



# ATTIRE

## Business Plan

### Smart Apparel Store

Attire is a completely automated apparel retail store with state-of-the-art technology which enables customers to make purchases autonomously without any Sales Assistant.

- Aditi Galada

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## 1. Executive Summary

For the past few years, retailers didn't have a fighting chance to compete with the personalization and convenience provided by online shopping. By cultivating mountains of rich customer data, online retailers had the upper hand.

Every action and inaction – from what customers clicked on and how much time they spent looking at certain products to their social activity and response to email programs – helped online retailers tailor each email, pop-up or recommended product to drive sales and provide a superior experience. For consumers, it was a welcome reprieve from the antiquated task of visiting a store, being treated as a stranger and receiving often-questionable customer service.

The tides are turning, however. The lines between the physical and digital worlds are blurring, and the ease, convenience and excitement previously reserved for online shopping are the pillars of Attire.

Attire is a completely automated apparel store that cater to the technology friendly college goers, working population and tourists coming to Chennai, Tamil Nadu. Our focus is to position ourselves as the top retail store servicing this market.

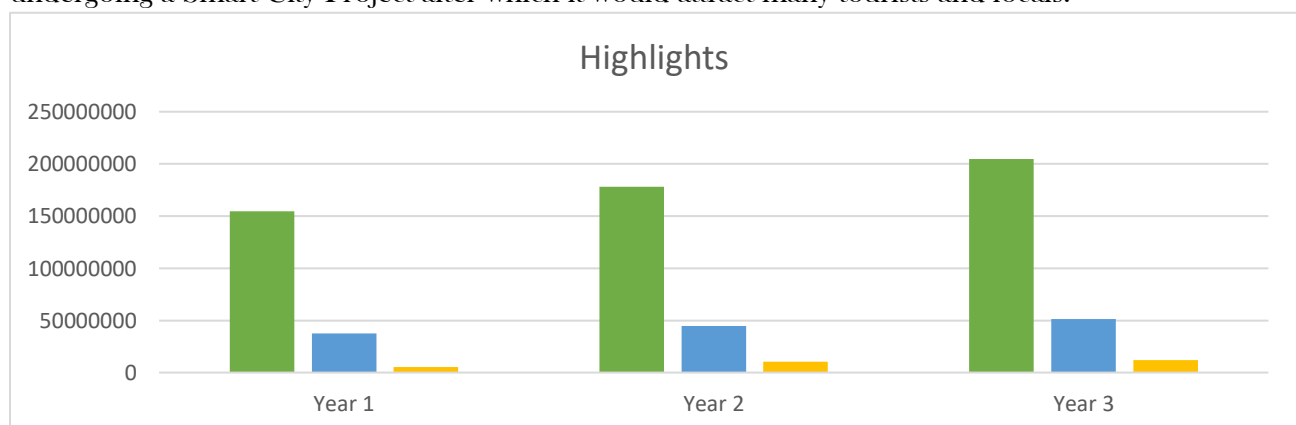
We are the first and only completely automated store in the city of Chennai. Our intentions are to become a pioneer in the technological revolution of retail stores and become a central hub of shopping activity for the local younger generation as well as others who enjoy wearing western apparel and are technology friendly.

At Attire all process which were previously handled by store assistant are handled by the mobile application, such as checking inventory, showing garments of the customer's choice, making the transaction etc. The long queues of the conventional store have been replaced by self-checkout. The customer simply makes the payment through the app, collects the garments from the delivery counter and walks out of the store.

Attire eliminates the conventional items of a retail store with technologically advanced replacements. Firstly, Attire replaces the normal price tags with QR code tags which can provide a lot more information to the customer such the availability of the piece, fabric content etc. Secondly, Attire replaces the conventional shopping cart with a virtual shopping cart. Thirdly, trial rooms are replaced with virtual trial rooms.

Beacons, devices which detect customers near the stores using Bluetooth, are used to send coupons to the customers to attract them to the store. The large database of customer data is used to give recommendations based on the history of purchase.

Attire will be located in Pondy Bazaar, the biggest market in India, revenue wise. Pondy Bazaar is undergoing a Smart City Project after which it would attract many tourists and locals.



## 1.1. Objectives

<b>Automation</b>	Attire aims to be completely with the help of latest technology
<b>Leading Apparel Store</b>	To become number one western wear apparel store in Chennai and achieve name recognition in the local community.
<b>Customer Database</b>	To have a registered customer base of over 30,000 by the end of the first operating year.
<b>Be profitable</b>	To achieve a net profit of 1,01,71,938 by year two and 1,16,97,728 by year three.
<b>Integrate Online with Offline</b>	The mobile app for the store helps navigate, browse products and coupons, make payment etc.
<b>Personalised Service</b>	Smartphones will provide personalized recommendations based on personal information given and previous purchases.
<b>Making a Community</b>	Through the mobile app, customers will build community, get feed- back and share information right in the store.
<b>Real-Time Information</b>	Coupons will be sent to customers when in proximity or if they leave items in their cart for long
<b>Power to the Customers</b>	Product information will be available through the mobile application.
<b>Dynamic Checkout</b>	No more queues for checkout.
<b>Social Responsibility</b>	To be an active and vocal member in the community supporting orphanages and old age homes in the locality.

## 1.2. Mission

Attire's mission is to revolutionize the conventional retail store by offering a completely automated store making the entire buying process hassle free by integrating the process of buying garments with latest technology which enables a seamless transition between shopping on the mobile app and shopping at the store.

Attire aims to offer good quality western wear for men's and women's in an assortment of sizes and styles in a large price range.

Attire will combine the advantages of an online and physical store to gain full satisfaction of the customer as well as increase the profit.

### 1.3. Keys to Success

#### Convenience

- Customers can shop from the comfort of their homes and products will be delivered to them within 3 days or they can even purchase at the store and have the products delivered home.
- If you have selected the items you like and put them in your cart from home, the app will navigate you around the store so that you can find the products quickly.
- Virtual Mirrors will enable customers to try out garments without undressing.
- Through the self-checkout option in the mobile app the long billing queues will be eliminated completely.
- The customer can autonomously check whether their size is available in a style of their choice through the mobile app, they do not need any salesman's assistance.
- Customers need not push shopping carts around the store as the shopping cart at Attire is virtual. Once the customer scans the QR code of the garment he likes, he can add the item to the cart.

#### Display large number of styles

- Attire is not limited by space as only one piece of each style will be on display.

#### Search Engine

- Customers can find garments they want faster through the search engine of the mobile app.

#### Personalized Service

- Provide customers with top notch personalized customer service in an atmosphere of hospitality.
- Using the history of purchases, the app will be able to give accurate recommendations of what the customer might like to purchase.
- Devices called Beacons will help send coupons to potential customers who are in proximity of the store to lure them to make a purchase and send messages of new styles or reminders about items saved on a wish list. For example, A woman passing the business casual section may be prompted to enter after receiving an alert that she is likely running low on formal shirts, given the date of her last purchase and previous buying behavior.
- Many times, customers put items in their cart and forget about it. The app will send notifications to them along with a discount coupon to persuade them to make the purchase.

#### Advertisements

- Advertise and promote in areas that our target customer base will learn about our store.
- Emphasise would be on the easy of buying and state-of-the-art technology in the store.

#### Community

- In the community section of the app, customer can get feedback and share information about products.
- This section will also be used to share information about various programs Attire holds for the upliftment of society.

## 2. Company Summary

Attire is wholly owned by Aditi Galada.

Attire will be located in Pondy bazaar, T. Nagar, Chennai, Tamil Nadu 600017, being the shopping hub in Chennai.

The hours of operation will be Monday – Sunday 10am to 10pm. There will be extended special hours designated during Diwali, Aadi and Pongal season and during the Christmas holiday shopping season.

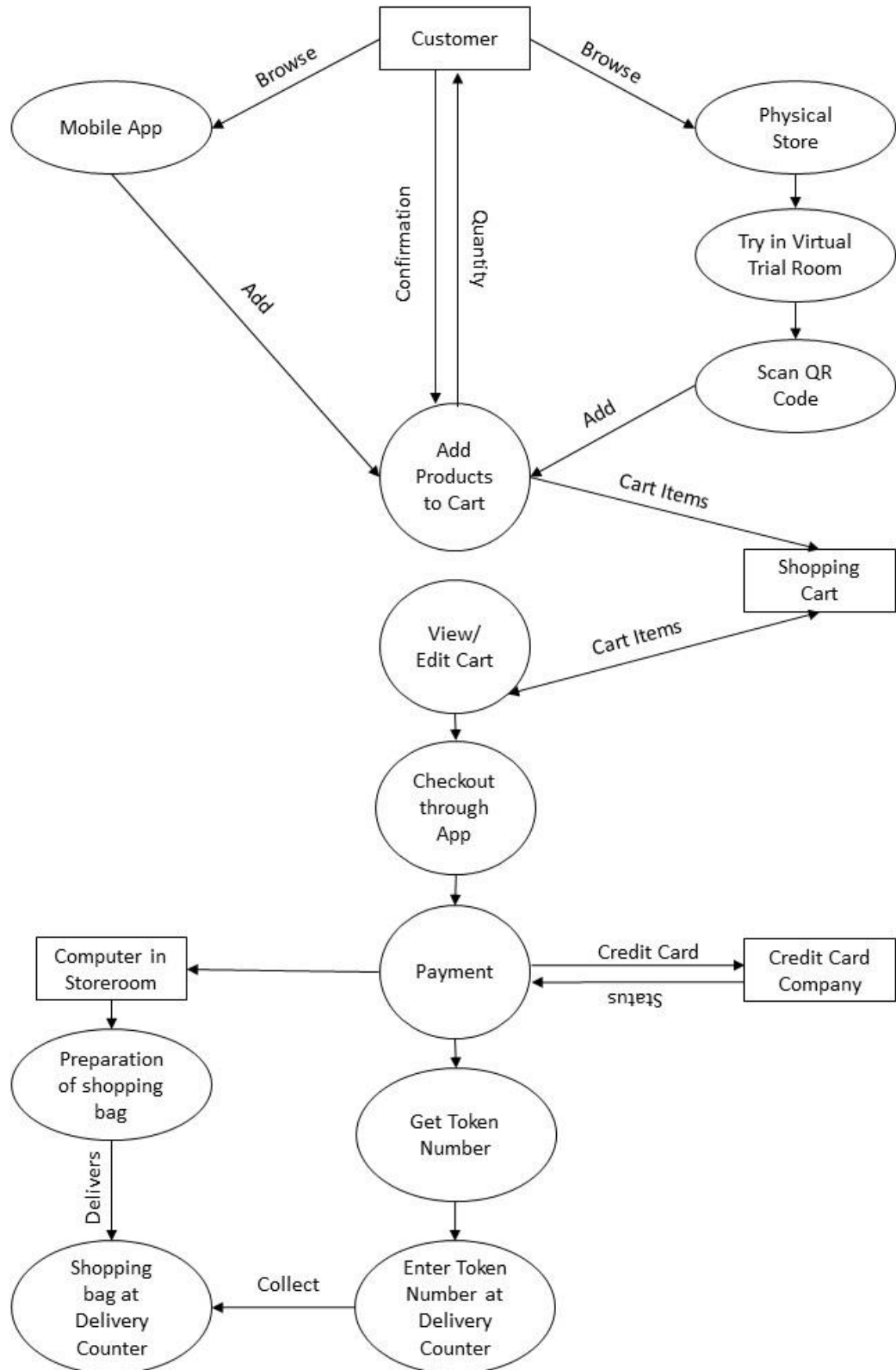
The customer can buy our merchandise directly from the app as well as the store and the product will be shipped to them within 3 working days or they can pick up the products from the store.

All merchandise will be purchased according to the company's mission and customer focus of.

Attire will have its own mobile application which will facilitate people with shopping. There will be no need to walk around with bulky shopping carts anymore. Everything from trying out the garments to billing them will be very different and fast.

The store room will be completely automated with robotic arms and motors which will put the billed items into the shopping bag and place them at the delivery counter.

## 2.1. Operation





At Attire only piece of each style is displayed, and this piece cannot be removed from its place for security reasons. Bulk of its merchandise is placed in an automated stockroom. Garments would be hung so customers can see every detail, rather than the piles often seen in apparel stores. Customers can also try out garments in the virtual trial rooms on the shop floors. A customer stands in front of such a screen, which either replicates one's image. The image on screen is then draped with the selected garment, which can be viewed at different angles and in different colours, shapes and sizes. The images can be shared in the community section of Attire's mobile app to seek the opinion of friends and family. Since garment are never taken off their place this prevents theft to a large extent.

The customers can login with their username and password in the mobile application and scan the QR code of the garments they like, select the size and colour and add it to their shopping cart. There will also be an option to delete any item from the shopping cart in case the customer finds a better one. The customers can use this app to browse the products in the store even from their house and make a list of the same. When they enter the store, the app can navigate them to the products in the list.

After the customer has added all that he likes garments into the shopping cart he they can pay through the mobile app. Once the transaction is completed, the list is sent to computer present in the stockroom. In the stockroom, metal spirals hold the products in place. These spirals are controlled by a motor, which turns the coils of the specific items once the main computer receives the list of items bought and the information that the transaction is completed. This allows the product to drop on to a moving conveyor belt. The goods fall into the shopping bag. There are sensors which are responsible to change the bags once they are filled. Each shopping bag has a token which has the same number as the security code generated. These bags wait in the stockroom until the customer comes to the delivery counter and enters their security code. Once the customer enters the security number on the display a robotic arm scans the bag to match the number entered with the numbers on the bag and places all the bags with the entered number onto the counter from where the customer can collect it.

Enough stocks are present the stockroom and the inventory can be replenished on a weekly basis from the reports sent by the computer to the warehouse.

In today's world, most of the people are technology friendly and can easily use a mobile app. Not only this most of the customers are even more satisfied when the shop provides them with the mobile app to browse through products.

## 2.2. Start-up Summary

Attire's incorporation costs are listed below. The company will start with three months inventory on hand for apparel. The majority of the company's assets will reside in inventory.

The supplemental financing in the form of loan is required to work on site preparation, inventory, and operational expenses. The loan amount equals 1,25,00,000 and other financing will include an owner's investment of 25,00,000.

Successful operation and building a loyal customer base will allow Attire to be self-sufficient and profitable in 7 months.

## 2.3. Company Location & Facilities

Attire will be located in Pondy bazaar, T. Nagar, Chennai, Tamil Nadu 600017. The plot is 20 metres by 12 meters and has been leased for three years. This location is a major shopping hub for the younger generation of Chennai. We feel it is essential to our initial and ongoing success that we locate ourselves in the heartbeat of the community. We also strive to create an atmosphere of acceptance and

community, as well as a retail environment where individuals can identify and bond with their culture. For details about layout refer annexure 1.

All business deliveries and shipments will be handled through the store. The company office will also be housed at this location.

T. Nagar is rated as the biggest shopping district in India by revenue (Economic Times). During the weekends the crowd turning up to the market area in Pondy Bazaar is easily about 5,00,000. Even on weekdays there are atleast 2,00,000 pedestrians who stroll around T. Nagar. This area houses number of shops dealing with apparel, jewelry and utensils. Another survey by Economic Times states that shops in this neighborhood account for an income of nearly INR 2,00,000 million annually which is greater than any other shopping market in the country.

Access to T. Nagar is easy as there a lot of bus stops. Apart from this a metro station will be inaugurated in 2020 in Panagal Park (200 meteres from Pondy Bazaar) which will make access even faster and easier.

A Smart City Project is in process in Pondy Bazaar which will make it an attractive shopping destination for tourists as well as locals. This project is expected to boost the sales in Pondy Bazaar as it will make facilities like multilevel parking lot, 10-12 meters long foot paths and provide space for hawkers on these foot paths to maintain the cultural touch of the place.

Refer Annexure 2 for more details on Location.

### 3. Products

Attire will carry nationally recognized western wear brands (see list below). Our selection will range from the basics of Wrangler to the trendy western style of Louis Philippe. The merchandise will consist of apparels for men and women.

Management will rely on customer feedback, suggestions, and sales reports to introduce or eliminate certain brands, styles and sizes.

#### 3.1. Product Description

Attire will provide a selection of brands that fall within our mission statement. Our goal is to carry a selection of brands from the formal western to casual western wear. The brands selected are based on a survey “Top Brands in India for Western Wear Garments” (Refer annexure 3)

Men's:

- |                  |               |               |
|------------------|---------------|---------------|
| • Peter England  | • Wrangler    | • Allen Solly |
| • Indian Terrain | • Park Avenue | • Van Heusen  |
| • Louis Philippe | • Levis       |               |

Women's:

- |              |               |               |
|--------------|---------------|---------------|
| • Mango      | • Wrangler    | • Allen Solly |
| • Westside   | • Park Avenue |               |
| • Van Heusen | • Levis       |               |

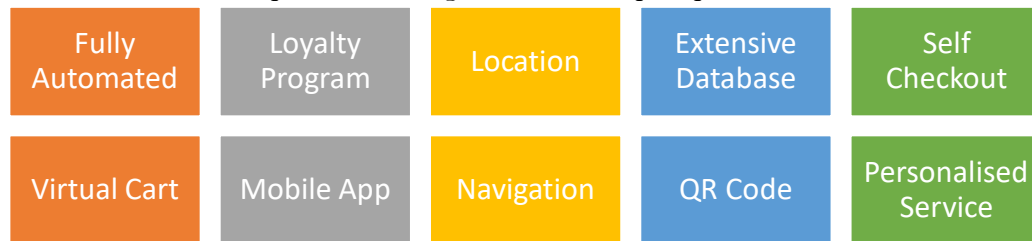
With time, Attire will introduce its own line of luxury apparels to increase margins and thereby the profitability.

#### 3.2. Competitive Comparison

Attire has several advantages that will allow us to build our brand identity, add value to our merchandise and build a loyal customer base while standing apart from our competitors.

- We will be the first fully automated apparel retailer in India.
- The 'Attire Shopper Card' will entitle customers to a 15% discount after ten purchases.
- Our location is central to our target customer base.
- We will maintain a detailed record on each customer, logging addresses, their purchases, size, and brand for customer follow-up and in-house promotional purposes.
- Hassle free shopping will be one of our accomplishments which will be supported by self-check-out and virtual carts.
- Trying out clothes will be easier than ever in the virtual trial room.
- The mobile app will let the customers browse the merchandise even before they visit the store and even get the products delivered home.
- The mobile app helps you navigate around the store according to the items currently available in your cart.
- Scanning QR Code will give the customer all the information they need about the product, including the availability, size chart and fabric.

- Personalised service will be provided using Beacons and past purchase data.



### 3.3. Sales Literature

Attire will use a targeted advertising and sales program to generate publicity and build a customer base.

- 2,500 full-color postcard flyers with a 10% coupon will be distributed at various check points in Pondy Bazaar and Panagal Park two weeks prior to the grand opening event.
- 200 grand opening invites will be mailed to potential new customers two weeks before the grand opening. The invitation will also include a promotional 10% coupon off a customer's first purchase. The customer mailing list has been compiled from contacts the owners have.
- 5,000 business cards with an Attire Frequent Shopper Card on the reverse side entitling the customer to a 15% discount on the eleventh purchase after ten purchases.
- The customers will be given loyalty point for each purchase once they register with the store. For every 100 rupees that they spend they receive 10 rupees.

### 3.4. Technology

#### QR Code

- QR code tags will be attached to all garments in place of the conventional price tags. These tags will be able to provide a lot of information to the customer such as availability, size chart, fabric etc.

#### Virtual Trial Room

- These trial rooms enable shoppers to try on clothes to check one or more of size, fit or style, but virtually rather than physically.

#### Mobile Application

- The mobile app enables customers to browse the products from home and even make the transaction from home.

#### Navigation

- The app helps customer find where the products they have added in cart are placed using the navigation function.

#### Self-Checkout

- It enables customer to autonomously checkout from anywhere in the store through the mobile app.

#### Data-mining

- Large database of customer data are mined to understand the liking of the customers and give suitable recommendations.

#### Virtual Cart

- The virtual cart in the mobile app enables people to add items in their cart just by one click in the mobile app. There is no need to push carts around the store.

#### Automated Store Room

- Complex system in the store room consisting of motors, conveyors and a robotic arm enables it to be completely automated. The shopping bag is prepared by this system and kept on the delivery counter.

#### Beacon

- Beacons are small, Bluetooth-enabled devices that are placed around a Attire which connect to smartphones that have the mobile app installed and their Bluetooth turned on. The beacons detect those smartphones, enabling Attire to send special offers, discounts, and promotions to potential customers.

#### Computerised Inventory Management

- A refill requirements report is mailed automatically to the companies by the main computer in the inventory room based on the items that were sold in the past week.

### 3.5. Future Products

As we achieve and exceed our sales and profitability goals, Attire will launch its own personal in-house label of clothing that will include a variety of western wear clothing for men and women.

We will expand our line of brands with those that have been repeatedly requested by our customers.

We plan to open stores in malls with highest foot traffic. We will begin our expansion from Phoenix Mall.

We believe in continuous improvement and will implement this by adopting newer technologies and various advancement in the industry.

## 4. Market Analysis Summary

The primary target customer of Attire will be the technologically friendly people between the age group 18 - 45 located in Chennai. As we are situated in the epi-centre of their shopping hub we believe they will make up the largest percentage of our customer base.

Our target customers can be divided into the following groups:

### College Students

- Being technologically advanced we expect to attract the younger generation.

### Working Professionals

- We have included many brands which provide business formal which will attract many working professionals who have a higher disposable income.

### Tourists

- Non-residential Indians who visit India during festival season.

As popularity about the store increases, we expect to see an assortment of curiosity seekers, and residents from the community as well as seasonal purchasers.

### 4.1. Market Segmentation

The working population has a higher disposable income and many of them make purchases from Pondy Bazaar, thus, Attire will be able to attract them. Since Attire boasts several top brands preferred by working professionals such as Allen Solley, Van Heusen, Park Avenue, Louis Philippe, Peter England and Indian Terrain. This category of people does not have much time and would prefer a place which is able to provide facilities like quick checkout. Working Professionals constitute the highest concentration of our customer base.

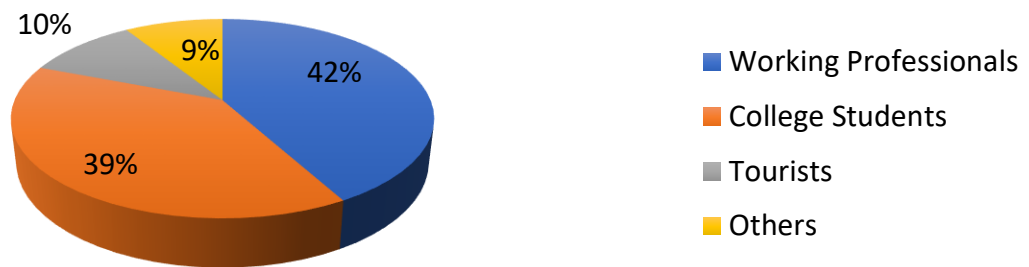
As college students are attracted to technology and are impulse buyers, they'll be attracted to Attire. They are also loyal customers of Levis, Wrangler, Mango and Westside.

Tourists flock Pondy Bazaar for shopping. Attire will be an easy shopping option as they won't face any language problems. Apart from this they can also purchase the items beforehand and choose the pick up at store option.

Expected Customers	Growth	YEAR 1	YEAR 2	YEAR 3
Working Professionals	20%	35,000	42,000	50,400
College Students	20%	32,500	39,000	46,800
Tourists	10%	8,500	9,350	10,285
Others	10%	7,500	8,250	9,075
Total	15%	83,500	98,600	1,16,560

The statistics of number of customers has been found after surveying multiple brands whose data is in Annexure 4.

**Expected Customers in Year 1**



## 4.2. Target Market Segment Strategy

The goal of Attire is to serve the college students, working professionals and tourists who are between the age group 18 – 45 years who are fascinated by technology and are loyal customers of the brands provided in the store. It targets people who want a convenient and fast shopping process. Attire will also serve the tourists who come to Pondy Bazaar for shopping.

The retail stores lag in the adoption of latest technology as compared to other segments of society.

What the target market wants is notice me, like me, do what I say, miss me if I'm gone. Attire can meet these wants successfully by merging the benefits of a physical store and an online store.

### 4.2.1. Market Needs

There are several important needs in the apparel business that are being either underserved or not met at all. Attire plans to meet and service those needs.

As far as customers are concerned, online retail is now the state-of-the-art in shopping. Online customers enjoy a smart, personalized experience with rapid price and product comparisons, plenty of information and often spot-on recommendations based on their purchase history and preferences.

Shopping in retail stores can't compare. Most merchandise sits or hangs in silence, a sort of take-it-or-leave-it proposition that does little to help customers make a buying decision.

Attire is about to change the balance of power. By leveraging customers' mobile devices, Attire can now integrate online and mobile channels with in-store shopping. The obvious advantage is that the merchandise they want can be taken home immediately. At Attire, we combine the advantages of an online and physical store to gain full satisfaction of the customer as well as increase the profit.

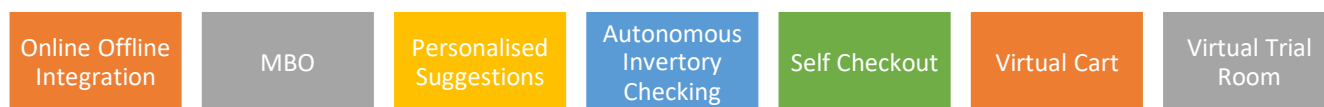
A multi brand Highstreet outlet would be preferred by many customers coming to Pondy Bazaar. No such store exists in Pondy Bazaar, all stores are exclusive brand outlets.

Focus and attention to customer's personal preferences and customer retention will be given high priority. Offline and online integration is the need of the hour. Customers love a seamless interaction between shopping on the mobile app and shopping at the store. Most use of mobile technology such as the ability to compare prices through mobile apps, look for offer or coupons, checking inventory and more will be provided in the Attire mobile application.

The need to remove the unnecessary hassle caused by long checkout queues or billing queues is what motivates people to shop online and not visit a retail store. Customers would love it this problem can be eliminated the conventional brick and mortar store.

Customer usually buy products multiple stores when they go shopping. Not having to carry shopping bags after shopping is a boon to the customers.

The ease of trying on clothes without getting undressed is very attracting and this need can be satisfied using virtual trial room.



Refers annexure 5 for surveys that prove the above needs.

#### 4.2.2. Market Trends

Millions of people around the world recognize and identify with western apparel. The easy and comfort of western wear garments are attracting Indians also.

Western wear has survived many eras. Working professionals prefer wearing Western formals than wearing a saree because of the amount of time it takes. There will always be a future for western apparel.

Attire intends to use its place in the community to heighten the use of technology in retail store. People are becoming more and more technology friendly and love using latest technology. At the same time technology makes routine tasks easier for people which entices many customers.

#### 4.2.3. Market Growth

Market growth is in an upward motion, despite some of the economic downturns. The market for western apparel is growing by 8% every year in India. T. Nagar is rated as the biggest shopping district in India by revenue (Economic Times). During the weekends the crowd turning up to the market area in Pondy Bazaar is easily about 5,00,000. Even on weekdays there are at least 2,00,000 pedestrians who stroll around T. Nagar. This area houses number of shops dealing with apparel, jewelry and utensils. Another survey by Economic Times states that shops in this neighborhood account for an income of nearly INR 2,00,000 million annually which is greater than any other shopping market in the country.

Access to T. Nagar is easy as there a lot of bus stops. Apart from this a metro station will be inaugurated in 2020 in Panagal Park (200 meteres from Pondy Bazaar) which will make access even faster and easier.

A Smart City Project is in process in Pondy Bazaar which will make it an attractive shopping destination for tourists as well as locals. This project is expected to boost the sales in Pondy Bazaar as it will make facilities like multilevel parking lot, 10-12 meters long foot paths and provide space for hawkers on these foot paths to maintain the cultural touch of the place.

#### 4.2.4. Industrial Analysis

Indian apparel industry which is the second largest contributor in the retail industry after food and grocery is seeing some major shifts. Entry of international brands, changes in preferences from non-branded to branded, the fast-growing economy, large young consuming population in the country has made India a highly lucrative market.

India has the world's largest youth population, which is becoming fashion conscious owing to mass media and social media penetration. This has opened unprecedented retail market opportunities. The



promising growth rate of 9.7 per cent makes the Indian fashion industry prominent in the retail sector. (Source: Techpack)

In India, Western Wear apparel stores can be divided into the following:

- Multi Brand outlet
- Exclusive Brand Outlet

In Pondy Bazaar, there is no multi brand outlet and this deficiency will be filled by Attire.

#### 4.3. Competitors

There are many apparel retail stores in Pondy Bazaar which will pose as competitors to Attire. Mainly the Exclusive Brand Outlets of Peter England, Indian Terrain, Louis Philippe, Wrangler, Levi's and Westside which are all present in a 1km radius of our chosen location for Attire.

The advantage that Attire has over these stores is that it is a multi-brand outlet; the customers will have a wide variety of garments to choose from and can compare garments of multiple brands before making a purchase decision.

Another advantage is that no other store in Pondy Bazaar, or even in entire Chennai cannot compete with Attire technologically.

The experience customers will have at Attire is par excellence.

## 5. Strategy & Implementation Summary

Attire's goal is to be a smart and completely automated apparel store with state-of-the-art technology. It aims to serve the technologically friendly population who prefer wearing western garments and like a hassle-free buying process without long checkout queues or queues to use trial rooms.

Our intention is to gain a large customer base by focusing on our niche positioning, neighbourhood location, brand that sell well, personalised service, technological advancements and special promotions.

### 5.1. Competitive Edge

#### 1. Personal shoppers for all

- Attire will focus on transforming mobile apps into a personal assistant when shoppers enter a store. When in-store, consumers' apps will deliver highly relevant and personal content.
- Shoppers will be welcomed upon entering a store or department. The "personal shopper" app features will point out where they can find favourite products, alert them of products they might like and tell them about items being considered.
- Making a mobile app may cost a lot but it would increase the levels of customer satisfaction and even save the salaries of salesmen.

#### 2. Fewer (foot) traffic jams

- In-store mapping and smart navigation will become highly accurate, thanks to the app with features to guide the customer through the store. If a person has a shopping list, at the store, the best route to pick up everything will be provided through a mobile device the second that person walks through the door.
- It will account for real-time situational factors like current movement throughout the store or congested aisles. If the shopper veers off course or adds anything to the list, the recommended route will automatically be refreshed.

#### 3. Juicy bait hooks passers-by

- Attire will target people who walk by their store through highly personalized offers or messages about things like new styles or reminders about items saved on a wish list. For example, A woman passing the business casual section may be prompted to enter after receiving an alert that she is likely running low on formal shirts, given the date of her last purchase and previous buying behavior.

#### 4. Self-checkout

- One of the most frustrating parts of in-store shopping, is waiting in a line to check out. The customer finds what he or she needs, scan the qr code in the app, selects a payment method and finalizes the transaction, and gets a pick up code, moves towards the delivery counter where the user enters the code on the screen and collects the goods. This means that there need not be any billing counters, customers can bill their items anywhere in the store.

#### 5. Delivery

- Customers can purchase garments from home or even get them delivered home after purchasing them at the store so that they don't have to carry heavy shopping bags. The products will be delivered to the address within 5 days of purchase.

## 6. On-demand customer service

- Previously a customer might have searched for a sales associate for help in finding a size or answering a question. Leveraging mobile applications, the customer can themselves see what products are in stock, their description, customer feedback and choose the ones they like.

## 7. Power to the consumer

- In the palm of their hands, consumers are carrying around their own big data tools. They can scan bar codes and compare prices, check reviews or snap a picture and ask their friends for advice. Consumers have more power than ever before in the shopping experience.

## 8. Virtual Trial Room

- Touch screens in the store installed with a camera help the customer see how they would look in the clothes they selected. It can even suggest the clothes that would complement the chosen garment well to increase the sales.

## 9. Location

- Our location in Pondy Bazaar will offer access to our target customer base. There are many ways to reach Pondy Bazaar including a bus stop and an upcoming metro station. With the Smart City project the place will attract even more potential customers.

## 10. Multiple brands

- Customers can browse through a variety of garments before they make a purchase decision. No such MBO exists in Pondy Bazaar at the moment.

## 11. Loyalty Points

- Loyalty points will help retain customers and increase the registered customer base.

### 5.2. Marketing Strategy

Our marketing strategy will focus heavily on sales promotion, niche positioning in the market and customer service with loyalty and retention in sales. Our marketing strategy will emphasize on state-of-the-art technology present in our store and will always stay in tune with our company objectives and mission statement. The marketing budget will not exceed 5% of our gross annual sales.

#### 5.2.1. Pricing Strategy

Attire will follow market penetration strategy to draw attention away from their competition. There will be a 5% discount on all products throughout the first 6 months. After this, all products will be priced at MRP and discounts will run according to the brands

- We will run promotion during the festival season such as Diwali, Aadi, Pongal, Christmas etc.
- We will spend special offers to customers on their birthdays to build brand loyalty.
- We will provide 10 credit points for every purchase of 100 rupees to increase customer retention.

According to the contracts with various brands, Attire will get a profit margin of around 24% to 29% of the sales.

### 5.2.2. Promotional Strategy

Our main strategy is that we connect the online with the offline.

- Our promotions will always stay in tune with our company objectives and mission statement.
- We will advertise through multiple channels such as Facebook, Instagram, print media and Television advertisements.
- We will send promotional e-mails and SMS to our registered customers about ongoing offers.
- Customers will be encouraged to download the application and share personal information such as mobile number by giving discount coupons for the same.
- We will send reminders to customers through e-mails and app notifications if they leave items in their shopping cart for a long time without billing them. We will also send coupons along with these reminders to encourage them to make the purchase.
- Attire will target people who walk by their store through highly personalized offers or messages about things like new styles or reminders about items saved on a wish list.
- The window display will be given a lot of attention at Attire to attract the foot traffic which is 200000 on week days and 500000 on weekends.

### 5.2.3. Distribution Strategy

Our retail location will be the foundation of building our customer base. Technology friendly people will also be attracted to our store.

We will receive products directly from various brands from their warehouse and not from any distributors.



A customer can complete the transaction either from the comfort of his house through the mobile application or when visiting the store if the customer wants to take a closer look at the fall, drape and fabric of the garment.

If the customer finds it a better option to come to the store, have a look at the piece and try it in the virtual trial room before making the payment he can do so. After this the customer has an option to collect the garments at the store himself from the delivery counter. Another option that we provide at Attire is that the customer can walk out without the products, continue with their shopping without the burden of carrying their shopping bags and have them delivered at home.

If the customer finds it better to make the purchases from the comfort of their house he can do so and have the products delivered home like any other conventional e-commerce website. A unique feature of Attire is the online offline integration which makes it possible for the customers to collect the products from the store. This feature will attract a lot of tourists as they can make the purchases from their home even before coming to Chennai and collect the garments without wasting time browsing and selecting garments.



#### 5.2.4. Marketing Programs

1. **Loyalty Program:** By giving 10 credit points for each 100 rupees spent to registered customer will motivate customers to come back and shop for more later. Periodically SMS and e-mails will be sent to registered customers with non-transferable discount coupons.
2. **Discounts during festival seasons:** In India it is a tradition to shop for clothes before major festivals and to attract potential customers to our store's discounts heavier than the Exclusive Brand Outlets of the brands we have included will be provided at this time.
3. **Social Media:** The social media pages of Attire on various social networking websites such as Facebook and Instagram will post about new collection, promotions and offers.
4. **Supporting the community:** As a part of our Corporate Social Responsibility we will be supporting old age homes and orphanage in the locality. Today's customers are conscious about not only the products quality but also the ethical practices to be followed throughout the supply chain and tend to boycott brands that indulge in any kind of abuse. Thus at Attire we aim to let the public know that we are aware of our social responsibility.
5. **Beacons:** Using beacons we send special offers, discounts, and promotions to potential customers who are nearby.



#### 5.2.5. Positioning Statement

For the modern population living in a fast moving world with very less leisure time seeking western apparel, Attire will offer a wide range of brands with a variety of styles and sizes which can be bought without the pain of pulling a shopping cart around the store, trying out garments and waiting in long check out queue. Attire will be pioneer in India by launching its first completely automated store with its own mobile application.

#### 5.3. Sales Strategy

We will utilize the mobile application for every sales transaction. With each purchase the software will record and maintain in its database the customer's name, address and purchases. This information will be used with our direct mailing program to focus on our top 50% of customers.

Beacons will be used to attract registered customers who are in proximity by sending the promotional offers, coupons etc.

We will offer a 14-day return/exchange policy to build trust with our customers and maintain retention and loyalty.

Loyalty points programs will giveaway 10 credit points for each 100 rupees spent to registered customer will motivate customers to come back later.

The virtual mirror will suggest clothes that will complement the garment being tried and similar products in the store.

Personalised service through the mobile app will attract customers. The mobile app will greet the customers as soon as they enter the store, provide recommendations based on previous purchases, guiding you around the store based on the items in your cart etc.

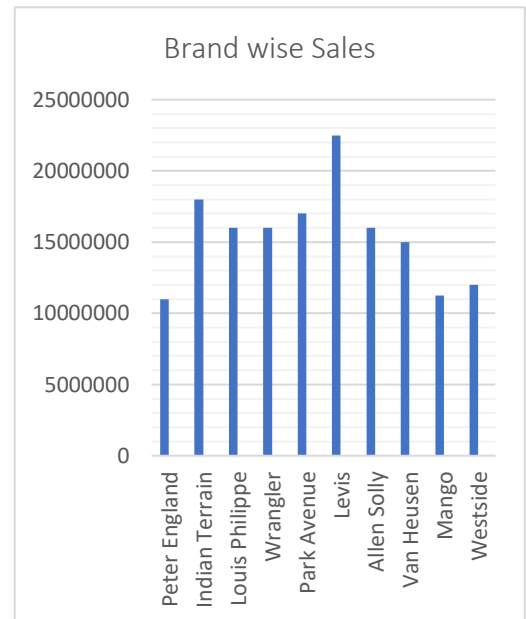
Customers will be notified through e-mails and notification through the app of they leave items in their shopping cart.

### 5.3.1. Sales Forecast

The following table and chart give a highlight on forecasted sales. We expect sales to start off with a boost because everyone would want to visit this store with state-of-the-art technology and increase extensively during the holiday shopping season.

Attire has planned for a rate of growth at 11.5% as we build name recognition and status in the community.

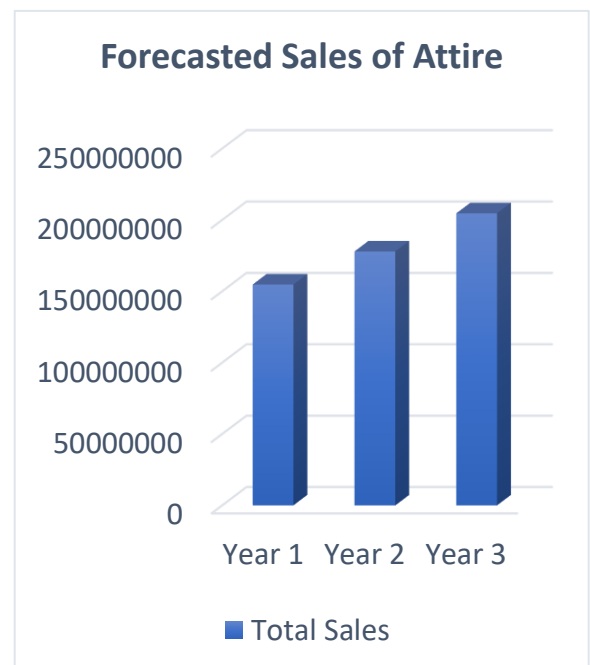
YEAR 1			
Brands	Units sold	Average unit price	Total Sales
Peter England	11,000	1,000	1,10,00,000
Indian Terrain	12,000	1,500	1,80,00,000
Louis Philippe	4,000	4,000	1,60,00,000
Wrangler	8,000	2,000	1,60,00,000
Park Avenue	10,000	1,700	1,70,00,000
Levis	7,500	3,000	2,25,00,000
Allen Solly	8,000	2,000	1,60,00,000
Van Heusen	6,000	2,500	1,50,00,000
Mango	7,000	1,500	1,12,50,000
Westside	10,000	1,200	1,20,00,000
<b>Total Units</b>	<b>12,000</b>	<b>7,826</b>	<b>15,47,50,000</b>



Attire expects a growth rate of 15% every year as its registered customer base increases and it develops more and more loyal customers. This growth rate has been approximated after studying the growth rates of various brands.

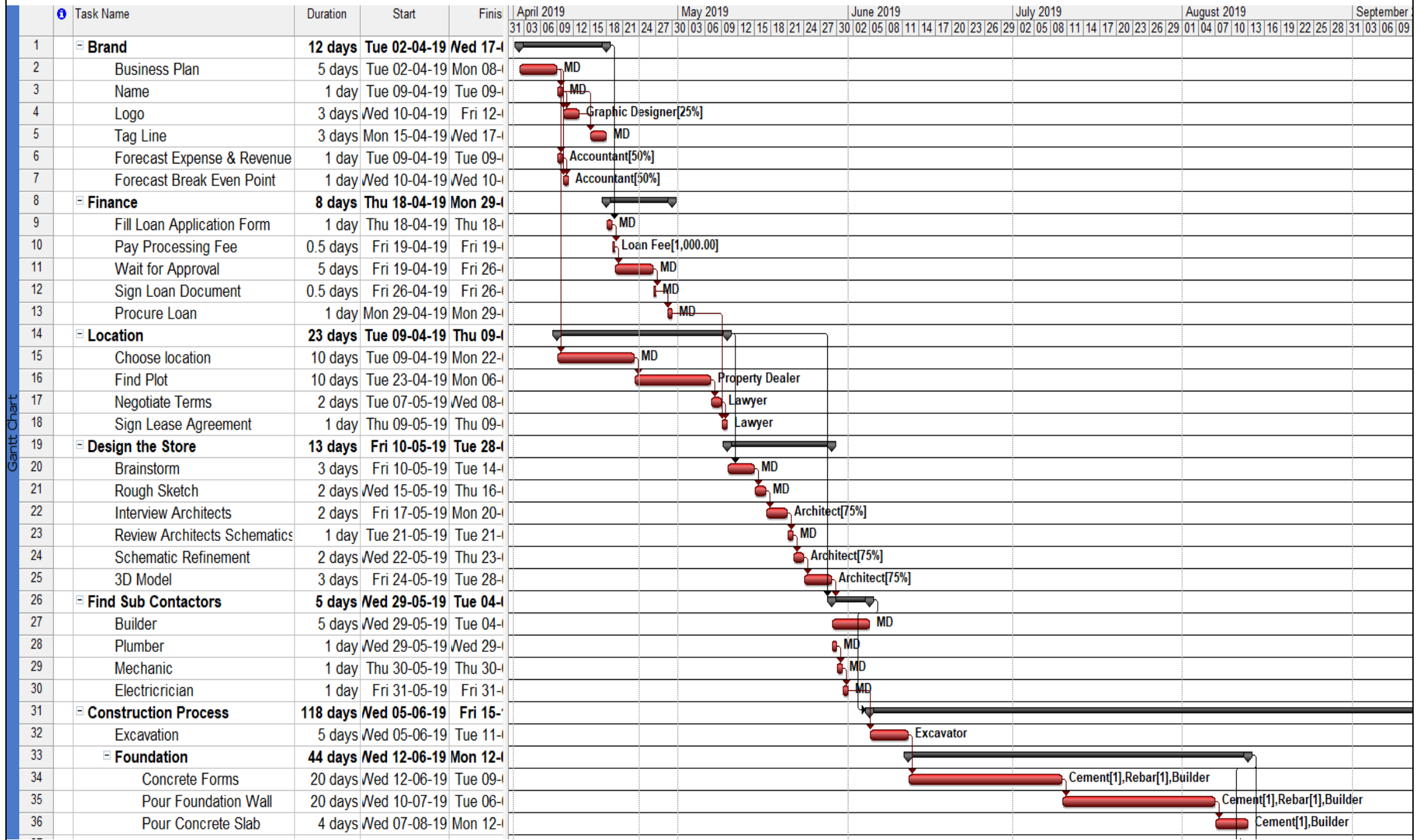
Sales Forecast	Year 1	Year 2	Year 3
Total Sales	15,47,50,000	17,79,62,500	20,46,56,875

A growth of 15% has been forecasted for every year after analysing the growth of various apparel stores in Pondy Bazaar. For more details of survey refer Annexure 6.

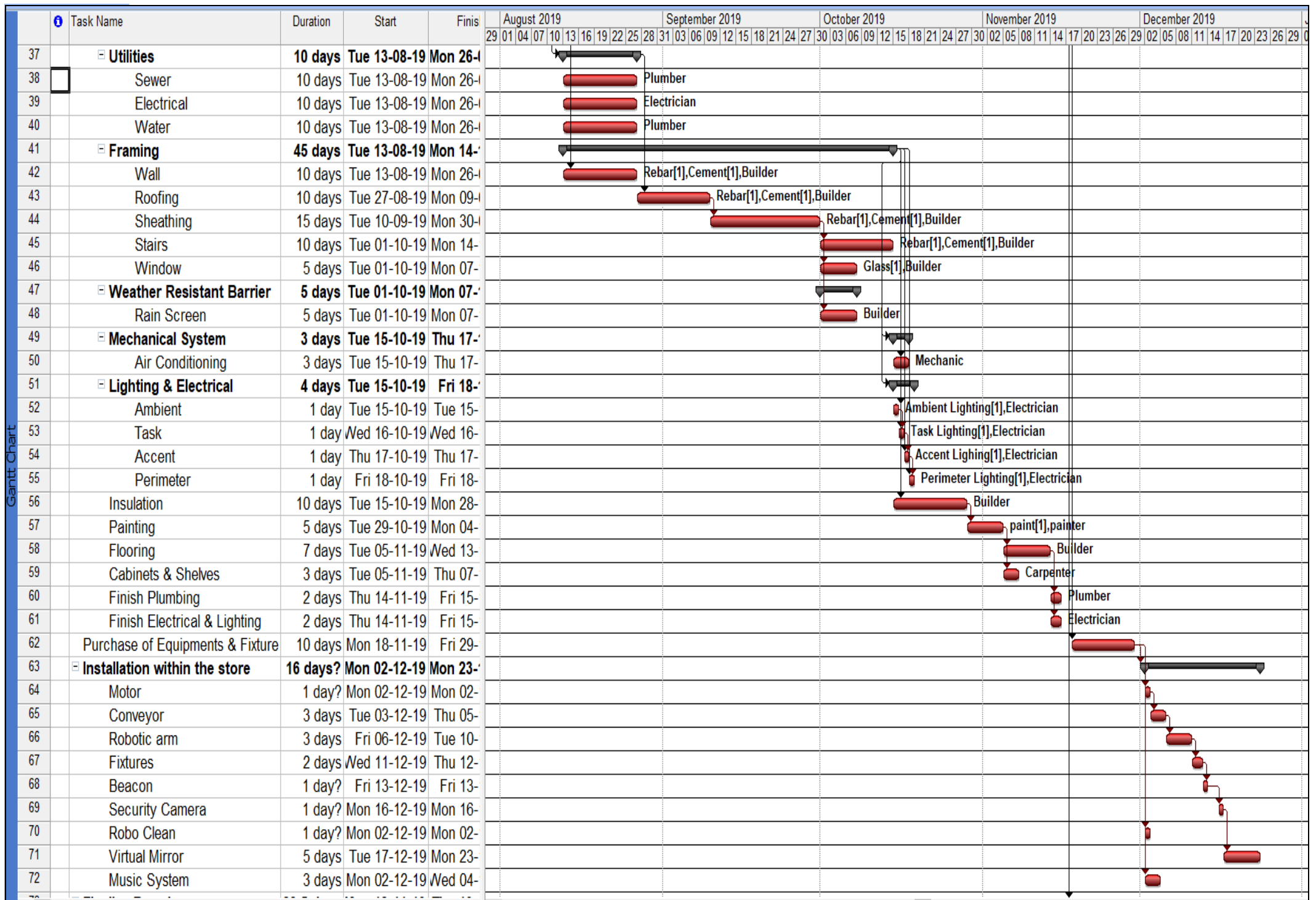


### 5.3. Project Schedule

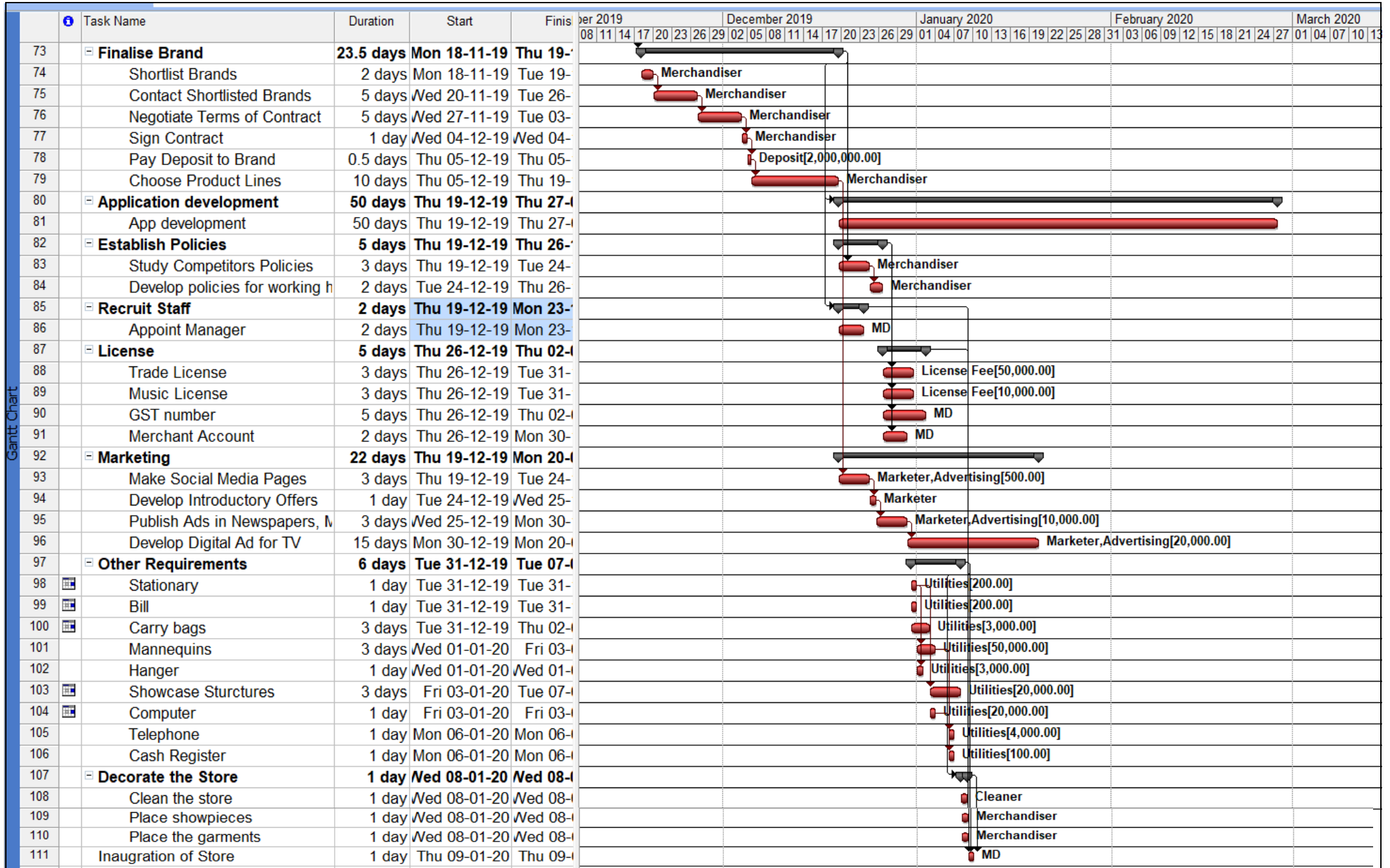
The accompanying Gantt chart highlights our plan with specific dates. This schedule reflects my strong commitment to organization and detail.











## 6. Management Summary

Attire is a completely automated store where customers do not need help of any sales employees to know about the inventory or make payments. All this is made possible through the mobile application.

Other functions which are usually performed by the store personnel are being fulfilled by machines in Attire:

### Sales Assistant

- The sales assistant has been replaced by the mobile application which gives every customer a personalised sales assistant who knows about the customer's choice and history of purchase and can hence suggest products which the customer would like to purchase. There is no need for you to wait for a sales assistant to check whether the size you want is available, you can check the inventory levels through the app itself.

### Cashier

- There are no billing queues at Attire. Customers can checkout or make the purchase from anywhere in the store through the app autonomously.

### Make shopping bag ready

- The unique system in the warehouse consisting of a motor, conveyor and robotic arm will make the shopping bag ready for the customer.

### Cleaner

- The cleaning process will be handled by a robotic cleaner which will be scheduled to clean the store every morning.

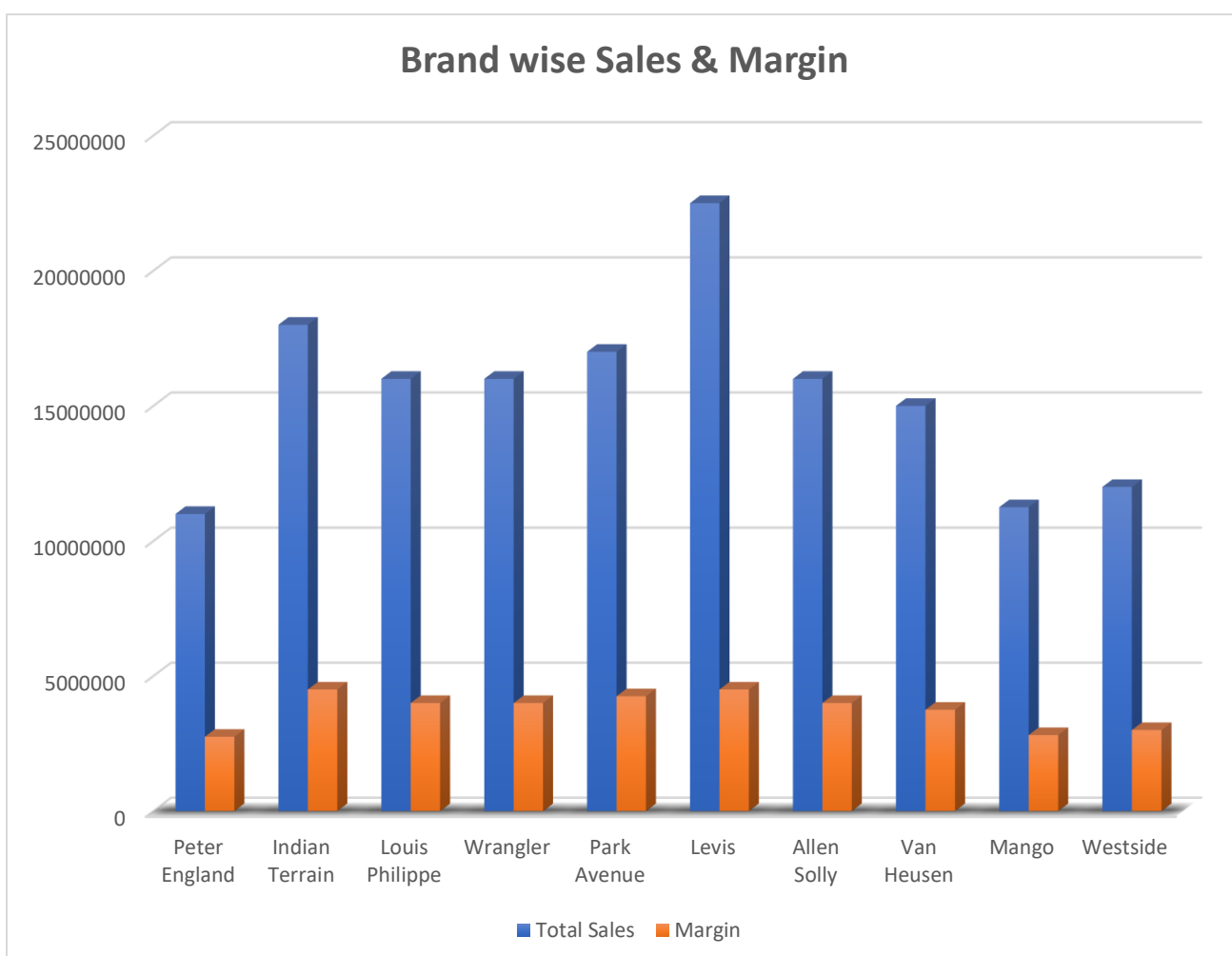
There is a need of only one manager who would supervise the stores functioning, monitor the CCTV footage, load stock into the stockroom, ensures products are hung in an aesthetic fashion, take care the returns and deliver the products which are to be delivered home. He would be paid a salary of Rs. 40,000 per month.

## 7. Financial Plan

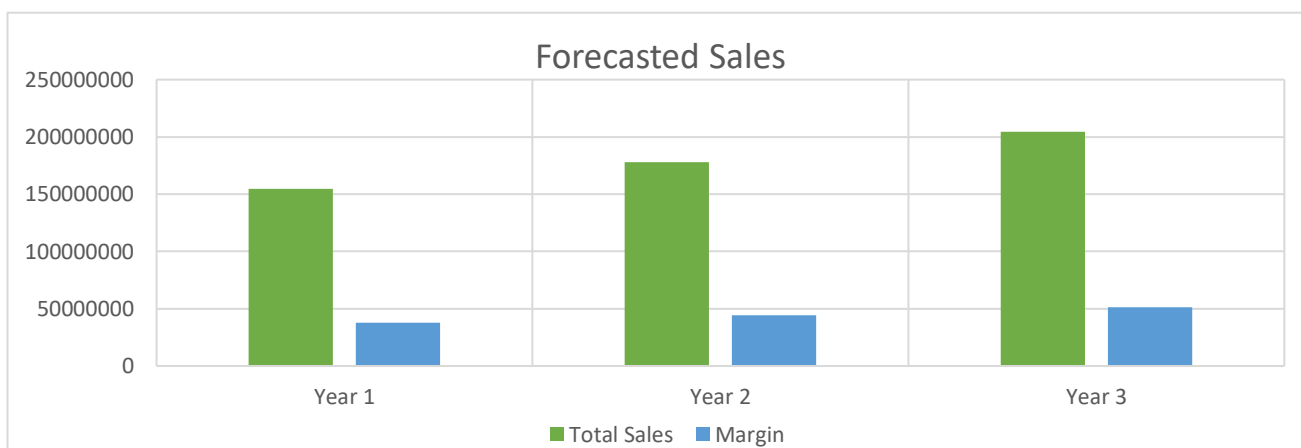
Attire's sales will grow by 15% every year. This growth rate has been approximated after studying the growth rates of various brands. For more details refer annexure 4. Attire being a completely automated store, will accept only online transaction using BHIM, Paytm or through any credit card. Marketing & advertising will remain at or below 5% of sales and CSR activity will be restricted to 2% of the sales. We will continue to reinvest profits into adopting new technology and launching our own brand.

### 7.1. Forecast

YEAR 1				
Brands	Units sold	Average unit price	Total Sales	Margin (25%)
Peter England	11,000	1,000	1,10,00,000	27,50,000
Indian Terrain	12,000	1,500	1,80,00,000	45,00,000
Louis Philippe	4,000	4,000	1,60,00,000	40,00,000
Wrangler	8,000	2,000	1,60,00,000	40,00,000
Park Avenue	10,000	1,700	1,70,00,000	42,50,000
Levi's	7,500	3,000	2,25,00,000	45,00,000
Allen Solly	8,000	2,000	1,60,00,000	40,00,000
Van Heusen	6,000	2,500	1,50,00,000	37,50,000
Mango	7,000	1,500	1,12,50,000	28,12,500
Westside	10,000	1,200	1,20,00,000	30,00,000
<b>TOTAL UNIT SALES</b>	<b>83,500</b>	<b>1,850</b>	<b>15,47,50,000</b>	<b>3,75,62,500</b>



Sales Forecast	Year 1	Year 2	Year 3
Sales	15,47,50,000	17,79,62,500	20,46,56,875
Margin @ 25%	3,75,62,500	4,44,90,625	5,11,64,218
Increase on Sales	-	2,32,12,500	2,66,94,375
Percentage	-	15%	15%



## 7.2. Expense Budget

Nature of Expense	Expense per month	Expense per annum	Forecast for year 2	Remark
<b>Fixed Expense</b>				
Rent	10,00,000	1,20,00,000	1,32,00,000	10% escalation YOY
Salary	40,000	4,80,000	5,28,000	10% escalation YOY
Electricity	1,00,000	12,00,000	12,00,000	Assumption being no escalation
Depreciation @ 10% assets	-	14,79,000	14,79,000	
Insurance	2,50,000	30,00,000	30,00,000	
Total	13,90,000	1,81,59,000	1,94,07,000	
<b>Variable Expense</b>				
QR Tag Purchase @ Rs0.50/unit	420	5,000	5750	Increase in line with sales
Carry Bag @ Rs5/unit	30,000	3,60,000	4,14,000	Increase in line with sales
Token @ Rs 0.50/unit	500	60,000	69,000	Increase in line with sales
Advertisement	-	10,00,000	5,00,000	
CSR @ 2% p.a.	-	7,51,250	8,63,937	Based on Sales Forecast
Tax @ 30% margin	9,39,000	1,12,68,750	1,29,59,000	Increase in line with sales
Repairs	17,000	2,04,000		
App updates		2,00,000	1,00,000	
Inauguration cost	-	2,00,000	0	Only year 1
Total	9,86,920	1,40,49,000	1,49,11,687	

## 7.3. Assets & Liabilities

Liabilities	Amount	Assets	Amount
Loan from bank	1,25,00,000	Mobile Application	20,00,000
Capital	25,00,000	Fixtures	15,00,000
		Hangers	1,00,000
		Building	36,00,000

		Conveyor	20,000
		Motor	1,00,000
		Robotic Arm	50,000
		Music System	45,000
		Virtual Mirror	2,55,000
		Beacon	10,000
		Deposit	55,00,000
		Ceiling	4,00,000
		Air Conditioner	1,00,000
		Tiles	5,00,000
		Lights	4,00,000
		Security Camera	20,000
		Glass Doors	1,50,000
		Robotic Cleaner	50,000
		Cash on Hand	2,00,000
	1,50,00,000		1,50,00,000

#### 7.4. Break Even Analysis

	Year 1	Year 2	Year 3
Margin	3,75,62,500	4,44,90,625	5,11,64,218
Fixed Cost	1,81,59,000	1,94,07,000	2,23,18,050
Variable Cost	1,40,49,000	1,49,11,687	1,71,48,440
Total Cost	3,22,08,000	3,43,18,687	3,94,66,490
Profit	53,54,500	1,01,71,938	1,16,97,728

- Total Commission per year = 3,75,62,500  
Commission per Unit = Total commission / No. of units sold = 3,75,62,500 / 83,500 = 450
- Total Variable Cost per year = 1,40,49,000  
Variable Cost per Unit = Total Variable Cost / No. of units sold = 1,40,49,000 / 83,500 = 168
- Total Fixed Cost per year = 1,81,59,000
- Contribution Margin per Unit = Commission per Unit - Variable Cost per Unit = 282
- Break Even Point in Units = Fixed Cost / Contribution Margin per Unit  
= 1,81,59,000 / 282 = 64,394 units
- Break Even Commission = Commission per Unit x Break Even Points in Units  
= 450 x 64,394 = 2,89,77,127

From the above analysis we can see that 64,394 units must be sold and a commission of 2,89,77,127 must be earned to break even. This means a sale of 11,59,08,508 must be made.

Assuming we make a sale of 6960 units every month (83,500/12), breakeven will be reached in the 9 months.

In conclusion,

- BE (Units) = 64,394
- BE (Commission) = 2,89,77,127
- BE (sales) = 11,59,08,508
- BE (months) = 9 Months

#### 7.5. Return on Investment

Return on Investment = (Net Profit / Total Investment) x 100

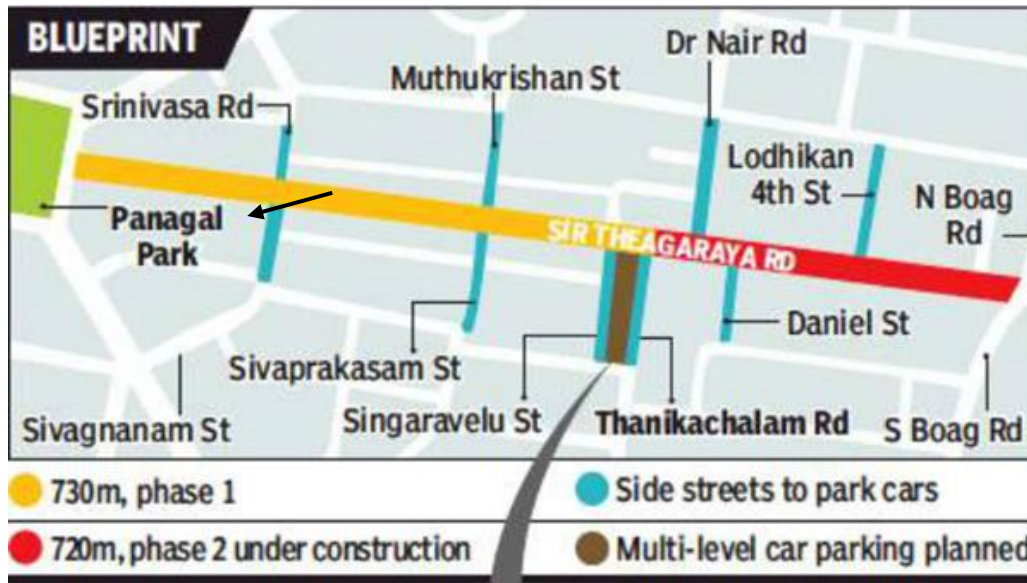
Year 1 = 53,54,500 / 1,48,00,000 = 36%

Year 2 = 1,01,71,938 / 1,48,00,000 = 69%

## 8. Annexures

### Annexure 1: Location

The entire stretch of Theyagaraya road has been divided into 3 reaches to facilitate quality in construction and early completion of works without causing much disturbance to the flow of traffic.



In reach 1, the carriage way width will be 7.00m (3.5+3.5) with centre median in which MTC buses and two wheeler only will be allowed to ply and 10 to 12 m wide pedestrian way has been proposed.

In reach 2 and 3, the carriage will be 7.50m wide on both side of the median. The width of pedestrian platform will be about 3 to 4.5m. All type of vehicle will be allowed in these reaches and further, sufficient four wheeler parking provision has been made.

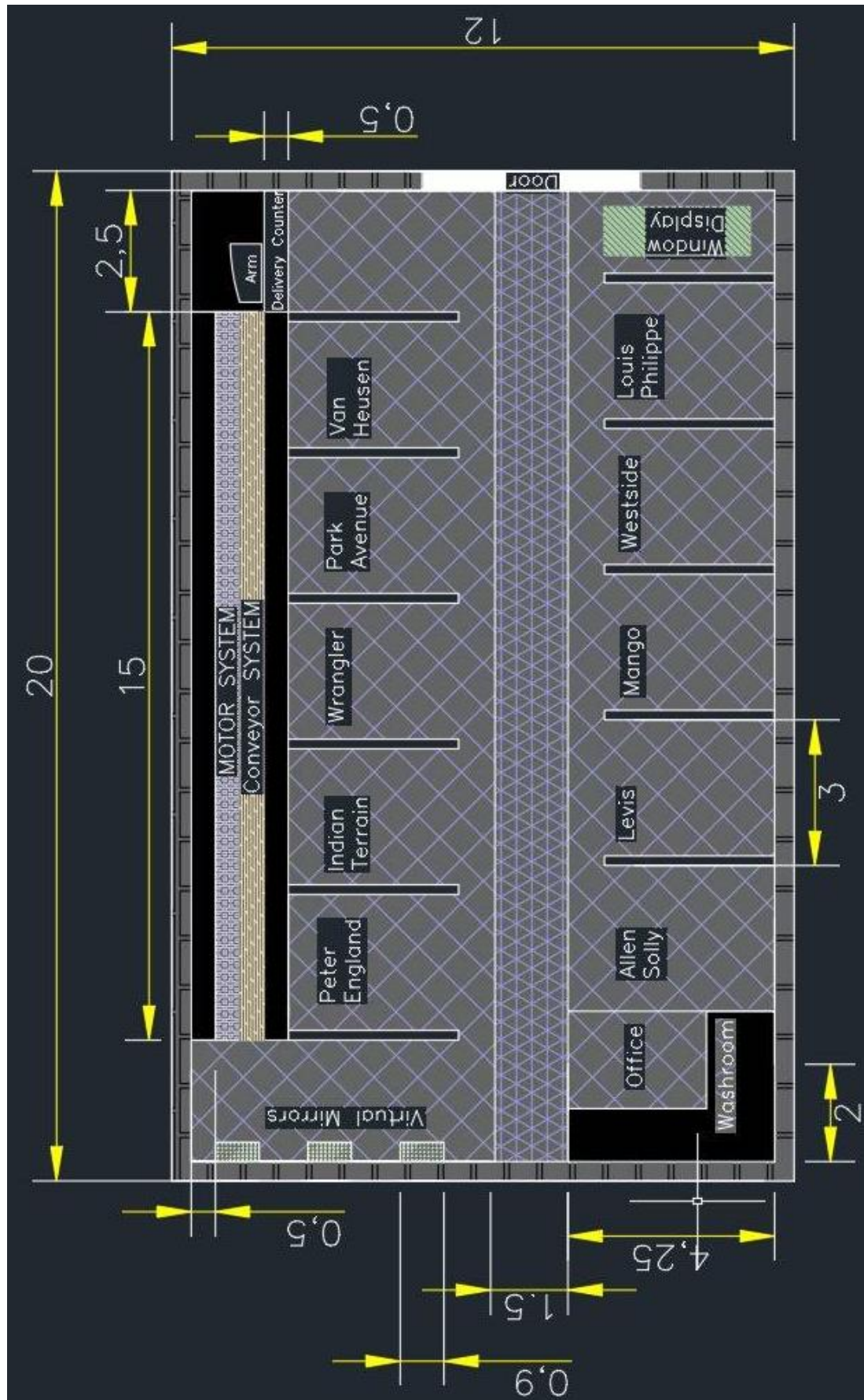
A multi level parking facility is being constructed at the junction of Theyagraya road and Thanikachalam salai, which will take care of the parking needs of the people coming to pedestrian plaza area.

The Pedestrian Plaza is designed as an inclusive design for people from all demographics like senior citizen, disable person, Children and general public can safely make their leisure shopping with all the convenience like seating arrangement, smart Toilets and proper illumination similar to facility available in commercial mall. For the convenient of senior citizen and disabled person, battery operated shuttle service will be provided at frequent interval.

PROJECT DETAILS		
<b>COST</b> <b>33.8cr</b>	<b>LENGTH</b> <b>730m</b>	<b>Parking space available on Theyagaraya Road</b> <b>200 cars</b>
Panagal Park to Thanickachalam Street		
<b>What's being done</b> <ul style="list-style-type: none"><li>&gt; Theyagaraya Road to be one-way stretch</li><li>&gt; 13 side streets to be improved for 500 cars parking space</li><li>&gt; EB office on Sivagnanam Street to turn into parking lot</li><li>&gt; CCTV and smart parking system around Panagal park</li></ul>	<b>What does the ITDP study say</b> <ul style="list-style-type: none"><li>78% park on 13 side streets and around the parks</li><li>52% walk or use public transport or cabs/autos</li><li>48% use two-wheelers and cars</li><li>94% okay with the road becoming car-free</li></ul>	
<b>NEARLY 52% OF THE PEOPLE SAID THEY CAME BY PUBLIC TRANSPORT</b> Nashwa Naushad   ITDP		
<b>Concerns voiced by shop owners</b> <ul style="list-style-type: none"><li>&gt; Maintenance of civic amenities</li><li>&gt; Ensure it remains a no-hawker zone</li></ul>		



## Annexure 2: Layout



## Annexure 3: Customer Needs

### 1. Provide Personalized Customer Service

Customers want in-person service they can't get online. This is crucial to differentiating your store from the one-dimensional online shopping experience. According to research from BRP, 79% of consumers are more than willing to share their personal data if it helps you provide a better experience.

### 2. Offer Online/Offline Integration

shoppers also want to be able to buy products online, then pick them up in store, or buy products online and return them to a physical store.

### 3. Make the Most of Mobile Technology

Consumers expect to get mobile offers and coupons on their phones; 67% say such promotions are an important factor in deciding where to shop. In addition, 40% say they're more likely to shop at a store that has a mobile point of sale (POS)

### 4. Lure Them with Loyalty Rewards

Almost two-thirds (64%) of the consumers BRP surveyed say they are OK with retailers identifying them as they enter the store—as long as they receive something valuable in return.

### 5. Virtual Cart

According to research from BRP, 80% of consumers are not happy to stroll carts around the store, 90% of the parents expressed the need of a virtual cart because it is difficult to take care of the kids and shop at the same time.

### 6. Virtual Mirror

The smart virtual mirror is a combination of RFID technology and augmented reality which act as a virtual fitting room. Survey data from Statista shows that of 1,013 individuals aged 19-49, 44% were "very interested" in virtual Mirror VR, while 26% were "quite interested.". The user brings the garment in front of the mirror which scans the garment. The mirror after getting the scanned image is adapted and superimposed with the image of the person. The reflected image in the mirror gives a virtual appearance with the selected cloth. The best part of it is that the garments follow the body's movements with a totally real simulation.



#### Annexure 4: Number of Customers Year wise

Indian Terrain		
Year 1	Year 2	Year 3
10,000	11,400	13,200
Peter England		
Year 1	Year 2	Year 3
9,000	10,000	12,200
Wrangler		
Year 1	Year 2	Year 3
9,700	10,500	11,800
Park Avenue		
Year 1	Year 2	Year 3
11,100	12,500	13,800
Louis Philippe		
Year 1	Year 2	Year 3
6,700	7,500	8,900
Levi's		
Year 1	Year 2	Year 3
13,000	14,800	15,600
Allen Solly		
Year 1	Year 2	Year 3
10,000	11,700	13,600
Van Heusen		
Year 1	Year 2	Year 3
8,500	10,000	12,800
Mango		
Year 1	Year 2	Year 3
8,700	9,500	11,000
Westside		
Year 1	Year 2	Year 3
12,000	13,700	14,900

Information collected from EBOs

## Annexure 5: Top Apparel Brands in India

1. Levi's
2. Allen Solly
3. Park Avenue
4. Van Heusen
5. Wrangler
6. Peter England
7. Louis Philippe
8. Spykar
9. Pepe Jeans
10. Flying Machine
11. John Player
12. Baics
13. Indian Terrain
14. Zara
15. Global Desi
16. Biba
14. Westside
15. Mango

Survey by Forbes India

## Annexure 6: Sales Data

2018			
Brands	Total Sales	Units Sold	Average Price
Peter England	1,37,50,000	13,750	1,000
Indian Terrain	2,25,00,000	15,000	1,500
Louis Philippe	2,00,00,000	5,000	4,000
Wrangler	2,00,00,000	10,000	2,000
Park Avenue	2,12,50,000	12,500	1,700
Levi's	2,81,25,000	9,375	3,000
Allen Solly	2,00,00,000	10,000	2,000
Van Heusen	1,87,50,000	7,500	2,500
Mango	1,40,62,500	8,750	1,500
Westside	1,50,00,000	12,500	1,200

Information collected from EBOs