

MARKETING PLAN

FOR

Lululemon Athletica

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EXECUTIVE SUMMARY

Lululemon Athletica is one of the top sellers when it comes to athletic apparel. They are truly known for producing and distributing only the highest if quality materials, specifically for those who are active in yoga. Lululemon strives for their consumers to be able to wear and style their clothing in the best ways possible. Whether that be during fitness activities or just day-to-day life, the possibilities are endless. Lululemon has always had plenty of revenue, and many know this has never been an issue. Fortunately, Lululemon has always had consumers who believe in brand-loyalty, and truly stand by that. Price point has never been an issue for consumers who truly know Lululemon and the products they put out. There is no comparison when it comes to their quality. The main idea here is to target a larger audience in search of potential clientele. Though it may sound like a challenging topic, Lululemon's marketing team knows very well what consumers are looking for in these new upcoming products because they are athletes themselves. Lululemon will easily be able to research and identify new ways to achieve a fuller audience via social media. Social media has continuously been growing over time, which is great for companies like this. It is a fast and free way to gain more followers and consumers all by simply adding content. The possibilities are endless now thanks to social media apps.

INTRODUCTION

Lululemon Athletica is an extremely well-known athletic clothing company. Lululemon has been around since 1998 which means they have had plenty of time to grow as a company and really understand their target market. Not only have they been able to truly identify their target market, but Lululemon has also been able to closely identify what the customers' needs may be. Although Lululemon is an already well-established company, there is always room for growth. The main focus for Lululemon these days is expanding their sales towards men's apparel, all while providing the same quality and customer service they provide today. Another focus Lululemon has is maintaining the sales they already have, but also trying to increase them yearly. All of these situations can easily be changed by making small alterations to the way Lululemon markets itself and the way they approach their social media presence.

Client

Lululemon's main issue with clients' main issue would be not receiving any loyalty points / rewards for repeated purchases, exclusive discount codes, and having early access to certain products when being a loyalty member. Sales would increase when members receive incentives to actually purchase.

SITUATIONAL ANALYSIS

Currently, Lululemon is at a great standing point with where their business lies. Lululemon makes sure to always provide customers with quality products, outstanding customer service, and much more. They are constantly innovating products that are always the highest of quality. Lululemon makes sure to stay an exclusive brand by only having their products by very specific retailers. International clients also have access to purchasing these products from Lululemon because they have expanded where they ship to. Luckily for Lululemon, there is always room for growth through e-commerce and growing in the US market.

Economic Forces

Currently, Lululemon is a great standing-point when it comes to making sales. They are one of the lead brands when it comes to athletic apparel simply because of the quality they provide time and time again. Customers know the items being purchased will always be of the highest of qualities, which makes it easier for them to continue to purchase these items no matter what. Lululemon should continue to expand the places they sell at but also take into consideration where and what countries seem to best fit their needs. Lululemon must understand the type of economic system they may trying to introduce to their company. If possibly considering selling in foreign countries, Lululemon needs to understand exchange rates and how they fluctuate for that specific country. Labor costs, skill levels, business cycles, and economic growth rate are all essentials that Lululemon must gather information on before moving forward.

Legal, Regulatory, and Political Forces

While dealing with many, many other forces, Lululemon has to remember how important legal forces are when it comes to having a successful company. There are many things to focus on such as anti-trust laws, employment laws, health laws, just to name a few. Not only are these laws a huge factor to focus on, but we also have to keep in mind ways to appropriately create patterns and copyright certain things for the company. In order to keep the company afloat and at a great standpoint, all of these things must be addressed beforehand.

Technological Forces

Luckily for Lululemon, they have always been up to date with any and all technology. We all know how important technology is and how greatly it can affect your business. Social media marketing has always been a hit for Lululemon because they are constantly updating their medias. Another form of technology is the technology of innovating products. Lululemon does a great job at this because they are always creating new products or updating them. There are weekly drops every Tuesday which proves the point that there are new, better items constantly being worked on. E-commerce has also made a huge impact on Lululemon making it easier for consumers to shop. Not only can you now pick up your items at a store near you, but you can also have everything delivered straight to your doorstep. Technology has constantly been innovated and will only make continue to help expand the market in Lululemon.

Sociocultural Forces

As our society continues to grow rapidly, so does everything else around us. We notice complete differences today that perhaps we would not have been able to see before. For example, gender roles have taken a huge turn today and have almost completely been diminished. Now we see more of a turn in genders and have more gender equality. This is something Lululemon needs to pay close attention to in order to best market themselves and be able to sell to anyone. Little by little we will see Lululemon transition to this type of market. Lululemon also prides themselves on always catering to the Yoga community, which is who most of their apparel was first made for anyway. There has always been a great attitude towards Lululemon which makes it easier for them to make subtle changes throughout the years, all while still having continuous support from their consumers.

Neutral Environment

The athletic apparel industry has become more and more competitive over the years. So many new brands are constantly being introduced which puts a huge stressor on existing brands. Lululemon is aware of this and makes sure to always serve their consumers with the highest of quality items. Although price points may differ with competing brands, they simply do not match up to the quality that Lululemon provides, in and out of stores.

Competitor Environment

Competitor 1.

Nike is one of Lululemon's top competitors for a few different reasons. First off, the quality provided is almost as great as Lululemon's, however, it is not matched exactly. Nike is sold world-wide which makes it a lot more accessible than Lululemon is. They are the world's largest athletic apparel company, and it shows. Another advantage Nike has is selling footwear, which is something Lululemon does not provide for their consumers. Essentially, Nike is a one-stop shop which is the reason they remain Lululemon's top competitor.

Competitor 2.

Adidas is Lululemon's second top competitor. They have been around since 1949, which gives them a great advantage at being in the athletic apparel industry. Like Nike, Adidas is another one-stop shop and provides almost anything, apparel-wise, for their consumers. Though Adidas does have much larger revenue, Lululemon is determined to take over that spot soon.

Competitor 3.

GAP takes the third spot as far as Lululemon's competitors go. One of the biggest advantages GAP has is selling under seven different brands. This means their revenue is always top tier because they make sales no matter what. Like Lululemon, GAP operates their stores mostly in the US. Both their target markets are women, however, Lululemon is more inclusive in the way that they make sure to also target plus-size women.

Competitor 4.

Sweaty Betty is Lululemon's fourth competitor. While they are a company whose price-point is similar to Lululemon's, their revenues differ extremely. Sweaty Betty has a very limited target market, but they make sure to prioritize women, similar to when Lululemon first started.

Company Environment

Lululemon is a yoga-wear company based in Canada. With 491 stores, Lululemon strives to reach out to its consumers in the best way possible. Though Lululemon is not located in many places internationally, they do provide shipping for consumers located in the UK. Having an online store has made purchasing a lot easier for their consumers as well. One of the main reasons why Lululemon makes sales continuously, no matter what, is because their own staff are actual athletes themselves. They know exactly what to look for in new products and know what items could be upgraded since they use these same products themselves. Lululemon's staff knows who to market to, and how to do this successfully. Lululemon also has a few competitive advantages, such as outsourcing, quality, and research / development. Outsourcing is a great advantage to Lululemon because they find so many products in different places such as Israel, China, Indonesia, and Peru. All of these different locations can be found on their clothing tags. As far as quality goes, Lululemon strives for perfection. They are continuously innovating and improving their fabrics. The number of fabrics they provide is another huge eye-catcher because they have over five different kinds. The possibilities are endless when it comes to Lululemon. Lastly, research and development are another huge competitive advantage for the company because of their staff also being athletes. They can provide direct intel without having to really outsource too much information. Lululemon also provides their certified fitness instructors and athletes with a 15% discount code, which is also a great incentive to continue the purchases.

SWOT ANALYSIS

Strengths

Lululemon is a company with many, many strengths that most people are already aware of. The main one is the top-quality products they provide no matter what. New styles are added weekly and are always of great quality. Lululemon knows their products are of top quality because they design everything down to the fabrics, which all have patterns. They control when and how much of their products are being produced and distributed. Store locations for Lululemon are always in some of the best areas, which gives them an advantage for sales. Lululemon remains the top athletic apparel brand for women because of this.

Weaknesses

While having many advantages, like any other company, Lululemon also has its downfalls. One of the main ones being the price point. Unless you have already purchased products from them before, the price for a pair of leggings could seem a bit extreme. Another weakness Lululemon faces is not having too many outlet stores. This hinders their growth as a company because they may not truly be reaching all potential clientele. In addition, Lululemon truly focuses on women as a retailer as opposed to combining men's apparel into the picture even though they already sell men's wear. Lululemon could market themselves a little differently in order to rid themselves of these weaknesses.

Opportunities

Luckily for Lululemon, they are a company with plenty of opportunity to grow. One being athleisure wear becoming more and more popular over the years. We are starting to see people wearing this type of clothing more versatilely, not specifically for working out anymore. There has also been huge growth in the fitness market, which is great for Lululemon as they will be able to make more sales relatively quickly. Another huge opportunity coming towards Lululemon's way is them being very sales-driven toward women, making sure all their needs are met.

Threats/Problems

Like all companies, Lululemon is currently facing some threats, unfortunately. Currently, there has been a huge downturn in the economy which affects Lululemon directly because consumers do not spend as much this way. There is not too much marketing going on with Lululemon, and it is all mostly word-of-mouth marketing. This is a threat because, again, they are not reaching potential clientele. Marketing more would help resolve this issue quickly.

TARGET MARKETS

Primary Market 1

Lululemon's current target market is young women, from the age of 18-35 years old, who are into fitness, specifically yoga. This consumer is a consumer who values health and fitness and is okay with prioritizing themselves, all while comfortably spending on quality items. This consumer would be considered being in the upper-middle class. This is Lululemon's top consumer simply because that is who they focus on when trying to make sales throughout the brand. Although Lululemon does sell men's apparel, the top revenue will always come from women.

Secondary Market 1

Lululemon's secondary market would be both male and female consumers, ranging from the ages of 18-45 years old. These consumers are likely in the middle-class, but still have steady income. Unlike the primary market, these consumers do not really focus on actually having an active lifestyle but would like the appearance of one. This consumer strives to purchase these items for more of an everyday wear.

MARKETING/BUSINESS OBJECTIVES AND GOALS

Lululemon is already a very well-established brand. When it comes to a company like Lululemon, you might stop and wonder how they can possibly try to reach more consumers, but the answer is simple. The main focus here is trying to expand as a company while reaching out to all potential clientele. Bringing more overall brand awareness is the ultimate goal for a company like Lululemon. We should be able to see an increase in sales, store / website traffic, and overall social media presence. This can be achieved by doing monthly finance and statement analysis. More social media presence can be tracked now thanks to the use of apps, such as Facebook, Instagram, and Twitter. Polls and surveys can easily be created to gain more attention and views from followers via social media apps. All of this information can be recorded and saved for later use.

MARKETING STRATEGY

A few different strategies can be put into place in order to ensure Lululemon's overall success as a company. First off, Lululemon can create more social media presence by becoming more active throughout all apps. Their marketing team will be able to achieve more presence by posting more on these apps, interacting more with their followers, and actively reposting their consumers. When consumers see they are being recognized, they will understand they are truly valued as consumers, and continue to purchase. This helps build brand loyalty. Lululemon should also consider trying to target men more on their website as well. This will help with inclusivity and not make it feel like they are only targeting women as consumers. Lululemon can also work towards creating more campaigns on television. Ads are a great way to target consumers who may not be as active on social media, or do not have access to social media.

MARKETING TACTICS

Lululemon already has one of the best researches and marketing teams we have seen from many athletic apparel companies. Although Lululemon does a terrific job at reaching their consumers, more potential clientele could be reached. They can continue with what they are already doing today in marketing, but just marketing a lot more and really pushing themselves out there in the market. This can be achieved by simply marketing and interacting more via social media apps. Lululemon is already very active with their followers on Instagram, which means it would be simple for them to continue that on other social media platforms. As many of us know by now, Lululemon's staff are also athletes who can easily understand the needs and wants consumers may have. This is a huge advantage for Lululemon, and they should be able to take advantage of this to its fullest extent.

Product

Currently, Lululemon needs to work on the way they truly market themselves. As technology develops, so should the way that we choose to market. Luckily there are plenty of social media apps that can be used to catch our consumer's eye and reel them in. Some of these apps are already in use, which means they just have to make sure to make their social media presence a lot more known.

Place

The place where Lululemon would market themselves more in order to reach all potential clientele is simple: social media. Facebook, Instagram, Twitter, and now TikTok have all helped businesses continue to grow. Actively posting, reposting, and interacting with followers is a great way to continue to grow engagement with others. The trick these days is to post continuously, rather than every once in a while.

Price

Luckily for Lululemon, the use of social media apps is completely free. All they need to do is download the app onto their phone or computer and have complete access to these apps. Making these accounts is simple, the main focus is interacting with followers in order to best showcase all products accordingly.

Promotion

Lululemon will advertise more on social media apps by uploading more pictures of products, consumers in their products, and more videos. These videos will display consumers actually being active in their products, and they will also be able to upload 60 second videos of new products they have coming up. Along with all of these posts, Lululemon's marketing team will ensure to add hashtags to all posts in order to increase engagement from all consumers. The more hashtags being used means the more people who are likely to come across that specific post. A great addition to using social media apps to gain a larger audience is the fact that there is a tab where companies can see what times of the day followers are more active. This helps with knowing when to post more content. Of course, word-to-mouth is one of the biggest ways to promote a company, but when it comes to a well-established company like Lululemon, there is always room for improvement.

EVALUATION, IMPLEMENTATION, & CONTROL

This section should describe each of the recommended tactics in the previous section in further detail by listing who will be responsible for execution, the projected cost, the duration of the activity, and how it will be evaluated. All activities should be included in a Gannt chart in the appendix.

Activity 1

Person Responsible:	Research and Development Team
Duration (in weeks):	After 3-6 months of new plans / must go over every 2 weeks once in place
Budget/Cost:	N / A
Performance Evaluation:	How well new plan is working / have more consumers been gained

Activity 2

Person Responsible:	Marketing team
Duration (in weeks):	After Research & Development team review their part / will meet once a month to brainstorm on new ideas to best market Lululemon
Budget/Cost:	N / A
Performance Evaluation:	Will track follower growth, content interaction growth, and sales growth with new marketing plan in place

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