

About this report

This is a comprehensive report that clarifies Lululemon’s overall brand story and the brand’s target audience. It is in the purpose to support audience profiling of a potential launch of lululemon's basketball apparel for women. It will be serving the brand to find distinctiveness within the competitive sports apparel landscape. Additionally, it can be used to guide the brand’s potential expansion into basketball and other sports product lines.

TABLE OF CONTENT

METHODOLOGY	4
AUDIENCE PROFILING	5
KEY MESSAGE MAPPING	10
LEARNING RECAP	16
FURTHER QUESTIONS TO ASK	21



Methodology



METHODOLOGY

Deductive reasoning and *secondary* research methods from credible online resources, and brand owned research resources.

RESEARCH GOALS

In the purpose of collecting data to support *new* target audience segmentation, information will be collected from the following data points, with focus on both the border sports space and basketball.

Consumer demographics are undergoing a shift - particularly among the younger groups, towards sporting goods. The advances in streaming service and technology such as Virtual Reality (VR), as well as fitness trends from celebrities and influencers, inspiring the young generations to prioritize sports. Brands will need to understand the new consumer preferences and draft age-inclusive narratives.



Current Primary Targeting

Well-educated
health conscious
women

From the age of 18-35.

As of the high quality gendered product lines and premium branding, lululemon attracts a diverse market, including established man and women, and families who have kids, considering the opportunity for subsidiary consumption within these households. Although lululemon offers gendered product lines, its brand storytelling theme has been predominantly targeting for women, differentiating the company from the competitive sportswear industry.

The Elite

Women who are being asked to manage and succeed at the tasks that make up two different realms of her life - *athletics* and *academics*.



High marketable value

This is the main target audience of the campaign. Members in this group are female student-athletes ages 14 - 25 years. They are heavily committed from approximately **36% to 70% (~20-40 hours)**¹ of their week to athletics. They can profit from their personal profile in market deals and so value factors that make them more **marketable**², such as how they look.



Stay active to live full

This group is **disciplined** and **busy** with the dual responsibilities from the academic-athletic lifestyle. They are always on the go, traveling around the country to attend sports tournaments. At times when they're not asked to show up with athletic gear, they prefer a **hybrid** style of clothing that taps into various occasions like long flights, grocery runs, and daily training.



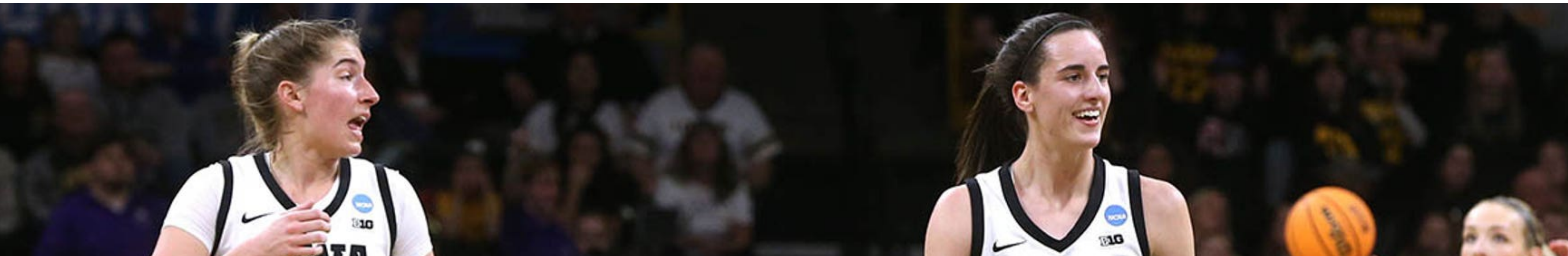
Prioritize health for success

Mental and **physical** health is instrumental for their success. While all student-athletes may experience occasional burnout, women in this group feel greater difficulty in *maintaining* mental and emotional wellbeing and **athletic performance**³. As so, they value elements that make them feel better as it can lead to better athletic performance.



Value for awareness

The freedom of expressing their **identities**⁴, explicitly with their appearance, such as dressing feminine and pretty in a game is important for them. They enjoy glory from identity as professional athletes but increasingly value social awareness outside of the 'athletic bubble'.



¹ A lawsuit against NCAA claims the collegiate student-athletes may spend more than 40 hours a week practicing. Jacobs P. Here's The Insane Amount Of Time Student-Athletes Spend on Practice. *Business Insider*. <https://www.businessinsider.com/college-student-athletes-spend-40-hours-a-week-practicing-2015-1>

² Tumin R. and Thames A. Pretty in Any Color: Women on the Court Make the Style Rules. *New York Times*. Retrieved from: <https://www.nytimes.com/2022/07/24/sports/basketball/wnba-style-fashion-marketing.html>

³ Sacred Heart University. Professor, Student Research Burnout in School Athletes. *Sacred Heart University*. <https://www.sacredheart.edu/news-room/news-listing/professor-student-research-burnout-in-school-athletes/>

⁴ Walker, N. A., & Sartore-Baldwin, M. L. (2013). Hegemonic masculinity and the institutionalized bias toward women in men's collegiate basketball: What do men think? *Journal of Sport Management*, 27(4), 303–315. <https://doi.org/10.1123/jsm.27.4.303>



The Active



Wellness-driven optimist

Members of this group are well educated. Individuals, primarily women in their 30s, who have kids prioritize wellness in their **education**². They are likely to *share* a healthy lifestyle with their **kids**³. They have a designated daily exercise schedule at an average of 1.5 hours. They move for health and for fun experiences and are willing to engage in **socially oriented** activities such as yoga, golf, hiking, and tennis. They are widely influenced by fitness trends and inspired from established public figures. While functionality itself isn't a main driving factor, Lululemon's **brand image** appeals strongly to this group.



Visionary successor

This audience leans towards lululemon's general target audience. This audience ranges from 18 to 45 years, both men and women. They live in urban and suburban areas in major cities.

They live in established households with a **middle to upper income (\$90,000 - \$250,000/year)**¹. They are fashionable and enthusiastic about an active lifestyle. They are engaged in sports but **don't** follow professional or college sports **closely**¹.



This audience are individuals who *embrace* the **fitness** lifestyle who may have had **previous** encounters with Lululemon.



Influencers and bloggers,
journalists and reporters who are
interested in sports.

The most **specific** group.

The Trendy

- ▶ This group is heavily engaged on **social media** and **offline** activities, and would be eager to cover the launch of the Lululemon apparel line for women's basketball.
- ▶ Sports influencers and bloggers skew female. Typically, the highest percentage of bloggers are **educated urban dwellers**¹ ranging in age from **18** to **30**². They're web-savvy and look for fun experiences. Influencers follow a similar range while allowing for slightly younger participants skew female, including those **18** to **24**². They value community engagement and stay up to date with social trends. Their categories fall primarily on sports, but also covers **fashion**, **lifestyle**, and **gaming**³. They mostly live in California, New York, Texas, and Florida.

¹ Kian, E. M., Burden, J. W., Jr, & Shaw, S. D. (2011). Internet sport bloggers: Who are these people and where do they come from? *Journal of Applied Sport Management*, 3(1).

² Online resource. Retrieved from: <https://influencity.com/resources/studies/the-largest-influencer-study-of-the-united-states-2023/>

³ Online resource. Retrieved from: <https://www.statista.com/statistics/1274949/most-followed-category-industry-influencer-us/>

Key Message Mapping

The main goal of this campaign is to introduce the product to and generate sales from lululemon's upcoming product launches, and solidifying its position in domestic sportswear markets. Another main goal is to elevate lululemon's perceived brand image in North America, as lululemon is currently in the transition of branding to a leader for all categories of activities and sports. With a focus in North America, This campaign will further lululemon's leadership in sports lifestyle and extend it to a border range of audiences.





Current Brand Perception

lululemon is a
yoga-inspired
athleisure
manufacturer
that provides
high quality
clothing
globally.

Desired Brand Perception

lululemon is
the sports
lifestyle brand
which offers
accessibility to
fun
experiences
for all.



Lululemon has been the leader in the 'athleisure' niche, resulting in shifts of consumer preferences from COVID.

New narrative is needed to fit in Lululemon's new strategy on the expansion of product categories in women, men, and the global market.

Lululemon has started incorporating multiple sporting needs including running and training. Customers need to be informed of this change.

More than a sportswear brand, Lululemon may highlight its distinctiveness in community engagement and helping their customers to build local connections.



Single-minded message

“Lululemon is launching its women basketball line. Enjoy the *play*.”

The intention of this message is to strengthen the brand image and raise brand awareness based on the past themes. This simply overarching message uses a neutral while inviting tone to keep it concise and informative, universally accessible. “Enjoy the play” extends its previous storytelling theme to inspire and motivate people to be more active, and appreciate basketball as an exciting sport. By remaining universally accessible, Lululemon invites all customer categories to engage with the launch. It is also important to appeal to a variety of audiences and can lend itself well to multiple forms of advertising and campaign tactics.

Lululemon has a widely recognized **brand image** as a athletic clothing provider which has unique design and established brand reputation. Consumers who have come across lululemon’s ad before may find it easier to relate the launch to this brand image, and so think it would be premium quality and unique too.

It is pivotal for the brand to help this group to refresh their memory about the brand. Customers see this message may look for more information if they are interested in both the current and future launches.



For the Elite

“From women and for women, basketball apparel that feels just right. *Expand* the field with Lululemon.”



The message highlights what the launch is to offer and the **functionality** of the clothing because this group of audience care more about the clothing itself. Terms like “women-designed” and “makes the wearer feel good”, reflecting on athletic-students’ mixed demand for functionality, comfortability, and for being **socially recognized**. This audience is well-educated and slightly more cynical of promotional ads. So, it’d be easier to reach the audience by adding emotional appeals to the messaging. By calling out women, it highlights the distinctive advantage this launch has to offer and invites demographics to elevate their dual-identities with the product offerings.

This message touches on women athletic-students’ needs from their multiple identities. Members who support **women empowerment** and feel being seen and understood may be likely to engage with the launch. Additionally, lululemon’s widely-recognized brand image itself is familiar and **persuasive**, making it easy for the members to picture themselves wearing the new product in their daily life, **reflecting** their needs to be seen and understood outside of the athletic world. Members who are convinced that lululemon’s basketball line for women would fit their needs may likely check out the product and make a purchase decision.

A photograph of the USC women's basketball team in a huddle on a court. The players are wearing white jerseys with maroon and gold accents, featuring 'USC' and their numbers. One player is kneeling in the foreground, while others stand around her. The background shows a blurred crowd in a gymnasium.

“Feeling active is a *team* play. Meet Lululemon basketball for women.”

For the Active

For this audience, it is important to **refresh** their memory about the brand, but at a slightly **elevated** level. With the main focus of driving sales in mind, this message uses a slightly more persuasive approach by including explicit emotional appeals in the first line. It doubles the overarching message by further interpreting basketball as a team play.

Members in this group are **already** impacted with a healthy lifestyle but not necessarily a basketball player. This messaging may help the demographics to **channel** their memory into a past fun buying experience, and so they may feel similar and be **convinced** to recreate the memory with Lululemon. Meanwhile, word-of-mouth is pivotal to attract this group. If this group resonates well with the campaign, they may interact with the ads and spread the news, lead a broader impact and maybe a purchase.

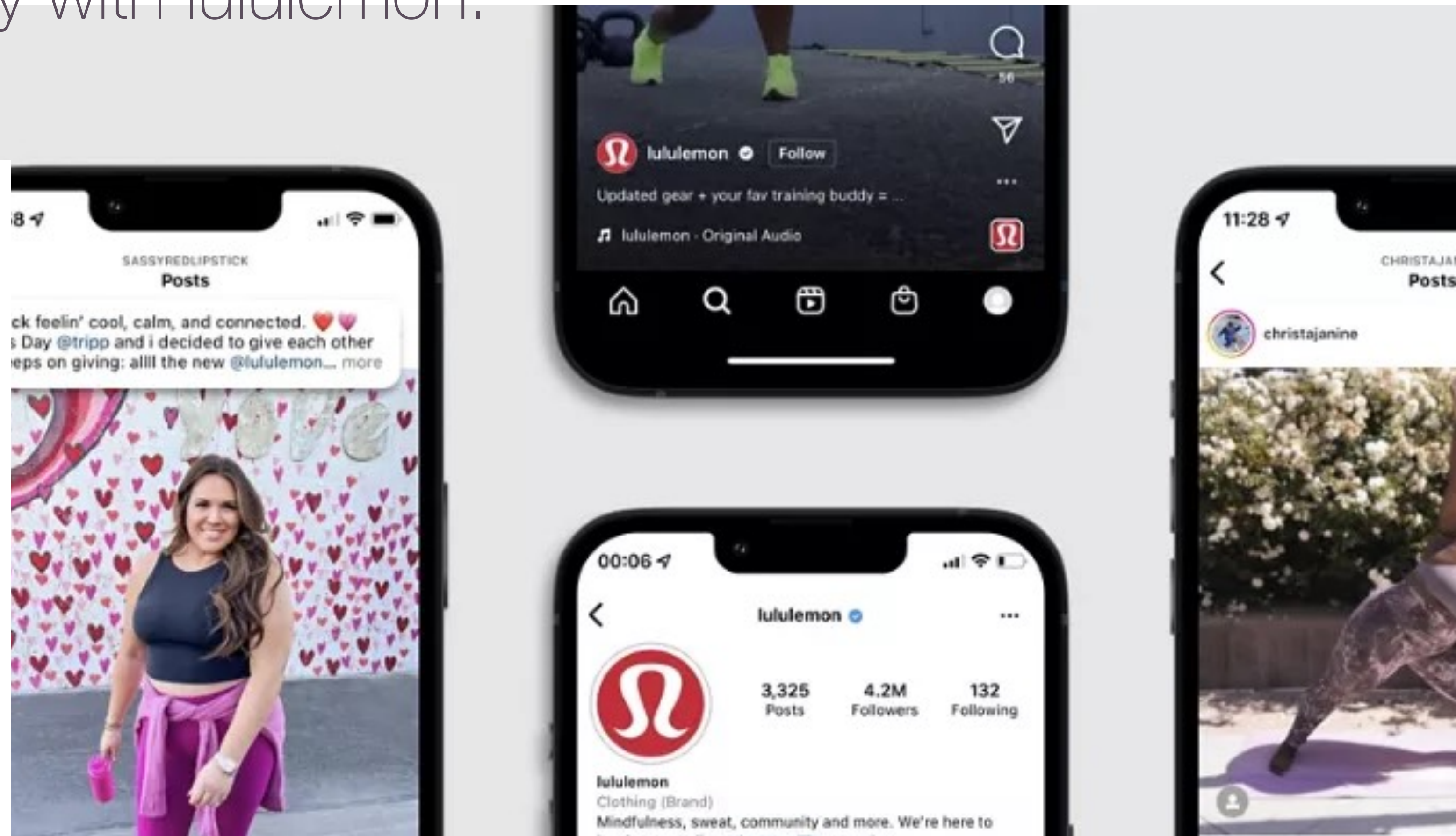


For the Trendy

“The *finest* basketball experience for women is finally here. Enjoy the play with lululemon.”

The goal of this messaging is to play up the glamor and prepare the publicity for the product launch. The message uses a straight tone and provides a **topical** perspective. It is important to incorporate the previous messaging with core information including brand name, product category, and target demographics, as this group of audience needs accurate and credible information.

Audiences in this group are in the sports and basketball niche, and so are likely to get appealed and interact with a newsworthy theme and new perspectives. If bloggers and reporters are convinced that lululemon is the next **leading** sporting apparel brand in basketball, they'll write about the campaign with that in mind. With the potential **wide impact** this campaign can generate in mind, Influencers may be likely to advocate and publish content for the campaign too.





▼

Sponsorship impact analysis

Analyze the impact of lululemon’s past sponsorships programs, such as partnership with the 2016 Summer Olympic Games men’s and women’s beach volleyball teams in Rio de Janeiro, Brazil.

This methodology would help the brand to analyze the **effectiveness** of sponsorships and optimize money allocation.

▼

Market Sizing

Investigate into the current market size for sports apparel and active wears, by sports and demographics. This would allow Lululemon to **estimate** the market size for the sports sections in general and the basketball niche.

This data point can be accessed through reports from **market research** firms like Nielson and Kantar, and reliable data provider like Statista, and internal sales data across key commercial regions.

▼

Brand Tracking

Set up metrics in the assistance from external agencies to study the **impact** of brand reputation and its product launch distribution. If needed, send internal surveys and collect feedback from employees.

Lululemon has this great opportunity as they recently launched their footwear collection (2022), and promotional campaign FURTHER (2023).

▼

Social listening

To learn more about what their target audience are talking about in order to **plan** social content and marketing tactics. This would have helped to **polish** lululemon’s communication strategies and marketing tactics.



▲ Jonquel Jones, the W.N.B.A.’s most valuable player in 2021, expressed her concern on the beauty contest in sports in a Twitter post.

Focus Group

The purpose of a focus group is to **amplify** the survey results. This method includes a few focus groups and interviews with lululemon's consumers, and potential new targeting for the basketball launch.

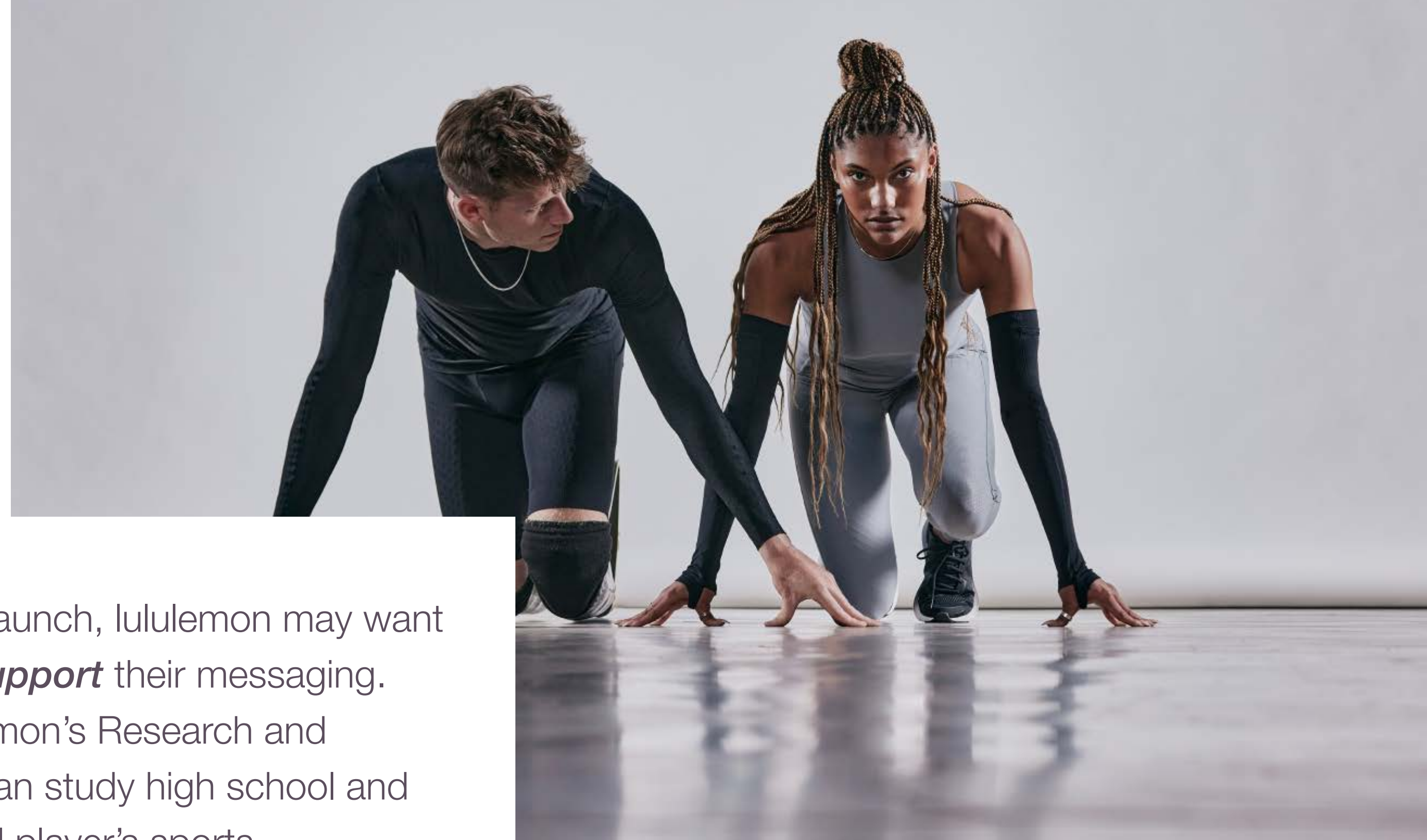
A list of potential demographics are:

- Consumers from lululemon's key commercial markets and locations
- Participants to lululemon's offline activities
- Registered ambassadors and influencers

For this specific product launch, lululemon may want some scientific facts to **support** their messaging. Professionals from Lululemon's Research and Innovation (R&D) studio can study high school and college women basketball player's sports performance on designated scenarios and metrics, including the color of the clothing, the performance in different times of the day and environment, etc.

Below are the participants' profile:

- High school and college students from major sales regions
- Student athletes representatives from North America, the United Kingdom, Canada, Europe, Asia and Australia.



Secondary research is essential for Lululemon to understand the previous *failures* and *success* of the company's product and campaigns, the macro and economic environment of the niche industry, the emerging trends, and the potential transition of consumer behaviors these might bring.



Industry Studies

Follow up with credited sources such as non-governmental organizations like World Economic Forum and federal agencies like the U.S. Securities and Exchange Commission (SEC). By updating with latest news and issues, and data reports, lululemon could predict various stakeholders' needs and better react to the markets.

Another form of industry study for Lululemon is looking into **research papers** to seek scientific support on how athletic apparels can motivate or influence the behaviors and performance of student-athletes and sports enthusiasts. Below are some potential topics the company might referred to:

- A study on how motivation and self-perceptions influence student-athletics emotions, cognitions, and behaviors (University of Texas at Austin, 2008).
- An investigation on how basketball can present a wide range of potential applications in society and studies on how to improve basketball players performance. (Central Queensland University, 2019)



Media Coverage

Additionally, Lululemon might consult various **news sources**, including mainstream business publications such as NBC News and smaller, more local outlets in key sales regions. News and posts from sports outlets will also provide information to support Lululemon's research goals and offer insight into competitors in this space. To analyze the existing data on the company's popularity and brand perception, Lululemon might rely on sources from global market research firms such as Nielson and KANTAR, and reliable data providers such as Statista. The following data points offer a potential guidance for the direction of secondary research:

- Lululemon Q3 FY23 earnings report strong growth in North America (Lululemon)
- An article positively complimentary Lululemon's footwear collection with the title "The Revolutionary Event That Has Expanded What We Know Women Are Capable". (Marie Claire)
- A report from Mckinsey reports consumers prefer more accessible sports in 2024 with a 13% growth rate in basketball. (Mckinsey)
- A Gen Z survey suggests that Lululemon has been the number two favorite apparel brand spot behind Nike. (Piper Sandler)



Further Questions to *Ask*

The sportswear market niche for different age groups is full of opportunities and questions unknown. Lululemon needs to learn more about their audience to better highlight its distinctiveness.



The 3 questions provides direction for the brand to further understand the brand's storytelling approach and its *potential appeal* to the audience.

01

What are the **best** and **worst** parts that you *like* about being a basketball athlete, and why?

- The intention of this question is to double investigation on consumer behavior, and the potential drives for purchase decisions of target audiences.
- A list of elements will be given, respondents will be asked to rank them from the scale 0 -10. At the end of question, respondents will be invited to further share their thoughts in detail.
- Sample elements can be winning a game, the sense of achievement, the inconvenience of changing outfit, maintaining school and athletic life, etc.

02

What **qualities** or **traits** do high school and college women athletes *value most* in purchasing basketball apparels?

- Is it functionality, style, price, branding, consumer experience etc.?
- There can be a gap between what the brand assumes the target audience wants, and what they are actually looking for. It is important for lululemon to understand and fill the potential gap.

03

Are there any **social**, **political**, or **cultural** issues or topics currently important to the basketball industry and basketball fans that we should know *before* planning the campaign and the launch?

- Lastly, it is important for the brand to conduct in-depth investigations into potential athlete partners and the industry to prevent backlash from this campaign.
- For example, the use of drugs, alcohol and tobacco, drop in school, and inappropriate behaviors in the public.

