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Creatives & Entrepreneurship

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Reading Response

“Business Model Innovation at Wildfang” by Charla Mathwick outlines the business strategy that the founders of Wildfang underwent to expand the number of retail locations that brand is operating. The text begins with how to brand become a real company. How the founders grew the brand with media exposure and advertisement. How they identified their market and then was able to provide what the market wanted. How engaged the customers are with the brand and the customer profiles. The consideration for a bricks-and-clicks private label retail strategy that would increase revenue; or if a multisided platform model would provide the growth they were looking for.

The founders, Emma Mcilroy and Julia Parsley, were inspired by Urban Outfitters back in 2010. They are self-proclaimed “tomboys” and would look for men’s clothing at department stores that they could wear. They were working at Nike when they decided to leave to start their own social media campaign to start their company. The campaign raised two point two million dollars by December of twenty thirteen. They were able to go on and open their first retail location, “The Wildfang Fort” that also served as their corporate headquarters. By June of twenty fifteen, they were generating two million dollars annually. By twenty sixteen, Mcilroy began working on the expansion of the company and had to consider a “brick-and-click” strategy with

the intent of expanding Wildfang's private label sales or a "multisided platform" to leverage the Wildfang brand by giving affiliated merchants access to Wildfang's highly engaged target market.

The firm's early revenue growth had come from influencing the market and earning media from their followers. The company didn't have to spend a single penny on paid media for the first eighteen months of operation. The team at Wildfang worked on creating a launch video that showcased the eclectic collection of women McIlroy and Parsley believed best represented the brand. The brand also relied on a blog and social media marketing.

The brick-and-click model would manifest into a private label would provide in-house. Third-party merchandise hovered around thirty-five percent gross margin, while collaborative pieces designed exclusively for Wildfang could double these percentages.

The multisided fashion platform brings together two or more distinct but interdependent groups of participants within the platform. Affiliated merchants would manage inventory and fulfillment processing, limiting inventory expense for Wildfang. In this model, a limited number of key outposts would be opened, and the gross margin assumption for a multisided retail platform was benchmarked at forty-five percent.