**Sustainable Fashion Company**

**1.**

Sustainable Fashion is now provoking the entire city to evolve the new fashion sector in a significant manner. This culture includes all the social and ecological, financial equity that are related to it. Most of this type of company initially looks at the marketing fashion of the brands, which all need to be prioritized. It is an approach towards manufacturing, producing and designing clothes that can maximize the benefits to the industry of fashion society at a large scale. These textiles are majorly considered in the aspect of sustainable Fashion.

This Fashion varies differently from person to person in the aspect of consumers and producers. The majority of the private corporations look into this sector rather than the Government sector for financing. The benefits that we gain from this product level should not replace other companies to drive down. This sustainable Fashion helps the product to recreate the effect in a different style again with all necessities.

Nowadays, the ongoing development of consumer demand in the market with a decrease in the manufacturing cost using marketing and advertising leads to a lower growth stage. So these companies come under the background of the Growth stage. This Growth stage is essential for the companies to increase their market position in manufacturing the product and mostly to release the new products, which positively increases its margins. As Demand increases, the growth stage progress in the market rises rapidly.

**SWOT MATRIX**

|  |  |
| --- | --- |
| Strength   * Unique aspects * Usage of raw material * New trends in the society * Production in low cost | Weakness   * Marketing at a Higher rate * Slow production * Price competitivity |
| Opportunities   * New Business improvements * Organization committees * Social acceptance * A new case study in sustainable products | Threats   * Old fashion * Too expensive * Low quality/duplicate * Detriment for old producers |

**2.**

**Challenges faced by Sustainable fashion :**

**Emergence of Sustainity**

To put it simply, this sustainable fashion development involves preparing materials ecologically which are helpful for humankind. Investment should implement this sustainable fashion across all the global countries and cities.

Nowadays, there is an increase in the brands approaching this style, which creates awareness to the society. As customers cannot decide the brands selectively, we must generate an impact to buy them by providing necessary information that helps the people build an ecosystem from present lives. However, this must address the companies to communicate all the branding companies to classify it suitably. Many companies are beginning to create sustainability in this fashion society to empower the new generation for a better system for daily usage of necessities.

**Industry revolution**

Fortunately in the fashion industry many companies are not promoting this sustainable products which can lead them to deprive their fashion in popular demand.As they are major promoters of these fashion brands with high investment can generate the higher consumers to feature their products with all aspects.Purchase of sustainable fashion products can create an intervention in the society.Subjectively it appears an awareness among ourselves to promote and increase these products in the market.

**Production challenge**

We have to make a sustainable product efficiently with all renewable resources.

As creating a product there is almost a wastage associated with it in various forms like packaging,manufacturing,sampling.for the humankind there are always errors which cant be neglected because we are not as perfect,so there will be a wastage with these products even with using the recyclable materials.

**Exposure**

As for the designers with low investment of this sustainable fashion products seems difficult to sell this products around different places.Also can't advertise they products through different platforms.When they are compared their product to the similar type which is of not recycled product can affect the business of our domain,because as their product is having branding name which creates the public to choose at the first priority as their motive.In our case there is no address for this type of products like branding and labeling also can't be encouraged by the authorities to sell in the private places.The primary issue in this is not to grow the cost but also to transform and treat the recycled material unless creating a technology especially for this kind should not be entertained.

**Impact in the society**

The present social media and the negative spread can lead to the challenge of this sustainable fashion context.Usage of fabric material for clothing should not harm the skin by different chemicals, which is not sustainable.And also they are too expensive when compared with fashion clothing. In fact the prices are high but we can maintain susainance in the market .They can break all the upcoming brands to disagree with this level of culture and fashion.

**3.**

The portfolio of creating the different companies with an investment of 50 lakhs to get in the returns of equity assets of multiple financing profits to make a profitable portfolio broadly.

**Milestone 1:**

The main criteria for this type of fashion product are to be sold in the different online app marketing excellently. As we are aware that this pandemic had a significant hit to business members to fall largely, all the public has protectively created their mind not to avoid any precautions to buy any product in the market. So these days, many people started buying products online, which would vastly help the customers and producers. This will create a company to outreach the consequences to the public of sustainable fashion clothes selectively.

**Shops tie-up:** Minimum of 5 branding companies

**Usage per shop:** Minimum of 100 customers

**Milestone 2:**

As the products come into the market overall, we can assume that the gross market of the returns increases, so we should promote more by making different brands across all areas. We should mainly focus on the product's ability to encourage newer brands in the market that would brough various product styles from other cities. Nowadays, boutiques are becoming famous for selling sustainable fashion products.

**Shops tie-up:** Minimum of 15 branding companies

**Usage per shop:** Minimum of 100 customers

**Milestone 3:**

By creating this product and delivering them essentially would make the market manufacture functioning more. We must also provide products and advertise the effects of different sustainable products over prominent city places, often through various online platforms. Over many places, the technology is developing more, creating the public to buy the products vividly.

**Shops tie-up:** Minimum of 20 branding companies

**Usage per shop:** Minimum of 150 customers

**Milestone 4:**

We need to know the product-market fit as it is expanding through various branding and marketing methods. Then we can assure that the product is suitable to fit in the market to get in and make the share of profits in investing in different companies in building an equity portfolio comprising convertible notes of loan extension by an investor.

**Shops tie-up:** Minimum of 30 branding companies

**Usage per shop:** Minimum of 200 customers

|  |  |  |  |
| --- | --- | --- | --- |
| **Initial Investment** | **Customers added per milestone** | **Total no of customers** | **Convertible note or conversion rate** |
| 50,00,000 | 500 | <500 | 18% |
| 50,00,000 | 1500 | <1500 | 14.6% |
| 50,00,000 | 3000 | <3000 | 10.82% |
| 50,00,000 | 6000 | <6000 | 7.4% |

**4.**

**Customer Acquisition Cost:** For sustainable fashion products, the customer acquisition cost will comprise different adaptations of living style, advertising of fashion over different platforms,different brochures and magazines should spread at various events held by the authorities over these sustainable fashion products. We should spread the advantages of this type of sustainable fashion product over social media, which creates faster news to the public quickly. Also, we must offer discounts at the time of purchase to the public at any time so that it can impact the large motive of product buying.

Customer Acquisition cost = Total marketing expense in given period

No of customers acquired in given period

Total marketing expense to achieve milestone 1: Rs. 5,00,000

Number of customers acquired till milestone 1: 500

Customer Acquisition Cost =

Customer Acquisition Cost =Rs 1000

Customers lifetime value indicates the customer value of the company when the purchases happen. Value can determine customer lifetime value by using three factors:

* Average Value of the customer purchase
* Customer purchase frequency
* Period Value customer purchase

Customer lifetime value

Average value of Customer’s Purchase

Frequency of customer’s purchases

=

X

Total no of purchases

Time period of a customer’s purchases

Price per average sustainable product =Rs 550

Average Value of customers purchase =Rs 550

Frequency of customer purchase = 1

Period customer purchase = 1 year

Similarly, CAC and CLV for 5 years would be as follows:

Customer Lifetime Value = x 1

Customer Lifetime Value for 1st year = Rs 550

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Avg Value of customers purchase** | **Total Number of purchases** | **Customer Acquisition Cost** | **Total Customers lifetime value** | **Net profit on customer** |
| 550 | 1 | 1000 | 550 | -450 |
| 550 | 2 | 0 | 1100 | 100 |
| 550 | 3 | 0 | 1650 | 650 |
| 550 | 4 | 0 | 2200 | 1200 |
| 550 | 5 | 0 | 2750 | 1750 |

The acquisition cost per customer that the company incurs is Rs 1000, and earns the amount received per customer is Rs 550. From the above table, we can say that the company stops making losses from 2 years onwards, which implies that the business is making profits after the 1st year of investment. This means we need to be loyal to customers at the starting stage of the investment horizon for greater returns.