











Mikheil Ubiria



# Company Description

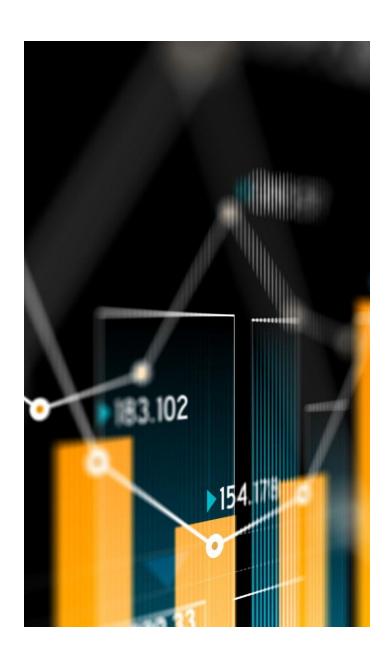
- Company Brief: StyleMe revolutionizes the fashion shopping experience by offering clothing mystery boxes tailored to individuals' aesthetics. Our platform combines surprise with affordability, ensuring customers discover stylish, personalized attire effortlessly.
- **Mission Statement**: Our mission is to empower individuals to embrace their unique style by providing affordable, personalized fashion experiences that transcend conventional shopping.
- Products and Services: Customers can choose from predefined
  aesthetics or a custom option, they can upload images and get a unique
  outfit selected for them. Our boxes accommodate all sizes, preferences
  and seasonal options while embracing the excitement of surprise and
  seasonal trends, which makes it unique in the Georgian marketplace.



# Characteristics of Your Opportunities

**Solve The Problem:** Many face frustration in their shopping experiences due to time-consuming searches, limited options, and high prices. No options for buying ready to wear personalized outfits.

**Gap In The Marketplace:** Limited global resources providing a service of personalized outfits delivered ready to wear. No such services in Georgia.



### Management Team

**Anastasia Sharangia** - Chief Marketing Officer (CMO): Manages marketing strategies, brand development, and customer acquisition. Handles advertising, promotions, and market research.

**Anna Ubilava** - CEO/Founder: Responsible for overall strategic direction, vision, and decision-making. Leads the team, sets goals, and oversees operations.

**Tatuli Shavishvili** - Operations Manager: Oversees day-to-day operations, including inventory management, logistics, and fulfillment. Manages the supply chain and ensures smooth operational processes.

**Ekaterine Khelidze** - Product Manager: Focuses on product development, curating the inventory, and ensuring that the mystery boxes align with customer preferences and StyleMe's brand image.

**Mikheil Ubiria** - Customer Experience/Sales Manager: manages customer relations, sales, and post-sale support. Handles customer inquiries, feedback, and ensures a positive shopping experience.



### **Environmental Trends**



**Economic Forces**: StyleMe's commitment to offering budget-friendly clothing mystery boxes meets the economic need for high-value purchases, catering to cost-conscious customers in uncertain economic times and addressing the demand for durable, affordable fashion options



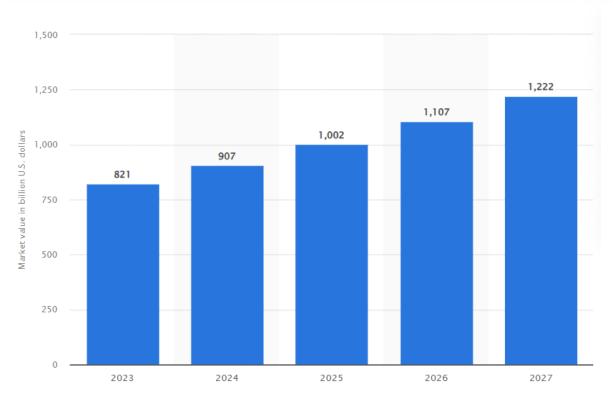
**Social Forces**: Personalization, Individuality & Inclusive Sizing: StyleMe supports self-expression through personalized outfit options and offers a wide size range, promoting inclusivity and body positivity, catering to diverse body types and preferences.



**Technological Advances**: Customization, AI, & E-commerce Convenience: StyleMe leverages AI for customization and offers a convenient online platform, reflecting the growing role of technology and e-commerce in the fashion industry.

### Fashion e-commerce market value worldwide from 2023 to 2027

(in billion U.S. dollars)



Global fashion e-commerce market value 2027 | Statista

### **Industry Analysis**

- One of the biggest industries in the world.
- High growth rate
- Expected to reach revenue of \$1.2 trillion by 2027
- Emerging industry
- First-mover advantage

### Industry Trends Porter's Five Forces Analysis

#### Threat Of Substitutes – low

No direct alternatives in Georgia. Traditional shopping, secondhand options, and styling apps serve only as indirect alternatives.

#### Threat Of New Entrants – low

StyleMe operates in an innovative market with unique features, personalized aesthetics, and significant entry barriers.

### • Rivalry Among Existing Firms - low

StyleMe's differentiation, lack of direct competitors in the Georgian market, and a focused approach on a niche segment.

### · Bargaining power of suppliers - low

A vast industry, easy supplier switching, and an abundance of alternative sources.

### Buyers' bargaining power – low

A diverse customer base, budget-friendly options, and the unique, exclusive nature of StyleMe's products.





### Feasibility Analysis



The concept aligns with the growing popularity of mystery boxes and the desire for unique fashion experiences, making it a sensible endeavor.



Offering locally made, limitededition items is both reasonable and appealing, providing a feasible approach to the market.



The concept leverages the trend of individuality and effectively addresses the demand for exclusive fashion items, capitalizing on current market dynamics.



The timing for introducing the product aligns well with prevailing market trends and consumer preferences.



No fatal flaws have been identified in the product's basic design or concept, making it a promising venture.

# Concept Statement

Description of the **Product/Service:** StyleMe offers a unique clothing mystery box shopping experience. Personalize your style with predefined aesthetics or your own photos. Affordable. inclusive sizing, and seasonal options make fashion accessible.

### Intended target market:

market:
Appealing to fashion enthusiasts of all ages and sizes. Ideal for budget-conscious shoppers seeking stylish, affordable clothing. Designed for those looking for convenience, sustainability, and personalization.

### Benefits of the Product/Service:

Enjoy personalized outfits that match vour unique aesthetic. Find affordable fashion options to suit every budget. Access inclusive sizing for a wide range of customers. Stay stylish with seasonal wardrobe updates. Unbox excitement and surprise in every shopping experience.

### Competitive Advantage:

StyleMe delivers customizable outfits based on your preferences. Affordable pricing options cater to diverse customers. Inclusive sizing ensures accessibility and inclusivity. Sustainable sourcing aligns with modern values. An element of surprise makes shopping engaging and fun.

### Brief description the of Management

### Team

Our team consists of five sophomores, who want to provide unique and personalized fashion experience.



### Target Market Attractiveness

### New product in an existing market or vice versa?

The aesthetic mystery box business concept introduces a novel product within the context of and already established and continuously expanding fashion market, providing an innovative twist to the existing landscape.

### Is our target market large enough?

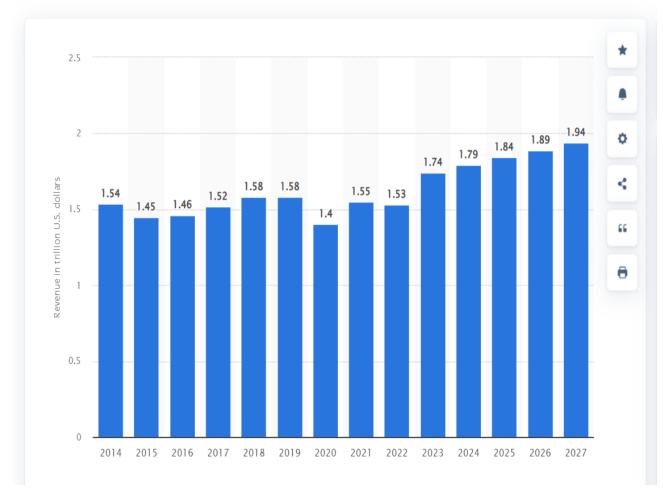
Yes, the target market for the aesthetic mystery box business in Georgia, catering to individuals passionate about clothing and the surprise element, is sizable and enthusiastic. It's large enough to support the business while remaining small enough to minimize competition from larger players.

### Does it have a potential for growth?

Yes, the target market for the aesthetic mystery box business, individuals who have a passion for both clothing and the element of surprise associated with mystery boxes, signifies a substantial and enthusiastic customer segment.

### Revenue of the apparel market worldwide from 2014 to 2027

(in trillion U.S. dollars)



https://www.statista.com/forecasts/821415/value-of-theglobal-apparel-market

One of the largest and most fragmented industries. Growing rather than shrinking. Online shopping industry is relatively young and sells not only "want to have" but also "must have" products.



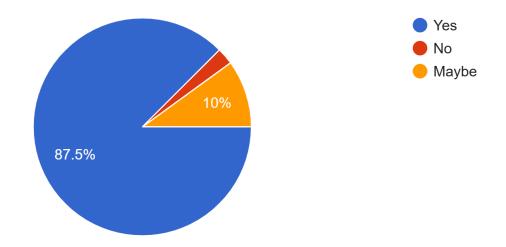
Revenue in the Fashion market is projected to reach US\$768.70bn in 2023.



an annual growth rate (CAGR 2023-2027) of 9.45%, resulting in a projected market volume of US\$1,103.00bn by 2027.

Would you purchase a mystery box of outfits, that is specifically designed for your aesthetic and fits your budget?

40 responses



### Primary Research

From our survey we have concluded that most of the people are interested in buying mystery box of outfits, that are specifically designed on their aesthetic and fits their budget.

https://forms.gle/aa4WgbxcdSpzNivy9

### **Mystery Box Fast Facts**

Revenue	\$1 - \$10 million See Exact Annual Revenue
Employees	1 - 10 Exact Company Size

### Financial Feasibility Analysis

E-commerce worldwide - statistics & facts | Statista Annual Report on Mystery Box's Revenue, Growth, SWOT Analysis & Competitor Intelligence - IncFact Total start-up cash needed - approximately 35000 gel needed for the first three years.

Financial performance of similar businesses

While online shoppers differ greatly depending on their respective regions around the world, there are general indicators that help with understanding basic digital consumer behavior.

As global internet access and adoption rapidly increase, with over five billion internet users worldwide, the number of people making purchases online is ever-increasing. Online shoppers appreciate the ease and flexibility of e-commerce.

Overall financial attractiveness of the proposed venture:

StyleMe displays promising financial prospects due to its innovative approach, revenue potential, and market positioning within the evolving fashion industry.

# Market Analysis

### **Market Segmentation**

#### Geographic:

Georgia

### Demographic:

- Targeting individuals aged 18-35 interested in fashion products.
- Men and Women
- Low-upper-middle income

### **Psychographic Segmentation:**

People who value personalization, affordability, and seasonal style updates.

### **Behavioral Segmentation:**

Customers seeking unique, surprise-based shopping experiences.

### **Target Market Selection**

- StyleMe targets fashion enthusiasts seeking personalized, affordable clothing, offering convenience and inclusivity.
- Aims at individuals valuing unique fashion experiences and willing to explore mystery box shopping.





### **Buyer Behavior**

We can see that outfits have a significant impact on people's mood, and they often experience an uplift in their spirits when they purchase new clothes.

https://www.kantar.com/uki/inspiration/advertising-media/consumer-fashion-trends-in-the-cost-of-living-crisis

### Competitor Analysis Grid

Online Mystery Boxes by HypeDrop: Authentic Products, Fairly Packed
HEAT Europe | Luxury Fashion Mystery Box HEAT EUROPE

<u>Create an Ecommerce Website and Sell Online!</u> <u>Ecommerce Software by Shopify (mysteriesta.com)</u> <u>Mystery Box Clothing - Etsy Georgia</u>

name	Price	Features	Location	inclusivity	customizable
StyleMe	49.99₾ 89.99₾	Multiple choices, customization options, seasonal selections, inclusive sizing	Based in Georgia	Diverse pricing options, wide clothing size range, seasonal choices	Customers can send photos for outfit customization
HYPEDROP Indirect competitor	40-500\$	Limited options	Located abroad	Offers, below an average inclusivity	Offers basic customization options
HEAT Indirect competitor	350-700€	Limited options	Located abroad	Offers, below an average inclusivity	Offers basic customization options
Etsy Indirect competitor	28-100\$	Size inclusive	Located abroad	Offers standard inclusivity	Offers basic customization options
Mysteriesta Indirect competitor	15\$	Size inclusive	Located abroad	Offers standard inclusivity	Offers basic customization options

### The Economics of The Business

### **Fixed costs**

- Rent or Utilities: Warehouse 800gel, Area: 160.00 m<sup>2</sup>
- Computers and Software 400 1000 gel.

### Variable costs

Packaging:

Boxes - pack of 50, 44 gel

Stickers - when ordering >= 10000 pieces, price of one \$0.01

Marketing and Advertising: \$500 to \$10,000 per month

Salaries and Wages:

Courier - GEL 10 - GEL 10/hour

The staff that put outfits in the box- Average Hourly Rate 6,70 ₾ (GEL)/hr

Website Maintenance: \$750-5,000/month

Product Cost:

For 100 products, annual fees can range from roughly \$500 to \$1,500.

### **Start-up cost**

- Web developer GEL 2K GEL 3K
- Marketing and Branding:

Brand identity creation is a one-time payment, which costs 18\$ per hour, can be more too.

Legal and Licensing:

Registration fee is established at GEL 100

The corporate income tax is charged at a rate of 15%

https://www.myhome.ge/en/pr/16693553/C ommercial-for-warehouse-for-rent

https://zoommer.ge/leptopis-brendebi/acer-travelmate-b118-m-nx-vhser-00a-intel-celeron-n4120-quad-1-1-ghz-4qb-ram-p25291

https://georgia.desertc.art.com/products/448082918-powerlon-corrugated-cardboard-box-for-packing moving-shipping-cube-pack-of-50-4-x-4-x-4

https://www.alibaba.com/product-detail/Paper-Print-Stickers-Custom-Printed-Packaging\_62434966209.html?spm=a2700.7735675.0.0.7b3a1lw71lw72R&s=g

https://www.theedigital.com/blog/how-much-does-internet-marketing-cost-letsdiscuss?fbclid=lwAR0YMgWfca7inUaOVPLQ\_fMO5fD0VhiwGS 1oC 2WptLQ8LLFFMiSc3oweT2g#:~:te =The%20average%20cos1%20for%20 digital\_%2Dmidsized%20businesses%20fSMBs)

https://www.glassdoor.co.in/Salaries/tbilisi-courier-salary-SRCH\_IL.0,7\_IC3901219\_KO8,15.htm

https://www.salary.expert.com/salary/job/public-works-laborer/georgia/tbilisi

https://www.hostinger.com/tutorials/website-maintenance-cos

https://bamboorose.com/blog/the-cost-of-running-a-fashion-startup/

https://www.glassdoor.com/Salaries/tbilisi-web-developer-salary-SRCH\_IL.0,7\_IM1416\_KO8,21.htm?fbclid=IwAR2mCY15g2LOYW2bW0YpKYEGeLLrgdCJdo PLKbZwaMA5KmrYdCvZgFN4034

https://www.upwork.com/freelancers/~01660764ea6af0a43e

https://companyformationgeorgia.com/business-start-up-costs-in-georgia/

### Marketing Plan

### **Product:**

The clothing mystery box shopping experience offered by StyleMe is one of a kind in Georgia. This is a place where you will find outfits selected especially according to your desired aesthetic, budget, size, and season, coupled with the surprise element.

#### **Price**

StyleMe offers competitive pricing options, making it accessible to a wide range of budget-conscious customers. It is affordible and customers receive from the personalized fashion experience.

### **Place**

StyleMe, an online platform tailored for Georgia, Tbilisi, provides user-friendly features and local delivery services. This strategic advantage over companies abroad underscores StyleMe's commitment to serving the Georgian market exclusively.

### **Promotion**

StyleMe's promotion will be done by using social media, like TikTok, Facebook and Instagram.

### Distribution

StyleMe operates in the Georgian market, with a focus on local presence and shorter delivery times, making distribution quick and easy.

# Operations Plan

### General Approach to Operations

StyleMe focuses on personalized clothing mystery boxes. We analyze customer preferences for style, size, and color. Our team curates a collection that matches each individual's unique aesthetic. We optimize affordability by sourcing products mostly from international markets. Our operations emphasize stringent quality control. Each item undergoes careful inspection to meet our high standards before being packed. This ensures customers receive high-quality, stylish attire reflecting their personal taste.

#### Business Location

StyleMe's operational hub will be strategically located to facilitate efficient logistics and timely deliveries. Our facility will be housed in Georgia as we're planning on breaking into the local market at first.

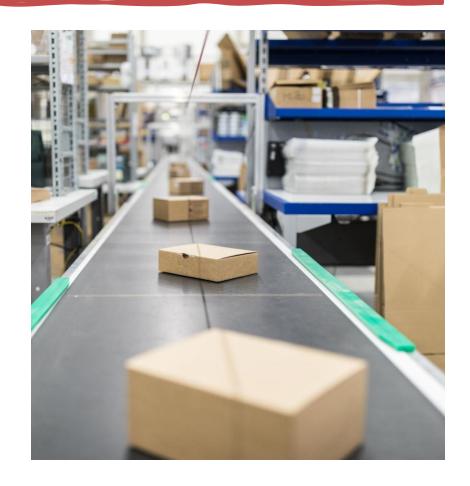
#### Facilities and Equipment:

#### Facilities:

• Warehouse - inventory storage, where orders will be processed, packaged and quality checked, ensuring items meet StyleMe's standards before packaging, it will be acquired through a rental lease.

### Equipments:

- · Computers and Software.
- Packaging Materials: boxes and stickers.
- Customer Service Tools: communication tools.



# Financial Projections

### Sources and uses of funds statement

- Fixed costs 28 000 gel
- Variable costs 15000 gel
- Start up costs 7000 gel

A lot of money can be reduced with **sweat equity** since the work can be done by ourselves, cs majors and we already have a warehouse in our possession making fixed costs reduce by 27 000 gel, variable costs will be reduced by approximately 6000 gel and start - up costs by 6900 gel, so money left needed will be approximately 10000 gel.

**Sources of financing**: personal funds, friends, family, we will try to get a grant, maybe from grants.gov.ge (personal funds – 2000 gel, friends and family – 3000 gel, grant – 5000 gel)

**Estimated Sales** (Total Sales=Quantity Sold × Price per Unit)

300 boxes in a year, estimated sales for a year 300 x ((90+50)/2) = 21000 gel

Estimated Revenue (Total Revenue=Total Sales + Other Revenue Streams)

Estimated revenue = 21000 + 1000 = 22000 gel.

If we save 1000 gel with partnerships, advertisements, then the estimated revenue should equal 22000 gel.

**Estimated Profit** (Total Profit = Total Revenue – Total Costs or Expenses)

Estimated profit = 22000 - 10000 = 12000 gel.

Core Strategy					
Business Mission	Basis of Differentiation				
Empower individuals to embrace their unique style by providing affordable, personalized fashion experiences that transcend conventional shopping.	The clothing mystery box shopping experience offered by StyleMe is one of a kind in Georgia. This is a place where you will find outfits selected especially according to your desired aesthetic, budget, size, and season, coupled with the surprise element.				
Target Customer	Product/Market Scope				
Fashion enthusiasts seeking personalized, affordable clothing, convenience, and inclusivity. Individuals willing to explore mystery box shopping.  Men and women aged 18-35, living in Georgia interested in fashion with all kinds of income.	Launch/Current Phase: Local clothing mystery box for Georgia's fashion enthusiasts. Personalized outfits from predefined styles. 1-2 Years into Future: Deepening ties within Georgia. Improving customization for locals. 3-4 Years into Future Continued local focus and engagement. Potential limited collaborations. 5 Years into Future Mantaining local growth Entry into global market.				

Resources			
Core Competency	Key Assets		
Engaging Fashion Enthusiasts: Style Me captivates with trendsetting de signs, catering to diverse tastes.  Personalized Fashion Solutions: Satisfying each customer's individual fashion needs seamlessly.  Thrilling Surprise Elements: Delightful unboxing experiences for those seeking excitement.	Human Assets: A skilled team with a deep understanding of fashion trends, styles, and aesthetics, enabling the curation of unique and appealing clothing combinations.		

#### **Financials**

#### **Revenue Streams**

Product sale:

Selling a physical good - clothes mystery box on a website. Service Sale:

Selling a service of customizing an outfit according to the the photos that a customer provided.

#### **Cost Structure**

Cost driven:
We are minimizing costs
wherever possible, so that all
types of customers can afford
and enjoy our product.
Variable costs.
We have low fixed costs and
high variable costs, the most
important costs including
product and website
development costs.
Major costs:
Marketing and advertising,
product and website

maintenance.

#### Financing/Funding

Approximation for a 3-year period:

Capital costs:
Warehouse - 26 900 gel.
One-time expenses:
License - 100 gel.
Brand creation - 1000 gel.
Website creation - 2000 gel.
Ramp - up expenses:
5000 gel set aside to make it
through the period until the
business reaches the break
even point.

Overall, 35 000 gel

#### **Operations**

### Product (or service) Production

Manufacturing will be completed by a supplier partnership, a formal agreement where the manufacturer supplies clothing items to StyleMe regularly or on-demand basis. Suppliers will be located in China or Turkey.

#### Channels

The primary distribution channel is an intuitive and user-friendly website accessible to customers. This platform serves as the interface for customers to select their preferred aesthetics, browse curated fashion options and make purchases. Delivery will be done through couriers.

#### **Key Partners**

In a strategic alliance, StyleMe obtains clothes at a reduced cost from partnered brands in exchange for prominent advertising. It's a mutually beneficial collaboration amplifying brand visibility and offering exquisite clothing to our customers.

## Business Model

### Thank You For Your Attention



### Used Links And Survey

https://www.statista.com/statistics/1298198/market-value-fashion-ecommerce-global/#:~:text=Published%20by%20Statista%20Research%20Department%2C%20May%2030%2C%202023,of%20over%201.2%20trillion%20U.S.%20dollars%20by%202027.

https://www.statista.com/forecasts/821415/value-of-the-global-apparel-market

https://docs.google.com/forms/d/e/1FAlpQLSczTMzwdknp\_zM9OUHA826oxr2YG MN9Ejaz9kDDK7J\_anBGiw/closedform

https://www.statista.com/topics/871/online-shopping/#topicOverview

https://www.statista.com/statistics/273018/number-of-internet-users-worldwide/

https://www.statista.com/statistics/997240/drivers-of-online-purchases-in-the-us/

https://incfact.com/company/mysterybox-pleasantgrove-ut/#

https://www.kantar.com/uki/inspiration/advertising-media/consumer-fashion-trends-in-the-cost-of-living-crisis

Online Mystery Boxes by HypeDrop: Authentic Products, Fairly Packed

HEAT Europe | Luxury Fashion Mystery Box - HEAT EUROPE

Create an Ecommerce Website and Sell Online! Ecommerce Software by Shopify (mysteriesta.com)

Mystery Box Clothing - Etsy Georgia

https://www.grants.gov.ge/ka

https://www.myhome.ge/en/pr/16693553/Commercial-for-warehouse-for-rent

https://georgia.desertcart.com/products/448082918-powerlon-corrugated-cardboard-box-for-packing-moving-shipping-cube-pack-of-50-4-x-4-x-4

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https://www.glassdoor.com/Salaries/tbilisi-web-developer-salary-SRCH\_IL.0,7\_IM1416\_KO8,21.htm?fbclid=IwAR2mCY15g2LOYW2bW0YpKYEGeLLrgdCJd oPLKbZwaMA5KmrYdCvZgFN4034

https://www.upwork.com/freelancers/~01660764ea6af0a43e

https://companyformationgeorgia.com/business-start-up-costs-in-georgia/

https://zoommer.ge/leptopis-brendebi/acer-travelmate-b118-m-nx-vhser-00a-intel-celeron-n4120-quad-1-1-ghz-4qb-ram-p25291