



lululemon

April 2023

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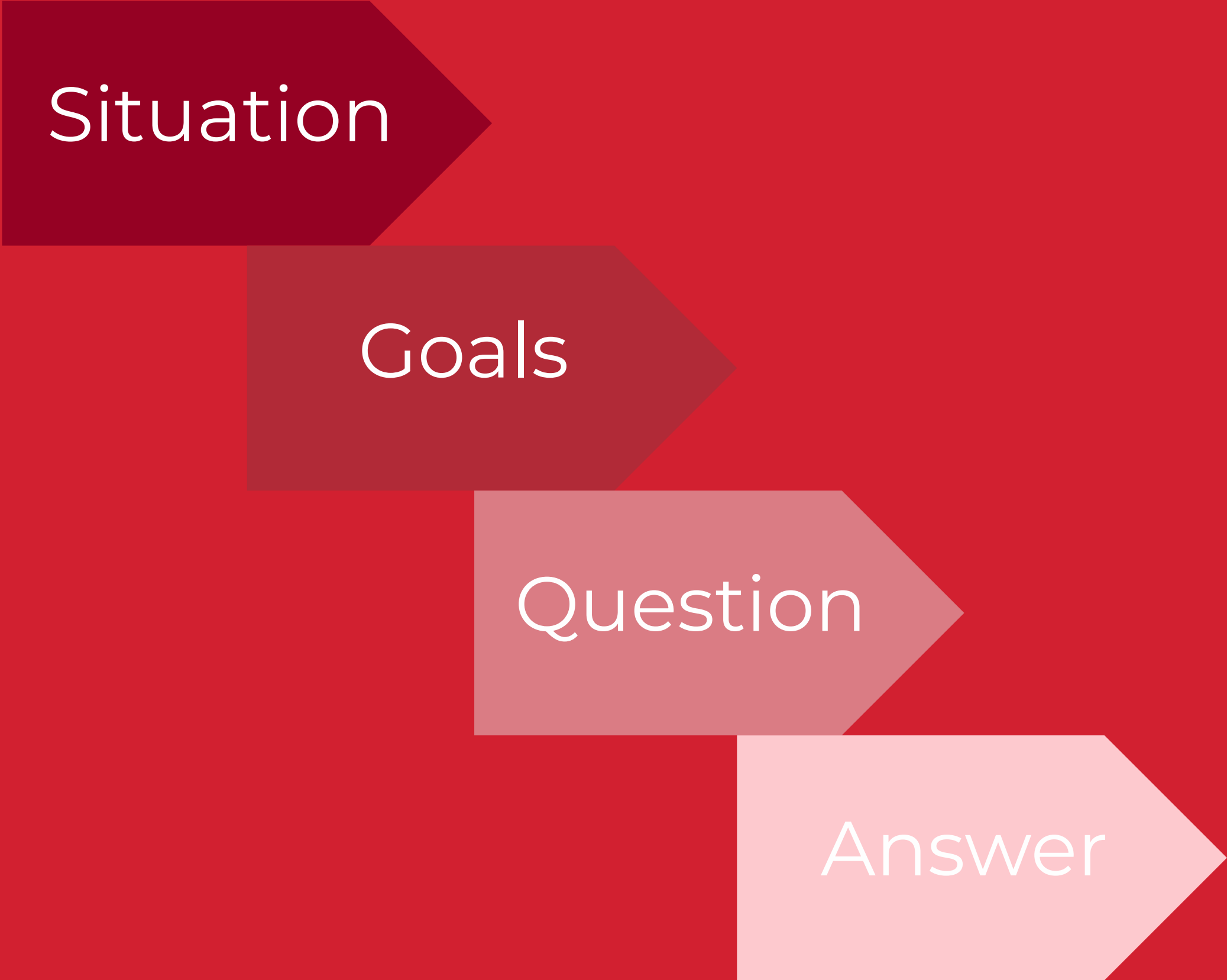
Take a Guess!

6,000,000,000

\$122,000,000,000

\$300,000,000,000

Agenda



Situation

Goals

Question

Answer

Current Business Analysis

609

Total lululemon stores

15 - 40

Ages of lululemon
demographic

70%

Percent female customers

6.2

Billion USD in
global revenue

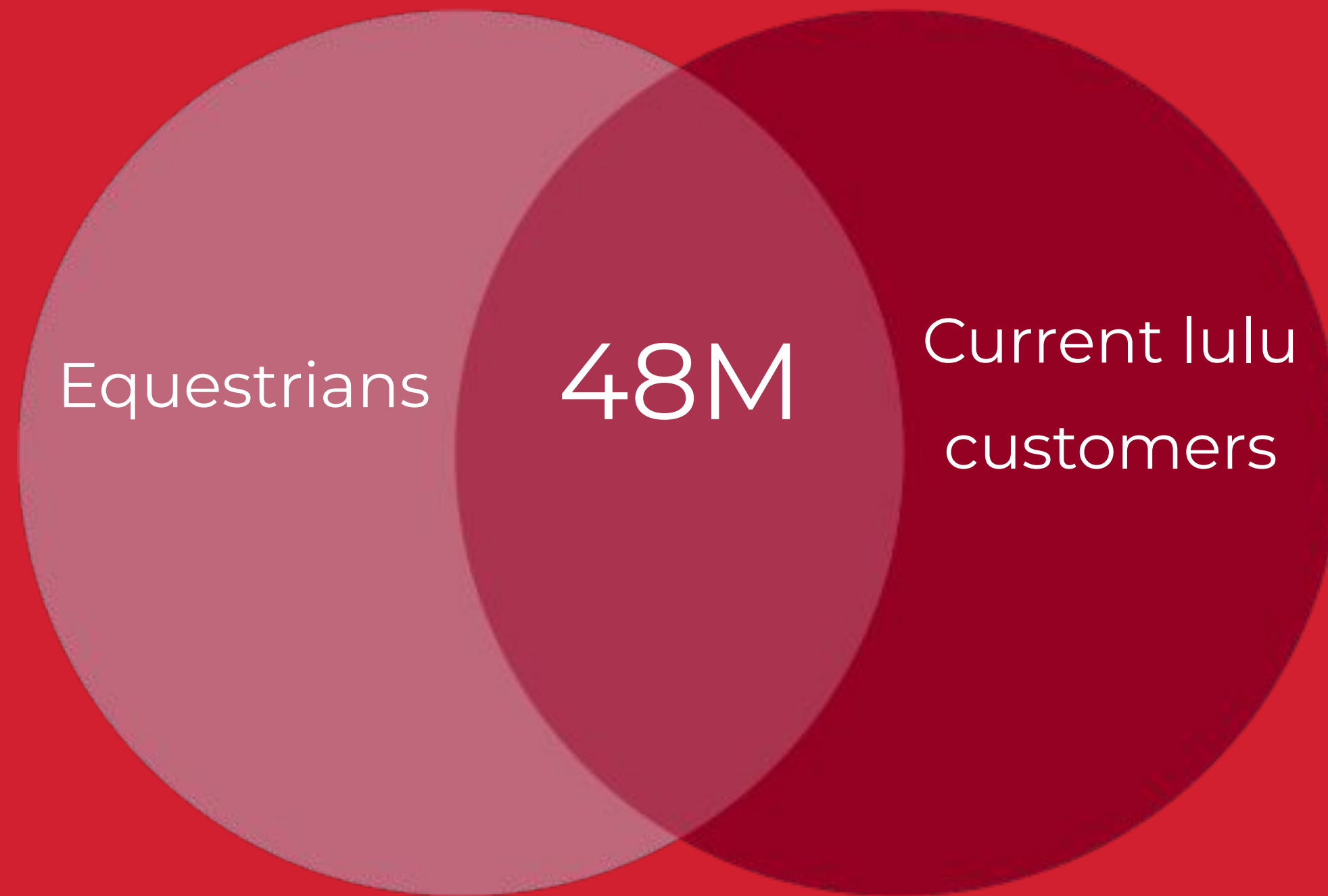
Strategy:

Valuequin

e

Strate
gy

luluequine



Survey

**Where do you
currently shop for
general athleisure?**

lululemon
Nike
Aerie
Athleta

**What, if anything,
would you change
about your current
riding pants?**

Pockets
wider size range
personalized fit
more comfort

**Would you (rider)
wear lulu riding
pants?**

90% yes

**Would you
(non-riding lulu
customer) wear
lulu riding pants?**

80% yes

Market Analysis

lululemon

Riding Apparel Industry

Popular locations

CA, TX, FL

CA, TX, FL, NY

Demographic

70% women 15-40

77.4% women 30

Spending habits

High disposable income

High disposable income

Opportunity

\$300bn

6.14% CAGR

Cultural movement

Little utility and uncomfortable

AVG 12 items/year - \$250/item

Apparel

What are Breeches?

- Riding pants that Equestrians wear
- Unisex pants
- Lightweight, breathable, durable
- Versatile design



Current Riders Face Issues



Apparel Mission



luluequine is:
A versatile apparel line
Made for daily use
Comfortable
Fashionable
Breathable

Launching with:
- Winter/Summer
Breeches
- Gloves, Vests, T-Shirts,
Jackets
- Saddle Pad

From head to toe to horse you can wear luluequine!



Winter Breeches

Price: \$170.00

Material: Poly, Nylon

Year 1 Collection



Summer Breeches

Price: \$160.00

Material: Poly, Nylon, Lycra

Year 1 Collection



Winter Jacket

Price: \$198.00

Material: Nylon, Lycra Elastane
Year 2 Collection



Summer Vest

Price: \$125.00

Material: Nylon, Elastane
Year 2 Collection



T-Shirt

Price: \$75.00

Material: Pima Cotton
Year 2 Collection



Gloves

Price: \$70.00

Material: Polyester, Nylon

Year 2 Collection



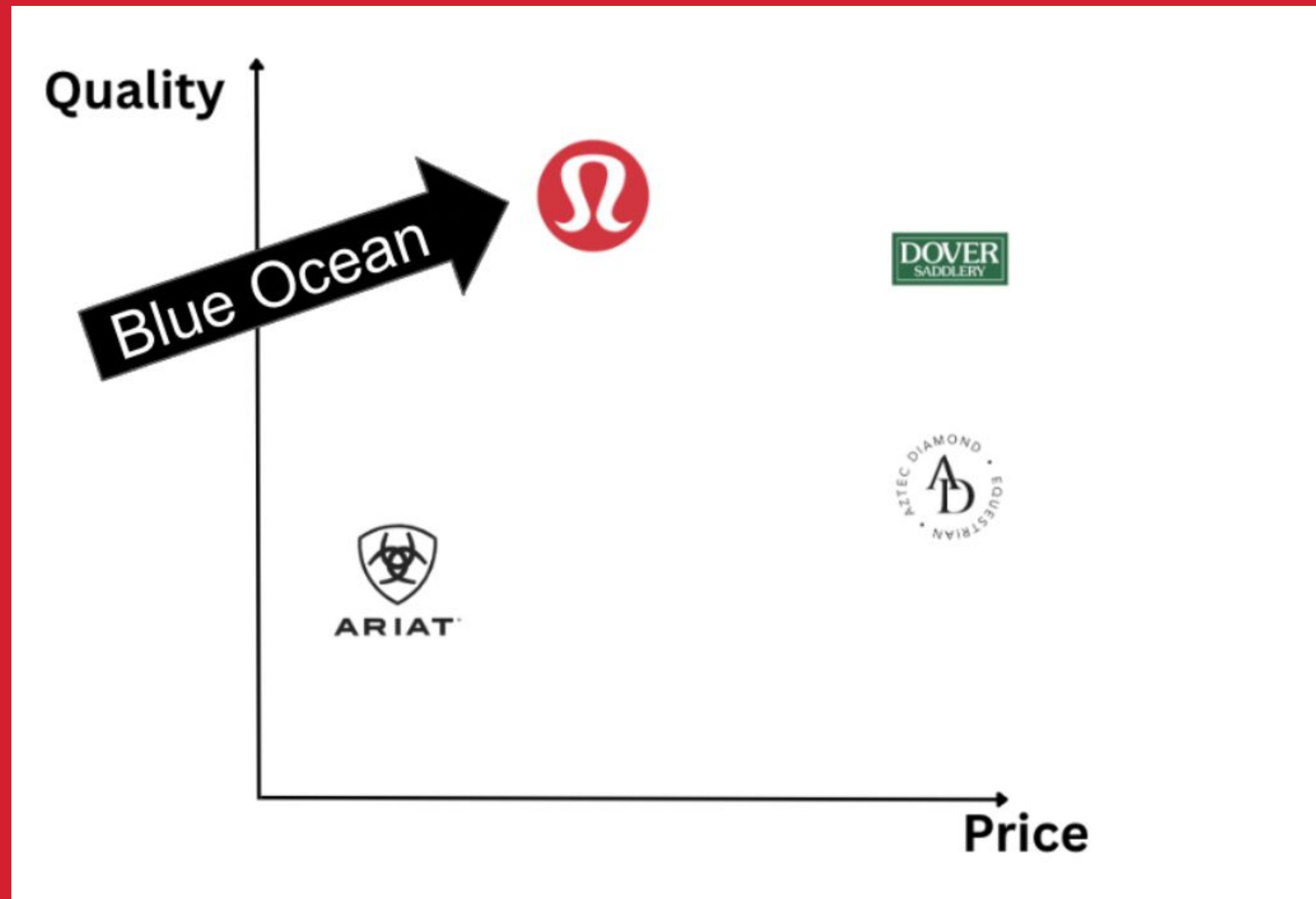
Saddle Pad

Price: \$95.00

Material: Wool, Cotton, Felt Nylon

Year 3 Collection

Apparel Industry Comparison



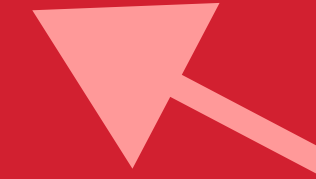
Implementation

Non-invasive, seamless
and cost efficient

Low
manufacturing
friction

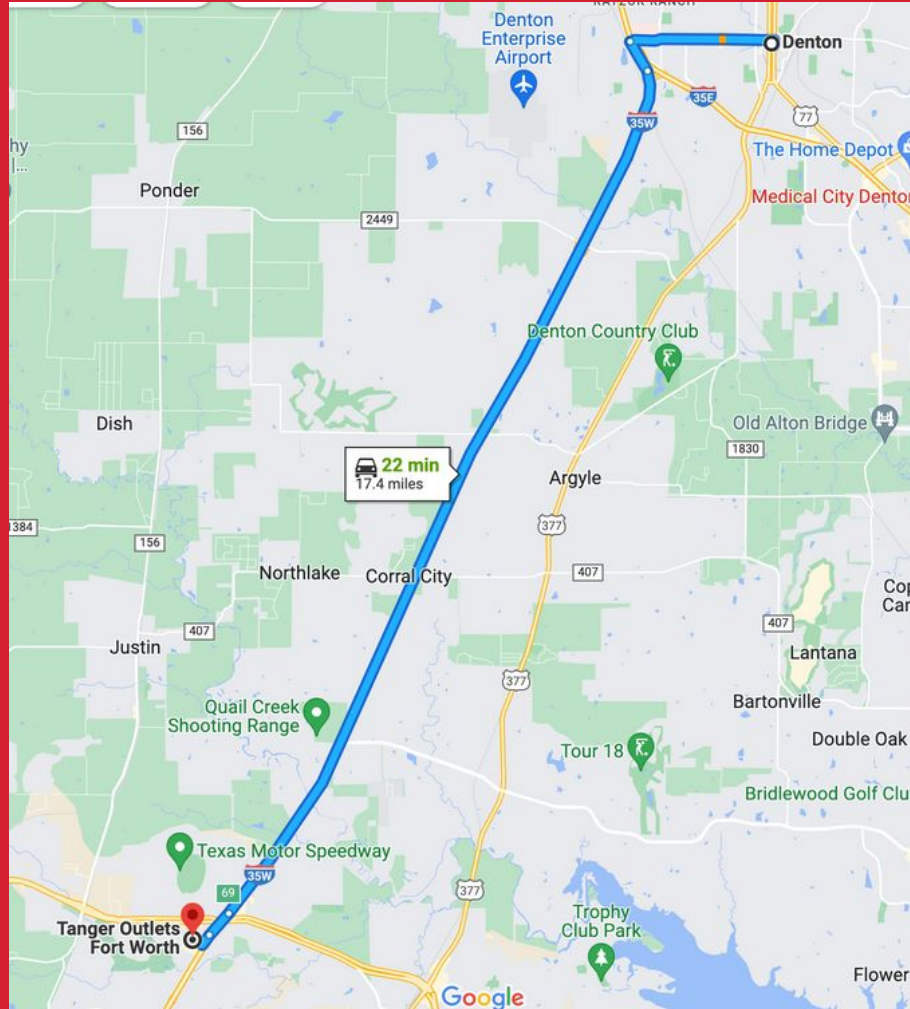
Perfect existing
customer
overlay

Seamless
implementation
into stores



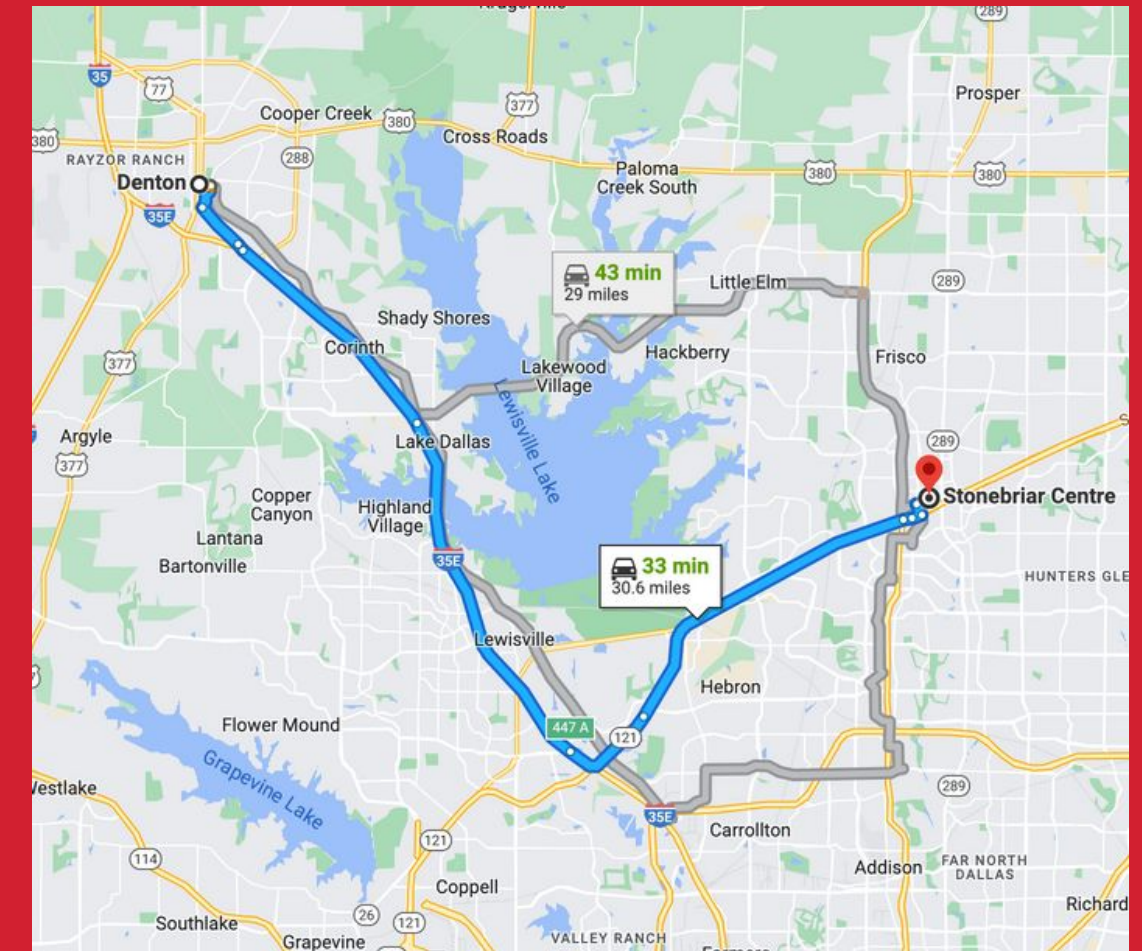
**Our Year 1 locations are in highly trafficked equine locations
that also have the current highest sales of lululemon
clothing**

Year 1: Implementations in 6 strategic equine locations



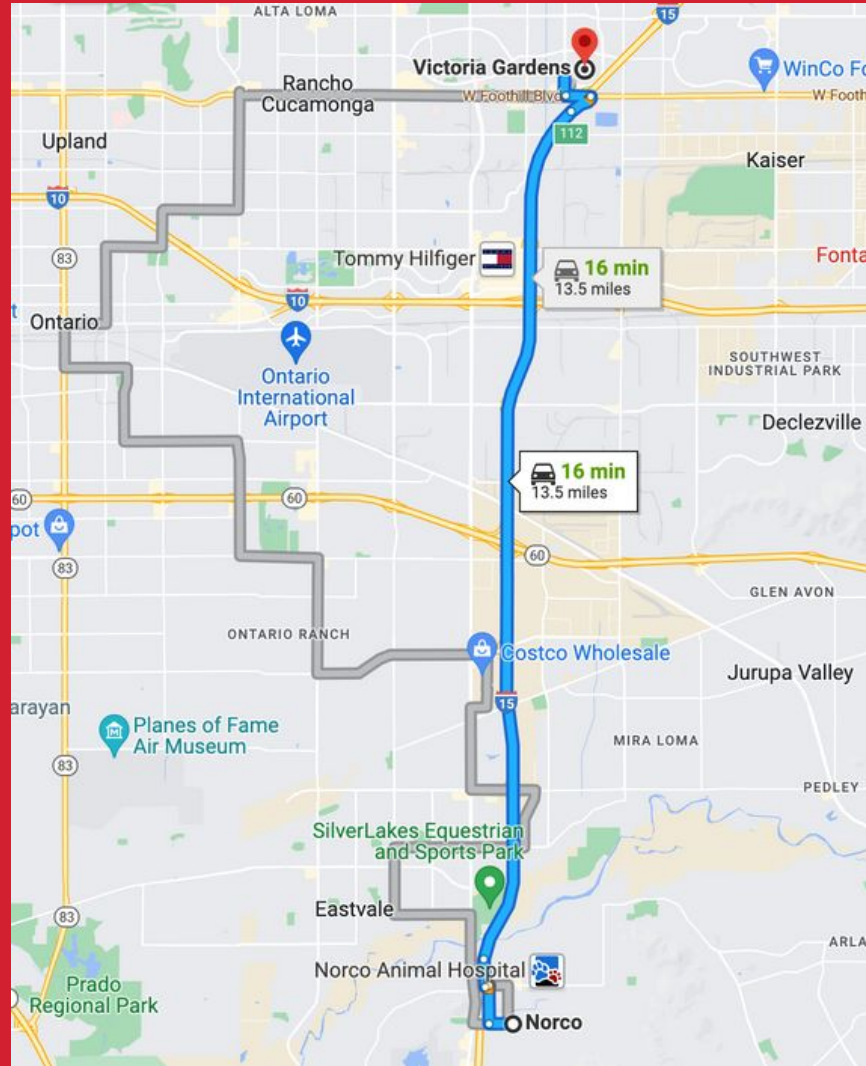
Store 1:

Tanger Outlets, Fort Worth, TX
3,000 sq feet



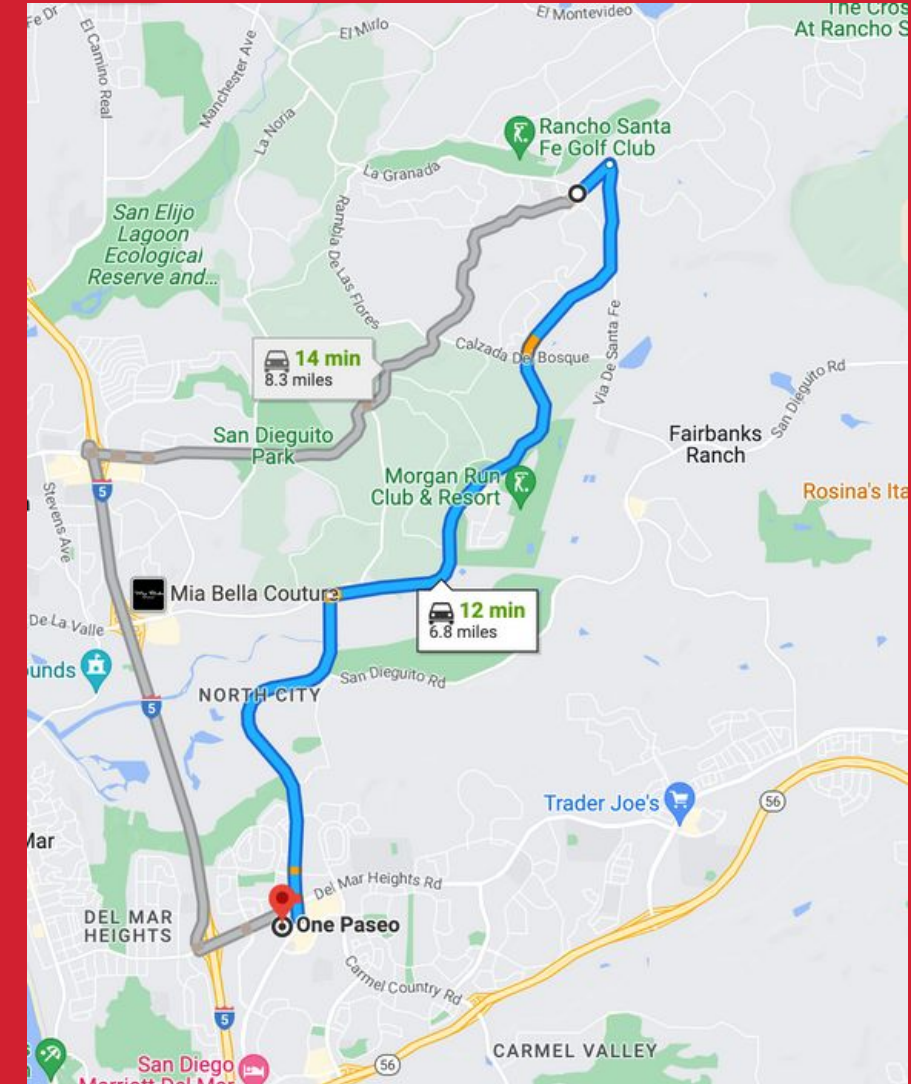
Store 2:

Stonebriar Center, Frisco, TX
3,000 sq feet



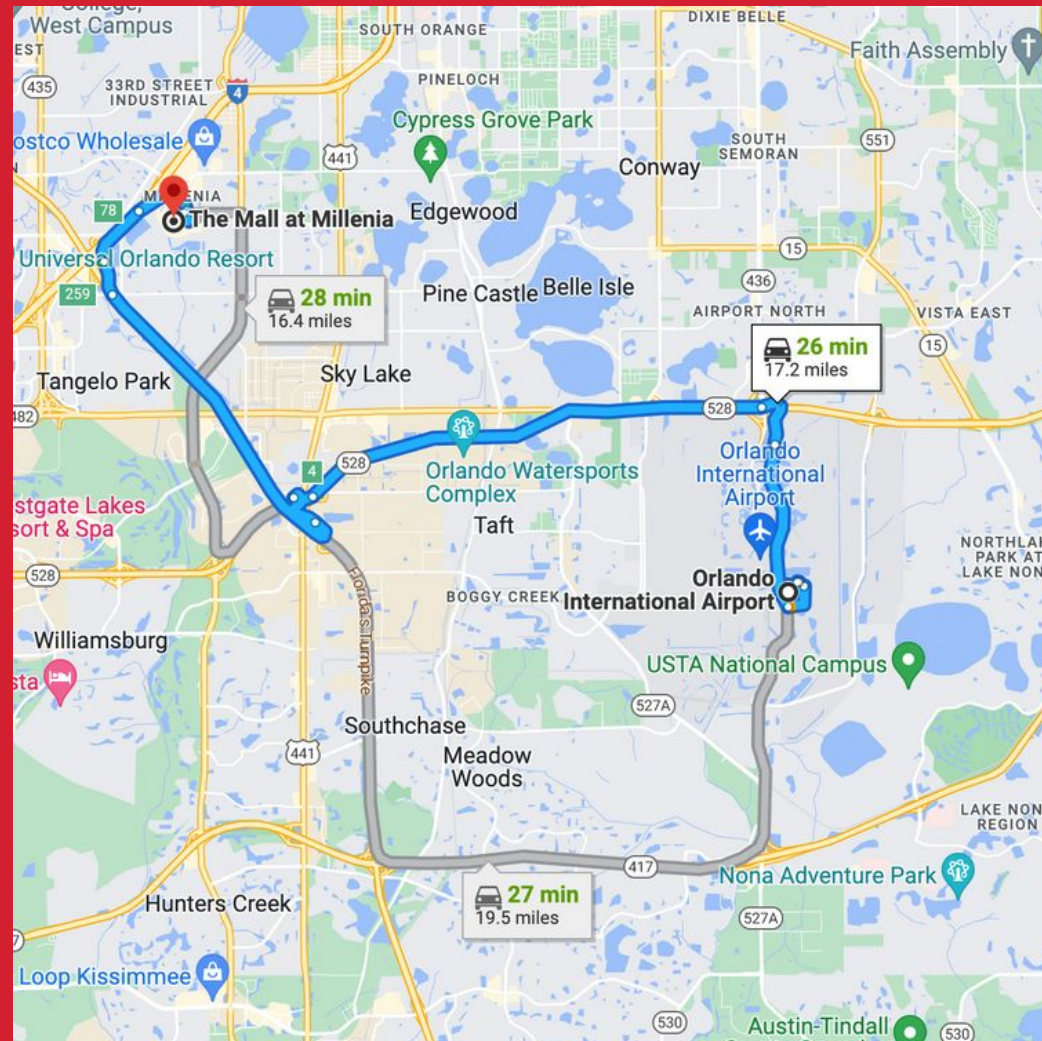
Store 3:

Victoria Gardens, Rancho
Cucamonga, CA
3,000 sq feet



Store 4:

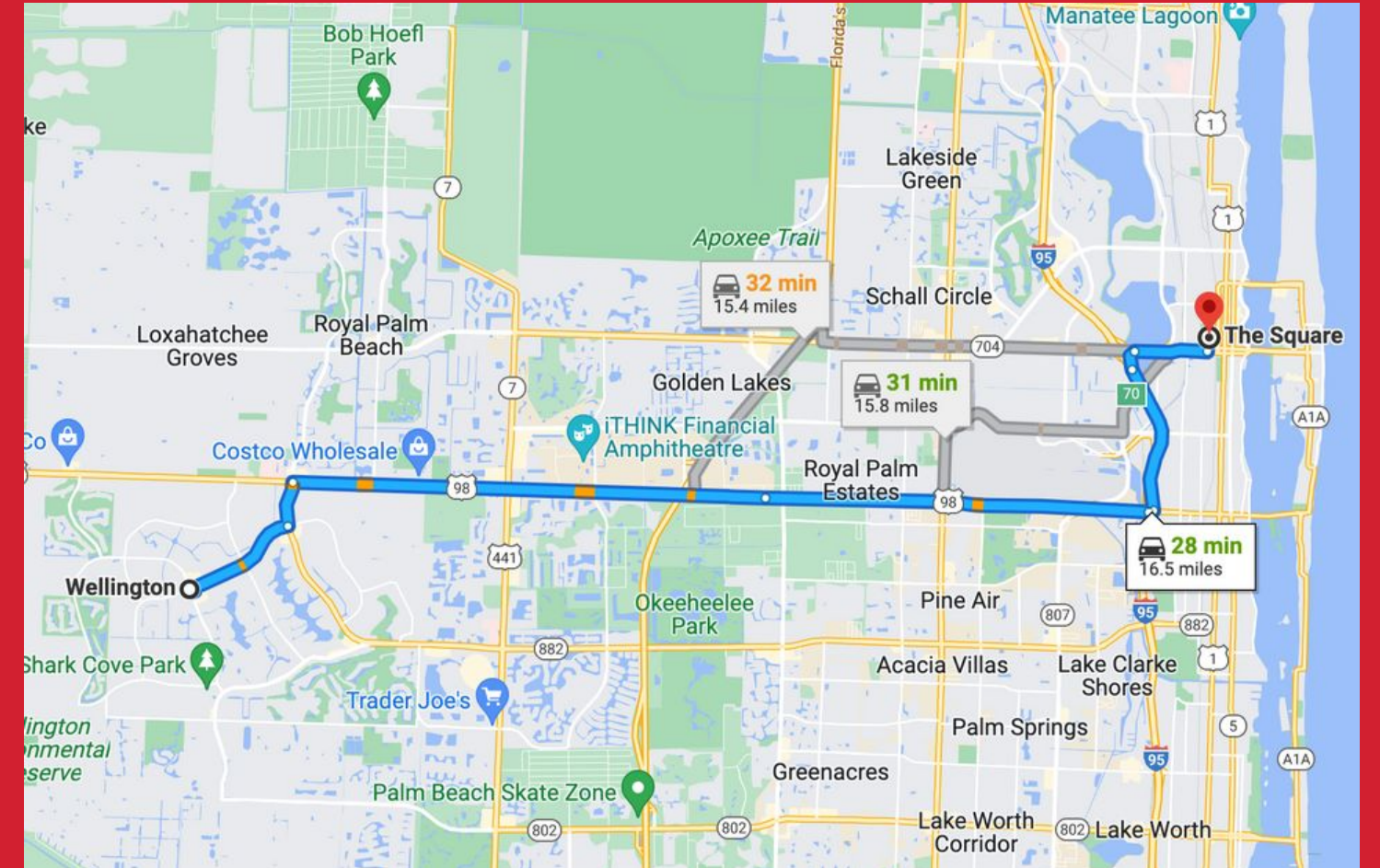
One Paseo Drive, San Diego, CA
3,000 sq feet



Store 5:

Mall at Millenia, Orlando, FL

3,000 sq feet



Store 6:

The Square, West Palm Beach, FL

5,000 sq feet

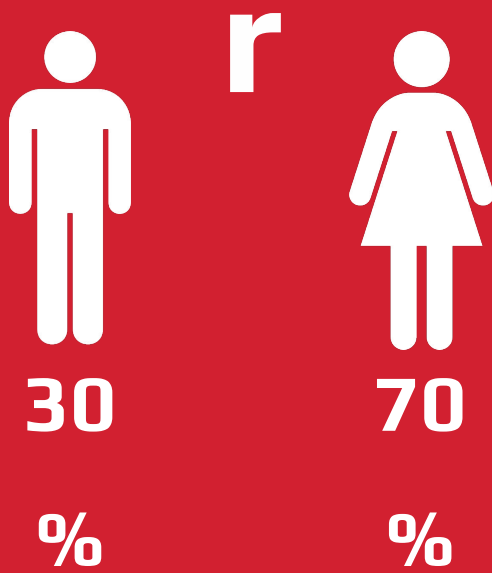
Year	Total stores with our product	Store locations	Products
2	24 Opening online store	Texas (3) California(3) Kentucky (2) Oklahoma (2) Colorado (3)	T-shirts, jackets, vests, gloves, and breeches
3	132	Pennsylvania (2) U.S. (110) Canada (12) Europe (10)	Saddle pad
4	351	U.S. (94) Canada (75) Europe (50)	-

Marketing

Customer Profile

lulu

Gender



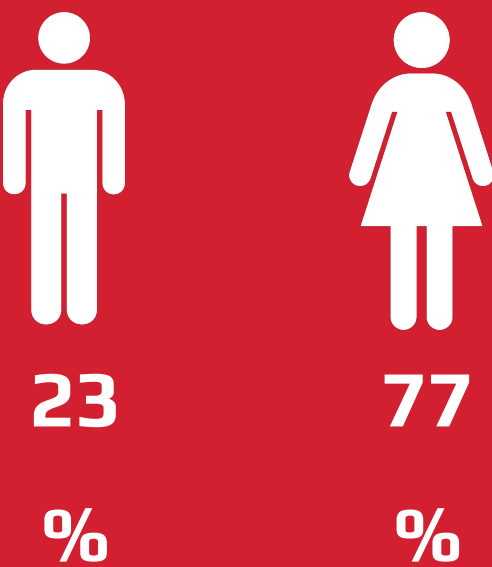
Motivation



Income



Equine



\$100,000

Customer

Persona

Meet Zoe:



- Zoe is 28
- Current equestrian
- Avg income = 120k
- Wears lululemon leggings daily and Ariat breeches at Equine practice



Meet Chloe:

- Chloe is 17
- Current lululemon customer
- Buys lululemon, workout, yoga and tennis leggings
- She loves the material for school and while working out
- Loves brand name of lulu.

Marketing Goals

Our goals with marketing will scale with our implementation strategy

Year	Mission	Goals	Execution
Y1	Testing and Feedback	Impressions and leads	Influencers & Social Media (\$400 Million budget for Y1)
Y2	Expansion into Equine Lifestyle	Mass Impressions	Sponsoring Canada & USA in the 2024 Equine Olympics
Y3	Domestic conversion to sales and testing international markets	Conversion and lead generation	Trade Shows, rodeos, and digital ads
Y4	Global conversion into sales and testing men’s interest	Conversion	CHIO, in Aachen, Germany

Strategy:
Influencers
Target equine customers

Example influencer for high conversion:

3x Olympic Medal winning rider

Youngest to win the USET Medal Finals

Competes for the US in the Olympics



mclainward.official 	11.70%	\$300	\$0.08	3.5k 	23.13 	 64% Female
Instagram	avg. engagement rate	Suggested Price 	CPE	avg. likes	avg. comments	 36% Male

Influencers for impressions:

3x gold Olympic medals in riding
Most successful rider in all of Britain's history
Competes for Great Britain



	charlotte_dujardin_cbe Instagram	3.14% avg. engagement rate	\$2,890 Suggested Price ⓘ	\$0.19 CPE	15k  avg. likes	185  avg. comments	 64% Female	 36% Male
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***Budget for sponsorships in Y1: \$100 million**

*Data from
Influence

lululemon
Sponsored · 🌐

With our pattented Nulu fabric, we come to you with our new Equine line of apparel ; soft, breathable, and reliable.



lululemon.com.hk to find out more

Sign up

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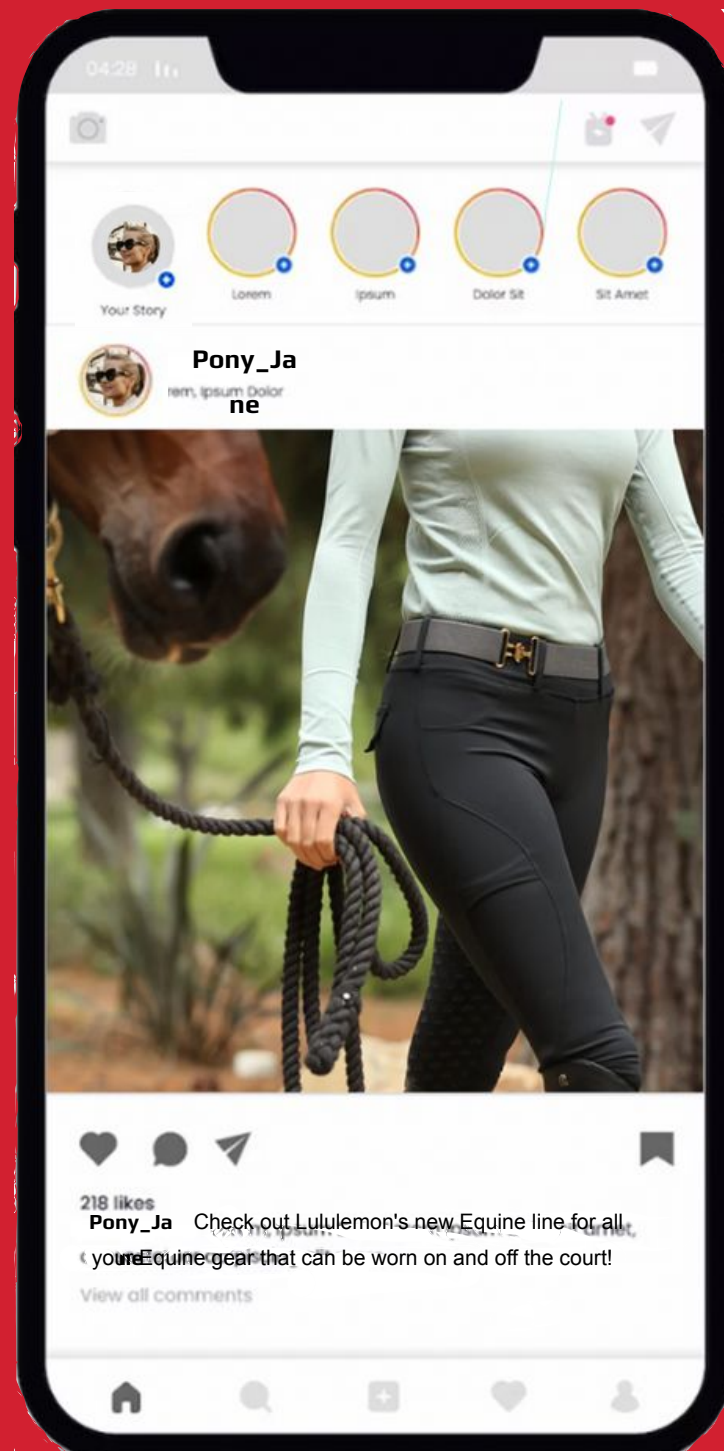


lululemon.com.hk to find out more

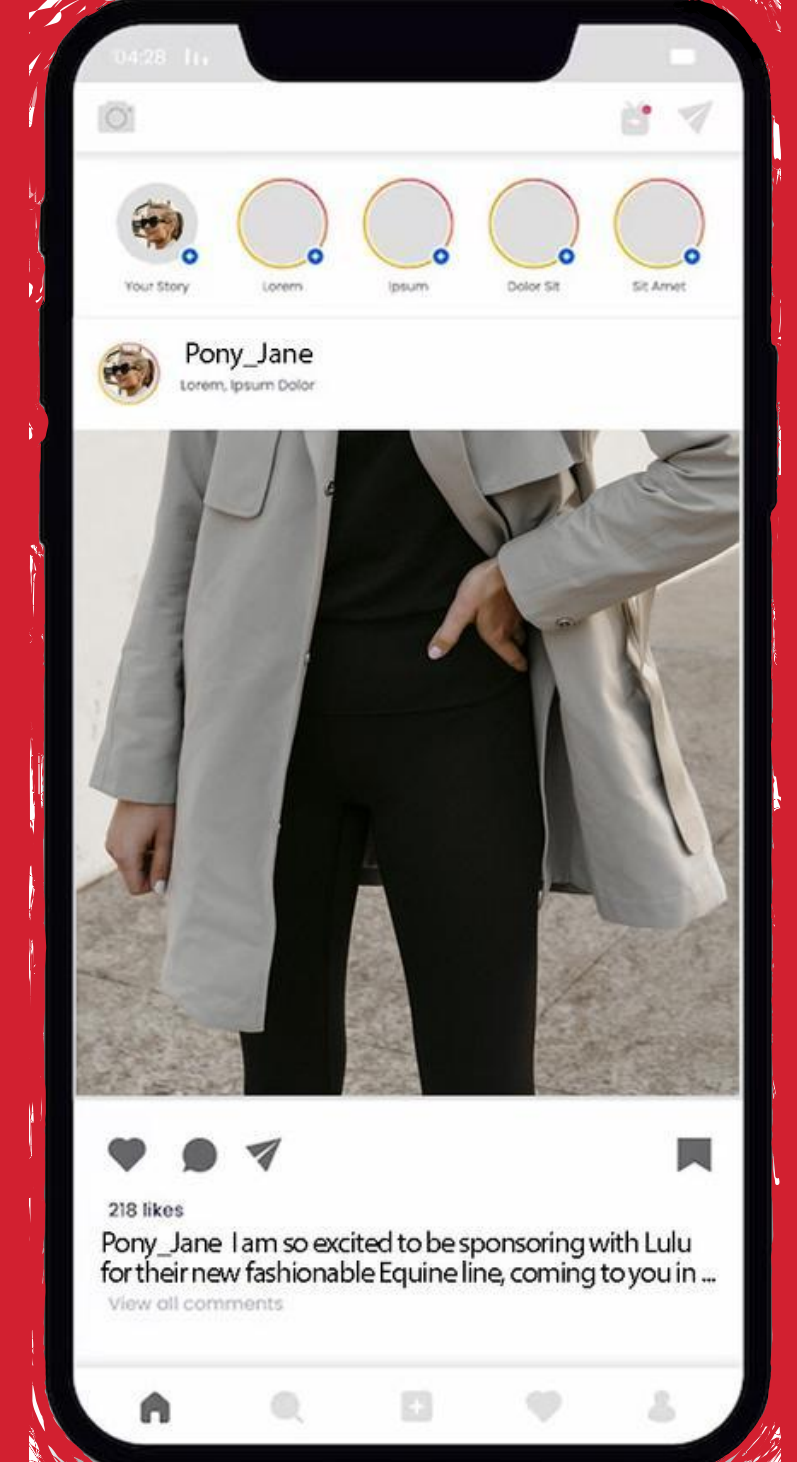
Sign up

Budget for META and Online Ads in Y1: \$200 Million

Using Community to Increase Sales



luluequine will be added to lululemon's current Affiliate Program!



Our Seasonal Events

Feb-Mar

2024 Houston Rodeo

April
+
November

**2024 Equine
Affairs**

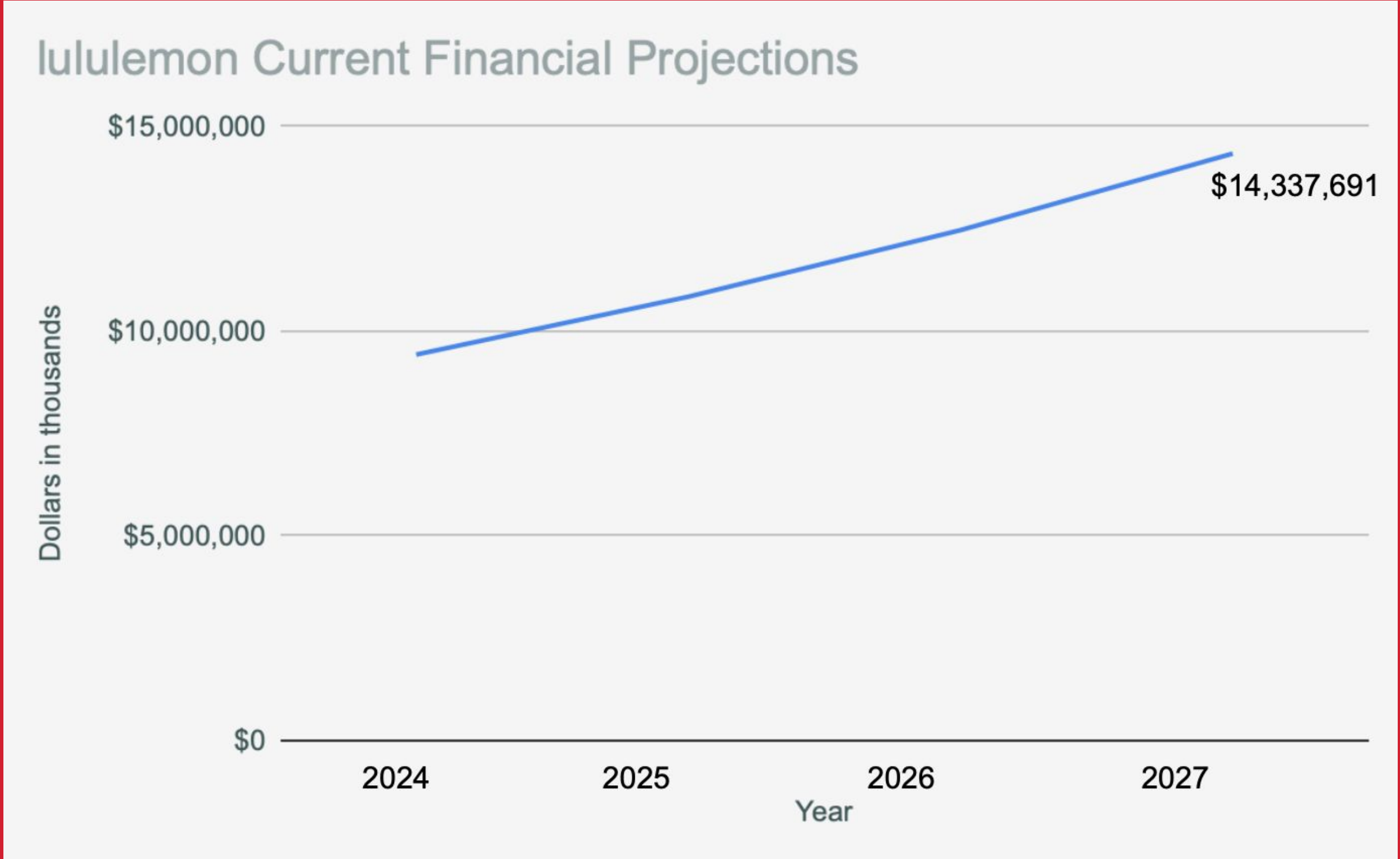
Jul-Aug

2024 Olympics

***Budget for Physical Marketing in Y1: \$100 Million**

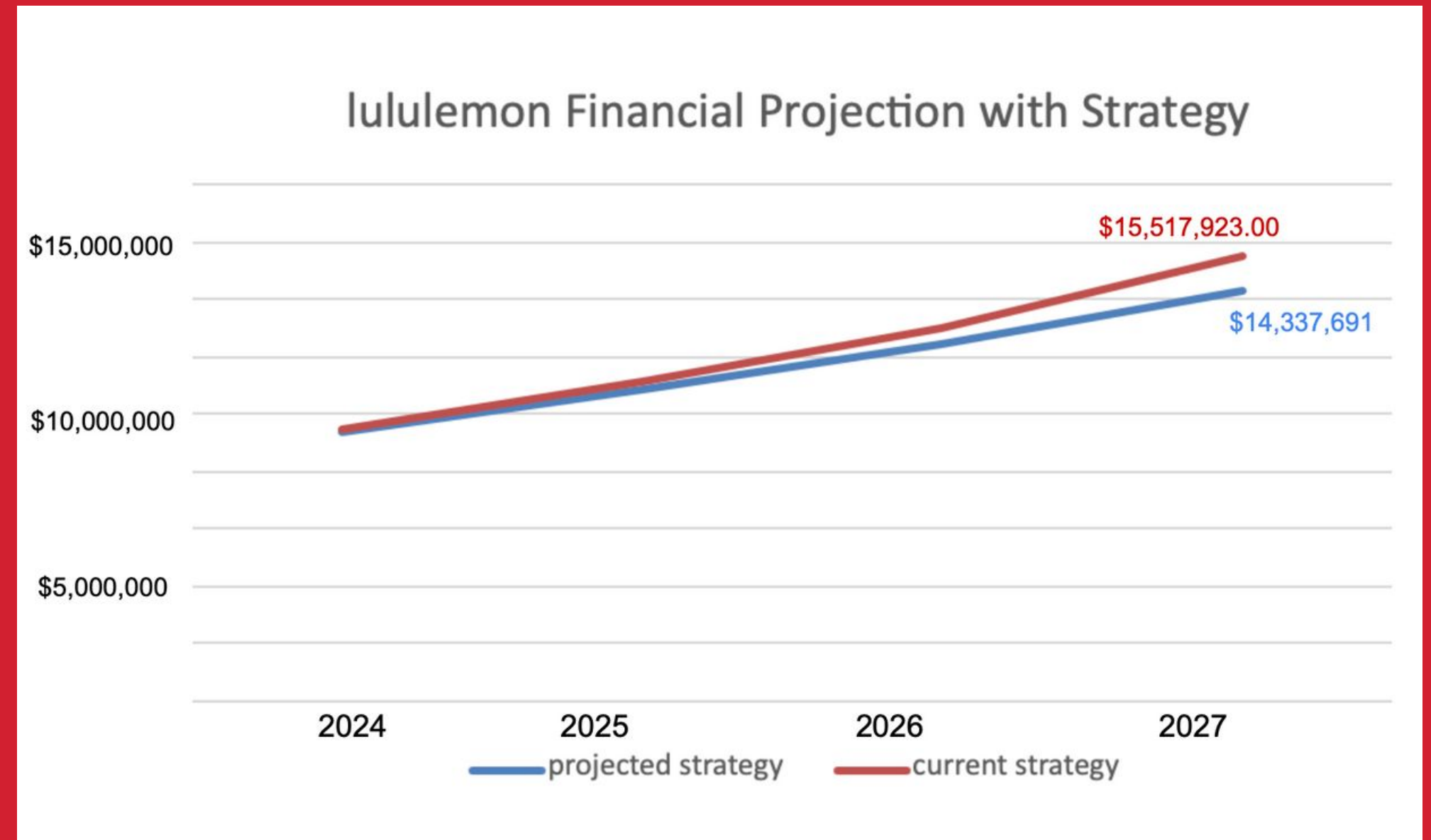
Financials

Iululemon Baseline Projections



Financial Analysis

- 1.2 Billion Dollar Increase
- 21.21% operating margin



Financial

- Total Customers: 833,750

Breakdown

- Units Sold: 7.5 million
- Average Price Per Unit: \$160
- Average Net Profit Margin Per Order: 89%
- Percent breakdown of items sold: 70% Breeches, 28% Extended Apparel, 2% Saddle Pad

Income Statement

	2024	%	2025	%	2026	%	2027	%
Revenue:								
Sales	\$9,505,264.40	100.00%	\$11,113,953.00	100.00%	\$13,026,062.00	100.00%	\$15,517,923.00	100.00%
Total revenue	\$9,505,264.40	100.00%	\$11,113,953.00	100.00%	\$13,026,062.00	100.00%	\$15,517,923.00	100.00%
Total cost of revenue	\$4,512,149.00	47.47%	\$4,842,793.00	43.57%	\$5,346,172.00	41.04%	\$6,368,906.00	41.04%
Gross profit	\$4,993,115.40	53.52%	\$6,271,160.00	56.43%	\$7,679,890.00	58.96%	\$9,149,017.00	58.96%
Operating expenses:								
SG&A	\$3,600,620.00	37.88%	\$4,400,760.00	39.60%	\$5,252,108.20	40.32%	\$5,858,015.93	37.75%
Marketing	\$2,387,722.40	25.12%	\$2,751,814.76	24.76%	\$2,910,022.25	22.34%	\$3,294,455.05	22.02%
R&D	\$580,307.00	5.42%	\$556,809.00	5.01%	\$1,628,390.00	2.40%	\$285,529.78	1.84%
Total operating expenses	\$3,600,620.00	37.88%	\$4,400,760.00	39.60%	\$5,252,108.20	40.32%	\$5,858,015.90	37.75%
Income (loss) from operations - Operating Income	\$1,392,495.40	14.65%	\$1,870,400.00	16.83%	\$2,427,781.80	18.64%	\$3,291,001.10	21.21%

Summary

- Addressing opportunities in the equine market
- Launching a functional fashion line
- Implementing into stores near equine hot spots
- Reach 1.2 billion dollars in revenue and a 21.21% operating profit margin

Thank You



Survey results: luluequine



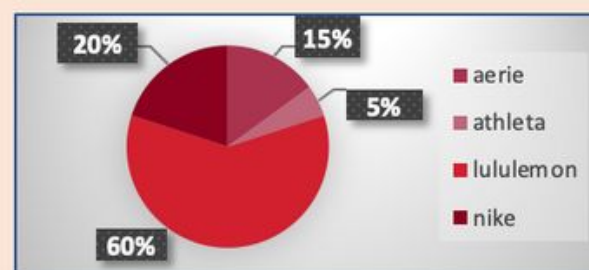
Q: I (rider) would wear lululemon riding pants

90%

Q: I (non-riding lululemon customer) would wear lulu riding pants

80%

Q: Where do you currently shop for general athleisure?



Top four answers to the question:
What would you change about your current riding pants?

1. More comfort
2. Pockets
3. Wider size range
4. Personalized fit

How many people did we survey? 100

Who did we survey? 40% lululemon customers, 60% riders

Where did we survey? Texas, California, New York, North Carolina, Florida

Price

Quality



Competitive Analysis

Situation

S

Strong revenue growth, brand reputation, and patented material

O

Strong mission statement to allow for new product launches, loyal audience base, and growing international

W

Dependence on the U.S and expensive products

T

Competitive pressures and litigations on new services

Strategy

Drivers



1. Stand out

2. Pick
a direction

3. Maintain its active
leisure brand identity

Apparel Industry Comparison



Dover / A&D only have expensive show pants that don't have daily use (\$750 average).

Ariat is a flexible brand that provides low cost pants that don't have the best quality.

We found a blue ocean where we can price perfectly for lululemon's current audience and the equine market.

While offering the best quality that have daily wearability.