

RESTYLE – Executive Summary

We are creating a peer-to-peer online community marketplace for fashion-forward people to list, discover, and rent clothes and accessories from around the world, encouraging conscious consumption and inspiring them to be fabulous in a sustainable way.

To validate need for such a peer-to-peer rental marketplace we surveyed over 60 potential customers and conducted in-person interviews of 15 friends and family members in our target market. From this initial investigation about shopping behavior and opinions towards online fashion rental we found that women in their 20-40s shop for new clothes at least once a month. We also found that because of the popularity of social media, women do not want to be photographed wearing the same outfit twice, i.e. they buy clothes and accessories that they would only wear no more than a few times, which is not only expensive and time consuming but also wasteful. Restyle provides modern women unlimited access to fashion without cluttering their closets. Customers will use Restyle to rent designer clothes and accessories from anywhere for any occasion. They can also monetize their closets by renting out items they love but no longer wear. To launch Restyle with high quality items we have lined up renowned fashion influencers as lenders who are eager to partner with us to list items for rent. Finally, we believe that renting clothes and accessories encourages conscious consumption behavior and thus creates a positive impact on our environment.

With millions of active users, companies such as Rent the Runway and Le Tote have successfully established fashion rental market. Rent the Runway shipped \$809 million in retail value of dresses and accessories last year alone. There are 60 million women in their 20-40s in the US. Over half of the women we surveyed are willing rent from others online. If they rent on Restyle once a quarter at \$60 per rental (20% retail value) that is a \$7.2 billion potential market we are aiming to tap into.

Restyle competes directly with Rent the Runway and a small San Francisco-based startup, Style Lend. Alternative solutions also include subscription-based monthly services such as Le Tote. Restyle differentiates itself in following ways:

Low upfront inventory costs. Unlike Rent the Runway and Le Tote, Restyle does not store its inventory in a warehouse, our customers are also our suppliers, thus we can provide similar items at a lower cost.

No geographic limitation. Restyle does not restrict delivery only to specific cities as Style Lend does, so anyone in any city in US can rent using Restyle. We plan to expand globally once we gain market traction in US

Customized service offerings. From our customer surveys and interviews we found that some people are willing to earn less if Restyle can take care of shipping and dry-cleaning. To cater to such customers our premium service takes care of shipping and cleaning for busy professionals who are looking to monetize their closets without investing time needed to list items online.

Restyle will provide two types of service: standard and premium. For standard service, we plan to charge 5% of list price as facilitating fee for simply connecting lenders and renters on our platform. For premium service, we manage the inventory, ship and clean, and split the rental income 50/50 with

lenders after deducting expenses for shipping and cleaning. Our biggest costs are app/website development and user acquisition. Restyle expects to recruit 50 fashion influencers as lenders at launch. Leveraging on their existing follower base, we expect to expand quickly our user base to 200,000 one year after launch.