404STREETWEAR  
Business Plan

Prepared by: Daniyar

Date: 19 May 2025

# Table of Contents

1. 1. Executive Summary
2. 2. Company & Product Overview
3. 3. Market Analysis
4. 4. Marketing & Sales Strategy
5. 5. Operations Plan
6. 6. Management & Human Resources
7. 7. Financial Plan (Summary)
8. 8. Risk Analysis & Mitigation
9. 9. Milestones & Key Performance Indicators
10. 10. Appendices

# 1. Executive Summary

404STREETWEAR is a Kazakhstan‑based street fashion brand that merges style, comfort, and individuality. Positioned in the fast‑growing urban apparel segment, the brand leverages a direct‑to‑consumer (DTC) model and an engaging social‑media presence to reach Gen Z and young Millennials. The goal is to achieve break‑even within the first 10 months, scale the SKU line by 30 % annually, and capture a loyal community of 50 000 followers by Year 2.

Initial funding of ₸15 million covers CAPEX, launch inventory, and working capital. The founders retain 80 % equity, with 20 % offered to seed investors. A detailed financial plan forecasts revenue of ₸108 million in Year 1, growing to ₸250 million by Year 3, with net profitability achieved in Year 2.

# 2. Company & Product Overview

• \*\*Company Name:\*\* 404STREETWEAR (TОО «404 Streetwear»)  
• \*\*Founded:\*\* 2025, Almaty, Kazakhstan  
• \*\*Legal Form:\*\* ТОО (LLC equivalent)  
• \*\*Vision:\*\* To make urban fashion accessible, trendy, and uniquely expressive.  
• \*\*Mission:\*\* Provide stylish, comfortable clothing that empowers self‑expression and supports an active lifestyle.

### Product Line

• Hoodies & Sweatshirts – heavyweight fleece, oversized cuts.

• T‑Shirts & Tops – organic cotton, graphic prints.

• Pants & Tights – athleisure fits with stretch fabrics.

• Accessories – caps, beanies, bags, enamel pins.

• Limited Drops – artist collaborations, seasonal capsules.

# 3. Market Analysis

#### Target Market

Primary audience: teenagers and young adults (ages 15‑28) in major Kazakh cities (Almaty, Astana) who value individuality and remain highly active on TikTok and Instagram. Total addressable market (TAM) for urban apparel in Kazakhstan is estimated at ₸30 billion annually, with a CAGR of 8 %.

#### Problem Statement

Consumers seek unique streetwear that bridges affordability and exclusivity. Existing global brands (Supreme, Off‑White) are premium‑priced, while local offerings lack strong brand identity and limited‑edition appeal.

#### Competitive Landscape

|  |  |  |  |
| --- | --- | --- | --- |
| Brand | Positioning | Price Range (₸) | Weakness |
| Supreme | Global hype, limited drops | 60 000–150 000 | High price, import duties |
| Off‑White | Luxury streetwear | 80 000–200 000 | Premium tier, limited local stock |
| Local Startups | Affordable basics | 8 000–15 000 | Weak brand, low innovation |

#### Competitive Advantage

• Distinctive brand identity rooted in digital culture (error‑404 motif).

• Agile design cycles enabling rapid response to trends (<45 days).

• Strong influencer partnerships and community challenges.

• Hybrid DTC model lowering retail mark‑ups and enhancing customer feedback loops.

# 4. Marketing & Sales Strategy

#### Marketing Channels

• TikTok – fashion challenges, behind‑the‑scenes content, paid ads.

• Instagram – lookbooks, Reels, user‑generated content reposts.

• Pop‑up Stores – immersive brand experiences during product drops.

• Email & SMS – exclusive early access for subscribers.

• Influencer Collaborations – micro‑ and macro‑influencers in street culture.

#### Pricing Strategy

Value‑based pricing aligned with perceived exclusivity but below imported premium labels. Average gross margin target: ≥60 %.

#### Distribution Channels

• Primary – Shopify‑based online store (nationwide shipping).

• Secondary – seasonal pop‑up in top‑tier malls (Almaty MEGA, Astana Khan Shatyr).

• Tertiary – limited wholesale to curated concept stores after Year 2.

#### Sales Funnel & KPIs

Target conversion rate: 2.8 % (online). Average order value: ₸18 000. Customer acquisition cost (CAC): ₸3 500; customer lifetime value (LTV): ₸27 000; LTV/CAC ratio ≥7× by Year 3.

# 5. Operations Plan

**Supply Chain & Production  
Country of Origin of Goods: All garments for the first two collections will be manufactured in Turkey and Uzbekistan. Each item will carry a clear “Made in Turkey” or “Made in Uzbekistan” label in full compliance with Kazakhstan customs regulations and WTO labelling standards.**

**• Manufacturing: Certified partners in Istanbul (Turkey) and Tashkent (Uzbekistan); 90-day framework agreements with dual suppliers.  
• Inventory Management: Reorder-point methodology; WMS with barcode scanning.  
• Facilities: 200 m² warehouse (class B) in Shymkent; 80 m² studio office.  
• Technology Stack: Shopify, Klaviyo, Canva Pro, Adobe CC.  
• Quality Control: AQL 2.5 pre-shipment inspection; random in-house checks.  
• Security: CCTV, two-shift guard at pop-up; insurance against theft & fire.**

# 6. Management & Human Resources

#### Founding Team

• \*\*CEO / Creative Director – Daniyar\*\* – oversees brand vision, product design.  
• \*\*COO – TBD\*\* – supply chain, inventory, and HR oversight.  
• \*\*CMO – TBD\*\* – growth marketing, influencer strategy, analytics.

#### Staffing Plan (Year 1 EoY)

|  |  |  |
| --- | --- | --- |
| Role | Headcount | Hiring Timeline |
| Designer | 1 | Month 1 |
| SMM Manager | 1 | Month 1 |
| Customer Support | 2 | Month 2 |
| Warehouse Ops | 1 | Month 2 |
| Security (Contract) | 2.5 FTE | Month 3 |

# 7. Financial Plan (Summary)

The detailed 8‑page financial plan is provided as a standalone document. Key highlights are summarised below:

• Year 1 Revenue: ₸108 million; gross margin 61 %; net loss ₸6 million.

• Break‑even achieved Month 10 (≈620 units/month).

• Year 2 Net Profit: ₸12.5 million on revenue ₸170 million.

• Cumulative free cash flow positive by Q2 Year 2.

# 8. Risk Analysis & Mitigation

A SWOT matrix is presented below:

|  |  |  |  |
| --- | --- | --- | --- |
| Strengths | Weaknesses | Opportunities | Threats |
| Strong brand identity | New market entrant | E‑commerce growth | Intense competition |
| Agile design cycles | Limited initial capital | Collab with artists | Currency risk |
| Community engagement | Dependence on social ads | Untapped regional markets | Logistics disruption |
| High gross margin | Limited product range | Accessories expansion | Trend volatility |

Mitigation tactics include dual sourcing, hedging currency exposure, building an owned audience (email/SMS), and maintaining a contingency fund of ₸0.5 million.

# 9. Milestones & Key Performance Indicators

• Launch e‑commerce site – \*\*M3 Y1\*\*

• Reach 10 000 followers – \*\*M6 Y1\*\*

• Break‑even point – \*\*M10 Y1\*\*

• First limited artist drop – \*\*M12 Y1\*\*

• Pop‑up store in Almaty MEGA – \*\*M3 Y2\*\*

• SKU expansion +30 % – \*\*Y2\*\*

• 50 000 followers milestone – \*\*Y2\*\*

• Regional expansion (CIS shipping) – \*\*Y3\*\*

KPIs tracked monthly: revenue, CAC, LTV, engagement rate, inventory turn, return rate (<5 %).

# 10. Appendices

A. Detailed financial statements (see separate file).  
B. Supplier contracts (confidential).  
C. Market research sources.  
D. Legal & regulatory compliance checklist.  
E. Assumptions worksheet.

# 11. Competitors and their sides

Brand City-base Positioning Typical price (T-shirt/Hoodie) Strengths Weaknesses

Qazaq Republic Almaty is a massive patriotic stream brand of 9,000-23,000 ₸ wide retail network, strong ethno-identity, few limited drops, basic fabrics

FUZZ Almaty Premium ekko-gore core = $70,000 (hoodie $160) sustainable materials, futuristic design, export high price for an average receipt, limited size

Tamyr Almaty "Neo-nomadic" heritage street 30,000-50,000 ₸\* traditional ornaments, unisex-oversize weak e-commerce, small batches

BASQA Astana Slogan street, art/hip-hop 12,000-18,000 ₸\* viral prints, strong social media, narrow product line, dependence on hype