

TAIWO OLADIPUPO OLAWLE

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COMPUTER ENGINEERING

## MAXIMUM WEARS



### EXECUTIVE SUMMARY:

The name of the clothing brand is “MAXIMUM” wears possessing the tagline “to the fullest maximum” it’s a clothing apparel to help the targeted audience dress to the best of their ability and look as good as they can. MAXIMUM Wear is a new apparel line that tends to the Africans all round youth teens and adults of the Nigerian community and the whole world. As the name suggests our focus is to provide best of wear apparel and accessories available, and position ourselves as the top clothing line servicing this particular market. My intentions are to obtain 80% market share and become a central hub of shopping activity for the local African and every other aspect of the world population

MAXIMUM Wears will be located at central area in town wuse 2 besides Silverbird. MAXIMUM Wear has centralized itself directly in position to the residential location and social activities of our target market. I believe that this is critical to our initial success and long-term growth.

### PRODUCTS & SERVICES

The fashion and retail industry tends to be overly youth focused. However, by closely following generational fashion trends as well as my own customers’ purchasing preferences, i will tailor my inventory to meet the specific needs of my clientele. I will solely focus on my styles, colours and fits to flatter the youth and teenagers’ adults and even elders.

### MARKET ANALYSIS

The total sales reported in the Nigeria retail industry in 2007 (including food service and automotive) exceeded \$200 mmillion. There are roughly 33 million youths in Nigeria, half of which are women. in Abuja, the current population is just fewer than 3 million 54 percent of the total population is women who have a median age of 24. The median income is 57000. I will initially seek customers locally, but will increase my reach as i build my brand and secure my image.

### STRATEGY & IMPLEMENTATION

MAXIMUM Wears recognizes the importance of marketing. And to that end, I plan to promote my retail business with an ambitious, targeted marketing campaign, which will include a grand opening event, local media coverage, print advertising and a direct-mail campaign. My goal is to

keep my marketing budget to no more than 5% of my gross annual sales, and I will partner with local organizations to further the reach of the brand.

#### FINANCIAL PLAN

My company will earn revenue from my customers' purchases of my products. MAXIMUM wears first-year income statement illustrates a profit margin of at least forty percent, with a net income of 50,450 per month – after taxes. Finally, i have determined my break-even point will equal no less than 20,000 in total monthly sales. I project MY annual profits to reach 500,000 by year three.

My company will generate revenue from the retail sale of clothing and other merchandise. First year sales are projected to be 300,267, and i expect sales to surpass 600,000 by the end of year three. I will achieve month-to-month profitability within the first year.

#### DESCRIPTION

MAXIMUM Wears will sell a combination of widely recognized name brands as well as clothing lines from my own personal fashion designers. While apparel, such as business clothing, casual wear, jeans and formal wear will be my main staple, i will also offer some accessories such as belts, scarves, and hats.

I will earn profits by selling my merchandise. My pricing structure will remain flexible, as i will implement suggested retail pricing on common brands as well as the standard practice of key stoning prices. Additionally, i will use a value-based pricing structure, which measures the value of my products to my customers such as easy access, quality, customer service and styles flattering to my target consumer. I will implement end of season sales, holiday and overstock sales, multi-buy savings and promotional coupons at strategic intervals.

#### FEATURES & BENEFITS

One key feature that separates MAXIMUM Wears from all other local boutiques and chain department stores in the area is my commitment to providing the community at large and this current generation stylish, quality clothing options. Because my primary concern will be ensuring my consumers are happy with the fit and style of their purchase, i will provide products tailored to all shapes and sizes of individuals. In addition, i will make every effort to have petite and plus size versions of my merchandise in stock. If they are not in stock, ordering them will be easy, cheap and efficient.

Further, MAXIMUM Wears will not just be a store that sells clothes. My clientele will benefit from an experienced, knowledgeable sales staff. Out of the gate, my goal is to implement a superior customer service system. Beyond my friendly reception and an inviting atmosphere, MAXIMUM Wears will also offer customers fashion information and advice. my trained personnel will provide counsel that the target market simply cannot find at other clothing stores. The service is like a beautician who offers advice on what hair styles best complement his/her client's face. My hip and qualified fashion-industry expertise will ensure my customers walk away with the perfect outfit.

#### DEVELOPMENT

As my company grows and my brand earns a positive reputation, several opportunities will open to us. And we are considering some options already. Should we choose to remain a small local boutique, we will develop and grow our company by increasing existing clothing lines and

expanding our selection to include additional products such as swim wear, lingerie, or sportswear. Within five years, we will assess the potential for franchising our stores in select locations.

Additionally, as we build our business, we plan to simultaneously develop an online clothing store for MAXIMUM Wears. The power and ease of an online storefront is obvious to us, and we plan to develop one quickly and efficiently. We also see the potential for regional and/or national expansion at some point.

Our online clothing store will help to spread awareness of our product line and brand to a wider community.

## MARKET ANALYSIS

### TARGET CUSTOMER

MAXIMUM Wears is a business-to-consumer retail company. Youths and teenagers are our clear target customers. However, we do realize that we will likely attract some older or younger people with our peripheral products (handbags, scarves, hats shoes.). Moreover, we expect a portion of our products to catch on with the older generations. It's important that we do not offer products that are exclusive to the younger audience.

Having said that, there are currently about 33 million youths living in Nigeria. A youth is better described as the generation born between the years 1999 and 2002. About half of this population is women,

### TRENDS

The retail fashion industry is a solid business with ever-changing styles and ever-present consumer demand. While supercenters and megastores ruled the past two decades, more and more consumers are looking for change. They're searching for a more serene and customer-friendly shopping experience. This is true especially for those nearing retirement age. In reality, as the youth and teenager numbers decrease, there will be fewer older Generation X-ers to sell to. However, this market decrease will not occur for at least twenty years. Even then, clothing will always be in high demand. The fashion industry in America has been thriving since the advent of moving pictures.

## SWOT ANALYSIS

### Strengths

- Experience and understanding of the fashion industry
- Unique shopping experience with exceptional customer service
- Great downtown location
- Large and growing consumer base

### Weaknesses

- Untested market in Pleasantville
- While market is large, it is a niche market (Baby Boomers)

## Opportunities

- Outstanding shopping experience will lead to repeat business
- Growing online clothing store Booming Boutique
- Establish a Booming Boutique clothing line

## Threats

- Cost and effectiveness of marketing to women “Baby Boomers”
- New retail shops that may or may not open in the future

## STRATEGY & IMPLEMENTATION

### PHILOSOPHY

Our company’s core business strategy is to combine exceptional and knowledgeable customer service with quality stylish merchandise. And in turn, we’ll provide an enjoyable shopping experience for our customers. MAXIMUM Wears mission is to offer women of the newer generation a wide selection of fashionable, figure-flattering clothing. Our aim is to establish our company as a pioneer in this youth-obsessed industry and build a brand name that will be synonymous with the fashion industry revolution.

### PRODUCT DEVELOPMENT

We are currently working with several apparel wholesalers, garment manufacturers and two freelance fashion designers to assemble our inventory. We are also working with city economic-development officials to secure all required permits and occupational licenses. Once we secure financing, we will move ahead with the façade renovation, which we will pay for via the PDRC. We will also use the financing to purchase inventory, retail displays, and office supplies.

Prior to the grand opening of MAXIMUM Wears, we will schedule an event with the Chamber of Commerce and start our promotions with pre-publicity flyers, advertising and additional marketing activities.

### INTERNET STRATEGY:

As the Internet has become a staple of American life and retail merchandising, MAXIMUM WEARS will build a website on which we will sell our products, too. We have secured the domain name MAXIMUMWEARS.com and will begin site development using Shopify or Wix. These platforms allow us to create an online storefront quickly and will manage all aspects of it including creating shipping labels, accepting payment, and monitoring inventory. Customers will also be able to create wish lists for items they want to purchase later.

Having this online presence will allow us to build our email marketing list and send regular promotions to customers with new product announcements, discounts, specials, birthday coupons, and fashion ideas.

Foremost, we intend to showcase our brand, our clothing and provide customers with the ability to purchase items online. As the site progresses, we will include features such as fashion advice, designer interviews, newsletters, and Internet-only specials. Eventually, we hope to establish and nurture an online social community where women can gather and discuss topics of the day, network and share clothing secrets.

## MARKETING STRATEGY

We both have strong marketing backgrounds and recognize the significance of effective marketing. We expect our strategy to draw consumers into MAXIMUM Wears from the very beginning. Moreover we will hire a local PR firm to help us develop and implement a strategic marketing plan and guide our publicity efforts in a cost-effective manner. Our marketing message, logo and slogans will revolve around the idea of the newer generation as revolutionaries and trend setters. youths are in their prime and at their best. Our store will recognize them as a force within the fashion industry.

Our goal is to keep our marketing budget to no more than 5% of our gross annual sales. We will partner with local organizations such as the Chamber of Commerce and Downtown Merchants Association as often as possible. We already have connections in all the necessary places. These strategic partnerships will allow us to piggyback on publicity for local events, as long as they are within our targeted demographic. MAXIMUM WEARS initial marketing efforts will remain local as we establish a presence in our community. These will rely heavily on local print and

broadcast media coverage, traditional advertising, signage, a direct mail marketing campaign and networking. We will initially allocate a significant portion of our advertising budget to print and broadcast media to get the word out.

Of course, we will build anticipation and excitement about the launch of the line prior to its grand opening. Working in conjunction with the Chamber of Commerce, we are already talking about a grand opening soiree. We will also hold a drawing for a \$100 shopping spree and fashion consultation. Entry collection will start at the grand opening and continue throughout the week. We will use these names and contact information for follow-up marketing initiatives. The Chamber of Commerce and the Downtown Merchants Association will promote the event in local newspapers and radio advertising. Comprehensive advertising and semi-annual direct mail marketing campaigns will follow the grand opening. We will also take advantage of low cost publicity activities such as posting sale flyers on community bulletin boards and online.

## SALES STRATEGY

MAXIMUM Wears plans to generate sales via strategic marketing efforts. These concentrated efforts will be targeting new and returning customers as well as single-visit tourist consumers. We will also implement a referral program rewarding customers who refer new customers with discount coupons. Following our grand opening, we will conduct a direct-mail campaign to targeted consumers that we have signed up through our in-store mailing program. The direct mailers will consist of 5,000 full-color postcard mailers. Each will include a 10% coupon. We will offer promotional discounts and seasonal and clearance sales throughout the year.

MAXIMUM Wears Will accept cash and payment via major credit and debit cards. Cash layaway plans will also be permitted. Returns and exchanges must take place within 30 days of purchase and receipts are mandatory.

Our sales staff will include both co-owners and 2-3 part-time sales associates. In total I poses over 10 years of experience in the fashion and retail industry We will provide comprehensive training to each sales associate. This will include how to sell merchandise as well as how to provide fashion advice to customers. Our sales team will earn an hourly rate, plus a generous percentage of commission from each sale.

## OPERATIONS

As a retail establishment, MAXIMUM Wears will conduct business seven days a week from 10 a.m. to 6 p.m. Monday through Thursday, from 10 a.m. to 8 p.m. Friday and Saturday, and 12 p.m. to 6 p.m. on Sunday. During the holiday seasons and during special events, we will extend store hours. At this point, the retail store will take require approximately 2/3 of the building's available space. We will use the remaining space for stock and administrative purposes. In addition to the two full-time co-owners, we will hire three part-time employees to serve customers.

Our company will secure merchandise from local manufacturers with showrooms in Lagos and porharcourt. We'll also have access to the ibadan Apparel Market, which is the largest wholesale merchandise warehouse in the state. Purchasing from FAM, buyers receive product displays and promotional materials with purchase. Additionally, we will work closely with our regional sales representative. We will also attend relevant pre-season fashion trade shows.

To control costs, track inventory and manage stock levels, we will put an inventory control system in place. This will include the standard bar code with its related equipment and software. Staff will conduct annual inventory audits and hire outside auditors when necessary. We will maintain all accounting and finances using Quickbooks online.

## GOALS

The following is a list of business goals and milestones we intend to accomplish our first year of operations.

- Complete renovating, stocking, hiring and initial marketing.
- Host a successful grand-opening event.
- Penetrate and raise awareness in 60 percent our targeted consumer market.
- Achieve a profit margin of 50 percent.
- Build a solid customer base and mailing list.
- Generate repeat and referral sales.
- Become a profitable business with expansion potential.

- Establish a solid reputation as quality retail establishment.

Our first major milestones will be securing funds and setting up our business. This is our major focus right now. In five years, we hope to have established our retail business within the community and within our industry. Furthermore, i would like to see the growth of our store with an increase in product lines, further penetration of the national market with online sales and, under the right set of circumstances, the opening of franchise MAXIMUM Wears in strategic locations.

## EXIT STRATEGY

I as the founder and ceo intend to launch and grow MAXIMUM Wears for many years into the future. In the event that our investors require repayment of their initial investments, plus a large return on their investments, we will seek a partner to buyout the investors' shares. Another alternative is a management buyout, which will be agreed upon in advance.

In the long-term, i will position MAXIMUM Wears as a profitable business that will be an appealing acquisition for any number of retail chains.

## MANAGEMENT

### ORGANIZATIONAL STRUCTURE

As a small business, we will have a small staff. I will assume leadership roles within the company and will be responsible for daily operations, overseeing marketing efforts, buying merchandise and managing inventory and all other administrative duties. A small sales staff will assist co-owners with securing sales, assisting customers and general maintenance of stock on the floor.

## FINANCIAL PLAN

### REQUIREMENTS



MAXIMUMBWears will need 300,000 to get the business off the ground. I are currently seeking funding from outside investors and business loans.

At this time i have raised 70,000 in equity capital and an additional 15,000 for a specific-use grant, Investors who are personal friends of mine have invested \$25,000 each into MAXIMUM Wears. We are seeking investors for an additional \$170,000 in equity investment and \$50,000 in loans.

### CASH FLOW PROJECTIONS

My business will collect immediate payment from customers, so my cash flow statement will be substantially similar to my income statement. My cash flow statement clearly demonstrates my ability to cover all bills.

### BALANCE SHEET

MAXIMUM Wears will launch with 280,000 in equity capital and 90,000 in loans. Credit amounts and supplier terms for inventory will appear in my balance sheet as short-term liabilities. I will not document jewelry consignments from vendors in my balance sheet and will expense these items as i sell them. Details are shown in our enclosed balance sheet.

### ASSUMPTIONS

I base my projections on the assumption that the economy, consumer spending habits and population growth in Nigeria as a whole will continue for the foreseeable future.

I must also assume that my present and future suppliers will continue to sell inventory to me at prices that allow me to maintain my present margins. It is also important that I are able to hire reliable employees at reasonable wages.



LOGO:

