



RESALE
unway



Business Project Plan

Group Number: 8

CSCM1030 Business in a Digital Age, York University

Instructor's Name: Leigh Mitchell

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Contract Agreement

Brand Name and Overview:

ResaleRunway is a sustainable online and instore fashion rental platform where the products are carefully curated and rented for special occasions and everyday wear. The core of this business plan is to open a second-hand clothing enterprise of new and high fashion garments and accessories by partnering with local designers/brands and renting them under reasonable budget making it accessible to everyone, thereby promoting a sustainable fashion culture in the society.

Team Values:

As a team, we wholly agree and function upon the group core values like teamwork, integrity, respect, quality driven, commitment, strong communication, volunteerism and accountability.

Project Timelines:

Pitch idea- Marzieh Sadat Hosseini Shideh

Contract- Aishwarya Ajit

Canvas model- Swapnali Sarode

Customer Persona 1- Srishti Ruhela

Customer persona 2- Marzieh Sadat Hosseini Shideh

Market Research- Srishti Ruhela

Market Analysis- Harishri Vijaybhai Dave

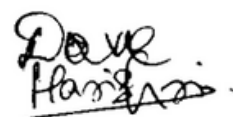
Budget: Aishwarya Ajit

Digital Adaption: Elaheh Hassanzadehmotiee

Logo and PDF design and Compiling Project- Mannat Narula

Team and Project Management: Mannat Narula

Signature:



Purpose and Scope

Business Project Plan

Purpose of ResaleRunway:

The purpose of ResaleRunway is to revolutionize the sustainable fashion landscape by introducing a dynamic rental platform that offers consumers access to high-quality, eco-friendly fashion items. This project is designed to tackle the environmental issues posed by fast fashion by promoting the reuse of garments and accessories, thereby contributing to a reduction in fashion waste. Through strategic partnerships with local designers and brands committed to sustainability, ResaleRunway aims to make fashionable, sustainable choices readily accessible and affordable to a wide audience. The project endeavors to create a seamless, user-friendly digital experience that empowers consumers to make ethical fashion choices without compromising on style or quality. By doing so, ResaleRunway seeks to foster a community of conscious consumers and pave the way for a more sustainable fashion industry.

Scope of ResaleRunway:

- **Development of a User-Friendly Online Platform and Mobile Application:** To enable easy browsing, selection, and rental process for customers.
- **Deployment of Fitting Trucks:** Positioned in strategic locations across the city, these trucks enhance customer convenience by allowing them to try on selected garments before renting.
- **Establishment of Physical Storefronts:** To offer in-person experiences and further increase the accessibility and appeal of sustainable fashion rental services.
- **Advanced Inventory Management:** Implementation of sophisticated inventory management, route optimization, and QR code management software to ensure operational efficiency and a seamless customer experience.
- **Commitment to Continuous Improvement and Adaptation:** By integrating customer feedback and insights, and staying updated with technological advancements and sustainability practices in the fashion industry.

Pitch Idea

Sustainable Fashion Rental Platform

A platform that allows customers in Toronto to rent high-quality, sustainable fashion items for special occasions or everyday wear. This business could partner with local designers and brands to offer a curated selection of clothing, accessories, and jewelry, promoting sustainability and reducing waste in the fashion industry.

- **Hook:** "Attention fashion-forward Torontonians! Are you tired of the fast fashion treadmill and its environmental impact? Imagine a world where you can rock stunning, sustainable outfits without breaking the bank or harming the planet."
- **Value:** "Introducing our Sustainable Fashion Rental Platform, your ticket to guilt-free fashion indulgence. We offer a curated selection of high-quality, sustainable fashion items for rent, perfect for special occasions or everyday wear. Say goodbye to closet clutter and hello to endless style possibilities!"
- **Evidence:** "Our platform partners with local designers and brands committed to eco-conscious practices, ensuring that every piece you rent leaves a positive footprint. Plus, by renting instead of buying, you're actively reducing waste in the fashion industry and contributing to a more sustainable future."
- **Differentiator:** "What sets us apart? Not only do we offer a diverse range of clothing, accessories, and jewelry curated for sustainability, but we also prioritize affordability and accessibility. With flexible rental options and competitive pricing, sustainable fashion is no longer out of reach."
- **Call to Action:** "Join the movement towards sustainable fashion today! Sign up for our platform and start exploring our collection of stylish, eco-friendly pieces. Together, let's make a statement with every outfit and pave the way for a greener, more fashionable future."

This pitch encapsulates the allure of the Sustainable Fashion Rental Platform by highlighting its appeal, value proposition, evidence of sustainability, unique selling points, and a compelling call to action to engage potential customers and stakeholders.

Business Canvas Model

<p>Problem</p> <ul style="list-style-type: none"> Limited access to sustainable fashion options High cost associated with purchasing high-fashion garments. Environmental concerns related to fast fashion consumption. Issues with the cleanliness or damage of second-hand clothing bought via peer-to-peer platforms. 	<p>Solution</p> <ul style="list-style-type: none"> Establish a sustainable fashion rental platform with a diverse range of curated clothing items. Develop an online platform and mobile app for seamless browsing and rental process. Deploy clothing trucks for convenient try-on sessions and order pickups. Offer physical storefronts for in-person experiences. 	<p>Unique Value Proposition</p> <p>"Rent high-fashion, sustainable outfits guilt-free. Access curated, eco-friendly collections at affordable prices, reducing environmental impact without compromising style."</p>	<p>Unfair Advantage</p> <ul style="list-style-type: none"> Exclusive partnerships with local sustainable brands. Innovative approach combining online, app, trucks, and stores. First-mover in sustainable fashion rentals. 	<p>Customer Segments</p> <ul style="list-style-type: none"> Target Customer: Fashion-conscious individuals who value sustainability and affordability. Users: People interested in renting high-fashion garments rather than purchasing them outright.
<p>Existing Alternatives</p> <ul style="list-style-type: none"> Traditional retail stores selling fast fashion. Sustainable fashion brands with high price points. Second-hand clothing stores with limited selections. 	<p>Key Metrics</p> <ul style="list-style-type: none"> Active user count. Conversion rate from browsing to rentals. Average user revenue. Customer satisfaction scores. Rate of inventory turnover. 	<p>High Level Concept</p> <p>"Airbnb for high-fashion wardrobe."</p>	<p>Channels</p> <ul style="list-style-type: none"> Promotional activities across social media platforms through influencers, blogs, etc. Boosting mobile app installations Establishing a presence for clothing trucks in various city spots Forging partnerships with sustainable fashion events and organizations. 	<p>Early Adopters</p> <p>Characteristics of Ideal Customer:</p> <p>Urban dwellers, environmentally conscious, tech-savvy, interested in fashion trends but concerned about sustainability.</p>
<p>Cost Structure</p> <p><u>Fixed Expenses:</u> Development of the platform, maintenance of trucks, rental costs for storefronts.</p> <p><u>Variable Expenses:</u> Procurement of inventory, marketing expenditures, staffing.</p>		<p>Revenue Streams</p> <ul style="list-style-type: none"> Earnings from customer rentals. Offering a premium subscription model for exclusive perks. Teaming up with designers and brands. Affiliate collaborations with fashion influencers and bloggers. 		

Customer Persona 1



ETHAN

Based in Toronto, Ethan is an enthusiastic environmental activist and creative freelance photographer. He combines his love of art and environmental care with a passion for sustainability and a creative spirit, using fashion as a potent instrument for advocacy.

What influences his decisions?

- Reviews
- Price
- Social Media

Demographic Information

- Age: 35
- Location: Toronto, Canada
- Occupation: Freelance Photographer
- Income range: \$45000- \$70000

Problems

- Frustrated with the lack of diversity and creativity.
- Something that's too expensive
- Seeking for options that are both sustainable and consistent with his principles.

Goals and Motivations

- Promote Sustainability and environmental awareness through his fashion choices.
- Supports local designers and artisans.
- Fosters Community engagement and collaboration.

Reasons to use

- More storage space in his closet.
- Chance to partner with independent designers and eco conscious brands.

Customer Persona 2



EMILY

Emily is a conscientious and eco-conscious individual who values sustainability and responsible consumerism. She is detail-oriented, creative, and thrives in organized environments. Emily enjoys staying updated with the latest trends in fashion while prioritizing ethical and environmentally friendly choices.

What influences his decisions?

- Sustainability
- Affordability
- Convenience

Demographic Information

- Age: 32
- Location: Vancouver, Canada
- Occupation: Marketing
- Coordinator Income Range: \$55,000 - \$65,000

Problems

- Struggles to keep up with fashion trends on a moderate budget.
- Concerned about the environmental impact of fast fashion and its contribution to waste.

Goals and Motivations

- Access fashionable clothing and accessories without compromising her budget or values.
- Attend events and social gatherings with stylish outfits that reflect her personality and principles.

Reasons to use

- Affordable rentals for everyday wear and special occasions, keeping Emily stylish on a budget.
- Support local designers, promote sustainable fashion, and reduce waste in her community.

Market Research

- **Toronto's Fashion Industry:** With a wide variety of local designers and companies, as well as multiple fashion events and festivals, Toronto has a thriving fashion culture. The fashion business in the city makes a substantial economic contribution, and there is a growing demand for ethical and ecological fashion techniques.
- **Shopper Trends:** Consumer behaviour is clearly shifting in favour of sustainability, especially for younger audiences. Studies show that people are becoming more interested in experiences than in possessions, which is consistent with the sharing economy concept.
- **Competitive Environment:** Although traditional retail still reigns supreme, fashion rental services are becoming more and more popular worldwide, but still in its infancy in Toronto. Local boutique rental services and online rental platforms aimed at wider markets could be considered competitors.
- **Target Audience:** Although there are many different demographics in Toronto, the platform's initial target audience may include eco-aware millennials and Gen Zers who place a high importance on sustainability and style. The target audience's propensity to adopt rental fashion would be greatly influenced by their income levels and lifestyle preferences.
- **Marketing Strategies:** To reach the target population, it would be beneficial to use influencer relationships, social media, targeted digital advertising, and local events. It would be important to highlight the platform's distinct value proposition of guilt-free fashion pleasure and its beneficial effects on the environment.
- **Logistics and Technology:** The thriving tech scene in Toronto presents chances to find partners in logistics and development. Success would depend on the integration of user-friendly interfaces, safe payment methods, and effective delivery and return procedures

Market Research

Canada's take on Sustainable Fashion

Used clothing has become more and more popular in recent years, primarily because to the widespread usage of applications like Vinted. It is anticipated that this industry will expand at least twice as quickly as Canada's retail clothing market.

The Canadian population segments most likely to purchase used clothing are millennials and baby boomers. Nonetheless, compared to all other age groups, Gen Z Canadians' share of second-hand buyers is increasing 2.5 times faster. Sustainability plays a major role in the rise of second-hand sales in Canada as more people become aware of the environmental impact of the fashion industry, particularly younger female shoppers.

Events featuring sustainable fashion have grown in popularity, attracting sizable audiences and piqueing the curiosity of the public, media, and industry insiders. These occasions feature the newest styles in eco-friendly apparel, accessories, and footwear from top national designers. Additionally, they give companies a chance to tell visitors about their sustainable initiatives.

In order to provide students with knowledge about ethical manufacturing practices, waste reduction, and carbon footprint reduction while designing clothes that are both fashionable and ecologically friendly, more universities and colleges are now offering courses on sustainability within the fashion business.

Eliminating any detrimental effects on the environment and on people at the stages of production, consumption, and disposal is the aim. Essentially, it refers to prolonging the life cycle of materials so they remain in use rather than being disposed of in landfills or incinerators. By using this strategy, Canadian fashion can accomplish sustainability objectives and make a beneficial impact on social welfare and economic prosperity.

Market Analysis

PROS	CONS
<p>Cost-Effective: Renting dresses can save you a bundle compared to buying them outright. It's a savvy way to rock designer looks without emptying your wallet, especially for those fancy occasions that don't come around too often.</p> <p>Sustainability: Dress rental is like giving Mother Earth a high-five. By reusing garments instead of constantly buying new ones, you're helping to cut down on the fashion industry's environmental footprint. It's a small but impactful way to be kinder to the planet.</p> <p>Variety and Access: Ever wanted to channel your inner red carpet diva? With dress rental services, you can! They offer a treasure trove of styles, sizes, and designers that might not be within reach otherwise. It's like having a personal stylist at your fingertips.</p> <p>Convenience: Say goodbye to endless hours spent trawling through malls. Dress rental is all about convenience. You can browse online, have your dream dress delivered to your door, and send it back when you're done – no dry cleaning required. It's fashion made easy.</p> <p>Special Occasions: Got a big event coming up? Dress rental is a lifesaver. Whether it's a wedding, prom, or fancy dinner, you can snag a show-stopping outfit without the hefty price tag. Plus, you won't have to worry about repeating the same look twice.</p>	<p>Fit and Sizing: Ah, the age-old struggle of finding the perfect fit. While rental companies try their best to provide accurate sizing guides, there's always a risk that the dress might not fit like a glove. It's a bit of a gamble, and alterations might be needed.</p> <p>Condition and Quality: Sometimes, what you see isn't always what you get. Some rented dresses may not be in tip-top condition, with signs of wear and tear or minor flaws. It's a bummer when your dream dress doesn't quite live up to expectations.</p> <p>Limited Ownership: Renting means saying goodbye at the end of the night. If you're the sentimental type or prefer to own your clothes, this might not sit well with you. It's like Cinderella's ball gown – magical but fleeting.</p> <p>Availability and Inventory: Picture this: you've found the dress of your dreams, but it's nowhere to be found in your size. Cue the disappointment. Popular dresses can fly off the racks fast, leaving you with limited options, especially during peak seasons.</p> <p>Hygiene Concerns: Let's talk about the elephant in the room – hygiene. While rental companies claim to clean and sanitize their dresses between wears, it's hard not to wonder about who else has worn it before you. It's a valid concern that might give some folks pause.</p>

External Environment

The external environment related to the secondhand clothing business with luxury brands collaboration is influenced by a variety of factors. Here's an overview considering key elements such as demographic and cultural trends, competition, technological process, and macroeconomic factors:

Demographic and Cultural Trends:

- Analysis shows that there is an increasing trend towards sustainable and environmentally conscious consumer behavior, with growing interest in secondhand and rental clothing options.
- Additionally, there is a cultural shift towards supporting circular fashion economy and reducing the environmental impact of fast fashion, which has resulted in a growing interest in innovative clothing business models like the one being launched.

Technological Process:

- Advances in e-commerce platforms, mobile applications, and virtual fitting technologies have influenced consumer shopping behaviors, making it crucial for the business to keep pace with technology to provide a seamless and convenient user experience.
- Embracing technologies that enhance the efficiency of online browsing, item selection, and the virtual try-on process, such as augmented reality (AR) and virtual reality (VR), can offer a competitive edge.

Macroeconomic Factors:

- Economic conditions, such as disposable income, consumer spending habits, and preferences for luxury goods, may influence the demand for secondhand luxury clothing and the willingness of individuals and brands to sell and rent their products through the business.
- Economic stability, employment rates, and inflation can also impact consumer confidence and their decisions to invest in luxury items, affecting market demand.

These factors should be considered within the business plan and strategy to effectively navigate the external environment and capitalize on opportunities within the market. Additionally, conducting ongoing market research and staying attuned to industry trends will be crucial for the success of the business.

Budget

A general breakdown of potential expenses for the first year for starting a small clothing rental business in Toronto is given below:

Garment Sourcing

Approximately \$20,000 - \$25,000 per year

Rent for Physical Store

Cost: minimum \$36,000 per year (3,000 per month minimum)

Fitting Truck

\$40,000 - \$45,000 per year

Permit and License

\$1000

Insurance

Cost: \$725 annual

Website Development and E-commerce Setup

Cost: \$9,000

Marketing and Advertising

Cost: \$108,000 annual (\$9,000 per month)

POS System and Software

Cost: \$2,000 (first time installation)

Employee Wages

Cost: \$38,400 annual (average wage cost 3,200 per month)

Utilities and Maintenance

Cost: \$18,000 annual

Approximate budget range for a year: \$273,125 - \$283,125

Digital Adaption

We are launching a second-hand clothing business in collaboration with prestigious luxury brands such as Dior, Chanel, Gucci, and others. Individuals and brands can sell their products to us, and we will offer them for rent.

In terms of digital adaptation, we have developed a website where customers can browse and select items based on their availability. Additionally, for customer convenience, we will deploy fitting trucks in various locations across the city. Customers can pick up the clothes at the nearest truck to their location and enter the truck using a QR code sent to their phone, allowing them to try on the clothing. If they are satisfied, they can proceed with renting the items. Furthermore, we provide a virtual fitting room on our website, which customers can utilize, or they have the option to visit our physical store.

Software:

For the virtual fitting room on our website, we consider Metail software.

Metail is a software company that specializes in creating virtual fitting room technology for the fashion industry. The company's primary product is a virtual fitting room platform that allows users to create a 3D digital representation of themselves and try on clothing virtually.

Metail's technology is designed to help online shoppers make more informed purchasing decisions by providing a more accurate sense of how clothing will fit and look on their bodies. By creating a personalized digital avatar based on users' measurements, Metail aims to improve the online shopping experience, reduce return rates for clothing retailers, and potentially decrease the environmental impact associated with the fashion industry.

Metail has been recognized as a pioneer in the field of virtual fitting room technology and has partnered with various fashion retailers to integrate its software into their e-commerce platforms.

Digital Adaption

To facilitate the process of arranging clothes from the store and delivering them to trucks, there are several types of software that our business could consider implementing. Here are some options that could be suitable for our needs:

- **Inventory Management Software:** This type of software can help us keep track of available stock in the store and manage the movement of items to the fitting trucks. Examples of inventory management software include Trade Gecko, Zoho Inventory, and Cin7.
- **Route Optimization Software:** To efficiently plan the delivery routes for the fitting trucks and optimize their schedules, route optimization software could be useful. This type of software can help minimize travel time and fuel costs for the trucks. Examples of route optimization software include Routific, Onfleet, or Routinely.
- **QR Code Management Software:** To generate and manage QR codes for customer access to the fitting trucks, a QR code management software or tool could be utilized. This software would allow you to create and track the usage of QR codes for customer convenience. Examples of QR code management software include QR Code Monkey, QR Code Generator, or customizable QR code solutions offered by various providers.

Implementing our digital adaptation will require several types of training. Here are some needed pieces of training.

- **Website and App Training:** Employees involved in managing the website and any associated mobile apps will need to understand how to update and maintain the online platform, including adding new inventory and updating availability.
- **Customer Service Training:** Staff working with customers at the fitting trucks will benefit from training in customer engagement, handling transactions, and any processes specific to the use of the QR code system.
- **Technology Training:** Staff at the fitting trucks may need training on the use of the QR code system, as well as any technology used to track inventory and manage the fitting truck operations.
- **Inventory Management Training:** Those responsible for managing and restocking inventory on the fitting trucks will need training on inventory tracking systems and procedures.

Digital Adaption

- **Security and Safety Training:** Given the unique aspect of customers entering the fitting trucks, staff will require training on safety protocols and potentially any security measures in place.
- **Privacy and Data Security Training:** Staff involved in managing customer data and ensuring privacy and data security will need training on handling customer information in compliance with relevant regulations.

These trainings can help ensure a smooth implementation of the digital adaptation and provide staff with the skills and knowledge necessary to support the new customer experience.

Purpose of Digital Adaption:

- **Convenience:** Customers can browse and select items from the website at their own pace and then conveniently pick up and try on the clothes at a location nearest to them.
- **Flexibility:** The fitting trucks in various locations provide flexibility for customers to access clothing items without the need to visit a physical store, potentially saving them time and effort.
- **Personalization:** By being able to try on the clothing at their convenience, customers can personalize their shopping experience and make more informed decisions about their purchases.
- **Contactless experience:** Using a QR code for entry promotes contactless interaction, which is especially relevant in today's environment with an increased focus on health and safety.
- **Community engagement:** Deploying fitting trucks in various locations across the city can also create a sense of community engagement and accessibility, reaching customers who may not typically have easy access to traditional retail locations.

Overall, these initiatives can enhance the customer experience by providing a seamless and personalized shopping journey.

References

1. Made in Canada. (n.d.). Fashion and Apparel Industry Statistics Canada. Retrieved February 23, 2024, from <https://madeinca.ca/fashion-and-apparel-industry-statistics-canada/>
2. Dress for Success Toronto. (n.d.). Sustainable Fashion in Canada. Retrieved February 23, 2024, from <https://www.torontodressforsuccess.org/sustainable-fashion-in-canada>
3. Strauss, M. (n.d.). Canadian fashion retailers seek sustainability practices that are the real deal. The Globe and Mail. Retrieved February 23, 2024, from <https://www.theglobeandmail.com/business/article-canadian-fashion-retailers-seek-sustainability-practices-that-are-the/>
4. CP24. (n.d.). These Canadian designers are putting the brakes on ultrafast fashion. Retrieved February 23, 2024, from <https://www.cp24.com/lifestyle/these-canadian-designers-are-putting-the-brakes-on-ultrafast-fashion-1.6601248?cache=nnymxsajsiow>

Appendix

A. Technology Integration and Digital Adaptation

1) Website and Mobile Application Development

- Purpose: Enhance user experience with seamless browsing and rental processes.
- Technology Partners: Collaboration with leading software developers for a robust platform.
- Features: Virtual fitting room technology, user-friendly interface, and secure payment systems.

2) Fitting Trucks Deployment

- Objective: Provide a convenient try-on experience for customers at various city locations.
- Operation: Equipped with a QR code system for easy access and fitted with virtual try-on technology.

3) Inventory Management

- Software Utilized: Advanced systems like Trade Gecko and Zoho Inventory for real-time stock monitoring.
- Functionality: Supports efficient management of garment availability and logistical coordination with fitting trucks.

4) Route Optimization for Fitting Trucks

- Tools: Use of software such as Routific and Onfleet to minimize travel time and operational costs.
- Benefit: Ensures optimal placement of trucks to serve a wider customer base efficiently.

B. Market Analysis and Customer Insights

1) Sustainable Fashion in Toronto

- Insights: Growing demand for ethical and eco-friendly fashion choices among millennials and Gen Z.
- Competitive Landscape: Emergence of boutique rental services and online platforms catering to sustainability.

2) Customer Personas

- Ethan: A Toronto-based environmental activist and freelance photographer with a passion for sustainable fashion.
- Emily: A conscientious and eco-conscious individual from Vancouver, prioritizing ethical and affordable fashion choices.

Appendix

C. Financial Overview and Budget Estimates

1) Initial Setup Costs

- Breakdown: Includes expenses for garment sourcing, fitting trucks, website development, and marketing initiatives.
- Range: Estimated initial setup costs between \$25,000 to \$80,000.

2) Operational Expenses

- Monthly Costs: Operational expenses estimated between \$7,900 to \$15,700, covering staffing, inventory restocking, and truck maintenance.

D. Sustainability and Community Engagement

1) Partnerships with Local Designers

- Objective: Foster collaborations with local brands committed to sustainable fashion practices.
- Impact: Support the local economy and promote a circular fashion economy.

2) Educational Initiatives

- Programs: Engagement with educational institutions to offer courses on sustainable fashion and ethical manufacturing.

E. Risk Management and Mitigation Strategies

1) Challenges Identified

- Fit and Sizing, Condition and Quality of Rented Garments, and Inventory Availability.

2) Mitigation Measures

- Implementation of a comprehensive quality control process and flexible exchange policies.

F. References

A list of all sources of information, data, and research referenced throughout the project plan and this appendix, ensuring credibility and transparency in the project's foundation.