



THE FUTURE IS NOW

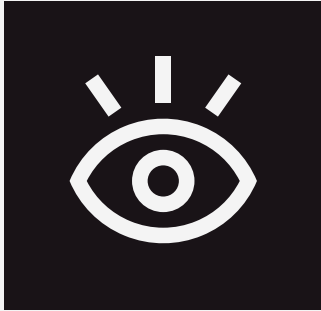
FASM 245
Srijan Tewari



AGENDA

The 'M' Customer: Consumer
Analysis
Comparative Analysis
Understanding Margiela
Big Ideas
Digital Merchandising Strategy
Distribution Strategy (Launch)
Allocation Plan Summary
Shopping Trends & Inventory
Planning
Percentage Allocation
Financial Projection

CONSUMER MOTIVATORS



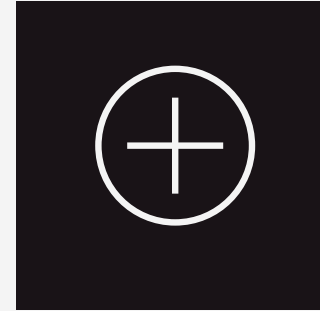
TRANSPARENCY

The ever-increasing expectation for transparent company operations. **Companies must disclose the 'hows'.**



SUSTAINABILITY

The Pandemic has ushered in a **renewed sense of purpose** after what seemed to be empathy fatigue.



MEMBERSHIPS

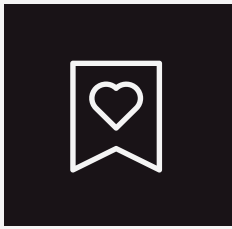
Consumers demand **personal and tailored engagement**. Tactics include positive-predictability, customer subscription boxes, and membership perks along with a 'maintain & repair' mindset



DIGITAL DILIGENCE

Companies have to adapt to the digital diligence of consumers.

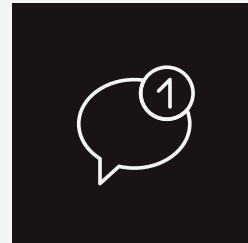
THE 'M' CUSTOMER



EXCLUSIVITY

Membership to this 'exclusive' club motivates consumers.

- Premium Pricing,
- Secretive PR strategy
- Coded labels



STORY

MM is known for avant-garde, deconstructed garments.

Precious designs are made using **vintage materials** or have a **rich history**.



QUALITY

The M customer demands both quality and luxury, it feels 'exclusive'.



SELF-EXPRESSION

Consumers rely on the brand to help them express themselves in a non-conformist manner.

CONSUMER PROFILE

Name: Alex Hung

Age: 20-40 years

Residence: Apartment in an urban city

Interests: Design, Traveling, Shopping for Avant-garde pieces.

Career: Creatively driven

Values: Self-expression, avant-garde, design-driven products, luxury, quality non-conformist desires have transformed into desires for revolutionary change and a search for meaning.



COMPARITIVE ANALYSIS

Maison Margiela

B2B & B2C

Premium Pricing

Recent Commercialisation –Galliano's
podcast.

Galliano's **pledge to up-cycle** clothing
for upcoming collections.

Brand identity is based on **innovation and
intrigue.**

Gucci

B2B & B2C

Mixed pricing strategy, though premium
pricing is dominant.

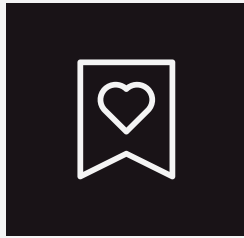
Consumer Consultants – Gen Z

Technologically savvy: **Gucci App,**
Virtual products for sale.

Pioneering digital fashion, e.g. NFT
partnerships on Metaverse

Promotes **customisation.**

UNDERSTANDING MARGIELA



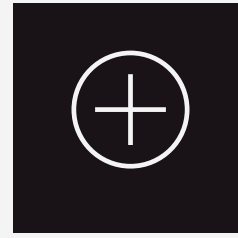
PRODUCTS

Haute Couture,
women's and men's
RTW, leather goods,
footwear,
fine jewelry,
fragrances,
interior design.



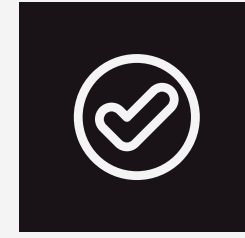
VALUES

Unisex pioneers – MM6
in 1997 for sizes 0
to 23.
Sustainability
pledges.
High Fashion as art –
intellectual design
Preserved
authenticity.



SALES CHANNEL

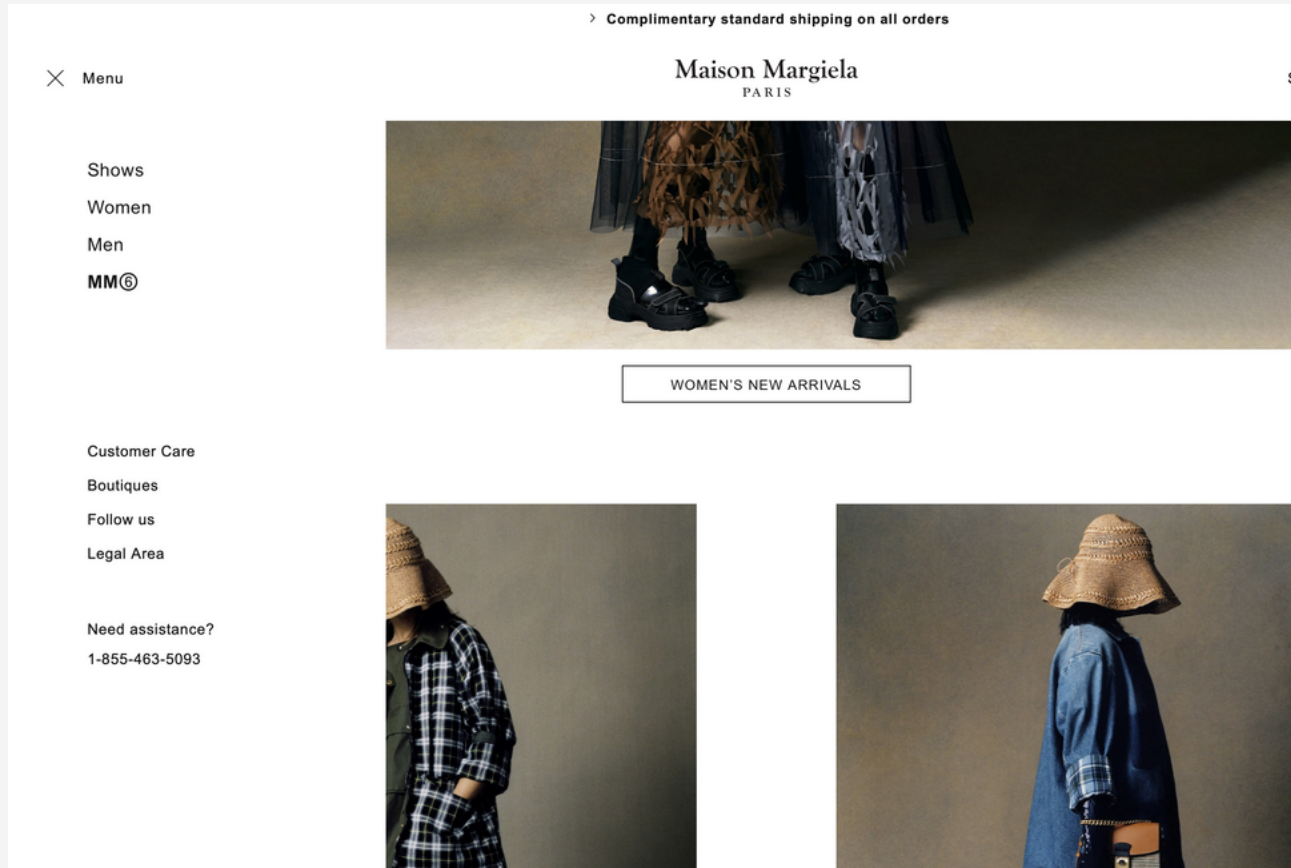
B2C : **57 boutiques**
worldwide
Online retail store
B2B : Online retail
partners :
Nordstrom,
SaksFifthAvenue.
Department stores.



SOCIAL CHANNEL

John Galliano's '**THE
MEMORY OF...**'
podcast.
Ambassadors : Willow
Smith, Princess
Nokia.

SOCIAL MEDIA



Instagram followers - 837k

Twitter Followers - 283.7k (combined)

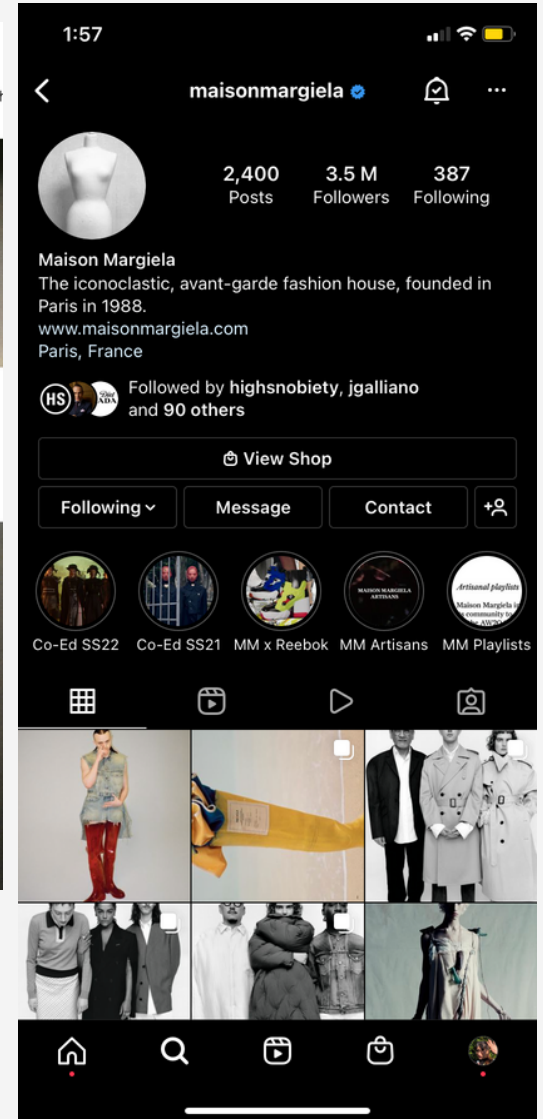
Pinterest followers - no presence.

YouTube subscriptions - 58.3k

Bounce rate - 53.77%

Pages per visit - 3.24

Average visit duration - 00:01:14

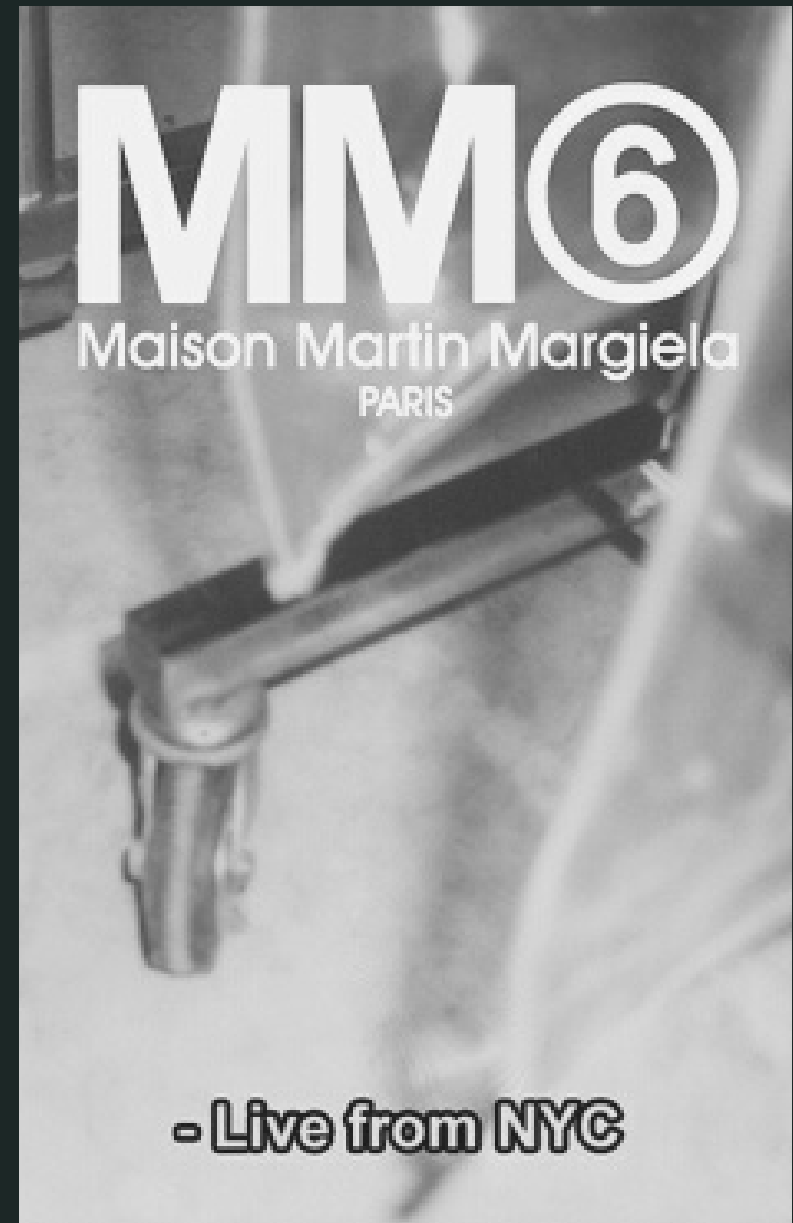


BIG IDEAS

REBRANDING

MM6

1. **Price Penetration Strategy** & promoted **social commerce**.
2. **Subscription boxes** that allow for **upcycling** and promote **sustainability** and **repaired clothing**. Accompanied with an **annual subscription rate** or the option to **pay extra** to promote and maintain sales, sustainability, and exclusivity.
3. **Digital apparel** for Avatars in the Metaverse and V.R. Games in collaboration with **Riot Games**
4. Increasing **transparency** and consumer **interaction**.



DIGITAL MERCHANDISING STRATEGY

STORYTELLING

'THE MEMORY OF...' podcast

Goals: Maximise audience, boost transparency, increase sales

Method:

- Boost personal connection and emphasize intellectual design aesthetics by attaching a **scannable QR code** to each physical product and a link to social commerce sites.
- Details the **product's design process as a story narrated by John Galliano and celebrity guests** – Willow Smith and Princess Nokia.

GAMING & TECHNOLOGY

Collaborate with Riot games & League of Legends

Goals: promote in-game advertisement, generate a consumer base, and maximise brand visibility.

Method:

- V.R. Skins is available for League of Legends.
- Develop an MM6 e-commerce application,
- Metaverse concept store,
- Augmented Reality filters for Instagram and Tik-Tok

DISTRIBUTION STRATEGY (LAUNCH)

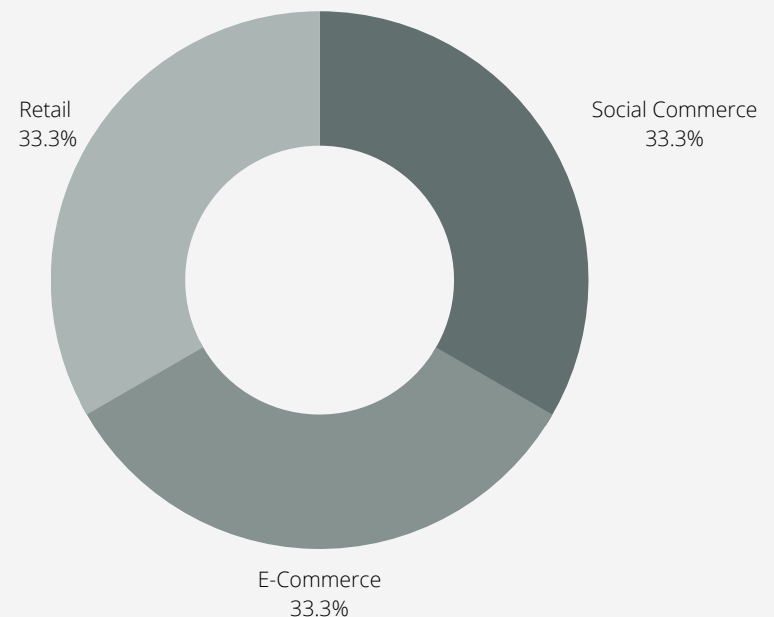
Omnichannel distribution strategy that allows consumers to apply for the subscription boxes across all channels.

Allow consumers to **select the number of products, design aesthetics and pre-book new merchandise** for their future packages. This would enable a **direct demand and supply** method.

Virtual skins will be sold at League of Legends' online store.

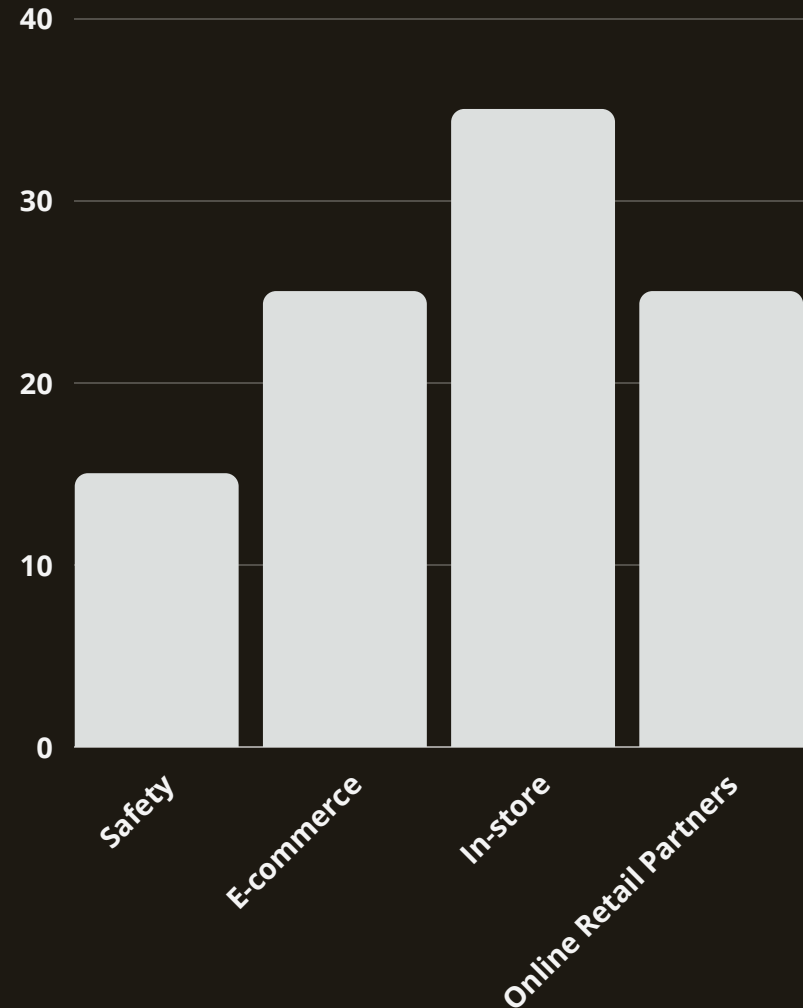
Customers can purchase subscriptions at retail stores and bundles in social commerce stores.

Intensive **digital distribution via social commerce and e-commerce.**



ALLOCATION PLAN SUMMARY

- Inventory allocation will emphasise providing greater availability to regional warehouses for online sales.
- *All virtual skins shall be available exclusively online at the League of Legends e-store.*
- Optimise inventory levels, and reduce carrying costs, holding stock, and backorders by analyzing past sales records, abandoned carts, wishlists, and popular styles, sizes, or variations of products.
- Inventory control shall depend on customer requests and pre-orders for future collections.
- Significant inventory allocation for brick-and-mortar stores will promote a 'see now-buy now mentality'.



SHOPPING TRENDS AND INVENTORY PLANNING



1. PERSONALIZATION

2. TRANSPARENT
OPERATIONS

3. E-COMMERCE &
ONLINE SHOPPING

4. PRICE ANALYSIS
IN-STORE & ONLINE

5. SOCIAL
RESPONSIBILITY

6. CROSS CATEGORY
CURATION

ACTION PLAN

- **Production-on-order** to allow for personalization, promote social responsibility, price penetration, and offer cross-category curation.
- **Regional stock-sales ratio analysis, abandoned carts and wishlist products analysis, and regional demographic / sizing analysis** to gauge fast-selling products to allocate higher inventory percentage at regional warehouses.
- Compared to size-based apparel, **higher allocation of fast-moving, best-selling products** (e.g. Tabi boots, accessories).
- Utilize a **Multi-source Inventory application** to allocate all inventory to online and in-store channels. The new sales orders will be updated and synced across all channels.
- **Utilize automatic alert and replenishment systems.**

PERCENTAGE ALLOCATION



SAFETY INVENTORY

- **15%** Inventory allocation to safeguard MM6 against out-of-stock customer defection.



MM6 E-COMMERCE

- **25%** Inventory is allocated towards Instagram, tik-tok, website and app-generated sales.
- Online luxury shopping is predicted to account for 20-30% of all sales.
- 'see-now-buy-now' mentality on social media.



IN-STORE INVENTORY

- **35%** Inventory allocation towards in-store stock, to take advantage of the increasing foot traffic.
- Offer services such as in-store pickup for online orders.



ONLINE RETAIL PARTNERS

- **25%** Inventory allocation to e-commerce retail partners such as Farfetch and MATHESFASHION.
- Help attract thrifty shoppers and allow us to take advantage of their site traffic.

EXCEL VISUALISATION

PRODUCT ASSORTMENT

	Main Product Assortment								Total
Concept & Theme	League of Legends Skin		Bi-Annual Subscription Box						
Product Name	Men's Skin	Women's Skin	Multi wear Pin-stripe Cotton shirt	Cargo Jeans	Tabi Lace-Up	Logo Printed Jaoanese Bag	6 Logo Earrings	REPLICA Bestsellers Set	
Product Category	V.R.	V.R.	Genderless apparel	Genderless apparel	Genderless footwear	Genderless bag	Genderless Accessory	Genderless Fragrance	
#SKU	MM-SKIN-1	MM-SKIN-2	MM-3	MM-4	MM-5	MM-6	MM-7	MM-8	
Visual									
Original Price	\$15.00	\$15.00	\$460.00	\$550.00	\$1,190.00	\$400.00	\$225.00	\$120.00	\$2,975.00
Retail post Reduction	\$15.00	\$15.00	\$368.00	\$440.00	\$952.00	\$320.00	\$180.00	\$96.00	\$2,386.00
Cost	\$10.00	\$10.00	\$283.08	\$338.46	\$732.31	\$246.15	\$138.46	\$73.85	\$1,832.31
% Margin	33%	33%	23%	23%	23%	23%	23%	23%	23%
Target Q'ty	5000	5000	500	500	500	500	500	500	13000
Total Cost	\$50,000.00	\$50,000.00	\$1,41,538.46	\$1,69,230.77	\$3,66,153.85	\$1,23,076.92	\$69,230.77	\$36,923.08	\$10,06,153.85
Target Retail Sales	\$75,000.00	\$75,000.00	\$2,30,000.00	\$2,75,000.00	\$5,95,000.00	\$2,00,000.00	\$1,12,500.00	\$60,000.00	\$16,22,500.00
% Total	38%	38%	4%	4%	4%	4%	4%	4%	100%
Target Profit	\$25,000.00	\$25,000.00	\$88,461.54	\$1,05,769.23	\$2,28,846.15	\$76,923.08	\$43,269.23	\$23,076.92	\$6,16,346.15

SALES PLAN

FINANCIAL PROJECTION

Spring Fall	February August	March September	April October	May November	June December	July January	Season's Total
Sales %	15%	17%	12%	15%	25%	16%	100%
Sales \$	\$2,43,375.00	\$2,75,825.00	\$1,94,700.00	\$2,43,375.00	\$4,05,625.00	\$2,59,600.00	\$16,22,500.00
Stock-Sales Ratio	2.1	2.3	2.2	2.5	2.7	2.6	
Markdown %	16.67%	16.67%	16.67%	16.67%	16.67%	16.67%	100%
Markdown \$	\$54,094.15	\$54,094.15	\$54,094.15	\$54,094.15	\$54,094.15	\$54,094.15	\$3,24,500.00
BOM Stock	\$5,11,087.50	\$6,34,397.50	\$4,28,340.00	\$6,08,437.50	\$10,95,187.50	\$6,74,960.00	\$39,52,410.00
EOM Stock	\$6,34,397.50	\$4,28,340.00	\$6,08,437.50	\$10,95,187.50	\$6,74,960.00	\$5,24,608.50	\$39,65,931.00
Purchases at Retail \$	\$4,20,779.15	\$1,23,861.65	\$4,28,891.65	\$7,84,219.15	\$39,491.65	\$1,63,342.65	\$19,60,585.90
Season's Total				Plan			
Sales				\$16,22,500.00			
Markup				61%			
Markdown				20%			
Gross Margin				38%			
Average Stock				\$6,39,574.07			
Turnover				1.57			

INCOME STATEMENT

FINANCIAL PROJECTION

REVENUE	
Sales Revenue	\$16,22,500.00
Service Revenue	
Other	
Total Revenue	\$16,22,500.00
COST OF GOODS SOLD	\$10,06,153.85
GROSS INCOME	\$6,16,346.15
EXPENSES	
Website Development	\$5,000.00
Digital apparel development	\$1,40,000.00
App Development	\$40,000.00
Photographer & Licensing fees	\$1,500.00
Convenience Fees	\$500.00
Marketing & Promotion	\$2,000.00
Subscription box and card development	\$1,500.00
Total Expenses	\$1,90,500.00
NET INCOME	\$4,25,846.15

LOOKING AHEAD

PLANS TO SCALE

1. Offer Klarna or pay in instalments.
2. Open time-sensitive concept stores in areas with limited physical reach.
3. Allow payment using digital currency.
4. Limited edition V.R. skins available at select Riot Games' events.
5. Metaverse concept stores that allow customers to 'try' their customised apparel.
6. Introduce limited edition celebrity or stylist-curated subscription boxes that customers can buy.

