

8 DTC brands to keep an eye on in 2024



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2023 marked a pivotal year for many DTC brands.

While overall deal count was down from the peaks of 2021, a number of brands were able to successfully stage their exits. [If Makiage and Spoiled Child parent Oddity](#), as well as [Birkenstock filed for initial public offerings](#). And [Mielle, Great Jones and Otherland](#) were all acquired.

But the year also revealed challenges for a number of original DTC darlings. Allbirds, for instance, [enacted layoffs](#), faced a C-suite shuffle and introduced a transformation plan, which included [pulling back on store openings](#), as it works to reach profitability. Grove Collaborative also faced challenges, including its [co-founder stepping down as CEO](#), declining sales and a [shrinking customer base](#).

A number of [brands also fell into bankruptcy](#), including Hello Bello, Lunya and the owner of Morphe.

Ad removed. [Details](#)

The original DTC playbook is changing, and young brands are finding new ways to connect and resonate with customers. As 2024 kicks off, we highlight some of the rising stars to watch in the DTC space.

1. Merit

Merit launched in January 2021 touting “minimalist, clean, luxury” products.

The makeup brand offers products including a complexion stick, bronzer, blush, mascara, and more recently eye shadow. The company was founded by Katherine Power, who also founded brands like wine company Avaline with Cameron Diaz, skin care brand Versed and media property Who What Wear.

“Merit was founded on the principle that better products have the power to simplify your morning routine,” Power said in a statement in 2022.

The brand uses Power’s philosophy of “five-minute makeup” by streamlining the products it offers.

Merit quickly expanded into wholesale, [launching an exclusive partnership with Sephora](#) one month after launching. In February 2021, the brand said it would be available in more than 500 Sephora stores across the U.S. and Canada.

The company [raised \\$20 million in a Series A funding round](#) led by the Growth Fund of L Catterton. There was additional participation from Marcy Venture Partners and Sonoma Brands. Merit at the time said it planned to use the fresh capital to fund its omnichannel expansion.

2. Rhode

Celebrity-backed brands have been gaining steam recently. More than half of [celebrity-backed brands fall within the beauty category](#), and 60% of them were founded in the past six years, according to a JLL report from July.

Hailey Bieber’s Rhode beauty brand quickly grew in popularity since it was founded in 2021.

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Story Continues

