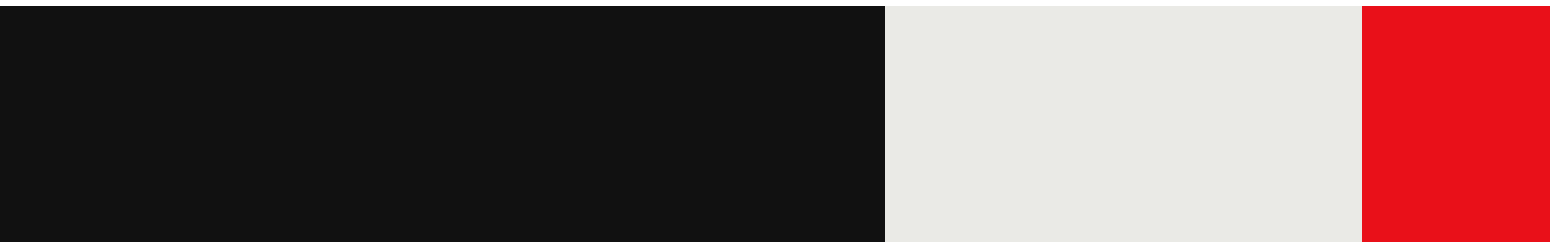



Lululemon looks outside the US for growth

Article



The insight: Lululemon athletica's international business is growing by leaps and bounds—which is helping to offset the impact of [strategic misfires](#) on US sales.

- International net revenues rose 33% YoY in Q3; comparable sales increased 25% YoY.
- By contrast, net revenues in the Americas rose by just 2% YoY, while comparable sales contracted by 2%.

How we got here: Lululemon's struggles in the US largely stem from its failure over the past few quarters to offer shoppers the colors and variety they were searching for.

- The brand is working to inject newness into its product assortment in the form of additional colors, prints, and patterns, which it sees as critical for retaining US customers and getting them to spend more.
- Lululemon expects the proportion of new products in its overall mix to return to historical levels by Q1 2025.

Lululemon is having a far easier time convincing consumers in China to purchase its premium sportswear. Sales on the mainland were up 39% YoY in Q3, thanks to a surge in interest in [health and wellness](#) as well as the brand's strategic investments in [lower-tier cities](#).

- Lululemon's sales in China surpassed \$1 billion for the first time this year, with the country soon set to become the brand's second-largest market after the US.
- Lululemon is now the third-largest foreign sports apparel player in the region, behind **Nike** and **adidas**, per Morgan Stanley.
- While other Western brands have been pulled into a price war, lululemon is going in the opposite direction: Overall pricing is 20% higher in China than in the US, according to Bloomberg, which isn't deterring shoppers from snapping up RMB 4000 (\$565) jackets and RMB 850 (\$120) leggings.

Looking ahead: Lululemon is still in the early phases of its international expansion; North America still accounts for the majority of its sales, although the bulk of the company's store openings this year will be in China as it prioritizes that market.

The brand will also bolster its European presence next year with stores in Italy, Denmark, Belgium, Turkey, and the Czech Republic, a move which should help boost awareness and add to lululemon's international momentum.

This article is part of EMARKETER's client-only subscription Briefings—daily newsletters authored by industry analysts who are experts in marketing, advertising, media, and tech trends. To help you finish 2024 strong, and start 2025 off on the right foot, articles like this one—delivering the latest news and insights—are completely free through January 31, 2025. If you want to learn how to get insights like these delivered to your inbox every day, and get

access to our data-driven forecasts, reports, and industry benchmarks, [schedule a demo with our sales team](#).