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Research Article

Negotiating Innovation and Commercial Viability: Managers' Perspectives in Emerging Fashion Brands

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Abstract

The contemporary fashion industry is increasingly shaped by the dual imperatives of innovation and commercial viability, particularly for emerging fashion brands operating in highly competitive and resource-constrained environments. This study explores how managers in such brands negotiate the tension between creative innovation, sustainability commitments, and financial performance. Drawing on a qualitative research design based on secondary data, including academic literature, industry reports, and documented case studies, the study develops an integrative analytical framework grounded in innovation ecosystem theory, market-driven management, and sustainable fashion theory. The findings reveal that managers adopt adaptive strategies, such as hybrid business models, digital integration, and collaborative partnerships, to balance innovation with market demands. However, persistent challenges arise from financial limitations, scalability constraints, and investor pressures, often requiring strategic trade-offs. The study contributes to the literature by offering a comprehensive understanding of the innovation-viability nexus and highlighting the critical role of managerial decision-making in navigating complex industry dynamics. Practical implications are provided for managers, entrepreneurs, and policymakers seeking to foster sustainable and commercially resilient fashion enterprises..

Keywords: fashion innovation, emerging fashion brands, commercial viability, sustainable fashion, business models, managerial decision-making, digital transformation.

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1. Introduction

The global fashion industry has evolved into one of the most dynamic and complex sectors in the contemporary economy, characterised by rapid innovation cycles, globalisation, and shifting consumer expectations. Traditionally associated with aesthetics and seasonal trends, fashion has increasingly become a site of technological advancement, sustainability discourse, and strategic business innovation. In this context, emerging fashion brands, often defined by their entrepreneurial orientation, creative distinctiveness, and relatively small operational scale, play a crucial role in shaping industry trajectories. However, these brands face a persistent and multifaceted challenge: negotiating the balance between innovation and commercial viability.

Innovation in the fashion industry is both a necessity and a strategic imperative. Unlike other industries where product lifecycles may extend over years, fashion operates on accelerated timelines driven by seasonal collections, fast fashion dynamics, and digital consumption patterns (Amed et al., 2019). Emerging brands, in particular, rely heavily on innovation to differentiate themselves from established competitors. This innovation may manifest in various forms, including avant-garde design, sustainable materials, digital fashion technologies, and novel business models such as direct-to-consumer platforms and circular production systems (Todeschini et al., 2017). However, the pursuit of innovation often involves high costs, risks, and uncertainties, which can

strain the limited resources of emerging enterprises.

At the same time, commercial viability remains a fundamental requirement for survival and growth. Commercial viability encompasses profitability, scalability, and market acceptance, all of which are critical for sustaining operations in a highly competitive environment. For emerging fashion brands, achieving commercial viability is particularly challenging due to limited access to capital, constrained supply chain capabilities, and intense competition from both fast fashion giants and established luxury houses (Sestino et al., 2022). Moreover, the increasing expectations of investors and stakeholders for rapid returns can further complicate the strategic decision-making process.

The tension between innovation and commercial viability is further exacerbated by the growing emphasis on sustainability within the fashion industry. Environmental concerns, such as textile waste, carbon emissions, and resource depletion, have prompted both consumers and regulators to demand more responsible production practices (Zhou, 2023). Emerging brands often position themselves as pioneers of sustainable fashion, adopting eco-friendly materials, ethical labour practices, and circular economy principles. While these initiatives enhance brand value and align with consumer preferences, they also introduce additional costs and operational complexities that may undermine short-term profitability (Ricciardi et al., 2023).

In this context, managers within emerging fashion brands play a critical role as strategic

decision-makers who must navigate these competing demands. Their perspectives, experiences, and choices significantly influence how innovation is pursued and how commercial constraints are addressed. Managers are required to balance creative vision with market realities, often making trade-offs between artistic integrity and financial performance. This balancing act is not merely a technical or operational challenge but also a strategic and ethical one, as it involves reconciling diverse stakeholder interests and long-term organisational goals.

Existing literature has explored various aspects of innovation and sustainability in the fashion industry; however, there remains a gap in understanding how these elements are negotiated from a managerial perspective, particularly within emerging brands. Much of the existing research focuses on large corporations or specific dimensions such as consumer behaviour or technological adoption, leaving the decision-making processes of managers in smaller, emerging firms underexplored (Arrigo, 2010). Furthermore, the interplay between innovation, sustainability, and commercial viability is often examined in isolation, rather than as an integrated phenomenon.

This study aims to address this gap by investigating how managers in emerging fashion brands negotiate the tension between innovation and commercial viability. By adopting a qualitative research approach based on secondary data, the study synthesises insights from academic literature, industry reports, and documented case studies to develop a comprehensive understanding of managerial strategies and

challenges. The research is guided by an integrative theoretical framework that combines innovation ecosystem theory, market-driven management, and sustainable fashion theory.

The significance of this study lies in its potential to contribute to both academic and practical domains. From an academic perspective, it advances the understanding of strategic decision-making in the context of emerging fashion brands and provides a conceptual framework for analysing the innovation-viability nexus. From a practical perspective, the findings offer valuable insights for managers, entrepreneurs, investors, and policymakers seeking to foster sustainable and commercially successful fashion enterprises.

In summary, the contemporary fashion landscape presents both opportunities and challenges for emerging brands. While innovation offers pathways for differentiation and growth, it also introduces risks and constraints that must be carefully managed. Commercial viability, on the other hand, ensures sustainability but may require compromises that affect innovation and brand identity. Understanding how managers navigate these complexities is essential for developing strategies that support the long-term success of emerging fashion brands.

2. Literature

Innovation has long been recognised as a central driver of competitiveness in the fashion industry, which is inherently characterised by rapid change and trend volatility. Unlike industries with stable

product cycles, fashion requires continuous renewal of products and concepts to meet evolving consumer expectations. Innovation in this sector is multifaceted, encompassing not only product design but also processes, technologies, and business models.

Arrigo (2010) emphasises that innovation in fashion is closely linked to market-driven management, where firms continuously adapt their offerings based on consumer preferences and market trends. This approach enables companies to maintain relevance in a highly dynamic environment. For emerging fashion brands, innovation is particularly crucial as it serves as a primary means of differentiation in crowded markets.

Technological advancements have further transformed the nature of innovation in fashion. Digital tools such as artificial intelligence, 3D design software, and data analytics have enabled firms to streamline design processes, predict trends, and optimise supply chains (Amed et al., 2019). These technologies not only enhance efficiency but also open new avenues for creative expression and customer engagement.

Moreover, innovation in fashion increasingly extends to sustainability practices. The development of eco-friendly materials, recycling technologies, and circular business models represents a significant shift in how fashion products are conceived and produced (Zhou, 2023). This integration of sustainability into innovation reflects broader societal and environmental concerns.

2.1 Emerging Fashion Brands and Market Dynamics

Emerging fashion brands operate within complex and often volatile market environments. These brands are typically characterised by limited resources, niche positioning, and a strong emphasis on creativity and identity. While they contribute significantly to innovation and diversity in the fashion industry, they also face unique challenges related to market entry, competition, and scalability.

Sestino et al. (2022) highlight that emerging markets play a critical role in shaping global fashion dynamics. These markets offer significant growth opportunities due to expanding middle-class populations and increasing consumer spending. However, they also require brands to adapt to diverse cultural contexts and consumption patterns.

For emerging fashion brands, market dynamics are influenced by both global and local factors. Globalisation has increased competition by enabling international brands to enter new markets, while digital platforms have transformed how consumers discover and engage with fashion products. Social media, in particular, has become a powerful tool for brand building and customer interaction.

At the same time, emerging brands must navigate uncertainties related to demand fluctuations, supply chain disruptions, and regulatory environments. These challenges are often exacerbated by limited financial and operational capacities, making strategic decision-making more complex.

2.2 Commercial Viability and Business Models

Commercial viability is a critical determinant of success for any business, including emerging fashion brands. It involves the ability to generate sufficient revenue to cover costs, achieve profitability, and sustain long-term growth. In the fashion industry, commercial viability is closely linked to efficient operations, effective marketing, and strategic positioning.

Innovative business models have emerged as key enablers of commercial success. Todeschini et al. (2017) identify several sustainable business models in fashion, including product-service systems, sharing platforms, and circular production models. These models not only enhance resource efficiency but also create new value propositions for consumers.

Digitalisation has also played a significant role in shaping business models. Direct-to-consumer (DTC) strategies, online marketplaces, and social commerce platforms allow emerging brands to reach customers without relying on traditional retail channels. This reduces costs and increases control over branding and customer experience.

However, achieving commercial viability often requires trade-offs. For example, investing in sustainable materials or ethical production practices may increase costs, while scaling operations may compromise product quality or brand authenticity. Managers must carefully evaluate these trade-offs to ensure long-term sustainability.

2.4 Sustainability and Ethical Considerations

Sustainability has become a central theme in the fashion industry, driven by growing awareness of environmental and social issues. The industry is one of the largest contributors to pollution and resource consumption, prompting calls for more responsible practices.

Zhou (2023) notes that sustainable fashion involves integrating environmental, economic, and social considerations into all stages of the product lifecycle. This includes the use of eco-friendly materials, ethical labour practices, and waste reduction strategies. Emerging brands often embrace sustainability as a core value, using it to differentiate themselves from fast fashion competitors.

Ricciardi et al. (2023) highlight that sustainable innovation can enhance brand reputation and customer loyalty. However, it also presents challenges related to cost, scalability, and supply chain complexity. For instance, sourcing sustainable materials may be more expensive and less reliable than conventional alternatives.

Furthermore, sustainability is increasingly linked to regulatory frameworks and consumer expectations. Governments and international organisations are introducing policies to promote sustainable practices, while consumers are becoming more conscious of the environmental and social impact of their purchases.

2.4 Managerial Perspectives and Decision-Making

Managers play a pivotal role in shaping the strategies and outcomes of emerging fashion brands. Their decisions influence how innovation is pursued, how resources are allocated, and how trade-offs are managed. Understanding managerial perspectives is, therefore, essential for analysing the dynamics of innovation and commercial viability.

In emerging fashion brands, managers often operate under conditions of uncertainty and resource constraints. They must balance multiple objectives, including creativity, profitability, sustainability, and growth. This requires a high degree of strategic flexibility and adaptability.

Arrigo (2010) suggests that market-driven management enables managers to align innovation with consumer needs, thereby enhancing commercial viability. However, this alignment is not always straightforward, as consumer preferences may conflict with sustainability goals or creative vision.

Moreover, managerial decision-making is influenced by external factors such as investor expectations, competitive pressures, and regulatory requirements. These factors can create tensions that require careful negotiation and compromise.

2.5 Synthesis and Research Gap

The literature highlights the importance of innovation, sustainability, and commercial viability in the fashion industry. However, these elements are often studied in isolation, with limited attention to their

interconnections. In particular, there is a lack of research on how managers in emerging fashion brands navigate the trade-offs between innovation and commercial viability.

This study addresses this gap by integrating insights from multiple theoretical perspectives and focusing on managerial decision-making processes. By doing so, it provides a more comprehensive understanding of the challenges and opportunities faced by emerging fashion brands.

3. Theoretical Framework

Understanding how managers in emerging fashion brands negotiate the tension between innovation and commercial viability requires a multidimensional theoretical approach. This study adopts an integrative framework that combines innovation ecosystem theory, market-driven management theory, and sustainable fashion theory. Together, these perspectives provide a holistic lens through which managerial decision-making processes can be analysed in complex and dynamic environments.

3.1 Innovation Ecosystem Theory

Innovation ecosystem theory conceptualises innovation as a collaborative and interdependent process involving multiple actors, including firms, suppliers, consumers, institutions, and technology providers (Adner, 2017). Unlike traditional linear models of innovation, which emphasise internal research and development, the ecosystem perspective highlights the

importance of networks, partnerships, and knowledge exchange.

In the context of the fashion industry, innovation ecosystems encompass a wide range of stakeholders, such as designers, textile manufacturers, logistics providers, digital platforms, and regulatory bodies. Emerging fashion brands, in particular, rely heavily on these ecosystems to access resources, capabilities, and market opportunities that may not be available internally. For example, collaborations with sustainable material suppliers or digital technology firms can enhance a brand's innovative capacity without requiring significant in-house investment.

The ecosystem perspective is especially relevant for understanding how managers navigate resource constraints while pursuing innovation. By leveraging external partnerships, managers can distribute risks and costs associated with innovation. However, this reliance on external actors also introduces dependencies and coordination challenges, which must be carefully managed.

Moreover, innovation ecosystems are dynamic and evolving, influenced by technological advancements, regulatory changes, and market trends. Managers must therefore continuously adapt their strategies to maintain alignment with the broader ecosystem. This requires not only technical expertise but also relational capabilities, such as negotiation, collaboration, and trust-building.

3.2 Market-Driven Management Theory

Market-driven management theory emphasises the importance of aligning organisational strategies with market conditions and consumer preferences (Narver & Slater, 1990). It is grounded in the idea that firms can achieve a competitive advantage by being responsive to customer needs and by continuously monitoring market trends.

In the fashion industry, where consumer preferences are highly volatile and trend-driven, market-driven management is particularly critical. Managers must anticipate changes in consumer tastes, respond quickly to emerging trends, and deliver products that resonate with target audiences. This requires a high degree of agility and flexibility in both design and production processes.

Arrigo (2010) argues that market-driven innovation enables fashion firms to integrate creativity with commercial considerations. By aligning innovation efforts with market demand, managers can enhance the likelihood of commercial success. However, this alignment is not always straightforward, as consumer preferences may be influenced by factors such as price sensitivity, brand perception, and cultural values.

For emerging fashion brands, market-driven management presents both opportunities and challenges. On the one hand, it allows them to identify niche markets and tailor their offerings to specific customer segments. On the other hand, it may constrain creative expression by prioritising marketability over originality. Managers must therefore strike a

balance between responding to market demands and maintaining the brand's unique identity.

Furthermore, market-driven management is increasingly influenced by digital technologies. Social media platforms, online reviews, and data analytics provide real-time insights into consumer behaviour, enabling managers to make more informed decisions. However, the abundance of data also requires analytical capabilities and strategic interpretation.

3.3 Sustainable Fashion Theory

Sustainable fashion theory integrates environmental, social, and economic considerations into the design, production, and consumption of fashion products (Niinimäki, 2018). It reflects a growing recognition of the negative impacts of the fashion industry on the environment and society, including pollution, resource depletion, and labour exploitation.

This theoretical perspective emphasises the importance of lifecycle thinking, which considers the environmental and social impacts of a product from raw material extraction to disposal. It also highlights the role of circular economy principles, such as recycling, reuse, and waste reduction, in promoting sustainability.

For emerging fashion brands, sustainability is often a core component of their value proposition. Many brands position themselves as ethical and environmentally responsible alternatives to fast fashion. However, implementing sustainable practices can be challenging due to higher costs, limited availability of sustainable materials,

and complex supply chains (Todeschini et al., 2017).

From a managerial perspective, sustainable fashion theory underscores the need to balance sustainability with commercial viability. While sustainable practices can enhance brand reputation and customer loyalty, they may also reduce profit margins and limit scalability. Managers must therefore evaluate the trade-offs between short-term financial performance and long-term sustainability goals.

3.4 Integrative Framework

By combining these three theoretical perspectives, this study develops an integrative framework for analysing managerial decision-making in emerging fashion brands. Innovation ecosystem theory provides insights into the collaborative nature of innovation, market-driven management theory highlights the importance of responsiveness to consumer needs, and sustainable fashion theory emphasises the ethical and environmental dimensions of decision-making.

The intersection of these theories reveals the complexity of negotiating innovation and commercial viability. Managers must operate within interconnected systems, respond to dynamic market conditions, and address sustainability challenges, all while ensuring financial sustainability. This integrative approach enables a more comprehensive understanding of the strategic choices and trade-offs faced by managers in emerging fashion brands.

4. Methodology

This study adopts a qualitative research design based on secondary data to explore how managers in emerging fashion brands negotiate the tension between innovation and commercial viability. Qualitative research is particularly suitable for examining complex, context-dependent phenomena, as it allows for in-depth analysis of meanings, perspectives, and processes (Creswell & Poth, 2018).

The use of secondary data enables the researcher to draw on a wide range of existing knowledge, including academic literature, industry reports, and documented case studies. This approach is appropriate for exploratory research, where the aim is to develop conceptual understanding rather than to test specific hypotheses.

4.1 Research Approach

The study employs an interpretivist research paradigm, which emphasises the subjective and socially constructed nature of reality. From this perspective, managerial decision-making is understood as a process shaped by individual experiences, organisational contexts, and external influences.

An interpretivist approach allows the researcher to explore how managers perceive and navigate the challenges of innovation and commercial viability. It also acknowledges the diversity of perspectives and the complexity of decision-making processes in the fashion industry.

4.2 Data Sources

The research relies on multiple types of secondary data, including:

- **Academic journal articles:** Peer-reviewed studies on fashion innovation, sustainability, and business models.
- **Industry reports:** Publications from consulting firms and industry organisations, such as McKinsey & Company and Business of Fashion.
- **Case studies:** Documented examples of emerging fashion brands, including their strategies, challenges, and outcomes.
- **Policy documents:** Reports and guidelines related to sustainability and regulation in the fashion industry.

These sources provide a comprehensive and diverse dataset for analysis, enabling triangulation and enhancing the credibility of the findings (Bowen, 2009).

4.3 Data Collection and Selection Criteria

Data collection involved a systematic review of relevant literature and documents. Sources were selected based on the following criteria:

- **Relevance:** The source must address innovation, commercial viability, or managerial decision-making in the fashion industry.
- **Credibility:** Preference was given to peer-reviewed journals, reputable publishers, and authoritative industry reports.
- **Recency:** Priority was given to sources published within the last 10-15 years to ensure relevance to current industry dynamics.
- **Diversity:** Sources representing different perspectives, regions, and

types of fashion brands were included.

This systematic approach ensures that the dataset is both comprehensive and reliable.

4.4 Data Analysis

The study employs qualitative content analysis as the primary analytical method. Content analysis involves systematically coding and categorising textual data to identify patterns, themes, and relationships (Krippendorff, 2018).

The analysis was conducted in three stages:

Stage 1: Data Familiarisation

The researcher reviewed all selected sources to gain an overall understanding of the content and context.

Stage 2: Coding and Theme Development

Key concepts and themes related to innovation, commercial viability, sustainability, and managerial decision-making were identified and coded. These codes were then grouped into broader thematic categories.

Stage 3: Interpretation

The identified themes were analysed in relation to the theoretical framework, enabling the development of insights into how managers negotiate the tension between innovation and commercial viability.

4.5 Trustworthiness and Rigour

To ensure the quality and credibility of the research, several strategies were employed (Mannan & Farhana, 2026):

- **Credibility:** Triangulation of multiple data sources enhances the validity of the findings (Bowen, 2009).
- **Dependability:** A systematic and transparent research process ensures consistency and replicability.
- **Confirmability:** The use of established analytical methods reduces researcher bias.
- **Transferability:** Detailed descriptions of the context and findings enable readers to assess the applicability of the results to other settings (Creswell & Poth, 2018).

4.6 Limitations

While secondary data analysis offers several advantages, it also has limitations. The researcher has limited control over the quality and scope of the data, and the findings may be influenced by the perspectives of the original authors. Additionally, the absence of primary data means that direct insights from managers are not captured.

Despite these limitations, the use of diverse and credible sources provides a robust foundation for analysis and contributes to the development of a comprehensive understanding of the research problem.

5. Findings & Analysis

The qualitative content analysis of secondary data reveals a set of interrelated themes that illuminate how managers in emerging fashion brands negotiate the tension between innovation and commercial viability. These themes reflect not only strategic choices but also structural constraints and contextual

influences that shape managerial decision-making. The findings are organised into six key thematic dimensions: innovation as a strategic imperative, creative-commercial tension, sustainability-driven innovation, financial constraints and investment pressures, adaptive business models, and ecosystem collaboration and digital integration.

5.1 Innovation as a Strategic Imperative

Across the literature, innovation emerges as a foundational element of competitive positioning for emerging fashion brands. Managers consistently view innovation not as an optional activity but as a survival mechanism in a highly saturated and rapidly evolving market (Amed et al., 2019). Innovation manifests in multiple forms, including product design, material experimentation, production techniques, and customer engagement strategies.

From a managerial perspective, innovation serves as a differentiation tool that allows emerging brands to establish a distinct identity in contrast to mass-market competitors. This aligns with the notion of innovation as a value-creation mechanism within competitive markets (Arrigo, 2010). For example, brands that incorporate digital technologies such as virtual prototyping or AI-driven trend forecasting are able to reduce development time and enhance responsiveness to consumer preferences.

However, the findings indicate that innovation is often pursued under conditions of uncertainty. Managers must make decisions about resource allocation without

guaranteed returns, particularly when experimenting with new materials or technologies. This uncertainty is compounded by the fast-paced nature of fashion cycles, where trends can quickly become obsolete. As a result, managers adopt a portfolio approach to innovation, balancing high-risk, high-reward initiatives with more incremental improvements.

5.2 Tension Between Creativity and Commercialisation

One of the most prominent themes in the findings is the inherent tension between creative expression and commercial viability. Emerging fashion brands are often founded on a strong creative vision, which serves as the core of their identity. However, translating this vision into commercially successful products requires alignment with market demand, pricing constraints, and scalability considerations.

Managers frequently face dilemmas in which creative ideas must be modified or abandoned due to cost constraints or limited market appeal. This reflects the broader challenge of reconciling artistic integrity with economic realities. As noted by Narver and Slater (1990), market orientation requires firms to prioritise customer needs, which may conflict with creative ambitions.

The analysis reveals that managers employ several strategies to navigate this tension. One approach is to segment product lines, offering both experimental designs and more commercially viable items. Another strategy involves iterative design processes, where creative concepts are refined based on market feedback. These approaches allow managers

to maintain a balance between innovation and marketability.

Nevertheless, the tension remains a persistent challenge, particularly for brands that prioritise avant-garde design or sustainability. In such cases, the risk of market rejection is higher, necessitating careful risk management and strategic planning.

5.3 Sustainability as a Driver and Constraint of Innovation

Sustainability emerges as both a catalyst for innovation and a source of constraint. On one hand, the growing demand for environmentally responsible products has created opportunities for emerging brands to differentiate themselves through sustainable practices (Zhou, 2023). Managers increasingly integrate sustainability into their innovation strategies, exploring eco-friendly materials, ethical production methods, and circular business models.

This aligns with the concept of sustainable innovation, which seeks to create value while minimising environmental and social impacts (Ricciardi et al., 2023). For example, the use of recycled fabrics or biodegradable materials represents a form of product innovation that addresses both environmental concerns and consumer preferences.

On the other hand, the implementation of sustainable practices often entails higher costs and operational complexities. Sustainable materials may be more expensive and less readily available, while ethical production processes may require additional oversight and certification. These factors can

limit the scalability of sustainable innovations and reduce profit margins.

Managers must therefore navigate a complex trade-off between sustainability and commercial viability. The findings suggest that successful brands adopt a long-term perspective, viewing sustainability as an investment in brand equity rather than a short-term cost. However, this approach requires access to resources and supportive market conditions, which may not always be available.

5.4 Financial Constraints and Investment Pressures

Financial constraints are a recurring theme in the findings, reflecting the limited resources available to emerging fashion brands. Innovation, particularly in areas such as technology and sustainability, often requires significant upfront investment. However, access to capital is often restricted, especially for new or niche brands.

External funding, such as venture capital or private equity, can provide the necessary resources for growth and innovation. However, it also introduces new pressures, including expectations for rapid scaling and profitability. These pressures can influence managerial decision-making, leading to compromises in innovation or sustainability goals.

For example, investors may prioritise short-term financial returns over long-term brand development, prompting managers to focus on commercially viable products rather than experimental or sustainable initiatives. This dynamic highlights the tension between different stakeholder interests and

underscores the importance of strategic alignment.

The findings also indicate that financial constraints can drive innovation in unexpected ways. Limited resources encourage managers to adopt cost-effective solutions, such as lean production methods or digital platforms, which can enhance efficiency and reduce waste.

5.5 Adaptive Business Models

The adoption of adaptive business models is a key strategy for balancing innovation and commercial viability. Emerging fashion brands increasingly experiment with alternative models that differ from traditional linear production and retail systems.

Todeschini et al. (2017) identify several innovative business models in the fashion industry, including circular models, product-service systems, and digital platforms. These models enable brands to create value in new ways, such as through rental services, resale platforms, or customisation options.

The findings suggest that managers use these models to mitigate risks and enhance flexibility. For example, on-demand production reduces inventory costs and minimises waste, while direct-to-consumer channels increase profit margins and customer engagement. Digital platforms also provide valuable data that can inform decision-making and improve responsiveness to market trends.

However, the implementation of adaptive business models requires new capabilities and organisational changes. Managers must develop expertise in areas such as digital

marketing, data analytics, and supply chain management. This can be challenging for small teams with limited resources.

5.6 Ecosystem Collaboration and Digital Integration

Collaboration within innovation ecosystems is identified as a critical enabler of both innovation and commercial viability. Emerging fashion brands often rely on partnerships with suppliers, technology providers, and other stakeholders to access resources and capabilities.

Adner (2017) emphasises the importance of ecosystem alignment, where the success of one actor depends on the performance of others. In the fashion industry, this includes relationships with fabric suppliers, manufacturers, logistics providers, and digital platforms.

The findings highlight the growing role of digital integration in facilitating collaboration and innovation. Technologies such as e-commerce platforms, social media, and data analytics enable brands to connect with consumers, gather insights, and streamline operations (Amed et al., 2019).

Managers leverage these tools to enhance both innovation and commercial performance. For example, social media platforms allow brands to test new designs and receive immediate feedback, while data analytics can inform demand forecasting and inventory management.

However, reliance on digital platforms also introduces new challenges, including increased competition, platform dependency,

and the need for continuous technological adaptation.

6. Discussion

The findings of this study provide a nuanced understanding of how managers in emerging fashion brands navigate the complex interplay between innovation and commercial viability. By integrating insights from innovation ecosystem theory, market-driven management theory, and sustainable fashion theory, the discussion highlights key implications and theoretical contributions.

6.1 Reconciling Innovation and Market Orientation

One of the central insights of this study is the need to reconcile innovation with market orientation. While innovation is essential for differentiation, it must be aligned with consumer preferences to achieve commercial success. This reflects the principles of market-driven management, which emphasise responsiveness to customer needs (Narver & Slater, 1990).

However, the findings suggest that this alignment is not always straightforward. Consumer preferences are often influenced by factors such as price sensitivity and cultural values, which may conflict with innovative or sustainable offerings. Managers must therefore engage in continuous market sensing and adaptation.

This dynamic underscores the importance of strategic flexibility, where managers are able to adjust their innovation strategies in response to changing market conditions. It

also highlights the role of data and analytics in informing decision-making.

6.2 Innovation Ecosystems and Resource Dependence

The study reinforces the relevance of innovation ecosystem theory in understanding the dynamics of emerging fashion brands. Managers operate within interconnected networks of stakeholders, where access to resources and capabilities depends on effective collaboration (Adner, 2017).

This ecosystem perspective highlights both opportunities and challenges. On the one hand, collaboration enables resource sharing and risk mitigation, which are critical for innovation. On the other hand, it introduces dependencies and coordination complexities that must be managed.

The findings suggest that successful managers adopt a relational approach, focusing on building trust and aligning interests among stakeholders. This aligns with the broader literature on collaborative innovation and network-based strategies.

6.3 Sustainability as Strategic Differentiation

Sustainability emerges as a key dimension of innovation and differentiation in emerging fashion brands. Managers increasingly view sustainability not only as a moral obligation but also as a strategic opportunity to create value and build brand identity (Niinimäki, 2018).

However, the integration of sustainability into business models presents significant challenges. The higher costs and operational

complexities associated with sustainable practices can undermine commercial viability, particularly in the short term.

The findings suggest that managers must adopt a long-term perspective, recognising that sustainability can enhance brand equity and customer loyalty over time. This aligns with the concept of shared value, where economic and social objectives are mutually reinforcing.

6.4 Managing Financial Constraints and Growth Pressures

Financial constraints and investment pressures are identified as critical factors shaping managerial decision-making. Emerging fashion brands must balance the need for innovation with the realities of limited resources and external expectations.

The discussion highlights the importance of strategic prioritisation, where managers allocate resources to initiatives that offer the greatest potential for value creation. It also emphasises the role of innovative financing mechanisms, such as crowdfunding or impact investment, in supporting sustainable innovation.

Furthermore, the findings suggest that growth should be approached cautiously, with an emphasis on maintaining brand identity and operational integrity. Rapid scaling may lead to compromises that undermine long-term success.

6.5 Business Model Innovation as a Mediating Mechanism

Business model innovation is identified as a key mechanism for reconciling innovation and commercial viability. By adopting

alternative models, such as circular systems or digital platforms, managers can create new revenue streams and enhance efficiency (Todeschini et al., 2017).

This highlights the importance of viewing innovation not only in terms of products but also in terms of organisational and strategic processes. Business model innovation enables firms to capture value from innovation more effectively, thereby enhancing commercial viability.

6.6 Theoretical Contributions

This study contributes to the literature by integrating multiple theoretical perspectives to provide a comprehensive understanding of the innovation-viability nexus. It highlights the interdependence of innovation, market orientation, and sustainability, and underscores the role of managerial decision-making in navigating these dimensions.

The integrative framework developed in this study can serve as a foundation for future research, particularly empirical studies that examine specific contexts or case studies.

6.7 Practical Implications

From a practical perspective, the findings offer several implications for managers and stakeholders:

- Managers should adopt a balanced approach to innovation, integrating creativity with market insights.
- Collaboration within innovation ecosystems should be prioritised to access resources and capabilities.
- Sustainability should be viewed as a long-term investment rather than a short-term cost.

- Adaptive business models should be explored to enhance flexibility and resilience.

7. Conclusion

This study has examined the complex relationship between innovation and commercial viability in emerging fashion brands, with a particular focus on managerial perspectives and decision-making processes. In an industry characterised by rapid change, intense competition, and growing sustainability demands, emerging brands face significant challenges in balancing creative aspirations with financial sustainability. The findings of this research highlight that innovation is not merely a strategic choice but a fundamental necessity for differentiation and survival. However, innovation alone is insufficient without alignment with market dynamics and economic realities.

Managers play a pivotal role in navigating this balance by adopting adaptive and integrative strategies. The study demonstrates that successful negotiation of the innovation-viability tension often involves the use of hybrid business models, digital technologies, and collaborative ecosystem partnerships (Adner, 2017; Todeschini et al., 2017). These approaches enable firms to enhance flexibility, reduce costs, and respond more effectively to changing consumer preferences. At the same time, sustainability has emerged as both a driver of innovation and a source of constraint, requiring managers to carefully evaluate trade-offs between environmental responsibility and profitability (Niinimäki, 2018; Zhou, 2023).

The research also underscores the influence of financial constraints and external pressures

on managerial decision-making. Limited access to capital and investor expectations for rapid growth can lead to compromises in innovation and sustainability initiatives. This highlights the importance of strategic prioritisation and long-term thinking in ensuring the resilience and success of emerging fashion brands.

From a theoretical perspective, the study contributes to the literature by integrating innovation ecosystem theory, market-driven management, and sustainable fashion theory into a unified framework. This integrative approach provides a more comprehensive understanding of the interdependencies and trade-offs involved in managing innovation and commercial viability.

In conclusion, the future success of emerging fashion brands depends on their ability to harmonise creativity, sustainability, and economic performance. Managers must adopt a holistic and forward-looking approach that leverages innovation while maintaining financial discipline. Future research should build on this study by incorporating primary data and empirical case studies to further explore the nuances of managerial decision-making in different cultural and market contexts.

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