# Hot Ticket Business Plan

Hot Ticket is a fashion-first social platform that is centered around fashion content creation and shopping recommendations. It aims to create a community of users who are all passionate about fashion and wish to both develop their own personal style and gain inspiration from likeminded individuals. With this application, users can document the outfits that they wear and post them to a shared feed, as well as explore outfits shared by other users. Hot Ticket connects outfit inspiration to shopping the influencing experience with the online shopping experience, allowing users to tag the brands that they are wearing in their outfits. This not only increases outreach for brands and creates novel partnership opportunities, but allows the users to trace the items that they love in other people's content.

## Sizing and Validation

Hot Ticket's total addressable market is the global population of consumers who engage with fashion and shopping online. To narrow the scope, we focus on people who think about personal style regularly and already use digital platforms for outfit inspiration and discovery. Our initial target is ages 16–35 (older Gen Alpha, Gen Z, and younger Millennials). We especially target users who use both TikTok (trend discovery) and Pinterest (aesthetic curation), we believe that overlap correlates with being visually driven and fashion-engaged.

Early adopters will be creators and "style seekers" who are actively looking for a dedicated fashion community and new sources of inspiration. For launch, we will prioritize college campuses as dense, socially connected environments where daily outfit culture already exists. We will partner with Greek life and fashion-related student organizations to seed the first creator cohorts and encourage group participation, similar to BeReal's campus-led growth strategy that led to rapid initial adoption. To ensure a wide range of aesthetics and avoid over-indexing on a single social group, we will also recruit across art, design, cultural, and other style-adjacent clubs to build a diverse and representative user base from the start.

### Hypotheses

**H1:** Users will post outfit content frequently if the app is purpose-built for daily "fit pics."
**H2:** Brand tagging reduces friction from inspiration to shopping and drives meaningful tag engagement.
**H3:** A fashion-first feed will boost engagement and retention by reducing off-topic noise.

Metrics and Targets

| Metric | 3 Months | 6 Months | 12 Months |
|---|---|---|---|
| **Daily Active Posters (DAP)** (% of MAU posting daily) | 15–20% | 25–30% | 30–35% |
| **Avg "Fires" (likes) per post** | 4-8 | 6-10 | 8-15 |
| **30-day retention** | 30–35% | 40-50% | >50% |
| **% of posts with ≥1 brand tag** | 55–65% | 65–75% | 75–80% |
| **Tag-to-purchase conversion** (tag click → purchase confirmed via affiliate or in-app checkout) | 5-8% | 8-12% | 10-15% |

Testing Approaches to Evaluate Hypotheses

1. Closed beta cohort (100–300 users) seeded through campus communities
2. Instrument tagging funnel (tag shown → tag tapped → brand page viewed → outbound click → purchase confirmation where available).
3. Weekly qualitative check-ins (10-12 interviews) across three personas (The Aspiring Creator, The Style Seeker, The Established Influencer) to explain metric fluctuations.

# Launch Plan and Monetization

Hot Ticket is a two-sided product (creators + viewers) with a third stakeholder (brands). We will sequence rollout to ensure the feed feels alive on day one and commerce feels trustworthy. Over time, the tagged outfit graph (people ↔ styles ↔ brands ↔ items) becomes a proprietary dataset that improves discovery and monetization.

**Approach:** Hot Ticket scales in phases. Each phase has a clear objective and monetization strategy. Each phase is gated by hitting the corresponding 3- and 6-month metric targets above to ensure content density, retention, and commerce trust are in place before scaling monetization.

## Phase 1 (0–3 months): Launch MVP and prove the daily-fit content loop

**Included in MVP:** Posting, follow/feed, like/comment, tag brands, brand pages, basic profile
**Not Included in MVP:** In-app checkout, DMs, advanced search, ranking algorithms, creator payout tooling

**Objective:** Ship MVP. The goal is that a new user consistently sees fresh daily outfits, engages, and returns.

- Creators: recruit a committed seed cohort (aspiring + a small number of anchors) with an explicit posting expectation (daily/near-daily) and consistent brand tagging.
- Users: launch in 2–4 dense communities (campuses/city micro-communities) to ensure social proof and content density.
- Product emphasis: posting speed, onboarding-to-first-action, feed quality, saves/mood boards, and brand tag UX.

**Monetization:**

- Outfit posts include tappable brand tags that open a brand page (or product detail page when available).
- Purchases happen via partner links (outbound to the brand/retailer).
- Revenue comes from affiliate commissions on completed purchases.
- Additional revenue can come from referral bounties (e.g., first-time customer or qualified traffic incentives).
- Primary dependencies: reliable tagging, trackable outbound links, and analytics to measure tag clicks and downstream conversion.

## Phase 2 (3–6 months): Introduce brands formally

Phase 2 begins only after Month-3 gates are met.

**Objective:** Brand tags drive measurable exploration and early purchases without degrading authenticity. Ensure safety guardrails for minors, data privacy, and spam detection are fully operational.

- Creators: add distribution guardrails so emerging creators can grow (avoid a feed dominated by the largest accounts). Ensure that the "hot ticket" is fully functional and uplifts a variety of influencers (i.e. not the same accounts popping up here every day).
- Users: strengthen habit loops (daily prompt, mood boards, follows) and improve retention. Roll out style challenges that incentivize participation (can even bring in brands here to host prizes, rewards, etc)
- Brands: begin with curated affiliate partners + verified brand tagging; ship minimum viable reporting (tag impressions → tag taps → brand page views → outbound clicks →

purchases where trackable). Expand brand supply while maintaining verification standards.

**Monetization:**

- Core advantage: classify creators/content into style niches based on what users wear and tag (streetwear, minimalist, vintage, luxury, etc.).
- Help brands find creators whose audience and aesthetic align; support ambassador/partnership matching.
- Offer native, clearly labeled sponsored formats (e.g., "Sponsored Brand Spotlight," paid placement on relevant brand pages, creator-led sponsored posts targeted to users who engage with similar styles).
- Provide lightweight brand tooling: campaign setup, creator discovery, briefing workflow, and performance reporting.
- Measure outcomes: impressions, tag taps, saves, outbound clicks, and downstream purchase indicators where trackable.
- Revenue sources: campaign spend (CPM/CPC or flat packages) + fees for brand tools/analytics.
- Trust guardrails: transparent labeling and relevance-based targeting; avoid disruptive ad load.

## Phase 3 (6–12 months): Scale monetization without breaking trust

Phase 3 begins only after Month-6 gates are met.

**Objective:** Grow revenue while preserving an organic, creator-first feed and high-fidelity commerce.

- Promoted discovery: strictly capped inventory, always clearly labeled, and targeted to demonstrate style/brand intent. Sponsored placements should be additive (brand spotlights, creator-led campaigns, brand-page features) and must be rolled out with guardrails and A/B tests that automatically roll back if retention, posting rate, or emerging-creator reach declines.
- In-app checkout: implement once the tagged-item graph is reliable and conversion is proven; monetize via platform take rate.

**Monetization:**

- Implement in-app checkout
- Reduce drop-off by keeping users from leaving the app to external sites (fewer steps, less context switching).
- Improve attribution and reporting quality for brand partners by tracking the full purchase journey.

- Revenue source: platform take rate on in-app transactions.

# Monetization Risks:

## The "TikTok Shop" Problem

**Problem:**
- If users repeatedly encounter low-quality or misleading products, they will click fewer tags, complete fewer purchases, and be less likely to buy again.
- Directly reduces affiliate and take-rate revenue
- Avoid dynamics like TikTok Shop, where discovery and monetization often skew toward low-cost, fast-fashion, and low-fidelity products.
- Danger of eroding user confidence in both the shopping experience and the creators recommending items.

**Mitigation**:
- enforce strong brand onboarding standards from day one
- curate an initial set of reputable brands and secure agreements so that the platform offers meaningful shopping value immediately,
- introduce a "Verified Brand" label, supported by clear criteria (e.g., brand authenticity, fulfillment reliability, return policies, and product accuracy)
- Reinforce standards through ongoing quality monitoring (refund rates, complaints, delivery reliability) to ensure the marketplace remains high-fidelity as the catalog expands.

## Overmonetization and Authenticity:

**Problem:**
- Too many ads and sponsored content will corrode the authentic and genuine experience of the product
- users must feel they are engaging with real people and real style, not being funneled toward ads.
- Poor advertising targeting can make the feed can feel pay-to-play and reduce posting, engagement, and retention
- Both a product risk and a revenue risk, because it weakens the user and creator activity that brand campaigns depend on.

**Mitigation**:
- Maintain strict limits on sponsored inventory (especially early), require clear labeling, and prioritize relevance-based placements over volume

- Closely monitor engagement and retention for non-established influencers and everyday users—if their reach, posting frequency, or follower growth declines after ad experiments, scale back immediately
- Use guardrails such as: capped sponsored posts per session/day, no sponsored content in "Today's Fits" at launch, and protected distribution for emerging creators to prevent the feed from becoming dominated by paid campaigns

# Scenario Planning

## 1) Lack of brand engagement (not enough brands to support tagging/shopping)

**Leading indicators:** Low % of posts with tags; low tag taps; weak outbound clicks; low conversion; brands stall after initial conversations.

**Response:** Narrow to a curated set of "right fit" brands first (high-fidelity, style-aligned), and ship a lighter brand value proposition: verified brand pages, clear attribution, and simple campaign pilots. If catalog is the blocker, lean into "brand discovery" and create early case studies using measurable funnel metrics (tag taps → brand page views → outbound clicks) to prove value.

## 2) Lack of user posting/creating (too much consumption, not enough supply)

**Leading indicators:** DAP below targets; low first-post-start rate; high save rate but low posting; creators churn; "no new posts" sessions rise.

**Response:** Reduce posting friction (faster camera flow, drafts, templates), increase activation pressure (strong "post today's fit" CTA after onboarding), and add lightweight motivation loops (streaks, daily prompts, challenges). Seed more supply with creator cohorts and campus programs until posting becomes self-sustaining, and protect emerging creators so new posters get rewarded quickly (early engagement guarantees / "Hot Ticket" visibility).

## 3) Runaway Success (too many posts, not enough curation per user)

**Leading indicators:** session length increases but satisfaction signals fall (fewer fires/comments/saves per post); users scroll more but follow less; rising "skip" behavior; creators complain about reach volatility; new users fail to find "their" niche quickly.

**Response:** introduce lightweight curation without breaking the "daily fit" identity: separate "Today's Fits" from "Explore," add preference signals (style tags, follows, saves) to personalize. Add search and filters (style, occasion, brand) and a "For You" layer that is explicitly optimized for relevance and creator diversity.