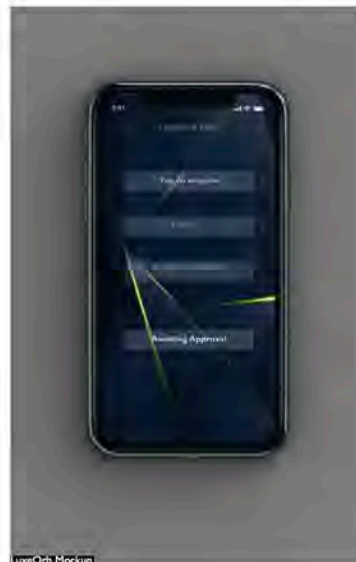


BUSINESS AND OBJECTIVES



1.0

Briefly describe your business, outlining the different product(s) and or/service(s) you offer:

LuxéOrb is an e-commerce business that operates on iOS devices, via the use of an application. It ensures that luxury consumers are able to purchase limited edition or high demand products. Often 'rare' luxury items are now associated to long queues or unattainable delivery times. Therefore, Luxéorb provides a seamless service to make designer items accessible. (Appendix B)

LuxéOrb personal services also comes with a complimentary 'feed' which ensures each individual receives news from the brands they value the most; to ensure a more interactive and personal engagement user experience.

Ranges include the variation of products from 'low-tier designer' to 'high-end designer' items, this ensures that a variation of clients can benefit from the service LuxeOrb offers. This is offered to clients through the use of an annual subscription cost.

There are four subscription types available these are known as LuxéOrb Reader, LuxéOrb Lite, LuxéOrb Premium and finally LuxéOrb Pro.

- 'LuxéOrb Reader' news service at an annual cost of £40.00
- 'LuxéOrb Lite' complimentary news service and access to 'low-luxury' for an annual cost of £70.00
- 'LuxéOrb Premium' complimentary news service and access to 'middle-tier' luxury brands for an annual cost of £150.00
- 'LuxéOrb Pro' complimentary news service with access to events and access to most luxury brands for an annual cost of £400.00

1.1

Objectives:

Short Term (current year):

- To ensure there are at least 500 subscribers combined from all four services within the first three months.
- Ensure the stocklist increases by at least three designers by every financial quarter.
- Focus on formulating an online community through interactive polls and subscription 'give-aways' to achieve at least 200 genuine followers monthly.

Medium Term (next 1-2 years):

- Hone client connections for LuxéOrb Pro members by formulating exclusive events at prestigious locations. To celebrate the culture of luxury brands using adequate influencers and celebrities of experience. The first event should be held by September 2021 when are at least 200 returning LuxéOrb Pro member decide to return annually.
- Invest more into 'artificial intelligence' to recommend new brands or products to LuxéOrb consumers beginning January 2021.
- Look at releasing a LuxéOrb 'look-book' combining personalised styles and trends from different brands to encourage our clients to 'explore' new brands. This should be finalised in time for Christmas sales by October 2021.
- Look into a potential 'buy-back' and vintage reseller schemes to help achieve a more sustainable approach to the industry, by the end of 2022.

Long Term (3 years and beyond):

- Consider expanding app compatibility over-sea's to Asian countries in order to adapt a new global audience by 2023.
- To become invitation/referenced only for the LuxéPro service as demand for stock from particular designers will not be achievable for a mass audience, and this will be only be known from the annual subscription rate by late 2022.
- Aim to hire more full-time workers and interns as LuxéOrb will have built a reputable and fashion focused knowledge within the industry.
- Focus on expanding services such as tailoring or further personalisation from LuxéOrb to increase company efficiency, rather than relying on luxury brands.



(COS 2020)

2.2

Outline any transferable skills, talents or traits you have that are relevant to your business:

Working in both industries and throughout my education I gathered many skills these include:

- Sustaining Customer Relationships
- Customer Satisfaction
- Professionalism when contacting luxury brands
- Teamwork and collaboration
- Using programs such as Google Documents, Slack and Zoom
- Microsoft Office Proficient

To support this principle I conducted a personality test, in which I identified with having a Protagonist personality meaning I am; extraverted, intuitive and rational with my decision making. (Appendix 3)

All the above skills will be crucial when working deal with customer queries, operating with suppliers or even when contacting bank managers.

During this point of my education I have also had to adapt from working at home, this is a factor that is likely to increase therefore having an understanding of how programs such as Zoom work are beneficial.

2.3

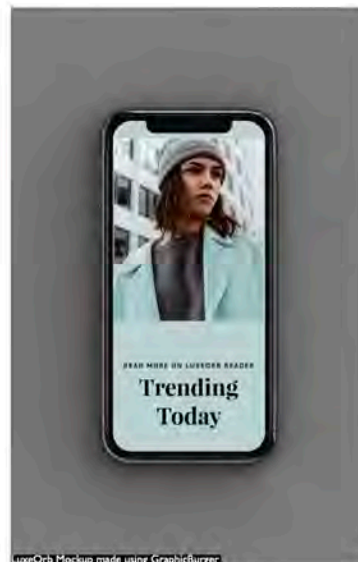
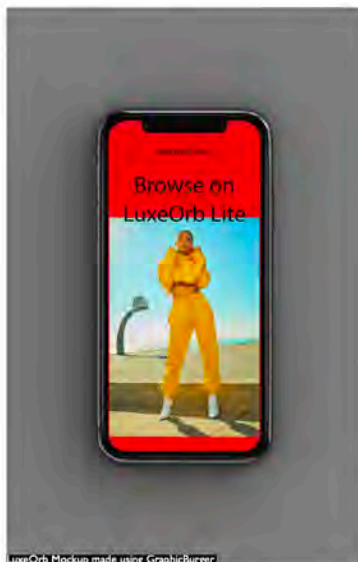
Briefly outline any gaps in your skills, experience or qualifications and explain how you will address these:

In the future I would like to act upon the follow as it will benefit my role at LuxéOrb:

- To refresh my skills on Excel
- Enroll onto a course in leadership management as I have little understanding with regards as to managing a team
- Shadow a friend who has set up her own business, and discuss teething problems

TARGET CUSTOMERS

Social media screenshots show the posts that will be used to attract the target audience of Millennials and Gen-Z.



3.0

Demographic Details

	Age	Gender	Income	Type	Target Regions
News Service:	All Ages	All Genders	All Incomes	Individuals	National
Lite, Premium and Pro Services:	17-34	All Genders	£25K+	Individuals	National

In order to understand the demographic of those who would interact with LuxeOrb, secondary research was conducted to analyse the condition of the market and evaluate the amount consumers may spend.

- During 2019 the British Luxury Sector is now worth an estimated total of 48 billion pounds. (Wightman-Stone, 2019)
- The biggest investors in British Luxury Fashion are those aged between 35-44. (Buckle, 2019)
- Average salary for individuals in the UK £30,420 (Pomtsey, 2020)
- 100% of individuals stated they would use an application that informs them of news on brands they are INTERESTED in. (Appendix 4)
- Millennials and Generation Z hold 33% of all luxury spending power (The Fashion Law, 2020)
- Millennials and Generation Z will hold 45% of that value (BoF, 2018)
- According to Deloitte, no individuals stated they gathered updated news about Fashion via an application. Refer to Appendix 5. (Deloitte, 2018)

Whilst researching the above points it was clear to identify that there is a niche market for applications and Fashion news. Furthermore, my largest target audience will be Millennials and Generation Z consumers due to their spending power.

3.1

How many potential customers do you estimate are in your target regions for this financial year?

17 Million UK population are Millennials (Kay, 2019)
 19% of UK population are Gen Z (Trajectory 2016)
 UK population = 66.6 million (Eurostat, 2020)

12.6 million + 17 million = 29.6 million Millennials & Gen Z in the UK.
 33% of luxury spenders (The Fashion Law, 2020) are Gen Z or Millennials.
 33% of 29.6 million = 9.7 million individuals nationally.

However, the reach is expected to be lower and this is due to the following reasons:

- SEO engineering, digital and influencer marketing will take place gradually throughout the year
- The demand for luxury products will be extremely limited and only a few number of clients will be able to access these products
- Not all of the 33% of luxury spenders will want an application to receive brand updates/purchase from a new location.

Understanding that this is a national e-commerce business, all items in the UK will be dispatched using DPD's next day service. (Appendix 6) This is to ensure national coverage for individuals.



(Lufan, Fall-Winter featured in the Fashionisto 2018)

3.3

What customer need or problem does your product(s) and or service(s) address?

	LuxéOrb Reader	LuxéOrb Lite	LuxéOrb Premium	LuxéOrb Pro
Readership	Inclusive	Inclusive	Inclusive	Inclusive
Access to limited brands	Upgrade to Lite	Inclusive	Inclusive	Inclusive
Access to some brands	Upgrade to Premium	Upgrade to Premium	Inclusive	Inclusive
Access to all brands that LuxéOrb stock	Available upon Request	Available upon Request	Available upon Request	Inclusive
Unique Selling Point:	87.5% of consumers stated that brands they were concerned about became lost during Fashion week. (Appendix 7) Allows simple news updates for the brands they care most about.	Ensures customers can purchase products easily through the application whilst receiving news updates. 87% of consumers shop on apps rather than a desktop site. (Mindsea, 2020)	46% of individuals stated they had a negative experience purchasing 'new' designer products from apps such as Depop. (Appendix 8) LuxéOrb aims to provide impeccable service with features such as DPD next day delivery on products in stock.	Ensures customers can receive their designer products without hassle and waiting lists, if stocked by LuxéOrb. Especially when some designer products sell out in a matter of hours. (Schuessler, 2018)

Disclaimer:

*Available upon request – to ensure there is not an overdemand of customers attempting to buy products from one particular brand. Customers will be asked what products from the brands they expect before approval, to avoid unachievable standards and disappointment from LuxéOrb.

3.4

Explain your approach to pricing your product(s) and/or service(s):

The concept of services are different when compared to a product, this is due to a variation in variable costs providing a different calculation unlike when working with a fixed product.

Break-Even Calculation:

$$\text{Total Anticipated Sales} - \text{Total Anticipated Costs of Sales} = \text{Gross Margin}$$

$$£387,650 - £225,810 = £161,840$$

$$\text{Gross Margin} / \text{Total Anticipated Sales}$$

$$£161,840 / £387,650 = 0.41$$

$$0.41 \times 100 = 41\%$$

Calculating the current sales + cost price + fixed cost price suggests that my net cash flow is operating at just the minimum amount to formulate a break even total.



(© Sander, 2018)

4.0

What research have you conducted to understand your market, including your industry, regions, customers, competitors?

In order to understand my market, I conducted a survey. (Appendix 9) I then analysed this data in order to understand the needs and wants of consumers. From this I continued my research by:

- Conducting a focus group asking what individuals thought about the brand name and logo (Appendix 10)
- Social media polls asking where consumers shopped and their distance to the stores (Appendix 11)
- Macro-environmental analysis conducted (Appendix 12)

I found it insightful that 100% of consumers stated they would use an application that provided them with news and access to 'designer drops'. As well as being prepared to pay an annual service, the survey was conducted on candidates between the ages of 15-65+. (Appendix 13)

The key-take aways discovered from the PESTEL (appendix 12) were the principle that the Fashion 'traditional' system of the Fashion calendar have changed therefore financially planning against '4 collections' a year is no longer effective. Secondly the impact of COVID-19, will impact all industries for the next year at least, but has resulted in an increase of digital sales. External factors will impact by sales for LuxéOrb, therefore analysing the market continuously is crucial. (Appendix A)

4.1

Competitors:

Competitor 1 Business of Fashion vs LuxéOrb Reader:

Name, Location, Website:	Average Prices:
Name: Business of Fashion Location: London, New York, Paris & Shanghai Website: https://www.businessoffashion.com	£33 Monthly - Individual £258 Annually (£21.50 per month) £16 Organisation (5+ users)
Strengths:	Weaknesses:
- Offers Student Discount - iOS Application - Experienced Writers in Global Locations - Industrial Contacts - Offers 'Member Only' Events	- Less focused on specific brands rather than an industry approach - High subscription cost when the same information can be found from sources such as Vogue Business and other news platforms, sometimes for free.

Analysed from (Business of Fashion, 2020)