

CAL

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01 PROBLEM STATEMENT

Too many clothes in people's closets

4 bad reasons to keep clothes in the closet

1. Fond memories

some belongings are special. A wedding dress and one or two other items are certainly OK to keep for sentimental reasons, but you can't keep everything just because it reminds you of something. If we took this approach to cleaning, we would never get rid of anything. Your memories will remain with you. Focusing on upcoming events and the importance of creating space for what you might like to purchase is helpful when you're attempting to free yourself from old clothes.

2. When I lose weight

If you want to keep some clothes as motivation, perhaps they can be stored away from your daily wardrobe so you don't feel deflated each time you see them. Additionally, and depending on how much weight you'd like to lose, it could take time before the garment will fit again. You can't have a whole wardrobe of clothes you'd like to fit into someday taking valuable closet space away from what you wear now.

3. It'll be fashionable again

Even though styles and cuts of clothing may come back into style, the old pieces don't always translate to the new look. It's so important to try clothes on, especially older items, because they may not fit you the way you remember, and it can help you make a more informed decision. However, there are some items that typically do stand the test of time and are worth keeping if you love them, such as luxury brand shoes, bags and accessories.

4. It was expensive

It's easy to feel guilty about having spent money on something that you don't really like and won't wear. But the money has already been spent. Keeping something just because you think you should wear it is a constant reminder of the ill-spent money. Better to give the item to a friend or family member who may enjoy it, try to consign it, or just donate it and move on. Who hasn't made a bad decision in a store and then dithered too long about whether to keep it until it was too late to return? Don't beat yourself up about it – just let it go.

People have too much stuff but have no much space

Most the people don't know how to manage their closet, well-organized spaces, especially they keep the clothing they don't need.



02 The Solution

Based on the research, the average person has about 53 items in their closet, but they typically don't wear 15 of them. And six percent of people own nine or more items in their closets that still have the tags on them. Despite the feeling we have nothing to wear, most American closets need a cleanout. In fact, nearly thirty percent (28 percent) of the items in the average person's closet have never been worn or have gone untouched for over a year.

The CAL method was developed by famed Japanese organizer, Hideko Yamashita, who created DAnShaRi which translated into English means, Cut Abandon, Leave.

Hideko Yamashita

There's a new notion floating around. Perhaps you've heard of it: Danshari. Its three kanji characters signify, respectively, refusal, disposal, and separation. Prosaically it means cleaning or tidying up, but there are psychological and religious dimensions, deriving in part from yoga, which suggests the disposal of mental, along with physical, junk. " Hideko Yamashita, a popular writer, and speaker on danshari, boils it down for Spa! magazine to this stark question: What's more important, my life or my things? "Things" are not necessarily inimical to "life" — or are they, when they're not life-enhancing? Ask yourself this, she says: "Does my present self need my present possessions?" If not, why can't I ditch the possessions, all that stuff accumulated over the years and still accumulating? What binds me to them? Is it that "things" have the upper hand over "life"? " The concept of Danshari which is means to cut, to abandon, and to leave is widely used in many companies, such as business, aviation, human resource.

Nowadays, we live in a fast-paced society. Many people do not have time to organize their clothes, but they like to buy new clothes constantly. Most clothes are left idle to become old clothes, making the space of home more and more crowded. People want to organize their clothes and discard some clothes that they don't wear, but they don't know how to and where to deal with them. There are also some people who can't change their mind of life and don't know how to improve the quality of life to expand the living space. Therefore, I want to create an app as a platform that can help people distinguish their clothing, which they don't need, and the throw-out clothing can easily have an appropriate way to process. The company has a complete system and sourcing can help you easily know how to do it.

We have incorporated techniques of this method in our business model to help ordinary people de-clutter their overflowing closets of unwanted and unused clothing.

The business model of CAL is simple. We send our trained staff to our client's homes or offices and help them make the heart-wrenching decision of which garments they want to discard.

03 Market Research

Research has shown that the average person in the United States owns around 50 garments in their closets. Of these 50 garments, they wear only 20% of their wardrobe 80% of the time. That means They only wear 10 garments in the majority of the time. The other 40 garments gather dust while they are slowly going of style.

fashion makes shopping for clothes more affordable, but it comes at an environmental cost. The fashion industry produces 10% of all humanity’s carbon emissions, is the second-largest consumer of the world’s water supply, and pollutes the oceans with microplastics.

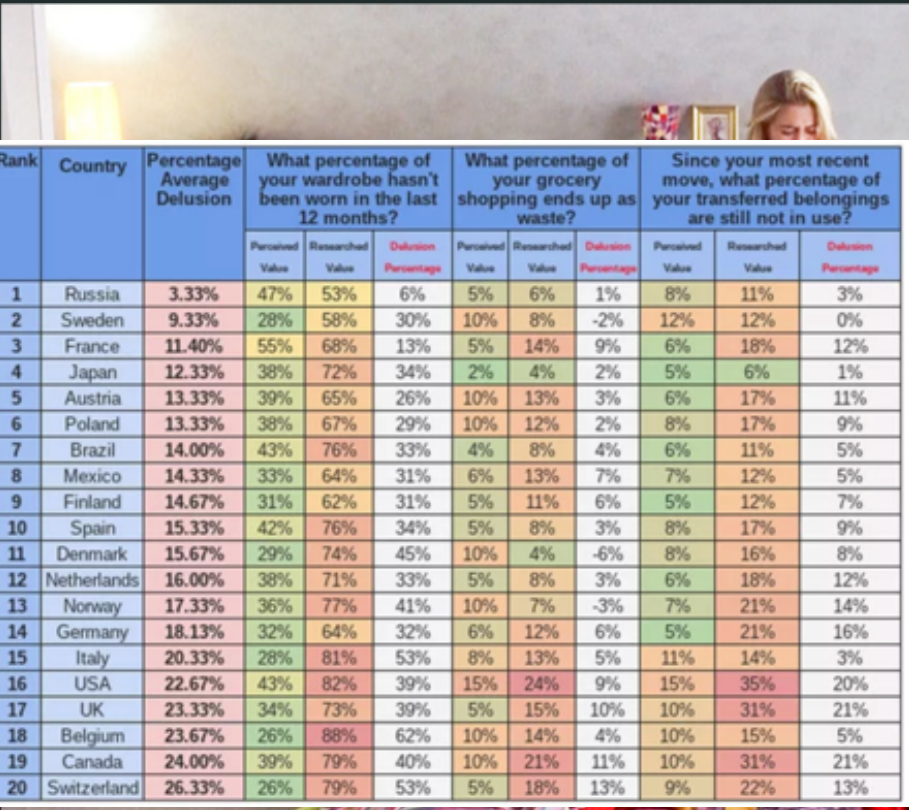
The global clothing and apparel market reached a value of nearly \$758.4 billion in 2018, having grown at a compound annual growth rate (CAGR) of 7.5% since 2014, and is expected to grow at a CAGR of 11.8% to nearly \$1,182.9 billion by 2022. The market’s largest segment is the segment Women’s Apparel with a market volume of US\$184,029m in 2020. In global comparison, most revenue is generated in the United States (US\$364,868m in 2020). (SOGA)

Most of people don’t know how to manage their closet, well-organized the spaces, especially they keep the clothing they don’t need, especially in the U.S. Base on the research, people who in the U.S. are the most frequently buying new clothes of the world. Even they don’t have enough spaces, they will rent the storage as their closet. (AMGO)



Market Needs:

To open a company in the U.S., we need to register our company and brand. At the same time, our App needs to cooperate with multiple related companies, such as production studios, moving companies, psychological consulting companies, second-hand clothing companies, etc. We need to work closely with these companies and reduce the price of cooperation. Finally, we also need professional training for our employees to provide the best service to our customers.



Rank	Country	Percentage Average Delusion	What percentage of your wardrobe hasn't been worn in the last 12 months?			What percentage of your grocery shopping ends up as waste?			Since your most recent move, what percentage of your transferred belongings are still not in use?		
			Perceived Value	Researched Value	Delusion Percentage	Perceived Value	Researched Value	Delusion Percentage	Perceived Value	Researched Value	Delusion Percentage
1	Russia	3.33%	47%	53%	6%	5%	6%	1%	8%	11%	3%
2	Sweden	9.33%	28%	58%	30%	10%	8%	-2%	12%	12%	0%
3	France	11.40%	55%	68%	13%	5%	14%	9%	6%	18%	12%
4	Japan	12.33%	38%	72%	34%	2%	4%	2%	5%	6%	1%
5	Austria	13.33%	39%	65%	26%	10%	13%	3%	6%	17%	11%
6	Poland	13.33%	38%	67%	29%	10%	12%	2%	8%	17%	9%
7	Brazil	14.00%	43%	76%	33%	4%	8%	4%	6%	11%	5%
8	Mexico	14.33%	33%	64%	31%	6%	13%	7%	7%	12%	5%
9	Finland	14.67%	31%	62%	31%	5%	11%	6%	5%	12%	7%
10	Spain	15.33%	42%	76%	34%	5%	8%	3%	8%	17%	9%
11	Denmark	15.67%	29%	74%	45%	10%	4%	-6%	8%	16%	8%
12	Netherlands	16.00%	38%	71%	33%	5%	8%	3%	6%	18%	12%
13	Norway	17.33%	36%	77%	41%	10%	7%	-3%	7%	21%	14%
14	Germany	18.13%	32%	64%	32%	6%	12%	6%	5%	21%	16%
15	Italy	20.33%	28%	81%	53%	8%	13%	5%	11%	14%	3%
16	USA	22.67%	43%	82%	39%	15%	24%	9%	15%	35%	20%
17	UK	23.33%	34%	73%	39%	5%	15%	10%	10%	31%	21%
18	Belgium	23.67%	26%	88%	62%	10%	14%	4%	10%	15%	5%
19	Canada	24.00%	39%	79%	40%	10%	21%	11%	10%	31%	21%
20	Switzerland	26.33%	26%	79%	53%	5%	18%	13%	9%	22%	13%

Images: Pixabay, courtesy of Movinga

04 BUSINESS OVERVIEW

Business proposal –

CAL is an online app to help people declutter their closets and homes. We accomplish this task by using the principal of Cut, Abandon, and Leave your unwanted or unused clothing. The headquarter is located in a busy and popular area in Los Angeles, California. The total space will be around 1,500 square feet. By doing this movement, people not only can increase their physical lifestyle and environment but also can create new psychic happiness in order to fulfill their lives. And now, many countries are communicating this idea to the people. From the individual meeting to how to implement, and how to process the clothing which you don't need. The target customers of CAL are all 20-55 years old males and females in the U.S., who don't like tidying up their wardrobe and like to buy clothes. They live in cities or villages and may be single or married. They like a simple life and are interested in the culture of different countries. They are willing to try new products and follow current trends. Our App will provide customers with a high quality of life to help customers to discard unnecessary clothing in their busy lives, which made their life easier and improve their living space. Our advantage is to provide a one-stop service so that customers will change their attitudes from then on. We also provide online merchandiser door-to-door sorting services to help customers recycle and donate their abandoned clothing.

I will hire 20 people who love fashion like fashion stylists, fashion merchandisers, fashion retailers who want to help others. This business model is like Uber, but using the fashion industry people to help you work with customers.

In my training, I will tell my employees to do these things:

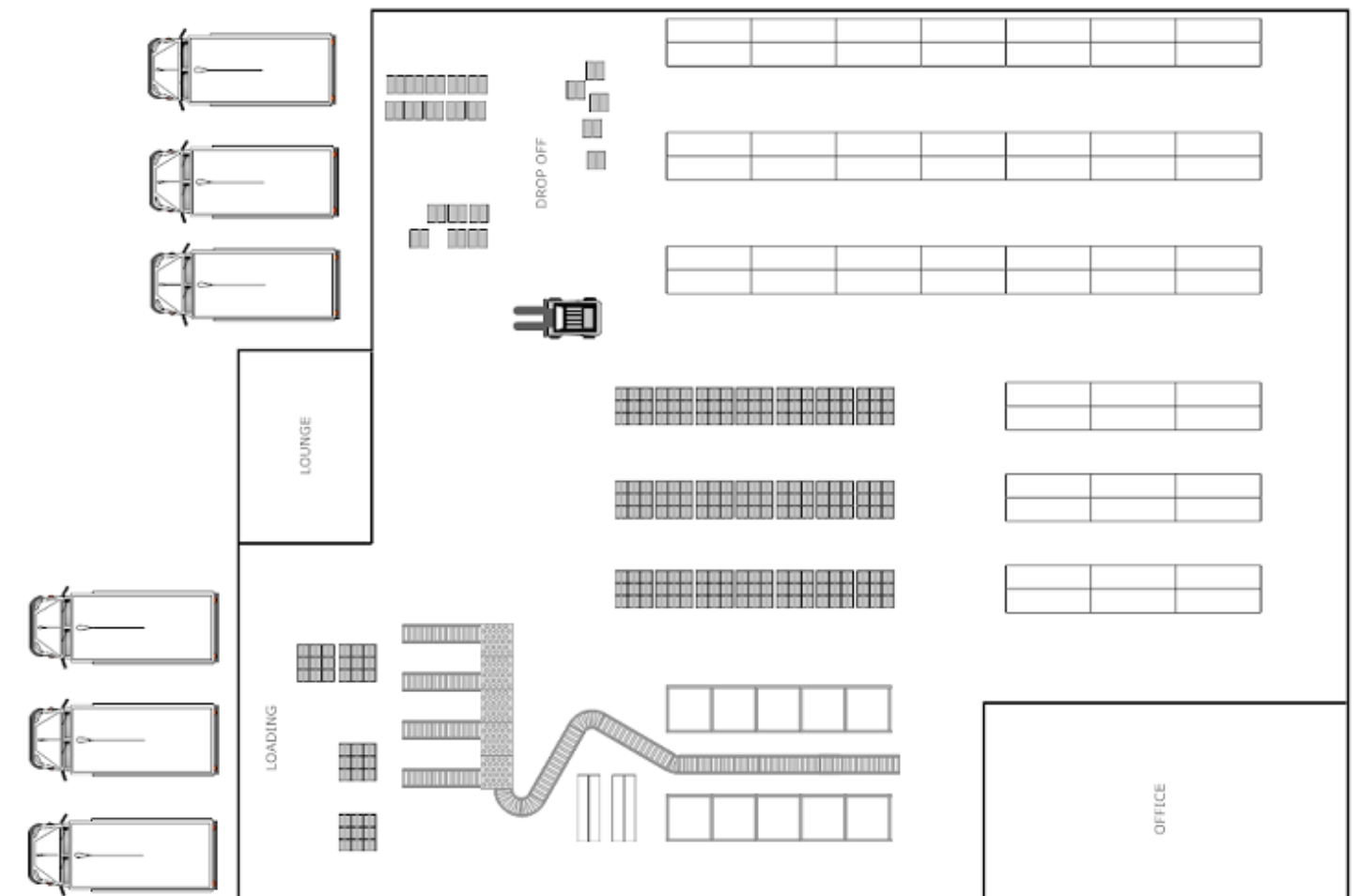
All my employees will do

- Monitoring warehouse inventory levels and submitting comprehensive inventory reports
- Communicating customer problems to the company and addressing customer issues
- Assisting in the creation of an organized warehouse environment to enable product accessibility
- Stocking shelves and displays on the sales floor where additional inventory management assistance is required

CAL boxes



Warehouse layout



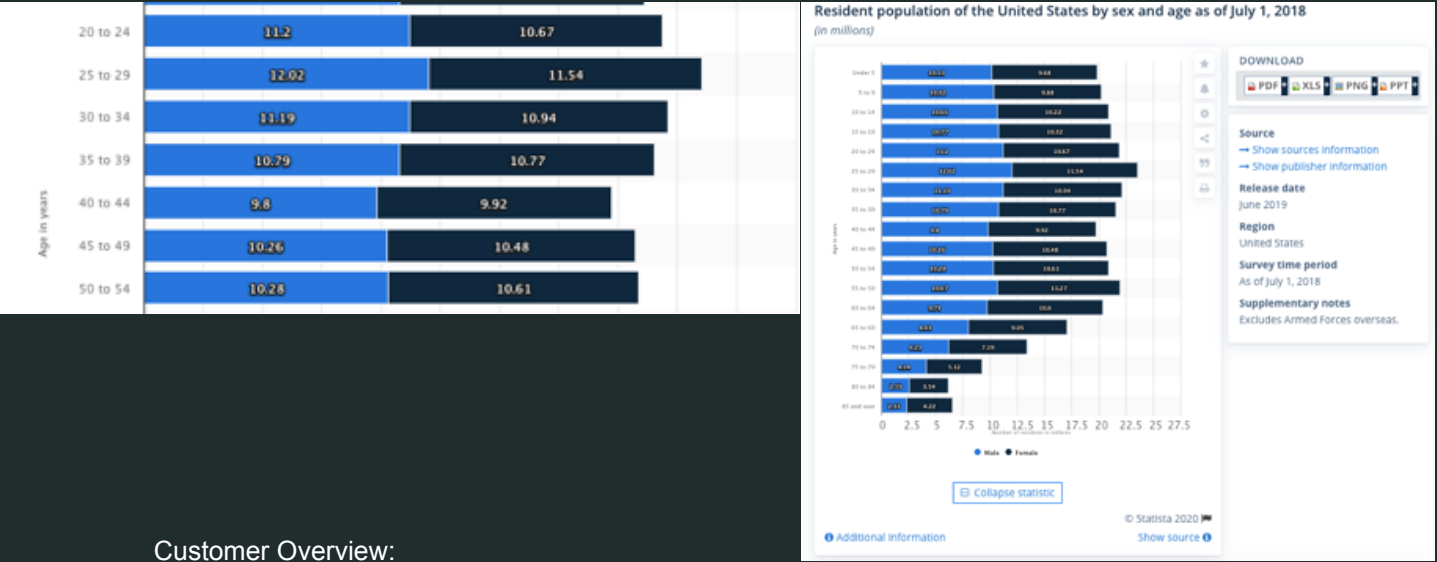
05 TARGET CUSTOMERS

Customer Profile:



Age: 35 years old
Location: Los Angeles, CA
Occupation: Floral designer
Education: University graduation
Salary: \$5,000 - \$7,000 per month
Finances: Household income \$120,000 - \$150,000
Married Status: Married

Amanda is a floral designer who has been doing this job for 3 years. She is committed to providing customers with the most suitable floral designs for them, and she also runs her own flower store and studio. As a designer, she is so busy, but she always pays attention to her dress, body and pays attention to the quality of the product, so she buys clothes almost once 2 weeks. She likes a clean living environment, but she has no time to organize.



Customer Overview:

According to a report by Census Bureau U.S., as of January 1, 2019, the U.S.'s population will reach 328.23 million. This is an increase of 2,013,241 from New Year's Day in 2018, which is about 0.62%. (CBPU) At the same time, according to the report "Population of the United States by sex and age 2018", the population of the United States aged 20-55 is about 150.47 million, accounting for about 46% of the total population. (POUS) Therefore, this gives us a huge customer group.

Psychographic:

- Attach importance to high quality, detail, good-design, innovation, and functionality
- Do not like outfits to clash
- Like to take risks, trying the new products
- Enjoy being entertained
- Have goal-oriented lifestyles
- Active in the consumer marketplace
- Shopping is a social activity
- Shopping is an opportunity to show their ability to buy
- Self-expression, enthusiastic

Behavioristic:

- Working full time/ Play rest of time
- Buy labeled natural or organic food
- Like to hang out with friends
- Like to go to flower shows
- Like to live in a clean environment
- Like to go to hair salons, SPAs, and beauty stores
- Like outdoor sports, social activities, travel and dancing
- Like to use social media (Instagram, Facebook and Pinterest, etc.)
- Like to Read magazines, surf the internet
- Buy clothes twice a month

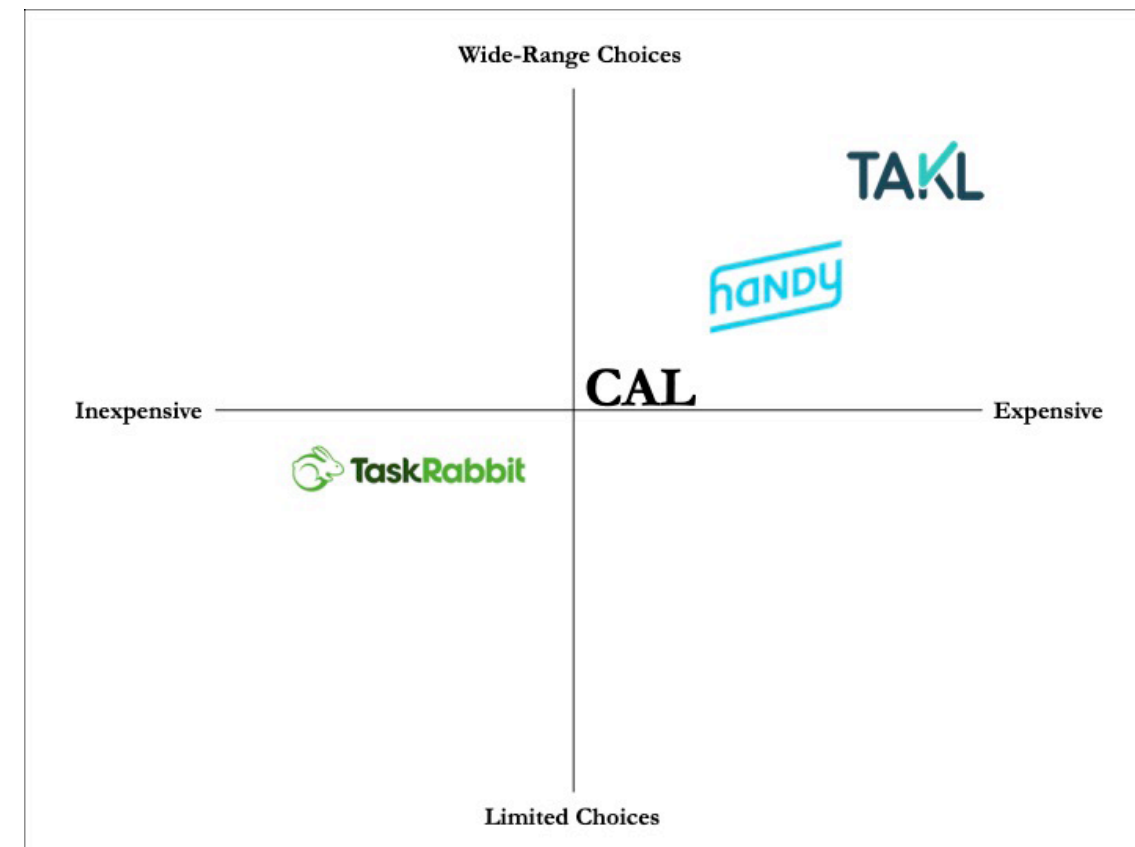
Mockup

After check the customers scheduled time, technicians will come to the customers home.
\$80/hour minimum 2 hours.
For the instruction of the closet work:
20% of their closet to keep
40% will be stored in your warehouse
20% to be sold on consignment
20% to be donated or recycled



Positioning Strategy:

CAL is an online App for helping people to cut, to abandon, to leave their clothes, so the biggest advantage is that we provide a one-stop service. We charge by the same hour as some domestic companies, so some domestic companies are also our biggest competitors. We are the middle level in the market because we provide high-quality service with reasonable price.



05 Competitive Analysis

S.W.O.T Analysis:

Strength

- Professional - One-stop service
- Convenient - Both provide door-to-door and online serving
- Multiple choices - Clothing treatment can be donated or sold
- Environmental protection and sustainable industry
- Finding through the app is very convenient
- Reasonable price

Weakness

- Lack of visibility
- Emerging industries are hard to be widely accepted
- Complex industrial chain
- Innovation is difficult

Opportunities

- There is currently no industry of the same form
- Relatively low cost
- E-commerce is the new shopping type
- Customers accept a new and simple lifestyle

Threat

- More and more similar competitors are appearing
- The cost of storage and labor costs increase year after year
- Increased taxes, currency exchange rate and other changes of the economy will affect the business

Proposition Core

Gain Creators

- Provides customers one-stop service
- Provides customers a new lifestyle, which is Minimalism.
- Provides customers high-quality service with reasonable price
- Provides customers more options about clothes treatment

Products & Service

- CAL provides minimalism lifestyle
- Online service and door-to-door service (choose clothes, organize and clean wardrobe, handling unwanted clothing and mail cash or gift card to customers)
- Security payment
- One-stop service

Pain Relievers

- Customers can enjoy easy and one-stop service of organization wardrobe.
- Easy order by App
- Customers don't have to worry about messing up the wardrobe when organizing their clothes.

06 Business Model

Mission Statement

CAL thinks people should have a new lifestyle, which is minimalism lifestyle. We promise to offer customers the most reasonable prices, customized services, and the trendiest lifestyle for helping people to cut, to abandon, and to leave their clothes.

Vision Statement

CAL will be one of the best American organization brands in the world. The goal of CAL is to provide customers with personalized service, a trendy lifestyle, and a reasonable price. CAL will bring a minimalism lifestyle to people all over the world.

Location

Our headquarter is located in a busy and popular area in Los Angeles, California, U.S. The total space will be around 1,500 square feet because we have storage to leave some clothes, which our customers don't want or want to donate. Besides, Los Angeles is a fashionable city, so people can accept the minimalism lifestyle easier.

07 Strategy Development

For an organization App, our product is the service. We both provide online services and door-to-door services, and charge corresponding fees per hour. Our service is one-stop, so customers only need to place orders and make appointments through our App. Our door-to-door services include to cut, to abandon, and to leave the clothes according to the actual situation of customers; provide professional minimalist lifestyle psychological counseling; tidy up and clean the customer's wardrobe; and dispose of discarded clothes. Therefore, our employees must receive professional training to provide the best service to customers. The purpose of CAL is to bring people a minimalist and environmentally friendly lifestyle. We will have a complete industrial chain. Our industrial chain includes professional clothing sorting services, handling services, second-hand clothing trading services and donation agency services. Therefore, we will perfectly cooperate with these industries to promote the sustainability of waste clothing.

As a new App, we need to accumulate our customer base. Therefore, we will cooperate with some e-commerce or second-hand clothing, such as, ASOS, eBay or Goodwill, etc. We will get in touch with our new customers through their platform or stores. At the same time, we will also do offline campaigns and advertisings to exaggerate our reputation.

08 Financial Plan & Budgeting

Our service is charged by the hour, which is charge \$ 80 per hour/hour minimum 2 hours, and Warehouse storage \$ 20 per month, \$16 per box. As a clothes organization App, the biggest costs of us are rent and salaries. We will rent a warehouse, the headquarter is located in a busy and popular area in Los Angeles, California. The total space will be around 1,500 square feet. for the customers stow their clothes, which is cost \$4,500 per month. In addition, we will hire professional clothing organizers and merchandiser, their basic salary is \$5000 per month. Then, the clothing organizer is equipped with two assistants, and their basic salary is \$20 per hour. We also have a front desk and a warehouse manager whose salaries is \$ 7000 per month. Therefore, the total monthly salary cost is \$ 24000, and plus other start up costs that the total start up costs will be \$ 163,000.

	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
Sales	\$ 22,547	\$ 22,547	\$ 22,547	\$ 32,147	\$ 32,147	\$ 32,147	\$ 32,147	\$ 32,147	\$ 32,147	\$ 70,547	\$ 70,547	\$ 70,547
COG	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
Gross Margin	\$ 7,547	\$ 7,547	\$ 7,547	\$ 17,147	\$ 17,147	\$ 17,147	\$ 17,147	\$ 17,147	\$ 17,147	\$ 55,547	\$ 55,547	\$ 55,547
Expense	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
Rent	4500	4500	4500	4500	4500	4500	4500	4500	4500	4500	4500	4500
Wages and salary	24000	24000	24000	24000	24000	24000	24000	24000	24000	24000	24000	24000
Marketing	4500	4500	4500	1000	1000	1000	4000	4500	1000	1000	1000	1000
Health Ins, Utilities, Supplies, Insurance	4000	4000	4000	4000	4000	4000	4000	4000	4000	4000	4000	4000
Phone	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000
Accounting	5000			5000			5000			5000		
Packaging	420	420	420	420	420	420	420	420	420	420	420	420
Shipping	10000	10000	10000	10000	10000	10000	10000	10000	10000	10000	10000	10000
Store and Backstock fixture	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000
Contingency Reserve	25000	25000	25000	25000	25000	25000	25000	25000	25000	25000	25000	25000
Total	79420	74420	74420	75920	70920	70920	78920	74420	70920	75920	70920	70920
Profit	\$ (64,420)	\$ (66,873)	\$ (66,873)	\$ (58,773)	\$ (53,773)	\$ (53,773)	\$ (61,773)	\$ (57,273)	\$ (53,773)	\$ (20,373)	\$ (15,373)	\$ 40,547

Total	
\$ 472,164	100%
\$ 180,000	38%
\$ 292,164	62%
Total	
54000	11%
288000	61%
29000	6%
48000	10%
12000	3%
20000	4%
5040	0.010674257
120000	0.254148982
12000	0.025414898
300000	\$ 1
0	\$ -
0	\$ -
0	\$ -
0	0
0	0
888040	188%
\$ (532,503)	-112.8%

09 Future Market

Marketing Objective:

- CAL wants to bring a new trendy lifestyle and to people all over the world.
- CAL wants to bring a high-level operational model to all over the world.
- CAL wants to serve at least 1,000 customers per year.
- CAL wants to be one of the top three clothes organization app in the U.S.

Future Marketing Strategy:

CAL is a new lifestyle app, and our main product is service and a new minimalist idea. We believe in the importance of quality and simplicity. At first, we will cooperate with some e-commerce or physical companies of second-hand clothing, such as ASOS, eBay or Goodwill, etc. We will get in touch with our new customers through their platform or stores. We will expand our market to all California in the third year, and we will open the all US market in the fifth year. In the future, we will also use social media platforms to improve our reputation, such as Instagram, Facebook, and YouTube, etc. We will cooperate with some influencers to expend our customers. For example, we will invite and pay influencers to let them go to the customers' home together to organize the clothes, and then ask them to post our video on their social media platform to let more people know our brand. In addition, we will also do offline campaigns and advertisements to exaggerate our reputation. As a result, we believe we will succeed to improve our reputation throw those marketing strategies.

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