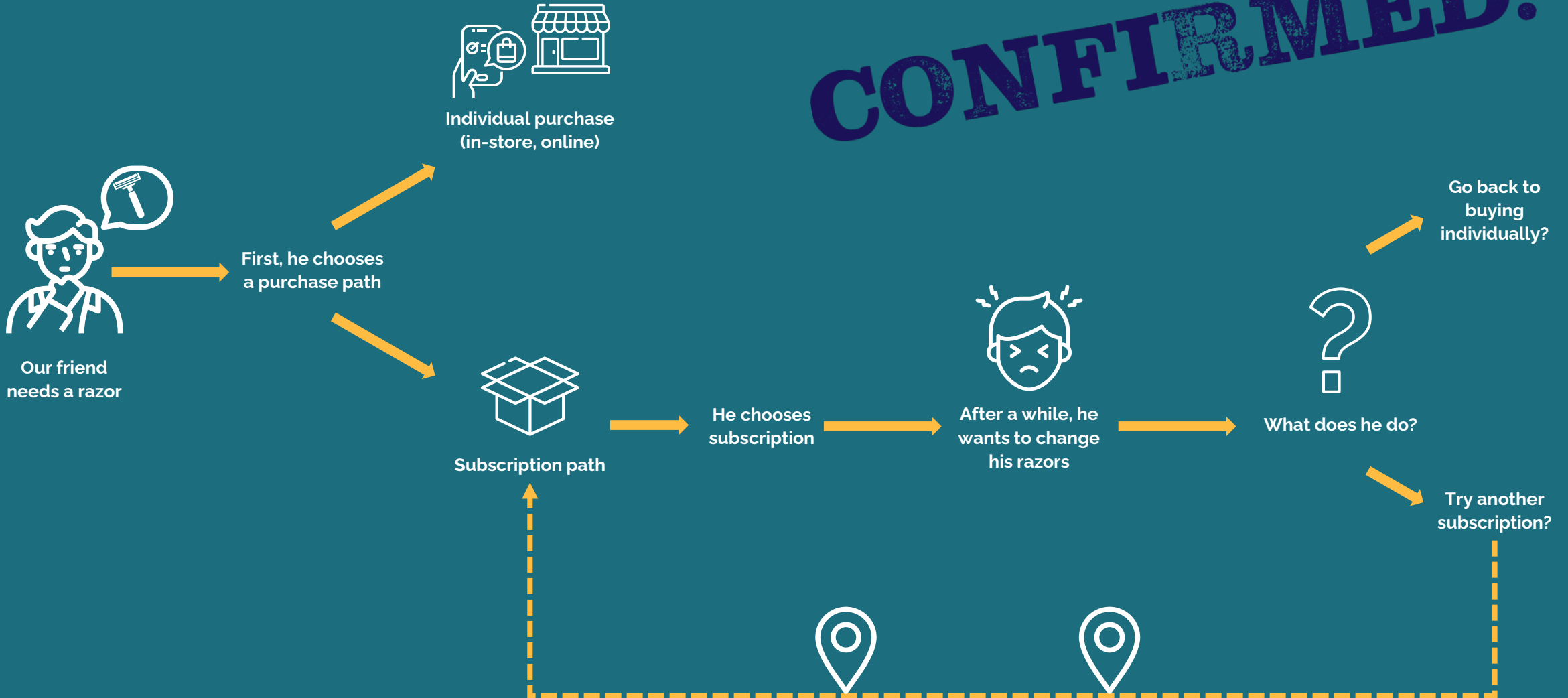


05

Subscription services have disrupted the traditional shopper journey



05. Subscription services have disrupted the traditional shopper journey



CONFIRMED!

Subscription lifestyle insights



It's not all about the **money**



Introductory offers are for heavy users too



Millennials are heavy users



Churn doesn't have to be bad



New shopper **journeys** are being created



Recommendations for CPG and D2C companies



Develop engagement and pricing strategies



Use introductory offers + gifting promos



Focus on Millennials first



Create subscription hopping opportunities



Check your decision journey touchpoints



Strategic discussions to take back to your team

Business models

Relationships

Buying behaviors

Retailer and partner relationships

Channel dynamics





The subscription channel is an opportunity for you to create an ongoing conversation and **direct relationship** with your customers

Questions?



Mike Mabey



Brady Silva



SKIM

decision behavior experts

SKIM provides subscription channel advisory and research services in GTM strategy, pricing, communications, new products, and journeys



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