

ASSIGNMENT 3 (PART 1)

Product Management: Product Discovery and Customer Validation

TEAM MEMBERS:

Alexis Mullard Alayna Matthews Guilhermo Gonzalez Natthaphum Rattanaphiphop Thanyanan Vivattanaprasert Ramita Kanawaree

UPDATED HYPOTHESIS

[Differentiator side/creative payment]

We know that current solutions in the children and maternity clothing industry are expensive and unsustainable, and believe that low-income families and conscious mothers should have access to more affordable and sustainable options. Through delivering a one-stop circular economic sharing model that offers a vast product selection and allows families to trade in, pay or swap second-hand and new sustainable clothes for in-store credits that can be used for renting or buying more preferable wear, we expect an increase in the affordability of children's and maternity clothing and an increase in sustainable and circular clothing consumption.

[Maternity side]

We know that women spend an average of \$500 on maternity clothing, which they only wear for about 5 months during their late pregnancy, and believe that they are looking for alternatives to save money. Through delivering/testing our one-stop circular economic sharing model for pregnant women, we expect 1,000 customers to rent or purchase affordable, sustainable maternity clothing, resulting in \$100,000 revenue.

[Children's side]

We know that over 183 million pieces of outgrown children's clothing go to waste every year as children often move through 10 sizes in their first year, which costs an annual \$700 on children's clothing and believe that parents are looking for alternatives to save money and decrease waste. Through delivering/testing our onestop circular economic sharing model for newborns and children, we expect to reduce the annual cost of children's clothing while reducing the amount of textile waste of outgrown children's clothing.

UPDATED USER STORIES



PREGNANT WOMEN

As a pregnant woman that is still actively going to work, I need to rent out maternity wear that is affordable and stylish as I know that I will need them for a short period of time (2-3 months) so that I can save the money for other necessities while still looking good during pregnancy.



MOTHER OF A NEWBORN

As a mother of a newborn, I need to rent my baby clothes as they will grow out of their size within a month so I can minimize the expense and reduce wasted space for keeping these unused clothes. However, I also want to keep some of my children's clothing as a reminder of their childhood.



ENVIRONMENTALLY
CONSCIOUS PREGNANT
WOMAN

As an environmentally conscious mother, I want to be able to take part in a circular economy and purchase items from sustainable, ethical fashion companies so I can feel confident that my purchases are contributing to a more circular industry and I do not create more waste while getting clothes with good quality for my kids.

MARKETING COLLATERALS

(LOOPS OF LOVE ADVERTISEMENT)

SAVE: MONEY, TIME, SPACE & THE PLANET









SHOP NOW

CHOOSE "NEW" TO START THE LOOP

CHOOSE "PRE-LOVED" TO KEEP THE LOOP GOING

BUY, RENT, RESELL, OR TRADE ANY ITEM

MARKETING COLLATERALS

(LOOPS OF LOVE BROCHURE)



LCOPS OF LOVE

A one-stop shop

for all maternity and infant apparel

Who are we? Loops of Love We allows families to buy fashionable affordable slathes and pay for them by

We allows families to buy fashionable affordable clothes and pay for them by trading in their previously owned apparel. Our circular economy model allows parents to spend significantly less and recycle all of their clothing apparel when their needs are met.

Visit Us Now!



123-456-7890



@loopsoflove_official



www.loopsoflove.com

What do we offer to you!



Exchangeable

You can quickly exchange your current items as soon as you receive the new ones by using the reusable packaging and the included return



Accessible

You can quickly access a range of sustainably and ethically produced clothing at affordable prices and consciously consume while feeling confident in your changing body

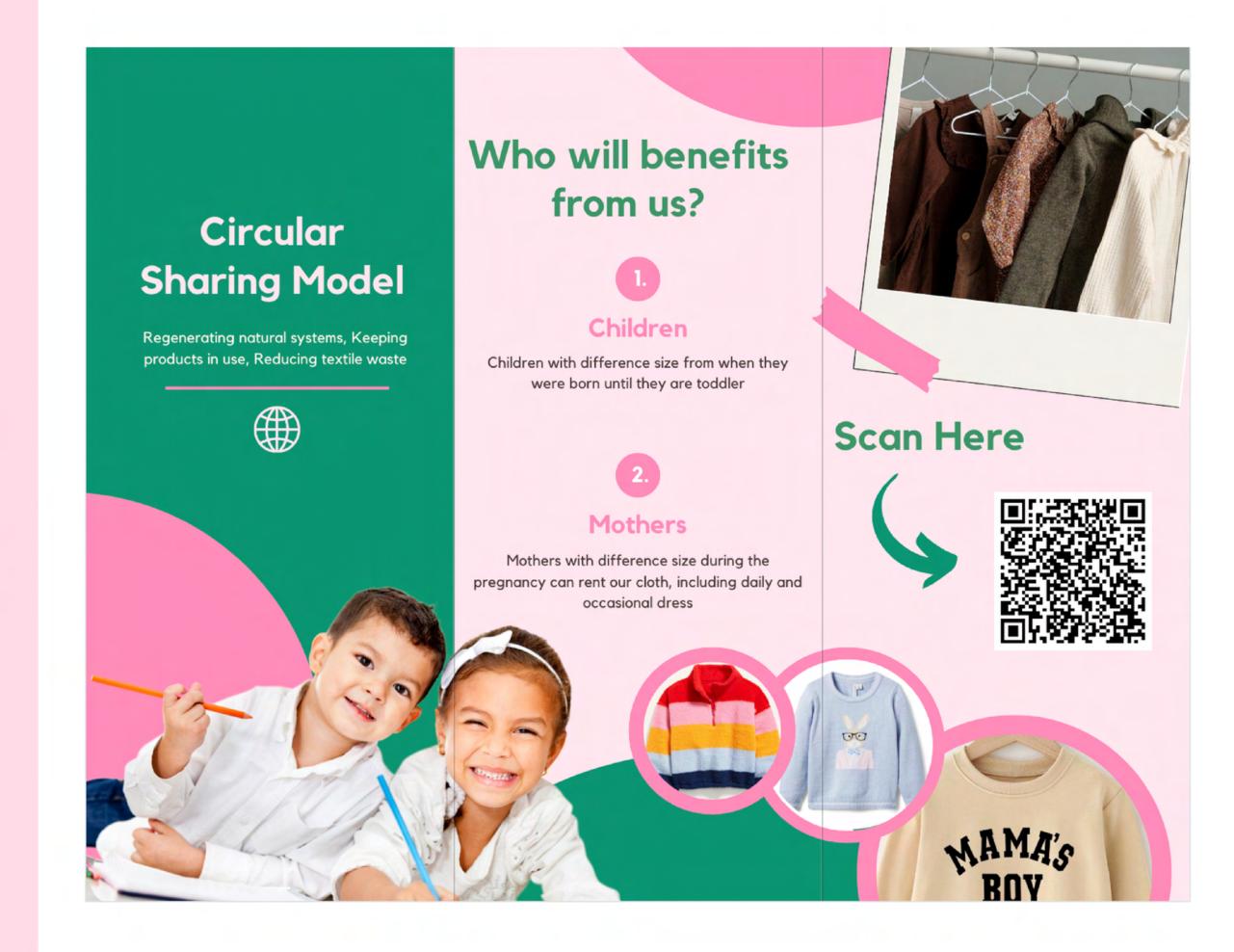


Flexible

You can keep the rented clothes for as long as they fit and can resell or return your items to be looped and loved by others when you are ready for the next size preventing new clothes from being produced and reducing textile waste.

MARKETING COLLATERALS

(LOOPS OF LOVE BROCHURE)



MARKETING COLLATERALS FEEDBACK

01

Importance of Pricing

• The first feedback we received and actually implemented in our final version of the prototype and collateral was pricing according to use. Initially, we received feedback regarding unclarity on how used the clothes were and what were the pricing structures (\$ per month vs. \$ per item).

02

Clarity in UX

• Given the multi-faceted value propositions we offer for the consumer, the ability to rent/buy and the ability to sell, we had to think of ingenious ways of displaying both experiences in a manner that was both cohesive but also one where each experience led to the other.

03

Customer Feedback

• One piece of advice also incorporated into the renewed collaterals was the ability to see previous customers' feedback and experience. Not only will this detail allow customers to gain more indepth insight into specific apparel pieces it allows us to continually grow and improve our selection based on the feedback.

Introducing

LOOPS OF LOVE

A one-stop shop where beauty meets sustainability



ome

Category

Marketplace

Search your favorite style



A one-stop shop

for all maternity and infant apparel

We allows families to buy fashionable affordable clothes and pay for them by trading in their previously owned apparel. Our circular economy model allows parents to spend significantly less and recycle all of their clothing apparel when their needs are met.

With Loops of love, Looking beautiful and cute is no longer expensive and unsustainable

Trade in your clothes

Choose your clothes

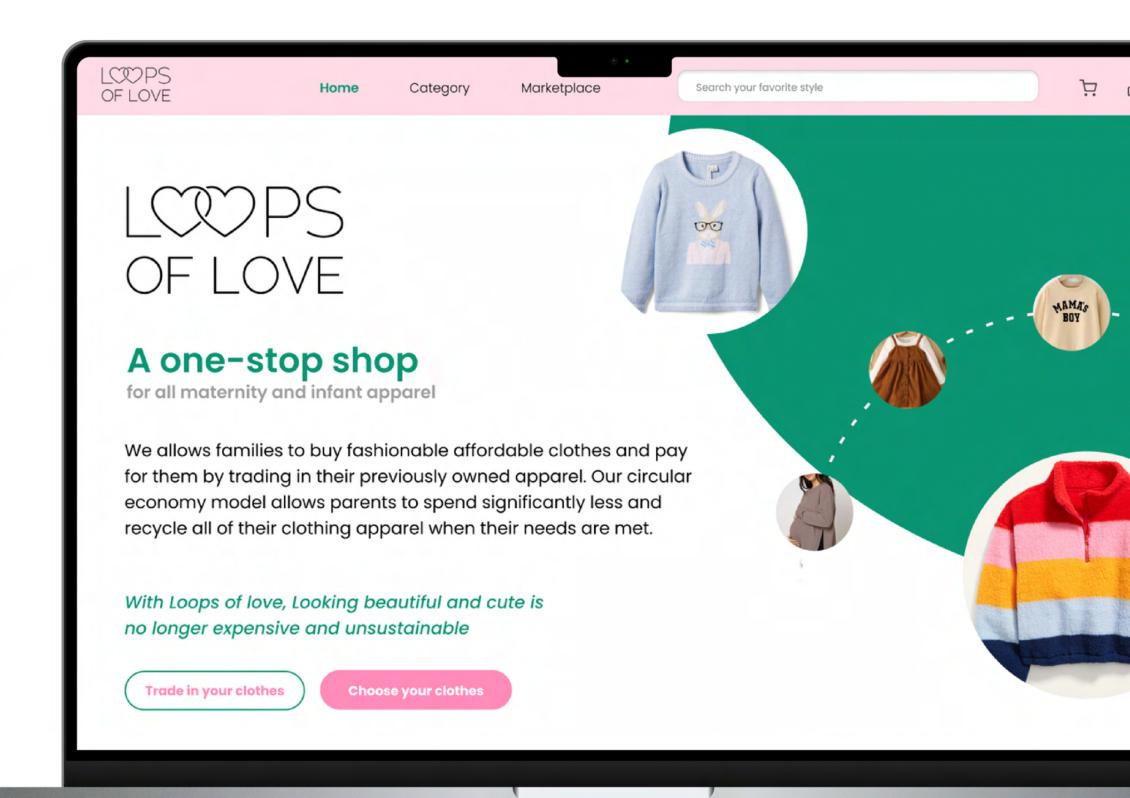




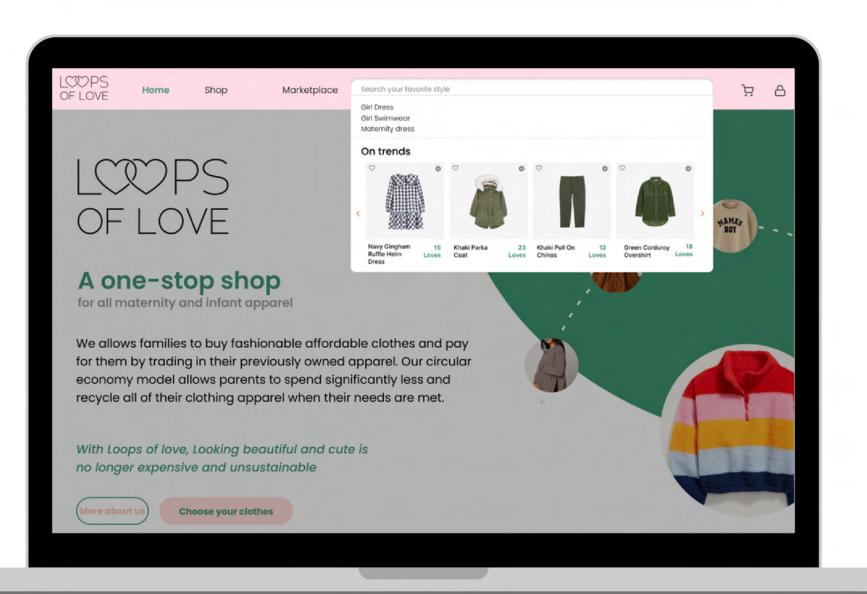
LOOPS OF LOVE WEB-APPLICATION

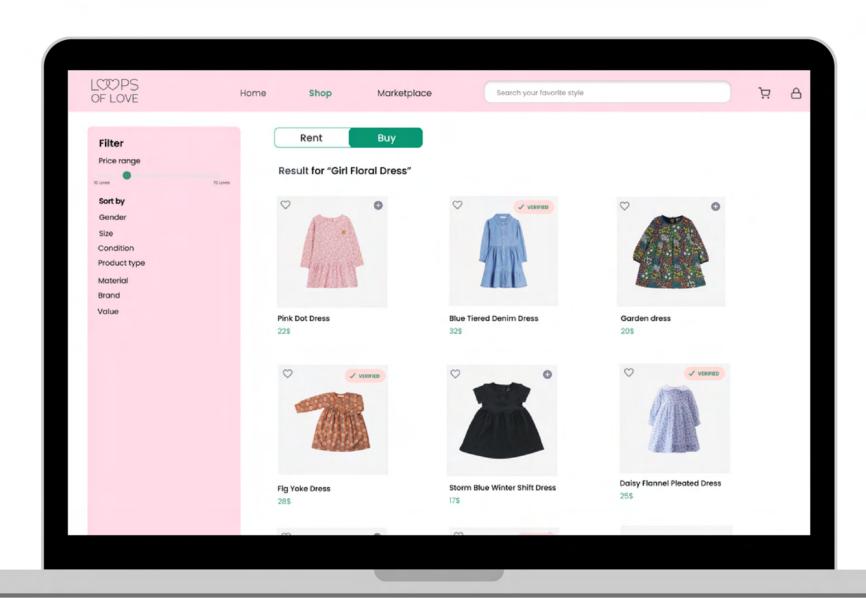
HOME PAGE

- Contains information and a basic introduction
- Inform customers of the mission of our platform
- Allow for quick navigation toward search box and user profile page



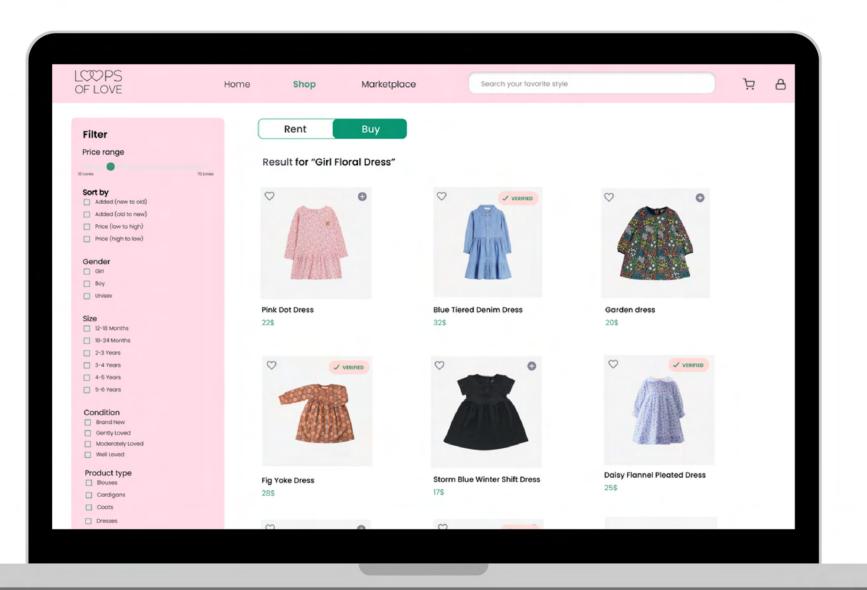
ADVANCED SEARCH ENGINE

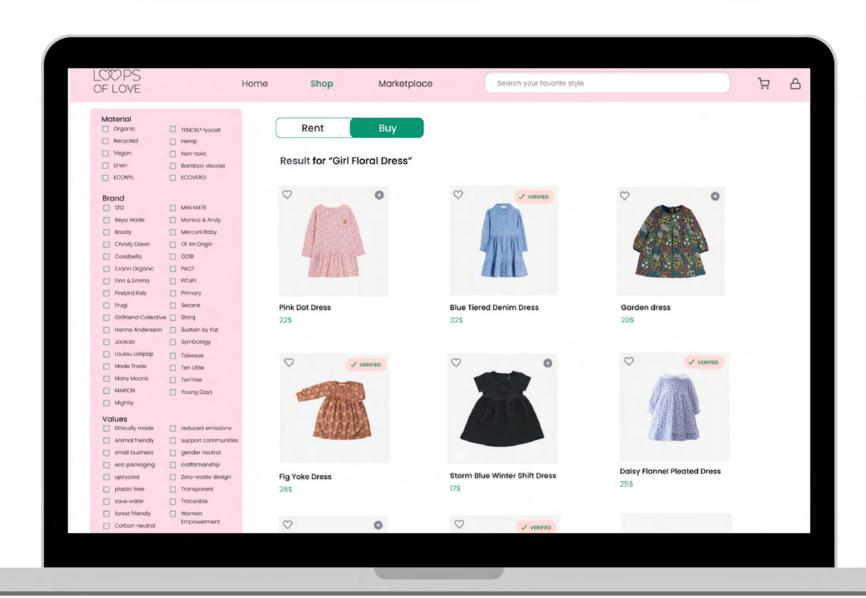




Allow the customer to search for their preferable product by matching keywords while also suggesting products based on previous search history

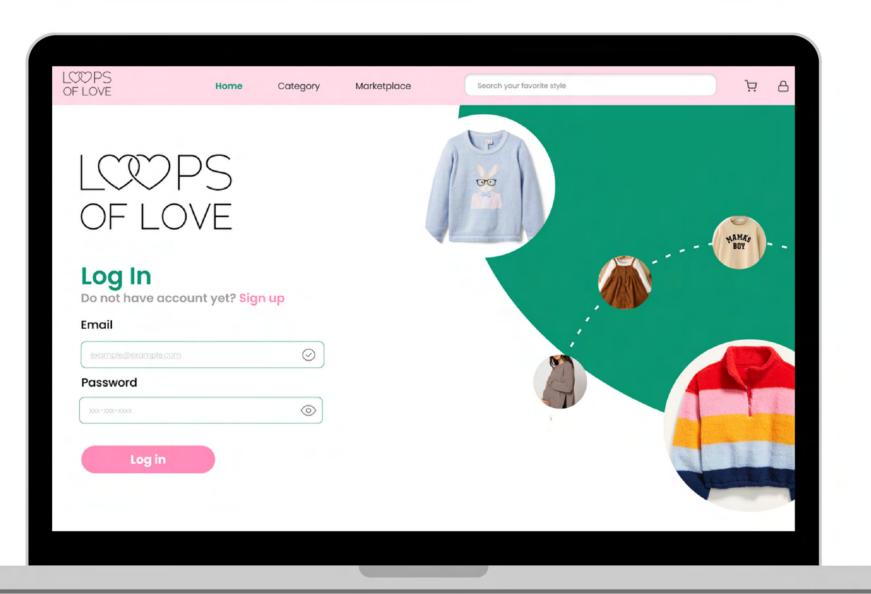
SEARCH BY FILTER

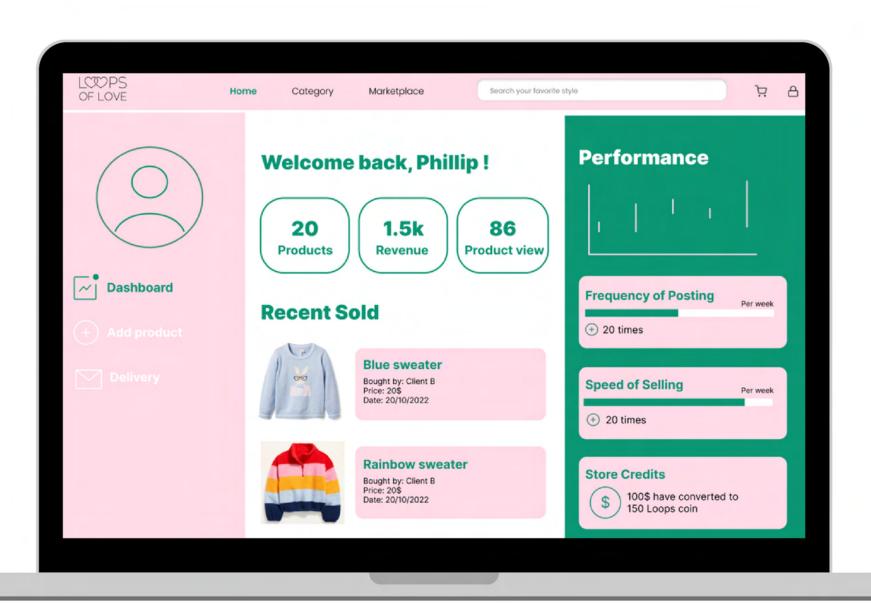




Allow the customer to search for their preferable product by different filters including the gender, size, condition of the garment, the product type, material, brand and sustainability values.

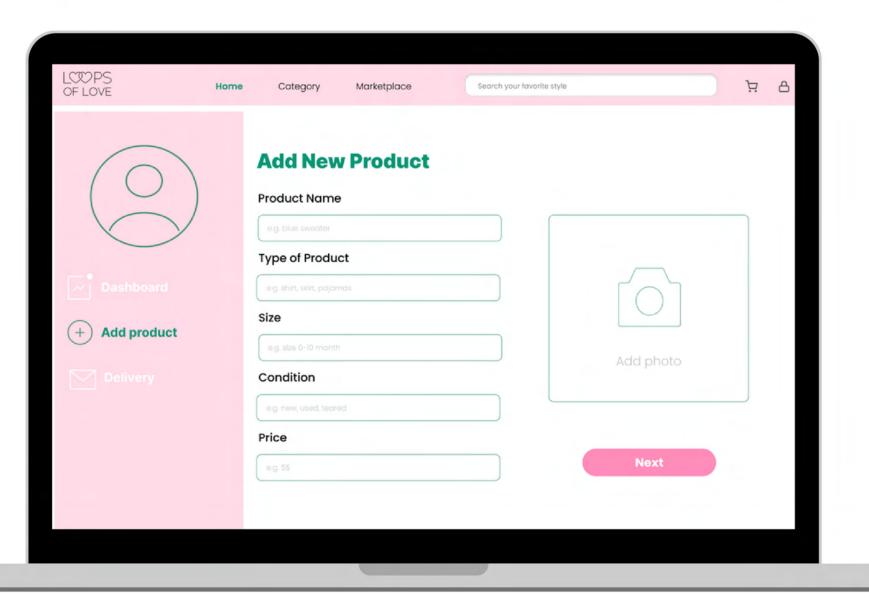
RESELL YOUR OWN ITEMS

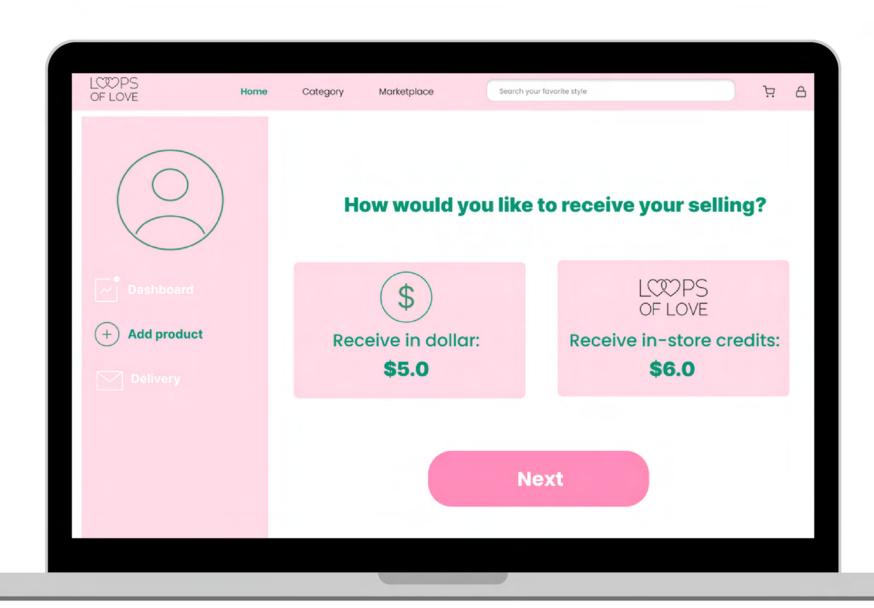




Allow the customer to list and sell their pre-owned items. Once sold, customers can either receive the money by credit card or through in store credit.

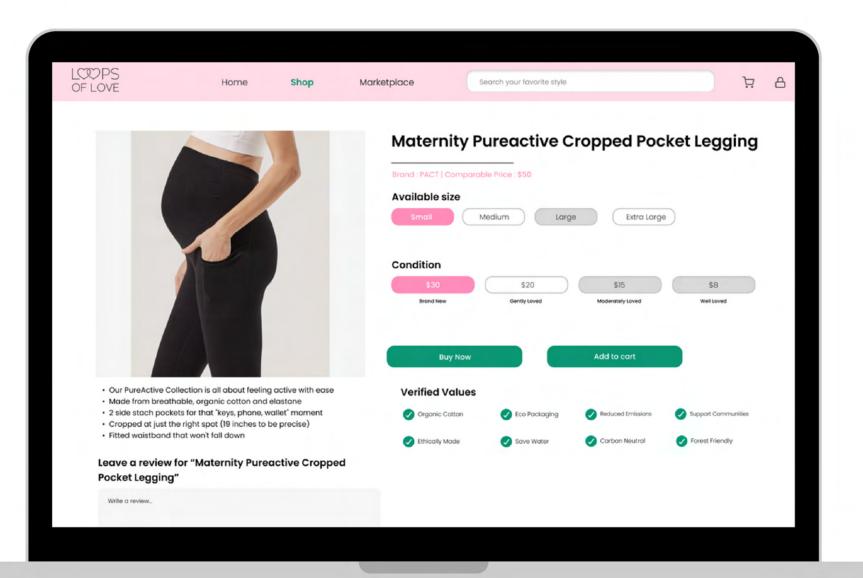
RESELL YOUR OWN ITEMS

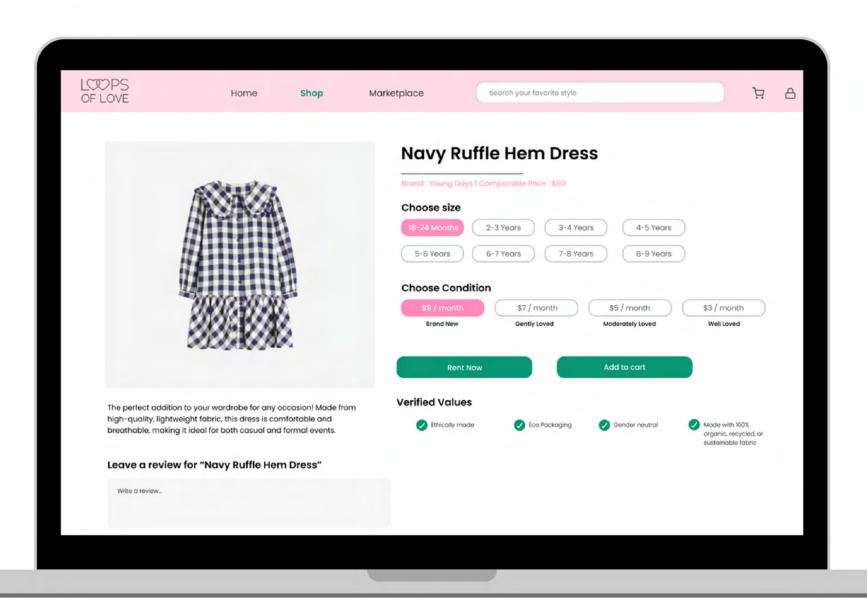




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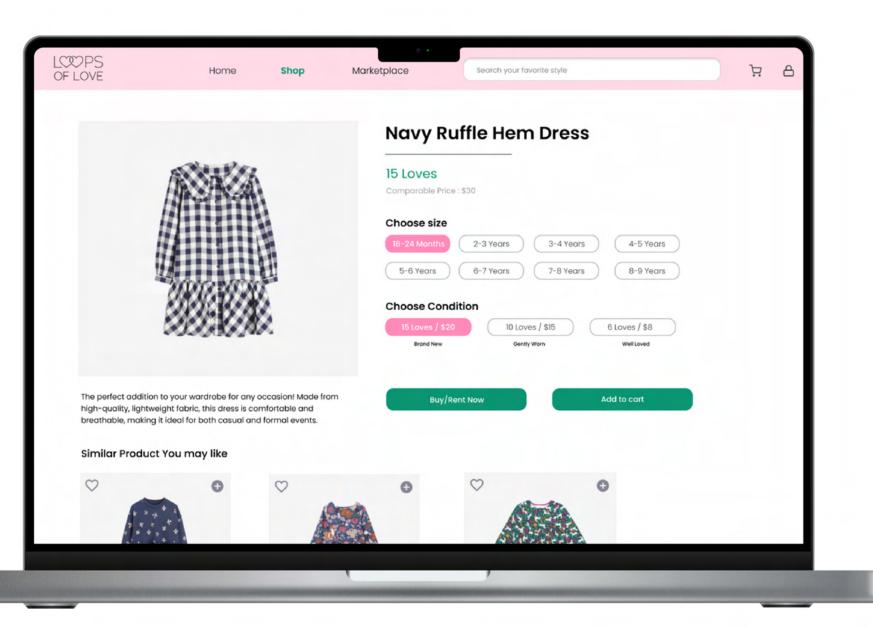
VERIFIED BRAND VALUES

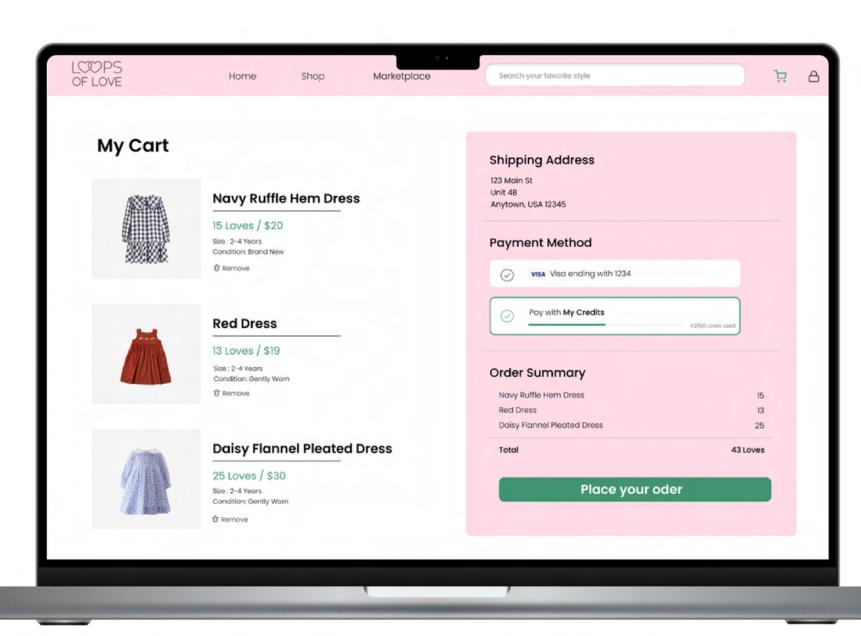




For every item listed on the platform, each brands' sustainability values are included; allowing shoppers to truly understand what makes each item sustainable.

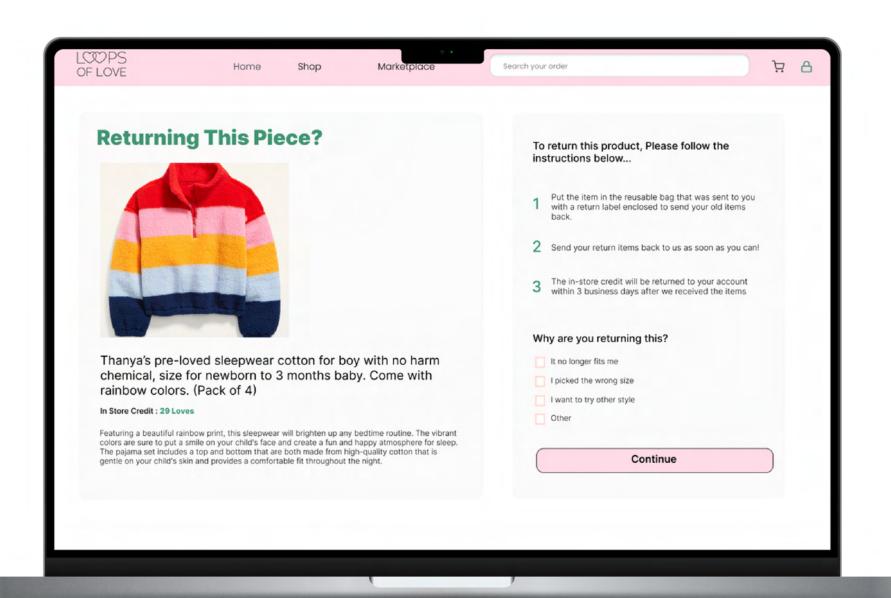
RENT OR BUY FEATURE

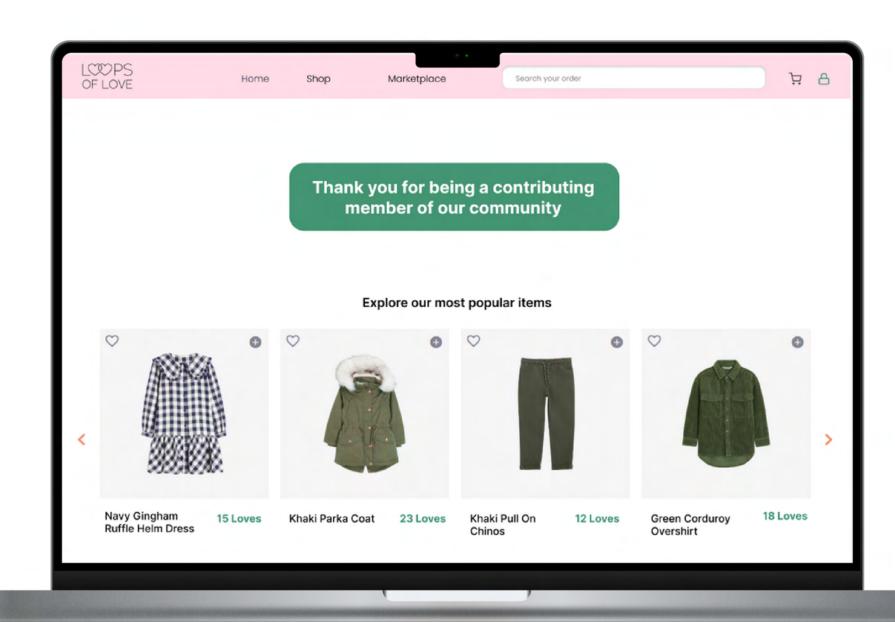




Allow the customer to either buy or rent the product in simple short steps while providing multiple payment options, including the in-store credit that earns from trading in their unused clothes

EASY RETURN FEATURE





Allow the user to return or change their items within a short simple step without having to specify the time of rental before hand

USER INTERVIEWS RECRUITING PROCESS

- Find qualified candidates (pregnant moms, moms with kids, low-income moms, conscious mothers) via personal connections
- Accommodate their schedule as best as possible

CHALLENGES

01

SCHEDULING INTERVIEWS

 Many of our interviewees have very busy schedules and therefore it was difficult to find times to set up the interviews; mothers rarely have time alone

02

Diverse Sample

Finding an appropriate sample that was
diverse in background experience and
motherhood experience was also challenging.
 We had to make sure to interview pregnant
mothers, mothers of recently born babies, and
even mothers with older children, for example 3
years old.

INTERVIEW GOALS



GOAL 1

Prioritize functionalities and product offerings: As of before the interviews we have a number of solutions and functionalities in place (i.e. Marketplace, Rent vs. Buy, Trade-in, Maternity, and Children's clothing). We need to understand the true largest pain points.



GOAL 2

Financial feasibility: Understand if customers are willing to pay for our solutions and product. Understand financial customer behavior in specific apparel segments that we can potentially penetrate more effectively (i.e. basic clothing vs. one-off more luxury pieces).



GOAL 3

Mother Segmentation: Better segment our customers and their needs. Do first-time mothers have different needs and habits than second or third-time mothers? How do behaviors change for mothers who got pregnant during COVID vs. those from before?

USER INTERVIEWS SOLUTION HYPOTHESIS

1

Product Offerings

• We believe that we will have to cut down and prioritize the central core functionalities rather than attempt to offer a variety of functionalities. We can see our partner program and our sell to Loop offerings being products that will not be prioritized.

2

Financial Feasibility

• We believe that clothes as a subscription service can be a double-edged sword. While it will guarantee cash flow, it can also lead to elevated churn rates given a higher pressure imposed on the consumer. Because of this, we believe we will stay away from this model.

(3)

Segmentation

• We believe that ultimately, we will have to favor certain sub-segments within the motherhood industry. May that be mothers who are currently pregnant, those who recently had children, or those with babies over 24 months.

INTERVIEW QUESTIONS

Hi User_! Thank you so for taking the time to chat with us today. Today we are going to ask a few questions regarding your experience through maternity and early motherhood. I am going to ask you about yourself, and then we are going to have you experience a product. There's going to be a set of questions and an activity. There are no right or wrong answers – be honest with your feedback. It will help the people working on this make a better experience for you.

- 1. Tell me a little about yourself? How many children do you have / what are their ages?
- 2. Generally can you speak about your experience shopping for things as a mother?
- 3. When thinking about the decision to become a mother, what were the key financial expenditures you considered?
- 4. How did you prioritize these expenditures? What are compromises and non-compromises made when shopping for your babies?
- 5. What do you currently do with clothes that no longer fit? Do you pass these on to family and friends? Do you throw them away? Do you donate them?
- 6. What have been any frustrations you've had with this?
- 7. How many times a year would you go shopping?
- 8. How would you describe your recycling habits?
- 9. Currently, do any of your shopping habits include buying secondhand or used items?
- 10. If so, where did you purchase and what are considerations when buying these items?
- 11. How do you determine your spending limits for clothes? What are you willing to pay for a single item?
- 12. Did you come across any constraints or concerns that made it harder for you to shop for second hand items?
- 13. Do you have any existing active subscriptions? How did you choose them?
- 14. If yes, what are its competitors/ why did you choose your existing one over the other?
- 15. When using these services what are things you consider? (Price, convenience, shipping, personalization?)

- 16. Do you use any marketplaces like amazon or walmart?
- 17. Would you feel comfortable buying second hand clothes for your baby?
- 18. Would you consider returning your clothes if you knew they were used in a circular model?
- 19. Would you consider selling your clothes if you received credit to buy at a partner store?

I'm going to show you an application called Loops of Love - A one-stop shop for all maternity and infant apparel where beauty meets sustainability.

Loops of Love allows families to rent fashionable affordable clothes using instore credit and returns the clothing apparel when your needs are met.

- 1. What do you think about our solutions? What you like/don't like about it
- 2. Explain back to me what you think this application does. What do you notice that's different from other solutions? Please comment on if it fits what you're looking for.
- 3. When thinking about our circular economy model do you think you would end up trading in your clothes?
- 4. Is there anything we didn't ask that we should have?
- 5. Do you have any additional comments or questions?

Thanks for going through these with me and for your time...

REVISED INTERVIEW QUESTIONS

Hi User_! Thank you so for taking the time to chat with us today. Today we are going to ask a few questions regarding your experience through maternity and early motherhood. I am going to ask you about yourself, and then we are going to have you experience a product. There's going to be a set of questions and an activity. There are no right or wrong answers – be honest with your feedback. It will help the people working on this make a better experience for you.

- Tell me a little about yourself? What is your age? What is your occupation? Where do you currently live? Are you married? How many children do you have? What are their ages? And genders
- Can you walk me through your process of buying clothes? (you and your child) [
 Trying to get a sense of factors in purchasing decisions]
 - What are some of the most important things you look for when buying clothes?
 - Do you buy clothes more often out of necessity for a specific item OR just for fun and to expand your closet?
 - Where do you shop and why? (fav brands)
- What factors are most important to you when shopping for maternity and childrens clothing? (e.g. comfort, style, affordability, sustainability, etc.)
- What does "sustainable fashion" mean to you? [How do different people perceive/understand what sustainable fashion means?]
- How important is sustainability to you when it comes to buying clothing for you and your family?
- What are some concerns that prevent you from purchasing sustainable and/or ethical fashion? [What is <u>frustrating?</u>]
- What are some of the greatest challenges you face when it comes to buying maternity and childrens clothes

- On average, how much did you spend or expect to spend on maternity clothing during your pregnancy?
- What are non-negotiables when buying children clothes?
- Would you be willing to purchase an item from a fashion brand you usually buy from if it was marked as sustainable, even if the cost was more than the brands usual average price for items?
- When purchasing new clothing, to what extent is it important for you to have access to the information regarding the garments origin, materials used and the impact it had on the people and the planet?
- What do you currently do with clothes that no longer fit? Do you pass them on to family and friends, throw them away, sell them, donate them?
- Currently, do any of your shopping habits include buying secondhand items or used items for you and your child?
- If so, where did you purchase/ what are considerations when buying these items?
- How do you determine your spending limits for clothes? What are you willing to pay for a single item?
- Have you ever considered alternative options for acquiring children's clothing, such as hand-me-downs or rental services?

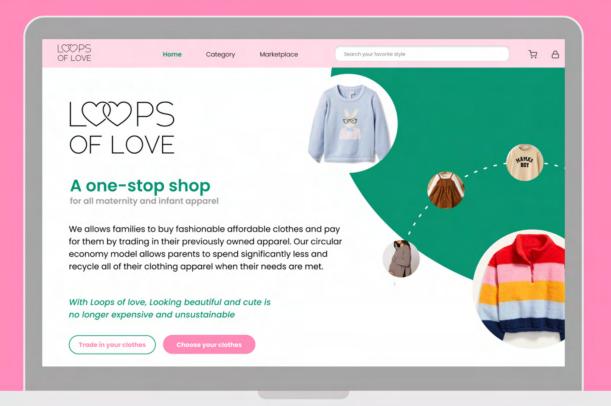
REVISED INTERVIEW QUESTIONS

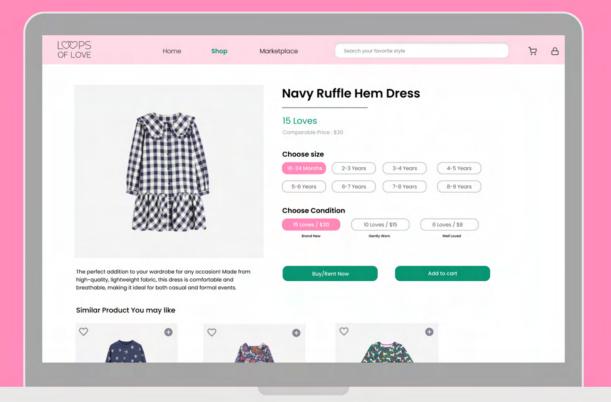
- What concerns do you have about renting or buying second-hand clothing for your children?
- What is your experience with renting clothing for you or your children? Would you consider renting as a viable option for children's clothing?
- Would you consider returning your clothes if you knew they were used in a circular model?
- How likely are you to trade in or swap clothing for in-store credits?

Okay, I'm going to show you an application called Loops of Love - A one-stop shop for all maternity and infant apparel where beauty meets sustainability. Loops of Love allows families to rent fashionable affordable clothes using instore credit and returns the clothing apparel when your needs are met.

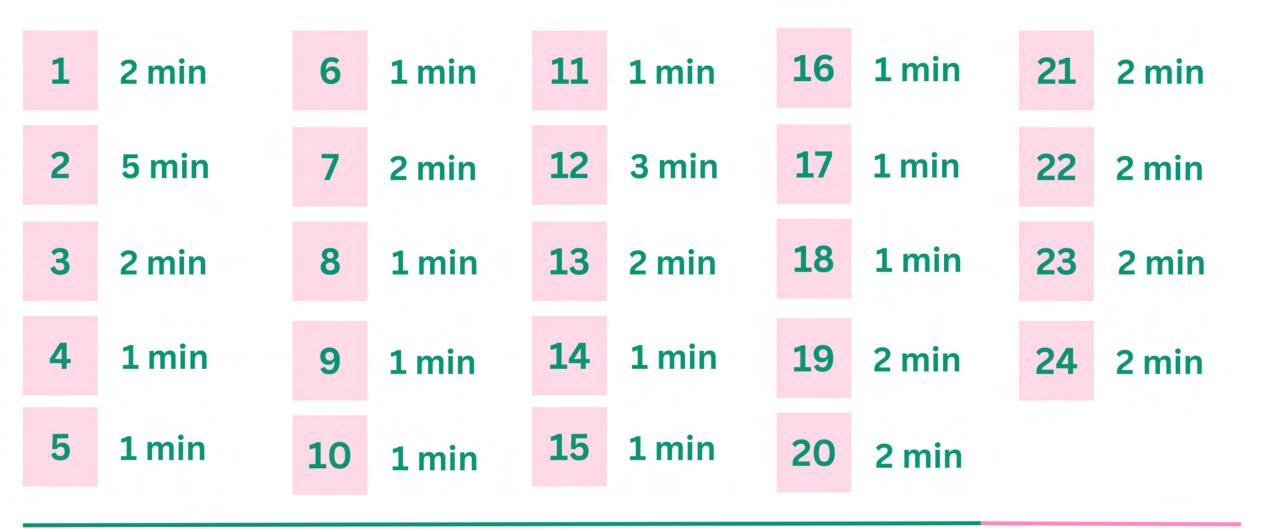
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- When thinking about our circular economy model do you think you would end up trading in your clothes?
- Is there anything we didn't ask that we should have?
- Do you have any additional comments or questions?

LOOPS OF LOVE PROTOTYPE SAMPLE





Question Time Estimation



General Questions

Prototype Questions

Total Interview Time ~ 40 minutes

USER INTERVIEW CHALLENGES

STAYING ON TRACK

Our interviewees had much to share and often deviated from the conversations. We found it challenging to bring the conversation back to the core, in order to respect their time and gain as many valuable insights

AVOIDING LEADING QUESTIONS

We wanted to ask interviewees questions that helped them think about the product in a certain way to offer clarity, but we knew it would introduce bias and skew the results, so we had to refrain from doing so

USER INTERVIEW 1



Hailey

35 AGE

LOCATION Phoenix, Arizona

Event coordinator/ at home mom **OCCUPATION**

In Relationship (Not Married) **MARITAL STATUS**

KIDS

KIDS AGES/ GENDER 1.5 years old, female

\$ SPENT ON MATERNITY **CLOTHES**

\$300

PURCHASING HABITS	 Consider style, season. Purchases for necessity and fun, Is picky Shops for- Affordability, Comfort, Style
CHALLENGES	 Maternity: difficult to find maternity pants Children: not having snaps in the crotch, finding clothing for their kids as they grow so quickly and want to look stylish.
STEPS TAKES TO FIX THAT	 Found maternity pants at Target, but expensive (\$40/pair) / not good value Purchases second-hand from Poshmark/
GOALS	 Shopping for kids: Look for clothing that fits now and can be worn for a couple of months; also important to find clothing that is aesthetically pleasing Trying to be more cognizant of sustainable clothing Buy clothes that will last a while, not unravel with first wear
MOTIVATION	 Future-oriented mindset: if another kid comes along, clothes can be reused
FRUSTRATION	 Finding affordable clothing for their kids is challenging as they grow so quickly and want to look stylish/ price is concern
SUSTAINABILITY	Sustainability is important when it comes to buying clothing
FAVORITE BRANDS	Carters, Poshmark, Target (Consistent, Cute, Quality is decent)

USER INTERVIEW 1



Hailey

AGE 35

LOCATION Phoenix, Arizona

OCCUPATION Event coordinator/ at

home mom

MARITAL STATUS In Relationship (Not

Married)

KIDS 1

KIDS AGES/
GENDER

1.5 years old, female

S SPENT ON
MATERNITY \$300
CLOTHES

KEY TAKEAWAYS

"As a parent, I know how quickly kids grow out of clothing. I think a system like this, if it is accessible and reasonably priced, would be a great way to ensure that my child is always wearing the most up-to-date clothing without having to purchase a whole new wardrobe every time they grow out of a size."

01

"To me, sustainability means using quality materials that will last. It's about craftsmanship, transparency and ensuring that someone else can use the item for a long time after you're done with it."

02

"I really like the idea of getting in-store credit once you return stuff, I think that's great. And the idea of sending in your maternity clothes to get you credit for children's clothing."



"Recently I purchased from the online store **Poshmark** to find a **second-hand item** that was **more affordable**, but honestly I have purchased from them several times for this reason."

<u>Link</u>

USER INTERVIEW 2



Michelle

AGE 43

LOCATION Sacramento, CA

OCCUPATION Nanny/ student

MARITAL STATUS Single

KIDS 0

KIDS AGES/
GENDER

Currently pregnant,
27 weeks- gender
unknown

\$ SPENT ON MATERNITY \$ CLOTHES

\$500

PURCHASING HABITS	 Shops for: style/ design "if I love it", price "on sale", ease of use, convenience, if its worth it, seasonal items
CHALLENGES	 Maternity: getting the right fit/ not being able to try item on Children: not many (theres so many options) but price, quality
STEPS TAKES TO FIX THAT	 Found maternity pants at Target, but expensive (\$40)/not good value Purchases second-hand from Poshmark/resells (OnceUponAChild)
GOALS	 I need to like the look of the product and I need to have some experience with the brand to be able to tell if the item will hold up over time. Willing to spend more on items I love and need
MOTIVATION	 Prioritizes buying kids clothes over self. Look for items that she loves first, then consider the price (if its worth the price). Takes care to make sure she's getting all the stains out, and tries to get items that are of good quality that can withstand multiple washes so that they last.
FRUSTRATION	 Price of sustainable clothes I bought a few items from a British company, Seraphine that sells maternity clothes with the intention of returning what didn't fit, but unfortunately, my refund was delayed due to a shipment issue. I was expecting a refund of around \$600, so the inconvenience of the delay was definitely not ideal."
SUSTAINABILITY	 Getting a lot of use out of it, passing it down especially for baby clothes, wearing well, washing well
FAVORITE BRANDS	 Kids- Janie & Jack (cute, boy button down/ polo shirts, great holiday line) Once Upon A Child (affordable, "major discount", second hand)

Link

USER INTERVIEW 2



Michelle

AGE 43

LOCATION Sacramento, CA

OCCUPATION Nanny/ student

MARITAL STATUS Single

KIDS 0

CLOTHES

KIDS AGES/
GENDER

Currently pregnant,
27 weeks- gender
unknown

SPENT ON \$500

KEY TAKEAWAYS

"I think this product would be really useful for people and it looks like there's nothing else out there like it. Saving money while also promoting sustainability is an added bonus. When is it being launched? I would definitely use it for my next pregnancy, it would make my life easier and if it was more affordable to buy sustainable clothing because it had already been used by one or two children, that would be a great perk."

- "I would Absolutely buy from a brand I usually buy from if they released a sustainable item at a higher price. If I liked the look of it, I would consider buying a size larger so I can get a couple of seasons or a couple of years out of it to make it worth the additional cost."
- "If it's for the baby, obviously, then they're just going to grow out of it super quick. So I feel like buying second hand for them makes more economic sense."
- "I would consider renting kids' and maternity clothing for special occasions, such as if I needed something fancy for an event and would only wear it once. I think this is an interesting idea."
- O4 I don't know of any rental services but I think it's a an interesting and great idea s long as it looks like the stitching is good and it's well made.
- "Throwing away is really my last resort. I always try to find a second home for the items I'm trying to get rid of. I start by trying to sell the items through stores like Once Upon a Child. If I'm not able to sell everything, I'll take the remaining items back home and try to find another way to sell them or get rid of them, and If I can't, I'll keep it until I can find someone who wants it. It's like a chain of events."

<u>Link</u>

USER INTERVIEW 3



Christina

AGE 35

LOCATION Denver, CO

OCCUPATION Mining Consultant

MARITAL STATUS Married

KIDS

KIDS AGES/ 4 months, female GENDER

\$ SPENT ON MATERNITY CLOTHES

>2000

PURCHASING HABITS	Shops/Shopped early for all of their child's clothes: convenience and price and the main drivers of her clothing-buying habits. Consistently buys 2 items per month.
CHALLENGES	Baby clothes are very accessible nowadays, and trying to find more sustainable or second-hand items end up being an inconvenience requiring her to travel more or spend more.
STEPS TAKES TO FIX THAT	Whenever she is looking for more affordable pieces she will upload them to a shared registry where family and friends can hand her down items or purchase new ones.
GOALS	For day-day items, I need something convenient and fairly priced. For special items, I need access without spending exessivley.
MOTIVATION	Expects another child, and because of that wants to be able to keep certain items while also returning unnecessary clothing
FRUSTRATION	Having too many maternity clothes and having no options for affordable luxury items.
SUSTAINABILITY	Does not prioritize sustainability, will always choose either more stylish or better-priced items.
FAVORITE BRANDS	Banana Republic, Gap, Old Navy, Target and Amazon.

USER INTERVIEW 3



Christina

AGE 35

LOCATION Denver, Colorado

OCCUPATION Minning Consultant

MARITAL STATUS Married

KIDS

KIDS AGES/ 4 months, female GENDER

MATERNITY >2000

KEY TAKEAWAYS

In order for me to adopt anything new, I need a solution that will do what I currently use better. Buying baby clothes today is not only affordable but is extremely convenient.

01

I have countless clothing items in my storage just sitting there, creating **solutions beyond clothing for babies** really interests me.

02

Currently, I see no need to buy second-hand items because if I need something second-hand I can have my family and friends hand me down something.



There are two things I really would like to do better, first is **gifting** and the other is getting **rid or selling** the items I no longer use.

<u>Link</u>

USER INTERVIEW 4



Larissa

AGE 31

LOCATION Sao Paulo, Brazil

OCCUPATION Stay @home Mom

MARITAL STATUS Married

KIDS

KIDS AGES/ GENDER 1.2 years old, female

\$ SPENT ON MATERNITY CLOTHES

>1000

PURCHASING HABITS	 As soon as I got pregnant, I purchased a lot of things for my baby. This allowed me to get great prices but also I no longer need to buy things every month.
CHALLENGES	 The hardest challenge is when I buy a second item and I can't find what I wanted. Selection and assessing second hand items is my hardest challenge.
STEPS TAKES TO FIX THAT	 What I do when I can't find what I am looking for I usually go on Instagram and connect with friends that have had children. Usually I am able to buy something from friends through Instagram.
GOALS	 Easy to use product that helps with time management. To have more time. Wants to stay connected. Wants to accomplish many personal and professional goals by improving time management.
MOTIVATION	Expects to have another child so is currently not donating a lot of items.
FRUSTRATION	 Certainly finding great pieces for an affordable price that last. Most of the things I find are other excessively expensive or the quality is horrible.
SUSTAINABILITY	 I wish I could buy pieces that were more sustainable which end up having a premium. I prefer to buy second-hand items.
FAVORITE BRANDS	Most of what I buy is from Carter

USER INTERVIEW 4



Larissa

AGE 31

LOCATION Sao Paulo, Brazil

OCCUPATION Stay @home Mom

MARITAL STATUS Married

KIDS

KIDS AGES/
GENDER

1.2 years old, female

\$ SPENT ON
MATERNITY >1000

KEY TAKEAWAYS

One thing to takeaway is that the second-hand market is something that can significantly improve. Finding items in thrift shops, marketplaces, social media, and from friends is something very fragmented.

01

Most of the things I buy for my child are basics. Having a variety of **colors and materials** is something that is really important for me.

02

Personally, for me, it is hard to wrap my hand around the concept of renting clothes for my child because **they are so smal**l. I would **items that are the most expensive**, like a baby seat, a slide, a bed frame, etc.

03

I would like to have a selection of clothes when buying from brands that I am already familiar with. Otherwise, it would be quite challenging for me to actually buy/rent.

INTERVIEW INSIGHTS

Companies should ensure their shipping and return processes are efficient in order to provide a satisfactory customer experience and avoid unnecessary delays and frustration.

Many consumers are interested in sustainable shopping, but financial constraints make it difficult for them to do so.

Secondhand and discounted clothing can be a great way for families to save money while still providing their children with quality name brand items.

Many people rely on hand-me-downs to supplement their wardrobes and save money Consumers are increasingly motivated to purchase sustainable fashion items, even if the cost is higher, if they like the look of the item and believe it will last for multiple years.

Consumers appreciate being provided with information about the origin and impact of their clothing, and are more likely to purchase from brands that make this information accessible.

Providing customers with additional information about the products they purchase can be a powerful way for companies to build trust and loyalty.

Consumers are increasingly seeking out secondary markets and donation centers as a way to reduce their waste and repurpose items they no longer need.

Many parents are becoming increasingly selective about the hand-me-downs they receive, as they don't want their children to wear clothes that are too outdated or of poor quality.

Many parents recognize
that second-hand items can
be a great way to save
money when it comes to
providing for their children,
as young children are likely
to outgrow clothing and
other items quickly.

Moms-to-be are looking for cost-effective and sustainable ways to shop for maternity clothing There is a growing desire for moms to shop affordable, secondhand clothing options as a way to ways to save money while also promoting sustainability

Many parents are opting for secondhand items for their children due to the fast rate at which their kids outgrow their clothes and other items.

Parents are open to the idea of renting or buying second-hand children's clothing as long as the quality of the clothing is well-made and the stitching looks secure.

Moms who have recently given birth often need to purchase nursing tops and other nursing products, which can be difficult to find in traditional stores.

Renting children's clothing for special occasions may be an attractive option for parents who want to avoid the cost of purchasing new items only to be used once.

Parents are open to the idea of renting or buying second-hand clothing for their children as long as they feel confident in the quality of the clothing.

Moms are willing to spend more on items they deem necessary for their children, such as clothing that will last a long time, rather than on items that may not be used as often.

USER TESTING KEY INSIGHTS

INSIGHT 1

[Maternity side] While data suggests that women spend an average of \$500 on maternity clothing, which they only wear for about 5 months during their late pregnancy, our research and interviews suggested that the financial stress and concern imposed on mothers wasn't that significant. Yes, a lot of mothers have their maternity clothes stored and would like to "get rid" of them, but our research suggested that after COVID a lot of mothers decreased the number of clothes purchased as new hybrid work models allowed them to stay home rather than work at an office.

INSIGHT 3

[Loops of Love side] While interviewing mothers several operational questions of product functionality emerged concerning our idea to allow users to sell back their clothes to loops of love. How will one determine the price? Who determines the quality and acceptance criteria? What if the clothing items are too used? How can you scale this to accommodate thousands of potential users? With all of these questions, we realized that in order to create a sustainable cycle that operationally works we needed to focus on a marketplace where users would themselves determine price, quality, etc.

INSIGHT 2

[Mother side] We realized through our research that the largest pain-points for mothers who have babies is actually deciding what to do with their leftover inventory. Our initial hypothesis was that current market offerings lack financial accessibility and quality. However, we learned that maternity clothing is very accessible at early baby ages. In fact, in order to compete we needed to create an experience that was more convenient, financially accessible and stylish.

INSIGHT 4

[Pricing] Initially we avoided thinking about pricing models where we would force our members to pay a monthly subscription. However as we learned with our customers, we realized that the best manner to price our products would be to allow them to choose items that would be charged every month they hold them. When the user decides they need bigger sizes, the user would be allowed to return that item back to use or purchase at a discount price. From our interviews, pricing by holding time rather than item or pieces was the most ideal.

NEXT STEPS/RECOMMENDATIONS

Apparel Products

It has become clear that there needs to be an emphasis on the apparel selection we are offering. We need to start thinking however of the next steps required to create a holistic catalog of clothes. Are we creating private labels? How are we going to source these clothes at discounted prices? Are we suddenly becoming a clothing manufacturer? Clearly, a larger investment in this area will guarantee if loops of love compete or not with existing solutions.

Marketplace

We have realized that Loops of Love has two key offerings, marketplace and rent/buy items. Because of this, we need to think of the larger rules of the game concerning our marketplace. We have already determined that users can be compensated by cash or instore credit for a greater amount (incentivizing them to stay in Loops of Love), however, are there more rules, gamification, incentives, and promotions required to propulsion our marketplace?

FInance

Now that we have scoped that our pricing strategy for rent clothes will be to charge users for how long they hold the items we need to start thinking of all the other facets that require a financial strategy. For example, we need to start developing ways to monetize our marketplace or we need to start thinking about ways to efficiently offer discounted prices for users to buy after the rental period is over, will these discounts be static, moving, etc.?