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Boutique Business Plan

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Boutique Business Plan

We will begin with an overview of the Oklahoma City Marketplace. Oklahoma City, Oklahoma, is where a proposed clothing boutique might be located in the future if a second location is opened after a proposed location in Midwest City, Oklahoma is up and running. Oklahoma City has a population of 697,763. Oklahoma City Metro is the home to 1.41 million residents. The average household income in Oklahoma City Metro is \$61,815 and the per capita income is \$32,703. The median age in Oklahoma City Metro is 36.1 years with 51% of the population being female. The median home value in the metro area is \$190,800. It is the 29th largest city in the United States. With regard to diversity, Oklahoma City is one of the most diverse cities in the state. The diversity breakdown is White: 65.89%, Black or African American: 14.39%, Two or more races: 7.91%, Asian: 4.41%, Other races: 4.33%, Native American: 2.94%, and Native Hawaiian or Pacific Islander: 0.12%. The growth rate in population as of 2022 is 0.89%. The average family size is 3.32 people and the average household size is 2.58. There are 105,377 married households with an average size of 3.37 people. All households have a total of 2.58 people. There is also a great deal of diversity with regard to level of education based on the following: Less than 9th grade: 5.87%, 9th to 12th grade: 7.31%, High School Graduate: 24.71%, Some College: 22.63%, Associates Degree: 8%, Bachelor's Degree: 19.94%, Graduate Degree: 11.54%. The number of persons with a high school education or higher is 89.5% and the number of persons with a Bachelor's degree or higher is 33.2%, which is a little less than the rate in the United States, which is 35%. This data came from the U.S. census bureau from the year 2022. The reason Oklahoma City is proposed as a second location after the location in Midwest City is up and running is that the rent is more expensive in Oklahoma City and once the proposed Midwest City store is established it will be easier to enter the Oklahoma City market as well. For details about where the Midwest City store should be located see the [Apparel that is popular for boutiques and site selection \(and click on this link\)](#).

Location for your boutique (Fashions from Gabrielle Brothers) (See Topic 2-Possible strategy to start out)	A possible strategy is to start out your boutique in a zip code that will support a fashion forward boutique with trendy and affordable women's clothing as well as the sales of jewelry items and accessories such as women's purse backpacks and purses such as Louis Vuitton knockoffs & designer sunglasses. You may also want to carry
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sandals in season as well. Some possible zip code choices for an eventual store in Oklahoma City might be proximity to the 73165 and 73142 zip codes, which are in between high end neighborhoods with homes priced in excess of \$1,000,000 as well as more moderately priced neighborhoods. If you want to open a second store in Oklahoma City, zip code choices might also include the 73103 (a high end zip code) or 73141 zip code, for example. For affordable fashion forward women's clothing, however, a location in an area with affordable homes in a middle class neighborhood might be a better choice to start off with. Getting closeouts from major retailers for pennies on the dollar to start out and then creatively merchandising them like TJ Maxx and Gabriel Brothers have done in the Northeast is one possible strategy to get inventory in the beginning to mix in with fashions from local designers.

Possible strategy to start out with

Again one strategy might be to start out with a mix of clothing items from overstock of department and discount department stores as well as pieces from new designers in your market area and from attendance at shows in places such as New York City where the Project New York show will take place in July of 2023. Possible retailers where you can find affordable designer clothing that you can creatively merchandise and resell in your store might be pieces from stores in the Northeast such as [Gabriel Brothers](#) and [TJ Maxx](#). You can use this strategy to create income that can be used to purchase from new designers in your market area or throughout the U.S. and abroad. [Possible web site builders](#) can be found on this link. Once you have your website in place you can add items that you have for sale in your store and easily delete items if they are sold at the in-store level by linking your point of sale system and inventory manager to your web site. Choosing a software developer for your off the shelf retail website development product that

	has customer support will enable you to set this up.
Selling luxury apparel and accessories	According to Mu, Lennon and Liu (2020), Millennials are an emerging group of luxury shoppers that buy online. You will want to have an in-store as well as an online presence as part of your sales strategy. When you are ready to add higher-end brands to your product mix, forty-two percent of Millennials purchase luxury clothing brands online at full price. Also, according to this same source, online luxury product sales growth within the clothing industry exceeds in-store sales growth (Mu, Lennon & Liu, 2020).
A possible strategy for determining your target market based on MarketLine (2020) data and where the bulk of the disposable income is located within the market	<p>The U.S. apparel retail market had total revenues of \$269.9 billion in 2020, which represented a -4.8 % drop in revenue between 2016 and 2020. In the recent past, there have been many brick-and-mortar stores that have closed. These include department stores such as Macy's, JC Penney, and Sears. Millennials in particular want fashionable yet inexpensive products. The Baby Boomers also still have 70% of the disposable income and can also be a factor in determining who the target audience is that is willing to spend on apparel products. According to Bing (2023), some fashion trends that are making a comeback included among Baby Boomers are denim jackets, bell-bottom pants and retro-style sneakers. The Baby Boomers can be reached effectively through email and print ads, and they still read newspapers as well and pay attention to mailings.</p> <p>Retailers that have experienced success in the current market according to MarketLine (2022) include Amazon and ASOS. The womanswear segment of the market was the most profitable in 2020 with total revenues of \$125.6 billion or 46.6% of the market's total value. The market is expected to recover for the apparel industry with a market value of \$339.4 billion by the end of 2025, which makes this an ideal time to enter the apparel market according to MarketLine (2022). Something to keep in mind when creating your product mix is that we are in a gradually aging population with slowing population growth. The good news is that the Baby Boomers like fashions</p>

Apparel that is popular for boutiques and site selection



Picture of the Hourglass Boutique on State Road in Cuyahoga Falls, Ohio, a boutique for Plus Size Women.



that make them look younger and will still wear trendy clothing items.

Location may play a part in the merchandise you decide to carry as each market area might have a slightly different clientele:

To locate retail space in the Oklahoma City Market, this is one possible link:

[Oklahoma City Retail Space For Rent & Lease | Showcase](#) that would help you to find affordable rent in a retail district. 1401 Gateway Plaza has two retail spaces between \$7.00 and \$12.00 per square foot.

According to the search Bing, there are several zip codes in the Oklahoma City Market that have homes around **\$200,000**. [Some examples are 73170, 73118, 73106, and 73122](#)¹²³. The cost of retail space per square foot in these zip codes may vary depending on the location, condition, and demand of the property. However, one possible source of information is the OfficeSpace.com website, which lists several retail spaces for lease in these zip codes with prices ranging from **\$10** to **\$25** per square foot per year.

<https://www.loopnet.com/Listing/101-N-Douglas-Blvd-Midwest-City-OK/21435895/>

There is a retail space at 101 N. Douglas Blvd, Midwest City, Oklahoma for \$15 - \$20 (negotiable terms) USD/Sf/Yr (see the picture to the left).

There is retail space available with 950 up to 1600 square feet available at this location. Based on my math, if the rent is at \$15/sf/yr for the 950 sq ft property, it would be \$14,250 per year or \$1,187.50 / month at \$15/ sq ft/year. This is a retail space with a Great Clips and a Subway Restaurant, so there are at least two locations that would draw your clientele to this location which contains 8 retail spaces still available for rent. Since, according to Bing (2023), the average spend of a retail boutique customer on a shopping trip is between \$50 and \$75, and you need to have between 15.83 and 23.75 customers shop at your store each month to

This is a picture of the proposed shopping center where you can locate your boutique. Below is a second picture of the shopping center.



Second picture of the proposed shopping center where you could locate your boutique

meet your rental expense or .53 to .79 customers per day to meet your rental expense.

This is a brief overview of Midwest City, Oklahoma real estate showing the average home is in a moderately priced community with middle class residents with an average home price that is slightly below that of the median price of \$190,800 in the Oklahoma City Metro area.

- Realtor.com, which found that the median list price of homes in Midwest City, OK was \$175K in January 2022, trending up 29.6% year-over-year. [The median listing price per square foot was \\$131¹.](#)
- Zillow, which found that the average Midwest City home value is \$161,629, up 5.4% over the past year and goes to pending in around 4 days. The typical home value of homes in Midwest City is \$160,669².
- Redfin, which found that the median sale price of a home in Midwest City was \$150K last month, down 5.1% since last year. [The median sale price per square foot in Midwest City is \\$118, down 1.3% since last year³.](#)

The population of Midwest City, Oklahoma as of July 2022 was 57,950. The median household income was \$49,368 in 2020 according to Bing (2023). This was lower than the median income of Oklahoma which is \$54,339. The zip codes that cover Midwest City, Oklahoma include 73110, 73130, and 73140. This market might be a good place to find affordable rent to start out. You would be able to introduce affordable fashions to the clientele at this location.

The ethnic makeup of Midwest City is as follows according to Bing (2023):

White (62.73%), Hispanic 9.2%, Black or African American (23.94%), Two or more races (6.91%), Native American (3.59%), Other Race (1.88%), Asian (0.94%), Native Hawaiian or Pacific Islander



(0.01%). The city has a diversity rating of 96 out of 100 so, like Midwest City, it is very diverse.

For more on what to include in your boutique based on location and the demographic of your clientele:

According to Las Vegas Souvenir Report (2022), bright colors are in style right now as are high waisted and bell bottom styles. With regard to what sizes to carry, you would need to study the market and perhaps visit other boutiques in the area to get an idea of what sizes will be most popular at your location. In Cuyahoga Falls, Ohio on State Road in the business district of a middle class community, there is a boutique for plus size women that is doing extremely well as plus size women have trouble finding fashionable clothing at affordable prices.

At a boutique in Las Vegas that caters to women of the smaller sizes, sleeveless tops are a best-seller. This boutique owner says she caters to an older clientele with with a youthful age mentality. According to Bing (2023), the typical boutique shopper is 40 years old on average who is white (61.9%), Hispanic or Latino (16%), and black or African American (10.6%) as well as Asian (5.8%). Also according to Bing (2023), women who shop at boutiques are a niche market and they are willing to pay a premium price for unique and fashionable apparel.

According to Las Vegas Souvenir Report (2022), women's fitted jeans with wide legs are a hot seller except during the summer months when dresses are very popular. Pants in general are slow this time of year at this boutique in Las Vegas. Her 1,700 square foot store gets new product every day. At a similar boutique in Los Angeles, the trend is toward bright colors and prints.

With regard to apparel in general, dresses are outselling skirts (Las Vegas Souvenir Report, 2022). According to the same source, Scrunch Joggers are also doing well and they are selling in bright colors as well (see the picture to the left).

	<p>I could not find this jogger on any of the popular retail web sites including Amazon and Target so perhaps you can get a local designer to make this if you think it will be a popular style in your market area. This might also be popular in a variety that includes long pants rather than shorts for the Fall season for both regular and plus size women.</p> <p>You might also be able to contact Kane Communications Incorporated to see if there is a patent on this style of outfit and to find out who the designer is as the picture appeared in the Las Vegas Souvenir Report (2022). If the design is not patented, perhaps a designer could make it for you locally as stated above.</p>
<p>The Plus Size Market for clothing</p>	<p>U.S. Plus Size female consumers are 28% of the nation’s apparel purchasing power (Bickle, Burnsed, & Edwards, 2015). According to MarketLine (2022), what this means is that, of the \$269.9 billion market for retail apparel, plus size women account for approximately \$75.6 billion in retail apparel sales. This market value will likely grow as the total apparel market will reach \$339.4 billion by the end of 2025 (MarketLine, 2022). This group of women, according to Bickle et al., (2015), believe that fashion retailers do not understand their clothing needs. The CDC states that the average American woman wears a size 14, is 5’4” tall and weighs 167 lbs. with a 37” waist (Bickle et al., 2015). This means that these women are in the plus size category. The argument, according to Bickle et al., (2015), is that Plus Size clothes are unflattering and attempt to conceal the body. The argument is also that plus size women don’t want to dress fashionably, which according to Bickle et al., (2015) is definitely not true. To compensate, women who are plus size buy more shoes, purses and accessories (Bickle et al., 2015).</p> <p>If you decide to sell Plus Sizes exclusively or to include plus sizes as part of your product mix, you can possibly find local designers to produce fashionable clothing like the romper style outfit pictured above in short and long pants, for example, and to put the garments in your store</p>

on memo, which means the designer will get payment for the garments when you sell them.

Kent State University, for example, has a fashion school with new designers who may also be entrepreneurial and have a desire to create fashions for your store. If they have an agreement to put their fashions in your store, they may be able to get funding to do so for you as well as other stores selling plus sizes in other markets. You may be able to get exclusivity from the designer in your market area for the fashions they design.

According to Bickle et al., (2015), plus size women rank fashionable/trendy clothing as the key driver for making clothing purchases followed by good quality of the garments as well. One reason you may want to sell all sizes of the clothing at the same store and in many of the same styles if possible is that there is lower patronage in some cases at exclusively plus size stores, higher prices for the larger sizes and a reluctance by consumers to be seen carrying a shopping bag from an exclusively plus size retailer (Bickle et al., 2015).

Many consumers would rather shop at mainstream retailers for this reason, but they are frustrated with these retailers because they provide too few fashionable clothing options (Bickle et al., 2015). Some retailers including Ann Taylor, GAP and Old Navy offer Plus Sizes online but not in their stores. This is a problem because making a sale is highly dependent on being able to try a garment on and to see how it looks before making a purchase. There is a 67% conversion rate to a sale for customers who try the garment on versus only a 10% conversion to a sale for customers who do not use a fitting room to determine the purchase of a garment (Bickle et al., 2015).

Furthermore, according to Alexander, Pint, and Ivanescu (2015), returns accounted for \$260.5 billion in lost sales for U.S. apparel retailers, of which \$62.4 billion was lost from inaccurate sizing. This was probably a problem due to sizes

	<p>not being consistent across different brands of clothing. That is why having a brick-and-mortar store along with adequately sized and lighted fitting rooms with mirrors that allow customers to see their potential clothing purchase from all angles as they try them on is so important. Once consumers are familiar with the brand, then they can purchase that designers clothing online as they are familiar with the how the sizing for that brand runs.</p> <p>According to Bickle et al., mannequins strongly influence the purchase of plus size as well as regular size clothing. The mannequins should also look like the customers according to this same source. Bickle et al., (2015) states that the more realistic the mannequins are to the average consumer, the more product the retailer will sell.</p> <p>If your store will cater to the regular size as well as the Plus Size consumer, perhaps you could also hire salespeople of various sizes who can buy the fashions you are selling in the store at a discounted price and wear them as they work in the store as well. This would be another form of advertising for your various lines of product.</p>
<p>Loyalty Programs and how to advertise these programs</p>	<p>A loyalty program is an excellent way for you to build your business and obtain repeat business from your customer base. Through a loyalty program you are able to get the contact information from your clientele including Name, home address, zip code, phone number, and email addresses. This is extremely valuable information as you can use this information to advertise promotions to your consumer base.</p> <p>A loyalty program might include \$5 off your purchase of \$25 or more each time a consumer purchases \$50 of merchandise from your retail location or online from you e-commerce location. You would keep track of this by using the consumers phone number as their account number and keying in/scanning this information to your point-of-sale system or having the consumer key in this information each time they make a purchase from your online marketplace.</p>

You could send a coupon for \$5 off the purchase of \$25 or more to the customers email address at which point they could save the coupon on their mobile device or print it out for redemption at your store. If they make a purchase online to redeem the coupon, they could key in the coupon's barcode at checkout.

The data from this program will be invaluable as you can use this data to track the purchases of your clientele, and when items similar to what they have purchased in the past go on sale, you can contact the appropriate customer group who is interested in these items to get them back in your store for the sale items as well as to purchase new items as well at full price.

Using this program will also enable you to see where you are drawing your customers from by zip code as well.

According to Bing (2023), Single women spend more on clothes than married women. There are over 34,000 women in Midwest City, Oklahoma alone. Women represent 52% of the population in Midwest City, Oklahoma according to Bing (2023). In an article by the Bureau of Labor Statistics (2019), it was stated that women spend an average of \$1,883.00 per year on clothing or \$157.00 per month.

You may want to advertise your store on a local dating site based on this information. Loveawake is one such dating site that thousands of Midwest City, Oklahoma women use if you decide to choose this as your market area. The Loveawake site does not currently accept advertising, but you can ask Slava, the owner of the site, if he would like to partner with you to promote your retail store through the contact form on the site.

According to Bing (2023), Match.com and E-Harmony have advertising opportunities for retailers already in place. The reason for targeting dating sites as one of your possible venues for advertising is that single women spend more on clothes than married women, and

this would be one place to reach single women in particular.

“**43%** of singles reported spending more than **\$1,000** per year on clothes, compared to **28%** of married people. Conversely, 40% of married people said they spend less than \$500 per year on clothes, compared to 26% of singles¹. However, another study by **Psychology Today**² suggests that men invest more in fashion than women do, with men spending **43%** more on clothes every month than women². So, the answer may depend on the gender and income of the single and married women you are comparing.” (Bing, 2023). These figures by Bing contrast with the above data stated by the bureau of labor statistics which states that women spend \$1,883.00 per year on clothing on average. It is highly likely, however, that single women spend more than married women on clothing.

You may want to partner with other boutiques in the area to promote your boutique to bring down the cost of advertising in some venues if the product lines are not as similar.

Other boutiques you may want to partner with for advertising in the Oklahoma City and Midwest City Marketplace include the following:

- Shop Good: They have graphic t-shirts, dresses, jewelry and unique accessories for both men and women
- Rosegold: This is a women’s clothing boutique that offers trendy and affordable outfits and accessories as well as swimwear. They also have a personal stylist service and a loyalty program for customers.
- The Black Scintilla: A women’s clothing boutique that features a variety of styles, sizes, and prices. They also have men’s

clothing, accessories, gifts, and home décor items.

- J. Lilly's Boutique: A fashionable women's boutique that sells tops, bottoms, dresses, shoes, and accessories. They also have a sales section and a blog with style tips and outfit ideas.

According to Bing (2023), "e-Harmony and Match.com are not the only dating sites that accept advertising of retail products. There are other dating sites that also offer advertising solutions to brands, such as Tinder, OkCupid, PlentyOfFish, Hinge, and Zoosk. These sites have millions of users across the world and can help brands reach highly engaged audiences with their products and services."

Also, according to Bing (2023), you can use some creative ideas to advertise on dating sites. You can do the following:

- "Create a lookbook featuring your latest collection of trendy dresses and showcase how they can help users look their best on dates."
- "Promote your discounts and special offers through ads that highlight the value and quality of your products and direct users to your website to shop now"
- "Use testimonials from satisfied customers who wore your retailers clothes on dates and improved their experience and their confidence"
- "Show how your clothing can solve the problem of finding affordable fashions or fulfilling their needs"

Quote from dating site user:

"If you're on Tinder and thinking about where you're going to go Friday night and who you're going to be with, you're also thinking where am I going to go, what am I going to do, what am I going to wear"

<p>How far will women drive to visit a boutique</p>	<p>According to Bing (2023), while there is not a definitive answer as to how far a woman will drive specifically to visit a boutique, there is a study which states that women will drive up to 20 minutes to make a clothing purchase. What this means is that it is possible that you will draw customers from Oklahoma City as well as Midwest City if your product lines are unique enough that women are willing to travel. More than likely, the majority of your customers will come from Midwest City if you locate there.</p>
<p>Estimated income for your proposed location and website during the first year as well as estimated foot traffic created by other retail businesses near your proposed retail site</p>	<p>Based on Bing (2023), and according to Starter Story, the average income for e-commerce boutique owners is \$6,013 US dollars per month. Assuming that online sales account for 20% of total sales for a clothing boutique (based on vend) this implies an average of \$30,000 of sales per month total from your brick and mortar and web-based store. According to Bing (2023), during your first year in business in a middle class community such as Midwest City, you can expect to earn \$10,000 monthly, or at least \$333.00 in retail sales per day. This is a conservative estimate, but it appears to be better to plan conservatively for your first year in business. This means your website would bring in 20% of additional income, or \$2,000 per month.</p> <p>According to Bing (2023), as far as foot traffic from other stores in the shopping center that was proposed above for your boutique, Subway has 6.4% of the foot traffic for quick service restaurants versus 17.4% for McDonald’s. Great Clips locations in a market such as Midwest City are estimated to do roughly \$250,000 in yearly sales. Assuming an average spend of \$25 for a salon customer, this location of Great Clips would likely see 8,000 – 10,000 customer visits per year, and these customers would also be exposed to your retail location.</p> <p>According to Statista.com (2023), Subway attracts health conscious people in the age group 15-40. Subway also attracts young people who are in school or college as well. The most common ethnicity of a customer at Subway is White (63%), Hispanic or Latino (16%), and Black or African American (11%). With regard to Great Clips,</p>

	<p>customers are mostly women (84.5%) who are looking for affordable and convenient haircuts. The most common ethnicities of customers at Great Clips are White customers (68%), followed by Hispanic or Latino customers (13.4%) and Black or African American customers (10.3%). It is likely that all age groups visit Great Clips Salons.</p>
<p>Impulse Purchases of Clothing and Fast Fashion</p>	<p>Most clothing purchases are impulse purchases, and as of 2003, impulse buying accounted for 70% of purchases (Bingham, Andrews & Hogan, 2022). For this reason, having trendy clothing in the windows or having mannequins wearing trendy clothing can be a way to take advantage of these types of sales.</p> <p>Today’s consumers are demanding and fashion savvy. However, in the suburbs, what is in fashion can be a little behind what is in vogue in the major cities, so you can get away with getting end of season overstock from major departments stores in the city and selling them in your store in the suburbs the following season (Bing, 2023; High Snobiety.com, 2023).</p> <p>Depending on where you get your fashions from, you should be able to compete with a mix of fashions both cutting edge and recent-particularly in a market like Midwest City if you price merchandise you get from the major department stores competitively versus the more expensive merchandise you have that includes cutting edge fashions from new designers. Urban shoppers are the most fashion forward shoppers while rural shoppers are the most price sensitive, and suburban shoppers are in between these two groups (451 Research and Ayden, 2023).</p>
<p>Ethnic Factors Regarding Who will Shop at a Specialty Store as well as what you can expect to spend on customer acquisition costs and to earn your first year.</p>	<p>Hispanics tend to shop at specialty stores in high numbers. Asians also shop at specialty stores in high numbers as well. Hispanics are loyal specialty store shoppers and they frequently visit the stores that they develop a strong liking to (Seock, 2009). According to this same source, Hispanics will make up 29% of the U.S. population by 2050 (Seock). There are 2,772 Hispanics in Midwest City who would potentially shop at your store if you decide to locate here.</p>

There are a high number of persons of the caucasian and black/african american ethnicities who will also shop at your store as 29% (5,330 potential customers in your market) of caucasians shop at specialty stores and 26.9% (1,896 customers in your market) of black/african americans shop at specialty stores as well as of 2009 (Seock, 2009). Just from these groups alone, you would have over 9,998 potential customers who would want to shop at your store with the right product mix for each of these groups.

If 25% (2,500 unique visitors) of these potential customers visited your store only once in the first year and each customer spent \$50, you would have \$124,975 in sales for your first year. That would be less than one customer per day. You would also have approximately \$30,000 in sales from your website in addition to your first year sales from your retail brick-and-mortar location for a conservatively estimated total of \$154,975 in retail sales for your first year. Your customer acquisition cost would be approximately \$25,000 as well or \$10 per customer on a yearly basis.

With regard to Hispanics, 57% of Hispanic women opt for style over comfort, choosing to buy clothing that looks attractive on them rather than clothing that is comfortable. With regard to denim, a popular fashion piece in many people's wardrobe, 62% of Asians report denim as one of their favorite choices versus Hispanics at (56%), Caucasians (54%), and African Americans favor denim at 45%.

Hispanics tend to buy denim jeans primarily at specialty stores while Caucasians and Black/African Americans buy them more often from chain stores. With regard to Black/African American shoppers of Boutiques, they look for brands like Sincerely, Tommy, T.A., New York, Union Los Angeles, and The Folklore among others (Bing, 2023).

White suburban shoppers with incomes under \$100,000 favor any brands like those that can be found at Target, Walmart, Old Navy, Macy's and

	<p>Gap, so having merchandise from these store's brands that you can also get through close-outs/overstock of these department stores would sell in your store as well, especially when you need merchandise to sell while you are waiting for creations from local designers, for example (Bing, 2023). According to the most recent information from the U.S. Census Bureau, the median income in Midwest City is \$52,196, and the per capita income is \$28,056.</p>
<p>Recommended Target Market</p>	<p>The recommended Target Market for "Stenie's Fashion Forward Boutique" should be the Baby Boomers and the Millennials. The Baby Boomers were born between 1946 and 1964 and the Millennials were born between 1981 and 1996. The reason for the recommendation of targeting these two groups is partly because Millennial women are working more and being paid more than young women were in previous years (Pew Research Center, 2018). The median adjusted income in a household headed by a Millennial was \$69,000 in 2017 (Pew Research Center, 2018). Among Baby Boomers, the typical household income was \$77,600 in 2017. During this same time period, according to Pew Research Center (2018), the typical income of a household headed by a Generation X-er was \$85,800.</p> <p>It is not just the salaries of the Baby Boomer headed households that should be considered in determining your target market, but the total buying power. According to American Fidelity (2017), the Baby Boomers represent \$2.6 trillion in buying power, and this same group still spends \$548.1 billion each year.</p> <p>According to Parment (2013), one of the advantages of a retailer who caters to Baby Boomers is that they like to form relationships with the retailers to whom they remain loyal, which makes them feel more secure when shopping. Generation Y (Millennials) does not tend to create strong relationships with retailers and tends to shop around and look for the best deal (Parment, 2013). In addition, Boomers pay more attention to "optimizing" their purchase decision by avoiding poor quality products and by making sure that the new piece of clothing they</p>

are considering fits with what they already have in their wardrobe (Parment, 2013). In other words, as long as the retailer can satisfy these needs, Baby Boomers will remain loyal consumers and shop in fewer stores. Baby Boomers will also ask for assistance or ideas when making a purchase whereas Millennials will not ask for assistance in most cases (Parment, 2013).

Where Baby Boomers are concerned, as long as the retailer remains in their market area and is close to work or home, they will remain loyal to both the brand and store(s). In contrast, and according to Parment (2023), most shoppers purchase on a portfolio basis, switching from store to store at will. Distance to the retailer, competing retailers in the area and familiarity with the retailer influences customer loyalty regarding Baby Boomer consumers (Parment, 2013). Relationship marketing doesn't tend to work with Millennial shoppers who also tend to be more flexible in where they shop and again, they are less loyal to a given retailer.

Generation Y (Millennials) consistently look for the lowest price or a store that is conveniently located near where they work, for example, according to Parment, 2013). Baby Boomers, in contrast put more emphasis on finding stores with a great atmosphere and environment, so if you plan to cater to Baby Boomers, you may want to add hardwood or higher end laminate floors to the section of the store that will cater to this group to make the store aesthetically pleasing to this cohort. Catering to both the Millennials and the Baby Boomers in one store can be tricky to some extent, as some Baby Boomers tend to avoid stores that also cater to younger customers. Millennials actually prefer cement floors that are sealed in retail stores, so you may want to use this type of flooring in the section of the store that caters to Millennials. With regard to what radio station to play in the store to bring these two groups together in one location, the best choice appears to be the following: [BRYAN ADAMS - HEAVEN | Magic 104.1 \(onlineradiobox.com\)](https://www.onlineradiobox.com/104.1/bryan-adams-heaven/)

	<p>The reason it is tricky to market to both Millennials and Baby Boomers in the same store is that, while Baby Boomers argue that they buy based on quality and want to combine new pieces of clothing with what they already have and look for classical, timeless designs; Millennials buy a mix of expensive and inexpensive clothing and they want the latest clothing they have seen in fashion magazines (Parment, 2013). Millennials also regularly visit 5-20 stores and they place a lot of emphasis on obtaining whatever is in at the moment.</p> <p>According to Bing (2023), you can market clothes to both the Millennials and the Baby Boomers in the same store if you use separate areas of the store for the merchandise you are promoting to each group. Four out of five retailers, according to Bing (2023), attribute 50% of their sales to Baby Boomers.</p> <p>Eighty million Millennials are reaching their peak consumption years, but they currently have less than 30% of the disposable income, while Baby Boomers still have 70% of this income. According to Spencer (2020), the 73.4 million Baby Boomers across the United States, many of whom have already retired or are nearing that age, have continued to maintain the highest level of spending across multiple categories, even as retirement approaches. In fact, according to this same source, in early 2020, an average of 53% of Boomers preferred online shopping to physical retail stores (Spencer, 2020). For this reason, you will also want to have an online presence as well.</p>
<p>Shopping preferences of Generation Y (Millenials) Born 1981-1996 Ages 27-42</p>	<ul style="list-style-type: none"> • 59% of Millennials have chosen a product based on it being made by small business in the past three months • 49% of Millennials have chosen a product based on the brand’s commitment to diversity/inclusion in the past 3 months • 47% of Millennials have chosen a product based on the brand being women-owned in the past three months

	<ul style="list-style-type: none"> • 42% of millennials have chosen a product based on the product being owned by a person of color in the past three months. <p>Source: The U.S. Consumer Trends Report (2023)</p>
<p>What drives Millennial purchase decisions?</p>	<ul style="list-style-type: none"> • Price and quality are the top factors driving Millennial purchase decisions • A brand’s social media presence is important as is whether the brand is active in the community and whether the brand donates to charity. Recommendations from influencers also drive purchase decisions. • Millennials also prefer to pay full price in order to get products whenever they need them • 43% said discovering products in retail stores drives millennial purchase decisions • Millennials are still going to retail stores, but they are also finding products online. They prefer finding out about products in retail stores social media, searching the internet, YouTube ads and word of mouth • 36% discovered new products through tv/film streaming services in the past 3 months, and 34% said they find products that way most often • Only 11% of Millennials say music streaming is how they discover new products • 65% of Millennials prefer to buy products in-store, while 55% favor online retailers like Amazon as well. About 1 in 3 favor purchasing products from a company’s website. <p>Source: The U.S. Consumer Trends Report (2023)</p>
<p>Gen-X Shopping Habits ages 35-54 (Other sources say this cohort is ages 43-58 or 65.2 million people in the U.S.) (While Gen-X is not part of the recommended target market, it is included in case you want to include this cohort in your marketing plan, but again, this group is not part of the recommended target market in the short run for your brick-and-mortar retail store in this plan due to the disposable income of the Baby Boomers (73.4 million people as of 2020) being 70% and their current buying power. I am providing this</p>	<ul style="list-style-type: none"> • One in three Gen Xs say they prefer to discover new products by searching the internet, and 58% say that they search this way most often tying in social media • Additionally, 40% of Gen X have discovered new products through an online search in the past three months • Television ads are also relevant for Gen X. 41% of Gen X have discovered new products through TV ads in the past 3 months, and 55% say TV ads are where

<p>information as you will ultimately have to decide whether to market to the Boomers and the Millennials or Generation X and the Millennials. There are approximately 14,487 Baby Boomers who are 58-77 and 52% who are women in Midwest City as they make up an estimated 25% of the population in this city according to the U.S. Census Bureau (2022).</p>	<p>they discover products most often with social media and searching the web just behind tv</p> <ul style="list-style-type: none"> • Retail is the top channel for discovering new products in the past 3 months as 43% of Gen X found a new product in a brick-and-mortar store in that period. The other 57% of Gen Xer’s time was spent finding new products on social media, internet searches, TV ads, YouTube ads, and streaming service ads. • Gen Xers shop online more than they visit retail stores • While Gen X spends as much as 3 hours and 25 minutes daily on social media, it isn’t the preferred method to find new products. 42% of Gen Xers have discovered a product on social media in the past three months, and 18% have bought a product directly from social media. • Gen X is on Facebook and YouTube as well as Instagram, and 38% visited TikTok and Twitter in the past three months • The most popular Social Media of Gen X includes Facebook and YouTube. • Just 14% of Gen Xers preferred discovering new products through influencers <p>Source: The U.S. Consumer Trends Report (2023)</p>
<p>What affects Gen X’s purchasing decisions</p>	<ul style="list-style-type: none"> • 42% of Gen X have chosen a product based on it being made by a small business in the past three months • 36% of Gen X have chosen a product based on its brand commitment to diversity/inclusion in the past three months • 28% of Gen X have chosen a product based on the brand being woman-owned in the past three months • 28% of Gen X have chosen a brand being owned by a person of color in the past three months • 82% of Gen X are more likely to buy from a company that they trust with their data, and 81% are more likely to buy

	<p>from a company that treats its employees well</p> <p>Source: The U.S. Consumer Trends Report (2023)</p>
What drives Gen X's purchasing decisions?	<ul style="list-style-type: none"> • Price and quality are top factors when it comes to Gen X purchase decisions • Whether a retailer, for example, is active in its community, a brand's commitment to diversity and inclusion and whether a brand donates a portion of its profits to charity plays a part in determining where Gen X shops <p>Source: The U.S. Consumer Trends Report (2023)</p>
How does Gen X purchase a product?	<ul style="list-style-type: none"> • 73% of Gen Xers purchase products in-store, 53% favor online retailers like Amazon, while about 25% like to go through a company's website, and just 13% prefer to purchase products through social media apps <p>Source: The U.S. Consumer Trends Report (2023)</p>
Baby Boomer Shopping Habits (Ages 55+)	<ul style="list-style-type: none"> • Boomers primarily discover products through cable tv ads. <p>Source: The U.S. Consumer Trends Report (2023)</p>
Boomers have discovered new products through the following channels	<ul style="list-style-type: none"> • 53% through television ads • 45% by searching on the internet • 44% in retail stores • 31% through word of mouth • 22% through direct mail sent to their homes • 17% through social media • 16% through marketing emails <p>Source: The U.S. Consumer Trends Report (2023)</p>
Which devices do Boomers use most often when shopping online	<ul style="list-style-type: none"> • 52% use a computer • 24% use a mobile phone • 11% use a tablet <p>Source: The U.S. Consumer Trends Report (2023)</p>
Boomers prefer retail shopping more than any other generation	<ul style="list-style-type: none"> • 44% of Boomers have discovered new products in retail stores during the past three months and 38% say they have found new products there most often • Additionally, 37% of Boomers prefer discovering new products in online stores over any other channel • Just 17% of Boomers have discovered products on social media and only 4% purchased a product on a social app • Regardless of how they discover and buy new products, two in three boomers use

	<p>social media. 65% spend more than an hour daily on social media Source: The U.S. Consumer Trends Report (2023)</p>
<p>Which apps are Baby Boomers using to access social media in the past three months?</p>	<ul style="list-style-type: none"> • Facebook 61% • YouTube 38% • Instagram 18% • Pinterest 18% • Twitter 15% • LinkedIn 11% <ul style="list-style-type: none"> • 91% of Boomers who use social media are on Facebook, which is higher than any other generation. • Over half of Boomers use You Tube and about 25% are on Instagram, Pinterest, and Twitter • 63% Of Boomers who use Facebook also say it’s the app they use most followed by YouTube at 21% <p>Source: The U.S. Consumer Trends Report (2023)</p>
<p>Social Issues-of the 25% of Boomers who think companies should take on social issues, these are the percentages who think they should deal with the most popular issues</p>	<ul style="list-style-type: none"> • Climate change 71% • Affordable healthcare 47% • Racial Justice 46% • Income equality 45% • LGBTQ issues 36% • Gender Equality 29% <p>(Climate change is significantly more important to 25% of Boomers than any other generation).</p> <p>(For 75% of Boomers, social issues are either irrelevant to them or aren’t something they want to hear about when interacting with brands).</p> <p>Source: The U.S. Consumer Trends Report (2023)</p> <ul style="list-style-type: none"> • 70% of Americans shop small businesses according to Business Journal Daily (2021).
<p>How Boomers make product purchasing decisions</p>	<ul style="list-style-type: none"> • 20% of Boomers have chosen a product based on it being made by a small business in the past three months

	<ul style="list-style-type: none"> • 10% of Boomers have chosen a product based on the brand’s commitment to diversity/inclusion in the past three months • 6% have chosen a product based on the brand being woman-owned in the past three months • 5% have chosen a product based on the brand being owned by a person of color in the past three months <p>Source: The U.S. Consumer Products Report (2023)</p>
<p>Top 8 factors that are important to Boomers in making a purchasing decision</p>	<ul style="list-style-type: none"> • Price of a product 73% • Quality of a product 72% • A product’s features/functionality 55% • A product’s reviews 40% • How a brand treats its employees 33% • A product’s return policy/warranty 33% • Recommendations from friends/family 31% • Whether the product is a necessity or luxury 31% <p>Source: U.S. Consumer Products Report (2023)</p>
<p>How do Boomers prefer to purchase products</p>	<ul style="list-style-type: none"> • 81% of Boomers prefer to purchase products in-store • 53% favor online retailers like Amazon, and another 36% shop directly from a company’s website. • Boomers also prefer using a mobile app over ordering by phone or through social media <p>Source: U.S. Consumer Products Report (2023)</p>
<p>Cost to have half of your brick-and-mortar location flooring as sealed concrete and half as laminate flooring that is less expensive than hardwood floors but can be purchased in a similar design.</p>	<p>Home Depot charges charges \$3.80 - \$4.80 for laminate flooring installed through Home Depot. The cost to seal concrete is \$1.50 per square foot on average. Both Sealwize of Oklahoma and Performance Concrete Flooring Company seal floors in the Oklahoma City/Midwest City marketplace. According to Bing (2023), it is best to seal the entire floor first before installing laminate flooring in part of your location where you want this flooring. This practice will prevent moisture from the concrete from affecting your laminate flooring in the case in which you seal half the floor and install laminate in the other half.</p>

Propensity to shop online using mobile devices of the different generations. In this section, generations are addressed that include the Baby Boomers, Generation X, and Generation Y (Millennials)

- Lissita and Kol (2019) addressed the practice of shopping online through mobile devices of Baby Boomers, Generation X, and Generation Y (Millennials)
- They addressed this issue regarding hedonic products such as designer clothing versus utilitarian products (Lissita & Kol, 2019).
- Personality type was more of a factor in determining mobile shopping with Baby Boomers and with Generation Y (Millennials) (Lissita & Kol, 2019).
- Openness to experience was a personality trait that Baby Boomers and to a lesser extent Generation X had to have in order to participate in mobile shopping (Lissita & Kol, 2019).
- The advantages of using a mobile device to conduct e-commerce transactions includes greater convenience, localization and immediacy as well as speed, comfort, accessibility, simplicity, and efficiency (Lissita & Kol, 2019).
- Among adults ages 50-64, 41% reported feeling very confident when using electronic devices to accomplish their online needs in contrast to those age 18-25 (Lissita & Kol, 2019).
- “In their consumer behavior, Baby Boomers are more deal prone than other generational cohorts, employ more cost saving strategies, and report higher levels of informed shopping” (Lissita & Kol, 2019).
- For these reasons, if you are planning to have Baby Boomers as part of your target market, you should count on them shopping more often in your store than online due to their lower comfort with shopping online in some cases.
- You will also want to have sale merchandise that is competitively priced for this cohort as well as clearance items in your store.
- With regard Generation X, this cohort did not grow up with technology and had to

	<p>acquire these skills as adults. The main characteristics associated with Generation X are individualism, self reliance, and skepticism (Lissita & Kol, 2019).</p> <ul style="list-style-type: none">• Generation X looks for convenience, community relations, and branding when it comes to the businesses they support (Lissita & Kol, 2019).• If you target this generation, they may both shop in your store and shop online on your website. They are not as deal prone as the Baby Boomers, but will still look for good quality products at competitive prices based on the information above about Generation X. Quality comes before price for this generation, which is different from the Baby Boomers for whom price is first with quality as a close second place factor.• Generation Y (Millennials) came of age during a period of economic growth, strong emergence of social media and reality television, globalization and powerful influences in the form of popular culture (Lissita & Kol, 2019).• Generation Y (Millennials) are considered to be technologically competent, casual, and fun loving (Lissita & Kol, 2019).• Generation Y (Millennials) are driven toward status seeking behavior as a means of displaying wealth and purchasing power (Lissita & Kol, 2019).• Generation Y (Millennials) tend to be highly educated about many different areas, focus greatly on technical information, and usually make purchase decisions informed by prior research (Lissita & Kol, 2019).• Personality type is not a factor for Millennials in deciding whether to shop using mobile devices and nearly all of this cohort is comfortable shopping in this manner.
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<p>Millennials are driving a resale clothing boom</p>	<ul style="list-style-type: none"> • The resale clothing industry was expected to double its sales to \$41 billion by 2022 (Grow, 2018). • At one boutique owned by an entrepreneur by the name of Ms. Redfem, the owner of this boutique sells mainly preowned luxury clothing at her brick-and-mortar boutique. She also offers her services related to helping customers with wardrobe rejuvenation. Her boutique is in Boothby, Maine. <p>Source: (Grow, 2018)</p> <ul style="list-style-type: none"> • Her shop is very Millennial driven right now (Grow, 2018).
<p>Ways to attract consumers to your store of Generations X and Y-(As while the proposed target market is Millennials and Baby Boomers, you may also be able to attract a fair number of Generation X customers as well). One way to do this is also to offer pre-owned clothing in luxury brands which may attract some Generation Xers along with Millennials. You will want to read this even if you don't plan to offer preowned clothing at this time.</p>	<ul style="list-style-type: none"> • Consumers are encouraged to revisit stores that offer innovation, a wide assortment of goods, and that change their store layout often & have trendy products (Dabija & Babut, 2019). • If you are buying clothing in excellent condition, you can use Keystoning to determine the price you will sell the clothing at. Keystoning means that you will apply a 100% markup to these items, in other words, you double the price. This pricing strategy would apply to luxury brands or a high quality brand that is in high demand (Bing, 2023). • You can research the market to find out what is a fair price on online platforms such as thredUP or Swap to compare prices and to get an idea of what consumers are willing to pay. You can also offer discounts and promotions to attract customers (Bing, 2023; www.threadUp.com, and www.yoox.com). • Prices – Fair prices are in the customers' minds and are deeply ingrained, and consumers often associate high price with high quality. Price affects store patronage as well (Dabija & Babut, 2019). • You may want to hire a student who is studying fashion merchandising to work in your store. The reason for this is that, to boost sales for your store, you need competent and polite personnel who are

	<p>able to give proper advice and to improve the customers' shopping experience. Politeness, knowledge of the merchandise, and willingness to help to influence the customers shopping experience will boost sales (Dabija & Babut, 2019).</p> <ul style="list-style-type: none">• Millennials, on the other hand, are oriented toward achieving personal goals in a short period of time, are confident, optimistic, and open to having fun. Shopping for them is a source of entertainment and socialization. Millennials are also very brand conscious, being influenced by peers and celebrities when buying clothing. Millennials will patronize retailers that have attributes, products and brands that fit their personality. Most Millennials want environmentally friendly retailers and are willing to pay higher prices for sustainable products and/or services. Source: (Dabija & Babut, 2019).• Millennials are more prone to buy pre-owned luxury brands than Generation Xers. Excellent customer service is one of the main reasons why Xers revisit stores. Also, advertising has the strongest influence on Xers patronage behavior. Xers also prefer brands that suit their needs and lifestyle and can express their personality (Dabija & Babut, 2019).• Appare store atmospherics and convenience don't influence patronage behavior of retail clothing stores for Millennials.• For Millennials, the focus should be greater attention to assortment, which should be in line with new fashion trends, advertising campaigns, as well as a focus on selling personnel who will enhance Millennials' in-store shopping experience (Source: Dajiba & Babut, 2019)• Baby Boomers are not big consumers of preowned clothing. They tend to buy new clothing and keep their clothing for a
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	<p>long time. They buy quality, durable, and classic clothing that suits their personal style and identity. Baby Boomers are also among the top consumers of luxury brands such as Chanel, Louis Vuitton, and Michael Kors. They also shop at retailers such as Amazon, Walmart, and Target. Some Baby Boomers may wear preowned clothing, but most prefer new clothing that they can buy and keep for a long time.</p>
<p>Adoption cycle for preowned clothing or any new innovation offered by your store. (Again, you will want to read about the adoption process of new innovations even if you don't plan to offer preowned clothing online or at your brick-and-mortar retail location).</p>	<ul style="list-style-type: none"> • Innovators adopt new products or new product concepts first. Innovators are venturesome risk takers. They are cosmopolitan in outlook and use other innovators rather than local peers as a reference group. They tend to be younger, better educated, and more socially mobile than their peers. Innovators make extensive use of commercial media, sales personnel, and professional sources in learning new products. Millennials appear to have been the innovators as far as purchasing preowned luxury clothing items. They are the first 2.5 percent to adopt a new innovation. Source (Hawkins & Mothersbaugh, 2013). • According to Tieger, Barron and Tieger (2021), Conceptualizers who are the Myers Briggs type ENTJ, INTJ, ENTP, and INTP can be great innovators, and collectively they make up 10 percent of the American population. They represent the first 2.5 percent of the population to adopt new products or product concepts such as purchasing pre-owned luxury clothing products (Hawkins & Mothersbaugh, 2013). They are driven to acquire knowledge and set very high standards for themselves and others, and many Millennials fit this profile. • According to Tieger, Barron, and Tieger, (2021), Experiencers who are they Myers Briggs types ESTP, ISTP, ESFP, and ISFP are calculated risk takers. They are risk taking, adaptable, easygoing, and pragmatic. Many, but not all, are thrill

	<p>seekers who like living on the edge (Tieger, Barron & Tieger, 2021). These people represent 27 percent of the American population, and they are representative of 13.5 percent of the adopters of an innovation over time (Hawkins & Mothersbaugh, 2013; Tieger, Barron & Tieger, 2021). These people represent the early adopters. They tend to be opinion leaders in local reference groups. They are successful, well educated, and somewhat younger than their peers. They are willing to take a calculated risk on an innovation but are concerned with failure. Early adopters also use commercial, professional, and interpersonal information sources, and they provide information to others (Hawkins & Mothersbaugh, 2013). They are likely a mix of Generation X and Generation Y (Millennials).</p>