

# Former Lululemon Strategy Manager on Changing Consumer Motivations and Retail Disruption

By Kelsey Alpaio, Staff Writer

It's challenging to list all of the things causing angst for the retail sector, from Amazon to new startups to the death of once-popular malls around the country.

But according to [Lindsay Angelo](#), a former Strategy Manager at Vancouver-based lululemon athletica, all that disruption creates the imperative to think differently and take risks. (Angelo, pictured right, left the company earlier this month, and is now a growth strategy consultant)



"I think retail is going through a really interesting time right now," Angelo said in a recent conversation. "Certainly as a more established brand, there are a lot of headwinds out there. But think about how you can take advantage of that turbulence internally. For a lot of companies, it can be a great time to innovate and disrupt...It's creating an environment where innovation is not only necessary, but the appetite for change is really ripe. As innovators, using that to your advantage is powerful."

Angelo shared her take on the democratization of retail, co-creation and crowdfunding, planning for the long-term, and how Maslow's "[hierarchy of needs](#)" is different today than it was in 1943.

## TRENDS THAT WILL INFLUENCE STRATEGY, INNOVATION, & RETAIL

### The Democratization of Retail

We're seeing this trend around power, control, and trust shifting away from institutions and more towards the individual. People are trusting other people a lot more than institutions, and we're seeing business models based on that trust at a kind of stranger-to-stranger level. Like Airbnb and Uber — enabling people to be their most entrepreneurial selves. There's a lot of opportunity there.

From a competitive aspect, what we're seeing...is the democratization of retail — the long tail of competition is emerging, a host of entrepreneurs are entering the market, and the market is really fragmenting. This is creating a more competitive environment than ever before that is really

forcing innovation at a greater level and forcing people to think about “How do you break the mold and disrupt?”

## **Co-Creation**

[Co-creation] has been happening for a while now, and is only gaining momentum. I think about the Kickstarters and Indiegogos of the world. Something that they uniquely do really well is allow for co-creation, and allow for that two-way interaction, and partnership between brand and early adopter through enabling a stake in the game. Early on it was, “I purchase an early version of your product and am empowered to provide feedback where you need it.” But now we’re in an even more invested model through the Jobs Act [allowing individuals to make equity investments in new companies], and through allowing unaccredited investors to have skin in the game... That’s built that co-creation element up further.

The maker’s movement is a manifestation of the whole democratization of retail. More and more people are wanting to go the entrepreneurial route... And that is being enabled now through easier access to capital through crowdfunding platforms, the digital world, and policies. The environment is really ripe to do that. It’s easier than ever before to enter the market because barriers to entry have come down.

There’s a lot of opportunity to think about how to lean into and leverage that trend. The marketplace model is something we’re seeing growing in a huge way. Etsy has done a great job of enabling people who want to be their most creative self, and making it easy to connect supply and demand...

As an established brand, how do you leverage this host of entrepreneurs who are entering the retail space? Is it partnerships? Is it an innovation pipeline feeder? What does that model look like?

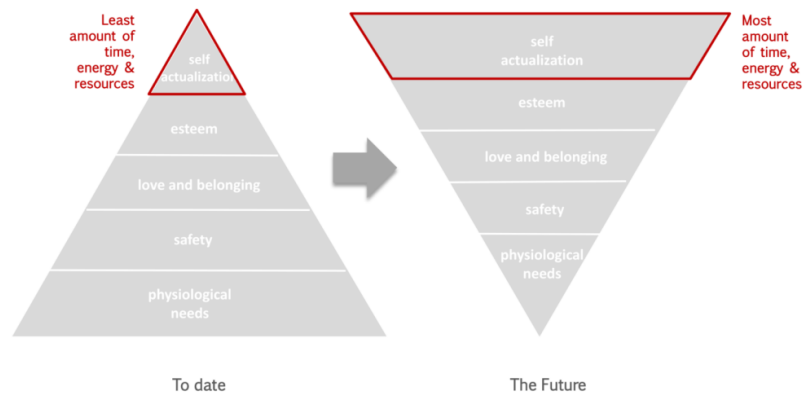
## **The Climb up Maslow’s Hierarchy**

One of the really interesting trends we’re seeing emerge is around betterment. More and more people are looking to fulfill their potential and are focusing on personal growth and purpose.

We’re starting to see a shift up Maslow’s hierarchy. If you think back to the beginning of humankind, most of our time, energy, and resources were spent on the bottom half of the triangle, starting out with “I need to fulfill my most basic needs. I need food, I need water, I need shelter and security.”

In the past 10 years, we’ve seen a graduation up to the middle of the triangle, and a big focus on fulfilling those social needs — enter the social media age and online dating apps...

In the past, they say only one percent of people have achieved self-actualization, but I think we're starting to see more and more people reach for that and really focus on "How do I as an individual fulfill my greatest potential?" And I think that can look a lot of different ways for different people. For some, that might be "I want to be my most creative self." For some, it might be "I want to be my healthiest self." And for others it might be 'I want to be my most mindful self.' And we're starting to see more and more people recognize their spending power to achieve that and grow into that. There's a desire for experiences over things, access over ownership, and a design-it-yourself lifestyle...



A huge opportunity in the future will be partnering with people to help them achieve their potential, whatever that means to them. And you can think about your value proposition in terms of how to be that partner and what are they looking for.

## HOW SHOULD CORPORATE INNOVATORS ADDRESS THESE TRENDS?

### Unconstrain from "retail" & Wall Street

Unconstrain yourself from the word "retail." I think that can help unconstrain your thinking, even from a language standpoint... It's about opening up your mind to the outside from what we traditionally thought of as retail and really thinking about, "What's the job to be done? What's your unique offering?"

I think for public companies, [you should] uncuff yourself from Wall Street. It's easy to get caught up in short-term expectations and quarterly earnings. We're in an environment now where uncuffing yourself from the expectations that are associated with Wall Street is really necessary, and can really help you focus on what really matters as a brand, and focus on your innovation pipeline and longer-term thinking. Some of the best companies out there — like Apple and Amazon — are strong in that.

### Take Advantage of Turbulence

I think retail is going through a really interesting time right now. Certainly as a more established brand, there are a lot of headwinds out there. But think about how you can take advantage of that turbulence internally. For a lot of companies, it can be a great time to innovate and disrupt...The term "scarcity is the mother of invention, and adversity is the father of innovation" really resonates, and is so meaningful right now because a lot of companies are facing both. It's creating an environment where innovation is not only necessary, but the appetite for change is really ripe. As innovators, using that to your advantage is powerful.

### Bet on the Long-Term

It's absolutely important to bet on the long-term. You need that North Star both from a focus standpoint and an inspiration standpoint... And it's more important than ever before to be agile on the course, and leave enough latitude in the vision to try on different things, to test, learn, and pivot where necessary. It's also unique to each industry. A lot of industries move more quickly than others. Retail's pace of change isn't as quick as technology's, so it's easier to bet on the long-term to some extent.