



INSTITUTO  
UNIVERSITÁRIO  
DE LISBOA

---

## **Business Plan of Bondyo: A Ties Rental E-commerce Company**

Alice Loureiro Norte

Master's in International Management,

Supervisor:

PhD Renato Telo de Freitas Barbosa Pereira, Assistant Professor,  
ISCTE Business School

October, 2022





BUSINESS  
SCHOOL

---

Department of Marketing, Strategy and Operations

## **Business Plan of Bondyo: A Ties Rental E-commerce Company**

Alice Loureiro Norte

Master's in International Management,

Supervisor:

PhD Renato Telo de Freitas Barbosa Pereira, Assistant Professor,  
ISCTE Business School

October, 2022



## Resumo

O presente projeto de tese é um plano de negócios inovador para uma empresa que apresenta acessórios de luxo de forma mais acessível. A Bondyo permitirá que pessoas aluguem gravatas e laços de luxo online em Lisboa e Paris.

Este tipo de modelo de negócio é muito relevante atualmente, uma vez que é uma alternativa mais sustentável aos principais modelos de consumo e, ao desenvolver este projeto, pretende-se também sensibilizar para a necessidade deste tipo de consumo e empresas.

Tendo em conta que estes acessórios são um mercado nicho, com os testes de mercado, concluiu-se que existe uma procura significativa para este negócio em Lisboa, no entanto não foi possível testá-lo em Paris, sendo isto uma limitação do projeto. A estratégia da Bondyo é focada em diferenciação, sendo a opção de entrega rápida por aplicação de entrega, a sua principal fonte de vantagem competitiva.

Os principais custos iniciais serão para o desenvolvimento do website, investir em inventário, espaço de armazenamento e recursos humanos. A estimativa do tempo para a implementação do plano é de 4 meses e 80 000 € para iniciar o projeto.

De acordo com os pressupostos estabelecidos, a análise financeira revelou um NPV positivo de 438 708 € e mesmo com variações negativas de procura médias, o valor continuava positivo. No entanto, dado ser um projeto inovador, é difícil estimar esta procura, tendo sido definida também pelas ambições da empresa. Com isto, concluiu-se que a Bondyo é um negócio viável, com as limitações acima mencionadas.

Palavras-chave: plano de negócios, inovação, alugar moda online, e-commerce.

Classificação JEL: 036 (Inovação), M13 (Empresas novas, Startups)



## **Abstract**

The present thesis project is an innovative business plan for a company making luxury accessories more accessible. Bondyo will allow individuals to rent high-end and luxury ties and bow ties online in Lisbon and Paris.

This type of business model is very relevant nowadays as it is a more sustainable alternative to the main current consumption models and by developing this project, the intention is to also bring more awareness to the need for this type of consumption and businesses.

Taking into consideration that these accessories are a niche market, with the market testing, it was concluded that there is a significant demand for such a business in Lisbon, however it was not possible to test this in Paris, being this a limitation to the project. Bondyo's strategy is focused on differentiation, with the option of fast delivery through a delivery app being its main source of competitive advantage.

The main starting costs will be for the development of the website, investing in inventory, storage space and human resources. The estimation of time for the implementation of the plan is 4 months and 80 000 € to start the project.

Under the established assumptions, the financial evaluation showed a positive NPV of 438 708€ and even with medium negative variations on the demand side, the value remained positive. However, being an innovative project, it is hard to estimate this demand, so it was also defined by the company's ambitions. From this, it was concluded that Bondyo is a viable business, with the above-mentioned limitations.

**Keywords:** business plan, innovation, online fashion renting, e-commerce

**JEL Classification:** 036 (Open Innovation), M13 (New Firms, Startups)





# Index

Resumo.....	i
Abstract.....	iii
Introduction.....	1
1. Literature Review.....	3
1.1. Theoretical Background.....	3
1.2. Fashion Industry and Collaborative Consumption.....	4
1.2.1. Fashion Renting.....	5
1.2.2. Online Fashion.....	6
1.3. Online Fashion Renting.....	7
1.3.1. Conceptual Map.....	9
2. Methodology.....	11
2.1. The Survey.....	11
2.1.1. The Sample.....	12
2.1.2. Discussion of results.....	12
2.2. Conclusions.....	13
2.3. Frameworks for the Business Plan.....	14
3. Market Analysis.....	15
3.1. Market Overview.....	15
3.2. PESTEL Analysis.....	15
3.2.1. Political.....	15
3.2.2. Economic.....	16
3.2.3. Social.....	16
3.2.4. Technological.....	17
3.2.5. Environmental.....	18
3.2.6. Legal.....	18
3.3. Competitors Analysis.....	19
4. Internal Analysis.....	21
4.1. VRIO Analysis.....	21
5. Competitive Analysis.....	23
5.1. SWOT Analysis.....	23

5.1.1. Strengths.....	23
5.1.2. Weaknesses.....	24
5.1.3. Opportunities.....	24
5.1.4. Threats.....	24
5.2. Systemic SWOT.....	25
6. Business Objectives.....	29
7. Development Strategy.....	31
7.1. Segmentation, Targeting and Positioning.....	31
7.1.1. Segmentation.....	31
7.1.2. Targeting.....	32
7.1.3. Positioning.....	32
7.2. Marketing Mix.....	32
7.2.1. Product.....	32
7.2.2. Price.....	33
7.2.3. Place.....	34
7.2.4. Promotion.....	35
7.2.5. Process.....	36
7.3. Business Model Canvas .....	37
7.3.1. Value Proposition.....	37
7.3.2. Customer Segments.....	38
7.3.3. Customer Relationships.....	38
7.3.4. Channels.....	38
7.3.5. Key Partners.....	39
7.3.6. Key Activities.....	39
7.3.7. Key Resources.....	39
7.3.8. Cost Structure.....	40
7.3.9. Revenues Streams.....	40
8. Implementation Policies.....	41
8.1. The Brand: Logo and Identity.....	41
8.2. Organization.....	41
8.2.1. Human Resources.....	41
8.2.2. Infrastructures.....	42
8.2.3. Inventory.....	42
8.2.4. External services and suppliers.....	44

8.3. Implementation Requirements and Schedule.....	45
9. Financial Evaluation.....	47
9.1. Assumptions.....	47
9.2. Income Statement.....	48
9.3. Cash Flow Statement.....	48
9.4. Balance Sheet.....	49
9.5. Break-Even Analysis.....	49
9.6. Break-Even Analysis.....	49
9.7. Sensitivity Analysis.....	50
9.8. Conclusions.....	50
10. References.....	51
11. Appendix.....	55
11.1. Appendix A.....	55



## Introduction

This project's purpose is to create an online company called Bondyo to rent ties and bowties in Lisbon and Paris. The company will rent through its website and through delivery apps, standing out from the competition due to this. It will offer mainly high-end and luxury brands, making them accessible to the average individual, who would not be able to wear them otherwise. Bondyo focuses on making luxury accessible to everyone while improving the usage rate of accessories that are many times stored for prolonged periods and disposed of.

The brand intends to transmit values of trust and reliability, so that the customers feel safe and comfortable to rent their accessories and bring awareness to the current issues in the fashion industry and how this business helps by being a more sustainable way of consumption.

*What problem does Bondyo solve?*

The company is a step in the right direction on a general level to help with problems such as the waste of resources of fast fashion, overproduction, constant disposing of clothes, by allowing a better usage rate of the resources, and being more sustainable.

On a more personal perspective, it could help the consumers to rent at their own personal needs, while having a better variety of styles of ties for a lower price and at a faster speed, without the need to dislocate and go to a physical store.



# 1. Literature Review

With the development of this literature review, the main objective could be summarized in understanding the theoretical fundamentals and specific knowledge for the creation of this Business Plan. To achieve this, several topics should be studied, such as a quick review of the general idea of a Business Plan, to the theory regarding entrepreneurship, innovation, and startups. However, as these have been defined and studied for a long time previously, less emphasis will be put on them in this review.

From this stage, a more specific approach will be taken towards the type of Business intended. Here, it will be relevant to research about Collaborative Consumption, Fashion Renting, as well as Online Fashion, before diving into the Online Fashion Renting market.

## 1.1. Theoretical Background

Several definitions have been created for what a business plan is. As Friend and Zehle (2009) state, it describes the business's vision and objectives, while it also shows the strategy that will be utilized to achieve them. In summary, it intends on providing a base for a successful business. This general idea is widely accepted as many other authors have come to similar definitions.

One of the main needs for this type of plan arises from Startups, as they rely on it for describing the company's status and forecast the future, which may be necessary, for example, to share with possible investors (Dal Mas et al., 2021). Startups, as described by Spender et al. (2017), bring new ideas to the market with the objective of being profitable. The entrepreneur focuses on identifying an opportunity for innovation and building the organization to take advantage of it. This can be beneficial for the company but also for the society in general, as the entrepreneurs can target specific needs and opportunities of the general public and environment, being agents of change (Oliva & Kotabe, 2019).

With the worsening of climate change and the state of the environment, more and more attention has been directed towards the search for more sustainable solutions for all areas of life. These ideals have been integrated into the 17 Sustainable Development Goals developed by the United Nations (THE 17 GOALS | Sustainable Development, 2015), in particular the ones of "Sustainable Cities and Communities" and "Responsible Consumption and Production". While one of the negative impacts of business activity is the environmental

destruction, it is also now seen as a new opportunity of solving these problems (Sung & Park, 2018).

Here the definition of sustainable entrepreneurship arises, as finding, assessing, and taking advantage of opportunities that minimize the impact on the environment and consequently create benefits to the society (Gast et al., 2017). However, the same authors concluded that there was still a lack of consensus on the existing theory regarding this definition.

On the enterprises side, to keep delivering value, one of the main concerns is for the company to also be financially viable in the long term, while maximizing its positive impact (Kamaludin et al., 2021). Because of this, sometimes companies are exposed to ethical dilemmas of whether to prioritize sustainability or economic achievement. Sung and Park (2018) concluded that the management team should focus on striving for a balance of pursuing the interest of the society but also of the company.

## **1.2. Fashion Industry and Collaborative Consumption**

About the fashion industry, and even many others, a new type of consumption has emerged and grown in support over the last few years: Collaborative consumption. This concept relates to a more efficient use of resources and lowering the consumption rates at the same, while hopefully providing cost savings or other benefits, according to Joyner Armstrong and Park (2017).

The authors divide this consumption in two types: utility-based non-ownership and redistributed ownership. The first englobes the sharing of goods without the sharing of the ownership, with the duration varying. One example of this type of consumption is fashion renting, a business-consumer relationship. On the other hand, there is also redistributed ownership, which implies that the items will have a new owner, possibly for an undefined period, as it happens with resale, as per secondhand shopping, and swapping of fashion items. This latter type is more directed to a consumer-consumer relationship.

As discussed by Kim and Jin (2019), collaborative consumption may be part of the solution to the worldwide problem of overconsumption and waste management. However, in a recent study Arrigo (2021) found that, in general, the possible lack of ownership, risks of quality and hygiene problems are some of the main barriers to this type of consumption. Nevertheless, on the positive perspective, the same author has found that utilitarian factors, hedonistic factors and environmental and sustainable factors are the main motivators for this market. Starting with the utilitarian and economic dimension, being a cost-saving opportunity and being more



convenient were two of the main motivators for better consumption types, such as second-hand fashion, by allowing access to more high-end items for lower prices. In addition to this, it may allow the population to try more styles, and better enjoy the experience as there are less costs associated. This represents the hedonistic dimension. Lastly, there has been a growing demand towards companies who develop their business with concerns of their impact in the environment. In fashion in particular, concerns regarding waste management and the short product life cycle of many of the items.

Referring to the demand for sustainability, when analyzing the generation of millennials in particular, which is supposedly one of the most sustainably driven, Johnstone and Lindh (2022) found that there was actually somewhat of a gap between their values and their actual purchase intentions. The latest ones seemed to be more influenced by their personal style and preference in brands. Having stated this, the authors also found proof that the moral obligation to make more sustainable choices was indeed rising, which goes more in hand with previous research. It appears from this research that the responsibility to focus on better options and practices for the future is still on the industry side to offer better options and to influence the population to accept and consume them.

### **1.2.1. Fashion Renting**

When considering renting of fashion articles, it seems that many times, one of the major concerns arises from materialism and from the logic of renting itself, this is, from the lack of ownership of the item (Lang & Joyner Armstrong, 2018). In addition to this, concerns about hygiene and the maintenance of the items are frequently mentioned, as well as a lack of understanding of how the process of renting would work and how long it would take (Mukendi & Henninger, 2020). Several of these concerns could be summarized in a need from the customers to trust the company renting. To achieve this trust, clear communication regarding the process and the after-care service would be vital.

To balance out these concerns, the authors once again identified 3 main drivers for fashion renting: sustainability, with the use of fewer resources and reducing waste; efficient use of personal resources, such as money and space saved from renting; and experimentation, as the consumer would not have to commit to a particular style and, in theory, could vary more than when owning the articles, due to the cheaper pricing.

In research from Lang (2018), four types of barriers and risks for consumers were identified to summarize the consumers main concerns: financial risk, this is, the fear of accumulated losses

due to possibly higher value for use of renting; performance risk, which relates to concerns about the quality, performance and hygiene of the item; psychological risk, as ownership may symbolize status in some cultures, this may have negative consequences on self-image and self-confidence: and social risk, which may relate to the psychological risk, with the fear of disapproval from others. Even though the first three mentioned types seemed to negatively affect the consumers attitude towards fashion renting, in this study, no significant relationship was found between the social risk and their attitude. This may be explained by the social aspect being offset with the positive image of choosing a more sustainable way of consuming.

When studying the consumer's predisposition towards renting in this industry, another main factor can be highlighted: their perceived enjoyment, this is, if they imagine the process of renting as pleasurable and satisfying (Lang, 2018). Contrasting the above-mentioned risks, the same author stated some possible motivators for this type of consumption. He observed that frugal shopping, that is, the idea of economizing on the value of the products has a positive influence on their attitude and perceived enjoyment. From this, it is clear the importance of communication with the customers, so their perceived risks are addressed, and they feel more motivated to engage in renting.

By analyzing the individuals who were more attracted to fashion renting, Lang and Joyner Armstrong (2018) found that fashion leaders value the benefits of this type of consumption, such as the possibility to try new things without some of the usual burdens.

### **1.2.2. Online Fashion**

Online fashion retail has been growing at a high pace, particularly in the last few years due to the boom that occurred during the pandemic restrictions. As the physical stores were closed for long periods, more individuals shifted to online shopping (Atto, 2021). Due to this, more emphasis has been put in studying this type of business and how to improve it.

When compared to the traditional shopping experience of physical stores, it was found that the online experience lacks in providing the sense of lust and satisfaction that the previous consumption style delivered (Strähle, 2013). Due to this, more importance is placed in having a proper website design, focused on the consumer approach, to interact more with the emotional side of the individual than with the rational. In addition to this, the shopping process can be more complex both in terms of payment but also time and delivery.

In regard to marketing, in a study from Kawaf and Istanbuluoglu (2019), a surprising lack of relevance of online reviews for online fashion sales was observed in the sample analyzed.

This was partially explained by individuality in the fashion industry, that is, different personal styles and preferences and also by the power of the review. The latest would suggest that a review from someone with more influence and status, would have more credibility for the consumers. Another strategy found by the authors to reduce the influence of bad reviews was having free returns, as the clients would be able to return the items if they turned out to be different from their expectations. The above was once again confirmed by Salem and Alanadoly (2021), in a study that also concluded that the consumers were more influenced by their own opinions and desires than by other individuals. Another insight observed in this study was the importance given to quality and design of the products, against the price, which was considered less relevant as a motivator. From this, we can conclude that a low price is not always the best motivator for online fashion, as some expected, but in reality, there are several variables motivating clients.

Lastly, one other important dimension for the success of a business in this market is the quality of suppliers. Kaushik et al. (2020) found that good business competencies and good communication with partners, are some of the most important factors when choosing a supplier. The authors mention in particular capabilities such as applying the JIT method and flexibility in the orders or services.

### **1.3. Online Fashion Renting**

Being the intersection between Fashion Renting and Online Fashion, it is understandable that Online Fashion Renting will present several of the characteristics from these business types. This englobes the positive factors but also the possible problems. In addition to this, when compared to more traditional businesses, such as retail in physical stores, we can understand that the demands and particularities of the business will be more complicated. However, in areas without an industry leader, there is still a lot of space for market development (Tu & Hu, 2018).

Analyzing the acceptance in different parts of the world, in a recent study, two of the countries with the highest number of online consumers and mobile users, were compared to conclude that the US customers would tend to find that online fashion renting could fulfill their needs in a similar way to the traditional consumption models (Lee & Huang, 2020). The authors suggested that this could be explained by the increase of online shopping, meaning that the consumers were already familiarized with online services and also with replacing items

frequently, due to fast fashion. Having the possibility of renting would only allow them to consume in a more ecological and sustainable way. On the other hand, in China the same was not observed, as culturally the population prefers to have more of an experience with shopping with others (Lee & Huang, 2020). From this study, it is clear that the cultures of the countries will have a big influence in how the population will perceive and desire new consumption types, showing the importance of proper research by entrepreneurs to find the ideal locations and cultures for each particular business.

We learned from Lee and Chow (2020) that the customers' intentions to rent online fashion are heavily influenced by subjective norms, as newcomers tend to seek advice and opinions before trying it. From this, we once again observe the importance of word-of-mouth and building a community for a successful business. Johnstone and Lindh (2022) and S. H. Lee and Huang (2020 ) even go to the extent of suggesting that companies should hire key opinion leaders and online influencers to promote their business and promote more sustainable options, as this will have a bigger impact in the demand than other more traditional publicity options. Additionally, perceived relative advantage, from saving space and money and maximizing utility of the items, while having the possibility to experiment more styles also seem to be some of the main motivators (S. H. Lee & Huang, 2020 ). As it is the case for fashion renting in general, the perceived environmental benefits of online fashion renting would overshadow some of the risks that were acting as barriers for the customers, in particular the lack of ownership (Lee & Chow, 2020) (S. H. Lee & Huang, 2020 ).

In Lang et al. (2020)'s research findings, several possible problems from the customer side were highlighted, such as not being able to return the product for free and having low quality or low performance items, which had also been previously mentioned by other authors.

One point Lee and Chow (2020) mention regarding possible strategies to attract and maintain clients is changing their attitude by offering flexible arrangements for deliveries, both in terms of flexible rental periods but also different pricing options. In addition to this, for a business type with several variables that could go wrong, such as the delivery, it is once again important to offer an excellent customer support service to help the renting process, dealing with returns and refunds and to manage a positive word-of-mouth to retain the clients and influence the attitude and intention of others (Lang et al., 2020) (Arrigo, 2021). Connect to this, is once again, the importance given in several articles to portraying to the consumers that the company can be trusted (S. E. Lee et al., 2021). This will open the client's minds to receive the clear communication from the organization, regarding the benefits of the business to the client and to the environment, and how they can manage the client's perceived risks. One other

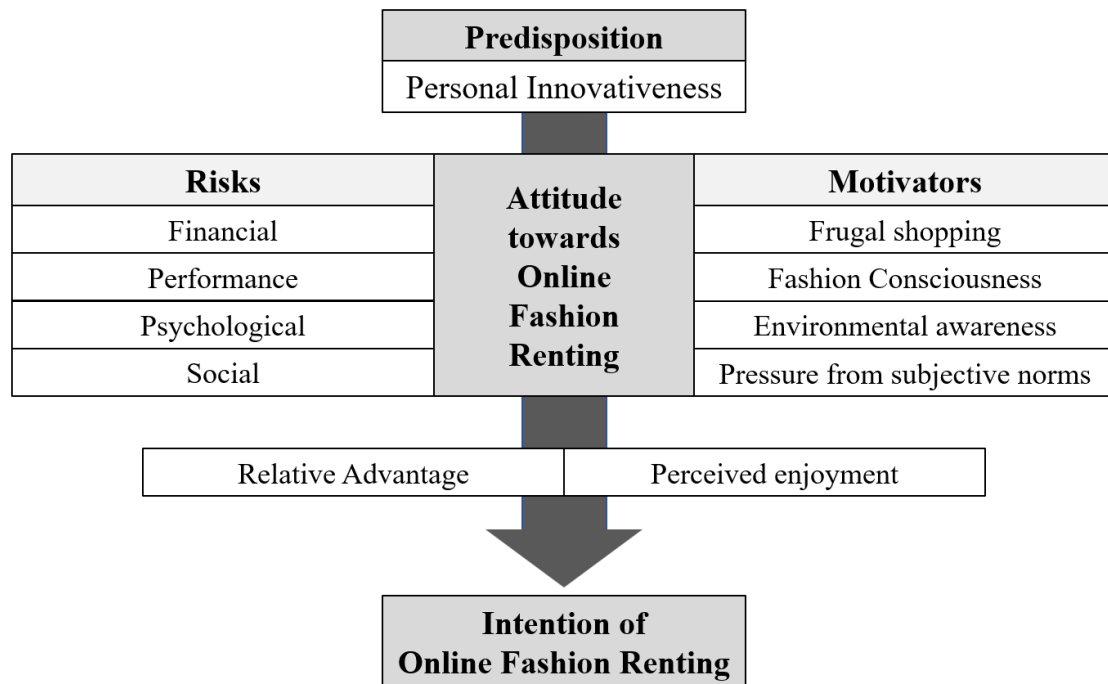
observation S. E. Lee et al. (2021) make that is very relevant to the future potential of this type of consumption is that the next generations are showing a shift in values, from the need of ownership to better valuing experiences in general. This opens the market to renting, as it allows the customer to experience the item without having to purchase it.

In regard to the segments more open to this type of consumption, Lee and Chow (2020) found that the female sample showed stronger intentions to participate. This was explained by the current companies in this growing industry targeting mainly the female market. There is still a big space in the market to offer options to the male consumers, but it is important to take into consideration that males are more results oriented when shopping, having specific occasions and needs in mind. The individuals which tend to be more opened to online fashion renting, tend to also have some characteristics in common, such as the desire to stay on top of the latest trends and to try a variety of styles or options, this is, fashion consciousness, and connected to the above, their degree of personal innovativeness, meaning how open minded they are to experience new and different things (S. H. Lee & Huang, 2020 ). These mentioned characteristics will influence how the clients perceive the experience of renting, allowing them to better enjoy it and recognize it as satisfactory and enjoyable.

Having understood the segmentation of the market, it is pertinent to explore what type of fashion articles the customers are more interested in renting online. Lang et al. (2020) discovered that consumers would most benefit from high-end products by paying only a partial value of the actual total price. In the same line of thought, Mukendi and Henninger (2020) concluded that occasion wear and formal attires would also summarize the most desired options for renting by the consumers. In relation to the articles that the individuals would not consider renting, it was found that underwear, swimwear and sportswear were on the top of the mentions, understandably due to bigger concerns about hygiene (Mukendi & Henninger, 2020). Lastly, another relevant dimension of online fashion renting, would be the possibility of also offering subscription services. This would allow the consumers to receive a more personalized offer of articles, fitted to their needs in terms of price, size, number and styles (Arrigo, 2021).

### **1.3.1. Conceptual Map**

From the insights gathered with the literature review, a conceptual map was developed to show the main factors concerning and affecting online fashion renting:



**Figure 1.1 – Conceptual Map**

Source: Author

Starting with the original predisposition that the individuals have, in particular, their personal innovativeness, we can understand that there are two types of factors influencing the customers from this stage: risks that act as barriers by having a negative effect, with different degrees and motivating factors, which will lead customers to positive view on it. The four main perceived risks mentioned in the existing literature are the financial risk, performance risk, psychological risk, and social risk.

On the other side, several motivators have been identified: frugal shopping, fashion consciousness and experimentation, environmental awareness, and pressure from subjective norms. By considering these later factors, consumers may consider the relative advantages of this consumption type and even associate it with fun, changing their view of the perceived enjoyment of the experience. This can then change their attitude and intention towards online fashion renting.

## **2. Methodology**

As this plan is intended for an innovative business idea, it was necessary to understand if there was a space and demand in the market for the company. In addition to this, it would later be necessary to assess if the business would be viable and sustainable.

Starting with the market research, to test the demand, several methods could be taken to obtain the needed data. While secondary data could be useful to later study the current market trends, primary data would allow us to study the market with the business ideas and obtain more specific and relevant data.

To collect this data, factors such as costs and time had to be considered to choose the collection method. While focus groups and interviews could provide more in-depth knowledge, the timeframe for the project would be very limiting to achieve a significant number of participations, so that conclusions for the demand could be taken. This way, a questionnaire was the solution to collecting a greater number of replies in a faster way.

For practicality, the survey was conducted online and was self-administered by the respondents, being this way free of costs, quicker, bias free from the interviewer and anonymous. To achieve the wanted replies, the questionnaire was shared on several environments and platforms, such as the workplace, college groups, family, Facebook groups and other social networks, but mainly on LinkedIn. This latest method allowed to target and directly message specific individuals in professional areas which are more associated with formal wear in the work environment, such as banks and lawyer firms.

In summary, the methodology for this thesis was initially based on primary data collected from an online survey, during two months, mainly through LinkedIn, as it was the easiest way to reach the targeted audience. The sample was not random, as it consisted of a convenience sample, however as a significant number of answers were collected, it was considered that it was representative of the population in study.

### **2.1. The Survey**

While the beginning of the questionnaire serves the purpose of collecting some information about the sample, the remaining questions are directed towards the topic of the project. It was important to understand if the population was still wearing this type of accessory, what was stopping them from a more frequent use and their future intentions.

In addition to this, some questions were introduced to explore the possible future values of the company, such as a question inquiring if these accessories are considered gender specific, to understand if the brand should be marketed to just a target gender or not.

As described, the survey provided mainly qualitative data as it studies categorical variables, such as personal preferences and intentions of wearing. The full questionnaire can be found in Appendix A.

### **2.1.1 The Sample**

In the duration of the two months, 214 answers were collected, being 201 from participants living in Portugal (93.9%). As the survey served to analyze the market in Portugal, the data from the other participants outside of the country was filtered for the remainder of the study. From these 201 replies, 84.1% were of individuals with ages between 19 and 40 years old, and with 73.1% being males.

Focusing on the Ties market, we found that 34.3% of the participants never wear ties, while almost half of the sample are an occasional wearer. In relation to this, only 28.4% of the individuals replied that they do not intend to wear ties in the future. Comparing this value with the 26.9% of female participants, we found that in fact some women may consider wearing this type of accessory.

### **2.1.2 Discussion of results**

One important base for the study was to understand the barriers on the demand side. By analyzing the answers, we found that most people do not consider that ties belong in their personal style. Alongside this, several mention that they would not wear these accessories enough and a smaller portion also mentions that they are too expensive.

To then analyze this demand, the main question was whether the participants would consider renting these items. From the results, we can observe that 30.3% would and an additional 26.4% would maybe consider. As a more niche business market, these potential 56.7% are a big share, proving that there is a great acceptance to this idea.

In an effort to confront the participants with the possibility of renting a variety of ties for the same value as buying one, a question was directed to this, revealing that 36.8% of them would indeed rent, while 27.4% were indecisive. This shows that more than a third of the sample values variety over ownership.



Moving to more specific details of the future business plan, it was easy to determine that the demand is more directed to high-end ties (47.3%), however there was not a clear preferred source, as the options are considerably balanced and with it being indifferent to many participants (25.6%). As per the service, the participants clearly would value an easy rental process and fast delivery (29.4% and 28.4%, respectively), as well as an accessible price (25.5%).

From here, it could be beneficial for the pricing strategy to understand what the sample would consider as a fair price for the ties to be rented for, and to achieve this, two examples were presented: a tie with purchase value of 40€ and one of 160€. Starting with the first one, 82.6% valued it between 1 and 8 euros per day, while for the more expensive tie, 36.3% between 4 and 10 euros and 42.8% between 15 and 30. While these questions do not provide us with deep knowledge of the pricing, they do show a flexibility in the range that the individuals would be willing to pay. However, it should be noted that being a very subjective pair of questions, individuals tend to desire in general to pay less to gain more value.

With the idea of providing packs of ties for a lower fixed rate (when compared to renting individually by day), an example was provided in the survey to study its acceptance. Here 47.8%, this is, almost half of the repliers, saw value in this option, with an additional 25.4% maybe considering.

One last remark that can be made from the study, is that 45.8% of the participants do not consider ties to be a gender specific accessory (and 21.4% replied with “Maybe”). This way, it can be beneficial to keep the door open to the entire market. In a deeper analysis, by filtering the individuals that replied with “Yes”, only 10 out of 54 were females (15.2%), meaning that most of them actually see the potential in the market.

## **2.2 Conclusions**

From the justifications of the participants declining renting ties, we can conclude that some of them consider this type of accessory as too personal, not being comfortable renting due to this. In addition to this, several mention that they are not expensive to buy and/or that they already have several or that they do not frequently use them. Following this, when building the brand, it will be important to highlight that with renting, the customers may wear the accessories at their own personal need, without having to occupy space in their closet. In addition, this will help educating the community against their needs for ownership. In relation to the type of offer, there was a clear interest also demonstrated towards the idea of packs of ties.

In summary, it was confirmed that the idea was accepted in Portugal and additionally, some information regarding the type of demand, such as it being more directed towards the high end and luxury brands, as suspected from the previous literature research. Furthermore, none of the participants knew of any companies with a similar business idea and several identified cufflinks as a potential future product range development possibility.

From this stage, it was essential to decide the scope of the project as it was not realistic to try and work in many markets from the start. The decision was to focus on Lisbon and Paris. To study the demand in Paris, a second survey was started to understand if the idea was also accepted in this market and to confirm the characteristics of the demand, however, it soon became clear that it would be difficult to realistically gather a significant number of answers in the available timeframe, due to the lack of contacts in this second country. Because of this, the assumption that the market demand would be similar to Portugal was established for the purpose of the project. Naturally, this is a limitation of the project and when proceeding with implementing the business plan, a study of this market would still be made to guarantee the demand.

Having the information regarding the demand, the project consisted in creating the business according to the discovered characteristics of the markets and based on the inputs taken from the studies made regarding this type of business model.

## **2.3 Frameworks for the Business Plan**

To achieve a concrete, clear and reliable business plan for the company, several frameworks will then be used to organize and summarize the factors being studied in each section. Following the primary data mentioned above, a small market research of secondary data will be performed to understand the value of the industry and a PESTEL Analysis to allowed for a reflection regarding the external factors which may influence the success of the implementation of the firm.

From this stage, it will be relevant to study the competitiveness of the Bondyo, both by analyzing the closest competitors but also its internal characteristics and their relation to the external factors, both in terms of opportunities and threats, with VRIO and SWOT analysis. Lastly, to finally summarize how the company will work, for who, and the business model, the STP framework, Marketing Mix and Canvas will be presented.

## **3. Market Analysis**

### **3.1. Market Overview**

As found in the developed research, the demand for online fashion has been exponentially growing while the interest in more sustainable consumption practices has also been increasingly appearing worldwide. In a 2021 analysis, the global sales of online fashion renting were valued around US\$ 1 861.2 million and estimated to grow at an 11% compound annual growth rate from 2021 to 2031 (Online Clothing Rental Market, 2021). From a quick research of the market online, it is clear that most of Europe is still behind in terms of offer, when compared to countries in North America for example. However, the U.K. seems to lead in Europe, both in fashion in general, but also in the formal attires market (Top Online Fashion Rentals Startups, 2022).

Focusing on this formal and high-end market, less and less it has been required and mandatory in the work environment, leading to a decrease in the demand for this style of clothing. In particular, after the changes in the work environment to working from home, the business casual style has been more adopted even when returning to the office, while we can observe that the tendency is leading towards the more and more casual styles (Schlueter, 2022).

### **3.2. PESTEL Analysis**

With the intention of entering two different markets, in Portugal and France, it is important to take a deeper look into the external factors that may affect the business, in each of them. Being two countries of close proximity, it is understandable that they will have some characteristics in common. Because of this, the analysis will be joint, however, always highlighting the existing differences. Additionally, it was decided not to take into consideration the current issues surrounding Ukraine and Russia, as due to its prolonged duration, it is still difficult to predict the consequences that this conflict will have on Europe and the rest of the world.

#### **3.2.1. Political**

Being both countries members of the European Union, they have several agreements with the surrounding nations to facilitate trade and stability. In addition to this, their political system is

quite similar with both a president and prime minister. About possible negative factors, Portugal has faced several issues with corruption, degrading the image of the country to foreign investors who may fear how their money would be used (Wise, 2022). On the other side France faced very frequent protests in the last years, also affecting the investment in businesses in the country (Moody, 2022). For a startup looking into entering the two countries, these being members of the EU may facilitate future expansions into the surrounding markets.

### **3.2.2. Economic**

Focusing on economic factors, several differences may be observed between the two countries. While France is one of the top economies in the Euro area, and even the world, Portugal has a significantly lower GDP (GDP Per Capita (Current US\$) - European Union, n.d.). In fact, the country faced several difficulties during the lockdown periods, as several businesses were closed, increasing the inequalities and already high unemployment level (Pandemia Já Fechou Portas a Perto De Um Quinto Das Empresas, 2020). In contrast to this, the impact on France was less noticeable in general.

When analyzing the household income, the level in France is significantly higher than Portugal, as the minimum wage in the latest is lower and has been somewhat stagnant, with very small rises. Due to this, the younger population struggles to build savings, being significantly harder to buy properties and other big investments (Santos, 2022).

In addition to this, one observation found in the literature research was of the shift in demand from a goods economy to a service economy, this being observed at a global level, with the population giving less value to the possession of material goods and more to experiencing services and life experiences. This will benefit businesses in industries such as online fashion renting, as it allows the consumer to experience more, without the burdens of possession.

### **3.2.3. Social**

Focus Portugal is much smaller than France, with approximately 10.2 million, compared to the 65.3 million (Population by Country (2022), n.d.). As touched on before, the first country has been facing some issues regarding inequality, poverty, unemployment and even a migration crisis in the younger population. France on the other hand, presents several issues regarding labor, with strikes and also high levels of unemployment. One positive factor they have in common is being a big destination for tourists.

Looking at the countries from a business perspective, it appears that both have good young talent, due to the quality of their educational systems and we can also find several incubators and projects to help entrepreneurs grow their business.

In addition to this, one important remark regarding France, is that Paris is considered very fashion forward, with a portion of the population very invested in brands and style. This way, there might be a more positive openness to new ideas in this industry involving more high-end fashion brands.

On the negative side, there has been a shift in the workplace environment in these countries, with more and more companies accepting more casual styles at the office, leading to a decrease in the demand for accessories such as ties. This phenomenon was additionally accelerated due to the covid restrictions which led to a big part of the society to work from home without the necessity of formal wear. Additionally, with the search for more equality of the gender composition in the labor market, the percentage of men has naturally decreased, which naturally also reduces the demand for ties, as they are the main buyer segment.

#### **3.2.4. Technological**

By studying the past, several examples can be found of companies who failed in specific markets by not giving the right value to factors such as the technological environment in the area. In particular, with the development and acceptance level of the population, this is, because the population was more advanced than expected or more retarded in their technological capabilities.

It is known that Ecommerce has been growing in many countries in the past years, and Portugal and France are no exceptions. This has allowed smaller businesses to reach new audiences and markets and present a better variety of products and services than before. Furthermore, it was estimated that the global retail e-commerce sales were of approximately 4.9 trillion USD and estimated to grow 50% in four years (Chevalier, 2022).

On the negative side, in Portugal in particular, several big national companies have suffered from threats from hackers in the last months, having some of their systems down. These data security issues are more and more a concern for firms as they are becoming more dependent on technology to maintain their business data, promotion and even sales. Moreover, they are also a concern to us consumers as our personal and private data can get hacked and stolen. Because of this, emerging companies need to be more and more cautious with their security and invest in proper systems for their business.

### **3.2.5. Environmental**

With the global impact that climate change has been having, several agreements and initiatives have been put into place to reduce emissions and waste, in particular in Europe, reinforcing the need for concerns for the environment.

These relate to companies by their corporate social responsibility cultures, with some being more active than others. As a business with sustainability as a core value, not many external environmental factors will condition the project, in particular because since the business does not involve production, it will not involve environmental standards and regulations as a production business would.

The studied markets present themselves in countries that have been active in this fight for the environment, in particular by being a part of the Paris Agreement, which is a legally binding treaty with strategies to limit global warming and emissions (The Paris Agreement, n.d.).

An additional factor is the growing level of consumer activism for environmental concerns, and even was found, in a recent publication, that during the pandemic, 40% of the general population would be more likely to change their buying behaviors (Consumers Expect Brands to Address Climate Change, 2021). With this shift in demand, there is currently a big opportunity for businesses which are more environmentally friendly to grow.

### **3.2.6. Legal**

In order to respect the existing legislation, in respect to the creation of companies, the Portuguese government has presented several sources of help, where individuals can inform themselves regarding the many different processes leading to the creation of the business. They provide guidance from the start, such as with financing, registering and permits, with managing the business, such as taxes, hiring, certifications and with closing the business, as in the case of bankruptcy (O Seu Negócio De a a Z, n.d.).

Concerning France, several sources were also found with information helpful to those studying the market for a business, in particular with the main characteristics of the country and comparing to other countries (Ease of Doing Business IN France, n.d.). By checking the same source for Portugal (Ease of Doing Business in Portugal, n.d.), it was also possible to further confirm the differences mentioned on the above topics.

### 3.3. Competitor Analysis

To study the competition, a research for online tie renting companies in Lisbon and Paris was conducted, while also focusing on the product’s characteristics, which in this case is focusing on more luxury and high-end branded ties and bowties.

When researching this in Lisbon, no companies were found doing this particular service. This way, the business description was opened to tie renting companies in general and to Portugal, instead of just Lisbon, and even with these broader categories, it was hard to find offers. This is explained by the current offer coming from more small-scale businesses spread throughout Portugal, that do not intend to have a major growth and because of this do not present a website or social media, being hard to find.

Concerning the French market, the same problems were observed. When searching for companies renting ties online, only one option appeared, Codressing, and it presented a slightly different strategy than what was desired, as everyone may choose to rent their belongings to others on this website. This way, it is not on the same line of business, but it can be the closest competitor. In addition, some small stores were found, as it happened in the Portuguese market, however, for these latest no websites were found.

From this research, a matrix was created to present the closest competitors in the market and summarize their characteristics:

**Table 3.1 – Competitors Matrix**

	<b>Bondyo</b>	<b>Fraques</b>	<b>Happy Hours</b>	<b>Codressing</b>
<b>Do they rent ties?</b>	Yes	Together with suits in a pack	Yes	If available
<b>Where do they rent from?</b>	Lisbon and Paris	Lisbon	Porto	Berlin
<b>Do they rent online?</b>	Yes	No	Complicated and must be picked up at the store	Yes
<b>Website?</b>	Advanced and easy to navigate	Very poor	Poor	Functional
<b>Delivery app renting?</b>	Yes	No	No	No
<b>Social Media?</b>	Yes	No	Instagram (very small)	Instagram, Facebook, others; average to small impact.
<b>Variety of ties?</b>	High	Not clear	Not clear	Low availability

Source: Author (Aluguer E Venda De Fraques, Smokings E Fatos, Lisboa, n.d.), (Aluguer Venda Casacas Fraques Smokings Fatos, n.d.), (Rent Designer Clothes and Accessories With a Purchase Option, n.d.).

From this analysis, we can clearly observe that there are no close competitors in any of the markets, as we only observe more traditional businesses with small stores, where the process of renting is exclusively at the physical store. Furthermore, our company stands out when compared to the three other mentions, with several advantages, such as the option to rent through the delivery app, the high variety, and its online presence.

Lastly, one important analysis with this research was also the competitors pricing, as this would massively influence the demand towards the business. However, none of them presented prices for ties online, either because they did not rent ties individually, they did not have any available or they did not present prices on the website. Due to this, it was chosen not to mention this point in the above table. However, when contacting the option of the last case mentioned, which was Happy Hours in Portugal, by phone, the store advised that the price of renting applied to all available ties was 7 € for a total of 4 days.



## 4. Internal Analysis

Having studied the factors external to the company, we have found that Bondyo appears to stand out from what is currently available on the market. However, we have also found that it is focused on a niche market, as the percentage of the population wearing this type of accessories has been decreasing. Thereof, it is essential to examine Bondyo’s internal components, from resources to assets and to capabilities, and assess the influence these will have on a sustainable future for the company.

### 4.1. VRIO Analysis

With the VRIO analysis it is easy to summarize and view the main resources and capabilities of the company, to understand which of them could better be a source of competitive advantage and to help to develop strategies for the company afterwards.

**Table 4.1** – VRIO framework of Bondyo

Resource/ Capability	Value	Rarity	Imitability	Organization	Abundance	Competitive Advantage
Ties	High	Low	High	High	High	No
Sustainable packaging	Medium	Low	High	Medium	High	No
Website renting	High	Medium/High	High	High	High	Medium
Delivery app renting	High	High	Medium	High	High	Yes

Source: Author

Starting with the items that the customers will rent, the ties, we can understand that naturally this resource is not rare, and it is easy to imitate, as many companies offer ties. Following the final product that arrives to the client, the packaging of the ties would also be a point in which that company would choose to invest, by utilizing more sustainable options for the packaging. Having stated this, we can also deduce that it won’t be a source of competitive advantage as it is also not rare and more and more companies are resorting to this type of packaging.

Moving to the type of business of the company, customers may choose to rent in two different ways. Starting with renting through the company's website, we found on the market research that, in both Portugal and France, it seems to be hard to find offers for renting ties online. This way, we may consider this as rare, even though it should be relatively easy to imitate. As this capability would also be organized to provide value to the company, it could be a source of temporary competitive advantage.

Lastly, the most innovative initiative of the business would be the possibility for clients to quickly rent the accessories through a delivery app on their mobile phone. Not only would this be very valuable, as well as it would be very rare, especially considering that the current competitors have very different strategies, not even offering online options yet. From this, we could conclude that this capability would be the company's main source of competitive advantage.

## 5. Competitive Analysis

From the previous chapters, we have found that Bondyo's strategy is quite unique to the market, being harder to compare to the current competitors. Due to this, in order to evaluate its competitiveness, it may be more helpful to highlight its main internal characteristics and the market trends that may affect the future success.

### 5.1. SWOT Analysis

Having explored both the external and internal factors, we can create a table to summarize them according to both the positive and negative perspectives, with the conclusions from the above studied topics and remaining analysis.

**Table 5.1** – SWOT Analysis of Bondyo

<b>Strengths</b>	<b>Weaknesses</b>
Great product depth (variety) Quality accessories Accessible pricing Fast and easy delivery options Values of sustainability	Small product range Very dependent on outsourcing
<b>Opportunities</b>	<b>Threats</b>
Search for sustainability Increased online shopping Increased spending in fashion Cufflinks Growing options of delivery apps	Changing fashion trends Competition

Source: Author

#### 5.1.1. Strengths

As a tie renting business, one of the biggest strengths of the company would be the wide variety of quality ties that would be available to the customer for a much more accessible price, when comparing to buying. In addition to this, it would present new and easier ways for the clients to

rent and receive the articles faster, in particular with the option of renting through the partner delivery app on mobile phones. On top of that, the company would be as sustainable as possible, with reusable packaging for example, which is a major strength at the current times, as it benefits the environment.

### **5.1.2. Weaknesses**

By focusing only on ties and bowties, the company does not present a wide range of different products, which consequently leads it to being more of a niche market and less attractive to the general population. In addition to this, by outsourcing the delivery and cleaning, two main activities, the company loses some control of the processes and has more risks.

### **5.1.3. Opportunities**

With the growing concern towards the environment, the company has the opportunity to be presented as a more sustainable option against the traditional models in place. Furthermore, we noted in our market analysis that the trend of online shopping has been growing, as well as spending in fashion. These are the two bases of this business, so an opportunity as well. From our market research an additional opportunity appears, with the demand for cufflinks, so perhaps in the future this can be a market to expand to. Lastly, in the past years, the supply side of delivery apps has been growing, allowing the partners to better choose what app most suits them and allowing them to have more power in negotiating the conditions.

### **5.1.4. Threats**

As analyzed previously, there has been a trend in companies to drop the formal attire requirement. This is a big threat since one of the main target segments consists of individuals who need to wear these accessories for professional reasons. In addition, this change also tends to influence fashion trends outside of the office, as less people will show these accessories being styled, decreasing the influence in the streets.

Lastly, as the strategy is not inimitable, there is still a possibility of competitors adopting the same strategy and stealing some of the market share. However, as we observed that in both markets the competitors are far behind in terms of online options, this should not be a big concern at the current moment.

## 5.2. Systemic SWOT

Following this analysis, by crossing the identified Strengths with the Opportunities and Threats, we are able to find new potential sources of profit and growth and to find possible strategies to combat the external threats, with our best capabilities.

By also crossing the Weaknesses with the opportunities, the company can attempt to minimize these factors by taking advantage of the opportunities of the market and lastly, by crossing them also with the threats, will reveal the projects future vulnerabilities, allowing that a strategy may start to be prepared to prevent and offset these risks.

**Table 5.2 – Systemic SWOT – Strengths & Opportunities**

Matrix A		Strengths				
		Great product depth	Quality accessories	Accessible pricing	Fast and easy delivery options	Values of sustainability
Opportunities	Search for sustainability	Offer ethical brands				Reusable and recyclable packaging
	Increased online shopping				Invest in a good website and delivery app partnership	
	Increased spending in fashion		Promote the ties on social media to gain customers			
	Cufflinks		Expand to the luxury cufflinks market			
	Growing options of delivery apps				Create good partnerships	

Source: Author

**Table 5.3 – Systemic SWOT – Strengths & Threats**

Matrix B		Strengths				
		Great product depth	Quality accessories	Accessible pricing	Fast and easy delivery options	Values of sustainability
Threats	Changing fashion trends	Present a variety of styles of ties, more and less formal, several brands	Market the ties as classic and timeless			Reusable and recyclable packaging
	Competition	Differentiate by presenting a high variety		Cost leadership	Differentiate by delivery app renting	

Source: Author

**Table 5.4 – Systemic SWOT – Weaknesses & Opportunities**

Matrix C		Weaknesses	
		Small product range	Very dependent on outsourcing
Opportunities	Search for sustainability		
	Increased online shopping		
	Increased spending in fashion		
	Cufflinks	Expand with cufflinks	
	Growing options of delivery apps		Create more than one partnership for delivery and cleaning

Source: Author

**Table 5.5 – Systemic SWOT – Weaknesses & Threats**

Matrix D		Weaknesses	
		Small product range	Very dependent on outsourcing
Threats	Changing fashion trends	Market the accessories as classic and timeless and expand the range according to the market demands	
	Competition		Negotiate exclusivity with the partners

Source: Author

By analyzing the resulting matrices, several new possible strategies were found, to strengthen the company's capabilities for the future. While some of these are relevant from the start of the establishment of the firm, some may have to be scheduled for a more long-term plan.

In addition, we found that some of the solutions that appeared, were actually already a part of the chosen strategy, proving that they are necessary and their probable future efficiency, such as utilizing the reusable and recyclable packaging, invest in a good website and delivery app partnership, promoting the ties on social media, creating good partnerships, and presenting a great variety of styles of ties for a cheaper price.

As per the strategies that can be beneficial to apply from the beginning, we had found some interest in the survey in relation to ethical brands, and this once again appeared as a solution. This way, the company can make the effort of identifying these options, both on the website and in the apps. Furthermore, in order to fight against the trends fluctuations in the fashion industry, it is crucial to market these accessories as classic and timeless, to offset the idea that ties are out of fashion. Lastly, in relation to the partnerships needed for the business, as a company very dependent on this outsourcing, it can reduce some risks if more than one partnership is established both for delivery and cleaning in each of the markets. In addition to this, if exclusivity is negotiated from the partners side, this is, if they were not to work with another possible competitor to this business, the company would have a bigger chance of maintaining its future market share. However, negotiating a one-sided exclusivity should be a difficult task, and having multiple partners would be more beneficial in case only one of the strategies is an option.

Moving towards the long-term planning, once again a finding of the questionnaire, appeared as a possible future direction for the company, this is, expanding the range of products according to the market demands, in particular, expanding into cufflinks.



## 6. Business Objectives

When creating a company, several objectives need to be established to guide the business to success, helping in deciding the initial strategy, or even helping to monitor progress and guide any needed interventions or changes in the strategy.

As per any other company, one of the most relevant ambitions is for it to be financially sustainable in the long term and retain its customers.

This way, the following main objectives were defined on the short-term to help guide the company to its main future objective:

- ❖ Get funds from Goparity or a similar program which supports innovation and entrepreneurship.
- ❖ Create a well-functioning website.
- ❖ Create solid partnerships with delivery apps.
- ❖ Build a trustworthy brand identity.
- ❖ Differentiate from the existing competitors with the value proposition
- ❖ Raise awareness to the current issues in the fashion industry.
- ❖ Change the attitude of people towards fashion renting and need of ownership.
- ❖ Create a community around the brand, where people feel comfortable to discuss their personal preferences and ask for styling suggestions.

By achieving the above-mentioned goals, the company would be able to establish itself on the chosen markets and attract customers and followers.



## 7. Development Strategy

From the knowledge obtained in the literature review, it was clear that the strategies chosen would be very important for the success of the company. We found that one of the main barriers for customers to rent from a business such as this one was related to fears of performance issues. This way, it is crucial to transmit security from this to the target customers. A starting point to this is deciding who and how Bondyo will serve, this is, who are the main targets and how the brand will position itself to serve them.

### 7.1. Segmentation, Targeting and Positioning

#### 7.1.1. Segmentation

Being a niche market, there are not many segments of individuals wearing this type of accessories. However, there are still some criteria that we can use to segment them. Naturally, the most clear variable for this business is gender, as a significant percentage of women do not wear them. We have found in the market research that women in the study were open to it, however we can infer that a significant percentage would not be a frequent user but more occasional.

Two other criteria which are somewhat connected are age and occupation/lifestyle. Here we can divide the occasional wearers, which may have a special occasion every now and then, from the frequent users who have these accessories as a part of their everyday style routinely, due to their profession. From the literature review, it was found that another variable is the individuals fashion consciousness. This is relevant as fashion functions around trends, and there will be individuals who may not need to wear these accessories for professional reasons but for personal style from the current trends.

Lastly, as the business will be established in two different markets, the nationality/place of residence will also be a segmenting criterion, which separate the Lisbon market from the Paris market. The below table summarizes the above-mentioned variables.

**Table 7.1** – Segmentation criteria

Criteria	Variable
Demographic	Gender Age Occupation Residency
Psychographic	Fashion consciousness

Source: Author

### 7.1.2. Targeting

After analyzing the above-mentioned characteristics of the segments, it was concluded that the biggest target of Bondyo will be the male individuals who frequently wear ties due to professional reasons mainly. Being located in two big city centers, this will be a big segment and most likely the segment which will deliver the most loyal customers.

Additionally, there other main target will be summarized as occasional wearers. These will be individuals which may wish to only rent a tie for specific occasions and will most likely not rent a higher quantity at once. This segment will provide Bondyo with significant profits in terms of quantity. This is, this segment will most likely have more customers, but the first target should have more returning customers.

### 7.1.3. Positioning

To attract the target segments, Bondyo differentiated itself from its competitors by designing the renting experience for the current needs of the fast-changing world. The customers will no longer need to leave their houses to rent the tie and may even receive it less than one hour. In addition, the company also differentiates itself by providing high-end and luxury ties at an accessible price, when comparing to buying them.

## 7.2. Marketing Mix

### 7.2.1. Product

The company will present a big variety of high quality, high end and luxury ties and bowties, which are delivered in reusable and recyclable packaging that would be also utilized to return

the items. In addition to this, there will be good customer support through the website and contacts, to allow the customers to feel more supported and comfortable to rent the items.

These accessories will be available to be rented by unit, by packs or subscription. Individual ties will be rented by day and there will be packs of 3, 5 or 10 ties to be rented by week. Lastly, there will also be available 4 different subscription plans, with two timeframes: weekly and monthly deliveries. Starting with the Monthly deliveries, we have the Starter and Classic plans. They will deliver 5 and 10 ties respectively per month and have a minimum of 4 and 3 months trial period, respectively. The Classic plan will receive a small surprise gift per month and have the guarantee that two of the ties received will be from a top luxury brand, while the Starter plan will only have the guarantee of one. On the weekly side, the Premium plan will have a 3 month minimum trial period, with 3 ties per week and the guarantee that one is a top luxury tie, with the addition of a small surprise gift per month. Lastly, the Elite plan delivers 5 ties, with 2 of them being top luxury, one small surprise gift per week and an additional special surprise gift per month, with a 1 month trial period.

### **7.2.2. Price**

To calculate the price strategy for the company, the competitor's price of 7 € per 4 days (translating into 1,75 € per day) was considered. In addition, the results from the surveys were also taken into consideration, as in a value-based pricing strategy. The delivery cost was not included in the prices below, as these will vary according to the location of the customer and type of renting.

In relation to the packs and subscription plans, there was no market value to follow or other data. This way, the Bondyo's strategy is to have a lower unit price when renting more quantity during more time, however, making the subscription plan's pricing more attractive, as with the minimum trial periods, they will bring more revenues and stability to the company.

Lastly, as in Paris the population has more purchasing power, due to the higher incomes, the price here is higher, to also balance the higher costs that the company will have. As Bondyo's strategy is focused on differentiation, the beneficial factors it brings to the customer will balance out the slightly higher price. The following tables present the pricing for each of the renting options mentioned above.

**Table 7.2** – Pricing for renting by unit and by pack

	<b>Top Luxury</b>	<b>Luxury</b>	<b>High-end</b>	<b>Accessible</b>
<b>Unit price in Lisbon /per day</b>	6 €	4 €	2 €	1 €
<b>Unit price in Paris /per day</b>	8 €	6 €	3 €	2 €
<b>Pack of 5 price in Lisbon /per week</b>	100 €	75 €	50 €	35 €
<b>Pack of 5 price in Paris /per week</b>	120 €	90 €	65 €	50 €
<b>Pack of 10 price in Lisbon /per week</b>	150 €	115 €	80 €	55 €
<b>Pack of 10 price in Paris /per week</b>	180 €	140 €	100 €	70 €

Source: Author

**Table 7.3** – Pricing for renting by subscription plan

	<b>Starter</b>	<b>Classic</b>	<b>Premium</b>	<b>Elite</b>
<b>Delivery</b>	Monthly	Monthly	Weekly	Weekly
<b>Number of ties per delivery</b>	5	10	3	5
<b>Minimum trial</b>	4	3	3	5
<b>Top Luxury ties guaranteed per delivery</b>	1	2	1	2
<b>Small surprise gifts /month</b>	-	1	1	4
<b>Special Surprise gift /month</b>	-	-	-	1
<b>Price /month Lisbon</b>	50 €	75 €	125 €	150 €
<b>Price /month Paris</b>	65 €	95 €	150 €	180 €

Source: Author

### 7.2.3. Place

Customers will be able to rent their accessories through two different paths, the website, and the delivery apps. Starting with the website, individuals will be able to access it either through their computer or their mobile phone. In relation to the delivery apps, as the first step, the clients will have to install one of our partners on their phone, which will be free. They may then create an account and find the store, where they can rent at their desire like on the website but benefiting from the fast delivery.

While renting through the website will be initially available to all continental Portugal and the city of Paris, renting through the app will only be possible in Lisbon and Paris. Once the company is established and working sustainably with profits for a significant period a time, there will be the possibility to expand this both in terms of the deliveries through the website to all of France, but also to have delivery partners in other cities such as Porto.

#### 7.2.4. Promotion

As an innovative project, it is expected that a lot of effort will have to be put on the promotion strategy, as the company will have to reach individuals in order to attract potential customers and later retain them.

Starting with the first objective of creating awareness to the business, a list of communication goals was created:

- ❖ Raise awareness to fashion issues, such as overproduction and constant disposal of clothes.
- ❖ Show the benefits of renting fashion accessories.
- ❖ Change the attitude of individuals towards fashion renting, showing how we can solve their worries.
- ❖ Show the company's values of sustainability and mission and vision.
- ❖ Show the quality and variety of the inventory.
- ❖ Show the advantages of renting from the company, how fast, easy, and cheap it can be.

In relation to the long-term objective of growing and retaining the existing customers, it would be important to build trust and a sense of community with the customers, where they trust the firm to help them with any possible issue, to the point where they became representatives of the brand by sharing about it to others. Here the company would massively benefit with word-of-mouth promotion from the best source there is, its clients.

To then achieve these goals and objectives, several channels were chosen to promote them. Starting with the most important, the website, it would be very important to invest on it, as not only it would be the heart of the company but also one of the selling points. Here besides the pages for the accessories renting, it would be important to also present information regarding all of the above points, as this is where we want our community to come to inform themselves, to clear any doubts and fears they may have in renting fashion and to join the search for more sustainable options.

Focusing on social media, the project will have a page on Instagram, TikTok and LinkedIn. As Instagram is currently one of the most popular apps in the world, it will help to generate awareness and engage with the community. It is a very inclusive app, as it attracts a significant range of ages and individuals from very different life stages.

As per the last two apps, they will reach two possibly very different customer segments. Starting with LinkedIn, there would be no better app to reach the "businessmen" target than

this. Furthermore, not only would it reach the main target, but it is also an app where individuals share ideas and projects that they believe in and support, creating more word-of-mouth marketing. Lastly, TikTok has been exponentially growing lately, being a great option for niche markets such as this. While currently it attracts younger consumers, thinking in the long term, its audience will age and it may become a great promotion channel, more focused on the packaging of the orders, knot guides or fashion tips, for example. In addition to this, small campaigns on these apps will target schools closer to prom nights and word-of-mouth will be useful to attract individuals going to weddings.

As described, the company is confident in that the value it delivers would reach and attract customers, with a lot of effort but not many expenses. While the social media will be the main space to spread awareness of the above mentioned points, word-of-mouth will be very beneficial to gain clients and retain them. However, if the strategy ends-up not working, the company will have to invest more in marketing to reach its audiences, in particular, in paid advertisement, which can be on the mentioned social media and Google, and delivers more measurable results, while also allowing to better target the specific chosen segments mentioned above.

#### **7.2.5. Process**

To help customers trust the company and fight the risks found in the literature review, it is important to define a clear set of systems to deliver and return the accessories in an efficient and consistent way. Starting with choosing the items, the customer may proceed through the website, or the delivery app and the payment will be done at that moment. The client must choose the number of days or weeks when renting. Later the items will be received cleaned and ready to wear.

After enjoying them, the customer will repack them in the original package received and either send them back with the prepaid shipping label received or if renting through the app, will have them picked up. For this last option, when renting, the client will have to choose a two-hour period on the day of returning the items, for the drivers of the app to pick it up.

To prevent future problems with the returning section of the process, Bondyo will send a reminder the day before the returning date, present clear terms and conditions and enforce a late fee, this is, in case of missing the returning date, the customer will be charged an extra 20 % of the total charged value for every day it is late.



### 7.3. Business Model Canvas

To summarize and join all of the above-mentioned points into a business model, the Canvas framework was used. This allows us to visualize all the different sections of the future organization and build the value proposition. Additionally, it analyzes the areas of the business that had not been studied until this point and from this, allows us to fill in the gaps in the existing strategies, reducing the risk of failure. Furthermore, there was a crossing of the strategy with the barriers to online fashion renting found in the literature review.

**Table 7.4 – Business Model Canvas of Bondyo**

Key Partners	Key Activities	Value Propositions	Customer Relationships	Customer Segments
<ul style="list-style-type: none"> <li>❖ Packaging supplier</li> <li>❖ Cleaning companies</li> <li>❖ Delivery companies</li> </ul>	<ul style="list-style-type: none"> <li>❖ Renting</li> <li>❖ Maintain website</li> <li>❖ Marketing</li> <li>❖ Customer relationship management</li> </ul>	<ul style="list-style-type: none"> <li>❖ Brand</li> <li>❖ Status</li> <li>❖ Luxury</li> <li>❖ Cost reduction</li> <li>❖ Convenience</li> <li>❖ Accessibility</li> <li>❖ Fast</li> <li>❖ Sustainable</li> </ul>	<ul style="list-style-type: none"> <li>❖ Self-service</li> <li>❖ Community</li> <li>❖ Customer relationship management and support</li> </ul>	<ul style="list-style-type: none"> <li>❖ “The businessman” type individuals</li> <li>❖ Occasional clients</li> </ul>
	<p><b>Key Resources</b></p> <ul style="list-style-type: none"> <li>❖ Ties, packaging, gifts, storage rooms</li> <li>❖ Team</li> <li>❖ Partners</li> <li>❖ Funds</li> </ul>		<p><b>Channels</b></p> <ul style="list-style-type: none"> <li>❖ Website</li> <li>❖ Delivery apps</li> <li>❖ Social media</li> <li>❖ Word-of-mouth</li> </ul>	
<p><b>Cost Structure</b></p> <ul style="list-style-type: none"> <li>❖ Inventory and storage</li> <li>❖ Cleaning partnership</li> <li>❖ Staff</li> </ul>		<p><b>Revenue Streams</b></p> <ul style="list-style-type: none"> <li>❖ Renting by unit</li> <li>❖ Renting by pack</li> <li>❖ Renting by subscription plan</li> </ul>		

Source: Author

#### 7.3.1. Value Proposition

The company brings value to the customer through brand and status, as wearing a luxury branded tie can signify wealth, as well as through cost reduction, since the customer will not only be saving on the price of the tie, but also on the maintenance costs, such as cleaning and washing and lastly saving on space to storage the items. Additionally, they will benefit from the convenience of the business and from accessibility, as not only the accessories can be home delivered but the consumers will be having fast access to luxury brands for a cheaper price, when compared to actually buying them. Naturally, another valuable dimension of the business is being more sustainable.

### **7.3.2. Customer Segments**

As a B2C business model, the company would target two main niche market segments:

- ❖ “The businessman” type individuals: high and middle class, that wear ties more often, maybe every day for professional reasons.
- ❖ Occasional clients: renting for a specific event (wedding, prom...).

### **7.3.3. Customer Relationships**

According to the different customer segments, different types of relationships will be established. In general, the renting process is in nature self-service, as the customer chooses the desired items online. This allows the company to acquire more customers at the same time, as there is no limitation for checkout and no waiting time for the purchase to happen. To attract more clients and boost sales, social media channels are used to connect to the community.

Focusing on the barriers from the risks that the clients may face when considering renting, Bondyo has defined a clear communication strategy to ensure that the audience is confident on the quality, hygiene and performance of the items. Furthermore, to offset the need of ownership or other negative feelings, either from the client or from others, the company focuses on highlighting the advantages of this type of consumption, in particular the variety of accessories and the advantages for the environment. Building a community around the brand will also balance the social risk, by connecting the customers to individuals who share this consumption as a similarity, even allowing networking between them.

Lastly, in addition to attracting, it is very important to have a good customer retention rate. From the segments we can understand that one of our targets consists of occasional clients, however, this does not apply to the other mentioned target. This way, it is important to have strategies to keep these customers satisfied, which is achieved with the help of good customer relationship management and particular sales strategies, such as the subscription plan.

### **7.3.4. Channels**

To communicate and reach the customer in general, the company would have its website, as a direct channel and, as indirect, the partner delivery apps and social media. Analyzing the company by the different phases of contact with the possible buyer, we can determine that the

company would mainly use social media and word-of-mouth to raise awareness to its business, presenting clear and relevant information so that the customers could properly start to evaluate it. To end this process and follow with the purchase, the buyers could process on the app or website and have the accessories delivered to them. In addition to this, the company provides customer support and assistance, both before and after sales through the available contacts on the website and social media.

### **7.3.5. Key Partners**

For strategic reasons, the company would outsource several of the processes for this business. Starting with the ties and packaging, it would develop some buyer-supplier partnerships to assure reliable supplies, for the packaging and some of the gifts, per example.

As per the delivery and maintenance and cleaning of the accessories, partnerships would be developed with a cleaning companies and delivery companies, being considered strategic alliances between non-competitors.

On a long-term perspective, once economically viable and necessary, the company will most likely also outsource other areas such as legal and accounting.

### **7.3.6. Key Activities**

To guarantee the proper service to the customers, the company must initially invest in an inventory, and quality suppliers as there will be a need to keep investing in this, both for the ties and for the packaging. In addition to this, it needs to create and grow partnerships for successful relations in the long term. From this, the main activity of the firm is renting ties, through the website, that must be developed and maintained, and delivery app. Bondyo will present several renting options, from renting by unit, to packs, to subscription plans. Lastly, some other important activities of the company are the marketing and customer relationship management.

### **7.3.7. Key Resources**

We may divide the resources into various categories for easier comprehension. Starting with the main physical resources, the company would have the inventory of the ties, the gifts, merchandise and packaging, and the storage rooms. As an online business, the human resources

of the company would be contained in a smaller team and on the partner companies, which also add to the resources for their intellectual dimensions, with know-how in delivering and cleaning the items. Lastly, the company will need funds, financial resources, to invest in the inventory, storage and staff to be able to start the business.

### **7.3.8. Cost Structure**

Being a value driven company, focused on delivering a high-quality service to the client, it is still important to carefully plan the cost structure of the business to ensure its long-term success. This way, the main costs would be associated with the inventory and storage, partnerships for the cleaning and staff costs. When creating the company, there will also be some one time fees but not very significant and the cost of the website development. In the long term, some additional costs may appear such as marketing, legal and other outsourcing.

### **7.3.9. Revenue streams**

Bondyo's business model is focused on renting ties, by unit or by pack. In addition to this, another stream of revenue that the company presents are the renting subscription plans, where the customer will receive a weekly or monthly delivery in exchange for a fee.

## 8. Implementation Policies

To start creating the necessary steps, policies, and plans for the implementation of the company, it is necessary to first define what is Bondyo's brand identity and design, and general characteristics. From here, it will then be possible to decide on the concrete steps, find the implementation requirements and develop the project planning schedule.

### 8.1. The Brand: Logo and Identity



**Figure 8.1** – Logo of Bondyo

Source: Author

Bondyo's mission is to provide the best variety of ties and bowties in a sustainable way and make this luxury accessible to everyone. The vision is to be the number one rental store of ties and bowties worldwide. The main company's core values relate to sustainability, equality, trust and reliability. This way, the colors for the brand design and logo were chosen to represent this. In particular, the dark blue to symbolize integrity, confidence, stability, trust, security, and the white to represent simplicity and cleanliness.

### 8.2. Organization

#### 8.2.1. Human Resources

By entering two different markets, two local teams will have to be established. These will be responsible for the daily tasks of the logistics side, with packaging, cleaning, delivery organization, between others. Considering that it would be possible to rent from 7am to 11pm, there would be a 16-hour period per day. This way, at the start, each team would require two employees, growing to three in the later years, when the revenues allowed it. The Lisbon team will be joined by the founder, who will be responsible for the “back office” responsibilities of the company and making sure that the business is running smoothly and will be one of the employees to save resources in the first years of the business. This will involve negotiations for partnerships, marketing, human resources, and accounting.

### **8.2.2. Infrastructures**

By being designed as an ecommerce business, there would not be a need for a physical store, however it would still be necessary to have a small space in each of the locations for the storage and management of inventory and a small office space. These spaces would preferably be located in the city centers for the delivery, to the customers, to be faster and cheaper. In addition, it will probably also be closer to the possible cleaning service partners.

Starting with Lisbon, from research on popular renting websites, it was possible to observe that a good space for the business could be found for between 200 and 350€ of rent per month. As per Paris, higher rents were expected and found, with an estimation between 700 and 1500€ of rent. For the first years of the company, it would be possible to save on the location in Lisbon as the business can be run from the house of the creator of the company. However, once it starts to grow, more space will be need and it will eventually be more practical to change locations to a separate place.

### **8.2.3. Inventory**

From the results of the market analysis, it was concluded that the demand was more directed towards the high-end brands of accessories. As a startup, the objective is to start with a reasonable inventory, however this would be expanded according to the growing demand and further possibilities of the company. This way, when investing in the inventory for the beginning of the company, a selection of brands would need to be chosen to better match the desired criteria.

For each of the locations an initial goal of 300 ties and bowties was defined with 20% being of top luxury brands, 25% of luxury brands, 25% high-end and the remaining 30% more accessible. In the selection, it was also important to offer options of brands known for being more ethical and sustainable. Taking all of these into consideration, the following list of brands was elaborated, with the associated estimated average cost for the ties and bowties on the brands store.

**Table 8.2** – Estimated average costs for ties and bowties on the brands store and division by classes

Top Luxury		Luxury		Accessible	
Brand	Average Price	Brand	Average Price	Brand	Average Price
Turnbull & Asser	240 €	Ralph Lauren	160 €	Calvin Klein	50 €
Brioni	240 €	Burberry	160 €	Massimo Dutti	40 €
Kiton	230 €	Giorgio Armani	150 €	Lion of Porches	35 €
Prada	220 €	Dolce & Gabbana	140 €	Mr. Blue	25 €
Tom Ford	200 €	<b>High-end</b>		Zara	23 €
Gucci	200 €	<b>Brand</b>	<b>Average Price</b>	Giovanni Galli	20 €
Dior	200 €	Vivienne Westwood	90 €	Suits Inc	15 €
Hermès	200 €	Hugo Boss	70 €	C&A	15 €
Louis Vuitton	200 €	Tommy Hilfiger	65 €	Sfera	13 €
Fendi	200 €	Sacoor	60 €	H&M	10 €

Source: Author (Royal Warrant Shirtmakers | Jermyn Street Shirts, n.d.), (Brioni, n.d.), (Kiton Europe: Official Website and Online Shopping, n.d.), (Prada Portugal, n.d.), (Tom Ford Online Store, n.d.), (Gucci, n.d.), (Dior Official Website | DIOR, n.d.), (hermes.com, n.d.), (LOUIS VUITTON - Official International Website, n.d.), (Fendi, n.d.), (Ralph Lauren PT, n.d.), (Burberry, n.d.), (Armani Official Website, n.d.), (Clothing for Men & Women | Dolce&Gabbana Online Store, n.d.), (Vivienne Westwood® Official Store | Clothing & Accessories, n.d.), (BOSS Homem | Moda Masculina, n.d.), (Tommy Hilfiger, n.d.), (Sacoor Brothers | Outono-Inverno, n.d.), (Calvin Klein Portugal, n.d.), (Massimo Dutti Homem, n.d.), (LION OF PORCHES | Online Store, n.d.), (Mr. Blue | Loja Online De Moda Masculina, n.d.), (Zara Portugal, n.d.), (Giovanni Galli Homepage, n.d.), (Men's and Children's Fashion | New Autumn Winter 2022 Collection, n.d.), (Fashion and Clothing to Feel Good | C&a Online Shop, n.d.), (Home - SPERA, n.d.), (H&M - Moda, n.d.).

As several of these brands have frequent discount periods, we would take advantage of those and buy the inventory at a cheaper price. This way, to achieve the desired number of ties for the opening of the company, according to the above-mentioned strategy, by using an average

value for the combination of brands of each category, we estimate that the total value would be of approximately 32 000 €, and assuming an average discount of 15%, it would cost approximately 27 200 € for location.

In addition to the accessories, the company also needs to stock up on packaging and other small details, such as the gifts and thank you cards. Starting with the boxes, by searching the market, we assume a 0.60 € per box, as an average for the smaller (one tie) and bigger boxes (packs and subscriptions).

As per the small gifts, the company can offer per example, small samples of selfcare products, some sweets, small reusable instruments such as straws and food wrappers, to promote sustainability and branded merchandize such as keychains, pens, and small notebooks. For the bigger gifts, there would be bigger versions of some of the above-mentioned options, but also some small accessories such as tie clips, lapel pins and pocket squares.

Joining all these smaller costs, a budget of 2 800 € per location was decided for the starting years. This budget will also include some other office supplies expenses. An additional 30 000 € would be scheduled for an additional investment in the accessories when the demand would require it.

#### **8.2.4. External Services and Suppliers**

The first big investment of the company will be on the development of the website, as we have seen that this will be a very relevant point to stand out from the competition. This way, Bondyo will outsource this task, hiring a developer to create it, with an estimated budget of 4 000€ and an expected timeframe of 3 months.

Focusing on the business model, one essential partner for the functioning of the company will be the cleaning company. As a way to protect the company from risk, the goal is to develop two partnerships for each location. Starting with Lisbon, several options have been found, such as *5àsec*, *Fixo*, *Fast Laundry*, *PasseAqui*, *Click n' Clean*, just to name a few. Some of them presented unit prices for a tie, which were around 2 euros, while others only disclosed prices by weight. Regarding Paris, some options were also found, such as, *Laverie Privee*, *Laverie Campagne Première*, and others, however several were self-service laundry, which is not desired. Here Bondyo will benefit from the help of the recruited employees in Paris, as they may be able to find better options. Focusing on pricing, it appeared to be very similar to what was found in Lisbon, so the strategy in both locations would be to negotiate with the companies to achieve either a lower unit price or low fixed monthly value by offering significant quantities.



Lastly, the most important partnerships will be with the Delivery companies. Both countries seem to have two big players. Starting with Portugal, the main options are Uber Eats and Glovo. Moving to Paris, we can also find Uber Eats, as well as Deliveroo. There are, however, more companies growing in both cities, but Uber Eats in particular, could be a great starting point for the partnerships, as once the model for renting was designed, it could be used in both cities. Then researching how to become a partner, on Uber Eats per example, it was found that the process should take just a few days and the company will pay two types of costs: an activation fee and a service tax per delivery. These values are however not clear. From the research we will estimate them to be around 350 €. One last important remark is that these apps work with a purchase-based business model and so, it would take more time to negotiate with them and adapt the system to allow renting.

### 8.3. Implementation Requirements and Schedule

To summarize and organized the steps previously described for the implementation of Bondyo, the following table and Gant Chart were created with the tasks, planned schedule and requirements. A margin of one month will be considered, after the launch, for any processes that may have delayed and for the company to start working smoothly, bringing the planned schedule to 4 months.

**Table 8.3** – Implementation summary

Task Name	Start Date	End Date	Days	Budgeted Cost
Fundraising 40 000 €	02/01/2022	03/04/2022	90	-
Website Development	03/01/2022	31/03/2022	87	4 000 €
Buying inventory	03/01/2022	31/03/2022	87	60 000 €
Creating partnerships with the cleaning companies	01/02/2022	15/02/2022	14	-
Legal creation of the company	01/02/2022	01/03/2022	28	435 €
Creating partnerships with the delivery apps	01/02/2022	15/03/2022	42	700 €
Finding the storage space	01/02/2022	15/03/2022	42	1 200 € /month
Creating the Social Media and initial content preparation	15/02/2022	15/03/2022	28	-
Hiring the team	01/02/2022	15/03/2022	42	1 700 € /month * 2 800 € /month * 2
Team training	15/03/2022	31/03/2022	16	-
Official launch of the business	01/04/2022			-

Source: Author

**Table 8.4 – Gant Chart for the Implementation**

Tasks	January	February	March	April	May
Fundraising 40 000 €					
Website Development					
Buying inventory					
Creating partnerships with the cleaning companies					
Legal creation of the company					
Creating partnerships with the delivery apps					
Finding the storage space					
Creating the Social Media and initial content preparation					
Hiring the team					
Team training					
Official launch of the business					

Source: Author

## 9. Financial Evaluation

The objective of the Financial Evaluation is to convert the information established above into numbers and understand if Bondyo will be financially sustainable and if it will bring significant monetary value.

### 9.1. Assumptions

The start-up capital for the project will consist of 40 000 € of investment from the founder and 40 000 € raised with Goparity or a similar program. To proceed with the evaluation, it was assumed that the mentioned value was successfully raised. Bondyo is planned to start in April of 2023 and a timeframe of 5 years will be used for the calculations. For easier calculations, no inflation was considered. For this evaluation, a template from IAPMEI was utilized. Naturally, as a renting business model, Bondyo has more variables to forecast than a business that sells products. Because of this, it was necessary to estimate some averages, such as time of renting and average price. The following table shows these values. Additionally, the period of renting was also estimated for the subscription plans, as well as the demand for all of the options. As such an innovative idea, there is no real benchmark for the demand, so the values also represent the company's ambitions.

**Table 9.1** – Estimated renting variables

Lisbon		Paris	
Average unit price per day	3,25 €	Average unit price per day	4,75 €
Estimated average time in days	3	Estimated average time in days	3
Average total price	9,75 €	Average total price	14,25 €
Average Pack of 5 price per week	65,00 €	Average Pack of 5 price per week	81,25 €
Estimated average time in weeks	2	Estimated average time in weeks	2
Average total price	130,00 €	Average total price	162,50 €
Average Pack of 10 price per week	100,00 €	Average Pack of 10 price per week	122,50 €
Estimated average time in weeks	4	Estimated average time in weeks	4
Average total price	400,00 €	Average total price	490,00 €
Starter subscription plan price per month	50,00 €	Starter subscription plan price per month	65,00 €
Classic subscription plan price per month	75,00 €	Classic subscription plan price per month	95,00 €
Premium subscription plan price per month	125,00 €	Premium subscription plan price per month	150,00 €
Elite subscription plan price per month	150,00 €	Elite subscription plan price per month	180,00 €

Source: Author

Further to above, it was also estimated that in the beginning of the project it would be easier to attract individuals to renting by unit but with the brand growth, the subscriptions plan's

demand would grow significantly, while the packs would be the options with less demand. Additionally, from the PESTLE analysis, it was also taken into consideration that the demand in Paris would be sometimes greater than the demand in Lisbon. Finally, the perpetuity growth rate considered was 3%.

## 9.2. Income Statement

Table 9.2 – Income Statement

Income Statement	2023	2024	2025	2026	2027	2028
Sales and Services	61 745 €	103 558 €	122 484 €	147 237 €	176 783 €	202 712 €
External Services and Supplies	- 10 400 €	- 15 600 €	- 15 600 €	- 15 600 €	- 15 600 €	- 15 600 €
Personnel Expenses	- 58 252 €	- 87 378 €	- 117 086 €	- 117 086 €	- 117 086 €	- 131 066 €
<b>EBITDA</b>	- 6 907 €	580 €	- 10 202 €	14 552 €	44 097 €	56 045 €
Amortizations and Depreciations	- 4 230 €	- 6 345 €	- 6 345 €	- 6 345 €	- 9 345 €	- 9 345 €
<b>EBIT</b>	- 11 137 €	- 5 765 €	- 16 547 €	8 206 €	34 752 €	46 700 €
Interest	- 1 664 €	- 1 664 €	- 1 664 €	- 1 664 €	- 1 456 €	- 1 248 €
<b>EBT (Earnings before taxes)</b>	- 12 801 €	- 7 429 €	- 18 211 €	6 542 €	33 296 €	45 452 €
Interest	- €	- €	- €	442 €	- 2 247 €	- 7 852 €
IRC	- €	- €	- €	412 €	- 2 098 €	- 7 328 €
Others	- €	- €	- €	29 €	- 150 €	- 523 €
<b>Net Earnings</b>	- 12 801 €	- 7 429 €	- 18 211 €	6 101 €	31 048 €	37 600 €

Source: Author

## 9.3. Cash Flow Statement

Table 9.3 – Cash Flow Statement

Cash Flow Statement	2023	2024	2025	2026	2027	2028
<b>Cash Flow From Operations</b>	11 171 €	6 436 €	- 8 619 €	14 191 €	47 864 €	50 178 €
<b>Inflow</b>						
Customers	75 946 €	127 376 €	150 655 €	181 102 €	217 443 €	249 335 €
EOEP	- €	3 117 €	- €	- €	- €	- €
<b>Outflow</b>						
Suppliers	11 167 €	19 106 €	19 106 €	19 106 €	19 106 €	19 106 €
Personnel Expenses	35 000 €	52 500 €	70 350 €	70 350 €	70 350 €	78 750 €
IRC	- €	- €	- €	442 €	2 247 €	7 852 €
IRS	5 500 €	10 500 €	13 560 €	14 070 €	14 070 €	15 510 €
IVA	- €	16 927 €	23 939 €	29 409 €	30 271 €	40 973 €
TSU	12 742 €	24 325 €	31 414 €	32 596 €	32 596 €	35 932 €
FCT	367 €	700 €	904 €	938 €	938 €	1 034 €
<b>Cash Flow From Financing</b>	78 336 €	- 1 664 €	- 1 664 €	- 6 664 €	- 6 456 €	- 6 248 €
<b>Inflow</b>						
Capital	40 000 €	- €	- €	- €	- €	- €
Loan	40 000 €	- €	- €	- €	- €	- €
<b>Outflow</b>						
Loan Payments	- €	- €	- €	5 000 €	5 000 €	5 000 €
Interest and others	1 664 €	1 664 €	1 664 €	1 664 €	1 456 €	1 248 €
<b>Cash Flow From Investing</b>	- 80 116 €	- €	- €	- €	- 36 900 €	- €
<b>Inflow</b>						
<b>Outflow</b>						
Fixed Assets	80 116 €	- €	- €	- €	36 900 €	- €
<b>Opening Cash Balance</b>	- €	9 391 €	14 162 €	3 880 €	11 407 €	15 915 €
<b>Closing Cash Balance</b>	9 391 €	14 162 €	3 880 €	11 407 €	15 915 €	59 845 €

Source: Author

## 9.4. Balance Sheet

Table 9.4 – Balance Sheet

<b>Balance Sheet</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>
<b>Assets</b>						
<b>Non current Assets</b>						
Tangible fixed assets	56 000 €	50 000 €	44 000 €	38 000 €	59 000 €	50 000 €
Intangible assets	4 905 €	4 559 €	4 214 €	3 869 €	3 523 €	3 178 €
Others	432 €	1 079 €	1 947 €	2 814 €	3 682 €	4 653 €
<b>Current Assets</b>						
Accounts Receivable	3 117 €					
Cash and Cash Equivalents	9 391 €	14 162 €	3 880 €	11 407 €	15 915 €	59 845 €
<b>Total Assets</b>	<b>73 844 €</b>	<b>69 801 €</b>	<b>54 040 €</b>	<b>56 090 €</b>	<b>82 121 €</b>	<b>117 677 €</b>
<b>Equity</b>						
Paid-in Capital	40 000 €	40 000 €	40 000 €	40 000 €	40 000 €	40 000 €
Transited Results	- €	- 12 801 €	- 20 230 €	- 38 441 €	- 32 341 €	- 1 292 €
Net Earnings	- 12 801 €	- 7 429 €	- 18 211 €	6 101 €	31 048 €	37 600 €
<b>Total Equity</b>	<b>27 199 €</b>	<b>19 770 €</b>	<b>1 559 €</b>	<b>7 659 €</b>	<b>38 708 €</b>	<b>76 308 €</b>
<b>Liabilities</b>						
<b>Non current Liabilities</b>						
Loans	40 000 €	40 000 €	35 000 €	30 000 €	25 000 €	25 000 €
<b>Current Liabilities</b>						
Suppliers	1 570 €	1 570 €	1 570 €	1 570 €	1 570 €	1 570 €
Accounts Payable	5 075 €	8 460 €	10 911 €	11 860 €	11 843 €	14 799 €
Others	- €	- €	5 000 €	5 000 €	5 000 €	- €
<b>Total Liabilities</b>	<b>46 645 €</b>	<b>50 031 €</b>	<b>52 482 €</b>	<b>48 431 €</b>	<b>43 413 €</b>	<b>41 369 €</b>
<b>Total Liabilities and Equity</b>	<b>73 844 €</b>	<b>69 801 €</b>	<b>54 040 €</b>	<b>56 090 €</b>	<b>82 121 €</b>	<b>117 677 €</b>

Source: Author

## 9.5. Break-Even Sales Level

Table 9.5 – Break-Even Sales Level

<b>Sales Break-Even Level</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>
Total Fixed Costs	56 667 €	85 000 €	108 800 €	108 800 €	108 800 €	120 000 €
Total Variable Costs	11 985 €	17 978 €	23 886 €	- 5 823 €	23 886 €	12 686 €
Total Fixed and Variable Costs	68 652 €	102 978 €	132 686 €	102 978 €	132 686 €	132 686 €
Annual Sales	61 745 €	103 558 €	122 484 €	147 237 €	176 783 €	202 712 €
Break-even Point	70 315 €	102 856 €	135 157 €	104 661 €	125 797 €	128 011 €
Security Margin	- 8 570 €	702 €	- 12 674 €	42 576 €	50 986 €	74 701 €

Source: Author

## 9.6. Break-Even Analysis

Table 9.6 – Net Present Value After Financing

<b>NPV After Financing</b>	
NPV	438 708 €
IRR	65,84%
Payback Period	5,10

Source: Author

## 9.7. Sensitivity Analysis

From the above calculations, it was found that the demand had a major influence on the viability of the business. Because of this, it was relevant to evaluate it according to fluctuations in the demand. This way, four additional scenarios were studied: a 5% and 10% decrease in the demand of all renting options individually and per year (when they were estimated above 5%), and a 5% and 10% increase. The following tables present the resulting net present values after financing.

**Table 9.7** – Net Present Value with a demand decrease and increase of 5 % and 10 %

<b>NPV After Financing -5%</b>		<b>NPV After Financing -10%</b>	
NPV	81 435 €	NPV	- 226 342 €
IRR	27,06%	IRR	-
Payback Period	5,54	Payback Period	-
<b>NPV After Financing +5%</b>		<b>NPV After Financing +10%</b>	
NPV	804 521 €	NPV	1 267 913 €
IRR	88,91%	IRR	109,29%
Payback Period	5,0	Payback Period	4,2

Source: Author

## 9.8. Conclusions

From the obtained net present values, we can consider that Bondyo has a positive net present value, and it is significantly higher than zero. This way, under the defined strategies, the business is viable and will remain viable even if there are shifts in the estimated demand. It should be noted that if the demand starts dropping every year on all renting options to closer to 10%, the business will no longer be viable. Targeting a niche market, the differentiation strategy has already been defined to focus on positioning the company to prevent this and obtain a good market share.

While this project may not completely change the world and it is hard to estimate the demand and revenues due to being such a different business from the already existing ones, it does have a great potential for profits, having small costs, which are mainly related to employees and the ties.

## References

### Books and Articles

- Arrigo, E. (2021). Collaborative consumption in the fashion industry: A systematic literature review and conceptual framework. *Journal of Cleaner Production*, 325, 129261. <https://doi.org/10.1016/j.jclepro.2021.129261>
- dal Mas, F., Massaro, M., Paoloni, P., & Kianto, A. (2021). Translating knowledge in new entrepreneurial ventures: the role of business plan development. *VINE Journal of Information and Knowledge Management Systems*. <https://doi.org/10.1108/vjikms-04-2021-0060>
- Friend, G., & Zehle, S. (2009). *Guide to Business Planning* (2nd ed.). Bloomberg Press.
- Gast, J., Gundolf, K., & Cesinger, B. (2017). Doing business in a green way: A systematic review of the ecological sustainability entrepreneurship literature and future research directions. *Journal of Cleaner Production*, 147, 44–56. <https://doi.org/10.1016/j.jclepro.2017.01.065>
- Johnstone, L., & Lindh, C. (2022). Sustainably sustaining (online) fashion consumption: Using influencers to promote sustainable (un)planned behaviour in Europe's millennials. *Journal of Retailing and Consumer Services*, 64, 102775. <https://doi.org/10.1016/j.jretconser.2021.102775>
- Kamaludin, M. F., Xavier, J. A., & Amin, M. (2021). Social Entrepreneurship and Sustainability: A Conceptual Framework. *Journal of Social Entrepreneurship*, 1–24. <https://doi.org/10.1080/19420676.2021.1900339>
- Kaushik, V., Kumar, A., Gupta, H., & Dixit, G. (2020). A hybrid decision model for supplier selection in Online Fashion Retail (OFR). *International Journal of Logistics Research and Applications*, 25(1), 27–51. <https://doi.org/10.1080/13675567.2020.1791810>
- Kawaf, F., & Istanbuloglu, D. (2019). Online fashion shopping paradox: The role of customer reviews and facebook marketing. *Journal of Retailing and Consumer Services*, 48, 144–153. <https://doi.org/10.1016/j.jretconser.2019.02.017>
- Kim, N. L., & Jin, B. E. (2019). Why buy new when one can share? Exploring collaborative consumption motivations for consumer goods. *International Journal of Consumer Studies*, 44(2), 122–130. <https://doi.org/10.1111/ijcs.12551>
- Lang, C. (2018). Perceived risks and enjoyment of access-based consumption: identifying barriers and motivations to fashion renting. *Fashion and Textiles*, 5(1). <https://doi.org/10.1186/s40691-018-0139-z>
- Lang, C., & Joyner Armstrong, C. M. (2018). Collaborative consumption: The influence of fashion leadership, need for uniqueness, and materialism on female consumers' adoption of clothing renting and swapping. *Sustainable Production and Consumption*, 13, 37–47. <https://doi.org/10.1016/j.spc.2017.11.005>
- Lang, C., Li, M., & Zhao, L. (2020). Understanding consumers' online fashion renting experiences: A text-mining approach. *Sustainable Production and Consumption*, 21, 132–144. <https://doi.org/10.1016/j.spc.2019.12.003>
- Lee, S. E., Jung, H. J., & Lee, K. H. (2021). Motivating Collaborative Consumption in Fashion: Consumer Benefits, Perceived Risks, Service Trust, and Usage Intention of Online Fashion Rental Services. *Sustainability*, 13(4), 1804. <https://doi.org/10.3390/su13041804>
- Lee, S. H., & Chow, P. S. (2020). Investigating consumer attitudes and intentions toward online fashion renting retailing. *Journal of Retailing and Consumer Services*, 52, 101892. <https://doi.org/10.1016/j.jretconser.2019.101892>
- Lee, S. H., & Huang, R. (2020). Consumer responses to online fashion renting: exploring the role of cultural differences. *International Journal of Retail & Distribution Management*, 49(2), 187–203. <https://doi.org/10.1108/ijrdm-04-2020-0142>

- Lee, S. H., & Huang, R. (2020 ). Exploring the Motives for Online Fashion Renting: Insights from Social Retailing to Sustainability. *Sustainability*, 12(18), 7610. <https://doi.org/10.3390/su12187610>
- Mukendi, A., & Henninger, C. E. (2020). Exploring the spectrum of fashion rental. *Journal of Fashion Marketing and Management: An International Journal*, 24(3), 455–469. <https://doi.org/10.1108/jfmm-08-2019-0178>
- Oliva, F. L., & Kotabe, M. (2019). Barriers, practices, methods and knowledge management tools in startups. *Journal of Knowledge Management*, 23(9), 1838–1856. <https://doi.org/10.1108/jkm-06-2018-0361>
- Salem, S. F., & Alanadoly, A. B. (2021). What drives Malaysian online fashion shopping? The mediating role of perceived value. *Journal of Global Fashion Marketing*, 13(1), 75–89. <https://doi.org/10.1080/20932685.2021.1978308>
- Spender, J. C., Corvello, V., Grimaldi, M., & Rippa, P. (2017). Startups and open innovation: a review of the literature. *European Journal of Innovation Management*, 20(1), 4–30. <https://doi.org/10.1108/ejim-12-2015-0131>
- Strähle, J. (2013). Online fashion shopping: mystery shopping-based evaluation of online German fashion stores. *Journal of Global Fashion Marketing*, 4(3), 193–210. <https://doi.org/10.1080/20932685.2013.790706>
- Sung, C., & Park, J. (2018). Sustainability Orientation and Entrepreneurship Orientation: Is There a Tradeoff Relationship between Them? *Sustainability*, 10(2), 379. <https://doi.org/10.3390/su10020379>
- Tu, J. C., & Hu, C. L. (2018). A Study on the Factors Affecting Consumers' Willingness to Accept Clothing Rentals. *Sustainability*, 10(11), 4139. <https://doi.org/10.3390/su10114139>

### Internet Sources

- Aluguer e Venda de Fraques, Smokings e Fatos, Lisboa. (n.d.). FRAQUES-PT. Retrieved October 2, 2022, from <https://fraques.pt/>
- Aluguer Venda Casacas Fraques Smokings Fatos. (n.d.). HAPPY HOURS. Retrieved October 2, 2022, from <https://happyhours.pt/>
- Atto, S. (2021, December 10). How COVID-19 changed the way we shop. . .again. IMPACT: Monash Business School. Retrieved October 2, 2022, from <https://impact.monash.edu/retail/how-covid-19-changed-the-way-we-shop-again/>
- Armani Official Website. (n.d.). Armani. Retrieved October 3, 2022, from <https://www.armani.com/en-pt>
- BOSS Homem | Moda Masculina. (n.d.). Online Store. Retrieved October 3, 2022, from <https://www.hugoboss.com/pt/pt/homem/>
- Brioni. (n.d.). Brioni. Retrieved October 2, 2022, from <https://www.brioni.com/en/pt>
- Burberry. (n.d.). Burberry® oficial | Marca britânica de luxo em moda e beleza. Retrieved October 2, 2022, from <https://pt.burberry.com/>
- Calvin Klein Portugal. (n.d.). Calvin Klein. Retrieved October 3, 2022, from <https://www.calvinklein.pt/>
- Chevalier, S. (2022, August 29). Global retail e-commerce sales 2014-2025. Statista. Retrieved September 11, 2022, from <https://www.statista.com/statistics/379046/worldwide-retail-e-commerce-sales/#:%7E:text=Global%20retail%20e%2Dcommerce%20sales%202014%2D2025&text=In%202021%2C%20retail%20e%2Dcommerce,7.4%20trillion%20dollars%20by%202025.>



Clothing for men & women | Dolce&Gabbana Online Store. (n.d.). DOLCEGABBANA. Retrieved October 3, 2022, from [https://www.dolcegabbana.com/en/?\\_gl=1\\*1t4flyo\\*\\_up\\*MQ..](https://www.dolcegabbana.com/en/?_gl=1*1t4flyo*_up*MQ..)

Consumers Expect Brands to Address Climate Change. (2021, April 20). The Wall Street Journal. Retrieved September 11, 2022, from <https://deloitte.wsj.com/articles/consumers-expect-brands-to-address-climate-change-01618945334~>

Dior official website | DIOR. (n.d.). Retrieved October 2, 2022, from [https://www.dior.com/en\\_pt?gclid=CjwKCAjwzNOaBhAcEiwAD7Tb6EPiCvhXnYsmNQCJ1sBC4AXkljyE32kDdFH\\_KHZ6oTeDkyLUxqqSgRoCtLUQAvD\\_BwE](https://www.dior.com/en_pt?gclid=CjwKCAjwzNOaBhAcEiwAD7Tb6EPiCvhXnYsmNQCJ1sBC4AXkljyE32kDdFH_KHZ6oTeDkyLUxqqSgRoCtLUQAvD_BwE)

Ease of doing Business IN France. (n.d.). World Bank. Retrieved September 2, 2022, from <https://archive.doingbusiness.org/en/data/exploreconomies/france>

Ease of doing Business in Portugal. (n.d.). World Bank. Retrieved September 2, 2022, from <https://archive.doingbusiness.org/en/data/exploreconomies/portugal>

Fashion and clothing to feel good | C&A online shop. (n.d.). Retrieved October 2, 2022, from <https://www.c-and-a.com/eu/en/shop>

Fendi. (n.d.). Fendi. Retrieved September 23, 2022, from <https://www.fendi.com/pt-en/>

GDP per capita (current US\$) - European Union. (n.d.). The World Bank. Retrieved September 6, 2022, from [https://data.worldbank.org/indicator/NY.GDP.PCAP.CD?locations=EU&name\\_desc=false](https://data.worldbank.org/indicator/NY.GDP.PCAP.CD?locations=EU&name_desc=false)

Giovanni Galli Homepage. (n.d.). Giovanni Galli. Retrieved September 23, 2022, from <https://www.giovannigallistore.com/en/>

Gucci. (n.d.). GUCCI PT Official Site. Retrieved September 21, 2022, from [https://www.gucci.com/pt/en\\_gb/?gclid=CjwKCAjwzNOaBhAcEiwAD7Tb6EOkBpLDx45i1U4qjHb1Eg9WwDIIfPC1diCj-EVNe6rvUaTo-Yqwm5RoCJGkQAvD\\_BwE](https://www.gucci.com/pt/en_gb/?gclid=CjwKCAjwzNOaBhAcEiwAD7Tb6EOkBpLDx45i1U4qjHb1Eg9WwDIIfPC1diCj-EVNe6rvUaTo-Yqwm5RoCJGkQAvD_BwE)

hermes.com. (n.d.). Retrieved September 23, 2022, from [https://www.hermes.com/pt/en/?gclid=CjwKCAjwzNOaBhAcEiwAD7Tb6AP5gEfU4F22D3SsW6RPmmw5\\_A7WXbDZW-UkefBOouEGHg5kXUqsChoCdiMQAvD\\_BwE](https://www.hermes.com/pt/en/?gclid=CjwKCAjwzNOaBhAcEiwAD7Tb6AP5gEfU4F22D3SsW6RPmmw5_A7WXbDZW-UkefBOouEGHg5kXUqsChoCdiMQAvD_BwE)

H&M - Moda. (n.d.). H&M. Retrieved October 3, 2022, from [https://www2.hm.com/pt\\_pt/index.html](https://www2.hm.com/pt_pt/index.html)

Home - SPERA. (n.d.). SPERA. Retrieved October 2, 2022, from <https://www.sfera.com/pt/>

Kiton Europe: official website and online shopping. (n.d.). Kiton Europe. Retrieved October 1, 2022, from <https://kiton.com/>

LION OF PORCHES | Online store. (n.d.). LION OF PORCHES. Retrieved October 1, 2022, from <https://www.lionofporches.com/pt/>

LOUIS VUITTON - Official International Website. (n.d.). Louis Vuitton. Retrieved September 23, 2022, from <https://eu.louisvuitton.com/eng-e1/homepage>

Massimo Dutti Homem. (n.d.). Massimo Dutti. Retrieved September 23, 2022, from <https://www.massimodutti.com/pt/homem-n1343>

Men's and Children's Fashion | New Autumn Winter 2022 Collection. (n.d.). Suits Inc. Retrieved September 23, 2022, from <https://www.suitsinc.com/en/>

Moody, K. (2022, January 27). French unions lead protests, strikes over cost of living. France 24. Retrieved September 6, 2022, from <https://www.france24.com/en/tv-shows/business-daily/20220127-french-unions-lead-protests-strikes-over-cost-of-living-inflation-wages>

Mr. Blue | Loja online de moda masculina. (n.d.). Mr Blue. Retrieved October 1, 2022, from [https://mrblue.pt/?utm\\_source=google](https://mrblue.pt/?utm_source=google)

Online Clothing Rental Market. (2021, February). Future Market Insights. Retrieved July 30, 2022, from <https://www.futuremarketinsights.com/reports/online-clothing-rental-market>

O seu negócio de A a Z. (n.d.). ePortugal.gov.pt. Retrieved September 11, 2022, from <https://eportugal.gov.pt/en/inicio/espaco-empresa/guia-a-a-z>

Pandemia já fechou portas a perto de um quinto das empresas. (2020, April 14). Diário De Notícias. Retrieved September 11, 2022, from <https://www.dn.pt/dinheiro/pandemia-ja-fechou-portas-a-perto-de-um-quinto-das-empresas-12067223.html>

Population by Country (2022). (n.d.). Worldometer. Retrieved September 11, 2022, from <https://www.worldometers.info/world-population/population-by-country/>

Prada Portugal. (n.d.). Prada. Retrieved October 1, 2022, from [https://www.prada.com/pt/en.html?utm\\_campaign=GoogleSearch\\_PT](https://www.prada.com/pt/en.html?utm_campaign=GoogleSearch_PT)

Ralph Lauren PT. (n.d.). Ralph Lauren. Retrieved October 2, 2022, from <https://www.ralphlauren.pt/en>

Rent designer clothes and accessories with a purchase option. (n.d.). Codressing. Retrieved October 23, 2022, from <https://www.co-dressing.com/en/>

Royal Warrant Shirtmakers | Jermyn Street Shirts. (n.d.). Turnbull & Asser. Retrieved October 23, 2022, from <https://turnbullandasser.co.uk/>

Sacoor Brothers | Outono-Inverno. (n.d.). Retrieved September 23, 2022, from <https://www.sacoorbrothers.com/pt/pt/>

Santos, D. (2022, May 30). Será que os jovens ainda conseguem comprar casa em Portugal? Executive Digest. Retrieved September 11, 2022, from <https://executivedigest.sapo.pt/sera-que-os-jovens-ainda-conseguem-comprar-casa-em-portugal/>

Schlueter, P. (2022, June 17). Why Did Men Stop Wearing Ties (Long Neckties)? Gentleman's Gazette. Retrieved July 31, 2022, from <https://www.gentlemansgazette.com/men-stop-wearing-long-ties/>

THE 17 GOALS | Sustainable Development. (2015). United Nations. Retrieved June 14, 2022, from <https://sdgs.un.org/goals>

The Paris Agreement. (n.d.). United Nations Climate Change. Retrieved September 11, 2022, from <https://unfccc.int/process-and-meetings/the-paris-agreement/the-paris-agreement>

Tom Ford Online Store. (n.d.). Tom Ford. Retrieved September 23, 2022, from <https://www.tomford.com/>

Tommy Hilfiger. (n.d.). Tommy Hilfiger. Retrieved September 23, 2022, from <https://pt.tommy.com/>

Top Online Fashion Rentals Startups. (2022, July 10). Tracxn. Retrieved September 6, 2022, from <https://tracxn.com/d/trending-themes/Startups-in-Online-Fashion-Rentals>

Vivienne Westwood® Official Store | Clothing & Accessories. (n.d.). WWW.VIVIENNEWESTWOOD.COM. Retrieved September 23, 2022, from <https://www.viviennewestwood.com/en/>

Wise, P. (2022, January 6). Trust in Portugal's elite wanes over struggle to tackle corruption. Financial Times. Retrieved September 6, 2022, from <https://www.ft.com/content/8a7b799e-2732-4979-ab49-c5cbf8587ce7>

Zara Portugal. (n.d.). Zara. Retrieved October 1, 2022, <https://www.zara.com/pt/>

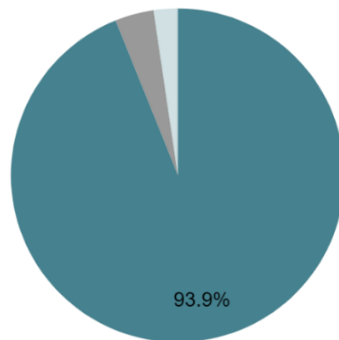
# Appendix

## Appendix A

While there were individuals who replied from other countries, the results were filtered for the remaining questions to the participants living in Portugal (93.9%).

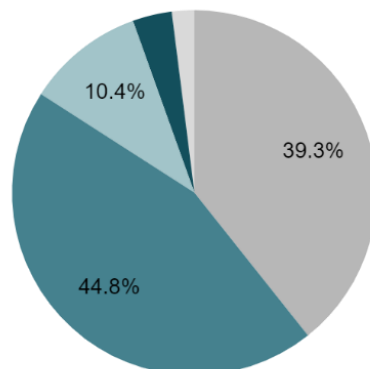
### Country of current residence

- Portugal
- Spain
- Brazil



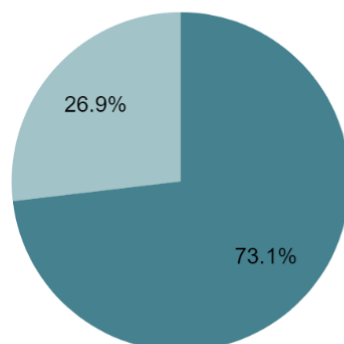
### Age

- 26 to 40
- 19 to 25
- 41 to 55
- 56 to 65
- < 18



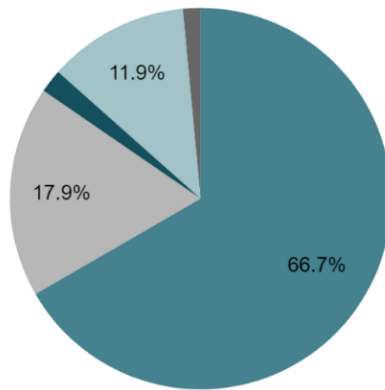
### Gender

- Male
- Female



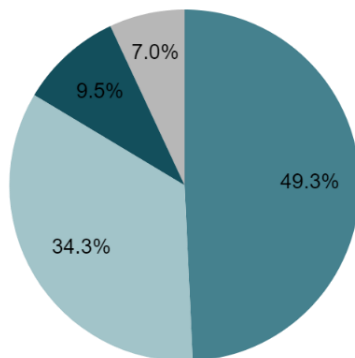
### Current occupation

- Full-time job
- Student
- Part-time job
- Working student
- Unemployed

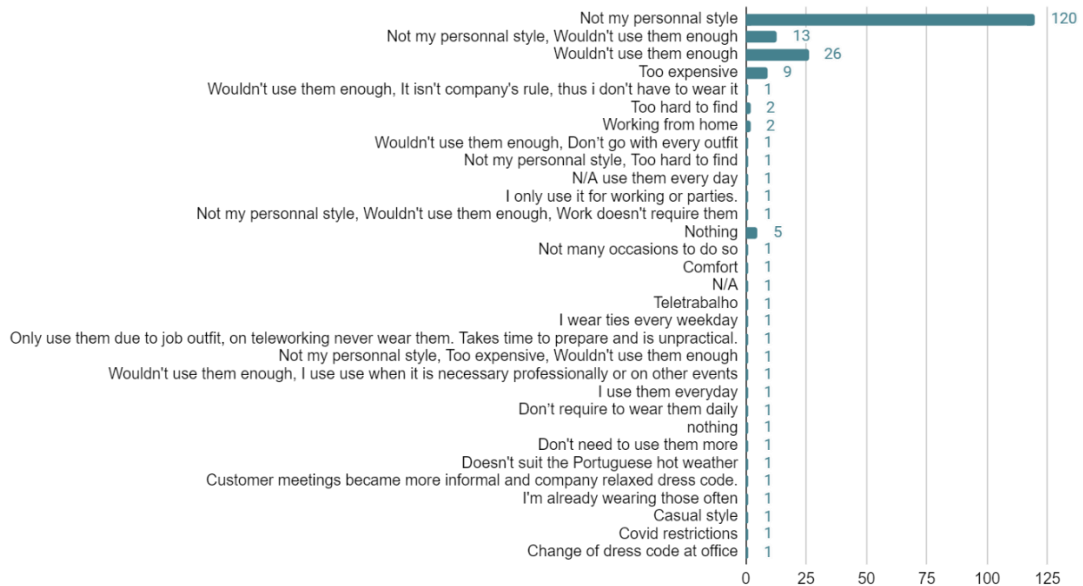


### How frequently do you wear ties / bow ties?

- Occasionally
- Never
- Frequently
- Everyday / almost everyday

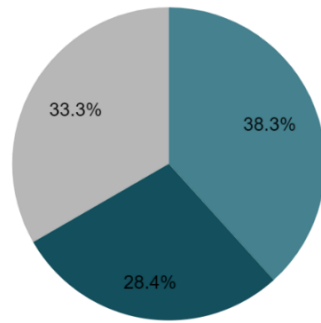


### What is stopping you from wearing these accessories more?



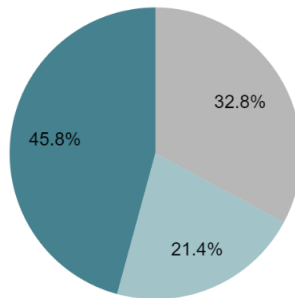
**Do you intend to wear them in the future?**

- Yes
- No
- Maybe



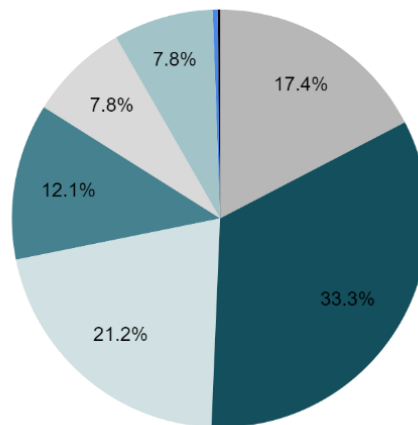
**Do you consider ties / bow ties to be a gender specific accessory? (only suitable for men)**

- Yes
- Maybe
- No



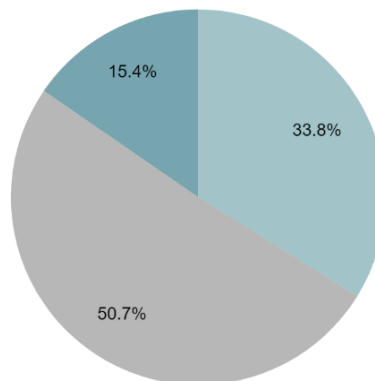
**What characteristics do you consider important in a good tie / bow tie?**

- Style
- Color / pattern
- Fabric quality
- Size
- General condition
- Brand
- Políticas de Sustentabilidade
- How it matches with my suits

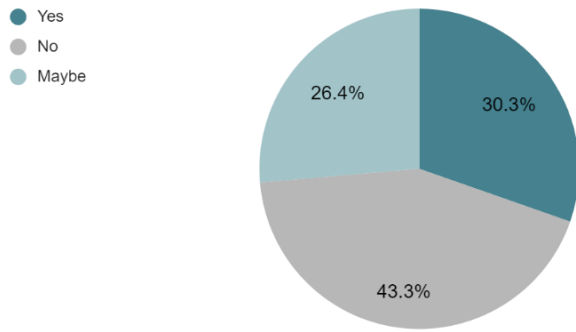


**Would you consider wearing ties / bow ties more frequently if they were more accessible to you?**

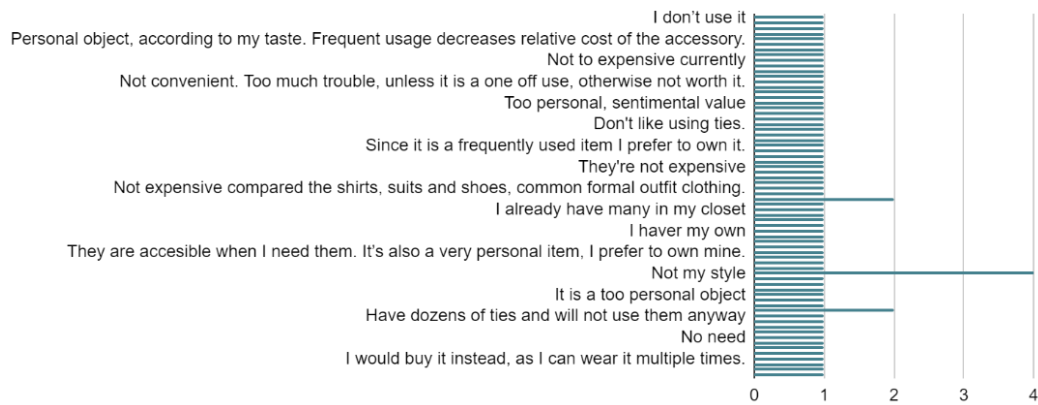
- Maybe
- No
- Yes



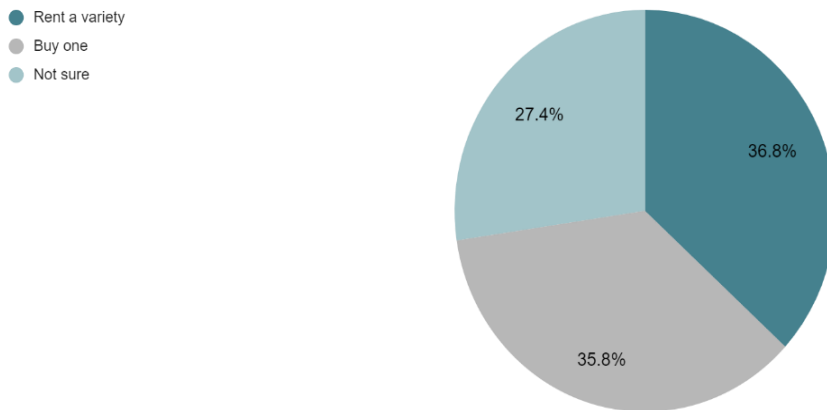
### Would you consider renting this type of accessories?



### If not, why?

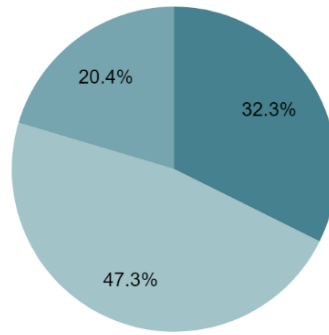


### If you were given the option, would you prefer to spend the same amount of money and buy one tie / bow tie or rent a variety of ties / bow ties throughout the time?



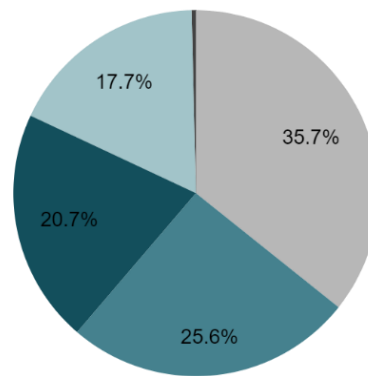
**Would you prefer to rent more high-end ties / bow ties or more accessible ones?**

- Both
- High-end
- Accessible



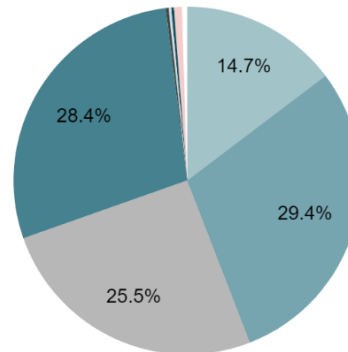
**What type of sources would bring the most value to you?**

- Made in Portugal
- Indifferent
- Branded (any brand)
- Branded (ethical brands)
- Please, don't consider this answer, as i will not rent it



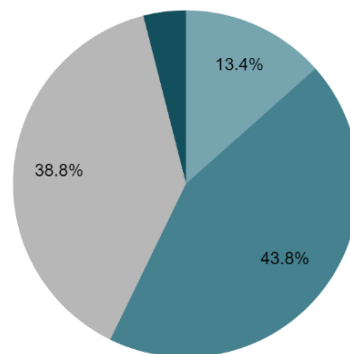
**What characteristics would be of most value to you in a tie / bow tie rental service?**

- Good customer support
- Easy rental process
- Accessible price
- Fast delivery time
- Please, don't consider this answer, as i will not rent it
- Nicely kept goods
- Fabric quality
- Variety
- Not sure

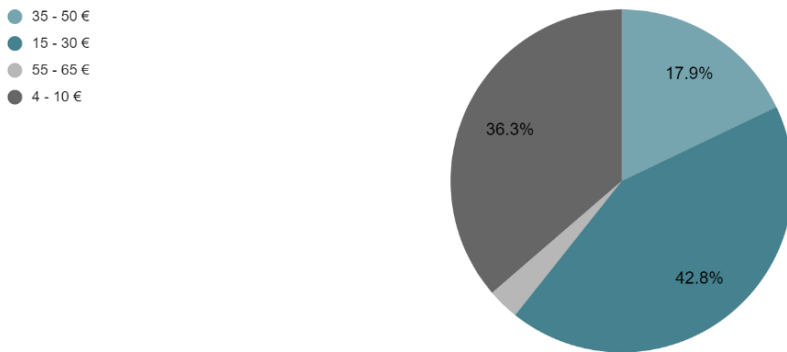


**Take for example a Massimo Dutti tie selling at their store for €40. What interval of prices would you consider to be fair to rent such an accessory for a day? (Not considering the delivery)**

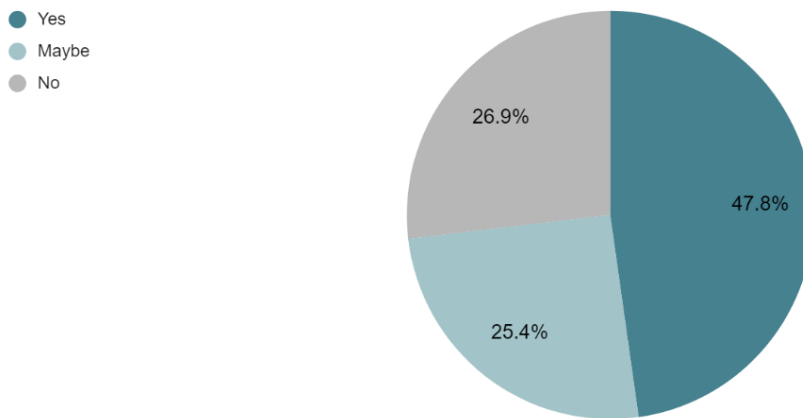
- 9 - 13 €
- 4 - 8 €
- 1 - 3 €
- 14 - 18 €



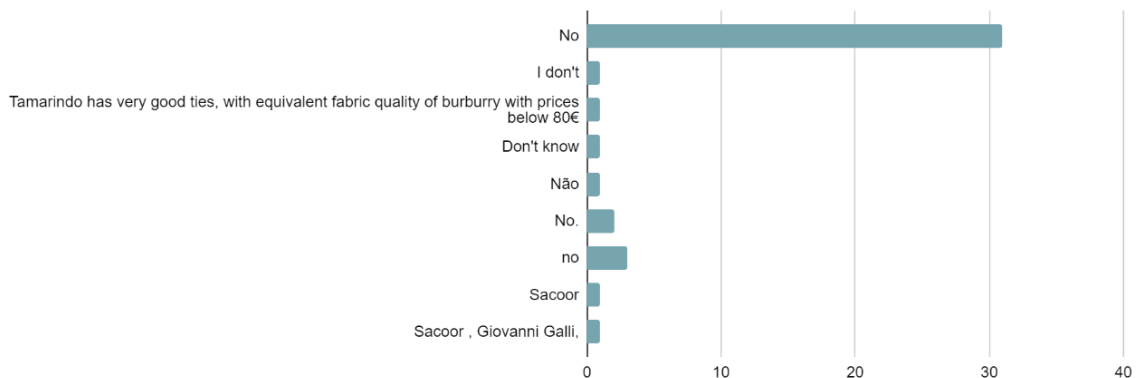
Now take for example a Burberry tie selling at their store for €160. What interval of prices would you consider to be fair to rent such an accessory for a day? (Not considering the delivery)



Would the option of having packs be of value to you? For example: renting 4 ties for 2 weeks for a lower fixed value (when comparing to renting by day).

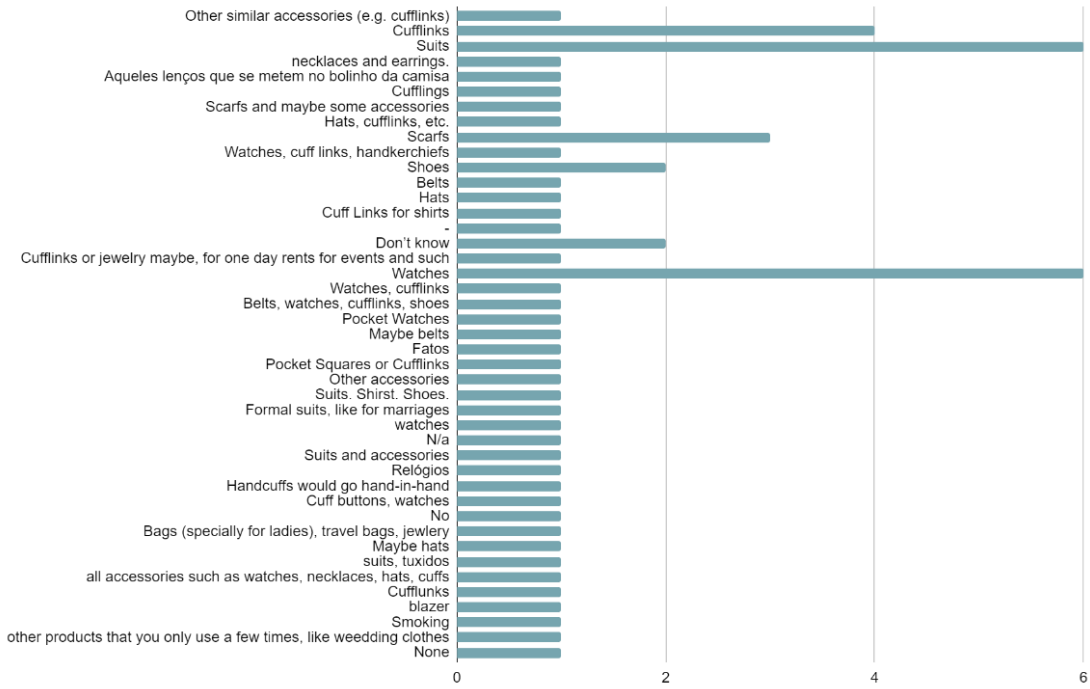


Do you know any companies in the ties / bow ties renting business? If yes, please identify them below.





### What other type of accessories would make sense to you to have in this rental company?



### Do you have any additional comments?

