# Fashion Finder App

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# Introduction

• Transforms how customers purchase clothing

• Combines pricing comparison, image recognition, and AI-powered styling advice.

• Makes shopping easier by locating products, evaluating costs, and recommending customized ensembles.

**Mission**: Our goal is to make fashion purchasing affordable, personalized, and seamless.

# The Problem

**Overwhelming Choices and Information Overload**

- The abundance of fashion alternatives causes consumers to become weary of making decisions.

- The fashion sector offers an overwhelming number of options, according to a 2020 McKinsey research.

**Price Inconsistency and Lack of Transparency**

- Price differences across merchants make it difficult for customers to identify the best offers.

- Prior to making a purchase, 65% of buyers compare prices (Deloitte, 2023).

**Difficulty in Staying Current with Fashion Trends**

- Customers struggle to keep up with and style the latest trends.

- 67% of consumers get fashion inspiration from influencers and social media (Statista, 2023).

**Sustainability Concerns**

- Ten percent of the world's carbon emissions come from fast fashion, which harms the environment (Ellen MacArthur Foundation, 2020).

# The Solution:

- **Product Overview:**
  - Integrates AI technology to transform fashion shopping
  - Combines image recognition, price comparison, and styling tips in one platform

## Features & Benefits:
- **Scan & Discover:** Use image recognition to identify and find fashion items from any source
- **Compare & Save:** Automatically find the lowest prices by comparing across multiple retailers
- **Style with AI:** Receive AI-driven styling tips based on the latest fashion trends
- **Bookmark Trends:** Save and manage fashion inspirations and trends on your personal profile

# Simplifying Fashion Choices with Fashion Finder App

- **Product Positioning:**

- The ultimate tool for style-conscious consumers

- Addresses common shopping issues: overwhelming choices, price inconsistencies, and trend tracking

- Positioned as the essential fashion assistant for both fashion and functionality

**Competitive Advantages:**

- **All-in-One Platform:** More than just a price comparison or styling app, it offers a complete fashion shopping solution

- **Real-Time Updates:** Ensures the latest pricing and trend information through partnerships with retailers

- **User-Centric Design:** Easy to navigate and enjoyable to use, enhancing the shopping experience
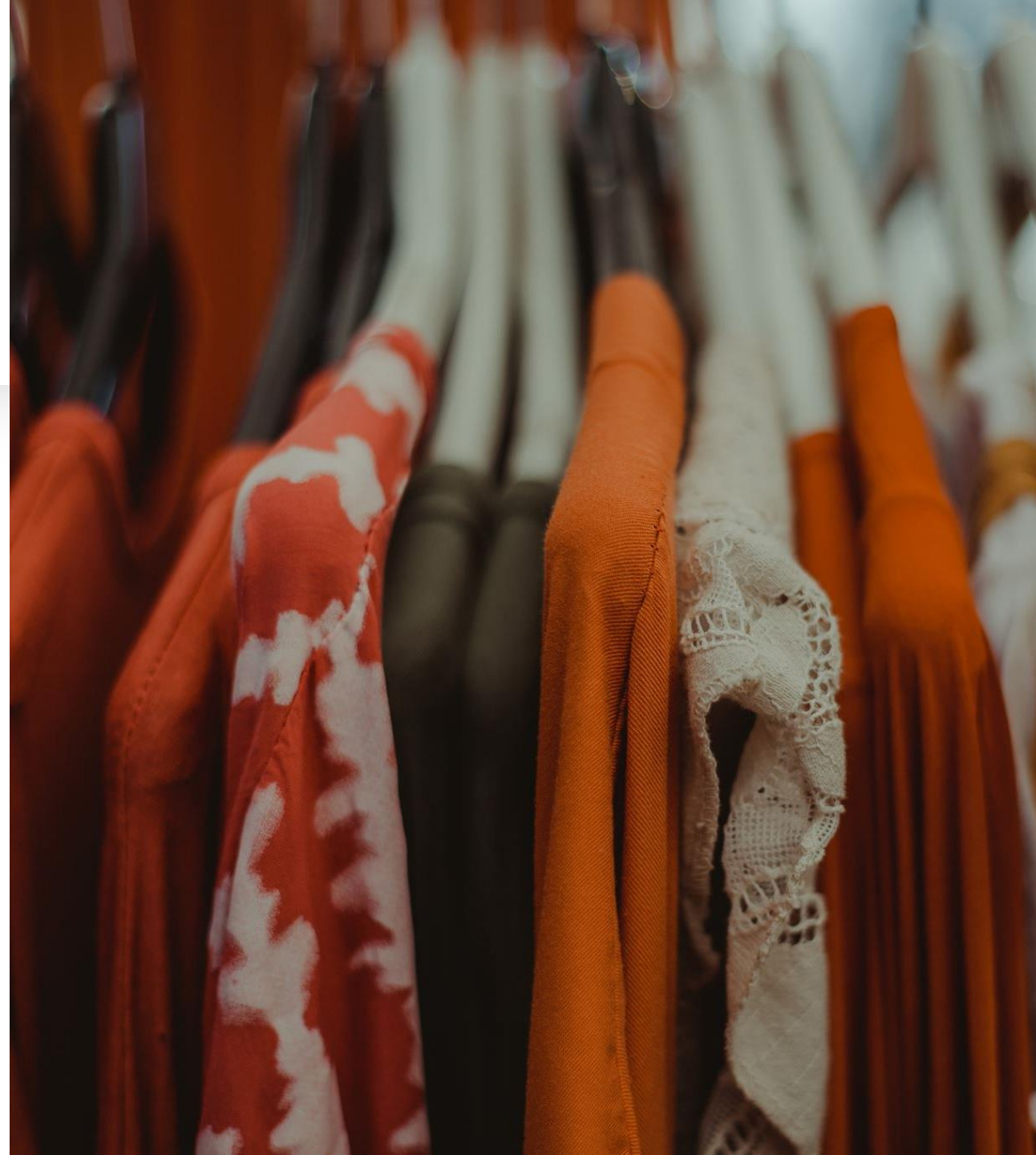
# Industry Overview and Market Analysis



- **Industry Overview:**
  - **Global Fashion Market:** Expected to reach $1.7 trillion by 2025, growing at a CAGR of 4.5% (Source: McKinsey Fashion Index).
  - **Digital Influence:** Over 75% of fashion shoppers use mobile apps to discover and purchase clothing (Source: Business of Fashion).

- **Market Analysis:**
- **Competitors:**
  - **StyleSnap by Amazon:** Offers AI-powered fashion discovery but lacks in-depth styling customization.
  - **ShopLook:** Allows outfit creation but doesn't provide real-time price comparison.
  - **The Yes:** Personalized shopping experience but limited to women's fashion only.
- **Customer Segments:**
  - **Demographics:** Men and women aged 20-45, including trendsetters, influencers, and budget-conscious shoppers.
  - **Behavioral Traits:** Prioritize convenience, style, and price effectiveness.

# Industry Overview and Market Analysis Continued…

- **Trends:**
  - **AI and Personalization:** Increasing demand for personalized shopping experiences.
  - **Sustainability:** Growing consumer preference for sustainable fashion choices.
  - **Social Media Influence:** High impact of influencers on fashion decisions.

**Estimated Addressable Market:**
- **Total Available Market (TAM):** All fashion app users globally – estimated at 500 million.
- **Serviceable Available Market (SAM):** Mobile users interested in fashion apps in the U.S., EU, and key Asian markets – estimated at 150 million.
- **Serviceable Obtainable Market (SOM):** Targeting initial market entry in urban areas with tech-savvy consumers – estimated at 10 million in the first 3 years.
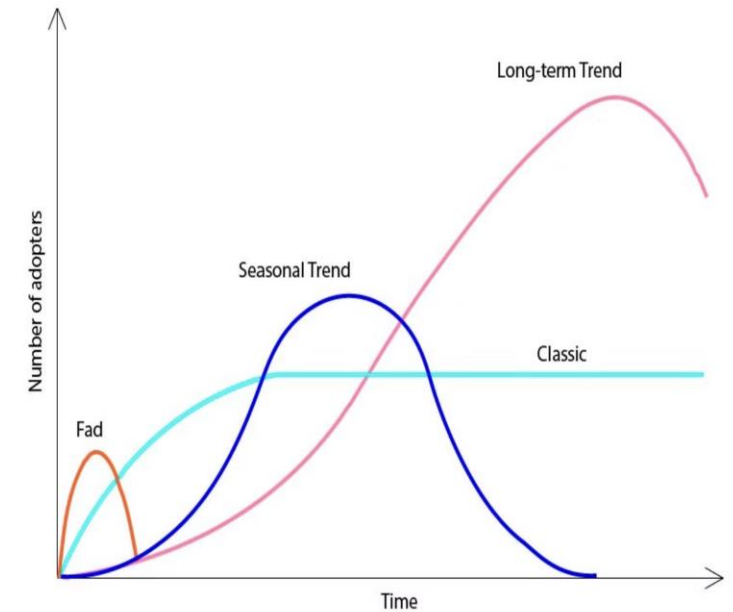
# Competitive Analysis

- **Direct Competitors**
  - **Google Lens**
    - Google lens allows users to search for visually similar items by taking a picture, or using a photo from the gallery - it is not dedicated to just fashion and lacks price comparison and personalized styling for profiles
  - **ShopStyle**
    - This company offers fashion searches and links to various stores, with a focus on deals and discounts, but does not have image recognition and AI-driven styling
  - **Price Comparison Apps (Honey, RetailMeNot):**
    - Focuses on discounts but lacks image recognition and AI styling suggestions for fashion-specific experience

# Competitive Analysis Cont.

- **What makes the Fashion Finder app stand out?**
  - **Image Recognition:** Improve user experience beyond text-based search, appealing to visual shoppers
  - **Comprehensive Shopping Tools:** Price comparison across various retailers is in the application along with product availability
  - **AI-Driven Styling:** Personalized recommendations based on current trends, with a profile catered to search history and browsing patterns of user for a catered shopping feed

# Competitive Analysis Matrix

| Feature | Fashion Finder App | Google Lens | ShopStyle | Price Comparison Apps |
|---|---|---|---|---|
| Image Recognition | ✔ | ✔ | ✘ | ✘ |
| Price Comparison | ✔ | ✘ | ✔ | ✔ |
| Multi-Retailer Integration | ✔ | ✘ | ✔ | ✔ |
| AI-Based Styling | ✔ | ✘ | ✘ | ✘ |
| Fashion-Focused | ✔ | ✘ | ✔ | ✘ |
| Trend Scanning | ✔ | ✘ | ✘ | ✘ |

# Business Model

## 1. Affiliate Commissions:

The app can partner with retailers and brands through affiliate marketing programs

Commission on sale of each product

## 2. Subscription Model:

Basic Feature: Free

Premium subscription can unlock more benefits: personalized styling advice, access to exclusive sales, trend insights, or advanced filters

## 3. In-App Advertising:

Brands or retailers could pay for featured spots within the app

Advertising could include promotions for specific brands, styling tips sponsored by brands

# Business Model cont.
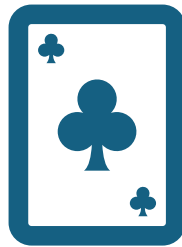


4. Data **Insights and Analytics**:

The app will gather valuable data on fashion trends, consumer preferences, and pricing patterns across retailers in a portfolio
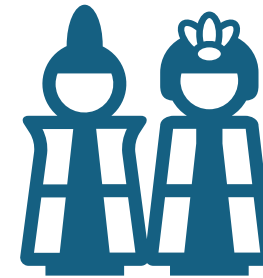


5. White-Labeling **or Licensing the Technology:**

The app's technology could be licensed to other businesses, such as fashion retailers or marketplaces

# Marketing Plan

**Target Customers**

The Fashion Finder App primarily targets men and women aged 18-45 who are tech-savvy, style-conscious, and actively seeking a convenient, cost-effective shopping experience.

**Customer Segments**

- **Fashion Enthusiasts**: Trendsetters aged 18-35 looking for instant access to the latest styles and personalized fashion insights.
- **Savvy Shoppers and Couponers**: Budget-conscious users aged 25-45 seeking deals and efficient price comparisons to stay stylish affordably.
- **Social Media Influencers and Content Creators**: Fashion-forward creators aged 18-35 needing fast access to trends and easy sharing tools for their audience.

# Marketing Plan Count.

## Pricing Strategy

### Freemium Model with In-App Purchases

- The app will be free to download with basic features like scanning and price comparisons available for all users with in-app ads.

- **Premium Subscription**: Offer a monthly or annual subscription for added features like personalized AI-driven style boards, exclusive discounts, and ad-free browsing.

- **Pricing for Premium Subscription**: $4.99/month or $49.99/year, targeting frequent shoppers who value these enhanced features.

# Marketing Plan Count.

## Market Entry Strategy

- **Social Media Focus**
  - **Platform Selection:** Instagram, TikTok, YouTube
  - **Influencer Collaborations:** Partner with micro-influencers & fashion bloggers to showcase app's features (image recognition, price comparison, styling tips)
  - **Campaign Hashtags:** Use branded hashtags (e.g., #FashionFinderStyle) for campaigns demonstrating quick styling finds & savings

- **Retail Partnerships & Affiliate Marketing**
  - **Retail Integrations:** Partner with popular fashion retailers for in-app inventory and exclusive discounts
  - **Affiliate Marketing:** Use affiliate links to earn commissions, driving early profitability & supporting retailer online sales growth

- **SEO & Content Marketing**
  - **Blog Content:** Create a fashion blog with trending topics, styling advice, and shopping tips to attract organic traffic
  - **SEO Optimization:** Target keywords like "fashion price comparison app" and "AI styling app" to capture searches for fashion shopping innovations

# Marketing Plan Count.

**Marketing Budget**

Our total marketing budget for the first year is $150,000. Here is the distribution of the budget spent on each marketing strategy.

| Strategy | Description | Budget |
|---|---|---|
| **Influencer Partnerships** | Initial launch campaign with influencers | $70,000 |
| **Digital Ads** | Social media and Google Ads for user awareness (6 months) | $50,000 |
| **Content Marketing** | Annual blog and video content creation | $30,000 |

# Financial Projections Funding:

## 1. Funding Requirements

- **Total Amount Needed**: $150,000 for development, marketing, and initial operations.

- **Allocation**:

  33% ($50,000): Product Development (software, hardware, and testing).

  40% ($60,000): Operations (team salaries, licenses, and utilities).

  20% ($30,000): Marketing and Pre-Launch Campaigns (branding, early lead generation).

  7% ($10,000): Contingency (buffer for unexpected expenses).

## 2. Revenue Projections (Yearly)

- **Year 1: $15,000**

  Sources: Early adopter sales and pre-launch pilot customers.

- **Year 2: $120,000**

  Growth Drivers: Formal launch of the product, broader marketing campaigns, and sales efforts.

- **Year 3: $300,000**

  Growth Drivers: Expansion into adjacent markets, increased user base, and product upgrades.
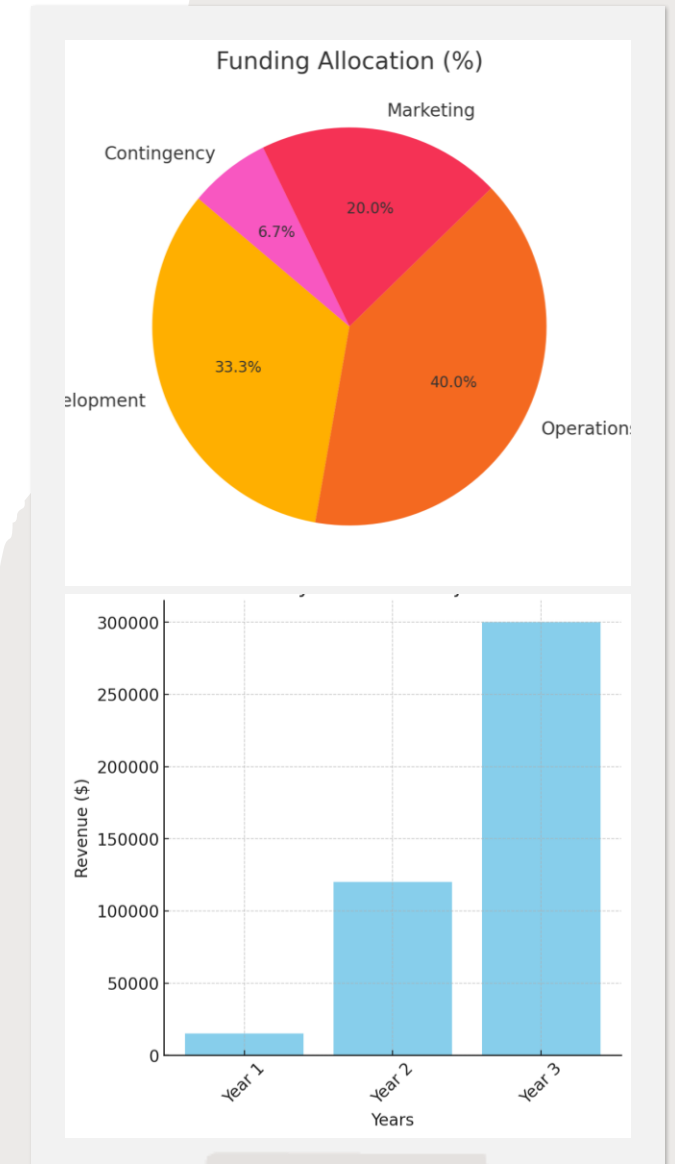
# Financial Projections Funding continued...

## 3. Cost Structure (Yearly)

**Year 1: $150,000**

- Details: $50,000 (development), $60,000 (operations), $30,000 (marketing), $10,000 (contingency).

**Year 2: $120,000**

- Details: $30,000 (ongoing development), $50,000 (operations), $40,000 (marketing and scaling).

**Year 3: $150,000**

- Details: $20,000 (upgrades), $70,000 (operations), $60,000 (marketing and customer retention).

## 4. Milestone Integration

**Year 1: Develop the product and achieve pilot success.**

- Finalize MVP (Minimum Viable Product).
- Attract 1,000 pilot users for testing and feedback.
- Prepare for full launch by end of Year 1.

**Year 2: Expand user base and generate sustainable revenue.**

- Achieve 10,000 paying customers.
- Secure $120,000 in revenue from subscriptions or sales.
- Launch marketing campaigns to scale the customer base.

**Year 3: Drive expansion and solidify market position.**

- Achieve 25,000 active customers.
- Generate $300,000 in revenue.
- Establish partnerships for product distribution.



Yearly Cost Structure Breakdown

# Financial Projections Funding continued....



**FINANCIAL PLANNING**
Setting up a better future

**Current Financial Situation** - determine your current financial situation with regard to income, savings, living expenses, and debts.

**Develop Financial Goals** - periodically analyze your financial values and goals. This involves identifying how you feel about money and why.

**Alternative Courses of Action** - Continue the same course of action. Expand the current situation. Change the current situation.

**Evaluate Alternatives** - evaluate courses of action, considering your life situation, personal values, and current economic conditions.

**Implement a Financial Action Plan** - as you achieve your immediate or short-term goals, the goals next in priority will come into focus.

**Revise Your Plan** - this process does not end when you take a particular action. You need to regularly assess your financial decisions.

Source

## 5. Connection to Strategy

This financial plan ensures alignment between funding and key strategic goals:

- Year 1 Spending: Focuses on completing development and securing feedback from early adopters.

- Year 2 Spending: Marketing scales with revenue growth, supporting customer acquisition.

- Year 3 Spending: Allocates resources to expand markets and solidify the brand.

## 6. Key Assumptions

- Customer Acquisition Cost (CAC): $10 per customer.

- Retention Rate: 70% of customers renew subscriptions or continue usage.

- Revenue per Customer: $25/year through product sales or subscriptions.

- Growth Rate: User base grows by 100% annually in the first three years.

- Marketing Efficiency: 30% of spending directly drives measurable user growth.

# Milestone Timeline

**Year 1: Months 1-3**

**Planning & Team Setup**

- Finalize app requirements and design.
- Hire development and marketing teams.
- Begin partnerships with retailers and early adopters.

**Year 1: Months 9-11**

**Beta Launch & Feedbacks**

- Release a beta version to 5,000 test users.
- Collect feedback and improve app functionality.
- Begin small-scale marketing campaigns to create buzz.

**Year 2: Months 1-3**

**Scaling User Base**

- Reach 50,000 active users through digital marketing and influencer collaborations.
- Launch referral programs to encourage organic growth.

**1**
**2**
**3**
**4**
**5**
**6**

**Year 1: Months 4-9**

**Core Development**

- Develop key app features:
  - Image recognition technology.
  - Price comparison and AI-driven styling suggestions.
- Perform initial alpha testing for core functionality.

**Year 1: Months 12**

**Official Launch**

- Launch app on iOS and Android platforms.
- Execute a full-scale marketing campaign targeting active users.
- Introduce basic ad placements within the app.

**Year 2: Months 4-6**

**Monetization**

- Introduce freemium subscription models:
  - Basic: Free with ads.
  - Premium: Ad-free with advanced styling features.
- Expand ad placements with higher-tier advertisers.

**Year 2: Months 7-9**

**Partnerships**

- Secure partnerships with 20+ retailers for affiliate commissions.
- Introduce exclusive discounts for premium users through these partnerships.

**Year 3: Months 1-3**

**Global Expansion**

- Localize the app for international markets (languages, regional retailers).
- Launch in key global markets (e.g., Europe, Asia).

**Year 3: Months 7-9**

**Brand Partnerships**

- Partner with global fashion brands for exclusive collections and early product releases.
- Host in-app virtual fashion shows and events.

**7**

**8**

**9**

**10**

**11**

**12**

**Year 2: Months 10-12**

**Optimization**

- Analyze user behavior to improve AI styling suggestions.
- Enhance user retention strategies to achieve a 75% retention rate.
- Generate $250,000 in annual ad and subscription revenue.

**Year 3: Months 4-6**

**Advanced Features**

- Introduce AR capabilities for virtual try-ons.
- Develop deeper personalization for styling recommendations using machine learning.

**Year 3: Months 10-12**

**Financial Growth and Next Round of Funding**

- Target 500,000 active users.
- Generate $1M+ in annual revenue through ads, subscriptions, and affiliate commissions.
- Prepare for Series A funding to support further innovation and expansion.