

## Market Segmentation Strategy

### The fashion industry in the US:

The fashion industry is beyond what customers just add to their wardrobes. The fashion industry has an enormous impact on the GDP and employment index of the US economy. The US exports about \$6 billion (about \$18 per person in the US) in apparel yearly but imports more than \$82 billion (about \$250 per person in the US) (about \$250 per person in the US) and employs over 2 million people (about the population of Nebraska) yearly. **Fashion is a \$1.7 trillion (about \$5,200 per person in the US) global industry, of which \$250 billion (about \$770 per person in the US) originates annually from the United States.** The women's fashion industry contributes more than \$620 billion (about \$1,900 per person in the US) (about \$1,900 per person in the US) to the entire fashion industry.

### Growing second-hand fashion industry in the US:

While the fashion industry continues to be an important segment, with the growing acceptance of pre-loved apparel, the second-hand fashion industry could be even bigger than 'fast fashion by 2029. According to the research conducted by [Threadup](#) over the past three years, the market of pre-loved clothes has grown 21 times faster in the US than in the 'apparel retail' market segment. The value of this segment, which is currently worth USD 24 bn, is expected to reach \$51 billion in five years.

### Target audience based on these two analyses:

Young Fashionista- Ana	Traditionalist- Mia
	
Age 16-24	Age 25 and above
Influenced by pop culture, fast-paced fashion	Values for a few statements fashion pieces
Annual income 50K-70K	Annual income 100K and above

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Ana cares about friends' opinions on her clothing & fashion and social media trends.	Mia follows a minimalist lifestyle and cares about sustainable fashion. She checks the Posh Mark marketplace often to find all sorts of clothing, from pajamas to business casuals.
Ana spends a significant amount of her time on social media following fashion influencers & her favorite celebs.	Mia always considers the footprints of fast-moving fashion on the environment while making a purchase decision. She cares about her looks yet has no qualms about repeating her outfits.
Ana doesn't know where to find the jacket she saw on someone's Insta story, at a discounted price, which will be perfect for her Fall collection.	Mia would like to have an easy option to find a statement jacket that she saw on a TV show last night but does not know where to find it.

### Why would Ana & Mia choose Fashion Eye App over Cam Find App?

**1) Better UX:** The experience of finding a particular outfit that Ana is looking for in CamFind is frustrating. Ana finds no option to narrow her search to find relevant search results in the existing app. For instance, if she uploads an animal print fall jacket, the search results show her every clothing category in animal print, from tops to skirts, but the jacket she wanted to check out. The Cam Find app does not find the perfect product description, which confuses Ana about the size and fit; moreover, she finds the products to be quite expensive many times.

**2) Great choices in the secondhand clothes category & affordable prices:** Mia likes to scan through the Poshmark Marketplace app but sometimes it's time consuming to find exactly what she is looking for. Mia would love to upload a picture and let the technology do the work for her, i.e., crawling on the web to find her the statement jacket she has been looking for.

### Sources:

1. [40 Important Fashion Demographics - BrandonGaille.com](#)
2. [Fashion : Spotlight on Statistics: U.S. Bureau of Labor Statistics \(bls.gov\)](#)
3. [Secondhand fashion industry is booming and could overtake fast fashion – research - Positive News - Positive News](#)
4. [The Most Important Fashion Industry Statistics in 2022 \(fashiondiscounts.uk\)](#)