

# How to Start a Clothing Business From Scratch: Turn Custom Apparel Into Profit

Have you dreamed of starting your own custom apparel business for years?

With today's technology and resources at your fingertips, your dream isn't as distant as you may think.

In this guide, we'll explore the ins and outs of starting a clothing line from scratch—including planning, design, manufacturing, and marketing.

## What to **consider** before starting a **custom apparel business**

If you're thinking about starting a clothing line, it's important to have a clear vision for your business. You also need to study the market you're entering (because you don't want any unpleasant surprises later on).

Here are a few thought-starters for your initial planning:

- What is my budget?
- How will I fund my business?
- What are my startup costs?
- Who is my target market?
- What type of clothing do I want to sell?
- What do I need to learn about the custom apparel industry?

If you're starting a clothing business on a shoestring budget, you'll need to be creative with your funding. There are a number of ways to finance your business, from personal savings to investors.

Right now, you mainly need to have a solid understanding of your startup costs so you can determine the best way to get the cash you need.



#### What you'll need to start a clothing business

Anyone can start a clothing line, but it's not for everyone.

It takes more than a manufacturer and a website to start a successful custom apparel company. If you want to achieve your goals, you will need:

#### A unique sense of style

Your sense of style is one of your most important assets. It will set you apart from the competition and help you build a loyal customer base.

If you're not sure where to start, take some time to browse through fashion magazines and websites. Look for trends that you think would appeal to your target market. Once you see what's trending, you can start exploring your own unique style.

#### A passion for custom apparel

Of course, starting a clothing business is not just about having a great sense of style. It's also important to have a passion for apparel. This industry is competitive, so it's important to really love what you do.

Want to test the waters first? Start by attending trade shows and fashion events. You will dip your toes into the apparel world and decide if a clothing business is something you're interested in pursuing.

#### An understanding of the custom apparel industry

You should know the ins and outs of the manufacturing process, the different types of fabrics and materials, and the latest trends.

#### A strong work ethic

Starting any business is not easy, and the custom apparel industry is no exception. It's crucial to have a strong work ethic if you want to be successful. This means being organized, setting goals, and staying focused on your vision.

#### A solid marketing strategy

We know your products will be great, but the world needs to know, too!

Even the most genius products won't sell themselves. That's why it's important to have a solid marketing strategy in place. Your strategy can include traditional methods such as advertising and PR, as well as online marketing tactics like social media and content marketing.



#### Do your research

As with any new business venture, it's wise to do your research before starting a clothing company. Based on your findings, you can take informed steps as you navigate the initial planning stages of your business.

If you're the creative type, the research phase might not be the most fun for you, but it is an essential step in growing a successful custom apparel business from the ground up.

On the Scrappy Apparel website, we offer <u>weekly insights</u> and <u>free resources</u> for custom apparel brands in all stages of their journeys.

#### Choose your business model

There are a few different business models you can use for your custom apparel company. The most common are:

#### **BULK MANUFACTURING**

This is the most straightforward business model. You design and manufacture your own products and sell them directly to consumers through your website or online store.

#### Pros of bulk manufacturing

- You have more control over the quality of your products.
- You can offer a wider range of products and sizes.

#### Cons of bulk manufacturing:

It requires a significant upfront investment.

You're responsible for storing and shipping your products.

#### PRINT-ON-DEMAND (POD)

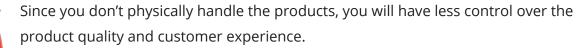
In this business model, you work with a manufacturing partner to produce products only when they're ordered by customers. If you don't have a lot of upfront capital to invest in inventory, POD could be the right move for you.



#### **Pros of print-on-demand**

- There's no need to hold inventory.
- It's a good option for brands that are just starting out and don't have over \$1,000 to invest.

#### Cons of print-on-demand:



You will often pay more per unit than you would with bulk manufacturing.





#### **PRIVATE LABEL**

In this business model, you work with a manufacturer to produce products that you then sell under your own brand. If you're serious about making your brand a huge success, you will eventually want to private label your products.

## Pro

#### **Pros of private labeling**

- You have true ownership of your custom apparel.
- You can create a higher-end product that appears more professional.

#### Cons of private labeling:

• It requires a significant upfront investment.

At Scrappy Apparel, we offer bulk manufacturing with private labeling capabilities. You get the best of both worlds!



#### How to write your business plan

Your business plan will be a document that outlines your goals, strategies, and objectives for your custom apparel line.

#### Here's what you should include in your business plan:

- Company description: A detailed description of your company, including your "why."
- **Products:** A description of the products you offer, including features and benefits.
- **Marketing and sales:** A description of your marketing and sales strategy, including your target market, marketing mix, and sales channels.
- **Financials:** A summary of your financial projections, including your income statement, balance sheet, and cash flow statement.

You don't have to get the business plan perfect the first time you create it. The important thing is to get started and revise it as your business progresses.

#### **Decide** on your sales channels

Sales channels are self-explanatory. They simply determine where you will sell your custom apparel.

Will you focus on eCommerce or brick-and-mortar retail? Will you use a combination of both?

There are pros and cons to each sales channel, so it's important to choose the one that's right for your business.

#### **eCommerce**

Many custom apparel brands have their own eCommerce stores that are hosted on their websites. This is a phenomenal option if you want to have complete control over your brand and the customer experience.

#### Pros of selling online:

- You can reach a global audience.
- You can start selling for a relatively low cost.
- You have more control over the customer experience.

#### Cons of selling online:

- It can be harder to build personal relationships with customers.
- You're competing against a lot of other businesses.
- You need to invest in strong eCommerce and SEO practices.

#### **Examples of eCommerce platforms for custom apparel:**

- Shopify
- Woocommerce
- BigCommerce

#### **Brick-and-mortar retail**

Brick-and-mortar stores may be a traditional sales channel, but that doesn't mean people never shop in person anymore. In fact, many consumers still prefer to touch and feel products before they make a purchase.

## Pros of selling in brick-and-mortar stores:

- You can build personal relationships with customers.
- It's a great way to get exposure for your brand.

## Cons of selling in brick-and-mortar stores:

- Finding the right retailers can be a long process.
- There's a risk of damaged or stolen products.
- You need to price your products correctly to cover all expenses associated with selling in person.



#### How to create a budget

Think of your budget as a safety net that prevents you from falling (a.k.a. running out of money). When you create your budget, you'll need to factor in the following expenses:

- Design and development
- Manufacturing
- Marketing and advertising
- Shipping and logistics
- Brick-and-mortar retail (if applicable)

#### What does it cost to start a custom apparel brand?

Good question. We wish we had a simple answer for you.

The cost depends on a number of factors, including the type of products you sell, the manufacturing method you use, and your marketing budget.

It could easily cost thousands of dollars, if not more, to get started. However, dropshipping and print-on-demand are two low-cost entry points into the custom apparel world.

#### How to choose your niche

When starting a clothing business, it's important to choose a niche so you can focus your marketing and sales efforts on the customers who will be most likely to buy your products.

Here are some factors to consider when defining your niche:

- Target market: Who are you targeting with your products?
- Product type: What type of clothing are you selling?
- **Price point:** What is your price range?

Once you've decided on your niche, you can start to build your brand identity to cater to the customers within the niche market.

## Now, let's **let's get creative** and **build a powerhouse brand**

After you've done your research and decided to start a custom apparel business, it's time to start creating your brand. This includes everything from choosing a name and logo to developing your brand identity.

Your brand is what sets your business apart from the competition. It's what makes you unique and helps you attract customers. By taking the time to develop a standout brand, you'll be in a prime position to succeed in the competitive custom apparel industry.

Here are a few tips for creating a successful brand for your new clothing business:

### Choose a catchy name that's easy to remember.

Naming your brand is a key part of the process, but for many people, it's also one of the hardest decisions to make.

Your brand name needs to have a nice ring to it. Ideally, you will be able to secure the website domain name and social media handles to match it.

If you can make your name easy to spell and pronounce, it will be easier for people to find you online and in stores.

You can consider using a play on words, a pun, or a made-up word. Whatever you choose, make sure it will appeal to the target market you defined in your business plan.

#### Develop a simple but professional logo.

Your logo is one of the first things people will see when they encounter your brand, so it's important to make a great first impression.

Once again, simpler is better! Your logo should be versatile enough that it can be used on a variety of marketing materials, from your website and business cards to your packaging and social media accounts.

#### Create a brand identity guide.

A brand identity guide is a document that outlines your brand's visual elements, such as your logo, color palette, and typography. This guide will serve as a reference for you and your team as you design marketing materials and products.

Your brand identity guide should include examples of how to use your logo, color palette, and typography in different scenarios to ensure your visuals are consistent across all platforms.

## Create an elevator pitch that succinctly explains what your brand is all about.

An elevator pitch is a short, sweet explanation of what your brand is all about. It should be clear, concise, and easy to remember.

Of course, your pitch can save you from awkward silence when you encounter a stranger on an elevator ride, but that's not its true purpose in this case.

Creating an elevator pitch is a fantastic way to clarify your brand's unique selling proposition (USP) so you always have it at the forefront of your mind.



We're willing to bet you don't want to sew all these clothes yourself—but if you do, props to you!

If you prefer designing in Illustrator to sewing by hand, you'll need to find a manufacturer who can produce your garments. There are many different options for manufacturers, so it's important to do your research and find one that's the best fit for your needs.

Here are a few factors to keep in mind when searching for a clothing manufacturer:

#### Location

One of the first things you'll need to decide is whether you want to work with a local manufacturer or one based overseas. There are pros and cons to both options, so it's important to weigh the factors that are most important to you.

For example, working with a local manufacturer will likely be more expensive, but it will also be easier to communicate and build a relationship. On the other hand, working with an overseas manufacturer will be cheaper, but it may take longer to receive your finished products.

#### **Capabilities**

Not all manufacturers are created equal, so you'll want to make sure the one you choose is able to produce the type of clothing you want.

For example, some manufacturers specialize in certain fabrics or garment types, such as sportswear or outerwear. Others may have experience working with different brands, such as high-end fashion labels or mass-market retailers.

#### Reputation

When you're entrusting your brand to another company, it's crucial to make sure they have a five-star reputation. A quick Google search will reveal any red flags, such as negative reviews or news articles.

You can also ask for referrals from other clothing brands, retailers, or even your personal network.



#### **Pricing**

Be sure to get quotes from multiple manufacturers before making a decision. It's also important to remember that the cheapest option is not always the best option. It is worth it to pay a little extra for a manufacturer with a good reputation or superior capabilities.

#### Remember, get everything in writing!

When you're negotiating with a manufacturer, it's important to ask for every little detail in writing, including the price, delivery date, and other key information. This will help you avoid any misunderstandings or surprises down the road.



## How to **create** your **custom apparel designs**

A great design goes a long way in the custom apparel industry. But what makes a design great, anyway?

It should be unique and true to your brand, of course. However, there are also a few steps in the pre-production process that can make or break your apparel design.

#### Follow these design tips for custom apparel, and you'll be ready to rock!

- 1. First, you'll need to come up with an idea for your design. This can be anything from a sketch to a detailed description.
  - It's a smart move to think about which printing method and garment your design will end up on before you create the final version of your artwork.
- 2. Once you have an idea for your design, it's time to create the artwork. You can begin by sketching it if you prefer drawing by hand, but your final artwork file will need to be a vector file (.Al or .EPS). We recommend preparing your finished artwork in Adobe Illustrator.
- 3. Use our Artwork Preparation Guide to make sure your artwork is in the correct format before you send it to the manufacturer.
- 4. Finalize your project details, such as the garment type, printing method, and size. Then, submit your artwork to the manufacturer.

#### Keep these tips in mind when creating your custom apparel designs:

- **1. Quality is everything:** When it comes to printing on fabric, quality is key. Make sure your artwork is high resolution to avoid any pixelation or blurriness.
- **2. Keep it simple:** Less is more when it comes to apparel designs. A complex design may look great on paper, but it can be difficult (and expensive) to print on a t-shirt.
- **3. Stick to a few colors:** The more colors you use, the more expensive your design will be to print. We recommend sticking to a maximum of 3 or 4 colors.
- **4. Consider your audience:** When creating a design, it's crucial to remember who your target market is. Your goal should be to create designs that they won't be able to resist.

## Develop a marketing plan

Once you've designed your clothing line and found a manufacturer, you're ready to start thinking about how you're going to market your clothes to potential customers. You'll need to create an effective marketing strategy that will help you reach your target audience and generate sales.

#### Don't know what to include in your marketing plan? Here are our top picks:

- **1. Your unique selling proposition (USP):** What makes your clothing line special? What can you offer that other brands can't? This is what will help you stand out from the competition, so it's important to spend some time brainstorming your USP.
- **2. Your target market:** Who are you selling to? When you know who your target market is, you can create marketing campaigns that appeal to them.
- **3. Your marketing channels:** How are you going to reach your target market? There are a number of ways to reach potential customers, such as through online advertising, social media, or PR.

- **4. Your marketing budget:** How much are you willing to spend on marketing? You'll need to set a budget for your marketing campaigns so you don't overspend.
- **5. Your promotions schedule:** When are you going to run your marketing campaigns? It's important to plan out your promotions in advance so you can stay organized and on track.

## Launch your clothing business!

After you've done all of the planning and preparation, it's finally time to launch your business. This is when all of your hard work will pay off and you'll start to see your clothing line take shape.

Starting a custom apparel line can be a lot of work, but it can also be incredibly rewarding. With the right planning and execution, you can turn your custom apparel into a profitable business. Follow the tips in this guide, and you'll be well on your way to success.

## Start your custom apparel business with a manufacturer you can trust

At Scrappy Apparel, we check all the boxes.

- Vibrant, high-quality prints? Check.
- Soft, ultra-wearable fabrics? Check.
- Private labeling capabilities? Check.
- Free shipping to the USA? Check.
- On-time deliveries? Check.
- A rockstar customer support team? Check.

Our <u>Brand Building Process (BBP)</u> takes the stress out of manufacturing your custom apparel. Let us do all the hard work for you while you focus on the fun and exciting aspects of your clothing business.

#### Ready to start your custom apparel line and scale it into an empire?

We're here to help you every step of the way.

