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## Daily Insight Article:

### THE ANTI-FAST FASHION MILLENNIAL STARTUP: Q&A WITH ARMOIRE

AS FAST FASHION LOSES ITS GRIP ON YOUNG CONSUMERS, ONE MILLENNIAL STARTUP SEES AN OPPORTUNITY TO APPEAL TO A LESS IS MORE APPROACH TO CLOTHING...

As Millennials grow up, is fast fashion slowing down? Cheap and trendy fashion retailer Forever 21 has shown signs of concern over the past few months, including a sharp decline in sales compared to last year. They aren't the only ones losing steam—[Racked](#) reports that “H&M [just posted](#) its weakest quarterly sales growth in three years, and Urban Outfitters [reported falling same-store sales](#) this quarter, causing its stock to plunge.” The *New York Times* [speculates](#) “weak demand” as the root of the problem. But there is also a possibility consumers’ growing [Less is More](#) mentality is having an impact. When we surveyed Millennials 18-33-years-old about their shopping behaviors, 52% said they have tried to curb spending on physical items in the last year, and 66% say they have been buying less clothing/accessories than they used to.

[Armoire](#) is a new fashion subscription service (created by Millennials) that is taking an anti-fast fashion approach to clothing. The startup calls themselves “closet as a service,” and using a recommendation engine that takes into account style preferences and abstract factors like moods and event appropriateness, they create a virtual closet where subscribers can choose and rent four high-quality pieces from top designers. Once they are done with the items, they can easily send the pieces back to be dry cleaned and choose their next outfits. The Millennial team behind the service were not only inspired by the multi-tasking #boss lady who has little time to maintain a closet, but by the new wave of socially conscious consumers who don't want clothing waste to be a part of their wardrobes. We talked to Ambika Singh, the CEO of Armoire, about this consumer, what the rising less is more approach means for the fashion industry, and how they're providing the alluring “new clothes” feeling without the waste:

#### YP: Why did you decide to start Armoire?

**Ambika Singh:** These were a bunch of problems that I've personally faced and my cofounders have faced. For women, if you have an iconic dress or a noticeable top, there's pressure not to rewear it—certainly not in the same week and possibly not in the same month, depending on the culture of your workplace and the image you want to portray. We sincerely believe that this is a uniquely gendered problem. We're actually an all-female team except for one brave man who hangs out with us.

We're not in the fast fashion game. Something we believe very strongly and brought all of us to this business is that while it's amazing to walk in to any outlet and get a whole new wardrobe for less than what your bill is going out to dinner for the week, it also creates tremendous waste and it's something that we all feel really stressed about. Before we started the business we did closet dives for research. We would ask people standing in front of their closets, “How do you feel when you look in here?” Frequently the response was, “Guilty.” When asked why they felt that way, the response was, “Because there's so much stuff in my

closet that I just never wear. I bought it from xyz fast fashion outlet for the Friday night that was coming up and now it's just sitting in my closet.” Our customers are connected and educated enough to understand that a shirt has tremendous cost on both the planet and the production facilities it came from, so they don't feel super proud that they've got an overstuffed closet full of things that they don't wear. Everybody wants variety, but if you ask a woman “What was your favorite day with xyz items,” their response is always, “The first time I wore when it was new, it was really fun.” We're giving people that newness and that variety without the over-consumption, tax on their closet, the tax on the industry, and the planet at large.

**YP: Tell us about your target consumer.**

**AS:** Our customer is a busy woman who has been extremely successful in all aspects of her life. She's the girl that is killing it at work, has a really full social life, always looks great and frankly just doesn't have the time or desire to maintain that wardrobe. So when we say closet as a service, what that means is that our customers turn over the maintenance of their closet to us.

She's likely in that Millennial group because Millennials are comfortable and attuned to collaborative consumption. They do it with their apartments, they do it with their cars, and clothes are just another extension of that. She's fashion aware for sure, but she may not be in love with her closet.

We are constantly inspired by how incredible all these women are. Our customers are doctors, lawyers, consultants, marketing professionals, surgeons etc. so if we can take two hours back from a day where you don't think about shopping, don't need to think about what you're going to wear, you don't need to think about dry cleaning, if we can remove the stress of shopping, curating, and maintaining from our customers, they will do amazing things.

**YP: What separates your fashion subscription service from others?**

**AS:** We're really focused on customer experience and the friction-free aspect of it. Other competitors have giant catalogs of three thousand plus items and it's on the consumer to wade through all of the options, wade through the user photos, and try to figure out. Does it fit your style, does it fit your body, etc. Our paradigm is this limited choice, where we've understood your preferences well enough that we can deliver these items to you from what you can select, and that separates us from the rest. The other thing that separates us is the quality of the items that we carry. We're carrying brands that are iconic and that fit the lifestyle of our target customer. Joie, Alexander Wang, Ted Baker, and more—are built for this busy woman who really needs to dress the part for her life.

**YP: Where do you see fashion going next?**

**AS:** I think the Millennial consumer is a conscious consumer. Retailers need to figure out how to make fewer, better things. The flip side to that, and why we deeply believe in rental, is frankly women have been in love with new clothes for as long as you can look back, a new dress, a new shirt across cultures, across timelines, so we have to figure out a way to deliver that newness without sort of the tax on the planet and the industry. The other big thing is the just-in-time mentality. Retail traditionally, deal with very long cycle times and even at the wholesale level they've got long cycles with manufacturers so their ability to be just-in-time is just not present. A Millennial is used to being able to change a lunch order on Seamless or order a car on Uber, so this idea of just-in-time makes a lot of sense. The idea that you might have to wait six months or even longer is going out of style.

**YP: What is it like being a Millennial entrepreneur—is it an advantage or a disadvantage?**

**AS:** I'll tell you tactically why I think it's a huge advantage. It's obviously incredible to grow up as technology literate as we did, I think you would be hard pressed to find a business that started today that doesn't have a huge technology component. You might look Armoire up

and think, “They're not a technology company they're renting clothes,” but everything we do is based on the tech that we built, all the way from the frontend to how our customers interact with us to our recommendation engine. I think as a Millennial entrepreneur you don't even imagine a business that doesn't have a technology component no matter how important the brick and mortar division is, so that's another big thing. Lastly, I think another Millennial value is the understanding and the respect for diversity. For us here it really means diversity of thought, and that may come because people come from different backgrounds, etc. The ability to push back and argue to get to the best decision is core to our generation, and it's super helpful as an entrepreneur because your team and your ideas are going to be so much better. I think there are caricatures of the old school organization, where you listen to the boss and you shut up and move on— that's absolutely not Millennial-friendly. Respecting the diversity of thought from different sources is super important. Having the stomach to take risks and do things in a new way—if you're committed to doing things the same way over and over, I'm not sure you are going to attract the fluidity and creativity of the Millennial.

*This interview has been edited and condensed*

Ambika Singh, Sloan MBA 2016, is the Co-Founder and CEO of Armoire. Her past experiences include marketing & sales roles at Microsoft, two consumer facing web startups, and a mid-sized systems integrator that was recently acquired by Harman Kardon. Ambika graduated from Dartmouth College in 2007 with a double major in History and Asian Studies modified with Economics; she completed a thesis about microfinance risk models in rural India. Outside of school, she enjoys traveling, eating, hiking, camping, soccer, spending time with friends & family, and thinking about startups.

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