



NORTH SOUTH UNIVERSITY
SCHOOL OF BUSINESS
AND ECONOMICS

Course Name and Code: Entrepreneurship (MGT368)

Online Business Report on NextGen_Wear

Section: 3

Submitted to: Dr. S. S. M. Sadrul Huda

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Introduction

To escalate your fashion game to the next level, we introduced NextGen_Wear- a pants-based clothing brand to enhance the versatility of your wardrobe by providing export-quality pants for men, women and kids. Since we understand the importance of clothing in this modern era, NextGenWear prides itself on combining fashion, functionality and affordability. To satisfy our customers' various styles, preferences and occasion, we are introducing an extensive range of pants which includes jeans, cargo pants and many more. Whether you are searching for a pair of funky shorts for a beach tour, or something more casual for vacation, NextGen_Wear has got you covered!

Moreover, besides considering the importance of clothing that only looks great, we have highly focused on clothing that feels good too by the usage of high quality fabrics that are suitable for export. This ensures that the pants are durable, comfortable, and robustly built. Additionally, each pair of pants would be made with care and attention to detail through ethical manufacturing processes.

Mission

NextGen_Wear's mission is to provide high-quality, stylish, and comfortable pants to men, women and kids at an affordable price. We aim to exceed our customers' expectations by offering products that are not only fashionable but also functional and durable. We are committed to provide exceptional customer service to ensure that our customers are satisfied with their purchases.

Vision

NextGen_Wear's vision is to become a leading local clothing brand that is synonymous with style, comfort, and affordability. We aim to expand our product range to cater to different fashion needs, while maintaining our commitment to quality and affordability. We strive to create a brand that resonates with our customers and becomes a household name for fashion-forward individuals who seek high-quality clothing that offers value for money.

Business Profile

Business Name: **NextGen_Wear**

Date Established: 3rd March

Business Type: Online Clothing Brand

Business Address: Block F, Road 9, Bashundhara R/A, Dhaka.

Contact Number: +880186448956

Facebook Link- <https://www.facebook.com/profile.php?id=100090900994438>

Product Description



Men: Our collection of men's denim jeans includes a variety of styles to accommodate various preferences. From traditional straight-leg jeans to slim-fit, bootcut, and narrow options, we carry a wide variety of styles. Our pants are constructed from high-quality denim fabric and offer both durability and comfort. A variety of colors (faded blue, vintage black, indigo, etc.), our jeans are suitable for any occasion. Our men's denim jeans are designed to elevate your style with a perfect balance of fashion and comfort, regardless of whether you prefer a classic, casual, or contemporary appearance.



Women: The NextGen_Wear collection of women's jeans includes a variety of styles to accommodate your fashion preferences. We have options for every taste, including timeless classic straight-leg jeans, elegant slim-fit skinny jeans, relaxed boyfriend jeans, distressed denim jeans, and flattering high-waisted jeans. Our pants are constructed from high-quality denim fabric and feature a comfortable fit and long-lasting durability.



Kids' jeans that are fashionable and comfortable for everyday wear, with classic straight-leg and contemporary skinny designs.



Shorts: With a variety of colors and patterns to choose from, these shorts are made from high-quality materials and provide both comfort and design. These are suitable for outdoor activities, mild weather, etc.

Marketing Planning and Process

Marketing strategy is critical to attaining goals and increasing growth and sales. When entering a new market, NextGen_Wear realized the necessity of a well-organized marketing campaign. NextGen_Wear utilized a variety of marketing and sales techniques aimed at various consumer categories in order to optimize its potential for growth.

NextGen_Wear targets fashion-conscious adults, such as busy professionals who value style and convenience. The brand also targeted consumers who prefer both comfy and trendy jeans. Recognizing the significance of family purchasing, NextGen_Wear targeted parents looking for fashionable clothing for their children. NextGen_Wear also catered to the needs of plus-size customers by providing inclusive sizing options.

NextGen_Wear also targeted budget buyers, giving low pricing without sacrificing quality, in order to attract a diverse customer base. NextGen_Wear intended to develop a solid market presence and drive growth and sales by knowing and addressing these varied client categories.

NextGen_Wear created the groundwork for its core goal of growing growth and sales while satisfying the demands and preferences of its target customers by integrating these marketing and sales methods.

NextGen_Wear distinguishes itself by using a pricing-based promotion strategy and attempting to give lower prices than competitors. Our product portfolio includes jeans for women, men, and children, providing a wide range of demands and preferences. Our women's jeans are priced reasonably between 650tk and 750tk, while our men's jeans are priced between 750tk and 850tk. In addition, we sell children's jeans for 350tk to 450tk. NextGen_Wear strives to provide outstanding value to our consumers by offering high-quality items at reasonable prices.

To catch the attention of North-South University (NSU) students and generate increased sales, NextGen_Wear created an exclusive discount offer. Recognizing the significance of this particular customer segment, we introduced a special 10% discount exclusively for NSUsers. This targeted

promotional offer has proven to be extremely effective in attracting NSU students and increasing sales. NextGen_Wear hopes to establish a solid relationship with NSUers and promote brand loyalty among this important target demographic by offering an appealing incentive.



NextGen_Wear understands the value of attracting new customers and providing a pleasant shopping experience. We introduced a limited-time offer of free delivery during our first month of operation to entice new customers. This offer allowed us to demonstrate our dedication to providing outstanding service and convenience.

As we expand, NextGen_Wear now offers free delivery exclusively within the Basundhara area, catering to local customers at no extra cost. To ensure timely and dependable service, we charge a nominal fee of 70tk for delivery to customers throughout Dhaka. Furthermore, for customers living outside of Dhaka, we offer delivery services throughout Bangladesh for a fee of 150tk. This tiered delivery pricing structure allows us to accommodate customers from various locations while maintaining competitive delivery charges. By offering both free and reasonably priced delivery options, NextGen_Wear aims to provide a hassle-free shopping experience and establish itself as a convenient and customer-centric brand.

NextGen_Wear effectively utilized customer feedback and evaluations as a marketing technique on its Facebook page to cultivate trust among its followers. By regularly showcasing the positive reviews and experiences of customers who purchased products, NextGen_Wear demonstrated its commitment to delivering high-quality products at affordable prices. This transparent approach helped build credibility and fostered trust among the audience, ultimately leading to increased

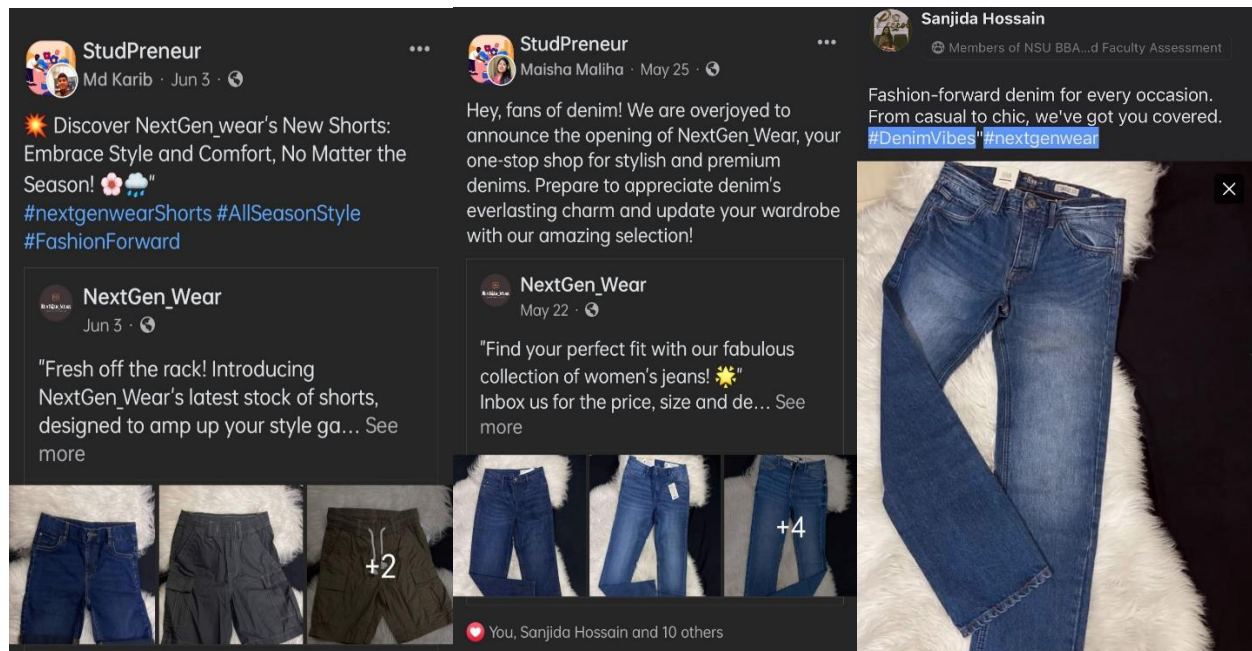
sales. The testimonials served as social proof, assuring potential customers of the brand's reliability and encouraging them to make a purchase with confidence.

NextGen_Wear used referral marketing as an efficient marketing approach. NextGen_Wear offered a set number of discounts as an incentive for clients who referred friends to the business. This strategy encouraged customers to actively promote NextGen_Wear while also assisting them in increasing their sales. Additionally, NextGen_Wear also promoted its brand in numerous groups, including StudPreneur, NSU BBA Group, and others.

Customers became brand champions as a result of this referral program, sharing their positive experiences with their network and bringing new customers to NextGen_Wear. Referring clients earned lucrative discounts in exchange, thus pushing them to engage in referral activities.

This mutually advantageous partnership enabled NextGen_Wear to leverage the power of word-of-mouth marketing, expanding its client base and increasing sales by using the networks of existing consumers. NextGen_Wear efficiently used referral marketing to accelerate business growth by generating a win-win situation for both referrers and new clients.





Delivery Process



To attract clients and boost sales in the first month of our business operation, we offered free delivery services to customers inside Dhaka. However, when we started receiving orders from outside of Dhaka as well, we selected Pathao Courier, a third-party courier service, to deliver our products to consumers. We utilized Pathao Courier to transport our items in order to keep up with delivery requests and provide clients with their goods on time. However, until today, the experience that we had with Pathao was bittersweet. Pathao, being a third-party organization in our business, indirectly affected our service delivery. Their inconvenience during delivery has affected our customers.

Pathao was inefficient in understanding consumers' directions. Our customers have consistently found it necessary to engage in phone conversations with the delivery men to provide clarifications on their location. This created a hasty delivery process. Moreover, the delivery men also made some late deliveries, for which one of our customers was disappointed. Despite our clear requests to avoid such occurrences, Pathao's delivery service was unpredictable, frequently resulting in deliveries arriving at inconvenient or unexpected times.

Financial Plan

NextGen_Wear started up with an initial cash investment of 18,000 Bangladeshi Taka, which was split evenly among its six partners, who each put in 3,000 Taka.

Income Statement from 1st March 2023 - 31st May 2023

| Particulars | March (BDT) | April (BDT) | May (BDT) |
|----------------------------|---------------|---------------|---------------|
| Revenue | 4150 | 15300 | 6050 |
| Cost of Goods Sold: | | | |
| Direct Cost: | | | |
| Beginning Inventory | 0 | 1880 | 4010 |
| Purchases | 3940 | 9700 | 3360 |
| Ending Inventory | 1880 | 4010 | 4360 |
| Total Direct Cost | 2060 | 7570 | 3010 |
| Indirect Cost: | | | |
| Delivery Cost | 800 | 800 | 800 |
| Packaging | 70 | 230 | 100 |
| Total Indirect Cost | 870 | 1030 | 900 |
| Total Cost | 2930 | 8600 | 3910 |
| Gross Profit | 1220 | 6700 | 2140 |
| Gross Profit Margin | 29.4% | 43.8% | 35.4% |
| Expenses: | | | |
| Delivery Charges | 490 | 1190 | 560 |
| Stationery Expenses | 150 | 150 | 150 |
| Total Expenses | 640 | 1340 | 710 |
| Net Profit | 580 | 5360 | 1430 |
| Net Profit Margin | 13.98% | 35.03% | 23.64% |

The company's financial performance from March 1, 2023, to May 31, 2023, is shown in its income statement. During this time period, NextGen_Wear made 4,150 Taka in March, 15,300 Taka in April, and 6,050 Taka in May. The cost of goods sold, which includes both direct and indirect costs, was 2,060 Taka in March, 7,570 Taka in April, and 3,010 Taka in May. Because of this, gross profits were 1,220 Taka in March, 6,700 Taka in April, and 2,140 Taka in May, with gross profit margins of 29.4%, 43.8%, and 35.4%, respectively, for each month.

The company has also spent money on expenditures like delivery charges and stationery. In March, these costs were BDT 640, in April they were BDT 1,340, and in May they were BDT 710. Because of this, NextGen_Wear made net profits of BDT 580 in March, BDT 5,360 in April, and BDT 1,430 in May, with net profit margins of 13.98%, 35.03%, and 23.64%, respectively.

Pro Forma (Forecasted) Income Statement from 1st June 2023 - 29th Feb 2024

| Particulars | BDT |
|----------------------------|-----------------|
| Revenue | 50490 |
| Cost of Goods Sold: | |
| Direct Cost: | 23955.75 |
| Indirect Cost: | 7965 |
| | 31920.75 |
| Gross Profit | 18569.25 |
| Gross Profit Margin | 36.78% |
| Expenses: | 6075 |
| Net Profit | 12494.25 |
| Net Profit Margin | 24.7% |

NextGen_Wear has made a "pro forma" income statement for the time period between June 1, 2023 and February 29, 2024. The Revenue expected to come in during this time is 50,490 Taka. Taking into account the direct costs of 23,955.75 Taka and the indirect costs of 7,965 Taka, the cost of goods sold is estimated to be 31,920.75 Taka. This would lead to a gross profit of 18,569.25 Taka, which is a 36.78% gross profit margin. Expenses for this time are expected to be 6,075 Taka, which means a net profit of 12,494.25 Taka, or a net profit margin of 24.7%, is expected.

Challenges

NextGenwear encountered numerous obstacles while operating the business:

- **Established local and online competitors-** Competition from well-known local clothing brands is one of the major challenges NextGenWear faces. Through their sustained presence in the market, these companies have already acquired the confidence and loyalty of a sizeable client base. Given that consumers often stay with well-known brands they are used to, NextGenWear has a challenging job in developing brand awareness and securing a share of the market.
Furthermore, NextGenWear is up against intense competition from online clothing businesses. E-commerce platforms have grown rapidly in recent years, providing users with ease, a large choice of alternatives, and competitive prices. Established e-commerce businesses with well-developed platforms and marketing techniques represent a big threat to NextGenWear since they have already seized a significant portion of the online market.
- **Customer trust and credibility-** Establishing customer trust and credibility is a gradual process that builds up with time and effort. NextGenWear, being a new brand, may encounter initial skepticism from customers who have yet to become familiar with the brand. This may influence their willingness to buy and their faith in the brand's delivery capabilities.
- **Limited Capital-** Since NextGenWear is a small business, it was hard for the company to raise money, which led to a number of problems:

- **Limited product range** - With limited funds, NextGenWear was unable to invest in a diverse selection of products. They have to limit their product variety or focus on a certain category, which limits their capacity to cater to various customer preferences and reduces their market competitiveness.
- **Marketing and Advertising**- NextGenWear's marketing and advertising efforts faced limitations due to limited funding. As a result, the company was unable to invest in marketing and advertising campaigns, digital marketing platforms, or influencer partnerships, which led to decreased brand visibility, lower consumer acquisition, and slow brand growth.

Future Plan of NextGen_Wear:

1. Diversify Product Range: NextGen_Wear intends to broaden its product offering in order to reach a broader customer base. We will identify emerging trends and customer preferences in the jeans sector through extensive market research and analysis. Our goal is to provide a diverse selection of jeans in a variety of styles, fits, and sizes, ensuring that every customer finds their ideal pair. We will also investigate specialized lines, such as petite, plus-size, or athletic-fit jeans, to provide customers with specific body types with inclusive options. This growth will help NextGen_Wear establish itself as a go-to destination for fashionable and inclusive jeans.

2. Collaborations and Influencer Marketing: NextGen_Wear's future approach will rely heavily on collaborations and influencer marketing. We will selectively partner with key influencers, fashion bloggers, and celebrities as we expand and establish a stable revenue stream. We will increase our brand's reach and visibility by collaborating with individuals who share our brand values and have a large following. Through sponsored content, social media campaigns, and limited-edition collections in conjunction with influencers, we will generate excitement, attract new customers, and position NextGen_Wear as a trailblazer in the jeans industry.

3. Retail Store: NextGen_Wear's future plan also includes having a physical retail store. This will increase the interaction between customers and our brand. It will allow customers to try on jeans, get styling assistance, and browse our expanded product range. The retail store will feature events that will improve our relationship with the local community and draw a varied customer base. The retail store will also strengthen NextGen_Wear's status as a leading online and actual destination for attractive and inclusive jeans.

Succession Planning:

1. Family Succession: NextGen_Wear acknowledges the importance of retaining the business within the family. We will put in place a comprehensive plan to train and develop family members who have a passion for jeans and have demonstrated the necessary skills and capabilities to lead the company. By giving them mentorship, leadership changes, and exposure to all sectors of the business, we will prepare them to gradually assume crucial positions and responsibilities. This

technique promotes continuity and a seamless transition of leadership from one generation to the next.

2. Partner Ownership: In the case of a leadership transfer, NextGen_Wear will investigate the option of partner ownership. We will recognize individuals within the organization who have demonstrated extraordinary dedication, skill, and leadership potential. We will offer them the opportunity to acquire ownership shares in the company through a structured process. This approach ensures continuity while recognizing and rewarding key individuals who have contributed significantly to the company's success.

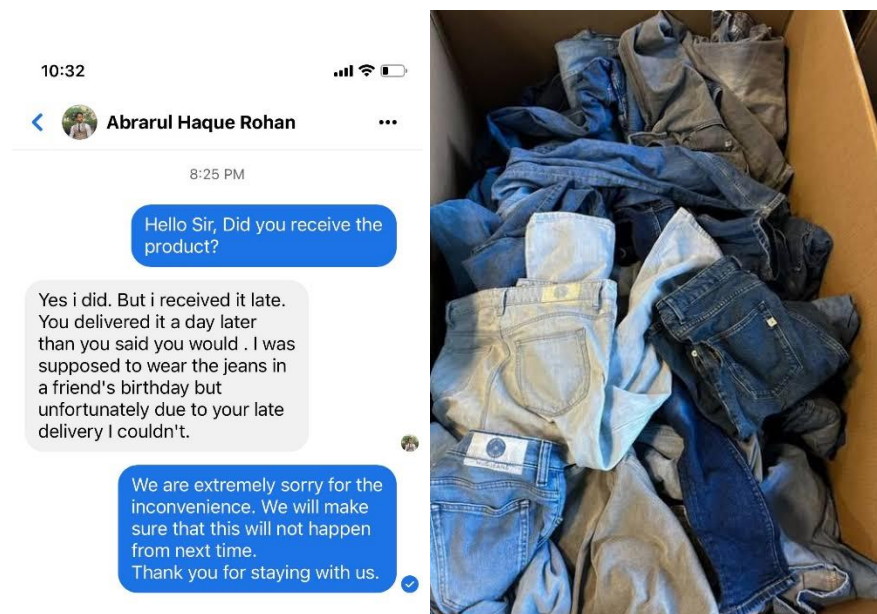
Achievement/ Failure

1. **Outstanding Product Quality:** NextGen_Wear aspires to provide high-quality jeans which are capable of exporting. We prioritize higher quality at low cost so that fashion is affordable for every customer.
2. **High Customer Satisfaction:** NextGen_Wear has made a name for itself by providing excellent customer service. We focused on building trust with our clients by replying quickly to questions, complaints, and requests. The proofs will be screenshots of the customer's messages and reviews. We worked hard to make sure that our clients were happy; we got a lot of good reviews and leads, which helped our business to grow stronger.
3. **Social Media Presence:** NextGen_Wear used Facebook to build a strong online group of fashion lovers and loyal customers. We got almost 200 likes and 300 followers on Facebook pages quickly by making it interesting, updating it often, and selling it well. NextGen_Wear is taking small steps towards exposure by organically convincing people to follow the page.

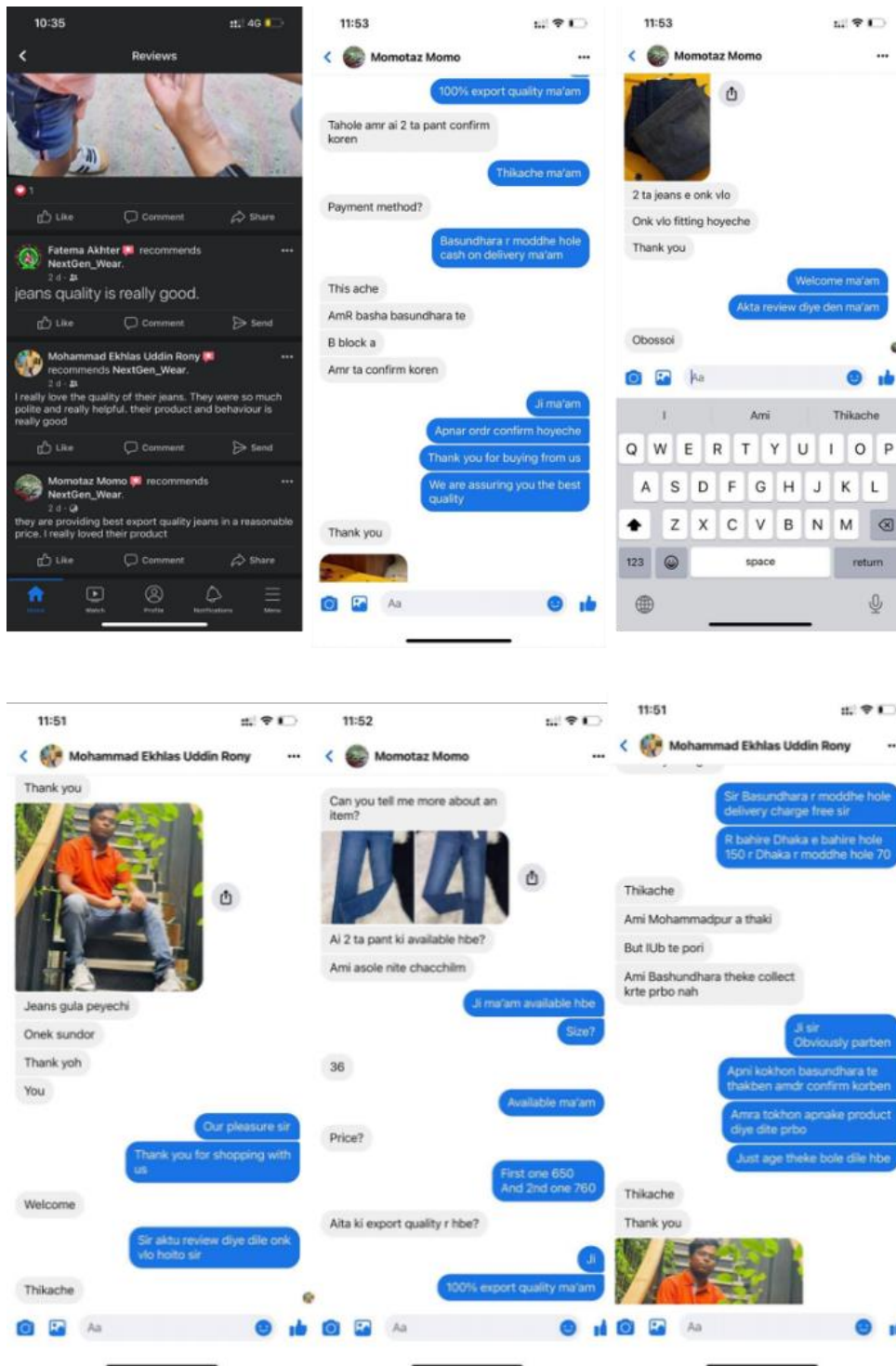


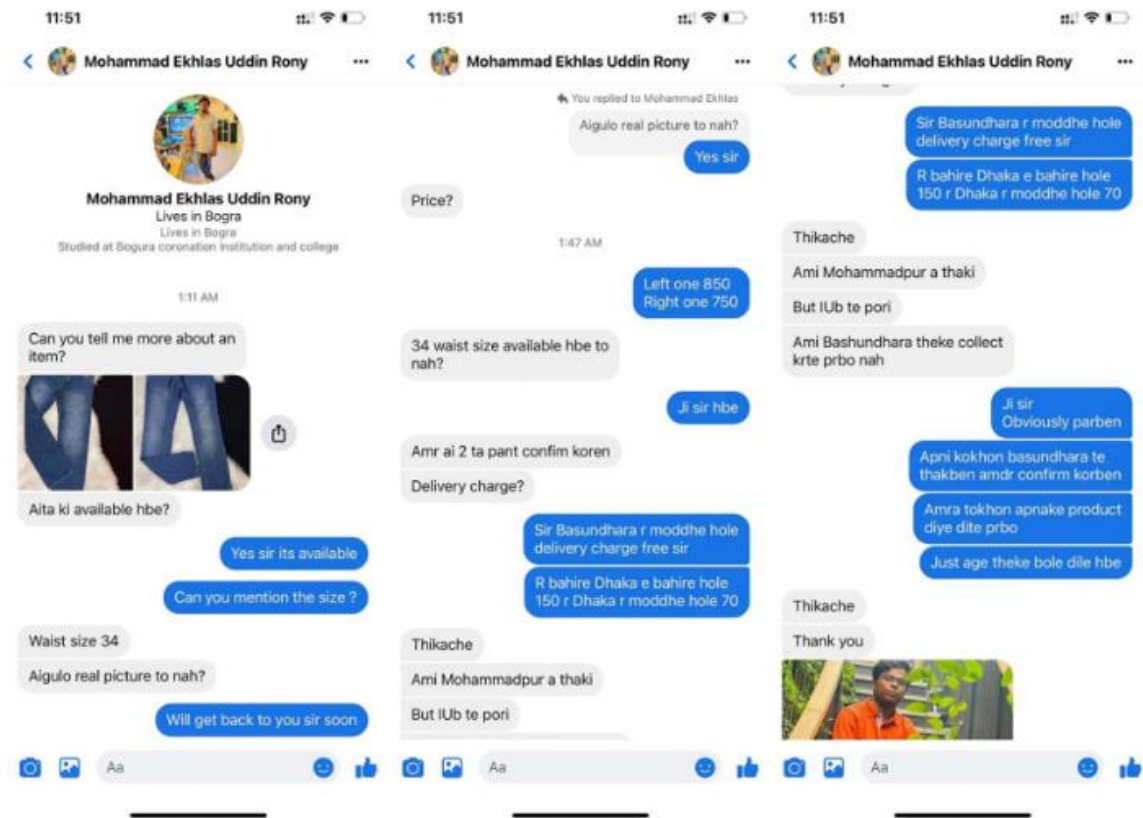
Failures

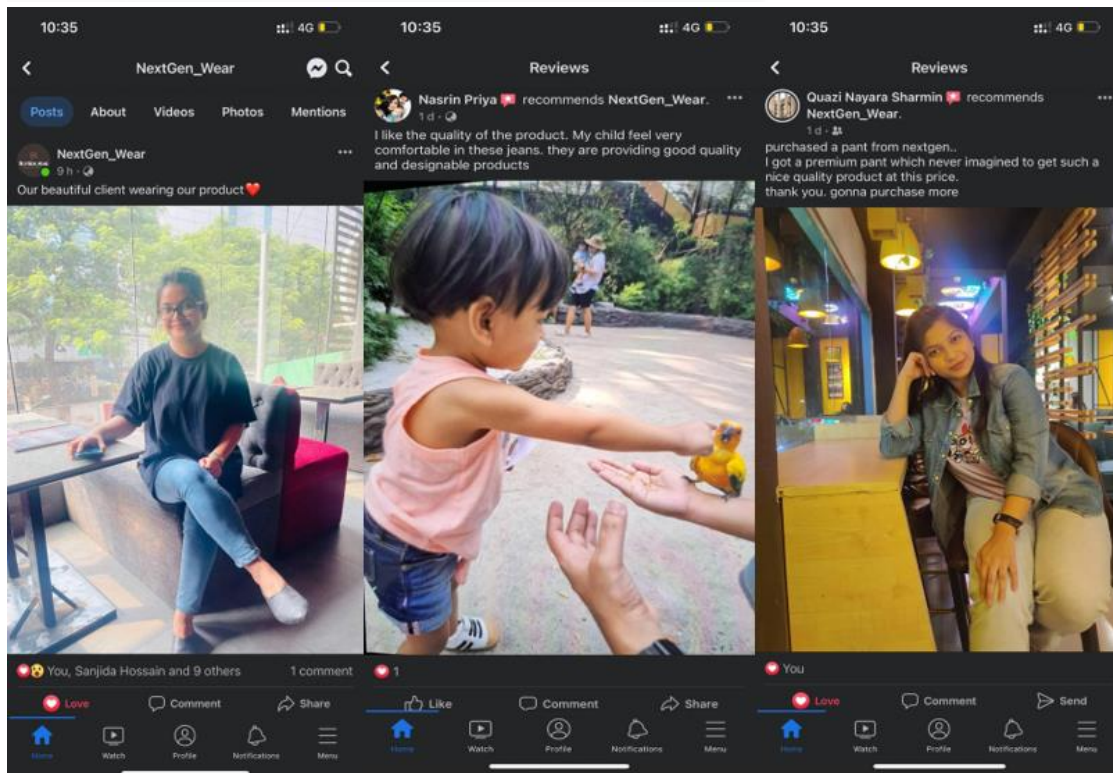
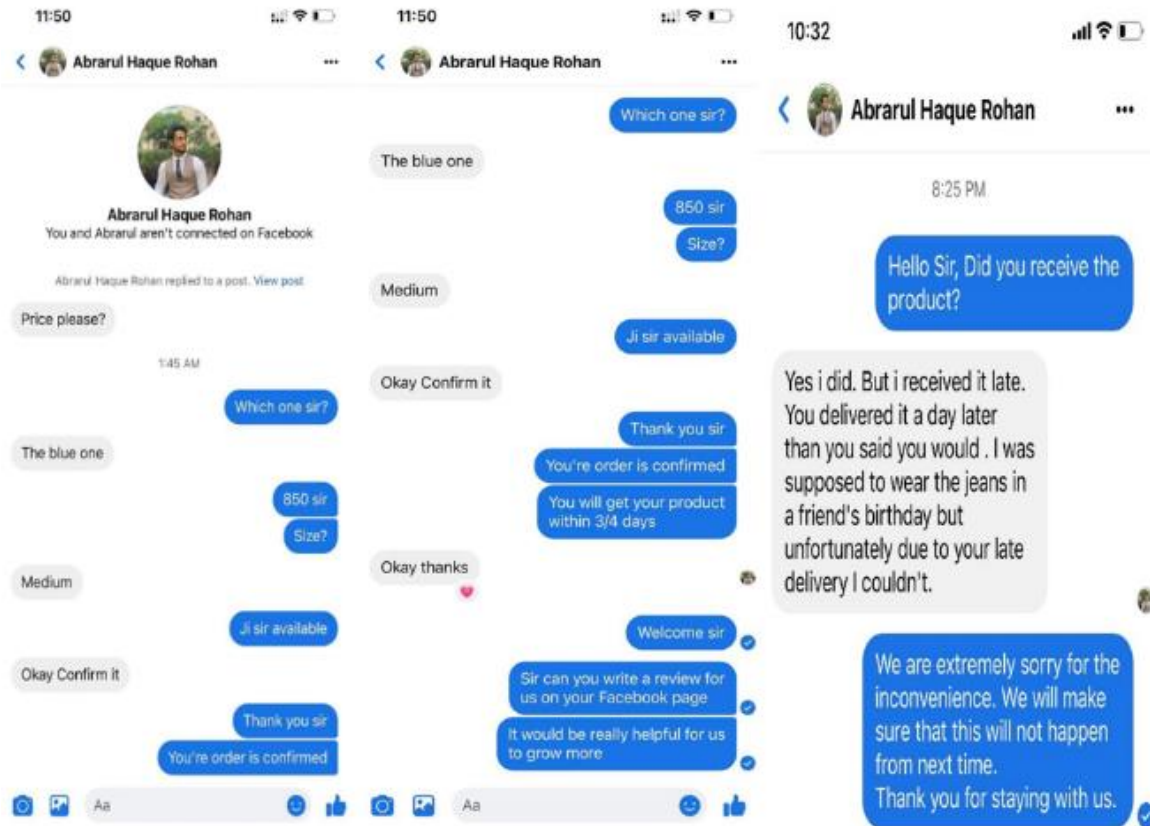
1. **Problems with managing inventory:** As NextGen_Wear is still embryonic; it is difficult for us to maintain a large inventory. Due to this problem, we often have to reply to customers with messages like "stockout", which can dissatisfy our consumers. These situations can be costly for us at this stage of our business.
2. **Late Deliveries:** NextGen_Wear is a new brand; thus, they don't yet have a structural delivery system in place for delivering items. Due to this, customers sometimes don't get their orders on time, which causes them to be dissatisfied and hinders the brand name of the business. Additionally, late delivery might reduce client loyalty and customers can decide to move to competitors who can provide more consistent and timely delivery.

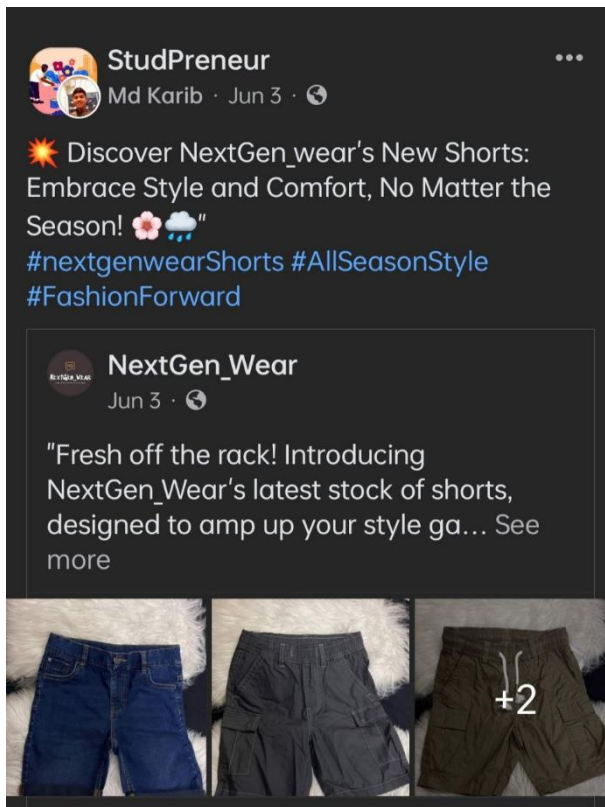
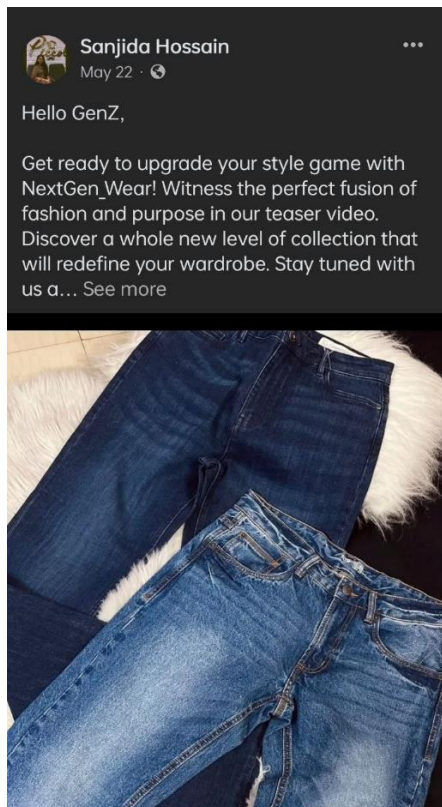
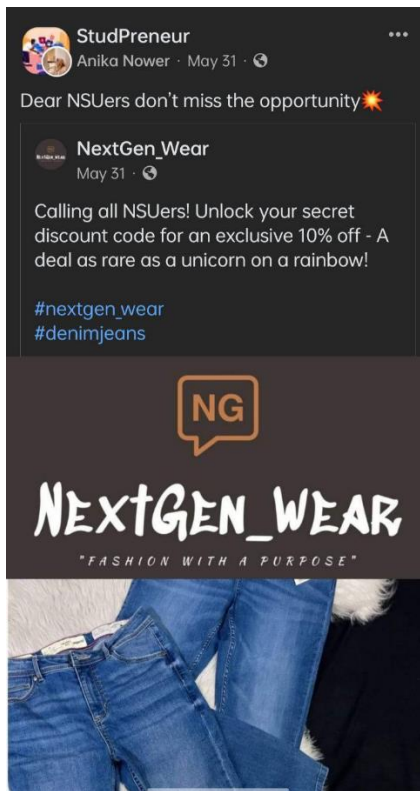



Appendix












StudPreneur
Maisha Maliha · May 25 · 🌐

Hey, fans of denim! We are overjoyed to announce the opening of NextGen_Wear, your one-stop shop for stylish and premium denims. Prepare to appreciate denim's everlasting charm and update your wardrobe with our amazing selection!


NextGen_Wear
May 22 · 🌐

"Find your perfect fit with our fabulous collection of women's jeans! ☀️"
Inbox us for the price, size and de... See more



👤 You, Sanjida Hossain and 10 others


StudPreneur
Tazrin Nahar Dewan · May 27 · 🌐

Looking for perfectly comfortable jeans !!
No further alternative than ✓ NextGen_Wear..
📍 Presenting our superb collection of jeans for men, women & kids. One stop solution for smart and casual styling to satisfy your fashion mind.
[#nextgenwear](#) [#jeansfashion](#) [#jeanslovers](#)


NextGen_Wear
May 20 · 🌐

The Wait is Over !!!
NextGen_Wear is knocking at your door

