

SRIKANT GOKHALE

Victoria's Secret: Can the Lingerie Giant Rediscover Its Allure?

"We're at a crossroads. Do we double down on what made us iconic, or evolve into something new?" – Hillary Super, CEO, Victoria's Secret, June 2025

In June 2025, Victoria's Secret—the once-unrivaled symbol of sensuality and aspiration—was fighting for survival. Not in a courtroom, but in the far more brutal arenas of Wall Street and public opinion. Activist investor Barington Capital, with just a 1% stake, issued a searing critique, accusing the company's leadership of destroying shareholder value and demanding a full strategic reset. Within days, BBRC International, the brand's largest outside shareholder with more than 10% ownership, escalated the pressure—calling for boardroom overhauls and labeling the brand's recent moves "disastrous." In response, Victoria's Secret adopted a poison pill—an unmistakable signal that the brand, and its future, were under siege.

The numbers tell a sobering story. Victoria's Secret, once a \$7.8 billion juggernaut at its 2016 peak, closed out last year at \$6.2 billion in sales. Since its 2021 spin-off from L Brands, the company's market value has been slashed by more than half, now hovering around \$1.5 billion. The crown jewel of lingerie has lost much of its luster—its dominance chipped away by nimbler, culturally attuned newcomers like Skims, the shapewear sensation co-founded by Kim Kardashian. In a telling sign of instability at the top, Hillary Super is the third CEO in just four years tasked with engineering a turnaround."



But this moment goes beyond boardroom power plays or quarterly results. At its heart, Victoria's Secret faces a deeper existential reckoning. Once the embodiment of unattainable glamour, the brand is now grappling with questions it never thought it would need to ask: Who are we—and what do we truly stand for?"



Founded in 1977 as a men-friendly lingerie shop, Victoria's Secret exploded into a global empire built on sex appeal and spectacle. Its bombshell models, lavish fashion shows, and glossy catalogues didn't just market lingerie—they shaped culture. But by the late 2010s, the fantasy was unraveling. Cultural movements like #MeToo and body positivity exposed the brand's narrow, exclusionary image. Insider revelations of toxic culture and tone-deaf leadership—including a 2018 executive comment dismissing transgender and plus-size models—sparked widespread backlash. The iconic fashion show was canceled in 2019. The Angels were grounded.

In the wake of declining relevance, Victoria's Secret embarked on a bold reinvention. The Angels were retired, push-up bras gave way to comfort-first collections, and the brand's voice shifted from fantasy to inclusivity. But the reboot failed to reignite desire—or deliver meaningful results. Three CEOs in four years have tried and fallen short of restoring its magic. Activist investors argue for a return to what once made the brand irresistible: bras, beauty, and Angels. Barington calls for a revival of the fantasy. Hillary Super, meanwhile, is steering the brand toward activewear and digital innovation. For all its struggles, Victoria's Secret remains the world's largest lingerie seller—buoyed, for now, by deep discounts and legacy reach.

"Victoria's Secret is one of the best instances of a brand people supposedly don't like and yet continue to buy," points out Simeon Siegel of BMO Capital Markets, an investment bank.

Today, as culturally attuned brands like Skims redefine the rules with authenticity, inclusivity, and relevance, Victoria's Secret finds itself at a moment of reckoning. Should it stay the course with its inclusive rebrand—or try to resurrect the aspirational fantasy that once made it iconic? With activist investors pressing for change, cultural capital slipping away, and customer loyalty waning, the clock is ticking. Can a brand built on fantasy evolve without losing its identity? Or has Victoria's Secret become a secret the world has outgrown?

The Rise of a Lingerie Empire

“I wanted a place where men could shop for lingerie without feeling like intruders.”

—Roy Raymond, Founder, Victoria's Secret, 1977

The story of Victoria's Secret begins not with lace and allure, but with discomfort. In the late 1970s, Roy Raymond, a Stanford MBA, found himself embarrassed while shopping for lingerie for his wife. Department stores were clinical, uninviting, and staffed with disapproving saleswomen. Determined to reimagine the experience, Raymond launched Victoria's Secret in 1977 with \$80,000 in loans—\$40,000 from a bank and \$40,000 from relatives. His vision was simple yet radical: a welcoming, elegant space for men to buy lingerie. The first store opened at the Stanford Shopping Center in Palo Alto, styled like a Victorian boudoir, complete with dark wood interiors and silk drapery. The name "Victoria's Secret" was chosen to evoke the elegance and sophistication of the Victorian era, a period known for its refined aesthetics and strict societal norms. The "Secret" part of the name added a layer of intrigue and intimacy, suggesting the private and personal nature of lingerie.

The response was swift—and staggering. In its first year, Victoria's Secret generated \$500,000 in sales. Within five years, it had grown to six stores and launched a mail-order catalog that quickly became a sensation. But this wasn't just retail expansion—it was reinvention. Victoria's Secret introduced something entirely new: a shopping experience steeped in elegance, where intimacy met aspiration. The Victorian-inspired decor, the plush interiors, the soft lighting—it all transformed lingerie from something utilitarian into something desirable. For the first time, men felt welcome buying lingerie, and women began embracing it as an indulgence. In appealing to a neglected customer base, Victoria's Secret hadn't just opened stores—it had ignited a retail revolution.

A New Architect: Leslie Wexner Reimagines the Brand

“Victoria's Secret wasn't just selling lingerie—it was selling a fantasy.”

—Leslie Wexner, CEO, L Brands, 1990

But behind the velvet curtains, cracks were already beginning to show. By 1982, Roy Raymond's business was faltering—undone by inventory missteps and mounting financial strain. That same year, Leslie Wexner, the retail visionary behind The Limited, saw potential where others saw failure. He acquired Victoria's Secret for just \$1 million. To Wexner, the concept was intriguing, but the premise was off. 'Men may have built the brand,' he later reflected, 'but women had to believe in it.'

Wexner recast the brand from male fantasy to female empowerment. He elevated the aesthetic, taking cues from European luxury labels like La Perla, but priced it for mass appeal. Store layouts

softened, marketing evolved, and the catalog exploded in reach and influence. His bet was bold: that American women wanted to feel sexy, confident, and in control—and would happily pay for it. The results were staggering. By 1984, sales soared to \$500 million. Within a decade, Victoria's Secret was a billion-dollar juggernaut.

But while the brand flourished, its founder faded into obscurity. Roy Raymond had sold too early, walked away too soon. Financial ruin followed, compounded by personal struggles and divorce. In 1993, in a heartbreaking final chapter to his visionary journey, he took his own life—jumping from the Golden Gate Bridge. The brand he created became iconic. But for Raymond, the dream ended in tragedy.



Then came a defining cultural moment: the Victoria's Secret Fashion Show. First aired in 1995, it fused lingerie, celebrity, and spectacle like nothing before. Supermodels—now rebranded as 'Angels' with dramatic wings—became household names. Backed by Mast Global, L Brands' powerful supply chain arm, the company scaled with remarkable speed and precision. By 2013, the show drew 9.7 million viewers, rivaling the Grammys in ratings. With its glossy production and star-studded cast featuring the world's most famous models in extravagant outfits, the show didn't just sell lingerie—it sold a lifestyle. Victoria's Secret had become more than a retailer; it was a cultural institution.

The Glory Years: When Sexy Was a Business Strategy

"Victoria's Secret made women feel powerful, glamorous, and desired—all for \$50."
—Tyra Banks, Former Angel, 2005

By the early 2000s, Victoria's Secret wasn't just leading the category—it was the category. With over 1,000 stores across the U.S. and a dominant 31.7% market share by 2013, the brand had become a cultural force. The 2004 launch of PINK—designed to capture the college-aged and teen demographic—proved to be a runaway success, accounting for 40% of total revenue by 2019.

Victoria's Secret embodied luxury, sensuality, and an idealized femininity. Its value proposition was clear: trendsetting lingerie and fashion infused with elegance and allure. High-quality fabrics, glamorous cuts, and exquisite detailing turned intimate apparel into a personal style statement. It

wasn't just about the clothes—it was about how they made women *feel*: confident, empowered, and desirable.

The formula worked brilliantly. Seductive yet refined advertising, constant product innovation, and a retail footprint few could match made Victoria's Secret nearly impossible to ignore. The stores were more than points of sale—they were carefully crafted stages where consumers stepped into a world of beauty and aspiration. Victoria's Secret had pulled off a rare feat in retail: it had become both a brand and a belief system.

By 2016, annual sales peaked at \$7.8 billion, and L Brands' market cap soared to \$28 billion. In a landscape split between no-frills basics and luxury indulgence, Victoria's Secret staked out the middle—and ruled it. For years, it sold two intertwined fantasies: to be as alluring as an Angel and to live a life bathed in European-style glamour. And for a time, that fantasy was irresistible.

The Debacle: Scandals and Stumbles

Cultural Whiplash in a Changing Era

“The world changed, but Victoria's Secret didn't. Sexy wasn't enough anymore.” – Karlie Kloss, Former Angel, 2019

As the 2010s progressed, culture shifted—but Victoria's Secret didn't. While the broader world moved toward authenticity, body positivity, and inclusivity, the brand stayed anchored to a hyper-sexualized fantasy that was rapidly losing relevance. The once-iconic Angels—strutting in stilettos and shimmering wings—began to feel like echoes from a bygone era, more caricature than aspiration.

“It was all push-up bras that were made for not necessarily what women want to wear, but made for what [Victoria's Secret] thought men would want,” said Stichter from Jefferies.

The rise of the #MeToo movement marked a turning point. As women around the world spoke out against systemic misogyny and objectification, the brand's carefully curated image began to crack. Behind the glossy marketing was a darker story. Former Angels spoke of toxic expectations: extreme dieting, relentless pressure to conform, and a work culture that confused glamour with control. In 2018, longtime executive Ed Razek's public dismissal of transgender and plus-size models struck a nerve—and sparked a backlash. Viewership of the annual fashion show had already plunged to 3.3 million, down from a high of 9.7 million in 2013. In 2019, the show was quietly canceled.

“The image wasn't who I am,” model Karlie Kloss later reflected, giving voice to a generation of consumers who no longer saw themselves in the brand's mirror. At a time when comfort, empowerment, and representation were reshaping the lingerie landscape, Victoria's Secret clung to a narrow—and increasingly alienating—ideal. Once celebrated for defining “sexy,” the brand was now struggling to stay relevant in a world that had moved on.

The Epstein Entanglement

“The Epstein scandal was a stain we couldn’t wash out.” – Anonymous Victoria’s Secret Executive, 2020

As if cultural irrelevance weren’t damaging enough, a far more troubling scandal erupted—one that cut to the core of the brand’s values. Victoria’s Secret found itself entangled in the fallout from disgraced financier and convicted sex offender Jeffrey Epstein. For years, Epstein had managed the personal finances of L Brands founder Leslie Wexner, and his close association with the company cast a long, unsettling shadow.

Though Wexner publicly severed ties and apologized in 2019, the revelations triggered a wave of outrage. Reports emerged of Epstein using his ties to Victoria’s Secret to gain access to aspiring models, exploiting the brand’s prestige as a gateway to manipulation and abuse. More than 100 models and public figures signed an open letter condemning the company’s culture and demanding sweeping reform.

The consequences were immediate and severe. L Brands’ stock plummeted nearly 40%. Consumer confidence eroded. Employees questioned the leadership’s integrity. A brand once synonymous with glamour and aspiration was now synonymous with scandal, secrecy, and betrayal.

A Strategy Out of Sync

“We kept pushing bras when customers wanted comfort and authenticity.” – Neil Saunders, Managing Director, GlobalData Retail, 2020

Even as public sentiment shifted and PR crises mounted, Victoria’s Secret remained tethered to a bygone strategy. The brand doubled down on its signature push-up bras and lace thongs, blind to the fact that consumers were moving on. Shoppers increasingly favored bralettes, wireless styles, and inclusive sizing—products designed for real comfort and self-expression, not male fantasy.

Emerging competitors like Aerie and Skims seized the moment. Their playbook featured unretouched images, diverse models, and campaigns rooted in authenticity and self-acceptance. They weren’t selling sex—they were selling confidence. In contrast, Victoria’s Secret seemed tone-deaf, clinging to an aesthetic that now felt regressive.

The numbers told the story of decline. Between 2013 and 2018, the brand’s U.S. market share fell from 31.7% to 24%. Same-store sales declined for six straight quarters. By 2020, Victoria’s Secret had built a sprawling global presence of over 1,100 stores—an asset that became a burden when the COVID-19 pandemic shuttered malls and disrupted supply chains. Inventory ballooned. New product launches dropped 41%.

More critically, the brand’s cultural currency collapsed. In an era when consumers demanded representation across body types, skin tones, and gender identities, Victoria’s Secret refused to evolve—losing not only customers, but also credibility. While its rivals positioned themselves as inclusive, empowering alternatives, Victoria’s Secret faded from the cultural conversation.

The final blow came in 2020, when a proposed \$525 million acquisition by private equity firm Sycamore Partners fell through during the pandemic. It was a moment of reckoning: the brand that once defined the lingerie category had lost not just relevance, but direction.

Victoria's Secret becoming private company- February 2020

Victoria's Secret, once the crown jewel of L Brands, has struggled to keep pace with changing consumer values. Just five years earlier, it accounted for nearly two-thirds of its parent company's revenue and helped fuel a \$28 billion valuation. In February 2020, the brand was taken private in a deal valuing it at just \$1.1 billion—a staggering fall from grace.

The transition marked the end of an era. Leslie Wexner, the 82-year-old architect of Victoria's Secret and longtime CEO of L Brands, announced his departure. For decades, Wexner shaped the brand's identity and growth, positioning it as the defining symbol of femininity for American women. But as the world evolved, the brand failed to evolve with it.

“The board will need to chart a new course—one that reflects modern consumer expectations and responds to rising competition from brands like Aerie,” said Neil Saunders, managing director at GlobalData Retail.

Looking ahead, Saunders predicted the brand would undergo structural changes. “We expect the product to remain stylish and aspirational, but with greater emphasis on comfort, quality, and empowering messaging—making women feel good in their own skin.”

What was once a cultural force must now find a new voice.

The Present Situation: A Brand in Flux

When the world was changing, we were too slow to respond,” said Martin Waters,

At present, Victoria's Secret stands at a crossroads. The brand still enjoys high name recognition and nostalgic appeal—particularly among Gen Z—but that legacy alone is no longer enough. After years of clinging to a narrow definition of beauty and ignoring the industry's broader cultural shift, Victoria's Secret now finds itself out of step with a more inclusive, comfort-focused generation of consumers.

The company is working to rewrite its narrative, but rebranding alone won't suffice. In a market now driven by authenticity, body positivity, and self-acceptance, regaining consumer trust requires more than a cosmetic overhaul. Victoria's Secret isn't just refreshing its image—it's trying to redefine what it means to be relevant.

Financial and Market Challenges

“Investors are tired of waiting for a turnaround that hasn't come.” – Barington Capital, Open Letter, June 2025

Victoria's Secret remains the largest lingerie retailer in the U.S., but size no longer translates to strength. In 2024, the brand posted \$6.2 billion in revenue—solid on paper, yet directionless in trajectory. Comparable sales slipped 1% in Q1 2025, while a \$20 million cybersecurity breach only compounded growing investor unease. With its market capitalization reduced to just \$1.5 billion, Victoria's Secret is now a shadow of the powerhouse it once was—a brand whose stock once symbolized retail dominance now signals stalled momentum.

Activist investors are circling. Barington Capital, which holds a 1% stake, and BBRC International, which owns 13%, have taken aim at newly appointed CEO Hillary Super, who assumed leadership in September 2024. Their charge: she lacks the operational depth and turnaround track record the moment demands. By May 2025, tensions erupted. The board's adoption of a "poison pill" defense—limiting any single shareholder's voting power to 15%—was widely seen as a move to curb BBRC's growing influence. Instead, it further strained an already fraught relationship between leadership and shareholders, raising more questions than answers about the company's strategic direction.

Leadership Turnover

"Three CEOs in four years? That's not a strategy—it's a crisis." – BBRC International, June 2025

Since its spin-off from L Brands in 2021, Victoria's Secret has seen a revolving door in the C-suite—three CEOs in just four years. Martin Waters (2021–2024) led the initial rebranding effort, replacing the iconic Angels with a more inclusive group of ambassadors and attempting to move the brand beyond its hyper-sexualized legacy. While the initiative earned headlines and some praise, it failed to reignite revenue growth.

His successor, Amy Hauk, lasted only briefly in 2024, and by September of that year, Hillary Super was appointed CEO. Super's strategy signaled yet another shift—pivoting toward activewear, expanding digital channels, and moving further away from legacy imagery. But her vision is already facing backlash. Barington Capital is pushing for a return to Victoria's Secret's roots: high-glamour branding, dominance in the core bra category, and the revival of the iconic Angels. BBRC International, meanwhile, demanded a board overhaul with seasoned turnaround experts—only to see the proposal rejected. At the annual shareholder meeting in May 2025, board approval ratings fell by 10%, revealing growing frustration among investors.

"The board's entrenchment risks our future," a BBRC spokesperson warned—underscoring not just a leadership challenge, but a deeper governance crisis that now clouds Victoria's Secret's path forward.

The Store Problem: Aging Spaces, Fading Relevance

"Our supply chain broke down in 2020, and we're still playing catch-up." – Sarah Thompson, VP of Supply Chain, Mast Global, 2024

Victoria's Secret still operates more than 1,000 stores across the U.S.—but many are stuck in the past. Most are located in aging mall environments that fail to attract Gen Z shoppers, and the in-store experience hasn't kept up. Customers still encounter limited size options, inconsistent

service, and outdated layouts. A CB4 retail audit from 2019 flagged key issues: undertrained staff, cluttered merchandise displays, and a lack of store-level accountability. The result? A sluggish inventory turnover rate of just 3.5x in 2020—well behind Aerie’s 5.0x.

Then came COVID-19. The pandemic exposed deep vulnerabilities in Victoria’s Secret’s supply chain. Its sourcing arm, Mast Global, reported a 20% stockout rate in 2020, according to *Supply Chain Dive*, and recovery has been uneven. In early 2025, a cybersecurity attack paralyzed inventory systems across the network, further delaying store replenishments and eroding customer trust.

Efforts to modernize the retail footprint have been slow. Only 200 out of 1,000 stores have been updated to reflect the new “Scandinavian minimalism” aesthetic—a sleek, more modern look. Meanwhile, digital now accounts for 30% of total sales (\$1.86 billion), but Victoria’s Secret is still trailing digital-native rivals like Skims. These newer players offer faster shipping, stronger personalization, and a more seamless online experience—raising the bar for what lingerie shoppers expect.

For Victoria’s Secret, the physical and digital gaps aren’t just operational—they’re existential.

Target Customers and Shifting Cultural Relevance

“Gen Z doesn’t want our old definition of sexy—they want authenticity and freedom to define themselves.” – Raúl Martinez, CMO, Victoria’s Secret, 2025

Once the ultimate arbiter of sexy, Victoria’s Secret now faces a stark reality: it no longer speaks the language of its core audience. The brand’s target demographic—women aged 18 to 29, especially teens through its PINK line—has moved on. Comfort, inclusivity, and authenticity have replaced glossy perfection. A Coresight Research survey in late 2024 found that 62% of Gen Z women value comfort most in lingerie, while 48% prioritize inclusive sizing and body-positive messaging—far eclipsing the 25% who care primarily about price.

“There’s been a real shift in how people, especially young women, think about beauty and desire,” noted Kalinda Ukanwa, a marketing professor at USC’s Marshall School of Business.

PINK still accounts for 40% of Victoria’s Secret’s revenue (roughly \$2.48 billion), but brand loyalty is slipping. According to a 2023 YouGov study, only 30% of PINK shoppers made repeat purchases in 2022—down sharply from 45% in 2018. In contrast, newer competitors like Skims and Aerie enjoy repeat purchase rates of 70% and 65%, respectively.

Victoria’s Secret has also fumbled strategically. In 2016, it discontinued its swimwear line, walking away from a growing category. That decision hurt sales—and wasn’t corrected until 2021, when the brand finally reintroduced swimwear. Meanwhile, it was late to adopt key trends like casual bralettes and sports bras, clinging instead to its signature push-up styles even as consumer preferences evolved.

Cultural relevance has also slipped in the digital space. In 2024, Skims dominated TikTok with 1.2 million mentions, while Victoria’s Secret lagged far behind at 400,000. Gen Z influencers like

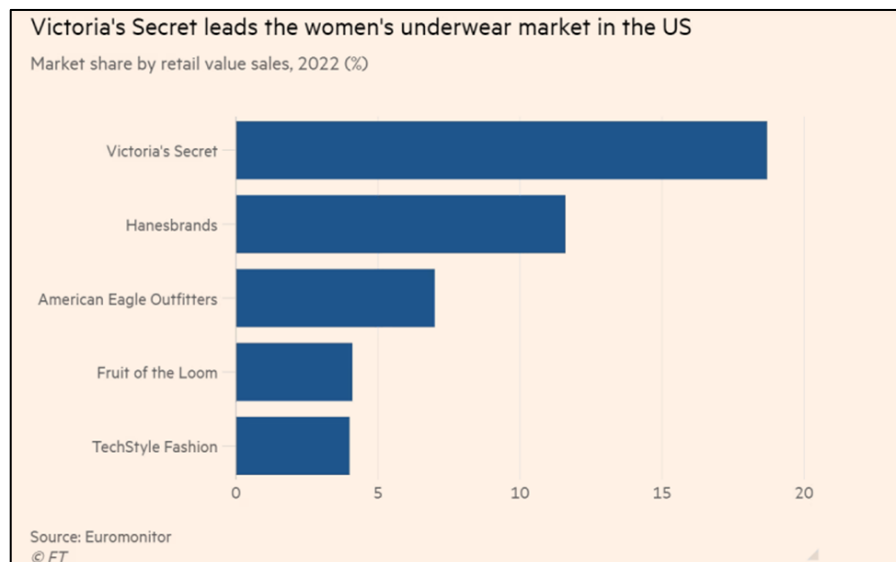
Sabrina Carpenter might occasionally embrace glamor—but they pair it with a message of agency, self-expression, and realness.

Victoria's Secret today is caught between two worlds: the aspirational past it built and the evolving values of the present. Despite a rebrand and several course corrections, the brand's identity remains unresolved. With store experiences that still feel outdated, declining affinity among younger shoppers, and mounting investor scrutiny, one question remains:

“Can the lingerie giant rediscover its allure—or has the world already moved on without it?”

Competitors: A Shifting Landscape

As Victoria's Secret lost cultural relevance, a new generation of competitors emerged—positioning lingerie not around fantasy, but empowerment. These brands capitalized on shifting values around authenticity, inclusivity, and comfort, rapidly capturing share from an incumbent slow to evolve.



Aerie: The Power of Real

“Aerie’s ‘Be Real’ campaign showed us what authenticity looks like.” – Gen Z Consumer, 2024

In 2014, Aerie, the lingerie brand from American Eagle Outfitters, launched #AerieREAL—featuring unretouched images and diverse models. The campaign struck a chord with young consumers who felt alienated by Victoria's Secret's airbrushed ideal. Aerie's positioning—comfort over seduction, transparency over polish—made it a Gen Z favorite.

By 2020, Aerie's market share had doubled from 5% to 10%, with revenue reaching \$646 million and growing at 6% annually. Bralettes, sports bras, and body-positive messaging became its signature, aligning business success with a clear cultural stance.

Skims: Celebrity Meets Size-Inclusivity

“Skims makes you feel confident in your own skin.” – Kim Kardashian, Co-Founder, 2023

Founded by Kim Kardashian in 2019, Skims quickly proved it was more than a celebrity brand. By combining shapewear, seamless basics, and an unapologetically inclusive size range, Skims met consumers where they were—on social media, looking for comfort and confidence.

Skims reached \$500 million in revenue by 2023, fueled by collaborations with SZA and Cardi B and a digital-native strategy. By 2024, it had captured an estimated 8% of Victoria’s Secret’s share, redefining “sexy” in the process.

ThirdLove, Savage X Fenty, and the Digital-Native Surge

“ThirdLove’s fit guarantee changed how we shop for bras.” – Customer Review, 2024

Other challengers also scaled rapidly. ThirdLove, launched in 2013, focused on fit and personalization, offering 80+ size combinations and a 60-day “fit guarantee.” Its direct-to-consumer model and half-cup sizing made it a trusted choice for women seeking comfort and precision.

Meanwhile, Savage X Fenty, backed by Rihanna, turned inclusion into spectacle—with fashion shows streamed on Amazon and models spanning plus-size, transgender, and non-binary identities. The brand reached \$200 million in sales by 2023.

MeUndies, Parade, and other DTC upstarts added cheekiness, convenience, and ethics to the mix, further resetting consumer expectations.

Together, these brands didn’t just take share—they rewrote the rules. Where Victoria’s Secret offered aspiration, the new players delivered access. Where it sold fantasy, they offered relatability. The message was clear: relevance now belonged to those who reflected the world as it was—not how it used to be.

Can a Makeover Save a Legacy?

We are building from a position of strength,” Victoria’s Secret CEO Martin Waters told analysts. “We’re still the largest intimate apparel company in the world—with 20% share in North America, 25 million active customers, and 88 million followers on Instagram.” But behind that statement lay a stark reality: the brand had become culturally out of step and commercially vulnerable.

Rebranding Efforts

“You don’t change a brand’s positioning in five minutes or a day or a month or a week,” he said. “It takes years.”- Chief Executive Martin Waters

Waters, who became CEO in 2020 following a spin-off from L Brands, didn’t mince words: “The company was broken. The marketing was inappropriate. It didn’t need a tweak. It needed a revolution.” He declared the brand had long prioritized the male gaze over what women actually wanted—and set out to change that.

“Victoria’s Secret was always more about what men wanted as opposed to what women wanted themselves.”

The strategic pivot began in earnest in 2021. Victoria’s Secret retired its Angels—once the brand’s global icons—and replaced them with the *VS Collective*, a group of diverse women including Priyanka Chopra Jonas, Megan Rapinoe, and Paloma Elsesser. The move signaled a sharp departure from fantasy and exclusivity toward inclusivity and authenticity.

“We’re moving from sexy for a few to sexy for all,” said Waters. “It’s about being grounded in real life, not unattainable ideals.”

Rebranding at Scale

The transformation extended across the brand ecosystem. Store visuals were overhauled to showcase mannequins of varied body sizes. Retouched ads gave way to real imagery. Product lines expanded to include extended sizing. Even the once-glitzy fashion show—retired in 2018—was revived in 2024 with a reimagined cast that included plus-size and transgender models.

But if the message had changed, the reception remained mixed.

Analysts and consumers alike questioned the timing and authenticity of the rebrand. Former loyalists were confused or alienated by the brand’s reversal. The new target audience was skeptical. “It felt like too little, too late,” noted retail analyst Kristen Schmidt at Coresight Research.

The 2024 fashion show generated press but not profits. Despite the repositioning efforts, revenue remained flat at \$6.2 billion, and market share continued to erode. The core dilemma remained unresolved: how to reintroduce relevance without losing legacy—or credibility.

Store and Digital Investments

“Our stores need to be destinations, not just shops.” – David Walmsley, Chief Digital Officer, 2023

Store and Digital Investments

“Our stores need to be destinations, not just shops.” – David Walmsley, Chief Digital Officer, March 2023

Between 2020 and December 2024, Victoria’s Secret closed 250 underperforming stores, reducing its North American footprint to approximately 850 locations. In an effort to refresh the brand’s in-store experience, by May 2024, 100 stores had been remodeled with softer aesthetics, warmer lighting, and improved layouts. Yet progress remained slow, and many locations still felt dated compared to the sleek, experiential formats of newer competitors like Skims pop-ups or Aerie’s lounge-inspired stores.

On the digital front, by December 2024, Victoria's Secret had grown online revenue to 30% of total sales—amounting to \$1.86 billion—and was spending \$220 million annually on digital advertising across Instagram, TikTok, and YouTube, while also mailing printed catalogs to millions of households. The brand made strides in livestream shopping and influencer partnerships throughout 2023 and 2024. Still, it lagged behind competitors like Savage X Fenty and Skims, who led the charge with frictionless user interfaces, robust personalization, and mobile-first innovation.

Product Diversification

“Activewear is our future, but bras are still our heart.” – Hillary Super, CEO, 2024

To move beyond its lingerie legacy, Victoria's Secret expanded into adjacent categories—activewear, swimwear, pajamas, and even jewelry. In August 2023, the brand launched *On Point*, an activewear line designed to capture a slice of the booming athleisure market. Around the same time, PINK introduced collegiate loungewear and street-style-inspired drops aimed squarely at Gen Z. By November 2023, the company debuted *Brilliance*, a lab-grown diamond collection, signaling its ambition to move beyond apparel and become more of a lifestyle brand.

In an April 2024 earnings call, Super noted, “We increased our percentage of newness by pulling forward March and April orders in VS, chasing into exciting fashion apparel for PINK and accelerating our new mist collection launch for beauty.”

Despite the momentum and diversification push, the financial returns were underwhelming. By December 2024, non-lingerie categories accounted for just 10% of total revenue—roughly \$620 million. While product quality improved thanks to Mast Global-led supply chain upgrades throughout 2023 and early 2024, price points remained a barrier. Many bralettes and bras exceeded \$60—twice the price of bestsellers at Aerie or Skims. The elevated positioning clashed with the value-driven expectations of younger consumers, who had become accustomed to both affordability and authenticity.

Leadership and Governance

“The board’s entrenchment risks our future.” – BBRC International Spokesperson, 2025

The July 2021 spin-off from L Brands gave Victoria's Secret a chance to reset. A new board—led by Chair Sarah Nash and governance veteran Anne Sheehan—signaled a commitment to transparency, diversity, and accountability. With more female directors and a separation from the Les Wexner era, expectations ran high.

Martin Waters, who became CEO in early 2021, spearheaded the initial turnaround, prioritizing brand rehabilitation and store optimization. But by May 2023, amid lagging results and investor unease, Waters stepped down. He was succeeded by Hillary Super, a seasoned retail executive best known for her merchandising acumen at Anthropologie.

Super's strategy focused on activewear and broader lifestyle positioning. While her initiatives injected freshness, critics argued the brand was drifting too far from its core—lingerie. In February 2024, BBRC International, a private equity firm with a 5% stake, nominated an independent director to bring more strategic discipline to the board. When the board rejected the nomination in January 2025, the move backfired. A backlash erupted across investor forums and X (formerly Twitter), with sentiment scores dipping and a 10% drop in retail shareholder confidence reported within a week.

Meanwhile, internal reform progressed slowly. A \$10 million investment—announced in August 2023—in training and diversity programs had modest returns. By December 2024, customer service metrics had improved slightly, but in-store feedback from employees and shoppers revealed ongoing inconsistencies.

Nearly five years into its reinvention, Victoria's Secret finds itself at a crossroads. Despite leadership changes, board reshuffles, and strategic investments, it has yet to recapture the cultural dominance it once enjoyed. Competitors have seized the moment with authenticity, inclusivity, and innovation—areas where Victoria's Secret is still playing catch-up.

Challenges Ahead

The lingerie aisle has changed—and not in Victoria's Secret's favor. Once the uncontested symbol of sensuality and aspiration, the brand now finds itself in a crowded, fast-moving arena where power has shifted to the consumer. No longer content with glossy perfection or outdated ideals, Gen Z and millennial shoppers demand authenticity, inclusivity, and purpose. For Victoria's Secret, the transformation it began in 2021 was just the start. The real question now: Can the brand evolve fast enough to reclaim relevance without losing its identity?

- Cultural Relevance

“Gen Z expects brands to walk the talk on inclusivity and sustainability.” – Emma Patel, ESG Analyst, 2025

Victoria's Secret walks a cultural tightrope. It must preserve its legacy of sensuality while aligning with a new generation's values—empowerment, diversity, and environmental responsibility. As of 2024, only 15% of its product line incorporated recycled materials, a stark contrast to Skims' 40%. Post-#MeToo workplace reforms have improved internal culture—cutting turnover by 10%—but public perception remains fraught. Many still associate the brand with a rigid, exclusionary image of femininity.

“Brands that launch with certain values in mind are much more accepted by consumers than brands that have to change what they do, or are linked to a certain image,” observes Reshma Shah, Professor of Marketing at Emory University. “It's hard to change that.”

Shah adds, “If it's not authentic, they're never going to shift perception. People still don't see Victoria's Secret as an inclusive brand. To many, it represents a narrow idea of beauty—that you must look a certain way to be considered beautiful.”

- Competitive Pressure

“Skims and Aerie aren’t just competitors; they’re redefining the game.” – Neil Saunders, GlobalData Retail, 2025

Victoria’s Secret no longer defines the category—it competes in it. Newer brands like Skims, Aerie, and ThirdLove have reframed the conversation with inclusive sizing, unfiltered storytelling, and digital-first engagement. In contrast, 70% of Victoria’s Secret sales still flow through traditional mall stores—amid declining foot traffic and changing shopping behaviors.

Price adds another pain point. With bras priced at \$50–80, the brand finds itself undercut by rivals offering comparable quality at \$30–50. The value equation has shifted, and so has customer loyalty.

- Financial and Operational Risks

“Flat sales and a \$1.5 billion valuation are a wake-up call.” – BBRC International, 2025

Despite sweeping rebranding efforts, the fundamentals remain fragile. Annual revenue has stalled at \$6.2 billion, and a 2025 cybersecurity breach costing \$20 million only deepened operational strain. Of its 850 stores, 250 remain unprofitable, contributing to \$1.2 billion in annual operating expenses.

The company has also faced rising tensions with activist investor BBRC, whose push to add a board director was rebuffed. The public dispute triggered fresh scrutiny on governance practices and sent market capitalization sliding to \$1.5 billion—a steep drop from its pre-spin peak.

- Global Expansion

“China and Asia are opportunities, but only if we get the culture right.” – Hillary Super, CEO, 2025

With growth flattening in the U.S., Victoria’s Secret is eyeing international markets for its next chapter. But recent experience offers more caution than confidence. After a failed UK expansion in 2020, the China strategy has produced just 2% of 2024 revenue. Brand positioning remains off-mark—upscale Chinese consumers gravitate toward premium labels like La Perla, while Victoria’s Secret’s mid-tier appeal gets lost in translation.

India tells a similar story. Despite a booming \$2 billion lingerie market, the brand operates only 10 stores—while digital-native players like Zivame dominate online. In Southeast Asia, entrenched brands like Wacoal enjoy deep trust, and Victoria’s Secret’s digital presence remains underwhelming. On WeChat, the brand has just 10,000 followers—far behind Savage X Fenty’s 50,000.

Victoria's Secret is no longer the default definition of sexy—it must now re-earn that position. The brand faces a complex future shaped by cultural disconnects, agile rivals, and operational strain. Rebranding alone won't be enough. Rediscovering relevance will require a fundamental reimagining of what Victoria's Secret stands for—executed with clarity, conviction, and cultural fluency.

From Crisis to Stabilization: The Ongoing Turnaround of Victoria's Secret

Victoria's Secret has undergone a notable financial transformation from 2020 to 2024, marked by early losses, a post-spin-off rebound, and more recent signs of stabilization.

In 2020, the company was grappling with significant structural challenges. Revenue stood at \$5.41 billion, but the brand posted a net loss of \$70 million and an operating loss of \$100 million. Gross margin was just 29%, and operating expenses consumed nearly 31% of sales—highlighting inefficiencies and declining relevance in a rapidly changing market.

The situation improved significantly in 2021. Following its spin-off from L Brands, Victoria's Secret staged a strong financial recovery. Revenue rose to \$6.78 billion, gross margin expanded to 40.7%, and net income surged to \$640 million. Operating income reached \$870 million, or 12.8% of sales—its highest over the five-year period. Investors responded positively, with market capitalization peaking at around \$7–8 billion shortly after the spin-off.

Victoria's Secret					
in \$ Billion	2020	2021	2022	2023	2024
Revenue	5.41	6.78	6.34	6.18	6.23
Gross Profit	1.57	2.76	2.25	2.24	2.28
Operating Expense	1.67	1.89	1.78	1.99	1.97
Operating Income	-0.10	0.87	0.31	0.24	0.47
Net Income	-0.07	0.64	0.33	0.12	0.17
Number of stores	1098	834	837	831	806
GM(%)	29.0%	40.7%	35.5%	36.2%	36.6%
Operating Expense as % of sales	30.9%	27.9%	28.1%	32.2%	31.6%
Operating Income as % of sales	-1.8%	12.8%	4.9%	3.9%	7.5%
Net Income as % of sales	-1.3%	9.4%	5.2%	1.9%	2.7%

However, the momentum did not last. Between 2022 and 2023, revenue softened, declining to \$6.18 billion in 2023. Operating income shrank to \$240 million, and net income fell to \$120 million. Operating expenses as a percentage of sales climbed above 32%, while market cap dropped significantly, falling to approximately \$2.5–3 billion by the end of 2023. These trends suggested margin compression and ongoing challenges in reigniting growth and consumer loyalty.

In 2024, the business showed modest signs of stabilization. Revenue edged up to \$6.23 billion, gross margin improved to 36.6%, and operating income rose to \$470 million (7.5% of sales). Net income increased to \$170 million, reflecting improved cost management and more focused execution. Yet, financial metrics remained well below their 2021 highs, and the stock market continued to reflect cautious investor sentiment.

Meanwhile, the company significantly downsized its physical footprint, closing nearly 300 stores over five years, from 1,098 in 2020 to 806 in 2024. This reflects a deliberate shift toward digital channels and a more streamlined, productivity-focused retail model.

The turnaround is still a work in progress. Despite a return to profitability and operational discipline, Victoria's Secret has yet to reclaim consistent growth or market leadership. The brand continues to face competitive and cultural headwinds. Long-term success will depend not just on financial recovery, but on rebuilding brand relevance, deepening consumer trust, and differentiating in a crowded and evolving retail landscape.

- Strategic Options for Hillary Super

“Nostalgia could stabilize us, but innovation will define our future.” – Jane Carter, Retail Analyst, 2025

Victoria's Secret CEO Hillary Super now stands at a pivotal crossroads. After years of reinvention efforts and intensifying competition, the brand faces critical choices that will shape its future. Should Super lean into the power of its legacy—or pivot decisively toward a modern, inclusive identity?

Activist investor Barington Capital is pushing for a return to the brand's core: bras and lingerie. With nearly \$4 billion in annual revenue still anchored in these categories, the argument is financially compelling. Reviving the once-iconic "Angels" line could generate an estimated \$300 million in incremental sales, according to 2024 internal projections. But the move is fraught with cultural risk. What once defined the brand's mystique now feels out of step with the values of younger consumers—especially Gen Z and Millennials, who increasingly demand authenticity and inclusivity.

“The future of Victoria's Secret looks like more inclusive branding, which is going to be a long road for them,” said Erin Schmidt, a retail analyst at Coresight Research.

As retail analyst Erin Schmidt of Coresight Research notes, “Inclusivity is not something you can simply tack onto a marketing campaign. Consumers expect to see it embedded in corporate culture, product design, and the supply chain.” A misstep could jeopardize the brand's relevance just as younger rivals—like Aerie, Skims, and Savage X Fenty—gain market share by leading with values.

Some analysts suggest an alternative path: premiumization. By repositioning Victoria's Secret as a luxury brand and raising prices, the company could unlock an additional \$500 million in annual

revenue. But this strategy carries its own trade-offs, including a projected 10% drop in price-sensitive customers—particularly risky in an inflationary environment.

Expansion into adjacent categories offers another route. Activewear, loungewear, and shapewear—sectors currently dominated by Skims, Lululemon, and Alo Yoga—represent significant white space. A successful entry could deliver up to \$1 billion in incremental revenue by 2027, according to Morgan Stanley forecasts. However, analysts warn that without strong product differentiation, Victoria's Secret risks brand dilution and consumer confusion.

Operational levers also matter. Closing 250 underperforming stores, primarily in declining malls, could yield \$200 million in annual savings—capital that could be reinvested into digital transformation. A proposed \$50 million overhaul includes a replatformed e-commerce experience, AI-powered personalization, virtual try-ons, and faster fulfillment. These upgrades are critical to competing with digital-native brands like Skims, which drives over 60% of its sales online and consistently ranks among the top five DTC brands in the U.S.

Global expansion presents both opportunity and urgency. Victoria's Secret's international digital presence remains underdeveloped. Strategic partnerships with platforms such as Tmall (China), Myntra (India), and Lazada (Southeast Asia) could accelerate growth in emerging markets, which are projected to account for 30% of global lingerie sales by 2028, per Euromonitor. Success will hinge on localizing assortments and leveraging data to meet diverse consumer preferences.

Finally, the most pressing challenge may lie within the boardroom. With activist shareholders demanding governance reforms—including changes to the board and a sharper strategic focus—Super's leadership will be tested not just on vision, but on execution. The next chapter of Victoria's Secret will require more than brand storytelling. In a retail landscape where the old playbook no longer guarantees survival, the next moves must balance bold reinvention with financial discipline.

Conclusion: A Brand at the Crossroads

*As culture, technology and shopping behaviors shift, so must our go-to-market strategy, ".
"By staying true to our brand DNA while adapting how we engage, inspire and serve, we will deepen connections with existing customers and attract new customers while strengthening loyalty and driving long-term growth.- Hillary Super, CEO-Victoria's Secret*

Once the undisputed queen of American lingerie, Victoria's Secret didn't just sell undergarments—it sold a fantasy. For decades, the brand's runway extravaganzas and iconic Angels shaped ideals of beauty, confidence, and aspiration. But when the cultural winds shifted, Victoria's Secret remained frozen in time.

In the past five years, the company has attempted a course correction: it retired the Angels, embraced a more inclusive image, invested in digital, and expanded into adjacent categories like loungewear and activewear. Yet these moves have produced mixed results. Sales are still under pressure, brand loyalty remains fractured, and internal tensions—from investor activism to leadership turnover—reflect deep strategic uncertainty.

To win back its shoppers, Victoria's Secret will have to show them it's become a "more authentic, less sexualized" brand "with products that value "comfort, functionality, materials and making consumers feel good about themselves," said Neil Saunders, managing director of research firm GlobalData Retail.

CEO Hillary Super now faces a pivotal choice: Should the brand lean into its legacy and reclaim its fantasy DNA, or embrace a new, more inclusive, purpose-driven identity? The trade-offs are steep. A return to the past might stabilize core customers but alienate younger generations. A full pivot risks diluting what brand equity remains, especially at a time when digitally native disruptors like Savage X Fenty and Parade already resonate with today's audience.

Simply by virtue of what they are selling, they are going to be subject to a lot of opinion, good or bad. "The company needs to figure out who they want to be and follow that path.

As one analyst put it bluntly, "They need to decide who they want to be—and follow that path with conviction." That choice can't be made through advertising alone. It will demand organizational alignment, strategic clarity, and the courage to prioritize long-term brand relevance over short-term financial wins.

Victoria's Secret is no longer the default definition of sexy—it must now earn that position. The next 12 to 18 months will likely define its future. Can the lingerie giant rediscover its allure— **or will it fade into retail irrelevance?**

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