

# ABOUT THE BUSINESS

## COMPANY DESCRIPTION

According to Global Citizen, each year around 92 million tons of textile waste is generated yearly throughout the world<sup>1</sup>. At Horizon we combat these problems by cutting down waste and selling vintage-inspired clothing and shoes made from sustainable materials in a convenient subscription box. We also offer clothes, accessories and sneakers in our marketplace that can be bought individually and delivered straight to your door. One dollar of all purchases will be donated to our partner organization: The Ellen McArthur Foundation, which promotes a circular economy that supports our promise of a sustainable future.

***Our Mission: To provide sustainable, fashionable options to add to your wardrobe that maintain a concern for clothing waste and environmental stressors delivered straight to your door.***

## STRUCTURE

Horizon is a clothing and subscription box company based in Upstate New York, at Pittsford Mendon High School. We are registered as an S Corporation because of the fact that taxes are reported on personal income, which avoids "double taxation" which is important to our company's bottom line. Additionally, shareholders are exempt from personal liability for business debts. We chose to be an S Corporation over the others because for the other forms such as a partnership, there is increased liability for the partners; and for an LLC, it would be very costly and is subject to increased taxes on profits. Overall, an S Corporation was the best fit for Horizon.

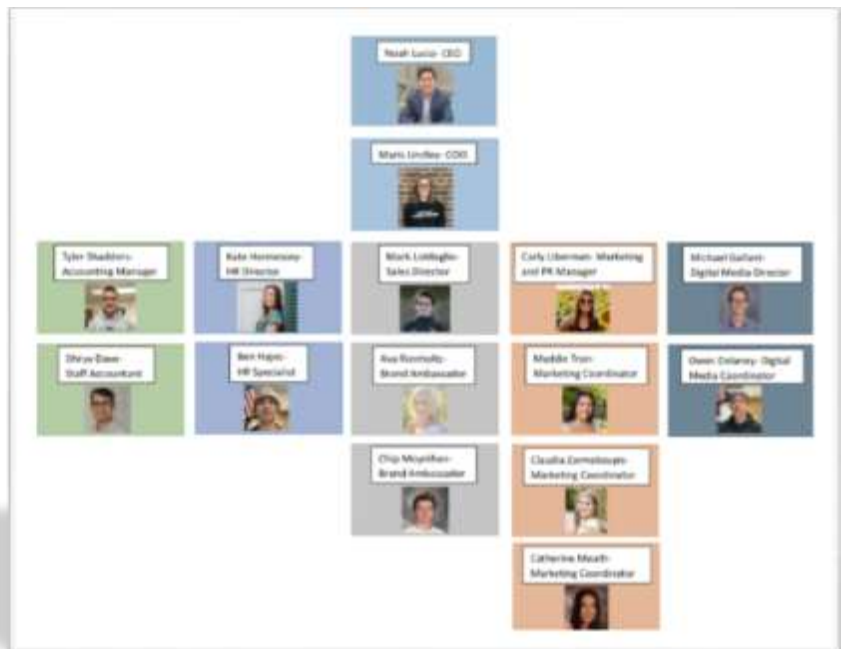
## ORGANIZATION

We follow a hierarchical structure with Noah Lucia as CEO. Noah oversees the entire company and all departments

which include Sales,

Accounting, Human Resources, Marketing, Public Relations and Digital

Media, which involves 14 employees. These departments communicate when working collaboratively to curate products and solve problems that arise and fix them to progress with our company. In addition, the CEO and COO write elevator pitches, calculate break-even analysis, and reach out to potential investors for Angel Investor funding. So far, we have acquired \$150,000 from Angel Investor funds.



# BUSINESS RATIONALE

## Problems and Solutions



### Climate Crisis Looming

According to Global Citizen each year around 92 million tons of textile waste is generated around the world<sup>1</sup>. To combat this problem Horizon curates clothes in our vintage box that is made from sustainable based fabrics. In addition our vintage clothes are made from recycled materials. We have partnered with the Ellen McArthur Foundation to donate \$1 per order. This foundation funds a circular economy concept where waste materials are repurposed to create clothes, products and more.



### Teens/Adults Are Short on Time

Forbes Magazine states that convenience is key for millennials and Gen Z generations<sup>2</sup>. We have seen the rise of food delivery and ecommerce direct to consumer. At Horizon we recognize that teens/adults are short on time and need an easy subscription box that can be delivered straight to your door. On top of that our stylist at Horizon analyze social media trends to truly understand what styles are customers are into.



### Clothes Can be Expensive

At Horizon, since we have a subscription based model, we wholesale our clothes and then ship it out once every two months. This gives us ample amount of time to find the lowest prices and purchase the clothing in bulk. Using this method, we acquire clothing/sneakers at a lower cost ultimately making the consumer pay less for our boxes and marketplace items.



### Consumers Want Clothes That are Trendy

According to Thred Up, sustainable clothes are part of a 77 billion dollar industry<sup>3</sup>. Vintage styled clothing has created a large market. Many millennials/gen z people are interested in the nostalgic look from previous decades. We cater to sourcing vintage inspired look in a sustainable way. In addition to complete your style our sneaker box provides a unique new pair of shoes every two months. Our stylist research popular shoes, source it through our wholesale partners and distribute through our subscription box.

## Goals

We at Horizon are focused on utilizing the latest technologies to increase customer engagement. Our team believes in continual improvement and refinement of our practices to further brand awareness, customer satisfaction, and ultimately to contribute to the sustainability of our world.

Long Term	Short Term
<ul style="list-style-type: none"> <li>✓ Create an app that lets customers engage via a digital experience with the subscription box</li> <li>✓ Add customer insights - a survey that includes a styling guide that personalizes to your preferences using a quiz</li> <li>✓ Create a customer database and use cookie data to understand trends certain customers may have viewed</li> <li>✓ Use Horizon AR technology to perfectly size you - so all boxes and clothing are in the exact size, measured via camera/artificial intelligence</li> </ul>	<ul style="list-style-type: none"> <li>✓ Add customer newsletter - inform our loyal box customers of inspired styles.</li> <li>✓ Create Subscription boxes that are partnered with specific companies (I.e. Nike box)</li> <li>✓ Create an effective ad campaign - video production</li> </ul>

1 <https://www.globalcitizen.org/en/content/global-waste-facts-plastic-fashion-food/>

2 <https://www.forbes.com/sites/bernhardschroeder/2021/12/10/gen-z-is-disrupting-everything---why-entrepreneurs-should-focus-on-this-key-attribute-to-create-new-startups/?sh=3248e993157e>

3 <https://www.thredup.com/resale/>

# MARKETING PLAN (B2C AUDIENCES)

## MARKETING MIX

PRODUCT	PRICE	PLACE	PROMOTION
<ul style="list-style-type: none"> <li>Subscription box containing vintage inspired clothing made of sustainable materials and a shoe subscription box</li> <li>Individual marketplace clothing items that include accessories, tops and bottoms</li> </ul>	<ul style="list-style-type: none"> <li>1 month trial box-\$75</li> <li>6 month subscription-\$210</li> <li>12 month subscription-\$390</li> <li>Individual marketplace items range from \$19-\$69</li> </ul>	<ul style="list-style-type: none"> <li>Our website Market Place   Horizon (wixsite.com)</li> <li>Tradeshows, both regional and national</li> </ul>	<ul style="list-style-type: none"> <li>Instagram</li> <li>Tik Tok</li> <li>Snapchat</li> <li>Email</li> </ul>

## BREAKDOWN OF TARGET MARKET

### Meet "Diego"



**Summary:** We are targeting Millennials and those from Generation Z. Millennials consists of 25 percent of the U.S. population. With over 80 million of them, this makes them the largest target market according to "Social Media today". According to Vanatge.com, the purchasing power of Millennials is at 170 billion per year.

Millennials and Gen Zs have many characteristics that would make them an ideal target market. To start off, convenience is key. According to forbes.com, Gen Z shoppers are focused on convenience. As evidence, trends have in the marketplace have shown convince services such as Grocery or food delivery have been on the rise. On top of that, those in Gen Z usually check their phones, and to be more specific, their social media apps.

Millennials also share some characteristics that would fit our target market. According to a Gallup Study, 42 percent of Millennials make a purchase of one item impulsively per month (Vanatge.com). Impulse buys are always good for any business, so we want to focus on the target market with the highest likelihood of it.

Millennials are also engaging with their social networks. According to Forbes, "62% of millennial shoppers state that interacting with a brand on social media makes them more likely to become a customer" We focus on a strong social media presence, so this would work perfectly with us.

Lastly, they want brands that give back. 50 percent of millennials support companies that support charities or causes. On top of that, 75% of millennials report that it is important to them that a company gives back to society. At Horizon, we work with the Ellen MacArthur Foundation. They focus on promoting a circular economy, which is a model of production and consumption. This involves sharing, leasing, reusing, repairing, refurbishing and recycling existing materials and products as long as possible. So knowing that, our target market could enjoy shopping with us knowing that we give back to our community.

### Demographic

Our target Market is males and females ages 15-30 for all ethnicities in the middle to upper class. Family size will be smaller, around 1-3. Since we are aiming for a younger target market, most families won't be as developed yet.

### Geographic

We will be available to everyone throughout the United States, and we will plan to expand internationally as well. If we were to market in a specific location, we would prefer to market in urban areas such as cities or large towns.

### Psychographic

Shoppers can get access to a variety of different trends for clothes. Environmental benefits.

### Benefit

Someone who wants to give back to their community, someone who wants to save their time, getting the ease of things, and interest in fashionable clothing, but may not have the time to shop for it.

### Behavioral

Younger people may want the ease of just getting a box, instead of bouncing from store to store looking for different clothes. They also are environmentally aware.

### Socioeconomic

Middle to Upper Class. Boxes are the "Big ticket" money maker for us, and we are aiming for those with a little extra cash (I.e. disposable income) to spend their earning on our boxes.

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## RISKS

### Why should the consumer shop with our company when they can just go get an individual item?



At horizon, we make things easy for our customers. Instead of bouncing from site to site, trying to find the best products, we make things easier with our subscription boxes. Customers can have the ease of ordering a box with a variety of products in there. A few days it can be delivered right to their front door. They don't have to worry about paying several fees from different websites. It is channeled down to one page. On top of that, we offer a variety of products on our website.

### It may be obvious, but we also have competitors online such as Amazon.



Despite the capabilities and the wide variety it has, there are also some flaw to Amazon. At Horizon, we focus on providing the best products, meaning that our range of products may not be as large as amazon, but they are high quality items. With amazon, you may not find higher quality products since there are so many to pick from. On top of that, it's difficult to trust products and their reviews. Companies occasionally pay users to leave a good review and to promote their product. At Horizon, that is not the case.

### Why should customers shop with this subscription box over others?



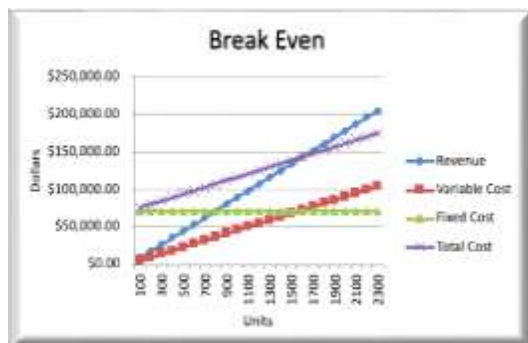
We are a company on the rise, and we are always changing, which the customer may like. Also, we try to keep up with the latest trends, making us stand out for our target market. we focus on giving back to our community, as we donate our profits to organizations such as the Ellen McCarther Foundation, meaning that our target market may feel more compelled to shop with us since they are "giving back to their community." We also sell vintage clothing at a reasonable price. Our shoppers also have given us feedback, and we have worked with it.

### Why shop online when I can go in stores?



That may be true, but we have several reasons why shopping online at Horizon is more convenient. For starters, you don't have to bounce between stores or sections. On our website, we have easy access to different brands. Also, it saves you the trip out to stores, so that you can make time for other things to do. It's fast, convenient, and easy with Horizon. Lastly, with COVID 19 being a lingering issue, consumers have been moving to online shopping, where it has been growing on the rise. Therefore, the target market is growing rapidly there.

## FINANCIAL HIGHLIGHTS



Horizon has \$71,071.80 on expenses such as rent, utilities and payroll. Horizon is making steady progress towards our break even point. To reach this point sales will needs to exceed \$145,824.01 or 1,617 units. With an increase in brand awareness, branded subscription boxes, newsletter, and ad campaigns Horizon is well positioned to be successful for Q1 and Q2 of 2022.

While our profit and loss projections show that we will be in the red during this first year of operations, we hope that our website being open to sales and the debut of new, desirable bundle packages will help us make ground on this number. Additionally, we can explore VE out-of-network contracts to help increase revenue. As pictured in the graph to the left, a majority of our sales can be attributed to tradeshow revenue. With a national and regional tradeshow still to come this year, we plan to make additional progress towards breaking even and profitability in year two of business.

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