

# Lululemon

Represented by CREW 902

# Meet the CREW 902 Team





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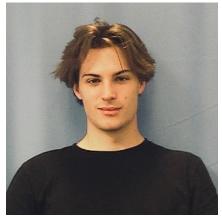
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## **Executive Summary**

CREW 902 is thrilled to launch the Media Plan Book we crafted for one of the most popular athleisure wear brands in North America, Lululemon. Our agency took on a series of steps to develop a cohesive plan for Lululemon's advertising campaign. Starting with a situational analysis, CREW 902 took on extensive research to analyze the current context of Lululemon's situation in relation to its consumers and competitors. Using our research and analysis, CREW 902 defined the most important problem of Lululemon, and also formulated an effective solution through several media planning solutions. We are confident that the implementation of our proposed media plan — and more specifically our media objectives — allows for an effective response and solution to the most important problem. Using our expertise and professionalism in advertising, we have devised strategies and tactics to guide Lululemon in achieving an identified objective to appeal to a newly defined target audience.

As an advertising agency, CREW 902 agency highly values determining concerns and problems, as this is fundamental to continued success and ongoing growth. With this in mind, Lululemon's most significant problem is that there is an overall lack of appeal for the male demographic, and males are noted to be 54% less likely to shop at Lululemon (Simmons, 2022). From the interviews that we have conducted with multiple people, we conclude that many individuals tend to think that Lululemon products have great comfort, but the prices are too high and overwhelming to justify.

Our agency developed an in-depth proposal to identify an opportunity to increase our target audience to include more male consumers, and ultimately address the minimal male consumer base. Our solution to the problem is largely rooted in the most important impunity, it is to make significant strides to target the male demographic to expand their target audience to include them. This is largely in part due to the fact that the athletic apparel category is "a staple in consumers' closets,", especially for men and women aged between 18-44, and more so for Millenials (Hansen, 2022). Given this, Lululemon has significant potential for growth and success with this demographic and could benefit from this expansion.

In pursuing our most important opportunity, we simultaneously can address the most important problem, with the solution detailed throughout our Media Plan. With respect to the male demographic, we will target males aged 25-34 years old in the western and northeast regions of the United States. We created the campaign tagline, "Be Him." and "Lululemen" as these are subtle ways to reveal the brand's efforts to cater to the male audience. We have chosen a large array of mediums and vehicles that fall under the following media types: print, broadcast, out-of-home, interactive, and alternative. Some vehicles include magazines such as Sports Illustrated and *GOLF* Magazine, TV commercials such as ESPN SportsCenter and NBC Golf Channel, video/photo sharing sites such as Instagram and YouTube, and product placement through Netflix and collaborations with professional golfers. This campaign will incorporate a pulsing strategy — year-round advertising that allows for certain months with significant events or holidays to be emphasized — and media dispersion approach to effectively allocate our budget of \$10,000,000 to reach our advertising objective. Fueled by passion and expertise, CREW 902 is eager to work with Lululemom in implementing our proposed media plan campaign that we are proud to present.

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#### PART I: SITUATIONAL ANALYSIS

#### Introduction

CREW 902 is a world-class agency that aims to help clients reach their advertising goals in the best way possible. CREW 902 recently partnered with Lululemon, an athleisure company that was founded in 1998 by Chip Wilson (*History | Lululemon Athletica*, 2022). Over the years, their brand has gained prominence in the athleisure-wear industry with its high-quality and fashionable products. Lululemon has the goal to gain more knowledge of their primary target market — white females aged 25-34 — and find ways to respond to this audience through a media campaign. They aim to establish this campaign from August 1, 2023 to July 31, 2024. With this, CREW 902 conducted a situational analysis of factors that affect Lululemon's business as a whole. By conducting extensive research, the agency was able to analyze information on Lululemon's relationship with its customers and competitors through various resources such as Simmons Insights and interviews with users and non-users of the brand. This includes the completion of an external, internal, consumer, competitor, and SWOT analysis for Lululemon. This process has helped the agency gain sufficient background knowledge to find the most appropriate and effective solutions for Lululemon's future media campaign.

## **External Analysis**

## Brief History of the Athletic Apparel Industry

The rise of the athletic apparel industry is largely attributed to how sports changed the way young people dressed. The late 19th century was transformative to this industry and it began in 1892 when the U.S. Rubber Company started producing shoes with rubber soles that gave them better traction on the tennis courts, earning them the name 'tennis shoes' ("When Did the Athleisure Trend Start", n.d.). At the same time, intramural sports gained popularity at American universities. An article by Derek Thompson "Everything You Wear is Athleisure" notes that several of these men lacked "the means or inclination to fill their wardrobe with non-sports clothes" and would instead sport their athletic attire to class (Thompson, 2018). The term athleisure was thus replaced with leisure. In the years following, several products that fall under athletic apparel were introduced or went under foundational changes, such as polo shirts, shorts, and sweatshirts, which purposes evolved later on.

The 1970s marked the first time modern athleisure apparel began integrating itself into everyday life; exercise took hold and more people started focusing on their physical fitness. Apparel companies saw the value in this change and used it to design clothing for exercise in numerous different fabrics to offer breathability. This led to an age of higher quality clothing and an influx in purchasing of the product category. At first, this apparel was donned to demonstrate athletic participation but transformed into a way of showing appreciation or involvement in a generally active lifestyle. The athleisure industry gained its footing in the early 2000s at a time when Lululemon had just entered the market a few years prior in 1997. This induction revolutionized the athletic apparel industry with style and fashion at the forefront. Since then, this industry has only continued to expand.

The athleisure market is currently seeing significant growth, largely thanks to the pandemic and hybrid working environments that have changed the apparel landscape. Several

apparel retailers — even non-athletic ones — pivoted to appeal to this trend where loungewear and athleisure wear became inherent pieces to professional wardrobes.

## Trends in the Category

The athletic apparel industry is one that has exploded in recent years. With more newcomers, it is becoming an aggressively competitive and growing industry with hundreds of various athletic apparel brands all competing to gain market share. There are several big players such as Nike, Adidas, Underarmour, Puma, and Lululemon. With the rise of the "Athleisure" category in recent years, the industry has been shaping its products to fill the demand for more versatile products, which can serve the purpose of both athletic activities but also casual day-to-day wear. Customers are demanding products that are both comfortable and multi-functional in terms of their use. With the rise of athleisure, the possibility to market to different demographics also arises. Many males are seeking comfortable clothes they can wear around the house but can also be worn when they go to the gym. Another market trend that has taken the industry by storm is the rise in interest in yoga, specifically yoga apparel. According to Linchpinseo, "Fashion searches for yoga clothing grew in 2020, and sales of yoga-related products have risen by 42%" (Linchpinseo, 2021). This indicates a strong demand for yoga-related apparel within the industry. The industry seems to be expanding its reach beyond clothes simply made for playing sports. This is good news for the industry as it allows them to grow their consumer base and release new product lineups to cater to the various needs. As the industry continues to expand to fill demand, the market is becoming more saturated, and companies existing within this field will need to start to create more innovative products and diversify their product offerings from competitors in order to hold onto and gain new consumers.

## **Environmental Trends**

## Social and Cultural

There are several trends reflecting consumer attitudes and preferences that we believe affect the athletic apparel industry. The top three reasons consumers wear athleisure apparel are lounging and relaxing at home (55%), working out at home (55%), and running errands (54%), see Figure 1 (Hansen, 2022). This variety in purposes showcases the versatility of product lines. The COVID-19 pandemic sparked significant changes in the working and business environments that led to a higher emphasis placed on more casual attire. According to a Mintel report, 51% of consumers in the U.S. split their workweek between working remotely and working at the office, and 44% also work from a location other than home. The popular hybrid model gives brands an opportunity to tap into different needs aside from exercise or non-work-related occasions. Consumers are prioritizing their health and wellness by seeking ways to reduce stress (66%) and trying to lead an active lifestyle (75%), which further fuels the growth of the athletic apparel market (Hansen, 2022). This trend is apparent given that the average percentage of the U.S. population engaged in sports and exercise per day has been on a relatively upwards trend from 18.5% in 2010 to 21.5% in 2021, See Figure 2 (Gough, 2022). In addition to fulfilling needs for versatile items, consumers are leaning towards a realistic type of wellness rather than having the perception of wellness. Consumers want brands that offer products and services on a holistic level to serve their mind, body, and soul instead of just physical needs.

Mintel reports that this apparel category "is a staple in consumers' closets," especially for men and women aged between 18-44, and even more so for Millennials (Hansen, 2022). Three primary driving purchase factors are comfort (59%), price (49%), and durability (31%), and these are critical attributes brands need to deliver on (Hansen, 2022). According to a Mintel report, 55% of consumers would even splurge more money if the product is of higher quality, thus emphasizing the importance of placing significant value on the longevity of an item and the materials used in its production.

With the increasing value placed on diversity and inclusion, as well as environmentally-conscious consumers, it is more important than ever for brands to make clear steps towards integrating these aspects into their business operations and products. Many consumers also seek out brands that make strides towards improving diversity and inclusion specifically changes that are not performative. This comes in the form of offering products of various sizes — such as plus and petite sizes — and having diverse models throughout their advertisements. It is important to note that consumers are particular in terms of how brands approach this, in that it must be a clear and defined plan to achieve specific goals. A recent survey from Mckinsey & Company even found that more than 75% of Generation Z consumers will end relationships with brands that run ad campaigns perceived as macho, racist, or homophobic (Mckinsey, 2021). This cultural shift comes with a rise in consumers who want to discover and invest in new products or brands that emphasize the use of sustainable, durable, and high-quality materials (Bingé, 2021). An IBM 2020 global study of nearly 19,000 consumers found that brand purpose is more important to today's shoppers than cost and convenience (IBM, 2020). They also found that over 7 in 10 consumers say it is at least moderately important that brands offer "clean" products (78%), are sustainable and environmentally responsible (77%), support recycling (76%), or use natural ingredients (72%), See Figure 3 (IBM, 2020).

These social and cultural trends are favorable to brands within the athletic apparel industry as many of them allow for new ways to tap into different markets. Additionally, these consumer values are useful for brands and products that align with versatility and wellness, specifically, catering to consumers' holistic mindset and interests in products that allow for multi-use.

#### **Political**

The pandemic placed significant pressure on the global supply chain, which is only further intensified with the ongoing conflict between Ukraine and Russia that has already led to significant economic fallout and worsening supply chain disruptions. According to a report from KPMG, supplier delivery times of manufacturers have been slowing down for more than six years as of April, and slowing at a faster pace since October 2020, meaning longer wait times for products are extremely probable (Kim). A surge in imports combined with labor shortages places ports under increasing pressure. Long Beach and LA ports are experiencing a record-high number of vessels awaiting unloading. The average number of ships waiting was less than five prior to the pandemic, but on April 12th of 2022, eighty-seven ships were recorded, see Figure 4 (Kim). Companies should consider taking preemptive measures to mitigate these threats, possibly through having production be done more locally or within nearby regions.

A landmark bill that would protect workers in the American fashion industry that was introduced to the US senate in May 2022 would transform the country's apparel category. The Fashioning Accountability and Build Real Institutional Change, FABRIC, Act was introduced by

New York senator Kirsten Gillibrand. The act would increase garment workers' wages and place liability requirements on the brands that work with factories paying under the federal minimum wage. It would offer incentives for companies to engage in manufacturing within the U.S., including a 30% tax credit and a federally administered fund to aid manufacturers in updating or improving their facilities (Cernansky, 2022). This act places brand accountability at the forefront and would no longer put companies who voluntarily adopt higher environmental and labor standards at a disadvantage with their competitors.

#### **Economic**

Prior to this year, the economic outlook was optimistic with positive trends expected to carry on for several years; however, there are noticeable cracks in the original forecast as several economic markers are witnessing decreases. From Quarter 2 of 2020 until Quarter 2 of 2021 There were significant rises in the annual percentage change in the U.S. GDP, Gross Domestic Product, from Quarter 2 of 2020 (-9.1%) until Quarter 2 of 2021 (12.2%), but immediately after just as quickly as it rose, it fell. By Quarter 2 of 22, the 12.2% from the year prior had fallen to 1.7%, See Figure 5 (Statista, 2022). After the consumer confidence index, CCI, reached a peak of 99.86 in April 2021, it has been on a downward trend until it hit 96.18 in August 2022, further dropping it below the 100 benchmark, See Figure 6 (Statista, 2022). This indicates economic turbulence, meaning consumers are more likely to save their money than spend it. Additionally, inflation rates are at an all-time high, peaking at 9.1% in June 2022; meanwhile, after the Federal Reserve interest rates remained steady at around 0.08%, it has been on an upward trend since February 2022, reaching 1.68% in July 2022, See Figure 7 (Statista, 2022). A decreasing CCI combined with rising inflation and interest rates poses a threat for brands given that it creates a difficult economic environment for consumers to take part in as they have less discretionary funds for non-essential purchases.

## **Technological**

The advancement of technology has made the purchasing process more efficient and offers several avenues for adding special features to products and services. These advancements have brought about digital scanning and 3D technologies that help direct consumers to products that are designed for their body type by better understanding their body type. This is taken a step further through virtual reality technology where consumers can see how an item will look on themself. Mintel reports that 36% of consumers are interested in new forms of wearable technology like smart clothes and shoes, and up to 60% for Millennial males (Hansen, 2022). Some brands have already begun the integration of sensors into their clothing to track fitness measurements such as workouts, heart rate, breathing, and more. Technology has added in-store components to online shopping; however, "for shoppers who crave convenience and immediacy, stores have become critical nodes in the omnichannel supply and fulfillment ecosystem. For consumers who desire experiential and/or communal shopping, stores have become showcases for them to have hands-on engagement with products and brands" (IBM, 2020). In order for consumers to purchase however and whenever it best suits their needs, it is most beneficial to have omnichannel options with a seamless experience.

#### **Growth Potential and Forecasts**

Despite overall negative economic forecasts, the athletic apparel industry appears to have a promising future. The size of the global activewear market was 366.22 billion US dollars in 2021 — 23.37 billion US dollars up from the previous year — and is forecasted to continue on an upwards trend, reaching 455.42 billion US dollars by 2027, See Figure 8 (Smith, 2022). The United States is the largest regional player in the global activewear industry and is expected to generate more than 95 billion dollars alone in the US by 2025 (Smith, 2022). The worldwide women's activewear market was valued at approximately 178 billion US dollars in 2021 and is expected to increase by over 90 billion US dollars by 2029, reaching a value of 269 billion US dollars, See Figure 9 (Smith, 2022). According to a Statista survey, there are twelve sales-leading active apparel companies worldwide, many of which are forecasted to experience significant sales growth in 2022, See Figures 10 and 11 (Smith, 2022). Lastly, health and wellness values in consumers drive increases in physical activity and self-care practices and place a stronger emphasis on the need for versatile athleisure apparel that brands can capitalize on.

## **Internal Analysis**

## History of the client

Founded in British Columbia in 1998, Lululemon Athletica began as a store for yoga gear and apparel. Its founder, Chip Wilson, found cotton yoga clothing to lack breathability, thus deciding to make yoga clothing with a higher quality fabric that would be athletically hip. In fact, the logo itself stemmed from that very phrase, with an "A" for athletically hip. The brand soon became highly controversial when Wilson told a Canadian magazine that he created the name "Lululemon" because the frequent "L's" would make Japanese customers see the brand as innately western and thus be more inclined to purchase it for themselves. In a deleted blog post, Wilson wrote: "It was thought that a Japanese marketing firm would not try to create a North American sounding brand with the letter "L" because the sound does not exist in Japanese phonetics. By including an "L" in the name it was thought the Japanese consumer would find the name innately North American and authentic." Wilson also commented on women's rights and the rise of birth control as contributors to the start of Lululemon, since women were now more involved in the workforce than ever and needed an outlet, such as yoga, to reduce stress levels. Finally, when the quality of Lululemon leggings was called into question after pilling, Wilson stated that some bodies are just not made for leggings, blaming female body shape rather than the quality of his products. Needless to say, Wilson's comments stereotyping other groups aligned Lululemon with highly questionable values and goals for their company, but interestingly enough Lululemon does not seem to have majorly suffered from these controversies. Wilson served as CEO until 2005 when he stepped down into the position of chairman, from which he retired in 2013. Today, Lululemon operates under the leadership of its CEO Calvin McDonald, and has thrived under his leadership. Since its beginning as a standalone store, Lululemon has expanded to nearly 600 stores as well as an online shopping platform and is widely credited with the invention and/or popularization of athleisure clothing.

## Logo



Image Sourced from 1000logos.net (https://1000logos.net/lululemon-logo/)

## Sales Analysis

Lululemon is without a doubt a leader in athletic wear, as one of the oldest athleisure stores in comparison to its competitors. Today, it holds approximately 5.59% of the market share (CSI Market, 2022) and has plans to increase even further in the coming years. In fact, by 2026, Lululemon hopes to double revenue to \$12.5 billion (Lululemon, 2022). In 2021, their net income growth was down 8.78% but this year they are up 65.61% (Macrotrends, 2022), showing great consumer interest in their products.

## Four Ps of Marketing:

#### **Product**

Lululemon products are centered around one thing: feel. Rather than being a brand that aims at performance first, Lululemon prioritizes high-quality, luxurious material in its clothing that will feel good to users. It takes on the mindset that performance only comes when motivation is there, which can only be there when one feels good physically, mentally, and socially. Lululemon argues that its products are a solution to feeling good in those aspects, which in turn would lead to improved athletic performance from Lululemon users.

Lululemon creates clothing for men and women in a wide range of sizes, aligning itself with inclusivity, sustainability, and empowerment through its product offerings. While it was first known only for yoga clothing, it has since expanded into general athletic and "athleisure" clothing lines, as well as producing a small selection of men's clothing designed for workplace settings. In the past few years especially, Lululemon has looked for ways to expand its product selections further, even going so far as to create their own shoes. Many customers have criticized such expansions, saying that Lululemon is trying to expand too quickly and is losing quality and expertise in the process.

Their best-selling products for both women and men include leggings, shorts, shirts, skirts, and sweatsuits to be worn either in athletic or even in casual, day-to-day settings. Lululemon also has a wide range of high quality yoga products, including mats, water bottles, blocks, headbands, and other accessories. Additionally, their business casual products have become popular for men in recent years because it allows them to be more comfortable while still being presentable and professional in the workplace.

Product Examples: Accessories, Men's Clothing, and Women's Clothing



*Images sourced from Lululemon Website (https://shop.lululemon.com)* 

#### Price

Lululemon's prices are far from inexpensive. For women, a simple athletic shirt costs anywhere from \$58-\$78, a tennis skirt or pair of athletic shorts costs between \$68-\$98, and leggings/joggers cost between \$98-\$138. For men, athletic shirts range from \$78 to \$118, shorts range from \$68-\$88, and joggers/sweatpants sell for upwards of \$128.

In order to help combat their high prices, Lululemon recently launched a new program called "Like New," giving their customers the option to return old, worn-out Lululemon gear in exchange for store credit to go towards a new purchase, which aligns with their stated value of sustainability. However, because of the quality fabric, Lululemon boasts, even the "Like New" program is not highly significant in lowering the prices of clothing — especially with national inflation being at an all-time high.

#### **Place**

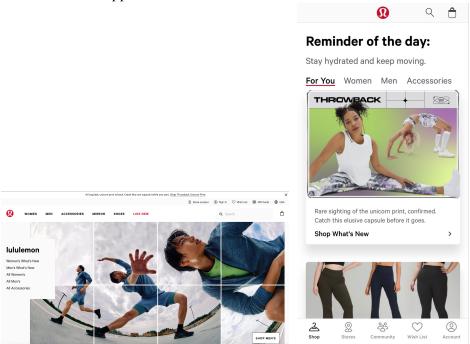
Lululemon sells in nearly 600 stores worldwide, many of which have been known to have lines out the door for new product drops. While the vast majority of these stores are in the US, over 100 are in Asia, 31 are in Australia, 63 are in Canada, and 15 are in Europe (Statista, 2022). Along with these permanent stores, Lululemon has also been known to have pop-up shops in small towns and even on college campuses that do not have any nearby in-store options for Lululemon. Their online store, which can be reached at "lululemon.com," is extremely popular as well. In fact, many physical Lululemon stores utilize online stock/availability and will ship products directly to customers when they do not have something in store, making efficient use of their online store and using it as a convenient resource for customers. This is especially helpful since Lululemon is constantly selling out of popular colors and products before many people even get a chance to see them. To help with this issue, Lululemon also has an app for dedicated users so that they can never miss a restock.

#### **Promotions**

Lululemon largely uses social media to promote its products, with the majority of its ads circulating on Instagram stories so that users are forced to see their product before tapping through. Through this method of promotion, Lululemon has saved on advertising spending through word-of-mouth and organic marketing (which they refer to as "community-based marketing") to gain a positive reputation for itself through brand awareness and loyalty (Lululemon, 2021). However, in 2021 Lululemon launched their largest ever global ad campaign titled, "Feel," in which they shared with the world the importance of comfort and feeling over performance. The primary message of this campaign was that the better you feel, the better you will perform. This campaign promoted the brand through TV, out-of-home, digital, paid media, organic social, influencers, etc. across worldwide markets. This campaign, executed by creative agency Droga5 — which still operates as Lululemon's creative agency — was highly effective in cementing Lululemon's status as a luxury athletic brand, and since then it has continued to position its brand as such. Lululemon reported an increase of \$37.6 million in expenses in 2021 largely due to marketing and promotion efforts like this one (Lululemon, 2021).

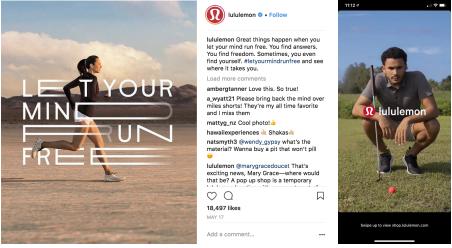
With this in mind, Lululemon has strategically positioned its brand to be one of high-quality, luxurious athletic apparel made for customers who want to feel good while living an active lifestyle. Lululemon's target audience is consumers living that active lifestyle who value high quality in their own clothing, which often includes women ages 18-34.

Owned Media: Website and App



*Images Sourced from the Lululemon website* (<u>https://shop.lululemon.com</u>) and Lululemon app

#### Earned Media:



Images sourced from Lululemon's Instagram page

Paid Media: The "Feel" Campaign



Images sourced from Droga5 website (<a href="https://droga5.com/work/lululemon-feel-aoy-microsite/">https://droga5.com/work/lululemon-feel-aoy-microsite/</a>)

#### **Summary**

In summary, there is no question that Lululemon's brand is a leader in prioritizing quality of material and design in athletic wear. Lululemon wants its customers to feel prioritized and have their needs catered to through their clothing because true performance stems from feeling good. This product quality is an undeniable strength of Lululemon's, but it took a lot of time and intentionality with setting company values to get to where it is today. Lululemon's origin, however, is a weakness of the brand, since its founder based the name of the company itself on an offensive and discriminatory stereotype. Chip Wilson did not create Lululemon to be inclusive or sustainable but instead saw an opportunity to step into and progress the athletic clothing industry. With this in mind, Lululemon's weakness lies in its early leadership, from which the current leadership is still trying to distance itself.

## **Consumer Analysis**

#### Current Primary Target Audience

According to the data collected from Simmons Insights, the current primary target audience of Lululemon are white females aged 25-34 from the West region of the United States whose highest level of education completed is a Bachelor's degree. The data shows that the users

of the Lululemon website were 50% more likely to be female, 33% more likely to be aged 25-34, and 5% more likely to be white. The findings reveal that they typically work either full-time or part-time and earn around \$50,000 US dollars or more annually. The Simmons findings also reveal that white females aged 25-34 are 86% more likely to prefer shopping at specialty stores because the employees are knowledgeable of the products. It was also 18% less likely to be a below-average careful money manager. The Simmons Table on product & brand usage reveals that consumers are 37% more likely to purchase t-shirts when buying sports clothing over the past twelve months and 169% more likely to buy other gym, jogging, or workout clothing when shopping for women's apparel or accessories over the past 12 months. When it comes to consumer technographic data, the target audience is 8% more likely to use Apple iPads as a tablet brand. With regards to advertising & media usage, the respondents are 48% most likely to view email ads as a form of internet advertising and 29% more likely to learn about a product or service through a website when shopping online, by phone, or by mail.

## Simmons Data Analysis

Demographics (Areas: gender, age, race, census regions, education, employment status, & household income)

	Total						SHOPPING ALL LULULEMON.C				
	Sample	Weighted(000)	Vertical %	Horizontal %	Index	Sample	Weighted(000)	Vertical %	Horizontal %	- II	ndex
Total	23,615	245,738	100%	100%	<b>⇒</b> 100	148	1,703	100%	0.7%	<b>⇒</b>	100
GENDER_ MALE	10,337	118,740	48.3%	100%	→ 100	*35	*382	*22.4%	*0.3%	①	*46
GENDER_ FEMALE	13,278	126,998	51.7%	100%	→ 100	113	1,321	77.6%	1%	1	150
AGE_18 - 24	1,698	28,080	11.4%	100%	→ 100	**19	**266	**15.6%	**0.9%	1	**137
AGE_ 25 - 34	2,584	42,960	17.5%	100%	→ 100	**25	**396	**23.3%	**0.9%	<b>1</b>	**133
AGE_ 35 - 49	4,611	58,551	23.8%	100%	<b>⇒</b> 100	**29	**365	**21.4%	**0.6%	$\Rightarrow$	**90
AGE_50 - 54	2,139	22,813	9.3%	100%	<b>⇒</b> 100	**11	**163	**9.6%	**0.7%	$\Rightarrow$	**103
AGE_55 - 59	2,326	20,612	8.4%	100%	<b>⇒</b> 100	**9	**81	**4.8%	**0.4%	①	**57
RACE_WHITE	16,847	178,360	72.6%	100%	→ 100	106	1,298	76.2%	0.7%	$\Rightarrow$	105
RACE_ BLACK OR AFRICAN AMERICAN	2,797	30,742	12.5%	100%	<b>⇒</b> 100	**5	**12	**0.7%	**0%	1	**6
RACE_ ASIAN	1,483	15,243	6.2%	100%	<b>⇒</b> 100	**21	**190	**11.2%	**1.2%	1	**180
CENSUS REGIONS_NORTHEAST	4,390	43,699	17.8%	100%	<b>⇒</b> 100	**29	**407	**23.9%	**0.9%	1	**134
CENSUS REGIONS_MIDWEST	4,657	51,259	20.9%	100%	<b>⇒</b> 100	**22	**142	**8.3%	**0.3%	①	**40
CENSUS REGIONS_SOUTH	9,575	93,487	38%	100%	<b>⇒</b> 100	*50	*506	*29.7%	*0.5%	①	*78
CENSUS REGIONS_WEST	4,993	57,293	23.3%	100%	<b>⇒</b> 100	*47	*648	*38.1%	*1.1%	1	*163
EDUCATION - HIGHEST LEVEL COMPLETED_ HIGH SCHOOL GRADUATE (OR COMPLETED GED)	6,078	70,333	28.6%	100%	<b>⇒</b> 100	**24	**370	**21.7%	**0.5%	①	**76
EDUCATION - HIGHEST LEVEL COMPLETED_ ASSOCIATE'S DEGREE	2,120	22,552	9.2%	100%	<b>⇒</b> 100	**11	**102	**6%	**0.5%	1	**65
EDUCATION - HIGHEST LEVEL COMPLETED_ BACHELOR'S DEGREE	4,749	50,684	20.6%	100%	→ 100	*41	*519	*30.5%	*1%	1	*148
EDUCATION - HIGHEST LEVEL COMPLETED_ MASTER'S DEGREE (MA, MS, MBA, ETC.)	2,329	21,793	8.9%	100%	<b>⇒</b> 100	**25	**341	**20%	**1.6%	1	**226
EDUCATION - HIGHEST LEVEL COMPLETED_ DOCTORATE DEGREE (PHD, EDD)	319	3,013	1.2%	100%	<b>⇒</b> 100	**1	**0	**0%	**0%	1	**0
EMPLOYMENT STATUS_EMPLOYED FULL OR PART TIME	12,794	151,946	61.8%	100%	<b>⇒</b> 100	92	1,046	61.4%	0.7%	$\Rightarrow$	99
EMPLOYMENT STATUS_NOT EMPLOYED	10,821	93,793	38.2%	100%	<b>⇒</b> 100	*56	*657	*38.6%	*0.7%	$\Rightarrow$	*101
EMPLOYMENT STATUS_RETIRED	6,757	47,696	19.4%	100%	<b>⇒</b> 100	**28	**219	**12.9%	**0.5%	1	**66
EMPLOYMENT STATUS_STUDENT	437	6,341	2.6%	100%	<b>⇒</b> 100	**7	**82	**4.8%	**1.3%	1	**187
HOUSEHOLD INCOME_LESS THAN \$25,000	2,986	34,503	14%	100%	<b>⇒</b> 100	**14	**128	**7.5%	**0.4%	1	**54
HOUSEHOLD INCOME_\$50,000 OR MORE	16,057	164,918	67.1%	100%	<b>⇒</b> 100	119	1,451	85.2%	0.9%	1	127
HOUSEHOLD INCOME_\$100,000 OR MORE	8,772	88,853	36.2%	100%	⇒ 100	73	923	54.2%	1%	1	150

Figure 1: Demographics

Areas: gender, age, race, census regions, education, employment status, & household income.

Retrieved from MRI Simmons Insights. Retrieved September 22, 2022

<a href="https://insights-mrisimmons-com.lib.pepperdine.edu/university/pepperdine">https://insights-mrisimmons-com.lib.pepperdine.edu/university/pepperdine</a>

In analyzing the Simmons Data, the findings reveal that the main age for the target audience is ages 25-34. This age group's index was 133, which means Lululemon is 33% more likely to have consumers who are in this age range. From the information we have gathered, it is 5% more likely to be white and 50% more likely to be female. Geographically, they were 63% more likely to be from the west region. The highest education index value was 226, which means they were 126% more likely to be graduated with a master's degree. Among employment status, the highest index is 187. This means that it is 87% more likely to be students. Lastly, in regards

to household income, 150 was the highest index value, meaning it was 50% more likely for the consumers to have \$100,000 or more household income (Simmons Insights, 2022).

## **Psychographics**

## 1. Attitudes about apparel

		Total				WHITE FEMALES AGES 25-341						
	Sample	Weighted(000)	Vertical %	Horizontal %	Index	Sample	Weighted(000)	Vertical %	Horizontal %	Index		
Total	23,615	245,738	100%	100%	<b>&gt;</b> 100	909	14,620	100%	5.9%	<b>&gt;</b> 100		
ATTITUDES (ABOUT APPAREL) - AGREE A LOT_COMFORT IS THE MOST IMPORTANT FACTOR IN WHAT CLOTHES I BUY	13,334	131,512	53.5%	100%	100	422	6,795	46.5%	5.2%	▶ 87		
ATTITUDES (ABOUT APPAREL) - AGREE A LOT_I MAKE MY CLOTHES LAST A LONG TIME	13,003	132,191	53.8%	100%	100	484	7,913	54.1%	6%	101		
ATTITUDES (ABOUT APPAREL) - AGREE A LOT_IT IS IMPORTANT TO LOOK ATTRACTIVE TO OTHERS	5,741	56,439	23%	100%	100	194	3,391	23.2%	6%	101		
ATTITUDES (ABOUT APPAREL) - AGREE A LOT_I LIKE TO KEEP UP WITH THE LATEST FASHIONS	1,521	15,029	6.1%	100%	100	65	835	5.7%	5.6%	<b>⇒</b> 93		
ATTITUDES (ABOUT APPAREL) - AGREE A LOT_MOST EVERYTHING I WEAR IS OF THE HIGHEST QUALITY	1,472	14,350	5.8%	100%	100	*35	*429	*2.9%	*3%	<b>▶</b> *50		
ATTITUDES (ABOUT APPAREL) - AGREE A LOT_I NO LONGER WEAR A LOT OF THE CLOTHES I WORE A YEAR AGO BECAUSE THEY												
HAVE GONE OUT OF STYLE	763	7,663	3.1%	100%	100	**24	**494	**3.4%	**6.4%	**108		
ATTITUDES (ABOUT APPAREL) - AGREE A LOT_TOP DESIGNERS MAKE QUALITY CLOTHES	1,786	16,372	6.7%	100%	100	*60	*751	*5.1%	*4.6%	<b>▶</b> *77		
ATTITUDES (ABOUT APPAREL) - AGREE A LOT_I AM WILLING TO SPEND MORE THAN I CAN REALLY AFFORD, TO GET THE CLOTHES												
THAT I WANT	849	8,653	3.5%	100%	100	**29	**357	**2.4%	**4.1%	**69		
ATTITUDES (ABOUT APPAREL) - AGREE A LOT_FUNCTIONALITY IS THE MOST IMPORTANT FACTOR IN WHAT CLOTHES I BUY	6,873	68,167	27.7%	100%	100	234	3,640	24.9%	5.3%	<b>⇒</b> 90		
ATTITUDES (ABOUT APPAREL) - AGREE A LOT_ I LIKE TO EXPERIMENT WITH NEW CLOTHING STYLES	1,919	19,857	8.1%	100%	100	103	1,461	10%	7.4% 1	124		
ATTITUDES (ABOUT APPAREL) - AGREE A LOT_MY BUDGET ALLOWS FOR ME TO BUY EXPENSIVE DESIGNER CLOTHES	1,095	10,796	4.4%	100%	100	*31	*439	*3%	*4.1%	▶ *68		
ATTITUDES (ABOUT APPAREL) - AGREE A LOT_I REALLY ENJOY CLOTHES SHOPPING	3,641	37,526	15.3%	100%	100	222	3,302	22.6%	8.8% 1	148		

Figure 2: Psychographics:

Attitudes about apparel Areas: attitudes about apparel, attitudes about shopping, lifestyle shopping behavior, personality, brand loyalty & ad receptivity scales, & commerce/money management scale Retrieved from MRI Simmons Insights. Retrieved September 22, 2022

https://insights-mrisimmons-com.lib.pepperdine.edu/university/pepperdine

Lululemon shoppers that are white females ages 25-34 are 48% more likely to really enjoy clothes shopping and 24% more likely to like experimenting with new clothing styles. On the other hand, they are 50% less likely to wear only the highest quality of everything, and 32% less likely to have a budget that allows them to buy expensive designer clothes (Simmons Insights, 2022).

2. Attitudes about shopping

Time to the site of the stropping										
		Total					WHITE FEMA	LES AGES 25-	34¹	
	Sample	Weighted(000)	Vertical %	Horizontal %	Index	Sample	Weighted(000	Vertical %	Horizontal %	Index
Total	23,615		100%	100%				100%	5.9%	> 100
ATTITUDES (ABOUT SHOPPING)- AGREE A LOT_WHEN I SHOP I USUALLY VISIT A VARIETY OF STORES	4,025		15.8%					16.1%		
ATTITUDES (ABOUT SHOPPING)- AGREE A LOT I USUALLY ONLY SHOP AT MY FAVORITE STORES BECAUSE I KNOW THEY HAVE THE BRANDS I LIKE	7,695		31%	100%			-,	31.7%	6.1%	
ATTITUDES (ABOUT SHOPPING) - AGREE A LOT   RARELY GO SHOPPING	4,381	46,218	18.8%	100%				14%	4.4%	
ATTITUDES (ABOUT SHOPPING) AGREE A LOT_BECAUSE OF A COUPON, I'D BE DRAWN TO A STORE I NORMALLY DON'T SHOP AT	1,782		7.6%	100%				9.9%	7.8%	
ATTITUDES (ABOUT SHOPPING) - AGREE A LOT MY FRIEND'S OPINION OF A STORE INFLUENCES WHETHER I SHOP THERE	859		3.9%	100%				*4.2%	*6.4%	
ATTITUDES (ABOUT SHOPPING)- AGREE A LOT A STORE'S ENVIRONMENT CAN MAKE A DIFFERENCE IN WHETHER I SHOP THERE	7.716		31%	100%			5,590	38.2%	7.3% 1	
ATTITUDES (ABOUT SHOPPING)- AGREE A LOT I NORMALLY ONLY SHOP AT STORES THAT ARE CONVENIENTLY LOCATED NEARBY	5,317		21.1%	100%				21.1%	5.9%	
ATTITUDES (ABOUT SHOPPING). AGREE A LOT I USUALLY ONLY GO SHOPPING WHEN I HAVE TO BUY SOMETHING I REALLY NEED	7,949		32.1%	100%				26.8%	5% -	
ATTITUDES (ABOUT SHOPPING)- AGREE A LOT _ I USUALLY ONLY SHOP AT MY FAVORITE STORES BECAUSE I KNOW WHAT KIND OF SERVICE I WILL RECEIVE	4,383		16.8%	100%				13.7%	4.8%	
ATTITUDES (ABOUT SHOPPING)- AGREE A LOT   I GO SHOPPING FREQUENTLY	2,561		10.1%	100%			-	13.1%	7.7%	
ATTITUDES (ABOUT SHOPPING)- AGREE A LOT   PREFER SHOPPING AT SPECIALTY STORES BECAUSE THE EMPLOYEES ARE KNOWLEDGEABLE OF THE PRODUCTS	2,002		7.4%	100%	,			7.7%	6.2%	
ATTITUDES (ABOUT SHOPPING)- AGREE A LOT   I AM DRAWN TO STORES I NORMALLY DON'T SHOP AT BY SALES	1,404		5.7%	100%				*5.8%	*6.1%	*103
ATTITUDES (ABOUT SHOPPING)- AGREE A LOT I PREFER TO GO SHOPPING ALONE	5,066		19.2%	100%			2,664	18.2%	5.6%	
ATTITUDES (ABOUT SHOPPING)- AGREE A LOT I AM WILLING TO TRAVEL UP TO AN HOUR OR MORE TO SHOP AT MY FAVORITE STORES	1,861		8.2%	100%				9.4%		
ATTITUDES (ABOUT SHOPPING)- AGREE A LOT I PREFER TO SHOP WITH MY FRIENDS	1,555		6.8%	100%				8%	7% 1	
ATTITUDES (ABOUT SHOPPING)- AGREE A LOT I USUALLY HEAD RIGHT FOR THE CLEARANCE RACK WHEN I ENTER A STORE	3,716		16.1%	100%			-,	24.7%	9.1%	
ATTITUDES (ABOUT SHOPPING)- AGREE A LOT _ I TEND TO BUYTHINGS ON THE SPUR OF THE MOMENT	1,635		7.3%	100%			_	8.3%	6.7% 1	
ATTITUDES (ABOUT SHOPPING)- AGREE A LOT I AM WILLING TO TRAVEL AN HOUR OR MORE TO SHOP AT FACTORY OUTLET STORES	1,833		8.2%	100%				10.5%	7.6% 1	
ATTITUDES (ABOUT SHOPPING)- AGREE A LOT I USUALLY ONLY SHOP AT MY FAVORITE STORES BECAUSE THEY HAVE THE PRICES I LIKE	4,534		17.8%	100%			_	20.2%	6.8% 1	
ATTITUDES (ABOUT SHOPPING)- AGREE A LOT PRICE ISN'T THE MOST IMPORTANT FACTOR-IT IS GETTING EXACTLY WHAT I WANT	3,140		11.3%	100%				6.9%	3.6%	
ATTITUDES (ABOUT SHOPPING)- AGREE A LOT I PREFER TO SHOP WITH MY FAMILY	2,951		11.7%	100%			, , , , ,	11%	5.6%	
ATTITUDES (ABOUT SHOPPING)- AGREE A LOT I TEND TO HOLD OUT ON BUYING THINGS I WANT UNTIL THEY GO ON SALE	3,683	36,720	14.9%	100%			2,081	14.2%	5.7%	
ATTITUDES (ABOUT SHOPPING)- AGREE A LOT   REALLY ENJOY ANY KIND OF SHOPPING	2,305		8.7%	100%			1,886	12.9%	8.8% 1	
ATTITUDES (ABOUT SHOPPING)- AGREE A LOT REGARDLESS OF PRICE, IT IS IMPORTANT TO HAVE THE BRAND I LIKE	2,472		9.4%	100%				8%	5.1%	
ATTITUDES (ABOUT SHOPPING)- AGREE A LOT . EVEN THOUGH I DON'T NEED IT RIGHT NOW, I WOULD BUY MORE OF A PRODUCT, IF IT WAS ON SALE	4,225		17.3%					19.2%	6.6%	

*Figure 3: Psychographics:* 

Attitudes about shopping. Retrieved from MRI Simmons Insights. Retrieved September 22, 2022 <a href="https://insights-mrisimmons-com.lib.pepperdine.edu/university/pepperdine">https://insights-mrisimmons-com.lib.pepperdine.edu/university/pepperdine</a>

With attitudes about shopping, it shows how the target audience feels when it comes to shopping in specific situations. In this situation with Lululemon, consumers are 48% more likely

to enjoy any kind of shopping and 53%% more likely to head for the clearance rack when they enter a store. In contrast, they are 26% less likely to be drawn to a store they normally don't shop at because of a coupon, and 39% less likely to think the price is not the most important fact but getting exactly what they want (Simmons Insights, 2022).

## 3. Lifestyle shopping behavior

		Total				WHITE FEMALES AGES 25-34 <sup>1</sup>					
	Sample	Weighted(000)	Vertical %	Horizontal %	Index	Sample	Weighted(000)	Vertical %	Horizontal %	Index	
Total	23,615	245,738	100%	100%	→ 100	909	14,620	100%	5.9%	100	
SHOP BEHAVIOR- AGREE A LOT_I BUY PRODUCTS THAT USE RECYCLED PAPER IN THEIR PACKAGING	3,579	34,223	13.9%	100%	100	111	1,590	10.9%	4.6%	J 78	
SHOP BEHAVIOR- AGREE A LOT_I SHOP AROUND A LOT TO TAKE ADVANTAGE OF SPECIALS OR BARGAINS	5,073	51,899	21.1%	100%	100	221	3,544	24.2%	6.8% 1	115	
SHOP BEHAVIOR- AGREE A LOT_I DO NOT BUY UNKNOWN BRANDS MERELY TO SAVE MONEY	3,328	29,598	12%	100%	100	*58	*751	*5.1%	*2.5%	·43	
SHOP BEHAVIOR- AGREE A LOT_ WHEN IN THE STORE, I OFTEN BUY AN ITEM ON THE SPUR OF THE MOMENT	2,215	21,994	9%	100%	100	91	1,201	8.2%	5.5%	92	
SHOP BEHAVIOR- AGREE A LOT_I LIKE TO CHANGE BRANDS OFTEN FOR THE SAKE OF VARIETY AND NOVELTY	1,123	11,480	4.7%	100%	100	*49	*640	*4.4%	*5.6%	*94	
SHOP BEHAVIOR- AGREE A LOT_ I ALWAYS LOOK FOR THE BRAND NAME ON THE PACKAGE	2,483	22,918	9.3%	100%	100	62	966	6.6%	4.2%	J 71	
SHOP BEHAVIOR- AGREE A LOT_I USUALLY READ THE INFORMATION ON PRODUCT LABELS	3,587	34,422	14%	100%	100	128	1,667	11.4%	4.8%	J 81	
SHOP BEHAVIOR- AGREE A LOT_I PREFER TO BUY THINGS THAT MY FRIENDS OR NEIGHBORS WOULD APPROVE OF	759	7,543	3.1%	100%	100	**29	**347	**2.4%	**4.6%	••77	
SHOP BEHAVIOR- AGREE A LOT_ IN GENERAL, ADVERTISING PRESENTS A TRUE PICTURE OF THE PRODUCTS OF WELL-KNOWN COMPANIES	1,088	11,141	4.5%	100%	100	*32	*407	*2.8%	*3.7%	·61	
SHOP BEHAVIOR- AGREE A LOT_ I TRY TO KEEP ABREAST OF CHANGES IN STYLES & FASHIONS	1,527	14,092	5.7%	100%	100	*59	*765	*5.2%	*5.4%	*91	
SHOP BEHAVIOR- AGREE A LOT_I ASK PEOPLE FOR ADVICE BEFORE BUYING NEW THINGS	1,380	13,508	5.5%	100%	100	*55	*822	*5.6%	*6.1%	*102	
SHOP BEHAVIOR- AGREE A LOT_PEOPLE COME TO ME FOR ADVICE BEFORE BUYING NEW THINGS	986	9,919	4%	100%	100	*42	*504	*3.4%	*5.1%	·85	
SHOP BEHAVIOR- AGREE A LOT_ SHOPPING FOR GROCERIES IS A BORE	2,635	28,011	11.4%	100%	→ 100	98	1,634	11.2%	5.8%	98	
SHOP BEHAVIOR- AGREE A LOT_ALL PRODUCTS THAT POLLUTE THE ENVIRONMENT SHOULD BE BANNED	4,032	36,120	14.7%	100%	100	109	1,561	10.7%	4.3%	J 73	
SHOP BEHAVIOR- AGREE A LOT_I BUY PAPER PRODUCTS (NAPKINS, TOWELS, TOILET PAPER, ETC.) THAT ARE RECYCLED	3,158	28,024	11.4%	100%	100	90	1,237	8.5%	4.4%	J 74	
SHOP BEHAVIOR- AGREE A LOT_I WOULD BE PREPARED TO PAY MORE FOR ENVIRONMENTALLY-FRIENDLY PRODUCTS	2,683	24,782	10.1%	100%	100	108	1,513	10.3%	6.1%	103	
SHOP BEHAVIOR- AGREE A LOT_ I ENJOY SHOPPING WITH MY CHILDREN	2,774	24,969	10.2%	100%	100	90	1,409	9.6%	5.6%	95	
SHOP BEHAVIOR- AGREE A LOT_MY CHILDREN HAVE A SIGNIFICANT IMPACT ON THE BRANDS I CHOOSE	1,800	16,785	6.8%	100%	→ 100	90	1,336	9.1%	8% 1	134	
SHOP BEHAVIOR- AGREE A LOT_I DON'T LIKE IT WHEN MY CHILDREN ASK FOR NON-ESSENTIAL PURCHASES	1,943	18,404	7.5%	100%	100	*58	*896	*6.1%	*4.9%	·82	
SHOP BEHAVIOR- AGREE A LOT_ I FIND IT HARD TO RESIST MY CHILDREN'S REQUESTS FOR NON-ESSENTIAL PURCHASES	1,305	12,618	5.1%	100%	→ 100	*50	*807	*5.5%	*6.4%	*107	
SHOP BEHAVIOR- AGREE A LOT_I ALWAYS LOOK OUT FOR SPECIAL OFFERS	5,321	53,418	21.7%	100%	100	242	3,977	27.2%	7.4% 1	125	
SHOP BEHAVIOR- AGREE A LOT_ I OFTEN POSTPONE PURCHASES FOR MY CHILDREN UNTIL SPECIAL OCCASIONS	1,863	17,553	7.1%	100%	100	77	1,291	8.8%	7.4% 1	124	
SHOP BEHAVIOR- AGREE A LOT_ I BUY PRODUCTS FROM COMPANIES WHICH SELL THEIR PRODUCTS DIRECTLY TO CONSUMERS THROUGH											
DISTRIBUTORS OR REPRESENTATIVES WHO WORK FROM THEIR HOMES	926	9,198	3.7%	100%	→ 100	*38	*627	*4.3%	*6.8% 1	*115	

Figure 4: Psychographics:

Shopping Behavior. Retrieved from MRI Simmons Insights. Retrieved September 22, 2022 <a href="https://insights-mrisimmons-com.lib.pepperdine.edu/university/pepperdine">https://insights-mrisimmons-com.lib.pepperdine.edu/university/pepperdine</a>

Shopping behavior for white females aged 25-34 shows that they are 34% more likely to have their child have a significant impact on the brands they choose, and 25% more likely to always look out for special offers. On the contrary, data showed that 25-34 white females were 57% less likely to refuse to buy unknown brands merely to save money, and 39% less likely to think that advertising presents a true picture of the products of well-known companies (Simmons Insights, 2022).

## 4. Personality

	Total						WHITE FEMALE	S AGES 25-34 <sup>1</sup>		
	Sample	Weighted(000)	Vertical %	Horizontal %	Index	Sample	Weighted(000	Vertical % H	lorizontal %	Index
otal	23,615	245,738	100%	100%	100	909	14,620	100%	5.9%	> 10
ATTITUDES (GENERAL) - ANY DISAGREE_ I ENJOY TAKING RISKS	9,213	86,239	35.1%	100%	100	264	4,357	29.8%	5.1%	8
ATTITUDES (GENERAL) - ANY DISAGREE_ MONEY IS THE BEST MEASURE OF SUCCESS	10,433	106,852	43.5%	100%	100	435	7,191	49.2%	6.7%	11
ITTITUDES (GENERAL) - ANY DISAGREE_ I ONLY GO WORK AT MY CURRENT JOB FOR THE MONEY	7,170	75,774	30.8%	100%	100	336	5,761	39.4%	7.6%	1:
TTITUDES (GENERAL) - ANY DISAGREE_ I PREFER TO SPEND A QUIET EVENING AT HOME THAN TO GO OUT	2,324	24,106	9.8%	100%	100	82	1,243	8.5%	5.2%	
TTITUDES (GENERAL) - ANY DISAGREE_ HOW I SPEND MY TIME IS MORE IMPORTANT THAN HOW MUCH MONEY I MAKE	2,346	26,346	10.7%	100%	100	91	1,730	11.8%	6.6%	1
TTITUDES (GENERAL) - ANY DISAGREE_ I FEEL VERY ALONE IN THE WORLD	14,847	150,509	61.2%	100%	100	587	9,422	64.4%	6.3%	1)
ITTITUDES (GENERAL) - ANY DISAGREE_ I WORRY A LOT ABOUT MYSELF	12,443	127,288	51.8%	100%	100	452	7,465	51.1%	5.9%	> 4
ATTITUDES (GENERAL) - ANY DISAGREE_ I DO SOME SPORT/ EXERCISE AT LEAST ONCE A WEEK	5,576	59,187	24.1%	100%	100	202	3,526	24.1%	6%	10
TTITUDES (GENERAL) - ANY DISAGREE_ I AM PERFECTLY HAPPY WITH MY STANDARD OF LIVING	4,091	45,303	18.4%	100%	100	167	2,999	20.5%	6.6%	1
ATTITUDES (GENERAL) - ANY DISAGREE_ I AM A WORKAHOLIC	10,791	109,034	44.4%	100%	100	454	7,418	50.7%	6.8%	1
TTITUDES (GENERAL) - ANY DISAGREE_ I MAKE AN EFFORT TO LOOK ATTRACTIVE TO PEOPLE I AM INTERESTED IN	4,617	47,823	19.5%	100%	100	158	2,370	16.2%	5% 🖑	
TTITUDES (GENERAL) - ANY DISAGREE_ I WANT TO GET TO THE VERY TOP IN MY CAREER	6,573	64,920	26.4%	100%	100	187	3,324	22.7%	5.1%	
TTITUDES (GENERAL) - ANY DISAGREE_ I WOULD LIKE TO SET UP MY OWN BUSINESS ONE DAY	9,217	86,796	35.3%	100%	100	281	4,921	33.7%	5.7%	>
TTITUDES (GENERAL) - ANY DISAGREE_ I LIKE SPENDING MOST OF MY TIME AT HOME WITH MY FAMILY	1,870	20,494	8.3%	100%	100	67	1,014	6.9%	4.9%	ŀ
TTITUDES (GENERAL) - ANY DISAGREE_ IN A JOB, SECURITY IS MORE IMPORTANT TO ME THAN MONEY	3,898	41,135	16.7%	100%	100	163	2,931	20%	7.1%	1
TTITUDES (GENERAL) - ANY DISAGREE_ IT'S IMPORTANT TO ME TO ATTEND RELIGIOUS SERVICES	6,413	76,699	31.2%	100%	100	345	6,247	42.7%	8.1%	1
TTITUDES (GENERAL) - ANY DISAGREE_ I CONSIDER MYSELF TO BE A CONSERVATIVE, EVANGELICAL CHRISTIAN	8,888	95,420	38.8%	100%	100	424	7,334	50.2%	7.7%	1
TTITUDES (GENERAL) - ANY DISAGREE_ IT'S WORTH PAYING EXTRA FOR QUALITY GOODS	2,411	24,789	10.1%	100%	100	97	1,654	11.3%	6.7%	1
TTITUDES (GENERAL) - ANY DISAGREE_ I AM A PERFECTIONIST	5,424	54,598	22.2%	100%	100	176	2,461	16.8%	4.5%	ŀ
TTITUDES (GENERAL) - ANY DISAGREE_ I LIKE TO STAND OUT IN A CROWD	10,483	108,027	44%	100%	100	354	6,052	41.4%	5.6%	>
ATTITUDES (GENERAL) - ANY DISAGREE_ I DECIDE WHAT I WANT BEFORE I GO SHOPPING	2,192	22,788	9.3%	100%	100	91	1,416	9.7%	6.2%	) 1
ATTITUDES (GENERAL) - ANY DISAGREE_ I FIND THAT I AM EASILY SWAYED BY OTHER PEOPLE'S VIEWS	12,652	129,953	52.9%	100%	100	442	7,313	50%	5.6%	>
ATTITUDES (GENERAL) - ANY DISAGREE_ I OFTEN DO THINGS ON THE SPUR OF THE MOMENT	6,591	65,125	26.5%	100%	100	218	3,672	25.1%	5.6%	>
TTITUDES (GENERAL) - ANY DISAGREE_ IT IS IMPORTANT THAT A COMPANY ACTS ETHICALLY	874	9,962	4.1%	100%	100	**26	**576	**3.9%	**5.8%	<b>&gt;</b> ••
ATTITUDES (GENERAL) - ANY DISAGREE_ I PREFER TO WORK AS PART OF A TEAM THAN WORK ALONE	3,755	39,026	15.9%	100%	100	141	2,336	16%	6%	) 1
ATTITUDES (GENERAL) - ANY DISAGREE_ IT'S IMPORTANT TO ME TO FEEL RESPECTED BY MY PEERS	889	9,248	3.8%	100%	100	**12	**197	**1.3%	**2.1%	٠٠ ا
TTITUDES (GENERAL) - ANY DISAGREE. IT IS IMPORTANT TO CONTINUE LEARNING NEW THINGS THROUGHOUT YOUR LIFE	475	5,255	2.1%	100%	100	**16	**300	**2.1%	**5.7%	> **
TTITUDES (GENERAL) - ANY DISAGREE I CONSIDER MYSELF TO BE A SPIRITUAL PERSON	3,767	45,388	18.5%	100%	100	212	3,949	27%	8.7%	1
TTITUDES (GENERAL) - ANY DISAGREE_ IT IS IMPORTANT TO BE WELL-INFORMED ABOUT THINGS	812	8,732	3.6%	100%	100	**23	**333	**2.3%	**3.8%	٠٠ ا
TTITUDES (GENERAL) - ANY DISAGREE I AM MORE LIKELY TO BUY PRODUCTS FROM COMPANIES THAT SPONSOR SPORTS TEAMS AND SPORTS EVENTS	11,064		47.1%	100%	100	456	7,600	52%	6.6%	) 1
TTITUDES (GENERAL) - ANY DISAGREE I LIKE TO BUY THE SAME PRODUCTS THAT CELEBRITIES USE	15,335		64.4%	100%	100	572		63.1%	5.8%	>
TTITUDES (GENERAL) - ANY DISAGREE I LOVE TO KEEP UP WITH CELEBRITY NEWS AND GOSSIP	13,947	145,970	59.4%	100%	100	492	7,949	54.4%	5.4%	>
TTITUDES (GENERAL) - ANY DISAGREE I MAKE AN EFFORT TO HAVE MY HOME REFLECT WHO I AM	1,717		7.9%	100%	100	*55		*6.3%	*4.7%	
ATTITUDES (GENERAL) - ANY DISAGREE I AM MORE LIKELY TO BUY PRODUCTS FROM COMPANIES THAT DONATE TO CHARITIES	4,187		18.5%	100%	100	115		12.4%	4% 🗸	

## Figure 5: Psychographics:

Personality. Retrieved from MRI Simmons Insights. Retrieved September 22, 2022 <a href="https://insights-mrisimmons-com.lib.pepperdine.edu/university/pepperdine">https://insights-mrisimmons-com.lib.pepperdine.edu/university/pepperdine</a>

According to this data, our target audience of white females ages 25-34, are 46% more likely to consider themselves spiritual persons, and 37% more likely to think it is important to attend religious services. Conversely, they are 64% less likely to disagree that it is important to them to feel respected by their peers. Also, our target audience is 36% less likely to feel that it is important to be well-informed about things (Simmons Insights, 2022).

## 5. Psychographic Scales: Opinions on Lululemon (Brand Loyalty, Ad receptivity)

		Total				WHITE FEMALES AGES 25-34 <sup>1</sup>							
	Sample	/eighted(000	Vertical %	Horizontal %	Index	Sample	/eighted(000	Vertical %	Horizontal %	Index			
Total	23,615	245,738	100%	100%	<b>⇒</b> 100	909	14,620	100%	5.9%	<b>&gt;</b> 100			
SCALE 1 - BRAND LOYALS_1 FAR BELOW AVERAGE	3,959	45,287	18.4%	100%	<b>⇒</b> 100	244	4,282	29.3%	9.5% 1	159			
SCALE 1 - BRAND LOYALS_2 BELOW AVERAGE	3,914	42,442	17.3%	100%	<b>⇒</b> 100	189	3,200	21.9%	7.5% 1	127			
SCALE 1 - BRAND LOYALS_3 AVERAGE	7,195	77,271	31.4%	100%	<b>⇒</b> 100	275	4,024	27.5%	5.2%	<b>J</b> 88			
SCALE 1 - BRAND LOYALS_4 ABOVE AVERAGE	3,891	38,215	15.6%	100%	<b>⇒</b> 100	112	1,762	12.1%	4.6%	<b>J</b> 77			
SCALE 1 - BRAND LOYALS_5 FAR ABOVE AVERAGE	4,656	42,523	17.3%	100%	<b>⇒</b> 100	89	1,353	9.3%	3.2%	53			
SCALE 3 - ADVERTISING RECEPTIVITY_1 FAR BELOW AVERAGE	5,773	62,043	25.2%	100%	<b>⇒</b> 100	218	3,345	22.9%	5.4%	<b>⇒</b> 91			
SCALE 3 - ADVERTISING RECEPTIVITY_2 BELOW AVERAGE	3,239	33,344	13.6%	100%	<b>⇒</b> 100	147	2,426	16.6%	7.3% 1	122			
SCALE 3 - ADVERTISING RECEPTIVITY_3 AVERAGE	5,901	62,137	25.3%	100%	<b>⇒</b> 100	191	3,064	21%	4.9%	<b>J</b> 83			
SCALE 3 - ADVERTISING RECEPTIVITY_4 ABOVE AVERAGE	4,384	45,670	18.6%	100%	<b>⇒</b> 100	177	2,888	19.8%	6.3%	<b>&gt;</b> 106			
SCALE 3 - ADVERTISING RECEPTIVITY_5 FAR ABOVE AVERAGE	4,318	42,545	17.3%	100%	<b>⇒</b> 100	176	2,897	19.8%	6.8% 1	114			

*Figure 6: Psychographics:* 

Opinions on Lululemon. Retrieved from MRI Simmons Insights. Retrieved September 22, 2022 <a href="https://insights-mrisimmons-com.lib.pepperdine.edu/university/pepperdine">https://insights-mrisimmons-com.lib.pepperdine.edu/university/pepperdine</a>

On a scale from 1 to 5, white females ages 25-34 were 59% more likely to be identified as far below average in brand loyals and 47% less likely to be identified as far above average in brand loyals. But on the other hand, they are 22% more likely to be below average in advertising receptivity, and 17% less likely to be average in advertising receptivity (Simmons Insights, 2022).

## 6. Commerce/Money Management Scale

	Total						WHITE FEMALES AGES 25-34 <sup>1</sup>						
	Sample	Veighted(000	Vertical %	Horizontal %	Index	Sample	Veighted(000	Vertical %	Horizontal %	Index			
Total	23,615	245,738	100%	100%	<b>⇒</b> 100	909	14,620	100%	5.9%	<b>⇒</b> 100			
SCALE 9-COMMERCE_ FAR BELOW AVERAGE	2,870	29,757	12.1%	100%	100	*56	*779	*5.3%	*2.6%	<b>↓</b> *44			
SCALE 9-COMMERCE_BELOW AVERAGE	6,103	62,154	25.3%	100%	→ 100	180	2,589	17.7%	4.2%	<del>"</del> 70			
SCALE 9-COMMERCE_AVERAGE	6,885	73,165	29.8%	100%	→ 100	307	4,844	33.1%	6.6%	<b>1</b> 11			
SCALE 9-COMMERCE_ABOVE AVERAGE	2,721	29,634	12.1%	100%	→ 100	171	2,856	19.5%	9.6%	<b>1</b> 62			
SCALE 9-COMMERCE_ FAR ABOVE AVERAGE	2,863	32,306	13.1%	100%	→ 100	179	3,329	22.8%	10.3%	<b>1</b> 73			
SCALE 2 - CAREFUL MONEY MANAGER_ 1 FAR BELOW AVERAGE	3,274	38,704	15.8%	100%	→ 100	180	2,614	17.9%	6.8%	<b>1</b> 14			
SCALE 2 - CAREFUL MONEY MANAGER_ 2 BELOW AVERAGE	5,885	66,190	26.9%	100%	→ 100	262	4,370	29.9%	6.6%	<b>1</b> 11			
SCALE 2 - CAREFUL MONEY MANAGER_ 3 AVERAGE	4,853	49,100	20%	100%	→ 100	158	2,596	17.8%	5.3%	<b>↓</b> 89			
SCALE 2 - CAREFUL MONEY MANAGER_ 4 ABOVE AVERAGE	4,130	40,718	16.6%	100%	→ 100	150	2,449	16.8%	6%	<b>⇒</b> 101			
SCALE 2 - CAREFUL MONEY MANAGER_ 5 FAR ABOVE AVERAGE	5,473	51,026	20.8%	100%	→ 100	159	2,592	17.7%	5.1%	<b>↓</b> 85			

Figure 7: Psychographics:

Commerce/Money Management Scale. Retrieved from MRI Simmons Insights. Retrieved September 22, 2022

https://insights-mrisimmons-com.lib.pepperdine.edu/university/pepperdine

When it comes to the psychographics scale for commerce, white females ages 25-34 tend to be 73% more likely to respond far above average and 56% less likely to respond far below

average. On the careful money manager scale, they also tend to be 14% more likely to be a far below average careful money manager, and 15% less likely to be a far above average careful money manager (Simmons Insights, 2022).

Product & Brand Usage

					((RACE_WHITE) AND							
		Total					(GENDER_FI	EMALE) AND	(AGE_25 -			
	Sample	V-i-ba-4/000	Mantinal Of	Horizontal %	Index	Sample	Veighted(000	Mantian 19/	Hanisantal 9/		Index	
- · · ·										_		
Total	23,615	245,738	100%	100%	-	909		100%	5.9%	-	100	
SPORTS CLOTHING-TYPES BGHT LAST 12 MOS_FLEECE BOTTOMS (SWEATPANTS)	622	7,216	2.9%	100%		**25		**3.4%	**6.9%	-	**116	
SPORTS CLOTHING-TYPES BGHT LAST 12 MOS_ FLEECE TOPS (SWEATSHIRTS)	1,190	13,517	5.5%	100%		*45		*6.3%	*6.8%		*115	
SPORTS CLOTHING-TYPES BGHT LAST 12 MOS_ HATS/CAPS	1,685	19,450	7.9%			64	-,	7.4%	5.5%		93	
SPORTS CLOTHING-TYPES BGHT LAST 12 MOS_ JACKETS	713	.,	3.2%			**30		**3.1%	**5.8%	_	**97	
SPORTS CLOTHING-TYPES BGHT LAST 12 MOS_KNITS/SHIRTS	1,437	16,688	6.8%			68	-,	7.3%			107	
SPORTS CLOTHING-TYPES BGHT LAST 12 MOS_SHORTS	579	-,	2.7%			**24		**2%	**4.5%	-	**75	
SPORTS CLOTHING-TYPES BGHT LAST 12 MOS_TEAM UNIFORM(TOP/BOTTOMS INCLDING JERSYS)	779		3.9%			*40		*4.4%	*6.7%		*112	
SPORTS CLOTHING-TYPES BGHT LAST 12 MOS_T-SHIRTS	2,785		13.2%	100%		136		18%	8.1%	_	137	
SPORTS CLOTHING-TYPES BGHT LAST 12 MOS_OTHER	539		2.6%	100%		**25		**2.3%	**5.4%		**91	
SPORTS CLOTHING-TYPES BGHT LAST 12 MOS_SOLE TYPE	1,910		8.6%	100%	-	89		11.5%	7.9%		133	
ATHLETIC SHOES-TYPES BOUGHT LAST 12 MOS_ AEROBIC/ FITNESS SHOES	3,973	42,609	17.3%	100%	-	201		22.5%	7.7%		130	
ATHLETIC SHOES-TYPES BOUGHT LAST 12 MOS_BASKETBALL SHOES	991	11,826	4.8%	100%		*33		*3.7%	*4.6%		*77	
ATHLETIC SHOES-TYPES BOUGHT LAST 12 MOS_ CROSS TRAINING SHOES	955	9,643	3.9%			**27		**3%	**4.6%		**77	
ATHLETIC SHOES-TYPES BOUGHT LAST 12 MOS_HIKING BOOTS	900	11,433	4.7%			*32	*589	*4%	*5.2%		*87	
ATHLETIC SHOES-TYPES BOUGHT LAST 12 MOS_ JOGGING/ RUNNING SHOES	3,128	36,892	15%	100%		187	2,715	18.6%	7.4%		124	
ATHLETIC SHOES-TYPES BOUGHT LAST 12 MOS_ WALKING SHOES	5,911	54,884	22.3%	100%		178	2,903	19.9%	5.3%		89	
ATHLETIC SHOES-TYPES BOUGHT LAST 12 MOS_OTHER ATHLETIC SHOES	1,824	20,122	8.2%	100%	100	63	1,235	8.4%	6.1%	$\Rightarrow$	103	
ATHLETIC SHOES-TYPES BOUGHT LAST 12 MOS_SOLE TYPE USER	8,769	91,023	37%	100%	→ 100	353	6,161	42.1%	6.8%	⇧	114	
AEROBC/FTNSS SHOES-AMOUNT SPNT LST 12MOS_ \$500 OR MORE	*34	*435	*0.2%	*100%	*100	**2	**30	**0.2%	**6.9%		**116	
AEROBC/FTNSS SHOES-AMOUNT SPNT LST 12MOS_ \$300 - \$499	87	1,290	0.5%	100%	100	**3	**72	**0.5%	**5.6%	$\Rightarrow$	**94	
AEROBC/FTNSS SHOES-AMOUNT SPNT LST 12MOS_ \$100 - \$299	939	10,250	4.2%	100%	100	*52	*894	*6.1%	*8.7%	⇧	*147	
AEROBC/FTNSS SHOES-AMOUNT SPNT LST 12MOS_ UNDER \$100	2,634	27,843	11.3%	100%	100	133	2,156	14.7%	7.7%	1	130	
WOMEN'S APPAREL/ACCESS-BGHT LAST 12 MOS_YES	13,043	128,983	52.5%	100%	100	780	12,790	87.5%	9.9%	1	167	
WOMEN'S APPAREL/ACCESS-BGHT LAST 12 MOS_NO	10,149	112,516	45.8%	100%	100	123	1,812	12.4%	1.6%		27	
WOMEN'S APPAREL/ACCESS-BGHT LAST 12 MOS_DON'T KNOW/NO ANSWER	423	4,239	1.7%	100%	100	**6	**18	**0.1%	**0.4%	1	**7	
WOMEN'S APPAREL/ACC-ITEMS BGHT LST 12MOS_SWEATS	2,067	22,513	9.2%	100%	100	171	2,930	20%	13%	⇧	219	
WOMEN'S APPAREL/ACC-ITEMS BGHT LST 12MOS_OTHER GYM/JOGGING/WORKOUT CLOTHES	2,907	32,153	13.1%	100%	100	309	5,144	35.2%	16%	⇧	269	
WOMEN'S APPAREL-AMOUNT SPENT LAST 3 MOS_\$1000 OR MORE	532	4,899	2%	100%	100	**21	**346	**2.4%	**7.1%	1	**119	
WOMEN'S APPAREL-AMOUNT SPENT LAST 3 MOS_\$500 - \$999	1,004	9,965	4.1%	100%	→ 100	64	863	5.9%	8.7%	1	146	
WOMEN'S APPAREL-AMOUNT SPENT LAST 3 MOS_\$300 - \$499	2,161	21,280	8.7%	100%	→ 100	139	2,104	14.4%	9.9%		166	
WOMEN'S APPAREL-AMOUNT SPENT LAST 3 MOS_\$100 - \$299	4,496	44,395	18.1%	100%	→ 100	286	4,977	34%	11.2%	1	188	
WOMEN'S APPAREL-AMOUNT SPENT LAST 3 MOS_LESS THAN \$100	3,762	38,275	15.6%	100%	→ 100	227	3,881	26.5%	10.1%	企	170	

Figure 8: Product & Brand Usage

Areas: types of sports clothing purchased, types of athletic shoes bought, amount spent on aerobic/fitness shoes, purchasing women's apparel/accessories, purchasing gym/workout clothes, amount spent on women's apparel Retrieved from MRI Simmons Insights.

Retrieved September 22, 2022

https://insights-mrisimmons-com.lib.pepperdine.edu/university/pepperdine

According to the Simmons data related to product and brand usage among White females aged 25-34, are 37% more likely to purchase t-shirts when buying sports clothing over the past twelve months. 14% of the respondents were most likely to be sole type users when purchasing athletic shoes over the past twelve months. They are also 30% more likely to spend under \$100 on aerobic or fitness shoes over the past twelve months. 67% of the respondents are more likely to say that they have bought women's apparel or accessories over the past twelve months. The respondents are also 169% more likely to buy other gym, jogging, or workout clothes when shopping for women's apparel or accessories over the past 12 months. Finally, they are 88% more likely to have spent \$100-\$299 on women's apparel over three months (Simmons Insights, 2022)

## **Technographics**

	Total						((RACE_WHITE) AND (GENDER_FEMALE) AND (AGE_25 - 34))						
	Sample	Veighted(000	Vertical %	Horizontal %	Index	Sample	Veighted(000	Vertical %	Horizontal %	Index			
Total	23,615	245,738	100%	100%	→ 100	909	14,620	100%	5.9%	<b>⇒</b> 100			
ONLINE - METHOD OF ACCESS AT HOME_ MOBILE BROADBAND(I.E.FOR TABLET,CLLPHNE)	4,791	56,663	23.1%	100%	<b>⇒</b> 100	331	5,361	36.7%	9.5%	<b>1</b> 59			
TABLET BRAND USED_APPLE	5,106	49,785	20.3%	100%	→ 100	209	3,193	21.8%	6.4%	→ 108			
TABLET BRAND USED_ASUS	279	2,934	1.2%	100%	→ 100	**12	**163	**1.1%	**5.6%	<b>⇒</b> **93			
TABLET BRAND USED_ SAMSUNG	3,223	32,997	13.4%	100%	→ 100	158	2,684	18.4%	8.1%	<u>î</u> 137			
TABLET BRAND USED_ OTHER MANUFACTURERS	312	2,797	1.1%	100%	→ 100	**21	**253	**1.7%	**9%	<b>**152</b>			
TABLET APP CATEGORIES USED 30 DAYS_ SHOPPING	4,271	43,328	17.6%	100%	<b>⇒</b> 100	157	2,746	18.8%	6.3%	<b>⇒</b> 107			
MOBILE APP CATEGORIES USED 30 DAYS_SOCIAL MEDIA	17,351	187,348	76.2%	100%	→ 100	808	13,155	90%	7% 4	<u>118</u>			
MOBILE-WEBSITE CAT USED 30 DAY_ SHOPPING	18,266	195,725	79.6%	100%	→ 100	833	13,616	93.1%	7% 1	117			
PC-WEBSITE CAT USED 30 DAY_SHOPPING	14,500	149,759	60.9%	100%	→ 100	593	9,782	66.9%	6.5%	110			
WHERE USED - MO?_STORES	1,204	12,138	4.9%	100%	→ 100	63	721	4.9%	5.9%	100			
ONLINE ACTIVIES/TYPES #TIMES LST 30 DAYS_ SHOPPING: GATHERED INFO FOR SHPPNG: 16+	881	10,330	4.2%	100%	<b>⇒</b> 100	65	1,052	7.2%	10.2%	<u>î</u> 171			
ONLINE ACTVTIES/TYPES #TIMES LST 30 DAYS_ SHOPPING: GATHERED INFO FOR SHPPNG: 6-15	1,391	15,134	6.2%	100%	100	66	1,034	7.1%	6.8%	<u>115</u>			
ONLINE ACTVTIES/TYPES #TIMES LST 30 DAYS_ SHOPPING:GATHERED INFO FOR SHPPNG: 1-5	1,668	18,684	7.6%	100%	<b>⇒</b> 100	110	2,206	15.1%	11.8%	<u>î</u> 198			
ONLINE ACTIVIES/TYPES #TIMES LST 30 DAYS_ SHOPPING: MADE A PURCHASE: 16 OR MORE	691	8,498	3.5%	100%	<b>⇒</b> 100	*50	*699	*4.8%	*8.2%	<b>1</b> *138			
ONLINE ACTVTIES/TYPES #TIMES LST 30 DAYS_ SHOPPING: MADE A PURCHASE: 6-15	1,478	17,480	7.1%	100%	→ 100	105	1,704	11.7%	9.7%	<u>î</u> 164			
ONLINE ACTIVIES/TYPES #TIMES LST 30 DAYS_ SHOPPING: MADE A PURCHASE: 1-5	4,514	50,208	20.4%	100%	→ 100	216	4,143	28.3%	8.3%	<u>î</u> 139			

Figure 9: Technographics

Areas: method of accessing internet, tablet brand used, tablet shopping app, mobile apps used for shopping, where internet is used most for shopping, types of online activities related to shopping. Retrieved from MRI Simmons Insights. Retrieved September 22, 2022 <a href="https://insights-mrisimmons-com.lib.pepperdine.edu/university/pepperdine">https://insights-mrisimmons-com.lib.pepperdine.edu/university/pepperdine</a>

The technographic Simmons data reveals that white females aged 25-34 are 59% more likely to use mobile broadband as the method used to access the internet at home. They are 8% more likely to use Apple as a brand for tablets. When using apps on their tablet, they are 7% more likely to use an app related to shopping. The respondents are 18% more likely to use social media apps on their mobile devices. It was also found that they are 17% more likely to use a shopping website on their mobile devices and 10% more likely to use a shopping website on their PC. Lastly, the respondents were 98% most likely to gather information about shopping 1-5 times in the last 30 days and 64% more likely to have made 6-15 purchases in the last 30 days (Simmons Insights, 2022).

## Advertising & Media Usage

0 0							((RACE_WH	IITE) AND		
	Total  Sample Veighted(000 Vertical % Horizontal % Index						(GENDER_FE	EMALE) AND	(AGE_25 -	
	Sample	Veighted(000	Vertical %	Horizontal %	Index	Sample	Veighted(000	Vertical %	Horizontal %	Index
Total	23,615	245,738	100%	100%	<b>&gt;</b> 100	909	14,620	100%	5.9%	) 100
INTERNET ADVERTISING-FORMS LAST 3 MOS_BANNER ADS	1,121	14,028	5.7%	100%	100	82	1,323	9%	9.4% 1	159
INTERNET ADVERTISING-FORMS LAST 3 MOS_E-MAIL ADS	3,242	33,973	13.8%	100%	100	169	2,988	20.4%	8.8% 1	148
INTERNET ADVERTISING-FORMS LAST 3 MOS_FLOATING ADS	453	4,860	2%	100%	100	*34	*492	*3.4%	*10.1% 1	*170
INTERNET ADVERTISING-FORMS LAST 3 MOS_FULL-MOTION VIDEO ADS	696	8,389	3.4%	100%	100	*42	*616	*4.2%	*7.3% 1	*123
INTERNET ADVERTISING-FORMS LAST 3 MOS_POP-UP/UNDER WINDOW ADS	630	6,191	2.5%	100%	100	**24	**261	**1.8%	**4.2% -	**71
SHOP ONLNE,PHN,MAIL-LEARND ABT PROD/SRVC_ CATALOG - PRINT	2,197	19,255	7.8%	100%	100	**30	**517	**3.5%	**2.7%	**45
SHOP ONLNE,PHN,MAIL-LEARND ABT PROD/SRVC_ MAGAZINE - PRINT	754	7,731	3.1%	100%	100	**14	**280	**1.9%	**3.6%	**61
SHOP ONLNE, PHN, MAIL-LEARND ABT PROD/SRVC_NEWSPAPER - PRINT	527	4,710	1.9%	100%	100	**8	**198	**1.4%	**4.2%	**71
SHOP ONLNE,PHN,MAIL-LEARND ABT PROD/SRVC_ RADIO	395	4,688	1.9%	100%	100	**22	**394	**2.7%	**8.4% 1	**141
SHOP ONLNE,PHN,MAIL-LEARND ABT PROD/SRVC_TV	1,637	16,095	6.5%	100%	100	*49	*904	*6.2%	*5.6%	*94
SHOP ONLNE,PHN,MAIL-LEARND ABT PROD/SRVC_ CATALOG - DIGITAL	942	8,713	3.5%	100%	→ 100	**20	**341	**2.3%	**3.9% -	**66
SHOP ONLNE, PHN, MAIL-LEARND ABT PROD/SRVC_ MAGAZINE - DIGITAL	179	2,260	0.9%	100%	100	**3	**21	**0.1%	**0.9% 4	**16
SHOP ONLNE, PHN, MAIL-LEARND ABT PROD/SRVC_NEWSPAPER - DIGITAL	160	1,665	0.7%	100%	→ 100	**5	**36	**0.2%	**2.2% -	**36
SHOP ONLNE,PHN, MAIL-LEARND ABT PROD/SRVC_ CIRCULAR DELIVERED BY EMAIL OR WEBSITE	949	9,441	3.8%	100%	100	*41	*541	*3.7%	*5.7%	*96
SHOP ONLNE, PHN, MAIL-LEARND ABT PROD/SRVC_ E-COUPON FROM EMAIL, WEBSITE/TEXT MESSAGE	1,143	13,435	5.5%	100%	100	78	1,260	8.6%	9.4% 1	158
SHOP ONLNE, PHN, MAIL-LEARND ABT PROD/SRVC_ SOCIAL NETWORK ON WEBSITE OR MOBILE APP	2,098	26,312	10.7%	100%	100	206	3,563	24.4%	13.5% 1	228
SHOP ONLNE,PHN,MAIL-LEARND ABT PROD/SRVC_ MOBILE APP	1,891	24,919	10.1%	100%	100	171	2,618	17.9%	10.5% 1	177
SHOP ONLNE, PHN, MAIL-LEARND ABT PROD/SRVC_ WEBSITE	8,018	91,246	37.1%	100%	100	422	7,008	47.9%	7.7% 1	129
SHOP ONLNE, PHN, MAIL-LEARND ABT PROD/SRVC_EMAIL	2,592	27,411	11.2%	100%	100	140	2,502	17.1%	9.1% 👚	153
SHOP ONLNE,PHN,MAIL-LEARND ABT PROD/SRVC_OTHER	2,752	27,351	11.1%	100%	100	103	1,792	12.3%	6.6%	110
ATTITUDES (ABOUT SHOPPING)- AGREE A LOT_I OFTEN USE THE INTERNET TO HELP PLAN MY SHOPPING TRIPS	2,577	29,682	12.1%	100%	100	165	2,857	19.5%	9.6% 1	162
SHOPPING-REFER ALWAYS_THE INTERNET	3,322	39,833	16.2%	100%	100	236	3,829	26.2%	9.6% 1	162
SHOPPING-REFER SOMETIMES_THE INTERNET	9,463	101,745	41.4%	100%	100	410	7,086	48.5%	7% 👚	117
SHOPPING-REFER NEVER_THE INTERNET	6,387	61,407	25%	100%	100	154	2,277	15.6%	3.7%	62
ATTITUDES (MEDIA) - AGREE A LOT_ I REMEMBER ADVERTISED PRODUCTS WHEN I AM SHOPPING	1,406	13,549	5.5%	100%	→ 100	*42	*698	*4.8%	*5.2% -	
SHOP BEHAVIOR- AGREE A LOT_ IN GENERAL, ADVERTISING PRESENTS A TRUE PICTURE OF THE PRODUCTS OF WELL-KNOWN COMPANIES	1,088	11,141	4.5%	100%	→ 100	*32	*407	*2.8%	*3.7% -	*61
SHOP BEHAVIOR-AGREE A LITTLE_IN GENERAL, ADVERTISING PRESENTS A TRUE PICTURE OF THE PRODUCTS OF WELL-KNOWN COMPANIES	3,028	31,577	12.8%	100%	→ 100	130	2,103	14.4%	6.7% 1	112
SHOP BEHAVIOR-ANY AGREE_ IN GENERAL, ADVERTISING PRESENTS A TRUE PICTURE OF THE PRODUCTS OF WELL-KNOWN COMPANIES	4,116	42,718	17.4%	100%	> 100	162	2,510	17.2%	5.9%	> 99
SHOP BEHAVIOR-NEITHER AGREE/DISAGREE_ IN GENERAL, ADVERTISING PRESENTS A TRUE PICTURE OF THE PRODUCTS OF WELL-KNOWN COMPANIES	8,383	88,755	36.1%	100%	> 100	365	5,661	38.7%	6.4%	107
SHOP BEHAVIOR-DISAGREE A LITTLE_ IN GENERAL, ADVERTISING PRESENTS A TRUE PICTURE OF THE PRODUCTS OF WELL-KNOWN COMPANIES	5,629	61,997	25.2%	100%	> 100	230	4,054	27.7%	6.5%	110
SHOP BEHAVIOR-DISAGREE A LOT_IN GENERAL, ADVERTISING PRESENTS A TRUE PICTURE OF THE PRODUCTS OF WELL-KNOWN COMPANIES	4,345	41,930	17.1%	100%	→ 100	124	2,039	13.9%	4.9%	82
SHOP BEHAVIOR-ANY DISAGREE_ IN GENERAL, ADVERTISING PRESENTS A TRUE PICTURE OF THE PRODUCTS OF WELL-KNOWN COMPANIES	9,974	103,927	42.3%	100%	→ 100	354	6,092	41.7%	5.9%	

## Figure 10: Advertising & Media Usage

Areas: internet advertisements, media used in learning about the product/service, business purchase decision, attitudes on advertising & media, shopping behavior related to advertising, advertising on floor or shopping cart, using internet to plan shopping trips. Retrieved from MRI Simmons Insights. Retrieved September 22, 2022

https://insights-mrisimmons-com.lib.pepperdine.edu/university/pepperdine

The Simmons data also presents findings on the target audience's advertising & media usage. White females aged 25-34 are 48% more likely to view email ads as a form of internet advertising in the last 3 months. They are 29% more likely to learn about a product or service through a website when shopping online, by phone, or by mail. 62% are more likely to use the internet to help plan their shopping trips. When shopping, 17% are more likely to sometimes refer to the internet. However, the respondents are 13% less likely to agree that they remember advertised products when they shop. When it comes to the target audience's shopping behavior, they are 1% less likely to disagree that advertising presents a true picture of the products of well-known companies.

## Primary Research: Interviews with Consumers

#### Lululemon Consumer Interview #1:

Kristen Perkins is a 27-year-old, multi-racial female student from the Los Angeles, California area who considers herself to be a Lululemon consumer. She shops from this brand about 5 times a year, primarily for leggings and sets, and a driving factor in her purchase behavior is largely fueled by the high quality found in their products. However, she notes that she does not shop there as often as she would like. She believes that Lululemon could improve its brand by offering a wider array of styles to appeal to more consumers. When not purchasing items from Lululemon, her alternate brands are Alo, Shein, or other smaller brands due to them being more affordable and easily accessible. Kristen claims that she is most receptive to fashion advertisements on social media, specifically on the Instagram platform.

#### Lululemon Consumer Interview #2:

Anna Cooper, an 18-year-old white female, is a perfect example of Lululemon's key target audience. She enjoys the experience of shopping in stores because she places value on seeing the products for herself before purchasing them. She does, however, critique their lack of development in product design in recent years, with their competitors like Alo and Vuori catching up to them recently and coming out with creative products that Lululemon does not have to offer. If Lululemon were being more innovative, maybe it could keep customers like Anna more satisfied and more likely to shop exclusively at Lululemon in the future.

#### Lululemon Consumer Interview #3:

Mike Scott is a former employee at Lululemon who considers himself a Lululemon user. He is a white 21-year-old male from Chicago IL (midwest). Mike appreciates the quality of Lululemons clothing and the versatility it provides. He likes how he is able to wear it out casually, athletically, and dress it up or down. He usually shops at Lululemon every 3-6 months. He will typically purchase pants, joggers, workout shorts, or t-shirts. However, one of his main pieces of advice for Lululemon to improve their business is to expand their male clothing line and continue to innovate. He speaks highly of the company even though their clothing is

expensive and mentions that cheaper substitutes like Alo and Fabletics are their largest competitors. He typically purchases in person, and more rarely online. Mike also says that he would be most likely to respond to an advertisement if it was on social media, specifically Instagram.

## Lululemon Consumer Interview #4:

Kelsey Burkman is a 28-year-old white female from Costa Mesa California (west coast). Kelsey fits exactly into the category of target audience and is a frequent consumer of Lululemon. She shops at Lululemon once every two to three months and admires their quality and comfort. Kelsey typically purchases the brand's famous align leggings, sports bras, and workout tank tops, and explains she would definitely recommend these products to her friends and acquaintances. In Kelsey's opinion, Vouri and Alo Yoga are two of the top competitive athleisure brands in comparison to Lululemon. She believes that Lululemon could improve their business by updating their in-store inventory more frequently. She explains that they are always sold out of popular sizes online, for example, her own size, 2. Kelsey says that she would most likely respond to a fashion advertisement using social media, specifically Instagram.

#### Lululemon Consumer Interview #5:

Emma Crees, a 20-year-old, white female from Lancaster, CA talks about shopping at Lululemon because of their comfortable and high-quality athletic wear. She shops at Lululemon around 2-3 times per year for their leggings or bike shorts and would speak positively and recommend the brand to her friends and acquaintances. She notices that companies who sell the same products for cheaper such as Athletica and Fabletics are Lululemon's biggest competitors. Emma recommends that Lululemon find ways to make their products cheaper and have more sales to improve their brand. She typically shops in person and would most likely respond to a fashion advertisement on social media through Instagram as it is the application she is on the most and it also has ads that are easy to interact with.

## Lululemon Consumer Interview #6:

Samir Dar is a 21-year-old Asian-American who is from Dallas, Texas. Samir really values quality over quantity and would prefer to spend his money where he knows he will get good use out of the product. Samir claims he shops at Lululemon occasionally but no more than a few times a year. If Samir is about to make an expensive clothing-related purchase he would prefer to shop in person and try the clothes on to make sure they fit. He is also a frequent user of social media, particularly Instagram, and claims that advertisements placed there are most likely to reach him.

#### Lululemon Consumer Interview #7:

Lauren Kim is a 19-year-old Korean-American female from Los Angeles, CA. She is a Lululemon customer, who loved wearing their leggings ever since high school when she danced. Lululemon is known for its crazy quality but at an overwhelming price, and Lauren said that she hardly ever shops there because one pair of leggings can last her a very long time. Lauren said she thinks the biggest competitor to Lululemon is Alo Yoga. She would love to see more advertisements with brand ambassadors and more campaigns that involve famous people because Lululemon is more of a trendy brand that people already know.

## Common Themes/Patterns of Interviews with Consumers of Lululemon

Based on the interviews conducted with Lululemon customers, there were common answers that reveal information on Lululemon's target market and their view on the brand. In terms of demographics, most interviewees tended to fall close to the primary target audience age range of 25-34, with a few consumers that were somewhat younger. The respondents expressed the factors affecting their choice to shop at Lululemon, which include the high quality, versatility, and comfort that the brand integrates into its products. Most respondents shop at the brand 2-3 times a year or every few months. It was also pointed out that the products last very long, which contributes to a lower frequency of purchasing from the brand. Popular products purchased include leggings, shorts, sports bras, tank tops, joggers, and other types of workout attire. All of the respondents agreed that they would positively speak or recommend the brand to other people. Despite the brand's high prices, the quality and comfort that Lululemon offers are incomparable. The respondents viewed companies like Alo, Vuori, Fabletics, and Athletica as Lululemon's biggest competitors, especially related to similar products offered within different price ranges. The respondents gave recommendations on ways they felt the brand could improve their business: having more variety in styles, keeping a high inventory of the popular items (sizes and colors are usually out of stock), conducting more sales given the high prices, and advertising with brand ambassadors. It is most common for the respondents to purchase their Lululemon products in-store, especially to find the right sizes and products needed. However, most respondents also said they find it useful to shop online if they already know what size to get and if they need the product right away — convenience. Finally, all respondents mentioned that they would most likely respond to fashion advertisements on social media, specifically Instagram, as they use this type of media the most.

## Synthesized Target Profiling

Lana is a responsible, hardworking, and disciplined 26-year-old white female from San Francisco. She works in the tech industry and has a household income greater than \$100,000. During her free time, she likes to prioritize her health and wellness by eating right and working out. She loves to shop and experiment with new clothing styles. She likes to purchase new t-shirts to add to her workout wear collection. She likes to buy her products both online and in-store. She likes shopping in-store when she wans to find a different size or fit. She likes to shop online when she already knows that she wants to purchase. When shopping online, she prefers using her iPad using retail apps or websites given its convenience. She views internet ads more commonly on her email and she also makes use of websites to learn more about a product or service she will purchase. She also interacts with social media advertisements on Instagram as it is the platform she uses the most on her phone.



Figure 11: Synthesized Target, Maggie at her tech job. Image sourced from Media Bistro (https://www.mediabistro.com/climb-the-ladder/skills-expertise/digital-marketing-skills/)

## **Competitor Analysis**

## Identification of Key Players:

The key players against Lululemon are Nike and Fabletics. Since 2018, Nike has maintained a steady overall market share of 27.4% (Tighe, 2022), and it is one of the biggest athletic wear brands worldwide. Nike was originally known as Blue Ribbon Sports (BRS) and was founded in 1964 by Phil Knight, an athlete at the University of Oregon, and his coach, Bill Bowerman. Since then, Nike has been evolving and becoming highly popular, collaborating with many famous athletes, artists, brands, designers, and more. Nike has been a present brand within the market for several decades, carrying everything from casual activewear to sportswear with shoes, accessories, apparel, etc. In 2021, Nike's global revenue was \$42,293,000, and now in 2022, has seen significant growth reaching a global revenue of \$44,436,000 (Nike, 2022). In 2021, Nike had an advertising budget of \$3.1 billion, then increased to \$3.85 billion in 2022 (Statista, 2022).

Fabletics, one of the primary key players, was founded in 2013 by Adam Goldenberg, Don Ressler, and Kate Hudson. Despite its early induction into the market, they have made significant strides to become a well-known brand by consumers through several marketing efforts. Now it is a trendy active sportswear brand worldwide. This is apparent in the fact that only seven years after its foundation they had an overall market share of 13% in 2020 (Perri, 2021). Kate Hudson, the famous actress and one of the co-founders of the brand, has been the face of the brand since its launch and expressed enjoyment of the actively growing brand over the years. The brand has done a great job of brand awareness towards its audience, advertising its lines with famous singers and artists, like Kevin Hart, Maddie Ziegler, Demi Lovato, and more. Fabletics had an advertising spending of under \$100 million for advertising on digital and national TV in the past year (Mediaradar, n.d.). Fabletics has an estimated annual revenue of \$353 million and is reported to have an estimated revenue of \$319,200 per employee (Fabletics: Revenue, Competitors, Alternatives, n.d.).

## The Primary Competitor

We have identified several key players — Nike, Adidas, and Fabletics — within the market as Lululemon competitors, but the most compelling out of these three was Fabletics for several reasons. Despite other players being some of the largest brands in the market, Fabletics has a primary target audience that most aligns with that of Lululemon. Additionally, their product

offerings are extremely similar, with a greater emphasis placed on athletic apparel. According to the Simmons data, Fabletics has shown the largest number of weighted, projected population, among our primary target audience, white females ages 25-34. It also shows that the Fabletics index is 177, the second highest after Lululemon's index of 255 (Simmons Oneview, 2020). This index indicates that white females aged 25-34 are 77% more likely to shop from Fabletics than the general population. Given that Fabletics has a similar demographic and product offerings, they are considered to be Lululemon's primary competitor.

	Total										
	Sample	/eighted(000	Vertical %	Horizontal %	Index	Sample	/eighted(000	Vertical %	Horizontal %	Index	
Total	23,615	245,738	100%	100%	💠 100	909	14,620	100%	5.9%	<b>⇒</b> 10	00
SHOPPING ALL WEB 30D_LULULEMON.COM	148	1,703	0.7%	100%	中 100	**14	**258	**1.8%	**15.1%	<b>1</b> **2!	55
SHOPPING ALL WEB 30D_NIKE.COM	464	5,541	2.3%	100%	💠 100	**22	**365	**2.5%	**6.6%	<b>1</b> **1:	11
SHOPPING ALL WEB 30D_FABLETICS.COM	433	4,522	1.8%	100%	中 100	*34	*476	*3.3%	*10.5%	<b>1</b> *1	77
SHOPPING ALL WEB 30D_ADIDAS.COM	772	8,536	3.5%	100%	中 100	**23	**437	**3%	**5.1%	<b>.</b> **:	86

Figure 12: Simmons OneView, 2020. Retrieved from MRI Simmons Insights. Retrieved September 22, 2022 <a href="https://insights-mrisimmons-com.lib.pepperdine.edu/university/pepperdine">https://insights-mrisimmons-com.lib.pepperdine.edu/university/pepperdine</a>

Brief History of the Main Competitor, Fabletics.



Figure 13: Image sourced from Fabletics Website (https://www.fabletics.com/)

Fabletics is a famous lifestyle active clothing brand that is known for its athletic wear both for males and females, and specifically offers clothing, accessories, footwear, and more. Fabletics was first founded in 2013 by Adam Goldenberg, Don Ressler, Ginger Ressler, and Kate Hudson. When launching the company, Fabletics co-founders wanted to incorporate quality, style, and good price into their products. By July 2014, they were able to expand their company to European countries like Germany, France, and the United Kingdom. Fabletics tried growing their company and attracting more and more customers by creating a VIP member program and was able to gain millions of members in the program. Their first celebrity brand collaboration took place in May 2017, with Demi Lovato. In April 2020, they announced Kevin Hart to be the face of the line for Fabletics men. By 2021, Fabletics was able to launch Fabletics Fit, an on-demand app that has online fitness classes where people can work out and achieve their fitness goals. Fabletics is now trying to expand their brand even further by launching more stores across the country (Fabletics, 2021).

## Target Audience

Fabletics' main target audience based on the gathered Simmons data is White women between the age of 35 and 54 from the West. However, White females aged 25-34 years old are not far behind, as it makes up 19.8% of consumers — only 0.4% shy of that of the identified primary target audience for Fabletics, Based on the index, they heavily lack reaching male audiences as the data projects males being 86% less likely to purchase their products. This company is very female dominant based on the index, which indicates women are 80% more likely to purchase Fabletics products. The target age range is relatively large ranging from ages 35-54, and the index varies between 121 and 123. In context, people in this age range are about 22% more likely to buy Fabletic products. Although the target racial demographic is White as they make up 70.6% of respondents, interestingly enough it has an index of 97, meaning they are 3% less likely to purchase from the brand than the general population. In fact, Asians have a higher index, 144, meaning they are 44% more likely to purchase from Fabletics. Their regional target audience is people in the West, who are 26% more likely to purchase Fabletics (Simmons OneView, 2022).

	Total					SHOPPING ALL WEB 30D_ LULULEMON.COM					SHOPPING ALL WEB 30D_ FABLETICS.COM				
	Sample	Veighted(000	Vertical%	Horizontal %	Index	Sample	Veighted(000	Vertical %	Horizontal %	Index	Sample	Veighted(000	Vertical %	Horizontal %	Index
Total	23,615	245,738	100%	100%	<b>⇒</b> 100	148	1,703	100%	0.7%	<b>⇒</b> 100	433	4,522	100%	1.8%	<b>&gt;</b> 100
GENDER_MALE	10,337	118,740	48.3%	100%	→ 100	*35	*382	*22.4%	*0.3%	<b>↓</b> *46	**25	**315	**7%	**0.3%	<b>↓</b> **14
GENDER_FEMALE	13,278	126,998	51.7%	100%	→ 100	113	1,321	77.6%	1%	<b>1</b> 50	408	4,207	93%	3.3%	<b>1</b> 80
AGE_ 18 - 24	1,698	28,080	11.4%	100%	100	**19	**266	**15.6%	**0.9%	<b>1</b> **137	**26	**344	**7.6%	**1.2%	<b>↓</b> **67
AGE_ 25 - 34	2,584	42,960	17.5%	100%	100	**25	**396	**23.3%	**0.9%	<b>1</b> **133	*57	*895	*19.8%	*2.1%	*113
AGE_ 35 - 44	2,896	40,485	16.5%	100%	100	**19	**269	**15.8%	**0.7%	<b>⇒ **</b> 96	67	914	20.2%	2.3%	<b>123</b>
AGE_ 45 - 54	3,854	40,879	16.6%	100%	100	**21	**259	**15.2%	**0.6%	**91	80	912	20.2%	2.2%	<b>121</b>
AGE_ 55 - 64	4,907	41,800	17%	100%	100	**25	**192	**11.3%	**0.5%	<b>↓</b> **66	91	631	14%	1.5%	<b>↓</b> 82
RACE_WHITE	16,847	178,360	72.6%	100%	100	106	1,298	76.2%	0.7%	105	318	3,191	70.6%	1.8%	<b>今</b> 97
RACE_BLACK OR AFRICAN AMERICAN	2,797	30,742	12.5%	100%	100	**5	**12	**0.7%	**0%	<b>↓ **</b> 6	*43	*523	*11.6%	*1.7%	<b>⇒</b> *92
RACE_ASIAN	1,483	15,243	6.2%	100%	100	**21	**190	**11.2%	**1.2%	<b>1</b> **180	*32	*404	*8.9%	*2.7%	↑ 144
CENSUS REGIONS_NORTHEAST	4,390	43,699	17.8%	100%	100	**29	**407	**23.9%	**0.9%	<b>1</b> **134	93	915	20.2%	2.1%	<b>114</b>
CENSUS REGIONS_ MIDWEST	4,657	51,259	20.9%	100%	→ 100	**22	**142	**8.3%	**0.3%	<b>↓</b> **40	88	875	19.3%	1.7%	<b>⇒</b> 93
CENSUS REGIONS_SOUTH	9,575	93,487	38%	100%	→ 100	*50	*506	*29.7%	*0.5%	<b>↓</b> *78	147	1,400	31%	1.5%	<b>↓</b> 81
CENSUS REGIONS WEST	4 993	57.293	23.3%	100%	⇒ 100	*47	*648	*38.1%	*1.1%	*163	105	1.332	29.5%	2.3%	♠ 126

Figure 14: Simmons OneView, 2020. Retrived from MRI Simmons Insights. Retrieved September 20, 2022 <a href="https://insights-mrisimmons-com.lib.pepperdine.edu/university/pepperdine">https://insights-mrisimmons-com.lib.pepperdine.edu/university/pepperdine</a>

#### Interviews with Non-Consumers

#### Lululemon Non-Consumer Interview #1:

Josephine Lo is a 20-year-old, Asian-American female from Los Angeles, California. She was a former consumer of Lululemon but stopped due to the high price tag and the perception that it just is not worth the money. Josephine attributes this change in purchasing due to her irregular working out/athletic habits and the fact that she enjoys switching out her clothing items frequently. With the high cost and her infrequency in high-intensity exercise, she does not seek out products of high quality like those found at Lululemon. Given that she prioritizes affordability, she now frequently shops through Amazon. The main selling point for her is the Prime subscription on Amazon because according to Josephine it offers "an eclectic amount of clothes and it all comes really fast." When asked about what type of fashion advertising would be the most effective and appealing to her as a consumer, she said social media. More specifically, she would be most receptive to Instagram because it is where she typically sees all of her content of things she hopes to buy in the future.

#### Lululemon Non-Consumer Interview #2:

Brandon Wolov, a 21-year-old white male, provides a perspective on Lululemon that sheds light on the fact that competitors such as Vuori might be doing a better job at appealing to the male audience than Lululemon's efforts. Even though he used to purchase Lululemon products, it got to a point where he could no longer justify the price he was paying for them when there were other comparable products that fit his style better. If Lululemon made more clothing that was geared towards more masculine prints, potentially promoting it on a TV football spot, maybe users like Brandon would be more inclined to shop at Lululemon.

#### Lululemon Non-Consumer Interview #3:

Paige Dueck is a 25-year-old white female, a perfect example of the target audience Lululemon is most focused on currently. She considers herself a non-user of Lululemon because she claims the brand is not sustainable enough. She does not shop at Lululemon because she is used to wearing other athleisure wear like REI, Patagonia, and other outdoor-focused brands. The price is not the largest concern for Paige because it is more significant for her to be environmentally aware. She is willing to spend a little bit more as long as the clothing is sourced sustainably. She also says if she were to respond to an athleisure brand ad it would most likely be on social media and specifically Instagram.

#### Lululemon Non-Consumer Interview #4:

Luke Jekkals is a 20-year-old white male from Grand Rapids Michigan (midwest). Luke used to be a loyal customer of Lululemon before he realized that the clothes were not practically priced. Luke values a "quality priced product" because he believes the expenses of a certain product are worth it if it is durable and long-lasting. Luke also found an interest in Alo Yoga over Lululemon because of their quality of clothing and found their in-store experience to be very immersive. Luke mentions he would most likely respond to an athleisure-wear advertisement on social media, preferably his Tik Tok account.

#### Lululemon Non-Consumer Interview #5:

Denise Flores, a 20-year-old, Filipino female from the Philippines shares that she does not shop at Lululemon mainly because of the price and her use of their products. When she does need athleisure wear, she tends to purchase it from Uniqlo because of its great quality and prices. When purchasing clothes, Denise likes to find a good balance for affordability and product quality, which she does by finding other retailers that fulfill her budget and quality search. She would likely respond to an athleisure-wear advertisement found on Social Media (Instagram) because it is the application she uses the most.

#### Lululemon Non-Consumer Interview #6:

Alex Brockmeier is a 20-year-old white male from Orange County, California. Alex really values clothes that are cheap and affordable while still remaining comfortable. Alex works as a lifeguard during the summer and frequently uses athleisure clothing while on the job. Alex typically purchases athletic apparel from Adidas, Nike, or Target, and attributes his lack of purchasing at Lululemon to his view that the product is not worth the price. Alex claims that the type of advertisement he is most likely to respond to is one that he finds on social media, particularly Instagram.

## Lululemon Non-Consumer Interview #7:

Sara Kang is a 24-year-old Asian female living in Los Angeles, CA. Sara does not really like purchasing from Lululemon, especially due to the price of the products. However, she likes wearing and purchasing products from Nike, because compared to the quality, the price is not too expensive. According to her, price is important, but the quality is more important and Nike is a great option for her because Lululemon can be overwhelming with its prices and she does not like that. Based on the interview, she would most likely respond to an athleisure-wear advertisement on social media, and Instagram being the most preferable.

## Common Themes/Patterns of Interviews with Non-Consumers of Lululemon

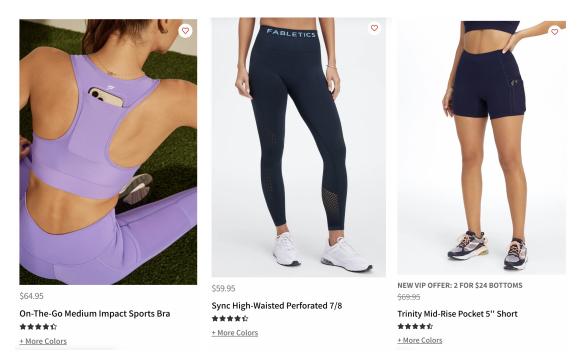
There were several similarities that were found in the interviews conducted with non-consumers of Lululemon. Of the respondents, most used to or have considered shopping at Lululemon, but do not currently shop at the brand because of the high prices and finding other preferred brands. One respondent mentioned that she has never bought from the brand, but she has received some products as gifts. Most respondents shop for athleisure wear from other companies such as Amazon, Vuori, Patagonia, REI, Alo, Uniqlo, and Nike. Brands like Amazon, Uniqlo, and Nike were preferred because of the good prices and quality they offer for their products. Vuori and Alo were preferred because of their good quality, various patterns and designs, and immersive store or online experiences offered. Patagonia and REI were preferred because they are more geared towards outdoor activities and they are more environmentally conscious and sustainable. Most respondents expressed that the primary reason they do not shop at Lululemon is because of the high prices of their products. Others have mentioned that they are used to using other brands for athletic wear or have found better brands in comparison to Lululemon. A common trend that most interviewees expressed is that they find price important. However, there were varied responses with regard to prioritizing affordability or product quality. Several respondents prioritize price above other factors, while others prefer product quality as it will last in the long run. One of the respondents expressed that price is important, but she is willing to pay extra if she knows that the product she is buying is better for the environment. Another respondent expressed that she likes to find a balance of both affordability and product quality. Lastly, almost all of the respondents would most likely respond to an athleisure-wear advertisement on social media, specifically Instagram and TikTok. One respondent mentioned that he would even respond more to a TV advertisement played during Sunday Football.

## **Product and Price**

Fabletics offers many products for women including leggings, sports bras, shirts, shorts, accessories, jackets, sweatsuits, matching sets, loungewear, skirts, and even a small swim collection. For men, they offer tops, bottoms, and underwear, which demonstrates how female-dominant this brand is. Fabletics is known for their matching sets and great quality. They also offer VIP membership to customers to save big on sales, which costs \$49 a month, while getting to skip as many months as you want. This membership has an intro offer of 2 leggings for \$24 and 1 monthly membership credit. There is also exclusive VIP pricing for all members and free shipping for orders over \$49. They offer free exchanges and returns within 45 days and provide members with access to their own app. Fabletics membership is a unique quality defining aspect of their company (Hailey, 2022). This membership program is what sets the brand apart

from others because most loyalty membership programs typically do not come with a monthly fee, and ultimately sets the trend for others to follow.

## Women's Clothing and Activewear



## Men's Clothing and Activewear

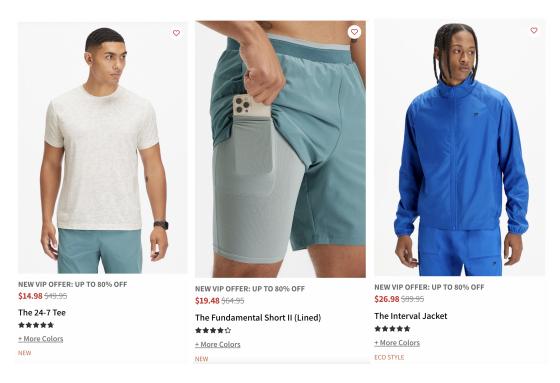


Image source from Fabletics website (<a href="https://www.fabletics.com/mens/tops/jackets-and-vests">https://www.fabletics.com/mens/tops/jackets-and-vests</a>)

#### Place

Fabletics is a relatively new company co-founded by Kate Hudson in 2013. Their headquarters are located in El Segundo California and their product designs are created in Los Angeles. Most of their products are made in Asia, but many materials they acquire all over the world. Fabletics has a total of 90 stores in North America and they currently ship to Canada, Spain, France, the UK, Germany, Sweden, Denmark, Australia, and the Netherlands. Because Fabletics has only been around for nine years, they are not as developed and established worldwide. Fabletics is definitely known much more for its online availability with its VIP membership deals that caters to many who want to be a part of the Fabletics community. With that being said, Fabletics is striving to expand in stores across North America and increase online accessibility worldwide.

#### **Promotions**

Fabletics is taking a different approach from normal athleisure brand marketing of unrealistic results and overpriced materials and prestige (Hailey, 2022). Fabletics' goal is to target as many people as possible to inspire their fitness journey and build relationships with their consumers to make them feel comfortable and supported. This is why their products are much more affordable than other athleisure brands and they use admired celebrities the public can relate to. Fabletics' mission statement reads, "...to create the world's most fashionable, high-performance, active-lifestyle products for everyone and everybody—at an accessible price" (Fabletics). Recently Fabletics has also made a point to highlight their sustainability and dedication to climate-friendly business strategies. According to the Media Radar Advertiser Profile Pages website, the ad agency that Fabletics is part of Intelligent Beauty, Inc., they spent under \$100 million on advertising through digital and national TV in the last year (Media,2022).

Fabletics wants their customers to feel like they are a part of a community which is why they have personalized customer service and spotlight their VIP membership. Fabletics does a great job of advertising the benefits and advantages of becoming a VIP member using new media. Fabletics has a strong online presence through Instagram, Tik Tok, Youtube, Facebook, and their own brand website. It is almost impossible to evade the brand's VIP membership when consumers visit the brand's website because it is so heavily advertised the moment one clicks on the page. Through the use of social media, Fabletics is known primarily for this membership almost more than their actual products. Advertising this concept was a smart move for brand awareness.

As mentioned before, Fabletics does a great job of utilizing relatable and sensible celebrities as one of their advertising strategies. A common strategy Fabletics uses is brand deals with famous celebrities. Most recently, Fabletics and Grammy award-winning singer Lizzo created the line of Yitty. Together Lizzo and Fabletics created an inclusive athleisure line for plus-size consumers. They created an Instagram account that features the line and keeps consumers updated on releases and deals in-store and online. One of the major faces of Fabletics is co-founder, actress, and model, Kate Hudson. For consumers, it is refreshing to see celebrities actually use their brand everyday, and be honest about the products and services they support, in Kate's case, created. Fabletics has recently released a men's athleisure line in 2020 with actor and comedian Kevin Hart as the main ambassador for the program. Fabletics released a paid media commercial advertisement in 2020 with Kevin as the star, which received a lot of attention

and helped increase their VIP membership users. According to the Simmons data, Fabletics does not target men nearly enough compared to women, so starting this campaign featuring Kevin Hart was a strategic step in creating an equal playing field for both females and males.

This article titled, "Fabletics opens first Yitty shop-in-shop" written by Tatiana Walk Morris on Retail Dive discusses the brand's new line with Lizzo that was previously mentioned above and their success with its introduction. The article also mentions the new Fabletics Fit app that allows users to do at-home workouts and yoga courses. Fabletics keeps expanding their connections with their consumers through their VIP membership program, in-store experiences, social media platforms, and now their brand's own app. They are utilizing new media advertising strategies and steering away from traditional use.

Owned Media: Fabletics Brand Website Advertisement

TAKE OUR 30 SECOND QUIZ TO UNLOCK YOUR OFFERS UNLOCK VIP OFFERS

NEW VIP OFFER

2 FOR \$24 ALL LEGGINGS AND SHORTS

SHOP WOMEN SHOP MEN

It's up to your skip by the 5th of every month to avoid a \$54.95 charge for your membership benefits, which includes a monthly Member Credit.

*Image sourced from* (<u>https://style.fabletics.com</u>)

#### Paid Media:



Image sourced from Fabletics Youtube advertisement (https://www.youtube.com/watch?v=HNr9QWBWM\_U)

#### Earned Media:

As it expands its product assortment and brick-and-mortar presence, Fabletics has also concentrated on its digital customers. In February 2021, it <u>launched the Fabletics Fit app</u>, which features on-demand workouts, meditations and other fitness content. The brand collaborated with Hydro, the fitness company that created an at-home fitness rowing device, to create live and on-demand workout sessions.

Image sourced from Article, "Fabletics opens first Yitty shop-in-shop," by Tatiana Walk Morriss (https://www.retaildive.com/news/fabletics-opens-first-yitty-shop-in-shop/626505/)

## **Summary**

Overall, Fabletics creates a different atmosphere for their clients than Lululemon. Fabletics makes it a priority to develop a strong consumer connection and market to a much wider target audience. They are inclusive with sizes; offer online product availability, showcase affordable prices; and utilize well-known, relatable, relevant influencers and A-list celebrities to help with brand awareness. The brand has also only been established for nine years while Lululemon has fifteen more years of experience. With that being said, Fabletics is only becoming more popular through their strategic marketing and advertising shifting to the new media and accommodating the new culture that accompanies the 21st century. Lululemon must be aware of these potential threats and advise new opportunities. For example, being more adaptable to different audiences and highlighting the value of their products can lead to an increase in desire by everyone. It is important to create a safe place for their customers to feel supported daily and tie in more of an emotional connection, similar to what Fabletics has accomplished. However, Lululemon has already established a prestigious, name brand for themselves and their loyal

customers. They are known for their logo and high product quality that Fabletics still has yet to achieve. Lululemon is recognized worldwide with a secure in-store presence including nearly 600 store locations across the globe. The company is preferred by consumers with their esteemed status and high-quality orientation, but if they can expand to a larger target audience while creating more affordable products successfully, Lululemon has the potential to be the number one athleisure brand in the world.

## **SWOT Analysis**

## Strengths (Internal)

- Strong demand within their current target audience.
- Strong appeal among white, women above the age of 30 (Simmons OneView, 2022).
- Known for high-quality clothes with versatile use.
- Viewed as more "high-end" compared to competitors like Nike and Adidas.
- Constantly releasing new innovative products which blend both quality and comfort.
- Global reach, allows the company to access global markets and sell its products to a large range of consumers.
- Nearly 600 store locations worldwide with a growing e-commerce segment.
- E-Commerce sales for the company doubled in 2020 alone, indicating a robust online retail presence. (Retail Dive, 2021)

## Weaknesses (Internal)

- Lack of reaching ethnicities other than white. African Americans are 94% less likely to purchase Lululemon products (Simmons OneView, 2022).
- Lack of men's collection and reaching male audiences. Males are 54% less likely to purchase Lululemon products. (Simmons OneView, 2022).
- Chip Wilson's racist ideologies and beliefs are exposed and a risk for a lot of backlash within the foundation of the company, such as the origin of the "L" in the brand's name.
- High price of products, especially in comparison to competitors of similar quality, which narrows the target market. The cheapest product is a sports bra around \$48 and the highest product can be up to nearly \$600 like the Cold City Parka. (Lululemon.com, 2022)

## Opportunities (External)

- Massive potential to expand marketing towards new demographics.
- Strong demand in Asia, which could lead to opening further stores in Asia, allowing the company to tap into a much larger consumer base (FashionNetwork, 2019).
- Release a more affordable product line-up that more consumers are able to afford.
- The company is closely linked to any

#### Threats (External)

- Aggressive competitors with a strong global and ad presence, such as Nike or Adidas.
- Extremely saturated industry with several brands consumers can choose from.
- Adapting to being more culturally inclusive. Culture is constantly changing and they need to be aware of their environment to be open-minded and accepting of the mindsets of the

- athletic/sporting event that it can utilize to further its' marketing objectives and reach.
- Become more environmentally sustainable, in today's market, consumers are eager to shop at companies that have a low environmental footprint.
- Open more manufacturing facilities in the United States in order to reap the benefits of the FABRIC act, as well as improved quality control.
- The global sports apparel market (currently valued at 181 billion dollars) is expected to reach 279 billion dollars in value by 2029 (DataBridge Market Research, 2021).
- Develop even more versatile products, and launch a product line of "business casual" wear to allow for comfortable yet professional clothes in the workplace.
- 66% of consumers of athleisure seek solutions and ways to deal with stress, the brand could create services focused on stress relief and fill demand in that sector (Hansen, 2022).
- A large percentage of consumers are interested in new forms of wearable tech
   36% (Hansen, 2022).

- younger generation (Mckinsey, 2021).
- Sustainably sourcing their clothing to keep up with cultural expectations and trends (Mckinsey, 2021).
- Economic threats like a decreasing CCI and GDP, and increasing inflation and Federal reserve rates, that ultimately cause consumers to have less discretionary funds for non-essential purchases.
  - CCI is at 96.18, below the 100 benchmark (Statista, 2022).
  - GDP annual percent change fell to 1.7% in Q2 of 2022 (Statista, 2022).
  - Inflation peaked at 9.1% in June 2022 (Statista, 2022).
  - Federal Reserve interest rates reached a high of 1.68% in July 2022 (Statista, 2022).
- Fabric ACT, which poses a threat to Lululemon given that they have manufacturing in the US and could potentially lead to increased costs of production (Cernansky, 2022).
- Supply chain disruptions with Ukraine.
- A surge of imports with a lack of labor is leading to delayed timelines and supply chain disruptions (Kim).

# Statement of the Important Problem and Opportunity

## Most Important Problem

Lululemon has achieved great success in the past decade, the company has skyrocketed in valuation while opening more and more locations each year. However, to ensure continual success in the future, the company needs to fastidiously work on improving its environmental footprint. Consumers in today's day and age genuinely value companies who source their products from ethical manufacturers and work to reduce their carbon footprint. An IBM 2020 global study of nearly 19,000 consumers found that brand purpose is more important to today's shoppers than cost and convenience (IBM, 2020). They also found that over 7 in 10 consumers say it is at least moderately important that brands offer "clean" products (78%), are sustainable and environmentally responsible (77%), support recycling (76%), or use natural ingredients (72%), See Figure 3 (IBM, 2020). This study highlights the strong demand globally for

environmentally conscious products and companies. According to Lectra, many of Lululemon's competitors and those in the athletic apparel industry are rapidly shifting towards creating 100% sustainable products (Lectra, 2021). Lululemon, however, is not even close to achieving that goal. By 2025 Lululemon has vowed to make 75% of their products from sustainable materials, however, this seems to be too little too late. According to an article written by Caroline Fisher, published in the Journal of Targeting, "Measurement and Analysis for Marketing," White women above the age of 25 seem to be the most conscious of a company's environmental impact (Fisher). Considering Lululemon's current primary target audience, white women aged 25-34, this is a very important area that needs addressing. If Lululemon does not make rapid, sustainable changes to its current manufacturing practices, the company could risk losing a large portion of its primary consumers. Furthermore, new legislation being drafted is at risk of targeting companies that do not engage in "clean" manufacturing practices. In New York, for example, a bill named "The Fashion Sustainability and Social Accountability Act" is being proposed which would require companies who sell apparel in New York to provide data regarding 50% of their supply chains as well as divulge exactly how many chemicals and amount of water used in the manufacturing process (Cernansky, 2022). Lululemon must get ahead of the trend by proving they have nothing to hide and cleaning up their footprint like many of its competitors are already doing. The last thing that Lululemon needs is to be singled out in the Athlesuire category as a brand that fails to provide "clean" products. This type of damage could be detrimental to the brand and would result in a large loss of its primary and new consumers. In order to resolve this issue, Lululemon will have to make environmental sustainability one of its primary goals moving forward. Another key problem facing Lululemon is its lack of appeal among male consumers, this is a large consumer segment that is being completely neglected by the company. Lululemon has to make a much more conscious effort in targeting and appealing to men. According to the Simmons data, males between the ages of 25-24 were 54% less likely to shop from Lululemon than the general population. In order to expand appeal among the male demographic, Crew 902 believes that Lululemon needs to appeal to males by emphasizing the versatility and durability of their products. One such avenue that Lululemon should be exploring, is the rapidly expanding and established golf industry. By reaching out to and sponsoring influential professional golfers Lululemon can promote their brand and gain recognition among the golfing community as well as male consumers in general.

## Most Important Opportunity

Lululemon has several opportunities they could capitalize on a brand, however, given the social and cultural trends in the current market and where the industry is headed, one of particular importance is expanding their primary target audience to include males. Despite having found extreme success with the female audience, they have yet to make significant strides in making men primary consumers of the brand. According to a Mintel report previously mentioned, the athletic apparel category "is a staple in consumers' closets" especially for men and women aged between 18-44, and even more so for Millennials (Hansen, 2022). During the primary research, a few individuals interviewed were males, in which consumers mentioned the brand could improve on its male product line, while non-consumers said the primary reason they did not purchase from the brand was due to its high price tag, where they could find similar offerings elsewhere. According to the Simmons data, the index for males was 46, which indicates

this demographic is 54% less likely to shop from Lululemon than the general population. It is clear they have not delivered on catering to this market.

A few ways Lululemon could fulfill the needs of male consumers is by capitalizing on trends in the technological market. A report by Mintel states that 36% of consumers are interested in new forms of wearable technology, and even more so for Millenial males — 60% (Hansen, 2022). This could come in the form of adding sensors to track breathing, heart rate, workouts, or other metrics. Changes like this ultimately could add components that cannot be found in competitors' high-quality offerings, thus adding a value that could maybe be worth the cost. Additionally, they also have an opportunity to expand by introducing new male 'Work' product lines that capitalize on the versatility of their items. In a market where a large majority of consumers work in a hybrid model and spend a large majority of their time at home, the era of buttoned-up, suit, and tie apparel is gone. Athleisure wear is here to stay after social and cultural shifts post-pandemic, and Lululemon is at a strategic time to implement changes such as these to fulfill the needs of male consumers.

#### PART II: MEDIA OBJECTIVES

#### Introduction

While the first section of this report outlined the overall situation analysis for Lululemon, This section CREW 902 will work on laying out the media objectives our team has constructed. Below you will find an outline of exactly how we plan to reach our target audience in terms of creative layouts, how often we should reach them, and how it can be implemented into a campaign in terms of location, scheduling, and budgeting to ultimately solve the most important problem that the Lululemon brand is facing among that target demographic. The most important problem that CREW 902 discovered is that the prices Lululemon is demanding for their products are too high for a lot of males to justify spending. Lululemon needs to focus on pushing the narrative that its products are durable, long-lasting, and versatile in use. In order to meet this goal we have identified that Lululemon has several opportunities they could capitalize on a brand, however, given the social and cultural trends in the current market and where the industry is headed, one of particular importance is expanding their primary target audience to include males. In addition to solving this problem CREW 902 is focused on providing data on exactly when, where, and how Lululemon should advertise its products moving forward.

#### **Target Audience**

In the Situational Analysis of CREW 902's Lululmon campaign, the identified target audience was white females aged 25-34 from the West region of the United States. Upon further evaluation of Lululemon's media objectives and goals, CREW 902 decided to define a new target audience for their campaign. This new target audience relates to Lululemon's goal to increase the awareness of and desire to use Lululemon products among 25-34-year-old male consumers. With this, CREW 902 gathered data using Simmons Insights to learn more about the newly defined target audience for the Lululemon campaign.

According to the data collected from Simmons Insights, the target audience of CREW 902's Lululemon campaign is males aged 25-34 from the Southern regions. The data shows that this target audience is 17% more likely to be Black or African American, 26% more likely to earn a household income of \$100,000, and 11% more likely to have completed a Bachelor's