

Introduction

The AliExpress product that I chose for this project is a four-pack of claw hair clips. The specific pack that I found contains cream, tan, dark brown, and black nonslip clips that fit all hair types and lengths. This pack costs \$1.16, which is an 89% discount from the original price of \$11.32, and AliExpress offers free 12-day delivery for this product (*1.16US \$ 89% OFF/Hair Accessories Barrette / Claw Hair Clip Large / Thin Hair Clips / Hairpins - 4pcs Hair - Aliexpress*, n.d.). I chose claw clips as my product to dropship via Shopify for several reasons. First, claw clips are not part of a heavily branded market, so therefore I will not have to compete with brands that consumers may be more familiar with or trust more than an unknown Shopify site. There are some popular brands that make claw clips, like Scunci, Kristin Ess, and Lululemon. However, they are sold at a higher cost for a lower quantity than the options that are sold by unfamiliar brands on Amazon and other retailers, so the product I selected only has a small amount of competition from well-known brands. Additionally, these cheaper options are frequently found online, meaning that they are more convenient than the branded ones that a consumer may look for in a traditional store. Based on personal experience, most of the people I know who have bought claw clips didn't feel the need to buy from a well-known brand, but rather they opted for the cheaper, more convenient options.

I also chose claw clips because I know that they are a popular and trendy item through daily observation, as I see at least one person wearing one every time I go somewhere. Almost every person that I know with long hair owns at least one clip, including myself. More importantly, evidence of this demand is shown on IBIS World and Google Trends. As a hair accessory, claw clips don't fit neatly into one of the industry categories on IBIS world, but the closest fit is the "Handbag, Luggage, and Accessory Stores in the US" industry. As of July 2022,

the total revenue was \$21 billion, and there was an anticipated annual business growth of 0.4% from 2022 to 2027 (Le, 2022). Even though this industry does not explicitly state claw clips as one of their product offerings, it does include hats/headwear and women's accessories. I think these offerings are similar enough to claw clips to assume that they are a part of this high-revenue industry that has slight growth potential. Google Trends also indicates that there is demand for claw clips; within the past seven days, the search term "claw clip" primarily remained above the popularity value of 50, and it even reached peak popularity, 100, a couple times. On March 19, the search reached peak popularity around 6:30 a.m., and mostly maintained a value between 10 and 30 throughout the rest of the day (*Google Trends*, n.d.). An especially interesting statistic from Google Trends is that of the related queries within the past day, March 19, none of the searches are for a specific brand of claw clip, but rather for types of clips, styles, and tutorials. Not only does this show interest in the product, but it also provides further evidence that claw clips are not a heavily branded category, as explained above.

AliExpress offers a wide variety of options for claw clips, but this specific set is five-star reviewed, comes in appealing colors, and has a low cost per quantity. The five-star review stood out to me because I knew that I could include that in my advertisement to indicate social proof. Positive reviews show potential consumers that others have purchased the item and liked it, allowing them to trust the advertisement, which should further persuade them to buy it. Additionally, the colors and shape of these claw clips are fairly plain, which may appeal to more consumers' preferences than super bright colors would. I compared the appearance of these clips to what I have seen others' wearing and clips from other stores, and I liked that these were fairly similar to other seemingly popular styles. The most influential feature of this product to my decision was the low cost. Four clips for \$1.16 was one of the best deals that I saw, as many

other options offered the same amount of clips for a higher cost or fewer clips for the same cost. Therefore, this product does a good job at balancing quantity and cost, allowing me to operate on a high profit margin while maintaining a competitive price.

When selling this product on Shopify, I will markup the price that consumers will pay from what it costs on AliExpress so that I will have a good profit margin. To ensure that I don't price my product too high, I looked at options from both familiar and unfamiliar brands that have a similar size and appearance to my product. I examined price, quantity, and evidence of social proof. Scunci's clips are sold for around \$6, in packs of either one or two at Target. Also from Target, one clip from Kristen Ess sells for around \$10. Lululemon's clips are priced extremely high, at around \$18-22 for one clip or more than \$30 for two. The clips from these popular brands all show customer reviews, but there is no indication of how many people purchased the item. The clips from unfamiliar brands that I looked at on Amazon have a lot of variation, as packs of eight clips are being sold for around \$10, but so are some packs of four. There are also several packs that are on sale for around \$6. Amazon shows customer reviews and how many have been bought in the past month. Most of the options have been purchased thousands of times, showing that multiple clips for a low cost are in demand. I found a pack of four clips that is similar to mine and has been bought over 4,000 times in the past month. It is priced at exactly \$8.99 with free shipping via Prime. Based on all these comparisons, I decided to dropship my product for \$7.99 with free shipping via Shopify to remain competitive. This is a \$6.83 profit, which is a profit margin of 85%.

Advertisement



★ ★ ★ ★ ★ FIVE STAR REVIEWED

4-PIECE
CLAW CLIPS

SPECIAL OFFER

Pull your hair back in style.
Free shipping is available for
a limited time only.

SHOP NOW

Facebook Targeting

I will target consumers based on demographics, interests, behaviors, and following. Specifically, I will be targeting women aged 18-28 who live in Alaska, West Virginia, Montana, Maine, and Washington D.C. I will also target those who are interested in fashion and shopping. I will use information on app usage, like linked accounts, and purchasing behaviors on the platform to target my audience based on their behavior. Lastly, I will target users who follow certain celebrities or brands on Facebook. This audience will be narrow enough that my

advertisement is only shown to those who are mostly likely to be interested in it, but it is not too narrow that I will be missing potentially key populations who may not fit into a specific box.

Therefore, this target audience will allow my advertisement to draw in profit.

The primary demographic factors I will target are gender, age, and location. Seeing as claw clips require long hair, I will be targeting those who identify as female. This is the most effective way on Facebook to target those who have hair that is long enough to use a claw clip, even though gender does not guarantee hair length or interest in this accessory. I will also be targeting the ages of 18-28 for a few different reasons. The main reason is that Facebook advertisements for products on Shopify are usually tailored for impulse purchases. Younger consumers are more likely to make these spontaneous purchases as they do not have their preferences decided yet. This product doesn't have a high price that requires more disposable income than this age group has, which usually is their primary limitation. Additionally, the product models on most sites and the celebrities who are frequently seen wearing claw clips belong to this age range. Most people I see wearing these clips seem to be college-aged or a few years older. This may be because claw clips were originally popular in the 90s and early 2000s, so this age group may be just old enough to remember the trend even if they weren't able to participate the first time around. Lastly, according to Google Trends, the subregions with the highest interest in the "claw clip" search within the past day were Alaska, West Virginia, Montana, Maine, and Washington D.C, so those are the regions I will target (*Google Trends*, n.d.). I may also target lookalike audiences who meet the other criteria but are from different subregions, as the popularity values were similar across most states and changed based on the timeframe of the trend evaluation (e.g., past four hours, past week, etc.). Other demographic

variables are not as important to target, as anyone may be interested claw clips regardless of income, education, politics, and family.

The main interests I will be targeting are fashion and shopping. As a hair accessory, claw clips can be used for either practicality or fashion purposes. Many people who use claw clips use them to enhance an outfit, so people who are specifically interested in fashion topics or accounts on Facebook are likely interested in claw clips as well. The same is true for those who like shopping, as many probably like to look for trendy, fashionable items to shop for. Claw clips are also a practical way to pull hair back with less damage, so people who shop for items that make their life easier in some way may also be drawn to claw clips. I will incorporate page likes, meaning that I will target people who have liked fashion or shopping accounts. Page likes are a way for users to show support for a page, so they are an empirical way to observe what others are interested in.

Facebook keeps track of certain user behaviors, such as how frequently someone has made a purchase from an advertisement that was shown to them. I will target people who have purchased at least one product from an advertisement before, because that is evidence that they pay attention to advertisements enough to at least consider purchasing my product. Facebook also knows what types of accounts users sign into with their Facebook account, like Pinterest or TikTok. I will target users who are signed into these platforms, since Pinterest and TikTok are apps where users may commonly see claw clips. Those who use Pinterest may view fashion content, including outfit or hair inspiration. As a trendy fashion product, claw clips may frequently appear on such a platform. Additionally, there is a lot of content on TikTok with claw clips, such as tutorials, clip recommendations, style ideas, and even just videos where someone happens to be wearing a clip. Exposure to claw clips on these apps may cause a user to have

more interest in this product than someone who has not been frequently exposed to content relating to claw clips.

The final element of my targeting strategy will be to target users who follow certain celebrities or fashion brands. Following goes a step further than page likes, because it is a way for users to tell the platform that they want to see content from that specific page on their feed. Some of the celebrity fanbases I will target are those who follow Gigi Hadid, Hailey Bieber, and Kendall Jenner, as they have all been seen wearing claw clips on multiple occasions and inspired many people to purchase claw clips when the trend first made its resurgence. I will also target users who follow the well-known brands that make claw clips that I mentioned above (Scunci, Kristin Ess, and Lululemon). People who follow these brands are probably interested in their products, including hair accessories like claw clips. While some of these users may prefer to only buy from the brand they follow, others may simply be interested in their content. Those who do not have solidified buying preferences may see an advertisement for claw clips being offered at a lower cost than those from the brand they follow and decide to purchase them instead. Based on the demonstrated demand for claw clips, my pricing, and my targeting strategy, I think this product would be a profitable one to dropship.

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