How Should DTC Brands Think About Their Data & Data Needs?

Often the first hire in the data team at a DTC brand is an "Analyst," and this is the first mistake founders make when thinking about their data.

AUSTIN, UNITED STATES OF AMERICA, March 2, 2023 /EINPresswire.com/ -- [Saras Analytics](#) has witnessed first-hand the challenges that DTC brands face when it comes to managing data. With a ringside view of some of the fastest-growing brands, Saras is uniquely positioned to help brands in any and every stage of their data journey.

If you are an emerging brand thinking about building a data team (of one or two resources), consider bringing a data partner like us on board.

Building a brand is a challenging task that requires a combination of passion, commitment, and a belief system. However, creating a product and hoping for the best is not enough. DTC brands need a data-driven approach to ensure that they are making informed decisions that drive growth and profitability.

> **"** Saras Analytics leads in modern eCommerce data team development by offering fractional data teams as a service. Customers define the problem; we handle the execution."
> *Krishna, CEO, Saras Analytics*

Challenges faced by DTC Founders

Most DTC founders come from marketing, product, operations, or strategy and consulting backgrounds. Seldom there are founders with a background in data & analytics.

Founders who are building a brand go through a variety of hurdles and as the brand grows, the nature of problems also changes. It starts with:

• Conceiving a product idea
• Developing a prototype
• Finding a manufacturer to produce the product in bulk

• Hiring a marketing team or an agency
• Working with marketers to commercialize the product
• Exploring different sales channels and selling on those channels
• Maintaining profitability and margins
• Fundraising, investor relationships, and more!

These tasks are essential to establish a stable foundation for the business. However, as the brand grows, executives tend to be more hands-off and less involved in day-to-day decision-making. At this stage, it becomes crucial to have a data team to manage and analyze the data to help drive growth.

Need of Data Team for Brand Growth

Founders need to move from being hands-on with every aspect of the business to being presented with data and making the best possible decision. It is imperative to assemble a team that is empowered to deliver desired results.

The most common solution is to hire an "analyst". It is the first mistake founders make when they are thinking that an analyst can do everything related to data. Analyst is a catchphrase for a person with critical thinking ability and the know-how to analyze a set of numbers to derive meaningful insights.

Tasks Undertaken by the Data Team

Let's look at the JTB framework for the data team at a DTC Brand and assess the tasks that need to be performed-
· Identify the tools required to build and manage a data stack:
o A data warehouse,
o an [ETL tool](), and
o A BI platform.
· Evaluate each of these tools for performance, scalability, features, cost, and usability.
· Implement the data stack:
o Set up the data extracts and move the data to a data warehouse.
o Conduct workshops with the internal users to understand business requirements.
o Implement the requirements by building the data models, reports, and dashboards.
· Socialize the data stack with resources within the company by training them and driving the adoption of the stack.
· Answer ad-hoc questions by analyzing the data and distilling that information into consumable insights.

Critical Questions before Hiring a Data Analyst

Finding a data resource that can do all the above is a unicorn. Even if brands found such a resource, retaining them for a longer duration is unlikely. Therefore, founders need to ask themselves some critical questions before hiring their first internal data resource. These include:

- How to budget for the data team/stack?
- Who owns the decision related to what technologies to use?
- How to assess the right candidate for their data needs?
- What challenges do they face while building and managing their data stack?
- What are the hiring criteria for the resource?
- How to prioritize the criteria, and why?
- What questions should be asked in the interview?
- How to manage the data resource?
- How to ensure the quality of work done by the resource?
- Who will manage the data resource?
- Should the brands look for data analysts with domain knowledge?

How to actually build a data team?

Often founders of DTC brands regard data to be a second-class citizen to marketing, operations, product, and strategy. This leads to short-term decision making that eventually piles up to increase the cost, time, and resources involved in the process, resulting in numerous abandoned data projects. Often, it is an indicator of poor data team hiring strategy.

The idea of hiring a single analyst to manage all the data needs of a brand is not a practical approach. It is similar to assuming that hiring a marketer will automatically address all marketing needs, from sending emails to managing social media ads, retention marketing, branding, and more.

Saras Analytics stresses that, like marketing, data is a specialized function that requires expertise in enterprise architecture, data engineering, data governance, the total cost of ownership evaluation, data modeling, business intelligence, business process evaluation, business data analysis, and data science.

Due to the scarcity of professionals with such diverse skills, it is often challenging to find the appropriate talent for in-house data management. As a solution, Saras Analytics suggests hiring fractional resources with the necessary skills to build a scalable data foundation and manage it over time to achieve the organization's stated goals. As the company grows, a brand can consider [hiring an in-house Chief Data Officer](#) and relying on outsourced resources or developing an in-house team of data resources to support execution.

How does the customer benefit from Saras' fractional data team?
- Customers get their projects done right the first time.

- Technology and total cost of ownership evaluation.
- In-depth domain understanding and expertise for faster execution of projects.
- Fully automated data stack ready and running in a few weeks.
- Data stack management or handover, based on customer's requirement.
- Analysts can leverage the data infrastructure and provide decision support to stakeholders.
- 100% data infrastructure support despite internal resources churn.
- Complete data ownership with the customer.

Leveraging data is critical for DTC brands to stay competitive and thrive in today's market. With the right data team in place, DTC brands can make informed decisions that drive growth, increase profitability, and improve customer satisfaction.

Want to build a data team (of one or two resources) for an emerging brand? Onboard a data partner like Saras Analytics.

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