

THE GROWTH PATHWAYS OF NEW CONSUMER BRANDS IN THE DIGITAL ENVIRONMENT

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Abstract: Against the backdrop of the rapid development of the digital economy and mobile Internet, new consumer brands have risen quickly by leveraging e-commerce platforms, content platforms and social media. However, they also face challenges such as the weakening of traffic dividends, rising customer acquisition costs and intensifying homogeneous competition. From the perspective of the digital environment, this study examines the growth pathways of new consumer brands on the basis of clarifying the characteristics of digital technologies and new consumer brands. The findings suggest that the sustainable growth of new consumer brands mainly depends on four dimensions: first, product innovation and a clear value proposition grounded in insights into segmented consumer needs; second, brand building centred on content production and social communication; third, an omni-channel operation mechanism that integrates public-domain traffic acquisition with private-domain user retention; and fourth, underlying support provided by data-driven decision-making and agile organizational capabilities. This study helps deepen the understanding of the growth logic of new consumer brands under digital conditions and provides theoretical reference for enterprises in formulating medium- and long-term development strategies.

Keywords: Digitalization; New Consumer brands; Ggrowth pathways; Content marketing

1 INTRODUCTION

Against the backdrop of an accelerating digital economy, digital infrastructures such as mobile Internet, social media and e-commerce platforms have profoundly reshaped consumers' lifestyles and decision-making processes. A large number of digitally native consumer brands have emerged by relying on online channels, rapidly building visibility and user bases through short-video recommendation, livestream commerce and social media communication, thereby achieving leapfrog growth from market obscurity to widespread popularity [1]. The intensive rise of new consumer brands across sectors such as food and beverages, beauty and personal care, and lifestyle products has become a salient feature of the contemporary consumer market. However, as traffic dividends approach saturation, consumer attention becomes increasingly fragmented and customer acquisition costs continue to rise, many brands struggle to sustain their growth momentum after a brief period of explosive popularity, falling into the dilemma of short-lived success [2-3]. Therefore, how to achieve sustainable brand growth in a digital environment has become a central issue of shared concern for both academic research and business practice.

Existing studies have largely examined this topic from separate perspectives, including brand management, digital marketing and the platform economy [4]. However, relatively limited attention has been paid to an integrated understanding of the relationships among new consumer brands, the digital environment and growth pathways. By situating brand growth within the broader context of digital transformation, this study seeks to enrich research on new consumer brands and digitally enabled business development [5]. From a practical perspective, intensifying traffic competition and rising operational uncertainty require new consumer brands to make more rational and strategic choices across product positioning, content communication, public-domain and private-domain operations, and organizational capability building. By identifying and analyzing typical growth pathways, this study aims to provide conceptual insights and practical references for new consumer brands in formulating medium- and long-term growth strategies.

Within the context of digitalization, this study focuses on the growth pathways of new consumer brands. Specifically, it addresses two interrelated questions. First, what opportunities and challenges do new consumer brands encounter in a digital environment, and how do external conditions reshape the logic of brand growth? Second, in responding to these environmental changes, what common growth patterns have new consumer brands developed in areas such as product innovation, brand communication, channel operations, and the construction of organizational and data-driven capabilities.

2 OVERVIEW OF THE DIGITAL ENVIRONMENT AND NEW CONSUMER BRANDS

The continuing advance of digitalization has created a new foundation for the emergence and expansion of new consumer brands. In this study, the digital environment refers not only to technological infrastructures represented by mobile Internet, big data, cloud computing and artificial intelligence, but also to the diversified application scenarios derived from these technologies, including e-commerce platforms, content platforms and social networking platforms. From the consumer perspective, online and mobile lifestyles have become normalized. Consumers increasingly rely on smartphones to obtain information, compare products, make purchase decisions and complete payments, making

consumption behavior highly dependent on digital media. From the enterprise perspective, digital platforms and technologies enable brands to reach target audiences with greater precision, while data resources allow firms to continuously identify user needs and respond rapidly to market changes. In this sense, the digital environment has established a more efficient and interactive mechanism for connecting brands with consumers, thereby profoundly reshaping the models and pathways through which brands achieve growth.

Within this environment, e-commerce and content platforms play particularly important roles. On the one hand, integrated e-commerce platforms provide new consumer brands with a relatively open and accessible “digital shelf”. Mechanisms such as search ranking, store operations and platform-based promotional campaigns enable small and medium-sized brands to gain visibility and convert consumer attention into sales, thereby weakening the dominance of traditional supermarkets and retail channels over shelf resources. On the other hand, content platforms based on short videos, livestreaming and image–text recommendations have continuously extended the pathway from product discovery to purchase conversion. In this context, content functions not only as a source of traffic but also as an important sales channel. The widespread use of social media further strengthens information sharing and emotional interaction among users, accelerating the diffusion of word-of-mouth. At the same time, users’ browsing, clicking, bookmarking and purchasing behaviours across platforms are recorded and accumulated as large-scale behavioral data, providing brands with an unprecedented basis for refined consumer insight. Thus, the digital environment has not only transformed consumption scenarios and communication routes, but also reshaped the relationship between brands and users.

Driven by the broader wave of digital transformation, the concept of “new consumer brands” has gained increasing attention in both academic and business discourse [6]. Compared with traditional brands, such brands often emerge in the context of consumption upgrading and market segmentation, with digitally native generations as their core target consumers. They place greater emphasis on emotional value, lifestyle expression and distinctive aesthetic positioning. In general, new consumer brands exhibit several defining characteristics. First, their user positioning is highly focused, typically targeting specific communities or segmented groups, such as light-fitness consumers concerned with health and body management, young women seeking visual appeal and self-expression, or urban white-collar consumers interested in novel flavors and experiences. Second, their value propositions stress differentiation and novelty; through ingredient innovation, packaging design and scenario-based consumption experiences, they seek to distinguish themselves from conventional brands and build emotional identification and value resonance with target users. Third, their channels and communication models display clear digitally native features: many brands are initially launched through e-commerce platforms, social media and content platforms before gradually extending into offline consumption scenarios. Fourth, their operational logic emphasizes rapid experimentation and product iteration, relying on online data and user feedback to continuously refine products and services.

Unlike traditional brands, which have historically relied on offline distribution networks and mass media, new consumer brands tend to position digital channels as their primary growth arena from the outset. Through product seeding on social platforms, collaborations with key opinion leaders and the operation of proprietary user communities, they develop a marketing logic centered on “content–interaction–conversion”. Within this framework, the relationship between brands and consumers is no longer a one-way transmission of information, but a two-way, and often multi-directional, process involving engagement, feedback and co-creation. Consumers are not only purchasers of products, but also producers of content and disseminators of word-of-mouth, participating in brand storytelling through image sharing, reviews, short videos and other forms of user-generated expression. Brands, in turn, use backend data to identify user preferences and adjust product and communication strategies accordingly, thereby forming a dynamic process of data-driven optimization. In this sense, new consumer brands continue to evolve within a digital operating framework that is user-centered, data-enabled and content-mediated.

The digital environment has created a broad arena for the emergence and expansion of new consumer brands, enabling them to enter markets rapidly and scale through the combined use of technology, platforms and data. At the same time, however, rising traffic costs, increasingly homogeneous competition, fragmented consumer attention and lagging capability development continue to challenge their survival and long-term viability. Only by fully understanding both the structural features of the digital environment and their own category-specific characteristics can new consumer brands make effective use of external platform resources while continuously strengthening internal operations and organizational capabilities. In doing so, they may move beyond short-lived popularity towards sustained growth. On this basis, further examination of the specific growth pathways of new consumer brands in digital settings has important theoretical and practical significance.

3 THE GROWTH PATHWAYS OF NEW CONSUMER BRANDS IN THE DIGITAL ENVIRONMENT

In the digital environment, the growth of new consumer brands is not a linear expansion driven by a single factor, but the outcome of interactions among multiple elements. Product value, brand communication, channel operations, data capabilities and organizational competence are closely interwoven, together forming the dynamic system that supports sustained brand growth. From an overall perspective, new consumer brands typically follow a progression from identifying users, to engaging them, retaining them and ultimately increasing their lifetime value. These stages correspond respectively to traffic acquisition, consumer mind shaping, relationship maintenance and deeper value creation. Digitalization provides new tools and pathways for each stage, while also imposing higher requirements on brands’ strategic focus, operational efficiency and adaptive capabilities.

3.1 Product- and Value-Proposition-Driven Growth Pathway

Regardless of changes in communication formats, the product remains the fundamental basis of brand growth. For new consumer brands seeking to differentiate themselves in highly competitive digital markets, the first priority is to develop a clear and distinctive value proposition around their target users. This process typically begins with in-depth insight into segmented markets and consumer needs [7-8]. By analysing e-commerce reviews, social media discussions, search keywords and other digital signals, brands can more sensitively identify emerging changes in consumers' health concerns, functional expectations, aesthetic preferences and usage scenarios. On this basis, they can detect unmet or underserved "gap demands" and use them as entry points for product design.

Furthermore, new consumer brands differentiate themselves from established competitors through combinatorial innovation in areas such as formulation, flavour design, packaging and modes of use. Some brands foreground claims such as "low sugar" or "clean ingredients", while others emphasize emotional value, atmospheric experience or scenario-specific convenience, such as portability and ready-to-drink consumption, thereby reshaping how consumers perceive a given product category. In digital communication settings, these differentiated value propositions are often condensed into memorable brand statements or symbolic labels, which help consumers rapidly understand, identify and distinguish the brand within a highly saturated information environment.

More importantly, the digital environment enables new consumer brands to experiment and iterate at speed. By continuously tracking sales trajectories, repurchase rates, reasons for returns and user comments, brands can monitor market performance and obtain direct feedback from consumers in near real time [9]. On this basis, they are able to adjust flavors, specifications, packaging and even pricing strategies more frequently, completing successive rounds of optimization at relatively low cost. Compared with the lengthy and rigid product development cycles of traditional brands, this agile iteration mechanism, driven by data feedback, has become an important means for new consumer brands to sustain competitiveness, extend product life cycles and support continued growth.

3.2 Brand-Building Pathway Driven by Content and Social Communication

In a digital environment characterized by fragmented traffic and information abundance, new consumer brands cannot rely on product attributes alone to capture user attention or establish durable brand associations. Instead, they must use content and social communication to construct a distinctive brand image and build emotional connections with consumers. On the one hand, brands need to continuously narrate their identity through short videos, image-text posts, livestreaming and other content formats, conveying the values and lifestyle propositions embedded in the brand. Personalized, emotional and scenario-based expressions enable brands to move beyond purely functional appeals and gradually enter consumers' everyday content consumption. On the other hand, the interactive mechanisms and algorithmic rules of social media platforms allow both influencers and ordinary users to participate in brand communication. New consumer brands commonly collaborate with key opinion leaders and key opinion consumers at different levels, embedding products into realistic consumption contexts through reviews, recommendations, unboxing videos and other forms of content, thereby enhancing credibility and user identification. At the same time, brands actively encourage ordinary consumers to post images, check in, share usage experiences and create user-generated content through topic challenges, lucky draws and other interactive activities. This forms a multi-layered communication network linking the brand, influencers and everyday users. Thus, brand building driven by content and social communication has become an important strategy for new consumer brands to break through in an era of scarce attention, and a critical foundation for accumulating long-term mental brand assets.

3.3 Operational Pathway Combining Public-Domain Traffic Acquisition and Private-Domain User Retention

If content and social communication address the issues of being "seen" and "remembered", the conversion of such awareness into stable user relationships and sustained commercial value requires an operational pathway that integrates public-domain and private-domain traffic. In the digital environment, e-commerce platforms, short-video platforms and information-feed advertising constitute typical public-domain traffic arenas, through which new consumer brands often obtain initial exposure and purchase conversion. By participating in platform-wide promotional campaigns, investing in search advertising or creating live streaming bestsellers, brands can rapidly increase sales and visibility within a short period. However, public-domain traffic is highly uncertain and substitutable. Once a brand reduces advertising investment or loses platform support, its growth momentum is likely to stagnate.

Consequently, new consumer brands increasingly seek to transfer users acquired from public-domain channels into their own private-domain traffic pools, such as WeChat official accounts, enterprise WeChat groups, mini-program stores, branded apps and membership systems. By encouraging users to follow the brand or register during the purchase process, or by attracting them into private-domain spaces through after-sales services and benefit-based campaigns, brands can maintain ongoing contact with consumers without relying entirely on paid platform traffic. Within these private-domain scenarios, brands are able to sustain relationships through regular content delivery, exclusive offers and community-based activities, thereby strengthening user stickiness and trust.

More broadly, user segmentation and refined private-domain operations are central to improving overall operational efficiency. Brands can classify consumers into different groups, such as first-time buyers, repeat customers, high-value users and dormant users, based on indicators including purchase frequency, average order value and activity level, and

then design differentiated engagement strategies for each segment. New customers may require onboarding and product education; existing customers can be retained through new-product launches and membership benefits; high-value users may be offered customized services or offline experiences; and inactive users can be reactivated through targeted campaigns. By establishing a closed loop of “public-domain traffic acquisition–private-domain user retention–refined operation–repurchase and referral”, new consumer brands can gradually reduce long-term customer acquisition costs while building a more stable user base and revenue structure.

3.4 Sustainable Growth Pathway Supported by Data-Driven Capabilities and Organizational Competence

Behind the three pathways discussed above, data and organizational capabilities constitute the underlying engine that enables new consumer brands to achieve sustainable growth. On the one hand, in a digital environment, almost every consumer touch point can generate data, including browsing, clicking, dwell time, purchasing, reviewing, returning products and interacting on social media. If new consumer brands can establish systematic mechanisms for data collection and integration, they can develop full-funnel insights into user behavior and thereby make more precise decisions in product development, content creation, channel selection and inventory management. For example, analyzing differences in user quality across promotional channels can help optimize media investment portfolios; identifying variations in preferences for flavors and packaging among different consumer groups can inform product-line extension; and forecasting fluctuations in sales can improve supply-chain planning and reduce inventory risk.

On the other hand, the realization of genuinely data-driven and refined operations requires corresponding organizational structures and management mechanisms. During periods of rapid expansion, many new consumer brands are prone to a mismatch between fast front-end growth and weak back-end capabilities: marketing and sales scale quickly, whereas data analytics, supply-chain management and human resource systems fail to upgrade at the same pace. To overcome this constraint, brands need to strengthen cross-functional collaboration internally by integrating branding, operations, data, technology and supply-chain functions more closely, thereby forming a coordinated working mechanism centered on user value. A flatter and more agile organizational structure can shorten decision-making chains and accelerate the translation of market feedback into product development and operational adjustment, enabling brands to respond flexibly in a rapidly changing digital environment.

In addition, as brands move into the middle and later stages of development, establishing relatively stable systems and processes while preserving innovation vitality becomes essential for sustainable growth. In this process, brands need to strike a balance between experimentation speed and risk control: teams should be encouraged to continuously test new products, content ideas and channel opportunities, while data monitoring and budget management are required to prevent excessive resource dispersion and blind expansion. Only when data capabilities and organizational capabilities reinforce each other in a positive cycle can brands continuously adapt to changing platform rules and consumer preferences, thereby shifting from short-term explosive growth to long-term stable development. Accordingly, the growth pathway of new consumer brands in the digital environment is not the simple amplification of a single strategy, but the integrated outcome of multiple dimensions, including product value propositions, content and social communication, public-domain and private-domain operations, and data-driven organizational capabilities.

4 CONCLUSIONS AND OUTLOOK

The digital environment has created unprecedented opportunities for the rapid expansion of new consumer brands, while also introducing multiple challenges, including intensified competition for traffic, fragmented user attention and higher capability requirements. For new consumer brands to move from short-term popularity to enduring relevance, the key lies in developing a coordinated growth pathway across several interrelated dimensions: strengthening the product foundation by addressing segmented consumer needs and establishing a clearly differentiated positioning; shaping durable brand associations through sustained high-quality content and social interaction; building stable user relationships and revenue structures by integrating public-domain traffic acquisition with private-domain user retention; and continuously improving decision-making and operations through data analytics and agile organizational capabilities. Only by iterating and evolving within such an integrated growth framework can new consumer brands secure relatively durable competitive advantages and sustainable development momentum in a rapidly changing digital marketplace.

COMPETING INTERESTS

The authors have no relevant financial or non-financial interests to disclose.

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