

The Marketing Strategy of Lululemon's Men's Shoe

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Abstract. Following the epidemic, there has been a noteworthy movement among Chinese consumers toward valuing health and sustainability, which has had a big impact on the sports sector. This increase in health consciousness has forced firms to modify their strategies to match changing consumer demands. Lululemon, an international sports brand, recently entered the men's shoe sector as a strategic move to expand its consumer base. This paper investigates the market consequences of Lululemon's entry into men's footwear and discusses ideas for further penetration of the male sportswear sector. This study sheds light on the possible benefits and obstacles of Lululemon's expansion ambitions by conducting a thorough examination of market demand, brand image, and product strategy.

Keywords: Lululemon; Cityverse; Brand Image; Market Requirement; Product Strategy.

1. Introduction

With the post-pandemic era in full swing, there has been a noticeable shift in the mindset of Chinese consumers toward prioritizing their health. This change has had a profound impact on the sports market, which is currently experiencing an unprecedented surge in popularity. Consumers are becoming increasingly aware of the importance of environmental protection. They are now more interested in brands that prioritize sustainability and place a greater emphasis on product quality and overall quality of life. Just as the sports brand market in China has reached a significant milestone in terms of wealth accumulation, the focus now shifts towards building brand culture and investing in cutting-edge research and development. These areas will shape the landscape of the upcoming market competition. Currently, the sports shoes and apparel market are experiencing a strong consumer base and excellent market conditions, with positive revenue growth across the entire industry. With the rise of e-commerce platforms, consumers now have more options to buy products, challenging brands to expand their presence across various channels.

In this scenario, Lululemon, an international casual sports brand, announced a new strategy on February 20, 2024, formally launching its first men's shoe range. Cityverse casual shoes, the men's shoe series, embody Lululemon's consistent design concept of "feeling first" and have garnered widespread acclaim since their launch. Many male consumers have expressed their appreciation for its "comfortable feet, a simple design, and being easy to match." As of March 21, the men's sneakers were selling more than 1,000 units each month on China's major online shopping app, Taobao, and they were also the top running shoe collection in Lululemon's online flagship store [1].

A multitude of academics have conducted research on Lululemon, a prominent brand in the realm of leisure sports. However, it is important to note that their research topics and perspectives diverge from those expounded upon in this article. Peng Chen studied Lululemon, concentrating on the marketing tactics used by its "Priest KOL" [2]. The study emphasized the distinctiveness of Lululemon's marketing approach in influencing individuals in his vicinity [2]. Zhou Jing conducted a study on Lululemon, focusing on how the company establishes emotional trust with consumers across four dimensions: brand positioning, retail service, health activities, and membership service [3].

Despite the existence of numerous scholarly articles on Lululemon, a comprehensive review of the literature reveals a notable dearth of literature examining the market implications of Lululemon's recent men's shoe series. Given that the launch of the men's shoe series occurred in 2024 and a mere month has transpired since its introduction, there is a noticeable research gap in this particular area.

This research aims to address the existing research gap by examining how Lululemon expands its consumer demographic and the potential benefits of introducing a men's shoe line in order to tap into the male consumer market. Through an examination of the aforementioned inquiries, we aim to address the existing research void pertaining to Lululemon, thereby offering valuable insights and reflections that can serve as a point of reference for other brands within the same category.

In order to figure out the above issue and fill the research gap, this article will take Lululemon as the research object to study the reasons why its men's shoe series can further open up the men's sportswear market and explore what Lululemon should do next to better broaden the consumer type and fully occupy the sportswear market. In the Case Description section, this paper will detail Lululemon's brand background and image, the brand's strategic moves in China, and the turnaround that led to the launch of its men's shoe collection. In the Analysis on Problems section, this paper will analyze the reasons from the perspectives of market demand, brand loyalty, differentiated competition, brand image, brand marketing strategy, etc. In the Suggestion section, this research will suggest that Lululemon further capture the sportswear market by strengthening market research, understanding the needs of male consumers, enriching existing product lines, building missionary relationships with fitness trainers, and strengthening marketing efforts for male consumers.

2. Case Description on Lululemon

Lululemon is a global sportswear brand founded in Canada. It began with its first yoga apparel store in Vancouver in 1998 by its creator, Chip Wilson, and swiftly grew into a leading brand focused on high-quality sportswear. Lululemon was founded in the yoga community and focused on providing high-quality, high-performance clothes ideal for yoga practice. The company immediately earned critical praise for the quality and design of its goods. Lululemon officially entered the Chinese market in 2013, when it opened its first store in Beijing. With Chinese customers' increasing health awareness and desire for athletic wear, Lululemon has quickly garnered popularity and love in the Chinese market thanks to its high-quality products and unique brand concept.

Lululemon initially targeted "super girls," who are between 22 and 35 years old, have a good education and higher income, and are more than ~6 years older than their parents' generation. They have the energy to invest in themselves. Lululemon was able to achieve early success by correctly targeting its target demographic based on insights on women's growing spending power. As the company grew and market demand changed, Lululemon broadened its target audience to include male consumers, building on its original female consumer focus group, and expanded its product line to cater to the male athletic market. In 2009, Lululemon made its foray into the male market by introducing a line of yoga apparel and exercise gear tailored exclusively for men. Since 2014, Lululemon has been expanding its product offerings to include a range of men's yoga sports clothing, aiming to cater to a wider range of customers in the market.

On February 20, 2024, Lululemon officially debuted the "Cityverse" athleisure footwear collection, which is unisex and can provide the wearer with good comfort and athletic performance with a simple design and great practicality. By continuously expanding the men's product line and increasing brand awareness, Lululemon has successfully reversed its original stereotype of "women's yoga apparel brand" and positioned itself as a more comprehensive sports lifestyle brand, attracting the attention and favor of a large number of male consumers, increasing purchase intention, and successfully broadening the consumer type.

3. Analysis on Lululemon's Expanding the Male's Market

3.1. Reason on Market Requirement

The consumer market for outdoor sports shoes and gear is extensive, and the emphasis on physical well-being has resulted in a growth in the number of individuals using outdoor sports shoes and clothes beyond the sports community. Based on data provided by the General Administration of Sport

of China, the regular sports participation rate in China surpassed 400 million individuals in 2016. Subsequently, there has been a consistent upward trend, with figures surpassing 445 million in 2021, despite the challenges posed by the ongoing pandemic. Hence, based on the perspective of novice consumers, the market conditions for outdoor sports shoes and gear in China are highly advantageous. With the increasing prevalence of workplace pressure and a growing emphasis on self-satisfaction, individuals are more inclined to opt for more comfortable footwear and apparel for their daily activities. Consequently, sports shoes and clothing have emerged as the optimal selection. Major footwear and apparel businesses have actively embraced the categories of light outdoor and sports fashion, thereby attracting a larger consumer base for outdoor sports shoes and clothing [4]. Based on the aforementioned statistics, it is evident that the increasing prevalence of fitness and sports-oriented lifestyles has led to a growing demand for sports shoes that are both of superior quality and functional, catering to individuals' everyday athletic requirements. Consequently, the present state of the sportswear industry is highly favorable. Lululemon has promptly addressed this market trend by introducing men's footwear, specifically targeting the market demand of male consumers seeking comfort, durability, and fashion, with the aim of expanding the consumer base.

3.2. Reason on Brand Image

Traditionally, when people think of lululemon, they often associate it with fashionable and sports-loving middle-class women, ignoring the potential male consumer base. When it comes to purchasing sportswear, male consumers tend to gravitate towards well-known brands such as Nike and Adidas rather than considering Lululemon. When Lululemon first gained popularity, it primarily appealed to middle-class girls who were drawn to its "super girl" brand image. However, this narrow focus on a specific demographic caused them to overlook potential male consumers. Recognizing the untapped potential in the male consumer market, Lululemon took proactive steps to enhance their brand image and establish a meaningful connection with male customers. As part of their strategic efforts, they introduced a range of men's shoes, among other initiatives.

Jiang et al. conducted empirical research that showed that fluctuations in consumers' perceptions of brand image had a substantial impact on their consumption process, consumption outcomes, and future behavioral inclinations [5]. Yang Yiweng et al. also conducted a study that provided confirmation of the strong beneficial influence of a company's brand image and product brand image on consumer attitudes and buying habits [6]. Xiao Kai et al. conducted a study in the apparel industry and found that customers develop a perception of value based on the brand image of online clothing retailers [7]. This perception then influences their intentions to make a purchase and their final choice to make a purchase [7]. According to Wang, the audience's perception of the brand's image varies based on their consumption activities [8]. The influence of brand image on consumer behavior is evident, and the ability of customers to connect with brand image is a crucial factor in stimulating their readiness to purchase and their actual purchasing behavior [8].

Hence, it is imperative for Lululemon to enhance its brand image, establish a stronger connection with male consumers, and actively promote brand preference among this demographic.

3.3. Reason on Product Strategy

The competitiveness of Lululemon's star items for male consumers, alongside the "ABC" sports pants series, other product lines, and established sports brands such as Nike, is not readily apparent. Hence, the introduction of the "Cityverse" men's shoe collection will enable Lululemon to expand its assortment of products, enhance its competitive edge over other sports companies, and distinguish itself in the fiercely competitive athletic shoe industry. The "Cityverse" series employs cutting-edge technology and premium materials to guarantee both product comfort and functionality. With its distinctive design and technological advancements, it appeals to consumers who desire top-notch, fashionable, and adaptable footwear products. As a result, Lululemon solidifies its position in the athletic footwear and apparel industry. Currently, the "Cityverse" leisure sports shoe series has emerged as the inaugural collection on the official internet flagship shop, generating monthly sales

over 1,000 yuan [1]. This noteworthy achievement positions it as a prospective flagship product for Lululemon. In order to facilitate Lululemon's expansion into the male customer sector.

4. Suggestions

4.1. Suggestion on Market Requirement

To gain deeper insights into the preferences of male consumers, Lululemon can distribute surveys on popular social platforms. By incentivizing participation, they can encourage more consumers to take part and provide valuable feedback. This will help Lululemon gain a clearer understanding of consumer preferences and effectively meet their needs. As part of their customer feedback process, Lululemon may reach out to customers who have made purchases to gather ratings and reviews. They value the opinions of their customers and ask for feedback on the advantages and disadvantages of their products, as well as any suggestions for improvement. As a token of appreciation, they may even offer coupons to customers who participate in the rating process.

Currently, there is a strong demand in the consumer market for sports shoes and clothing that prioritize professionalism and health. Professional institutions play a crucial role in shaping users' decision-making, as they recognize the significance of quality of life to users.

As knowledge and culture continue to hold a prominent place in society, professional institutions and experts have emerged as influential factors in shaping consumers' choices. Outdoor sports footwear and clothing brands will need to make business-related adjustments as the professional effect continues to strengthen.

Thus, Lululemon could consider partnering with reputable quality control agencies to conduct inspections of their products. This would help demonstrate the brand's commitment to high-quality clothing, boost consumer confidence, and attract a wider range of customers. By doing so, Lululemon can strengthen its position in the competitive sportswear market.

4.2. Reason on Brand Image

Today, the brand community plays an important role on behalf of the brand, such as sharing information, preserving the brand's history and culture, and helping other users. They provide a social structure for the relationship between marketers and consumers. The brand community also puts pressure on its members to be honest with the collective and the brand [9, 10].

During Lululemon's brand expansion, it could develop some strategies in order to attract many loyal fans through social marketing. Lululemon could select some KOLs from different sports fields, such as yoga instructors, runners, athletes, and entrepreneurs, to provide them with free yoga clothes and corresponding benefits and promote their brands through these KOLs in their social circles, accurately showing the brand image.

In this way, male consumers can receive coaching to grow their herbal brand clothing, and when they watch videos of sports influencers, male KOLs' recommendations can stimulate their willingness to consume Lululemon, further establishing Lululemon's male-friendly brand image.

4.3. Reason on Brand Image

Lululemon's present deficiency is in its inadequate assortment of flagship items for men's footwear and apparel, along with the absence of any competitive edge possessed by its existing star products vis-à-vis well-established sports companies. The implementation of "City Verse" versatile casual shoes is an effective tactic to gain a competitive edge for the company. In order to bolster its competitive edge, Lululemon should consider increasing its investment in research and development within the men's sportswear industry, as well as expanding its product portfolio to include additional flagship offerings.

From a supply-and-demand standpoint, there exists a double-helix promotion relationship between the professionalism of outdoor sports shoes and clothes and the user's need for professionalism. This also results in the ongoing allocation of resources towards the research and development of outdoor

sports footwear and apparel companies over an extended period, which is a crucial strategy for the upcoming decade.

Hence, it is imperative for Lululemon to persist in its pursuit of ongoing enhancement and innovation in its current product offerings. This entails the creation of sports footwear and apparel utilizing cutting-edge materials and designs, as well as the development and introduction of outdoor sports equipment to cater to diverse sports requirements and augment the brand's range of products.

5. Conclusion

To summarize, Lululemon's foray into the men's footwear sector marks a strategic shift toward diversification and growth. By meeting male clients' changing wants and interests, Lululemon has established itself as a holistic sports lifestyle brand, moving beyond its initial affiliation with women's yoga wear. This paper contains data that sheds light on the market consequences of Lululemon's development into men's footwear as well as strategic recommendations for further penetration of the male sportswear industry. However, a more nuanced review reveals both the study's benefits and limits, as well as potential pathways for future research to effectively address these constraints.

By combining existing literature on consumer behavior, brand image, and product strategy, this study illuminates the strategic significance of Lululemon's entry into the male sportswear market. Furthermore, the proposals include specific methods for Lululemon and other firms looking to capitalize on developing market trends and consumer preferences.

However, this study does have certain drawbacks. First, the study is based on a single case study of Lululemon, which may limit the findings' applicability to other companies or marketplaces. Furthermore, the relatively short time period since the launch of Lululemon's men's shoe collection may limit the depth of insights into long-term market ramifications and customer behavior.

To address these constraints and develop research in this field, future studies should take a comparative case study approach, investigating multiple businesses' tactics for entering the male sportswear market. This would increase the generalizability of the findings and provide a more complete picture of industry trends. Additionally, longitudinal studies that track consumer attitudes and behaviors over time would allow researchers to examine the long-term influence of brand activities on market dynamics.

In conclusion, while this study contributes significantly to the literature on brand strategy and consumer behavior in the sportswear market, there are still opportunities for future research to address limitations and improve our understanding of the changing dynamics in this increasingly competitive industry.

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