



In order to be successful in their collaboration, Macy's and Etsy need to target Millennials with *Social Error's* interchangeable, affordable, and remarkable jewelry.

Part I: Collaborative SWOT Analysis & Target Audience Profile

This SWOT Analysis explores all facets of Etsy's partnership with Macy's, both pertaining to the individual companies and end-use customers. The comprehensive study below reveals and supports the product line that will help make this collaboration the most successful for all stakeholders involved.

**Strengths:**

- Both companies are most successful in their accessories departments—they have similar know-how
- Macy's recently rebranded to focus on attracting a new demographic: Millennials (versus Baby Boomers) (Lutz, 2012)
- Millennial demographics align with U.S. Etsy Seller Demographics (median age, gender, education, median income) (Bertozzi, 2010)
- Collaboration differentiates Macy's from other department stores, potentially stimulating foot traffic in permeated mall centers
- Product turnover allows the in-store Etsy Shop to remain current with popular and changing trends
- Selling through Macy's exposes Etsy Store Owners to a larger audience
- Consumers evaluate tangible products, versus virtual merchandise
- Inspires positive brand image for both companies: large corporation supporting "small businesses" and small businesses growing through success

Weaknesses:

- Wholesale manufacturing may compromise the quality and "charming" hand-made facet of many Etsy products (81% of sellers cite "outlet for creativity" as motivation for starting an Etsy Shop) (Chen, 2014)
- Etsy is a part-time hobby for some, requiring strategic selection of participants as logistics may be time consuming (26% of shop owners are "full time employed"; 24% of shop owners are "unemployed"; 48% of shop owners are "independent workers"; 2% of shop owners are "working without pay") (Chen, 2014)
- After successful pop-ups and increased brand awareness, Etsy business owners may still leave the site, returning to the case study's problem
- Currently, there exists only one operational location (Macy's NYC) curbing interest with geographic restriction (Reyhle, 2016)
- Etsy's website lacks information regarding their relationship with Macy's, lending to a missed

<ul style="list-style-type: none"> • Etsy Store Owners gain business knowledge through working with big-box retailers • Macy advertises partnership online 	<p>advertising opportunity and inconsistent messaging</p>
<p>Opportunities:</p> <ul style="list-style-type: none"> • This relationship has great potential when considering the partnership's ideal target audience; <i>Target Audience Profile, Pew Research Center:</i> <ul style="list-style-type: none"> - The Millennial Generation (born 1981-1997, ages 18-34 in 2015) - Largest generation in the U.S. labor force - Considered the most "unique" generation—specifically in regards to pop culture and style - Most involved with technology and social media—influential trendsetters - Place extreme importance on being successful and less on having free time to relax - Not satisfied with economy, but optimistic about the future (Millennials, A Portion of Generation Next, 2010) • Once process analytics have been successfully established, expand to more locations exciting diffused interest • Macy's can work with their most successful partnerships to create event or holiday specific products • Buy online, pickup in-store offering 	<p>Threats:</p> <ul style="list-style-type: none"> • Competitor's installing imitation techniques • Etsy Shop Owners getting sponsorship or seed money to take their company to the next level on their own.

Based on this SWOT Analysis, it can be determined that Etsy's partnership with Macy's has much potential. This potential stems from two important shared strengths: their relationship with the Millennial Generation and their notably successful accessories departments. One can recall that in 2012 Macy's rebranded to focus on capturing Millennial attention, versus Baby Boomer notice. Fittingly, U.S. Etsy Seller Demographics—as testified by the company's 2015

10K Report—are similarly correlated with Millennial Generation characteristics as studied by the Pew Research Center. For example, Etsy reports that 52% of sellers are college educated, and—According to the Pew Research Center—54% of Millennials have some sort of college education. (The Generation Defined, 2015) (2015 Annual Report Etsy, 2015) These demographic similarities are important because Etsy Store Owners can relate to, and understand, their prospective Macy's audience. Further, selling products made by individuals similar to Macy's target audience will help the corporation stay aligned with their new branding techniques.

Beyond being similarly competent from a directional perspective, both companies—as mentioned—are most successful in their accessories departments. Research predicts that 2017 will be a big year for fashion accessories. According to Vogue, 2017 fashion trends will lend from 2016 and include fur handbags, oversized platform shoes, and vintage modern collaborations. (Anderson, 2016) Additionally, the fashion icon forecasts oversized jewelry, statement accessories, baroque revival, asymmetric earrings, and raw stone to be popular in the new year. (Mallard, 2016) As mentioned, the Millennial Generation is considered the trendsetting leaders and adopters who will bring these developing styles to light. Millennial's influence and drive in trend movements is great news for the partnership at hand.

With this comprehensive information in mind, Etsy and Macy's should present a product line targeted to Millennials (a generation they are equally in-touch with) that aligns with predicted accessories (a mutual strength) fashions.

Part Two:

Introducing *Social Error*, a distinct jewelry line targeted at Millennials. As has been determined, individuals in the Millennial Generation are amongst the country's busiest as they are so concentrated on developing their professional lives. Though many are earning, they

remain price conscious, value convenience, and wish to be unique and current. Being Social Media's biggest contributors, Millennials understand how quickly and often fashion trends shift, and how expensive and time-consuming remaining current and looking presentable can become. According to AdWeek, 88% of Millennials use Facebook, 72% use YouTube, 59% use Twitter, and 34% use Instagram as of 2014; these numbers have undoubtedly grown. Further, according to the SocialTimes, "47% [of social media users are] more likely to spend money on clothing, shoes, and accessories" than non-users. (Bennett, 2014) (Bennett, 2013) When combining the facts presented by the SocialTimes and AdWeek, we know that Millennials feel pressured to stay trendy, and wish to meet expectations. Social Media has become so ubiquitous that it influences life "offline". The brand's jewelry—specifically earrings—will help Millennials remain effortlessly current, from work to the bar, instilling confidence and preventing *Social Errors*.

Social Error allows busy Millennials to remain conveniently trendy by being interchangeable, affordable, and remarkable.

Because *Social Error's* designs are transitional—exemplified below—individuals are fashion-forward, but also remain unique, which we understand as an important characteristic of the generation.

Product Development:

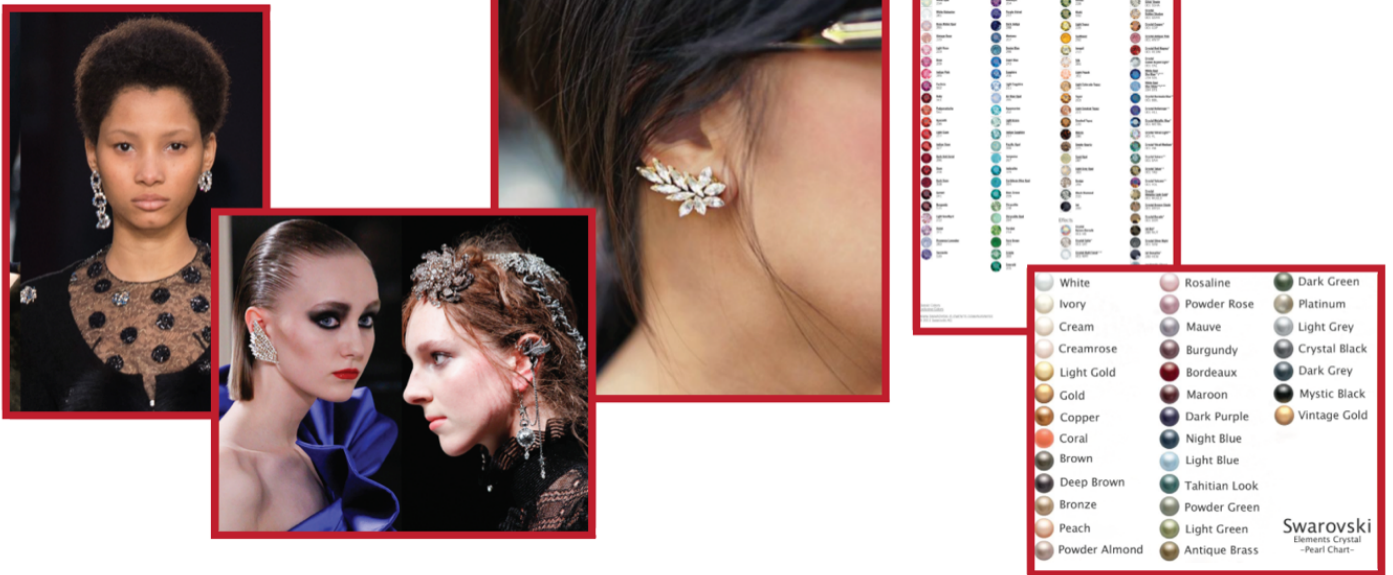
Social Error confidently and un-hesitantly shares the brand's positing statement because of the product's promising design. The earring collection begins with two different "every-day bases". These "base" earrings are developed from high-quality material meant to mimic expensive fresh-water pearls and diamonds. Because the earrings are not authentic pearl and diamond, the price remains reasonable for Millennials, whom we have come to know are price-conscious. Though, for example the diamond earrings are made of circum zirconia, the products

will be furnished using Swarovski elements. This will allow for the consumer to feel comfortable with their expenditure, as they recognize the quality of the Swarovski brand name. The metal used in the earring designs is also of trusted quality. The white metal is plated by a chemical electrical reaction, which takes gold and silver particles and electroplates them. This allows consumers with sensitive ears to be comfortable wearing *Social Error's* products.

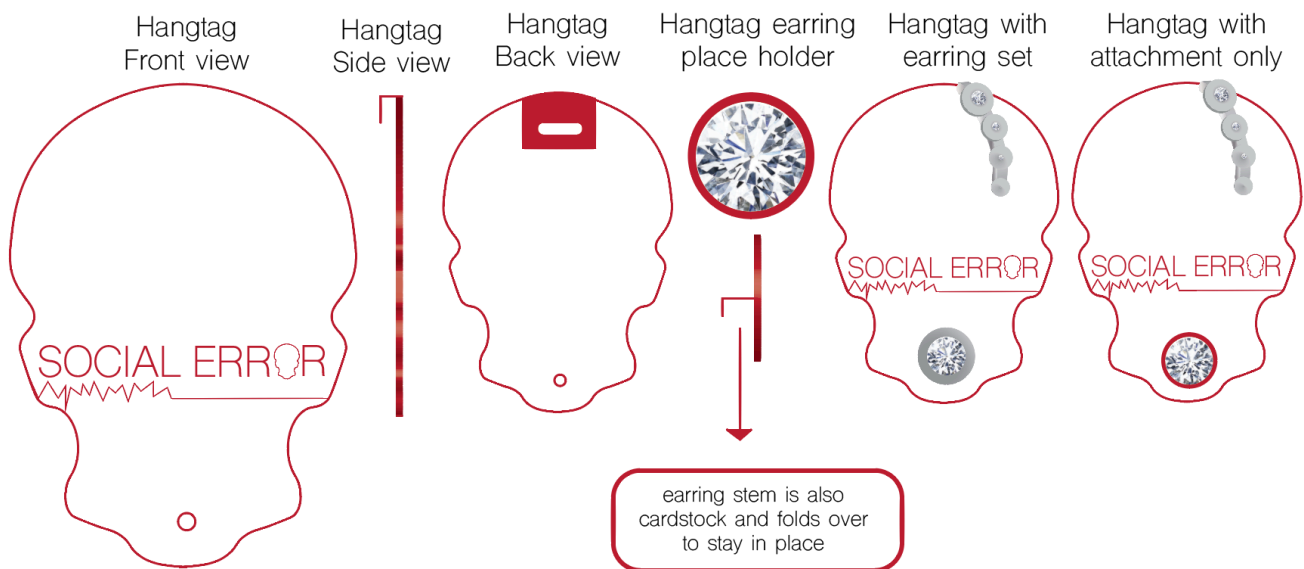
Upon purchase, every “base” earring comes with an attachment, which can be removed at any time. This element is what makes the jewelry interchangeable and transitional. Busy Millennials can spend their day at the office—as we know professional success is of high importance—and seamlessly alter their outfit to a “social look” by simply fastening the attachment onto the base of the earring. This type of convenience is important, because while Millennials do not place as much importance on social or relaxation time as previous generations, they still put pressure on themselves to look a certain way. All attachment variations fit onto both bases (and can be sold separately), allowing for even more versatility.

Presentation of these earrings is important, as attention must be garnered in order to stimulate product trial. *Social Error's* packaging has been designed to emulate quality and high-fashion. To begin, the typeface of the label was chosen because its simple and clean display echoes a timeless connotation. This is important because it symbolizes the product's adaptive nature. Further, the ECG (electrocardiogram) design element symbolizes the idea that wearing the brand's jewelry will help prevent one from “flat lining” with social and fashion trends. The skull also relates to Millennials. According to Esquire, the skull (in a fashion sense) can be understood as representing vanity. (Marche, 2008) Hence, the symbol is used as a witty reminder of the brand's origins. Lastly, the pear shimmer cardstock was chosen because the material is usually perceived as “luxury” upgrade in the paper design and printing industry.

Inspiration Board



Label Design



Material story

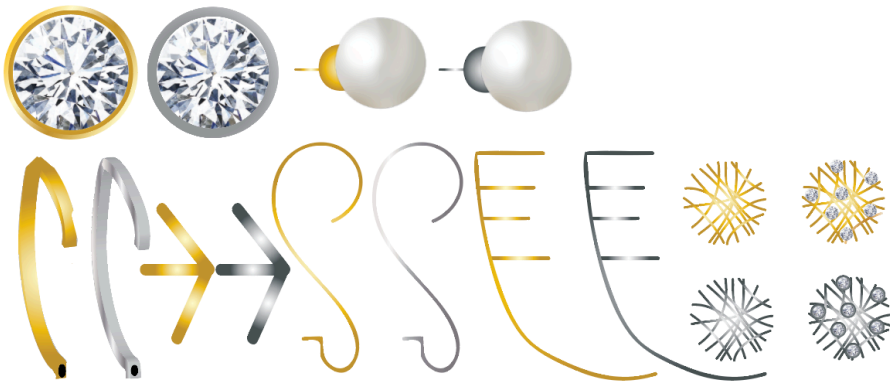
Swarovski Crystal



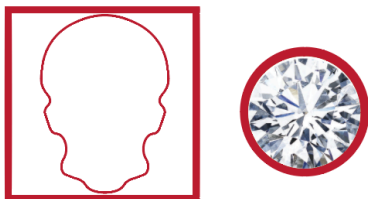
Swarovski Crystal Pearl



White Plated Metal



Pearl Shimmer Cardstock



Plastic



Earring Designs



Reversed base earring →



Technical sketches

Earring front view



Attachment front view



Earring and Attachment side view



Earring and Attachment back view



Earring front view



Attachment front view



Earring and Attachment side view



Earring and Attachment back view



Earring front view



Attachment front view



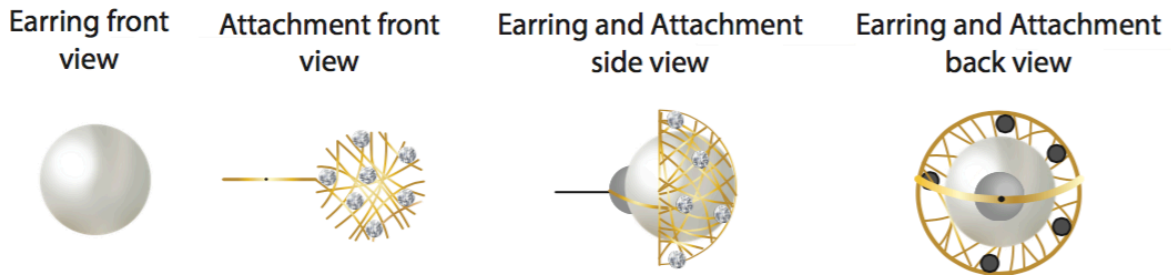
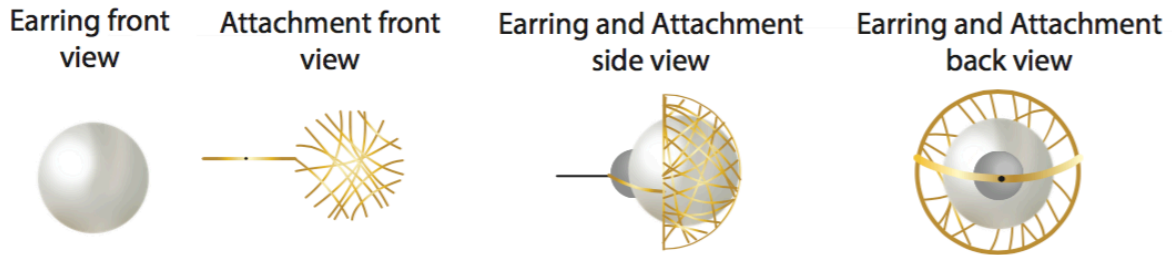
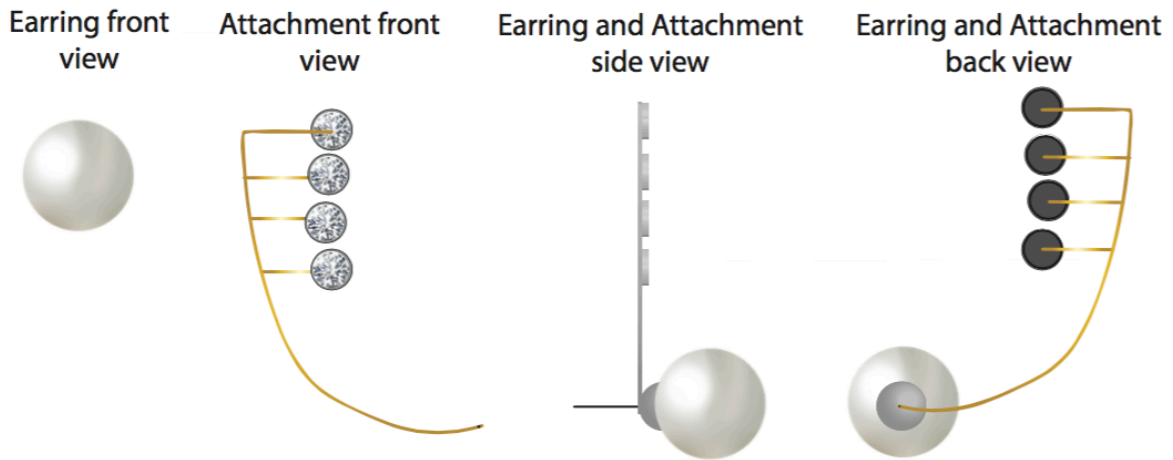
Earring and Attachment side view



Earring and Attachment back view



Technical sketches



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