





LaSalle College

**Merchandise Management
Consumer Profile - Buyers Manual
lululemon**

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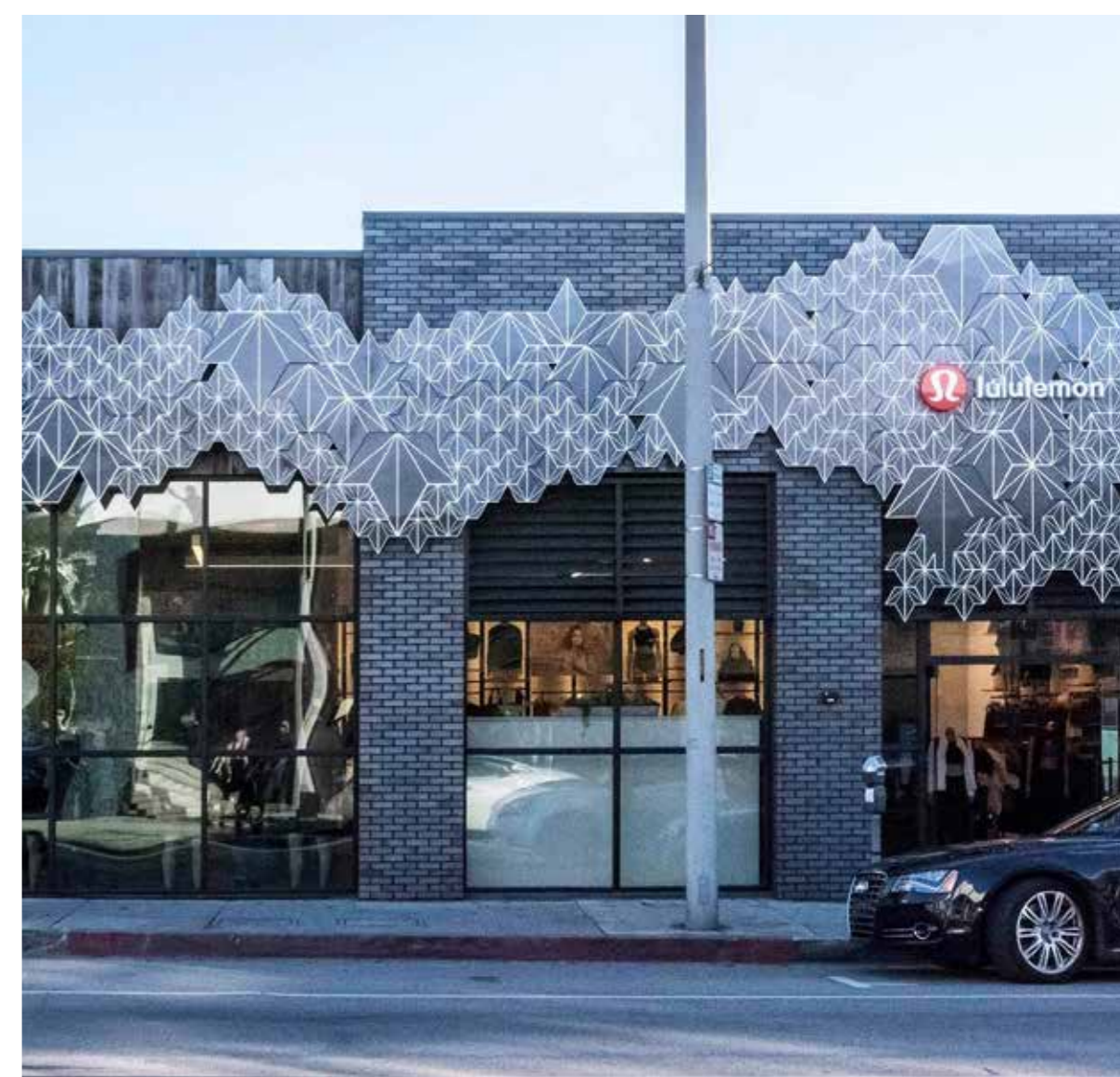




1. Introduction

1.1 History

Founded by Chip Wilson in Vancouver, Canada in 1998, lululemon is a yoga-inspired, technical athletic apparel company for women and men. It opened its first retail store in Vancouver in 2000. The brand's high-quality yoga pants became a cult item. Many women found them so comfortable that they started wearing them out of the yoga studios and into everyday life, which helped give birth to what is now known as athleisure. Athleisure involves garments that are worn for both athletic endeavours as well as casual leisure activities.



1.2 Growth

As of February 2, 2020 lululemon's retail footprint include 491 company-operated stores in 17 countries across the globe. Most of its company-operated stores are branded lululemon, five of their company-operated stores are branded ivivva - which specialize in athletic wear for female youth. Most of their stores are primarily located on street locations, in lifestyle centres, and in malls.

	February 2, 2020	February 3, 2019
United States	305	285
Canada	63	64
People's Republic of China	38	22
Australia	31	29
United Kingdom	14	12
Japan	7	5
New Zealand	7	7
Germany	6	5
South Korea	5	4
Singapore	4	3
France	3	1
Malaysia	2	--
Sweden	2	1
Ireland	1	1
Netherlands	1	--
Norway	1	--
Switzerland	1	1
Total company-operated stores	491	440



1.3 Sales Performance

For the Fiscal Year ended February 2, 2020, compared to the Fiscal Year ended February 3, 2019:

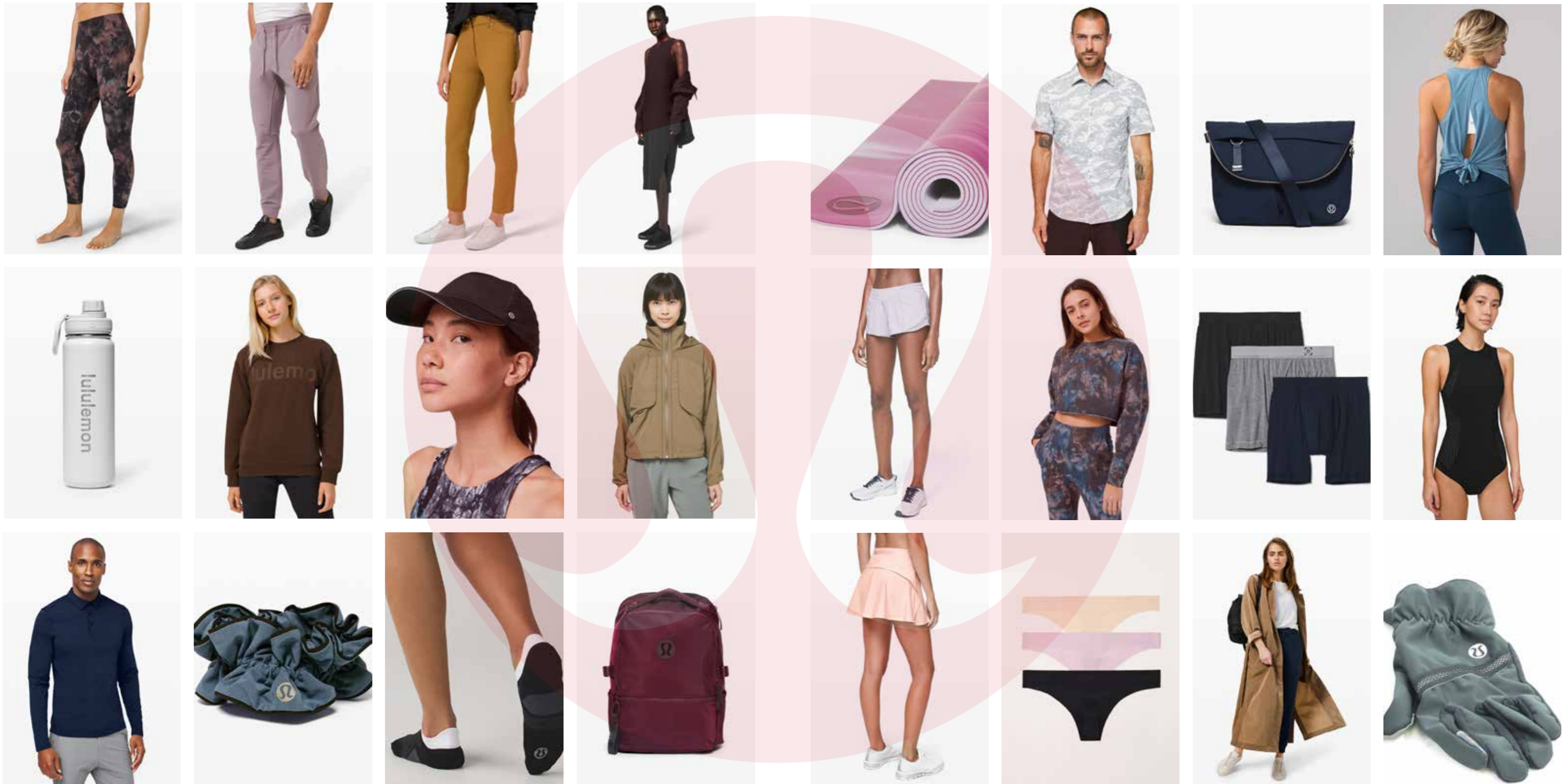
- » Net Revenue increased 21% to \$4.0 billion. On constant dollar basis, net revenue increased 22%.
- » Total comparable sales, which includes comparable store sales and direct to consumers, increased 17%. On a constant dollar basis, total comparable sales increased 18%.
 - Comparable store sales increased 9%, or increased 10% on a constant dollar basis.
 - Direct to consumer net revenue increased 35%, or increased 35% on a constant dollar basis.
- » Gross profit increased 22% to 2.2 billion.
- » Gross margin increased 70 basis points to 55.9%
- » Income from operations increased 26% to \$889.1 million.
- » Operating margin increased 80 basis points to 22.3%.



2. Current Merchandise

lululemon offers a comprehensive line of apparel and accessories for men and women. lululemon's apparel assortment includes items such as pants, shorts, tops, and jackets designed for a healthy lifestyle including athletic activities such as yoga, running, training, and most other sweaty pursuits. They also offer fitness related accessories.

2.1 Merchandise Assortment



2.2 Pricing Chart

Men	Price Low	Price High
Joggers	\$79	\$158
Button Down Shirts	\$49	\$118
Coats & Jackets	\$49	\$398
Hoodies & Sweatshirts	\$49	\$118
Pants	\$49	\$198
Polo Shirts	\$39	\$108
Shirts	\$39	\$198
Shorts	\$39	\$128
Socks	\$14	\$38
Swim Trunks	\$39	\$98
Tank Tops	\$39	\$74
T-shirts	\$44	\$98
Underwear	\$29	\$108
Bags	\$29	\$228
Gloves & Mittens	\$19	\$78
Hair Accessories	\$18	\$18
Hats	\$38	\$48
Water Bottles	\$18	\$48
Yoga Accessories	\$18	\$88
Yoga Mats	\$49	\$88

Women	Price Low	Price High
Leggins	\$59	\$168
Coats& Jackets	\$69	\$298
Dresses	\$69	\$188
Hoodies & Sweatshirts	\$59	\$188
Pants	\$39	\$178
Shirts	\$29	\$118
Shorts	\$39	\$119
Skirts	\$68	\$98
Socks	\$9	\$58
Sports Bras	\$39	\$178
Sweaters	\$49	\$188
Swimsuits	\$29	\$138
Tank Tops	\$29	\$88
Underwear	\$18	\$48
Bags	\$28	\$198
Gloves & Mittens	\$19	\$78
Hair Accessories	\$8	\$38
Hats	\$28	\$48
Scarves & Wraps	\$48	\$158
Water Bottles	\$18	\$48
Yoga Accessories	\$18	\$88
Yoga Mats	\$49	\$88







3. Target Market

3.1 Demographics

Initially, the target market for lululemon were high-income women between the ages 18-35. lululemon has expanded its target market and is no longer gender specific since introducing its men's line. It has also expanded its age range after launching a line for children. lululemon's demographic is mainly fueled by women between the ages 18-35. The current target market for lululemon are upper middle class men and women between the ages 18 and 35 who has a fitness mindness.

Although lululemon started in Vancouver, Canada, the brands main target is the United States - more specifically the East Coast. Many of lululemons consumers are currently located in metropolitan cities - lululemon focusses on building stores in upscale suburban communities. These areas are usually where you will find a majority of upper-middle class hard working people between the ages of 18 and 35. A high number of people have been found living in urban areas where Lululemon retail stores are typically placed within urban shopping malls and districts.

With the main target being between the ages 18-35 this would classify that most of lululemon's consumers are millennials - who are fluent in technology. Millennials are also a larger generation compared to the generations behind them - this works in favour for lululemon because the brand is reaching a greater number of people within the target market.



3.3 Geographics

Ever since lululemon opened its first retail store in Vancouver, Canada, growth and expansion has always been a major part for the brands vision. Currently, as of February 2, 2020, lululemon has a total of 491 company-operated stores located across the globe in 17 different countries. A majority of lululemon retail stores are typically placed within urban shopping malls and districts, where a majority of its consumer target are found to be living in urban areas.

3.2 Psychographics

lululemon's consumer target is someone who lives a healthy lifestyle and are drawn fitness trends such as yoga, running, cycling, cross-fit, etc. Typically, these consumers will look for products that will better them in their practice and keep up with them. lululemon targets individuals who are busy in both their work life and personal life but will strive to make time for fitness and a healthy living lifestyle. These people are usually concerned about their workout clothing and how they look in them before, during, and after a workout. lululemon, also targets consumers that are inspired by community and the sense that it brings to them supported by the lifestyle that lululemon strives to create.



4. Culture Collage



4.1 Consumer Profiles



Name: Becca Jones

Age: 26

Annual income: \$80,000

Lives: 2 bedroom apartment with her cousin

Location: Seattle, Washington

Occupation: Dance teacher & part-time model

Activities: Swimming, kayaking and hiking



Name: Kol Lee

Age: 28

Annual income: \$100,000

Lives: in a condo by himself

Location: Vancouver, British Columbia

Occupation: Architect

Activities: Mountain biking, boxing and running



5. Story Boards

5.1 Colour Trend

Autumn/Winter 2020/2021 NYFW Colour Palette:



**PANTONE 16-1350
Amberglow**

A radiant autumnal orange, Amberglow promotes self confidence and creative self expression.



**PANTONE 19-1662
Samba**

A voluptuous sultry red, Samba introduces an upbeat energy.



**PANTONE 16-1328
Sandstone**

Tied to nature, earthy Sandstone speaks of the rustic outdoors.



**PANTONE 19-4052
Classic Blue**

A boundless blue hue, Classic Blue is evocative of the vast and infinite evening sky opening us up to a world of possibilities.



**PANTONE 13-0648
Green Sheen**

Optimistically rebellious, Green Sheen is a bold acidic yellow-green shade that will always stand out.



**PANTONE 16-1511
Rose Tan**

A gentle dusky pink, Rose Tan imparts a sense of composure.



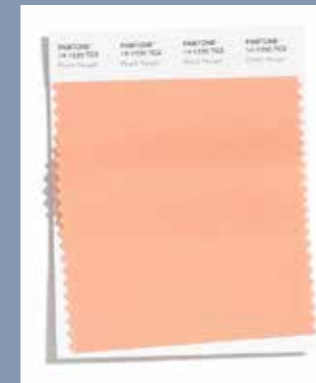
**PANTONE 18-5338
Ultramarine Green**

Ultramarine Green, a deep cooling blue-green, exudes self assurance and poise.



**PANTONE 19-1337
Fired Brick**

Strong and sturdy, Fired Brick adds gravitas.



**PANTONE 14-1220
Peach Nougat**

Nurturing Peach Nougat embraces with its inviting warmth.



**PANTONE 19-2428
Magenta Purple**

A hypnotic purple shade, Magenta Purple intrigues and mesmerizes.

Autumn/Winter 2020/2021 Classics:



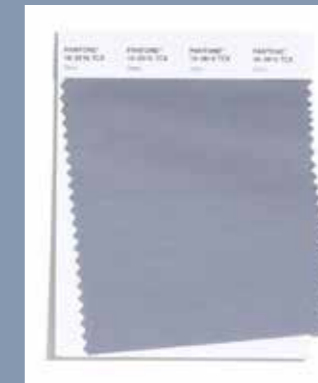
**PANTONE 12-0713
Almond Oil**

Tasteful Almond Oil is a smooth and subtle off-white shade.



**PANTONE 19-3940
Blue Depths**

Blue Depths implies an air of mystery and the unknown.



**PANTONE 16-3916
Sleet**

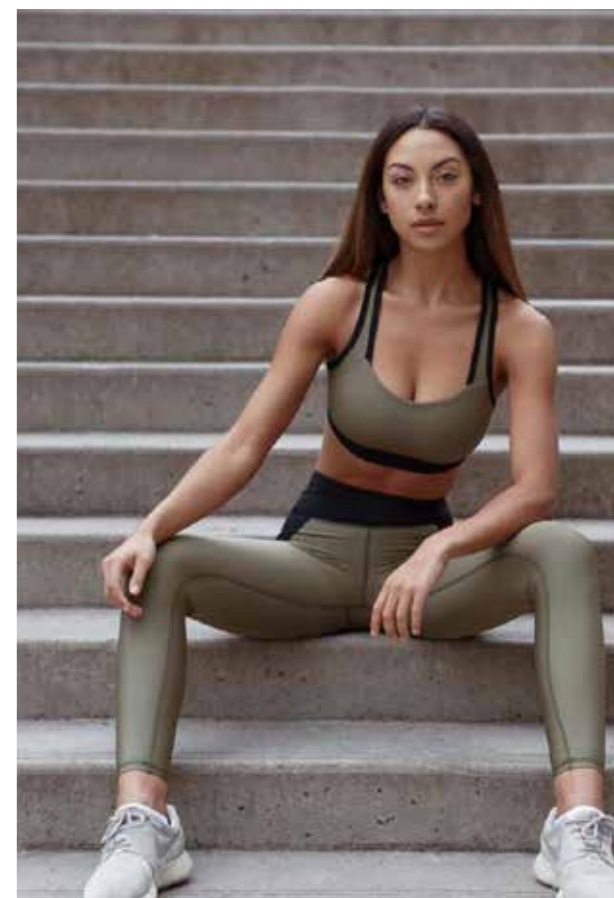
Highlighting our desire for longevity, Sleet is a timeless gray that is dependable, solid and everlasting.



**PANTONE 19-0622
Military Olive**

Military Olive is a strong and stalwart foundational green tone.

5.2 Fall/Winter Colour Board



5.3 Fall/Winter Pattern Board



Metallic Surfaces

Seen as embossed highdensity & lightweight fabric or as backing for layers.



Glitter & Shine

Technical velvet for functional jackets or high elastic velvet and shiny lycra for fitness apparel. Completed by glittering tapes, zippers and other accessories.



Abstract Nature

Inspired by nature or digital graphics.



Disruptive Camouflage

Take inspiration from Maharishi, mixing techniques with abstract textures derived from nature for a new hybrid camouflage look.



Irisee Effects

Creates a futuristic appeal and comes as printed pattern, zipper or as reflecting print or as bonded tape.



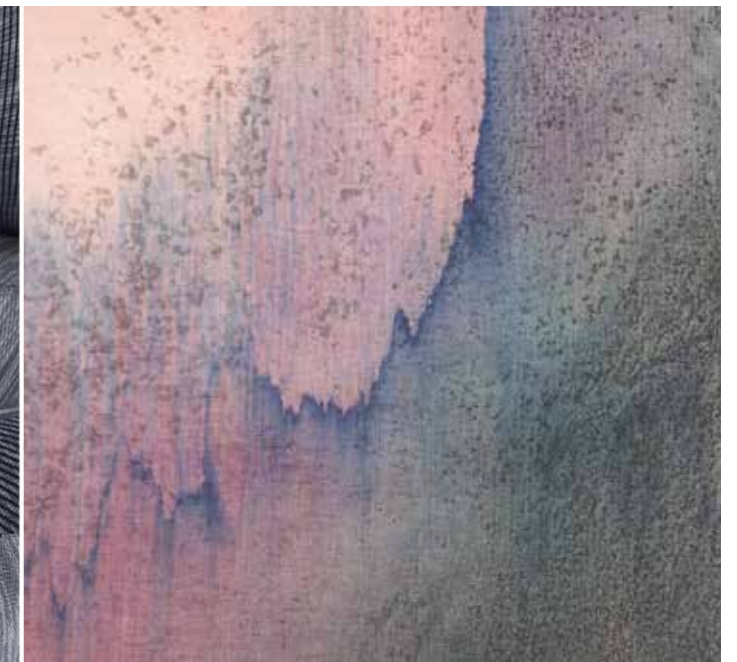
Subtle Structures

Subtle prints or structures such as honeycombs, jacquards or technical patterns.



Body-Mapped Geo-Knits

Geometric patterns and gender-mapped designs. Designed to be worn next to the skin, expand use of these fabrics beyond base layers to footwear and accessories.



Mottled Tie-Dye

Dappled, splattered and mottled effects in multicolours, or monochrome for a more sophisticated look.

5.4 Fall/Winter Texture Board



Utility Shells

Lightweight nylon sheers, bioplastics, taffetas and oxford fabrics

Application: outdoors, training, urban sports



Atheleather 2.0

Bio-fabricated leathers and leather-look fabrics

Application: urban sports, athleisure, training, fit



Reborn Heritage

Heritage fabrics such as tweeds, wools and tartans

Application: urban sports, outdoors, athleisure



Bound Sculpting

Wide-strapped elastic binding - ideal for sports bras, leggings and leotards

Application: fitness, training, running



Reclaimed & Recycled

Recycling reclaimed product

Application: all-day active, ski, hiking



Attention-Grabbing Reflectives

Reflective fabrics

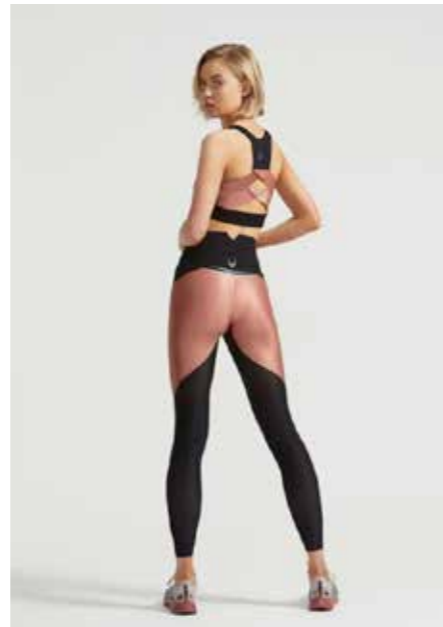
Application: snow, fitness, training, athleisure, core basics



Merino Performance

Merino wool

Application: running, cycling, yoga, ski



Satin Sheen

Satin sheen is ideal for styles which go from barre-to-bar, from leggings to outerwear.

Application: ath, luxe, fitness, training, all-day-active



New Naturals

Corn, coconut and coffee beans.



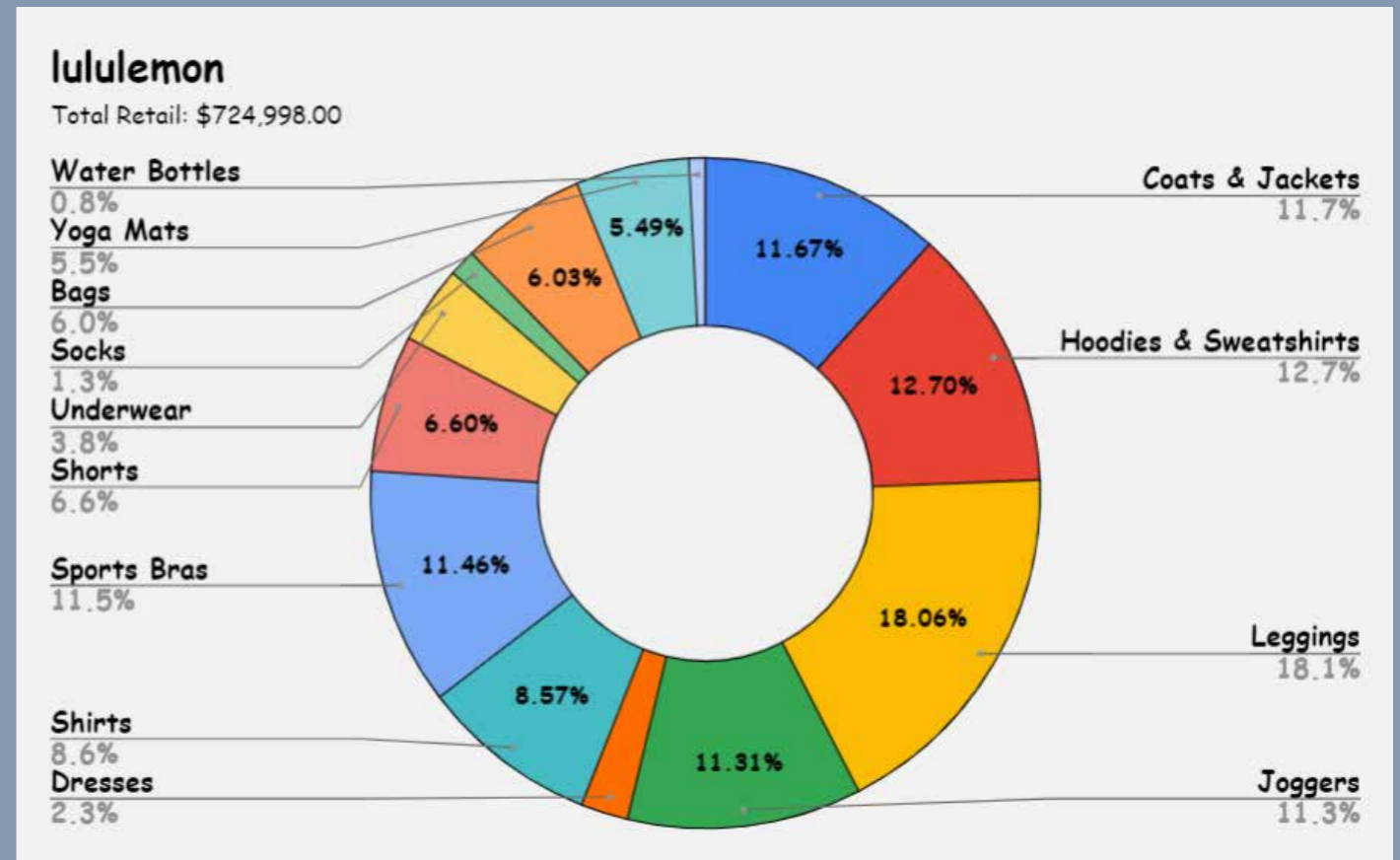
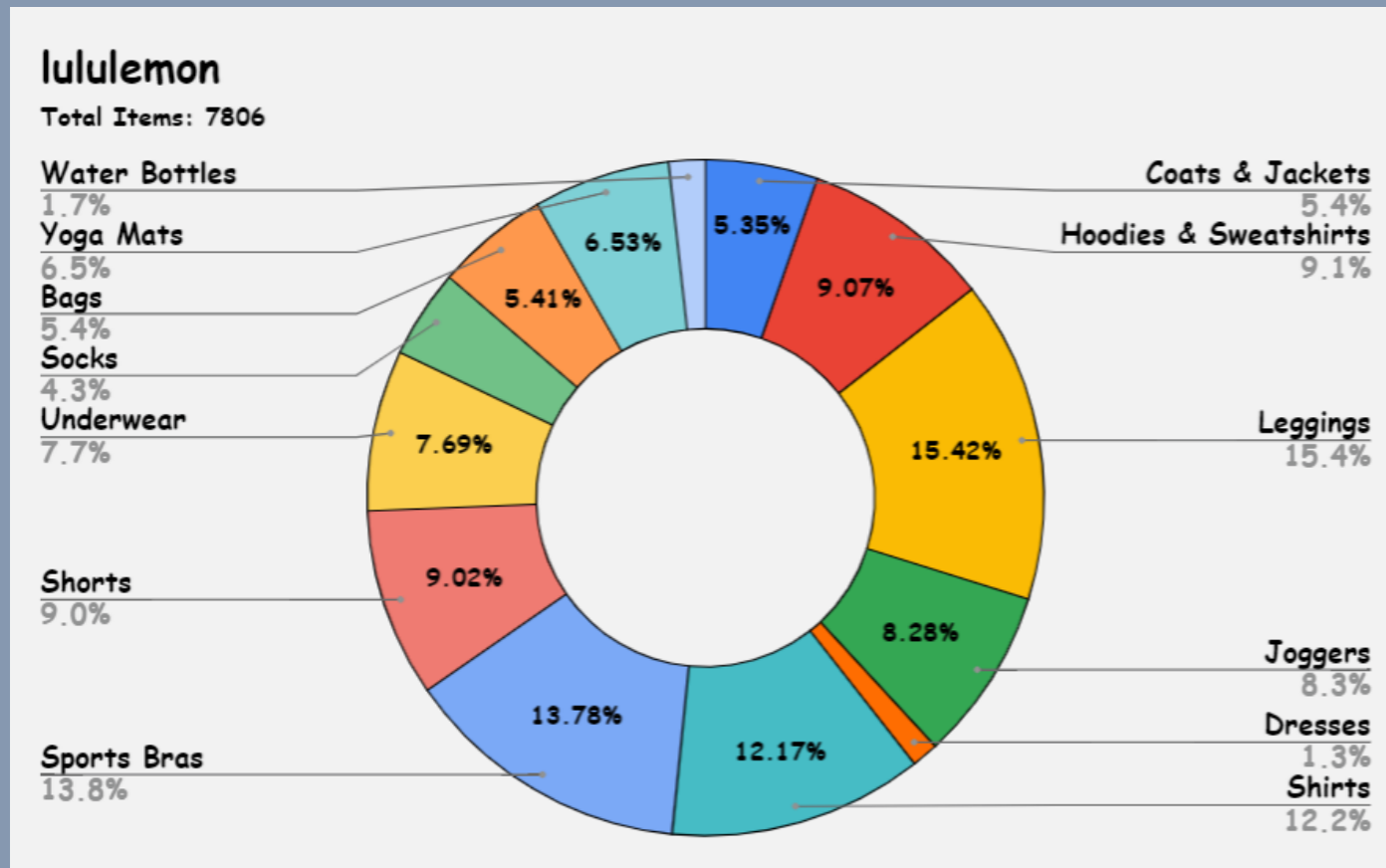
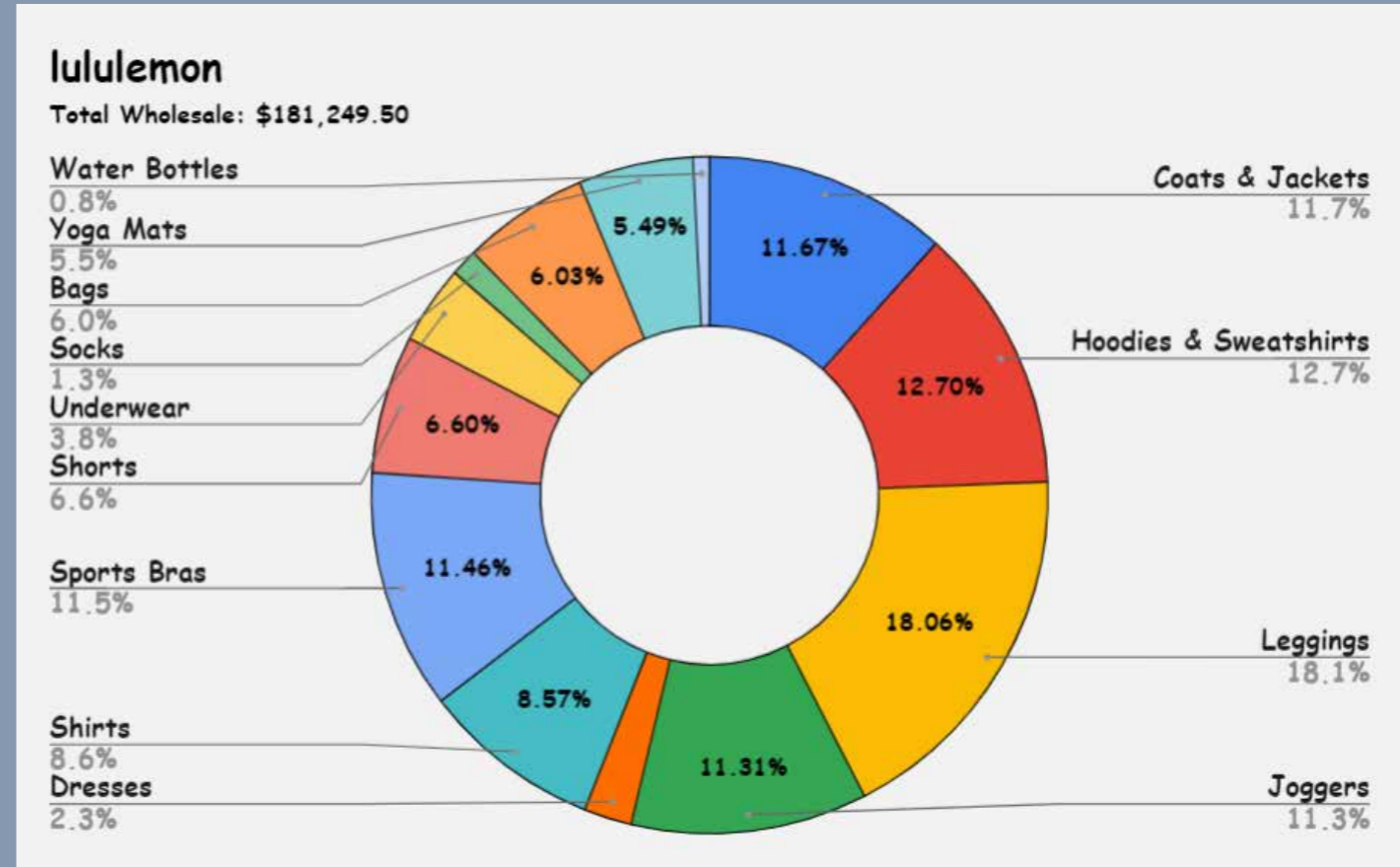
Geo Baffles

Recycled polyester for the insulation and shell for a fully circular design

Application: commuter, hiking, ski, cycling

6. Buying Simulation

OTB (Open-To-Buy):		
BUDGET	AMOUNT SPENT	OTB
\$200,000	\$181,249.50	\$18,750.50



7. Buying Rationale

Covid-19 has become a constant running theme and living in this covid-19 world has led to many changes in how we see life and the things that we see as important. In the face of this pandemic breakout, people are focussing more towards their health and wellbeing like never before. With the world still in self-isolation and quarantine mode, consumer priorities have move towards home fitness as they adapt to a life without gyms. For this year, most of my buying was focussed more towards products such as: leggings, joggers, shorts, sports bras, and yoga mats that are appropriate for fitness. I also bought more hoodies and sweatshirts, as comfort wear has become major for consumer during Covid. In terms of sizes, a majority of the product items were bought in small, medium, and large as these sizes are typically what lululemon buy.

Throughout my purchases a majority of the products I bought consist of sustainable and renewable materials. These materials are classified as recycled fibres, renewable or regenerative fibres. On the lululemon website the brand shares their goals in innovating more sustanable materials and for evolving towards circular products. Products with sustainable materials have been written in green.

Categories:	Items	Wholesale	Retail
Coats & Jackets	418	\$21,146.00	\$84,584.00
Hoodies & Sweat-shirts	708	\$23,027.00	\$92,108.00
Leggings	1204	\$32,728.00	\$130,912.00
Joggers	646	\$20,491.00	\$81,964.00
Dresses	100	\$4,155.00	\$16,620.00
Shirts	950	\$15,527.00	\$62,108.00
Sports Bras	1076	\$20,771.00	\$83,084.00
Shorts	704	\$11,959.00	\$47,836.00
Underwear	600	\$6,806.00	\$27,224.00
Socks	332	\$2,354.00	\$9,416.00
Bags	422	\$10,921.00	\$43,684.00
Yoga Mats	510	\$9,945.00	\$39,780.00
Water Bottles	136	\$1,419.50	\$5,678.00
Grand Total:	7806	\$181,249.50	\$724,998.00

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