

Project Feasibility Report

May Studios.

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PLAN OF PRESENTATION

- Introduction
- Our Competitors
- Objectives
- Research Methodology
- Growth of the sector
- Various analysis
- Balance sheet

EXECUTIVE SUMMARY OF PRODUCT FEASIBILITY REPORT



- ✓ May studios, an Indian ethnic fashion store, offering exclusive & trendy traditional Indians attires by using preloved-clothing as the foundation of a new fresh product!
- ✓ The business is aimed to gather the used items which are in condition to be used again, modify them and sell them at economical prices at a discounted rate
- ✓ Manufacturing, producing, packaging and distributing new clothing takes a lot of resources and a toll on the environment, but by this way, instead of brand new, you save your pockets from those outlays & also live out the “reduce, reuse and recycle” motto.
- ✓ The products included will be, For Women, Sarees, Lehengas, Kurti, Sharara, Plazo, Dupatta, For Men, Sherwani, Kurta
- ✓ India is often called as the land of festivals and fairs where each day is some kind of celebration and there are more festivals celebrated in India than anywhere else in the world. So our customers are always look-out for a affordable yet chic and graceful clothing

Importance



HELPS THE ENVIRONMENT

The fashion industry is the world's second-largest polluter. Some textile companies dump the untreated wastewater into rivers. These wastewaters are toxic because they contain mercury and arsenic that are harmful to the aquatic environment. This helps save the environment by encouraging people to recycle and reuse clothing instead of shopping for new clothes.

SAVES YOU MONEY

Fashion is always changing, and keeping up can be expensive. Most of the "newest" trends are often old fashion trends from years ago. This allows you to find those same trends at a fraction of the cost.

CREATES A UNIQUE WARDROBE

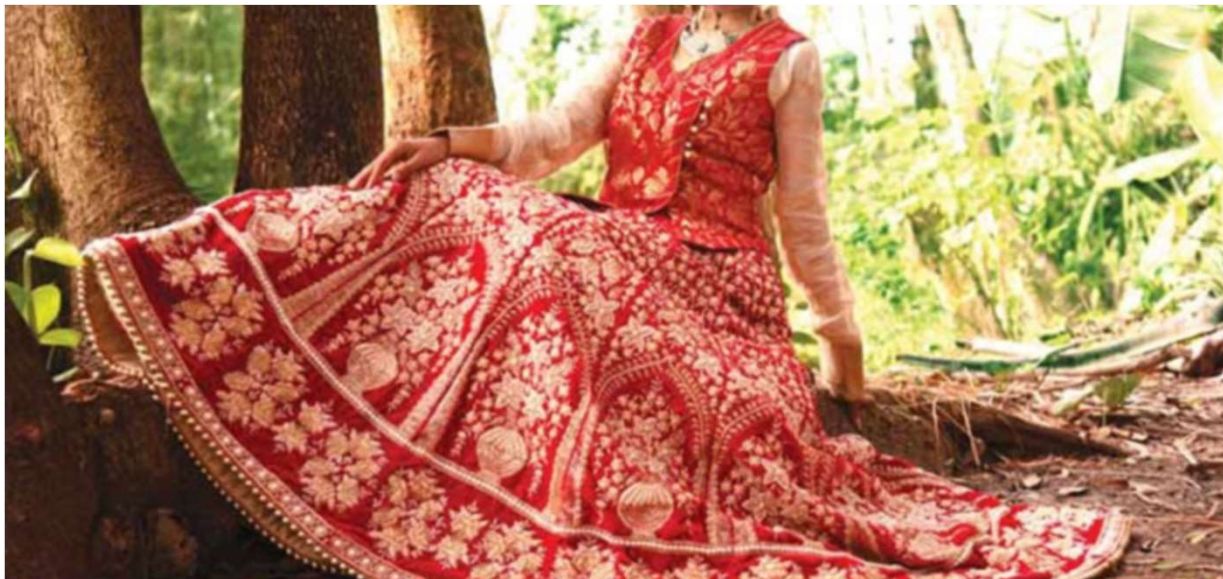
If you are looking for one-of-a-kind pieces for your wardrobe, our business can help. They have a wide range of items that you can not find anywhere else. Retail stores only carry for a limited time before a manufacturer discontinues them.

SUPPORTS LOCAL NONPROFITS

By helping their communities, nonprofit organizations and charities. They provide affordable clothing options for families. Organizations collect clothing, shoes, home decor, furniture and electronics for thrift stores, and they get paid for these collections. This helps the nonprofit gather funds for their programs and raise awareness for their causes.

COMPANY OVERVIEW

- May Studios provide an extensive range of traditional fashion-wear for both men and women. The location to commence this business will be Delhi.
- To initiate, we will collect pre-loved clothing from community fayres, friends and societies. The collected pieces will be sent for dry-cleaning and quality assurance. Then modifications will be made to bring out a fresh new product from an old one.
- Our company targets at customers with lower/middle-income



OUR COMPETITORS

Rivalry businesses, who have already acquired a share in market and gain a customer size. The following are the competitors of our brand:



Both are give-&-take, no modifications are made to the items

OBJECTIVES

- To create business plan for pre-loved clothing by implementing the 5Rs- (reduce, reuse, recycle, reinvent, repair)
- To investigate, analyze the opportunities, threats, strengths and weaknesses existing in the product and targeted business environment
- To generate a marketing and financial feasibility report
- To bypass the manufacturing and production process while focusing on extending the cloth's life
- To reducing pressure on virgin resources used for making new clothes & the number of problems caused by their manufacture and usage.
- To attain & promote sustainability in Delhi by reducing the garment's carbon footprint by 82% as fashion accounts for up to 10% of carbon dioxide output

GROWTH SECTOR

- India is one of the fast-growing secondhand apparel markets and holds a significant share of 18.2% of the entire South Asia secondhand apparel market. Furthermore, FMI predicts the India secondhand apparel market growth to surge at a CAGR of 17.9% during the forecast period, owing to the rapidly growing population, increasing disposable income, and surge in the number of startups offering secondhand clothes
- Similarly, growing demand for special event apparel across the country is playing a key role in boosting sales and the trend is likely to continue during the forecast period. Demand for special event apparel is high throughout India.
- Indians are quite meticulous about their formal attire. Furthermore, local celebrities are making secondhand apparel fashionable, and consumers are discovering that clearing out their closets pays off, which is fueling the demand for preloved clothing.
- Moreover, promotional activity, the existence of multiple significant competitors, and shifting customer preferences are offering appealing opportunities for the country's secondhand apparel sector.

RESEARCH METHODOLOGY

- To check the feasibility of preloved clothing in **Delhi NCR region, survey** was conducted with locals.



A structured **questionnaire** was prepared, focusing clearly upon a particular issue, product, service or topic and encompasses the need for interactive discussion amongst participants.



For this research, **100 people** participated and responded through a google form survey tool.

Inferences drawn were: **Delhi's local markets** are potential target areas for selling as well as promotion



Secondary data was also collected regarding **clothing quality, current fashion, branded labels, customers loyalty/ retention.**

FEASIBILITY ANALYSIS

- A company may conduct a feasibility study when it's considering launching a new business, adding a new product line, or acquiring a rival.
- A feasibility study assesses the potential for success of the proposed plan or project by defining its expected costs and projected benefits in detail.
- A feasibility study is a detailed analysis that considers all of the critical aspects of a proposed project in order to determine the likelihood of it succeeding.
- The formal secondhand clothing market in India is still in its early stages of consumer adoption, and there are opportunities to boost new circular business models such as resale. Our survey suggests that reuse business models can offer an opportunity for stakeholders to be both a buyer as well as a seller of secondhand clothing.

MARKETING ANALYSIS

- The business has chosen to focus on re-selling preloved cloths with modification.



Our *target customers* will be ***Women of age 18+*** or more, as it is analyzed that females are more likely to be significant buyers of pre-loved clothing.



With the help of Survey, it has been identified that in ***Metro cities*** of India are the topmost list of favorite shopping places in India. Shopping in Delhi is best to buy contemporary, traditional, ethnic, designer labels, and street shopping items In ***Delhi NCR***, our focus areas will be ***Central market, Lajpat Nagar; Sarojini market, south west Delhi and Chandni chowk, old Delhi***



Promotion Strategy of the brand at local level- ***Pamphlets and clothing Exhibition*** in the yearly ***city fests*** and ***college fests***, as to increase our reach to more potential customers, ***Social media marketing*** can later be adopted.

Financial Analysis

BREAK-EVEN ANALYSIS

A break-even analysis is a financial calculation that weighs the costs of a new business, service or product against the unit sell price to determine the point at which you will break even. In other words, it reveals the point at which you will have sold enough units to cover all of your costs.

Break Even Point Formula

$$\text{Break Even Point} = \frac{\text{Fixed Cost}}{\text{Selling Price Per Unit} - \text{Variable Cost Per Unit}}$$

$$\text{Break Even Point} = \frac{\text{Fixed Cost}}{\text{Contribution Margin Per Unit}}$$



CALCULATIONS FOR BEP ANALYSIS

Particulars	Value
Sales Unit	10000
Price per unit	12000
Variable cost per unit	7000
Fixed cost per month	100000

Calculations for Break Even Point Analysis

Particulars	Value
Selling price per unit	12000
variable cost per unit	7000
contribution per unit	5000
Break even point	20

Contribution per unit = Selling price – Variable cost

Break even point = Fixed cost / Contribution per unit

Calculation of Break Even Sales

Particulars	Value
Contribution Per Unit	5000
Selling Price Per Unit	12000
Contribution Margin Ratio	0.41666667
Break Even Sales	240000

Contribution Margin ratio = Contribution per unit - Selling price

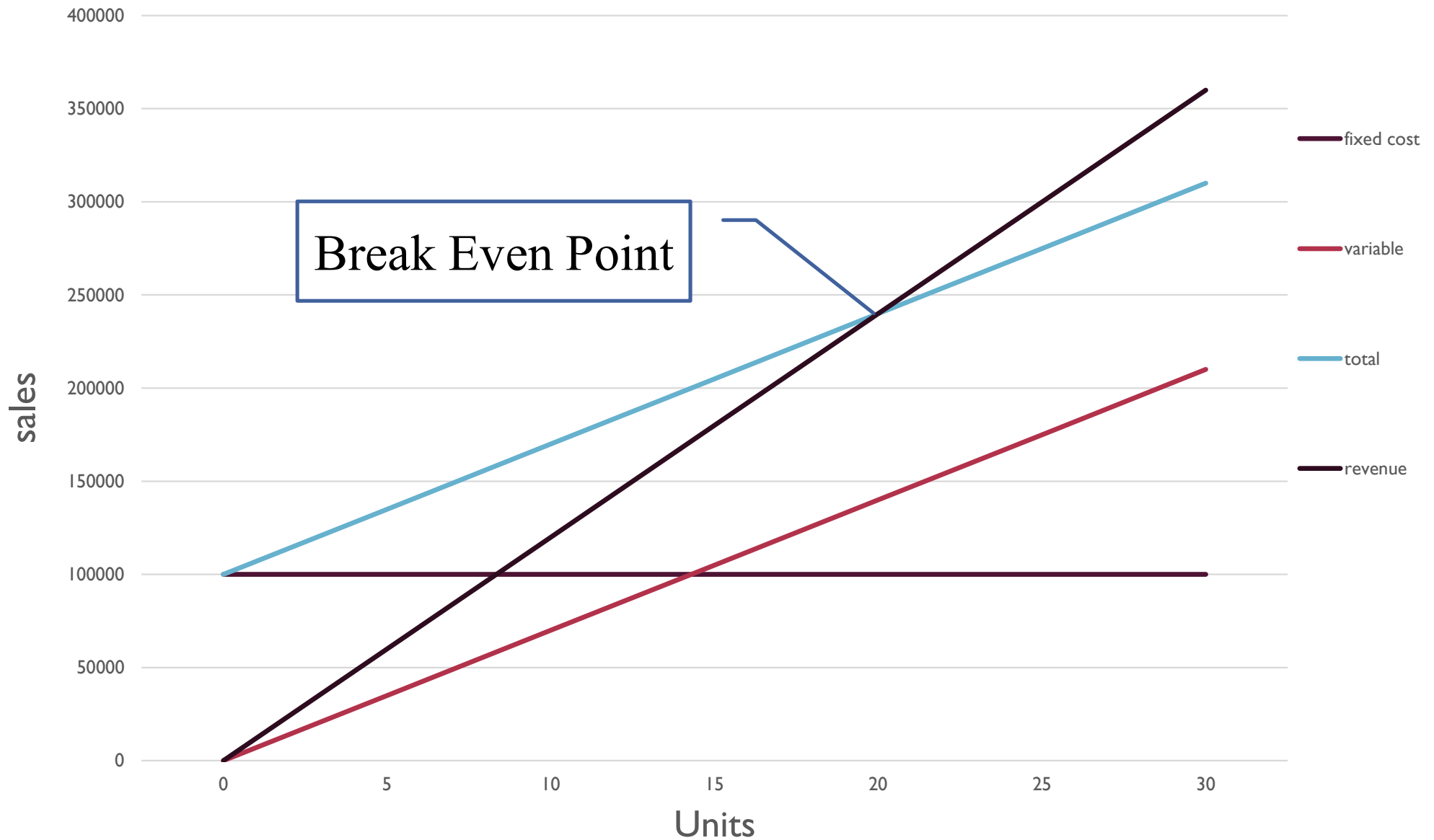
Break Even Sales = Fixed cost / Contribution Margin ratio

BREAK EVEN ANALYSIS TABLE

Therefore, we need to sell at least 20 units at the selling price of 12,000 rupees per unit to cover your fixed and variable costs and break even. However, to generate a profit, you will need to sell more than 20 units. The exact number of units you will need to sell to achieve a specific level of profit will depend on your profit margin and other factors such as marketing, competition, and consumer demand.

No. Of Units	Fixed Cost	Variable Cost	Total Cost	Revenue
0	100000	0	100000	0
5	100000	35000	135000	60000
10	100000	70000	170000	120000
15	100000	105000	205000	180000
20	100000	140000	240000	240000
25	100000	175000	275000	300000
30	100000	210000	310000	360000

Break Even Analysis





May Studios Clothing Company

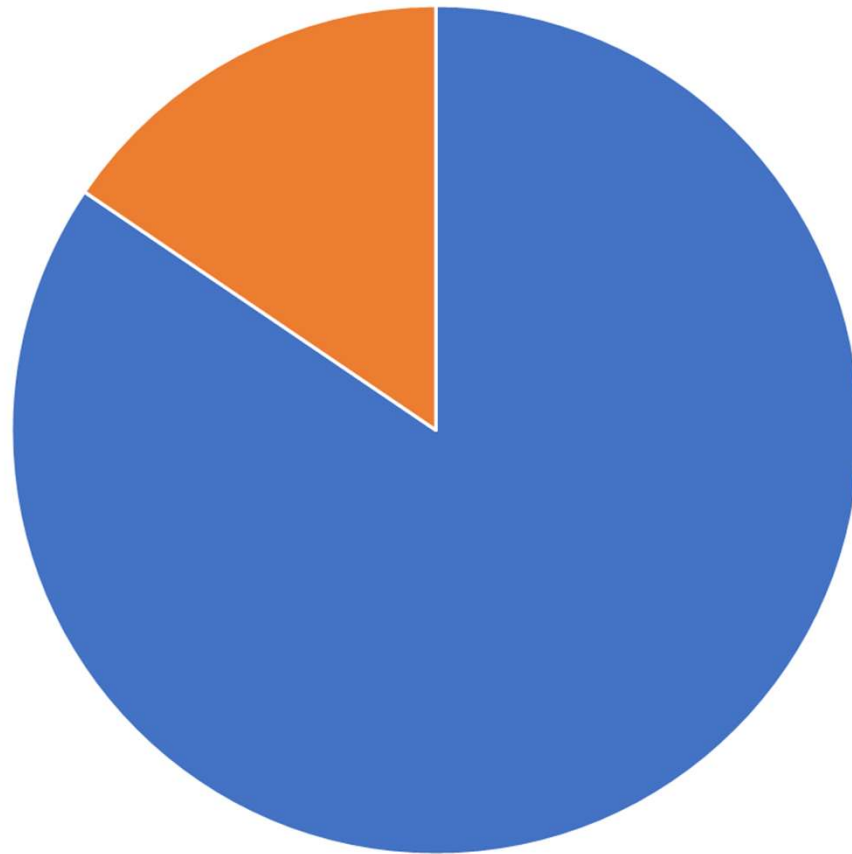
Balance Sheet

For the year ending on December 31st, 2023

Liabilities	Amount (Rs.)	Assets	Amount (Rs.)
Capital	71000	Furniture	20000
Material	3000	Machinery	30000
Bills payable	25500	License & Registration	30000
		Cash-in-hand	20000
TOTAL	100000	TOTAL	100000

SURVEY ANALYSIS

Prefer Usage for Preloved fashion



■ YES
■ NO

INTERPRETATION:
80% of our target audience prefers to buy pre-loved clothing and remaining 20% are not in favor or are hesitant towards pre-loved clothing shopping



CONCLUSION



- ❖ Preloved fashion industry is getting popularized and favored by consumers in India.
- ❖ May studios prime operation is to collect, modify and sell Indian ethnic clothing for people to glamourize themselves for their moments of joy and celebrations
- ❖ Business focuses on both female and male audience but majorly the women section of consumers
- ❖ To establish ourselves into the market we have opted for metro-cities of India, specifically Delhi and its market
- ❖ With Implementation of various research methodologies and analysis, we have gathered, investigated interpreted data to draw a cost-effective yet profitable business plan
- ❖ This business will also promote the perception of “sustainability with quality” in the Indian market

Thank You

