The Impact of E-commerce Brand Strategy on the Trendy Consumer Behavior of Generation Z in China: A Case Study of Dewu App

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Abstract:

This study aims to explore how the Dewu shopping application has provided an enhanced trendy online shopping experience for China's Generation Z consumers (born between 1994 and 2009) since 2018, establishing a new generation of online shopping communities. The research employs a questionnaire survey method to understand the usage of shopping platforms by Generation Z users. The majority of Generation Z users utilise Dewu, with young consumers constituting the platform's primary clientele. As an e-commerce platform focused on trendy culture and luxury goods, Dewu has successfully attracted and retained a large number of young consumers who are highly attentive to trends and personalisation through its unique market positioning and differentiated services. Dewu provides consumers with a high-quality online shopping experience through competitive pricing, assurance of product authenticity, and abundant online community activities. By constructing a differentiated new-generation online shopping community, Dewu has maintained steady growth in market share within the highly competitive e-commerce market.

Keywords: E-commerce market; Generation Z; brand strategy

1. Introduction

In the era of rapid internet development, online shopping has become one of the mainstream shopping methods today[1]. Since 2018, with the rapid growth of young consumers' demand for trendy products, the e-commerce platform Dewu has quickly gained pop-

ularity among Generation Z. The Dewu app focuses on trendy culture and luxury goods, with its main target audience being young consumers, especially Generation Z, who have a strong demand for trends and personalisation. Compared to large e-commerce platforms such as Alibaba, JD.com, and Pinduoduo, Dewu has differentiated advantages in authentication

services, community activities, and precise positioning. Generation Z digital users account for about 20% of the total user base. Most Generation Z individuals were born in an era of material abundance, pursuing trends, personalisation, and a sense of fashion. They are more willing to pay for personalised, fashionable content and their own preferences. Online shopping has become the primary shopping method for the internet-native Generation Z. They are accustomed to shopping through the internet, tend to use mobile e-commerce applications, and value convenient shopping experiences and personalised recommendations.

Limited edition trainers and other trendy products also emerged during this time. Secondary market merchants took advantage of this to speculate, buying out products at original prices and reselling them, thus driving up prices. As official channels were mostly bought out, the secondary market became a more comprehensive source of supply, and Dewu provided a platform for secondary sales.

E-commerce platforms enhance user engagement through social functions (such as comments and ratings). These features allow consumers to share purchasing experiences, exchange shopping insights, form community interactions and consequently influence other users' purchasing decisions.

Social media significantly influences Generation Z's purchasing decisions. Generation Z often obtains fashion inspiration and product recommendations through social media platforms. Recommendations from internet celebrities and bloggers have a significant impact on their purchasing decisions. Additionally, user reviews and shares on social media platforms also affect their views on products and purchase intentions. Dewu attracted a large number of young consumers through social media promotion, leveraging users' herd mentality.

This research fills a gap in the study of Generation Z consumer behavior and needs, and can also assist in the development of e-commerce platforms in the trendy fashion domain. It helps Dewu and similar platforms better serve their target clientele, promoting further innovation and development in e-commerce.

2. Research Methodology

As the internet-native Generation Z grows up, they have become a significant force in the market. In recent years, Generation Z has been the most widely mentioned and promising consumer group. They are the primary clientele of the Dewu platform. This study selected Generation Z internet users (born between 1995 and 2009) to complete a survey questionnaire. The questionnaire collected information about daily usage of the Dewu shopping platform,

when they started using Dewu, categories of products purchased on Dewu, reasons for choosing Dewu, and how they learned about Dewu. The aim was to explore user stickiness to Dewu, the main product categories promoted by Dewu, the characteristics of the Dewu platform, and its promotion methods. A total of 128 valid questionnaires were collected.

3. Research Findings and Discussion

3.1 Daily Usage of Dewu

The questionnaire data indicates that 108 people use Dewu, accounting for 84.38% of the total respondents. 20 people have never used Dewu, accounting for 15.63% of the total. The results show that the majority of survey respondents (84.38%) use Dewu regularly, indicating a high usage rate among this group.

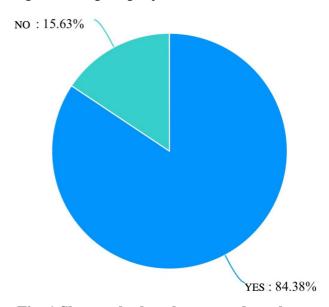


Fig .1 Shows whether the respondents have used Dewu.

3.2 Start Time of Using the Dewu Platform

Most users began using Dewu in 2021 and 2022, with 19 and 18 people respectively. This may be related to the surge in online shopping demand during the pandemic period[2]. The flourishing development of online shopping channels has allowed consumers to more intuitively compare current merchant prices with low prices for goods, making competition between merchants more intense and prices more transparent.

3.3 Categories Purchased on Dewu

90 people regularly purchase footwear, accounting for

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70.31% of the total; 61 people regularly purchase clothing, accounting for 47.66%; 43 people regularly purchase jewellery, accounting for 33.59%; 33 people regularly

purchase cosmetics, accounting for 25.78%; 72 people regularly purchase trendy toys and decorations, accounting for 56.25%.

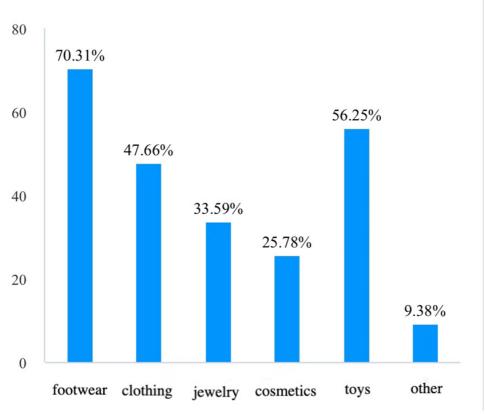


Fig.2 Showing what respondents usually buy when purchasing on Dewu.

From the purchasing category situation, footwear and trendy toys/decorations have relatively high purchase ratios of 70.31% and 56.25% respectively. These two categories are relatively popular among consumers. The purchase ratio for clothing is also relatively high at 47.66%, making it an important consumer category as well. The purchase ratios for jewellery and cosmetics are relatively low at 33.59% and 25.78% respectively.

Among Generation Z users of Dewu, there is a strong consumption tendency towards footwear and trendy toys/decorations, indicating that Dewu users have a strong interest in these categories. The purchasing situation for clothing is also significant, possibly due to the relatively stable and widespread demand for clothing. The lower purchase ratios for jewellery and cosmetics may be related to the market positioning of these categories or consumer purchasing habits.

3.4 Reasons for Choosing the Dewu Platform

Users mainly choose Dewu because of various promotional activities, genuine product guarantees, and abundant community activities. With the development of the inter-

net, despite overall weak consumption, online shopping has emerged as a strong force relying on digital construction[2]. Currently, various online shopping platforms have transparent pricing, and in a downward economic environment, most consumers compare prices across multiple platforms more often, choosing platforms with higher cost-effectiveness. Dewu increases user stickiness through competitive pricing and guarantees of product authenticity[3]. Dewu's pioneering authentication service of "authenticate first, ship later" provides consumers with more secure shopping[4]. Dewu's unique commodity bidding display mechanism (prioritising display of the lowest-priced seller for the same product) has made Dewu stand out among traditional e-commerce platforms. At the same time, Dewu has abundant online shopping community activities, making it not just a shopping platform but also a social platform. The rich online shopping community activities may also be a main reason why Dewu attracts

3.5 Channels for Learning about the Dewu

Platform

Most people start using Dewu due to recommendations from friends and family or social media promotions. Many people have a herd mentality[6], and Dewu's effective promotion on social media is also a reason why many people start using Dewu[7]. This study finds that Dewu's main methods for increasing Generation Z user stickiness are its unique price display mechanism and exclusive authentication service. This study suggests that Dewu can further increase customer loyalty by enhancing big data personalised recommendations, enriching community section content, and strengthening integration with trendy culture.

4. Conclusion

As an e-commerce platform specialising in trendy culture and luxury goods, Dewu has precisely met the needs of young consumers through its clear market positioning. Its unique authentication service and rich community interactions have also enhanced user stickiness.

Dewu's innovation in authentication, competitive pricing, and strong community atmosphere have enabled it to grow steadily in the fiercely competitive e-commerce market. Young consumers' interest in trendy and luxury goods has also driven Dewu's rapid growth.

Technological innovation and expansion are crucial for Dewu. The company can enhance the accuracy and efficiency of its authentication service through continuous advancements in artificial intelligence and big data analysis. This will address the current issue of slow logistics caused by the authentication process. Concurrently, Dewu should expand its technological applications to improve user experience and provide personalized recommendationTechnological innovation and expansion are crucial for Dewu. The company can enhance the accuracy and efficiency of its authentication service through continuous advancements in artificial intelligence and big data analysis. This will address the current issue of slow logistics caused by the authentication process. Concurrently, Dewu should expand its technological applications to improve user experience and provide personalized recommendations.

Internationalization: As the domestic market gradually matures, Dewu ought to consider expansion into interna-

tional markets, particularly regions with high demand for trendy and luxury goods, such as Southeast Asia, North America, and Europe. This strategy would facilitate the platform's global development and broaden its user base. The platform should further enhance its brand influence. Utilising social media and digital marketing strategies would serve to elevate brand awareness.

Business Diversification: Dewu should explore business diversification, for instance, by expanding into other fashion-related domains. This approach would strengthen revenue streams and mitigate market risks.

The platform should continuously optimise user experience by simplifying the purchasing process, improving customer service quality, and increasing community engagement activities.

Authors Contribution

All the authors contributed equally and their names were listed in alphabetical order.

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