During the workshop I would like to go over the overall flow of my essay as well as tying in my argument of fitting in and being fit to the global commodity chain. I would also like to see if the distribution/advertising section is relevant enough to the global commodity chain. I would also like to make sure that my paper correctly answers the prompt and provides enough information in tracing Lululemon products from production to consumption.

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Global Culture

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Fit in and Be Fit

Lululemon, a high-end athletic retail brand based in Vancouver, Canada, has transformed the notion of the yoga-pant from an activity practiced by few into a lifestyle maintained by many. Although Lululemon is primarily known for their leggings, their products include innovative designs with their sports bras, headbands, backpacks, yoga mats and even male apparel lines. Unlike its competitors Athleta and Nike, Lululemon sustains an aura of elitism engraved within its cult-like culture. The feeling of belonging is what drives its consumers, as recognizing another’s ability to purchase a pair of $100 leggings creates fictional identities about its consumers in order to conform to a false sense of camaraderie. Consumer purchases are acts of indulgence, only performed by those who seek to present an athletic, yet sophisticated image.

The brand, Lululemon, has had an impactful influence on my life as I have consumed the brand for at least six years. I have witnessed and participated in the transition from only wearing Lululemon in yoga and Pilates classes to incorporating their articles into my everyday lifestyle wear. Whether it be the leggings, a sports bra, a hat, or even the reusable Lululemon bag given with every purchase, I consume as well as indirectly promote the brand on almost a daily basis. I even have a sticker on my laptop that states, “If life gives you lemons, pray they are Lulu,” highlighting the nature into which I invest and identify with this brand.

Moreover, the cult-like culture associated with Lululemon is definitely an aspect of the brand that appeals to its consumers. As a frequent consumer, I objectify myself by constantly wearing the brand and parading its logo around almost as a marker for social acceptance. However, Lululemon’s notion of social acceptance involves more than just purchasing its products. I would like to argue that Lululemon’s cult incorporates two aspects of fitting: fitting in and being fit.

The first, fitting in, revolves more around the belief that in order to fit into being the ideal Lululemon woman or man, one must wear Lululemon. The high functioning quality of its products and high prices attract certain consumers who wish to mold into the identity of a glorified and fashionable yet attainable being. Lululemon’s cult-like culture manifests through its consumption as consumers desire to portray a certain externalized identity. Lululemon’s founder and former CEO, Chip Wilson, described its idealized customer as “a 32-year-old professional single woman named Ocean who makes $100,000 a year” and “engaged, has her own condo, is traveling, fashionable, has an hour and half to work out a day.” The romanticized customer, Ocean, is essentially the persona consumers believe they exhibit by wearing Lululemon. In addition, Ocean represents how Lululemon consumers view and relate to other Lululemon consumers, as they all seek to portray Ocean’s lifestyle to both consumers and non-consumers.

Similarly, the idea of being fit is advertised to Lululemon’s consumers through its weekly offerings of free yoga classes inside of its stores, as well as its heavy brand promotion for an active lifestyle. As Wilson stated, the ideal customer “has an hour and half to work out day,” suggesting that maintaining a healthy, fit lifestyle is encompassed in the act of wearing Lululemon. Whether one is actually wearing Lululemon to work out or not does not seem to matter, but portraying that one is fit or is working to become fit both through physical appearance and by wearing the brand is essential to the marketed portrayal of the stereotypical Lululemon consumer.

**Tracing the Origin: Locally Based, Globally Made**

The question of tracing the global commodity chain for Lululemon has been raised as a concern as consumers inquire about the ethical and moral practices of the company. The founder, Chip Wilson, has also sparked quite a few debates regarding the policies and procedures as well as his own beliefs in competing in a global market. Similar notions regarding the social phenomena in the increasing modern consumption rate are present in Sidney Mintz’s *Sweetness and Power: The Place of Sugar in Modern History* as he delves into understanding “what makes demand work: how and why it increases under what conditions” (xxv). The demand for a product ultimately decides its production, which commences at an object’s origin at the beginning of the commodity chain.

Lululemon’s production has transformed on a global scale since its beginnings in 1998 when it first developed and prided itself as an ethical brand that locally sourced its production in Vancouver. However, due to its economic success and increasing demand, Lululemon began to outsource its production to Asia in order to reduce its labor expenses. Through various reports such as Lululemon’s 10-K form, as well as articles in Business Insider, The Wall Street Journal, and other online publications, including the Lululemon website, I have researched the connections behind the complex web of relationships as Lululemon commodities transform from objects of production to objects of consumption.

 Lululemon’s sourcing and manufacturing is dependent on numerous suppliers distributed over South East Asia, South Asia, China, and North America. According to the 10-K form, Lululemon relies on “approximately 57 suppliers who provided fabrics for their products.” Its trademarked fabric, Luon, which consists of 86 percent nylon and 14 percent Lycra, is sourced from four suppliers, while around 35 suppliers manufacture their products. With around 44% of their products produced in South East Asia, the facilities in Bangladesh and Cambodia are the primary sources for their products. However, Lululemon does not own or operate any facilities, and even uses the same manufacturers as their competitors such as Nike, GAP, and Nordstrom. In a sense, Lululemon is somewhat removed from the responsibility and accountability of its productions, however, their moral and ethics have been questioned in regards to their manufacturers. According to the Lululemon website, it operates with three cut and sew facilities in Bangladesh, as well as with three vendors in Cambodia. In April of 2013, one of the factories in Bangladesh collapsed, killing over 1,100 workers in what is known as the Rana Plaza factory collapse. Equally as concerning are the labor conditions of the factory workers reported by the Institute for Global Labour and Human Rights. The statements claimed that,

Eighty percent of the workers were young women, 18, 19, 20 years of age. Their standard shift was 13 to 14 ½ hours, from 8:00 a.m. to 9:00 or 10:30 p.m., toiling 90 to 100 hours a week with just two days off a month. Young “helpers” earned 12 cents an hour, while ‘junior operators’ took home 22 cents an hour, $10.56 a week, and senior sewers received 24 cents an hour and $12.48 a week.

The extreme labor conditions in just one of the factories which produces for Lululemon is highly concerning as well as representative of the consequences of global capitalism. The systematic issues embedded within factory labor such as human exploitation and objectification of the body as a machine to produce labor has led to labor activism as a form of resistance. The response of 200,000 garment factory workers marching in protest in Bangladesh as well as the influence of international community supporters in urging companies to sign the Bangladesh Safety Accord has called for a global rise for change. However, Lululemon addresses the incident on its website and states that,

Following the April 2013 Rana Plaza garment factory collapse in Dhaka, Bangladesh, two industry-led initiatives were created to address fire and building safety: the Accord on Fire and Building Safety and the Alliance for Bangladesh Worker Safety.

The intent of both agreements is to raise the standard for conducting business in Bangladesh, which is something we fully believe in. However, at this time, we’ve decided not to sign on to either agreement because we have already put the Accord and Alliance’s principles into practice through our Vendor Code of Ethics program.

Following the largest garment factory disaster that has occurred to date, and believing only in its policies and regulations is strategically a bold move that attempts to disassociate Lululemon with the Rana Plaza incident. Although Lululemon receives products from the factory, its lack of accountability and unwillingness to agree to two industry initiatives highlights the chief capitalist nature of the company to maximize profits.

 Controversially, in 2005, Chip Wilson supported the unethical treatment and exploitative nature of factory work at the Business Alliance of Local Living Economies conference. Wilson promoted his belief that “third world children should be allowed to work in factories because it provides much needed wages.” Wilson questioned the debate of the ethical or unethical nature of child labor, while not the most ideal situation, in a capitalists society it provides the children with a source of income. Moreover, Wilson has stated,

In Canada for instance, 99 per cent of our factory workers are Chinese women sewers. If you were to work them eight-hour days, they will be mad at you. If you only work them five days a week for only eight hours, they'll say, 'What are you doing? I don't want to work for you.' If you do only work them that much, they walk out of their shift at 4 o'clock and walk across the street to another factory and work another six hours. This is in Vancouver, in Canada.

Wilson calls into question not only labor laws and unethical practices of labor, but also the problematic issues associated with factory work. Similar to Pun Ngai’s *Becoming Dagongmei: the Politics of Identity and Difference in Reform China*, the struggle of self-identification through language, dialect, region, and ethnicity are heightened as disparities in the factory setting are encouraged in order to manipulate the *dagongmei* into creating a competitive work environment. This competitive work environment is mirrored in Wilson’s statement regarding the Chinese workers in Canada, as they are indoctrinated and conformed to believe in that a certain labor performance is expected, and without meeting that quota, they are wasting both time and money.

**Distribution and Advertising: Time to Indulge**

Following the process of production, distribution becomes a key source into a company’s profitability as marketing and advertising within the right channels directly relates to brand awareness and consumer purchases. According to Phalguni Soni’s article in the Market Realist titled *Company Overview: An Investor’s Key Guide to Lululemon Athletica,* Lululemon concentrates its efforts in three distribution channels: corporate-owned retail stores, direct-to-consumer sales, and wholesale, franchise and other channels. The following graph illustrates the increasing revenue produced by each channel at end of each fiscal year in February, showing the growing markets from 2010 to 2014 in each channel.



Moreover, through analysis of Lululemon’s 10-K report, it’s current widespread network of global operations as well as distribution facilities in Columbus, Ohio, Sumner, Washington, Vancouver, Canada and Melbourne, Australia provide Lululemon with the capability to easily transport its produce globally and adapt to changing conditions. Lululemon further utilizes “third-party logistic providers to store and distribute finished products from their warehouse locations in Hong Kong, China, and the Netherlands,” appealing to an even broader range of consumers. Since 2014, Lululemon has since consolidated its network channels into two: company-operated stores and direct to consumer, with the revenue generated by other combined in another segment. It manages 363 company-operated stores with locations in the United States, Canada, Australia, New Zealand, the United Kingdom, Singapore, Hong Kong, Germany, and Puerto Rico. The expansive network of the company-operated stores as well as distribution facilities allows for Lululemon’s high inventory turnover ratio. With the inventory turnover ratio at 4.32, Lululemon shows great ability in managing growth in their inventory levels and consistent distribution resulting in high profitability. Although Lululemon does not own or operate any of its own manufacturing facilities, the company has successfully navigated the use of its distribution facilities to cost effectively supply products to its company-operated stores.

Relationships: Lululemon and the Consumer

The idea of fitting in is one that is central to Lululemon’s consumption, as it has transcended into a brand of athleisure: athletic leisure. Athleisure, a new fashion trend which socially accepts typical workout clothes to be worn in other settings, has leveraged Lululemon’s influence as fitting in once confined to the yoga studio is now exposed to various aspects of one’s lifestyle. I have actively participated in this new fashion trend, as I regard Lululemon as a functional part of my wardrobe. While convenience and comfort definitely attribute to the rise of athleisure, the leeway for certain brands to enter into this new market has also provided not only enormous economic growth but also has redefined the social and cultural norms of lifestyle wear. In Jamie Wiebe’s article, *Psychology of Lululemon: How Fashion Affects Fashion*, she introduces a new psychological term coined by two researchers as “enclothed cognition.” The term, enclothed cognition, refers to “the mental changes that we undergo when we wear certain clothes.” Thus, the association of Lululemon as an athletic brand has psychological effects on your own physical activity. The idea that by wearing certain brands of clothing will compel you to behave in certain ways is becoming more widespread, and feeds into the idealized customer Ocean’s desire to fit in and be fit.

However, an integral component to Ocean is the privileged lifestyle that she leads as she is able to afford $98 on Lululemon’s highly popularized “wunder under pant,” $58 on a “Bend and Twist Tank” and $52 on a “Free To Be Zen Bra.” Thus, the desire to become Ocean transcends more than just the cost of fitting in and being fit, and exposes the financial cost or even burden, of all of the “Oceans.” The implicit social, financial, and cultural inequalities loaded within the brand does not only manifest among the classes within the consumers own realm, but also encompasses the realities of the factory workers, the workers at the distribution centers, even the retail employees, as all witness the inequalities firsthand. The fact that the female sewers’ monthly salaries equate to less than half of the price of one Lululemon commodity, is a systematic inequality produced by the globalization of capitalism. The rise in labor costs, as well as taxes in most developed countries, has driven out international companies as they race to the bottom in order to maximize profits. The exploitation that occurs in unethical labor processes questions our moral code as our need to fit in and compete with other businesses, overpowers our concern for the lives of others whom we are not in direct connection with. Even though commodities through this global chain provide a direct link, consumerism drives us to erase these connecting webs and reach satisfaction through purchase.

Through analysis of not only my own, but also all of current and potential “Oceans’” consumptions, I have shed light upon the social, economic, culturally, and even political implications of simply wearing a brand. The emphasis on brand marketing, brand quality, and brand retention forces society today to focus more on future consumption rather than reflection and appreciation. I have often associated the brand’s higher prices with higher quality assurance, and while that may hold true to some slight extent, the lower priced products of many other companies are manufactured in the same facilities. By linking the global commodity chain, I have realized the processes through which one of my simple Lululemon headband’s has travelled, all in the desire to please me as the consumer. The next time I feel the urge to purchase an item from Lululemon, or even a commodity that I consume on a regular basis, I will ask myself the questions, how much do I value portraying my lifestyle in relation to a specific identity and does this value equate to more than experience of producing this commodity so that I will fit in and be fit?

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