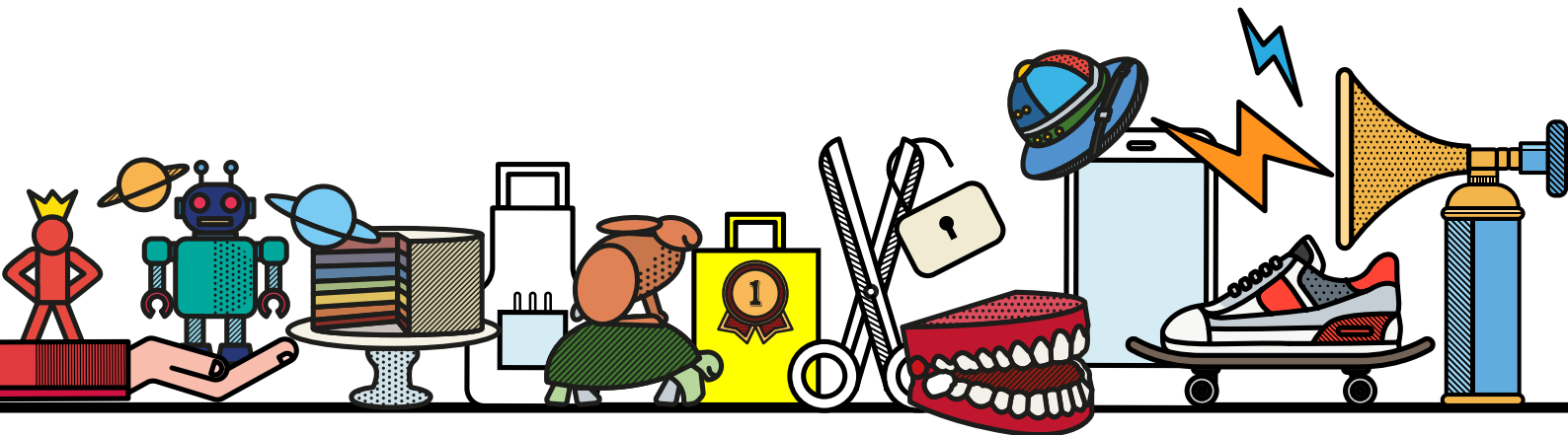


ACTIVWEAR CHAMPIONS AND CHALLENGERS

the new rules of engagement



Welcome to our Activewear 'Champions and Challengers' report, Mynt's first dedicated analysis of the Global Activewear industry.

We are fascinated by the activewear business because it's at the centre of some of the most exciting trends running through the creative marketing and branding world today.

Activewear retailing is one of the fastest growing sectors, with product and design innovation leading the field and the mindsets and motivations of Generation Z re-writing the rulebook of marketing and retail strategy.

In such a thriving sector, it's perhaps unsurprising that competition has never been so fierce, with the long-standing champions of activewear currently fighting hard to retain their titles as new challenger brands come into play.

This report has been carefully compiled to provide a thought-provoking and inspiring glimpse of the key trends and influences shaping this sector. Taking a deep-dive into the mindsets and motivations of the next generation of consumers and outlining the game-changing trends and directions leading the way.

We hope you enjoy it and look forward to your feedback.

- Andrew Patterson, Founder
Mynt

the old
rules
no
longer
apply

“

After a year of reckoning, it's time for an urgent awakening - a time for looking at opportunities, not just challenges.

The ones who succeed will have to come to terms with the fact that in the new paradigm that is taking shape around them, some of the old rules simply don't work.

Regardless of size and segment, players now need to be nimble, think digital first and achieve ever faster speed to market. They need to take an active stance on social issues, satisfy consumer demands for ultra-transparency and sustainability and, most importantly, have the courage to 'self-disrupt' their own identity and sources of their old success in order to realise these changes and win new generations of customers.

McKinsey & Company, 2019

”

The global activewear market is flourishing and is expected to rise a further **6.8%** reaching **\$576 billion by 2024**, with sports and outdoor retailers outperforming many other retail sectors (CAGR).

Consumer demand is fuelling this growth. Keener than ever to lead a healthy lifestyle, consumers are increasingly buying activewear for fashion as well as sports.

In this buoyant market, competition is strong. What was once a level playing field of familiar brands has shifted to a far more complex and competitive array of players, many not from the sporting world at all; with high-street fashion retailers such as H&M, Urban Outfitters, Topshop and Primark developing own-brand activewear lines at affordable prices. Amazon has also leapt into the game with an online offer to rival them all.

Technology and social media are enabling a new breed of 'challenger' brands to disrupt this sector where familiar players have had a firm footing for many years. Consumers appear to be increasingly drawn to small brands with compelling and authentic narratives.

All of this is set against a backdrop of one of the most uncertain economic and political times we have ever known.

In this brave new world, the rewards for those who can adapt to this new landscape are greater than ever. **The winners will be those who look proactively at opportunities rather than simply focusing on the challenges ahead.**

Specialist retailers are upping their game by embracing fresh and innovative brand and retail strategies. Developing retail spaces that go way beyond simply selling products, to explore new ways of engaging and interacting with their customers.

The years ahead look set to be truly transformational in activewear branding and retailing, as physical stores recalibrate into experiential playgrounds and community hubs, offering experiences that could never be recreated online.

Blending the real and the hyper-real, technological advances will push the idea of personalisation to new extremes and personal service will scale new heights to secure the ultimate prize of **brand loyalty**.

For sportswear brands to truly survive, they must first fully understand and cater to the individuality of their Gen Z customer.

Smart brands and retailers are realising that empathy and relevance is all. Their success won't be led by embracing the latest technologies or jumping on every new fad or trend, but by deeply understanding the wants and needs of the next generation of customers. **But how do activewear retailers win over this customer?**

The following report explores the mindsets and motivations of these younger consumers, identifying the six key trends shaping the future of activewear marketing and retailing across the globe.

upping the game

the pivotal generation

By **2020** it is predicted that Generation Z will make up **33%** of the Global population and it is also clear that their attitudes and behaviours will significantly shape the future of branding and retail.

Dubbed by many as the 'Pivotal Generation', they are said to be turning away from the common attitudes, beliefs and behaviours of older generations and cutting their own path.

These digital natives have very different expectations of the physical brand experience and notably unique buying behaviours. They also have a **loud global voice; amplified and connected through technology.**

Activewear is a core sector for younger generations and many of the most progressive brands are taking the time to understand cultures and sub-cultures in far more depth from the avid sports fans and outdoor enthusiasts, to underground sneakerhead communities. They are also looking more closely at the female consumer, as their spend and influence on the market grows.

With this knowledge comes the power to connect with them more meaningfully, adapting their marketing, branding and creative campaigns to ensure relevance.

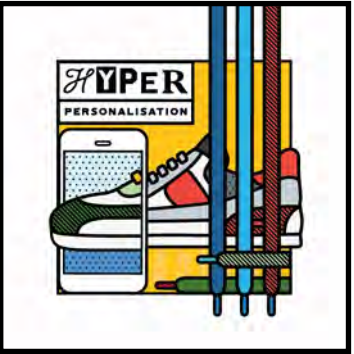
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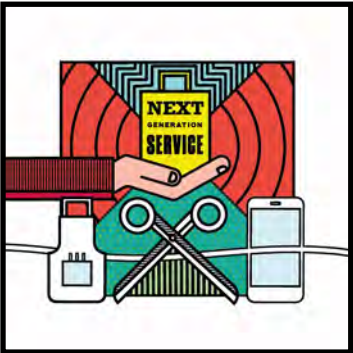
01 AMPLIFIED
EXPERIENCES



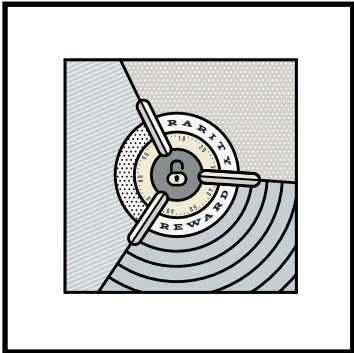
02 COMMUNITY
HUBS



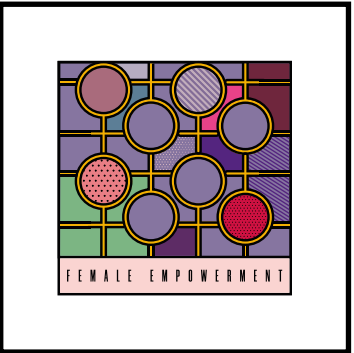
03 HYPER
PERSONALISATION



04 NEXT
GENERATION SERVICE



05 RARITY &
REWARD



06 FEMALE
EMPOWERMENT



**"98% of Gen Zers
still prefer to make
purchases in bricks-
and-mortar stores."**

Uniquely Gen Z, IBM

PRODUCT PLAY GROUNDS

Activewear retailing is inherently experiential. Whether the consumer is a novice or a pro, there are emotive associations to any physical activity and innovative brands and retailers are exploring ways to encapsulate this unique spirit and energy.

They are moving towards

immersive and interactive encounters that inspire new levels of stimulation and engagement.

Consumers are embracing this approach, as they seek real-life experiences that are geared towards personal enjoyment and exploration.

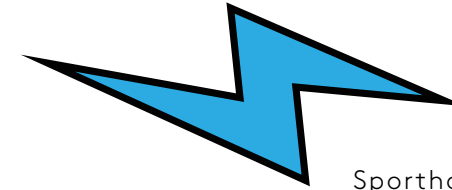
Activewear retail environments are transforming into product playgrounds, delivering the ultimate in product trial;

enabling consumers to play, test and try products in a way the digital world could never provide.

Blurring the boundaries between hospitality, entertainment and retail, visionary active brands are thriving in a collaborative, cultural space embracing food, music and entertainment initiatives.

Pioneering brands are also beginning to break down the barriers between marketing, e-commerce and entertainment as a way of capturing the attention of Gen Z consumers. They're developing participatory experiences such as gaming, podcasts and live streaming that turn once passive consumers into active players.

Activewear brand experiences will increasingly gain a multi-dimensional character as brands embrace mixed-reality (AR and VR tech) and stage multi-sensory activations.

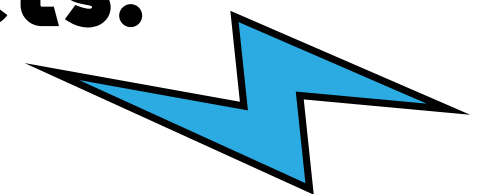


Sporthaus Schuster in Munich has based the interior of its store on a mountain, with a huge 'rock face' soaring through its seven stories. You can navigate the store via wooden bridges or clip in and use the climbing holds to actually scale the summit. On top of this you can book adventure tours through their service desk. This store was voted best in class by Monocle magazine.

At German outdoor retailer Globetrotter Ausrüstung's store in Munich, shoppers can try out waterproof clothing in a rain chamber, paddle a canoe around an indoor lake, and test out equipment in a high-altitude cold chamber that reproduces the climate of Arctic expeditions.

Similarly, at Hudson Trail Outfitters' store in Arlington, Virginia, shoppers are encouraged to interact with the environment – which includes a floor-to-ceiling rock-climbing wall, a footwear-testing hill and 25ft timber trees that rise from the ground

to test-drive the products.



PRODUCT EXPLORATION

Direct-to-consumer sneaker brand Allbirds has recently launched their 4,800 sq ft flagship store on Spring Street that emphasises product exploration. Display cases highlight the unique ingredients that compose the brand's shoes, such as cardboard, discarded plastic bottles and castor beans. Shoes are suspended from the wall and arranged according to hero material, while blonde wood panelling provides a light and airy atmosphere.



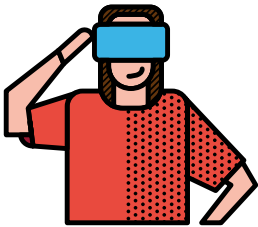
IMMERSIVE PRODUCT TRIAL

Voted by the Fast Company as the best retail experience of the year in 2018, the Canada Goose Cold Room is the perfect example of **experiential retail that is also useful and relevant**. As the name suggests, the Cold Room is a small space, surrounded by ice sculptures, where the temperature has been set to -27 degrees Fahrenheit. Inside, customers can put Canada Goose jackets to the test.

VIRTUAL REALITY

Intersport is making digitisation its full focus. **Thanks to virtual reality, customers can immerse themselves** in all kinds of sports worlds or browse the gigantic product range via touchscreen. “Magic mirrors” also make it possible to call store employees to the changing area in the blink of an eye for further consultation and with the latest 3D scan technology, customers can fit the absolutely perfect shoe for their foot shape.

The New York-based direct-to-consumer outerwear brand, The Arrivals, has partnered with British home-tech company Dyson on a wind-themed SoHo pop-up. Playing on the trend for highly functional fashion, The Arrivals’ jackets can be tested in a wind tunnel equipped with 3D Dyson high-speed dryers - intended to instil a sense of weightlessness as guests bounce on the puffy vinyl floor.



ULTIMATE
PRODUCT TRAIL

Launched to promote its Gel-Kayano 25 sneakers, the darkened running track was intended to underline the meditative element of running, while the stunt also promoted ASICS’ running communities, which are active across its social media platforms. **By removing all distractions, including light, the sportswear brand created a meditative running environment.** The custom built 150-metre course in London has no technology, no music, no scenery and no finish line, which **forces the athletes to focus their minds and ultimately perform better,** according to leading scientists and coaches.

PRODUCT PLAYGROUNDS

TRY

BUY

NYC-based fitness company Peloton, which sells high-tech at-home exercise bikes, launched a series of showrooms dotted around London, plus another inviting consumers to try before they buy. Located in Covent Garden, Peloton House is a contextual flagship pop-up giving first-timers a personalised bike and shoe fitting plus 20-minute spin sessions. These take place in themed rooms that mimic home environments, complete with beds and sofas, followed by the opportunity for a hot shower afterwards.

YOU

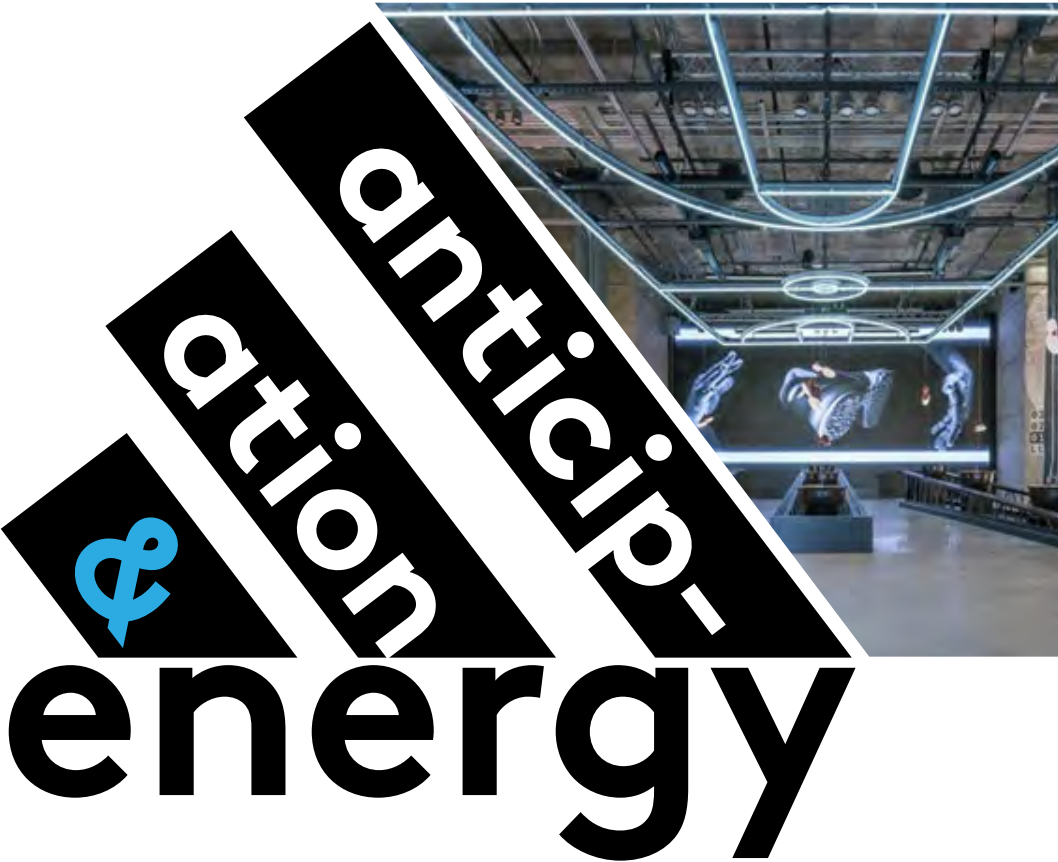
BEFORE

PLAYFUL SPACES

Little Stories in Valencia is a sneaker store designed exclusively for children. The goal was to create an experience for little ones.



but at the same time, highlight the products on display.



The adidas 'stadium' flagship store concept has been designed to **capture the unique emotive experience of the sports stadium.** Customers enter the store through a tunnel designed to emulate **the feelings of anticipation you feel as you enter a stadium.** Inside, the multi-level sporting space is designed to engage all of the senses in a high-energy experience.

IMMERSIVE

Timberland launched an outdoors-themed pop-up last December. Photo-friendly installations included a green wall and a rain room with cascading “rain drop” ceiling lights, promoting Timberland’s waterproof shoes. **The space creates an immersive, outdoors inspired experience that you have to visit to truly enjoy.**

SEASONAL CHAMELEON

Koibird is a thematic boutique that changes its product and styling seasonally according to the jet-set’s holiday schedule - a reflection of resort collections’ growing momentum in luxury fashion. Launched in summer 2018 with beachwear, it re-opened with a playful edit of extravagant and avant-garde winter/ski gear.

The space completely transforms each season



and all products are exclusive to the store.



FANTASY WORLD

Nike has installed a video-game trial experience called Reactland at stores in the Chinese cities of Shanghai, Beijing, Guangzhou and Chengdu. Consumers jog on a treadmill to make an avatar version of themselves racing through a fantasy world. Participants in the three-minute game receive a 10-second clip for social sharing.

New York brand KITH has launched in London with a shop-in-a-shop inside Selfridges. And it's not just about the clothes as the brand has also brought the KITH Treats bar along too, meaning you can pick up an ice cream along with the latest sweater or t-shirt.

CAFE CULTURE

HOTELS

American footwear brand Converse hosted the two-day One Star Hotel in Shoreditch during London Fashion Week. Spanning five floors, the pop-up offered

"sounds,
style and
sneakers"

plus cheeky promises like

"loud
neighbours
and zero
sleep"

Converse's latest collection was showcased in a Cotton Candy Room – featuring a selfie backdrop of a pink bed – while a shop sold the latest drops. Guest rooms were curated by fashion-savvy US hip-hop artists and the basement housed live performances and the hotel also hosted screen-printing and poster-making workshops.

KEY TAKE-OUTS



DO SOMETHING UNEXPECTED

KEEP IT REAL.

Create a real-life experience that would be impossible to emulate online. Think analogue as well as digital.

SERVING A GENUINE PURPOSE.

Avoid gimmicks and focus on creating experiences that are closely aligned to the values of the brand and truly have purpose and value to the customer.

PLAN TO SURPRISE.

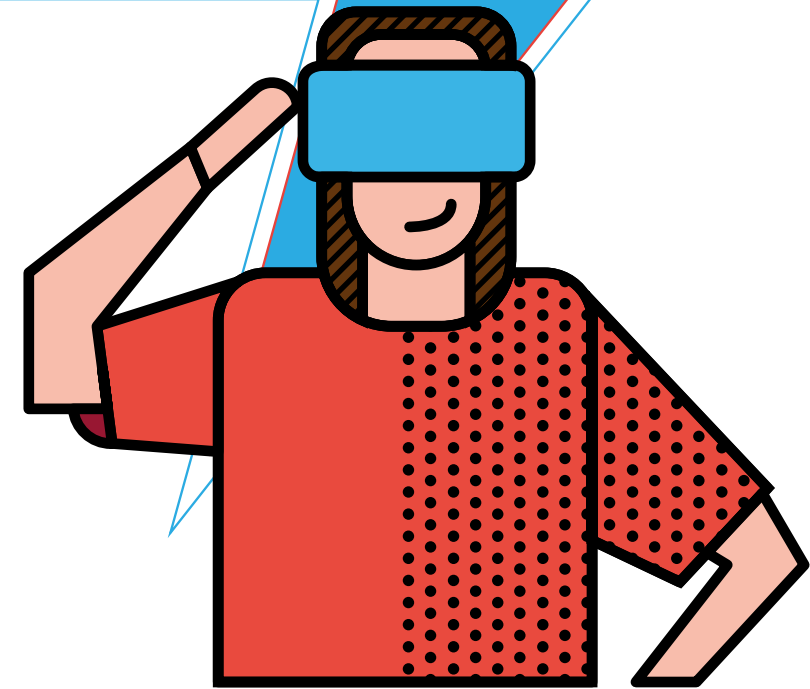
Do something unexpected. Consider what people might expect from your brand, but also what they may not. Explore unexpected cross-industry connections to forge bold and thought-provoking engagement strategies.

HARNESS THE POWER OF PLAY.

Step away from the hard sell and create an immersive environment with an emphasis on self-exploration and playful product trial.

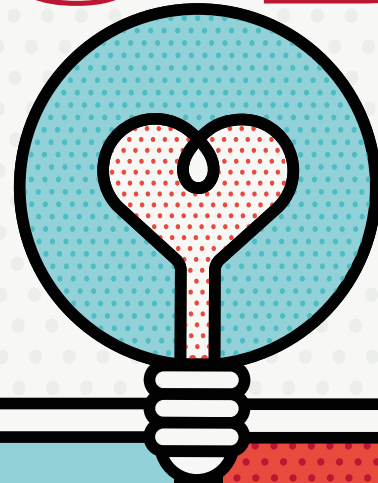
CONSIDER MULTI-DIMENSIONS.

Blur the boundaries between the real and hyper-real by considering how AR and VR can enhance product trial and selection.



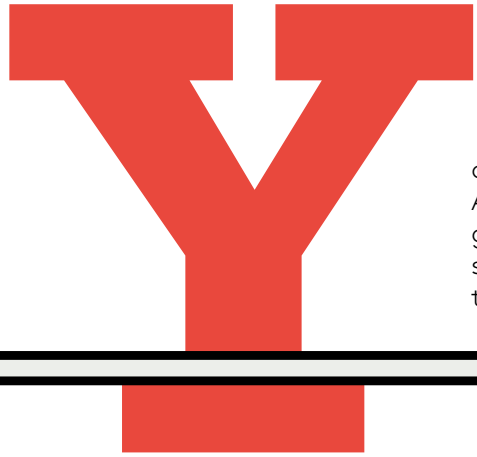
C O M M U N I T Y

HUBS



**"16-24 year olds are more
than three times more likely
to be regularly lonely than
over-65's."**

Office for National Statistics,
research commissioned by Cigna



Younger consumers care deeply about community. Although they're the most digitally connected generation of all, the reality is that loneliness and stress are having a serious impact - to the extent that today young people are even lonelier than retirees.

The emphasis on community also extends to embracing local concerns that have an impact on people's day-to-day lives. Smart brands are building loyalty by giving back to the community or tackling key local issues.

These initiatives are focused on helping local communities and improving local economic recovery on a grass-roots level.

Many of the most progressive brands and retailers are connecting with local micro influencers to expand their reach beyond obvious territories and build smaller communities.

Online collectives and influencers can provide a rich source of inspiration and local knowledge and smart brands are using this knowledge to create splinter marketing campaigns.

The most influential activewear brands and retailers are fostering a sense of togetherness and local connections by bringing like-minded people together with shared passions and beliefs.

They are going way beyond the addition of a cafe in-store, creating workshops and event spaces that provide brand experiences centred on social connection.

Whether physical or virtual/digital, these clubhouses and meeting points serve a genuine purpose and are becoming essential community hubs.

LOCAL

CONNECTIONS

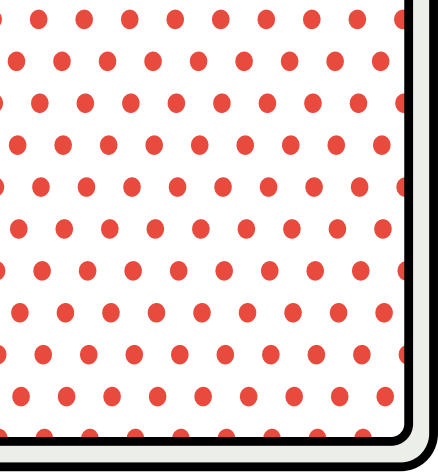
Nike's Jordan basketball brand now has a 25,000 sq ft Downtown LA flagship called Jumpman LA. Taking pro-athlete services mainstream, the Flight Lab tests visitors' performance and gives athletic advice. There's also a space for

personalising sneakers.

To acknowledge the community, schools are invited to play basketball at the competition-size roof deck court.

Nike transformed a Chicago church into a pop-up summer basketball training camp. Initiated through a collaboration with a local community - dubbed Just Do It HQ at The Church - it aimed to upskill the local basketball youth, build athletic self-esteem, and support them in chasing their professional dreams. The programme included a week's worth of elite training, interactive workshops, pro-player appearances and skill clinics. All participants receive a sponsored Nike outfit, free lunch and transportation.





LOCAL CULTURE

British department store Selfridges' new designer streetwear department includes a purpose-built skateboarding bowl. Open to the public, it is currently hosting skate sessions via their website and intends support of grass-roots fans and niche scenes in need of a home, such as girls' skating.

The Arc'teryx store in Vancouver features a Repair Bar and a Community Space, where up-to-date information on climbing conditions in the area are published and events can take place, such as the current virtual reality tour "Hut Magic."

Similarly, the Asport Scoop (86) store is not only a sneaker store, it's more like a sneaker club. The space features a 'Maker's Lab', where visitors are able to customise products they have purchased, have a drink, and chat to fellow sneaker lovers

COM- MUNITY SPACES

REI is the largest consumer co-op and specialty outdoor retailer in the US. Bringing the outdoors in was a key ambition for the project and large warehouse-style windows and garage doors allow daylight to enter and offer views into the store. The outdoor courtyard encourages local outdoor enthusiasts to hang out. REI's expert staff use the space for gear demos and events.

COLLABORATIVE WORKSPACES

In the heart of Shoreditch, the adidas Originals flagship store at 15 Hanbury Street is a multi-layered experience that provides the ultimate destination for the sneakerhead. Billed as a destination for local creatives to meet, network and bring their ideas to life, the brand is aiming to insert itself into the local community by acting as an

incubator of local
sub-culture.

The space plays host to activations, drops, DJ sets and panel discussions. The focal point of the store is a colossal table tailor-made for co-working, **encouraging people to spend time alongside other like-minded people.**

C L U B H O U S E S

Japanese running shoe specialist ASICS' new concept store is designed to serve as a clubhouse and recovery zone for the fitness-conscious Tokyoites who flock to one of the city's most popular running spots, the nearby Imperial Palace gardens. The 5,400 sq ft space

houses facilities including shower and changing rooms, ample locker space, a stretching area and shoe rental service. The store also boasts ASICS Running Analyser technology, which uses AI to determine optimum shoe fit via a link between running machine and an iPad-based app.

China's emerging activewear labels are taking on the dominant global names not only in terms of brand and product development, but increasingly in creating concept stores too.

**Runner Camp's
Shanghai
flagship aims
to give the city
a focal point**

for urban athletics, combining running shoe retail on the ground floor with a fully-fledged training gym on the second. Consultation is a key feature, by way of an interactive Shoe Analysis System which sees a customer's running style digitally assessed on a giant LED display.

La.Salle.De.Sport is a new hybrid destination from American sports brand Reebok, which is as much about socialising as it is about fitness.

The space combines a gym, a store, and a relaxation and meeting area called the Social Club.



Besides physical activity and sport performance, the space acts as a lifestyle hub, pioneering ideas and creating connections.

SOCIAL CLUB

E-SPORT HUBS



British e-sports company Fnatic hosted a concept pop-up gaming venue in London called Bunkr that also sold streetwear and gaming accessories. Fnatic has the long-term aim of being "the first globally recognised lifestyle brand to emerge from the world of e-sports." Billed as 'the world's first e-sports concept store', it contains a range of merchandise, a bar and space for event hire.

Austrian energy drink brand, Red Bull, opened Red Bull Gaming Spheres in Tokyo and London as spaces for hosting professional and amateur competitive e-sports, as well as socialising.

With their intention to target under-served communities, Nike are treading where other retailers literally wouldn't.

Nike opened its Garagem Madureira store concept in Zona Norte – a lower-middle-class suburb in Rio known for its street-culture scene, but almost entirely ignored by mainstream brands.

G R A S S
R O T S
F O C U S

In addition to hosting workshops and product launches, Nike also created special footwear for the destination, reflecting the style of the suburbs.

It also specifically targeted women with female 'sneakerhead' sessions and talks.

SYMBOLS OF
A COLLECTIVE

Reinforcing its reputation as a bold activist brand, California-based outdoor apparel label Patagonia has launched Patagonia Action Works, a micro-site that connects consumers with grassroots environmental organisations and helps them donate, volunteer or otherwise get involved; enlisting consumers as collaborators, urging them to

**“Sign up. Show up.
Take action.”**

In recent years, Patagonia has published a book called Tools for Grassroots Activists and backed activist documentaries such as Unbroken Ground.

LOCAL HEROES

VALUE

Acknowledging the value of authenticity associated with non-celebrity culture, smart brands are infiltrating core fandoms - from sales assistants to secondary marketplaces to establish credibility. Reebok produced the Stockboy - a mini film series spotlighting 10 sneaker 'addicts' working in independent stores across the globe.

Nike teamed with London-based designer Martine Rose for a collaboration that saw the brands enlist three London locals to serve as stockists on Craigslist. Democratising access and poking fun at resale culture, the brands eschewed traditional channels. Interested buyers could connect with a reseller on the platform and arrange to meet IRL at a local spot to do the exchange.

HYPER-LOCAL

KEY TAKE-OUTS

THINK LOCAL, NOT GLOBAL.

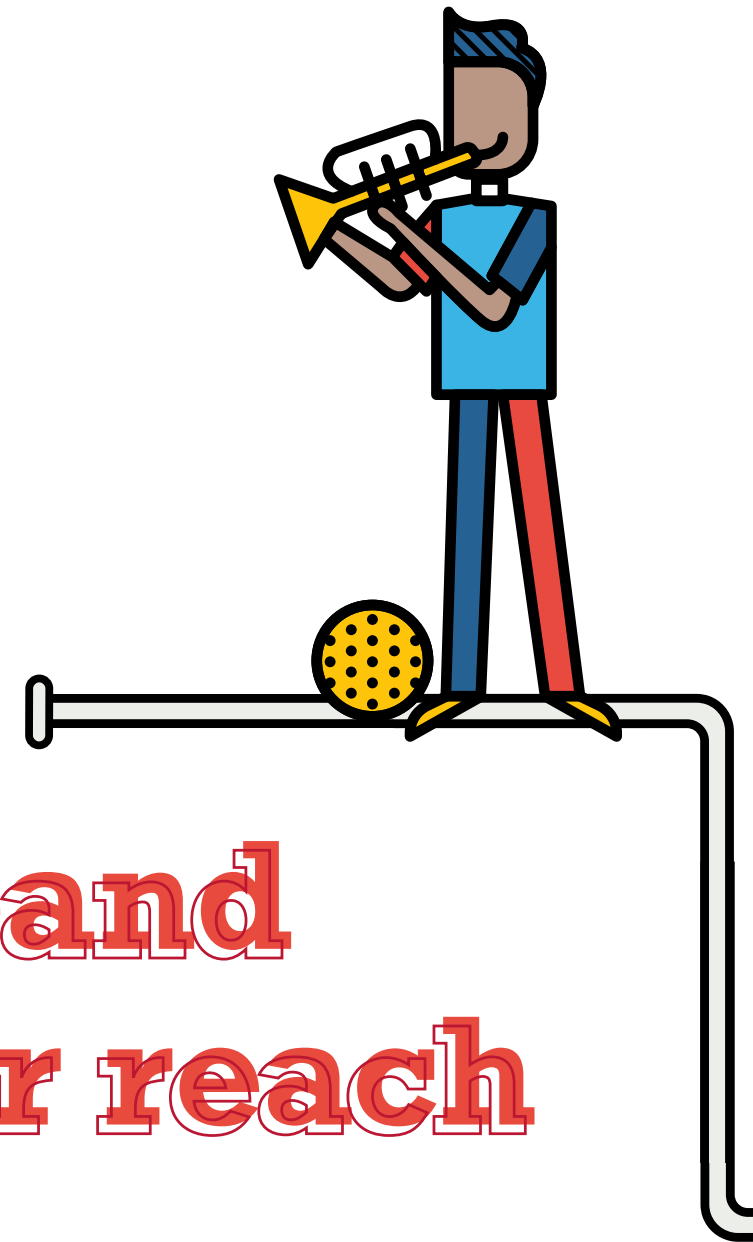
Focus on building smaller communities at a localised level and targeting regional communities.

BE GENEROUS.

It's important that your initiatives don't appear to be money-spinning ventures. Be generous with your time, space, knowledge and connections. Consumers will reward you with their loyalty.

SEEK OUT MICRO INFLUENCERS.

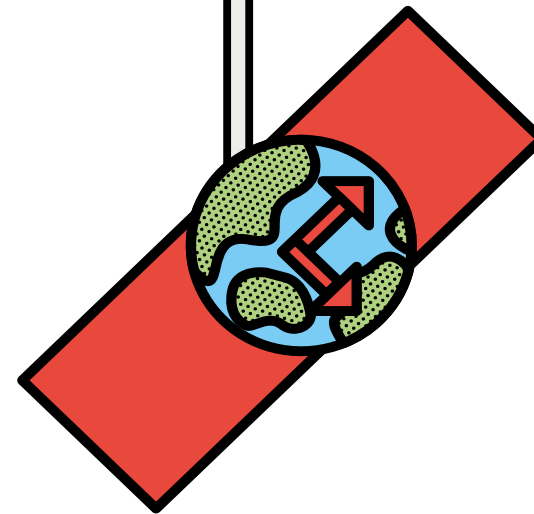
Expand your reach beyond obvious territories by targeting and engaging with local micro influencers.



Expand your reach

ACCOUNT FOR INTER-SECTIONALITY.

Youth consumers no longer build cultural communities around singular interests. Unexpected collaborations between different lifestyle influences can build and sustain interest and relevance for brands.





"63% of consumers surveyed
indicated that they were
interested in personalised
recommendations."

Accenture, 2019

W

e are moving towards an era of hyper-personalisation whereby it's possible that brands and retailers will know what you need before you do.

Hyper-personalisation is generally understood to be the use of profound learning about customers, to allow for retailers to develop **personalised, tailored shopping experiences, products and services.**

The activewear sector is pioneering many of the developments in hyper-personalisation that we see today; from advances in gait analysis technologies designed to help customers to source the perfect trainer, to laser body scans that can help determine a more precise fit for clothing. **Advances in technologies such as AR, VR and 3-D printing are taking hyper-personalisation to another level.**

It seems there is significant financial gain to this approach, with brands such as adidas stating that by offering more personalisation to customers it will not only be able to respond to fickle fashion trends far quicker than its rivals, but sell more of its products at full price.

For many years, every customer with a smartphone has been a source of data. However, the new frontier of personalisation will analyse emotional data, eye movements and DNA in addition to searches, purchases and views to pinpoint exactly what customers need in real time.

The notion of hyper-personalisation goes hand-in-hand with that of customisation of co-creation - **it's all about placing the consumer in charge.**

This 'hacker' mindset is one of the most defining features of Generation Z therefore co-creation is a key engagement strategy and they expect brands to collaborate.

It's interesting to note that many customisation offers take an analogue rather than digital approach, appealing to their 'makers' mentality.

Further embracing the D.I.Y. spirit, innovative brands are experimenting with an open source approach and creating entire stores in beta-mode; celebrating the sense of work-in-progress and collaboration this imbues.

LOCAL PERSONALISATION

As part of its push towards holistic personalisation, in July 2018, Nike launched its Nike Live store in LA—a space that responds to local tastes.

IT USES REAL-TIME DATA
TO STOCK THE STORE

bi-weekly—pulling from patterns in the buying, browsing and events-based sections of its NikePlus app. The info will also feed into city-specific sneakers and apparel, transcending global priorities.

PERSONALISED SELECTIONS

Cutting-edge AR and AI technologies are combined with big data expertise.

A motion sensor-equipped front window identifies the gender and age group of passers-by,

then makes appropriate product suggestions. Shoppers can then buy in-store or by scanning a QR code at the window. Inside, smart mirrors display size and colour options, while a virtual shelf lets visitors browse and order items that are unavailable in-store from Intersport's Tmall site.

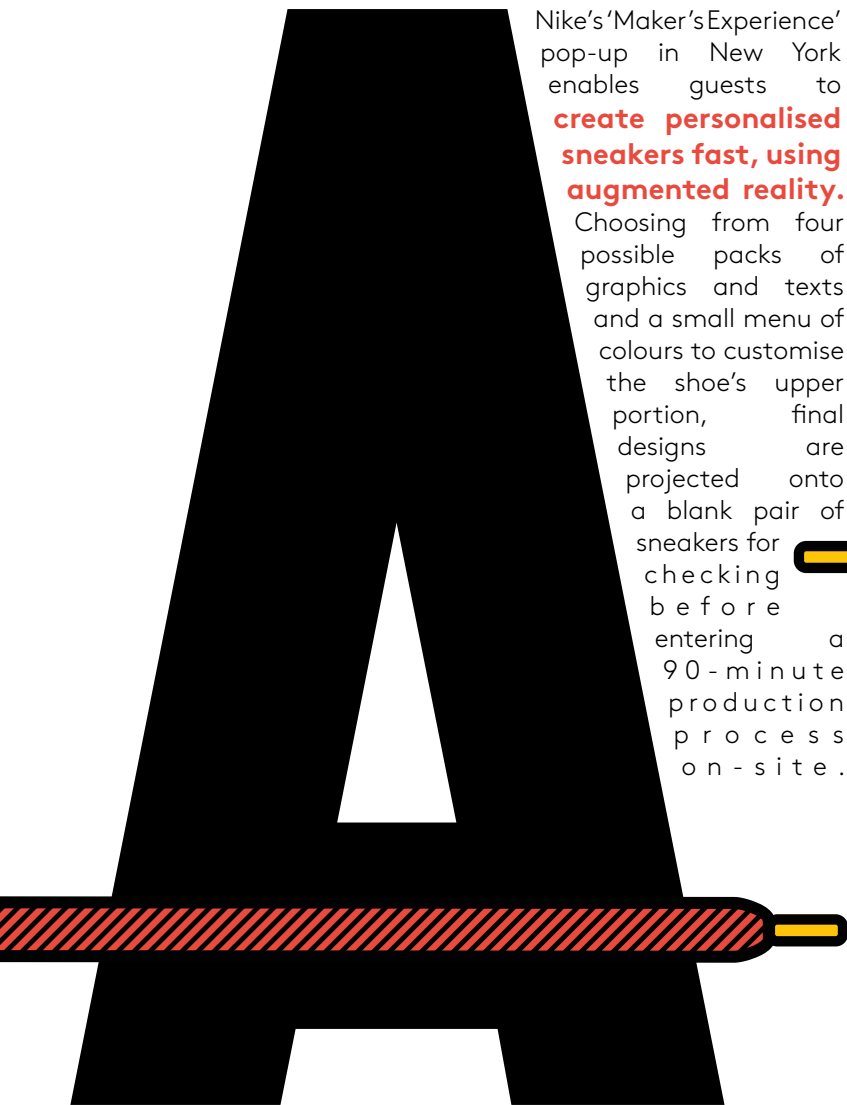


PERSONALISED ANALYSIS AND FIT

It is the technical offer behind the brand that gives ASICS its expert credibility, and the new store has two key innovative 'tech service' elements.

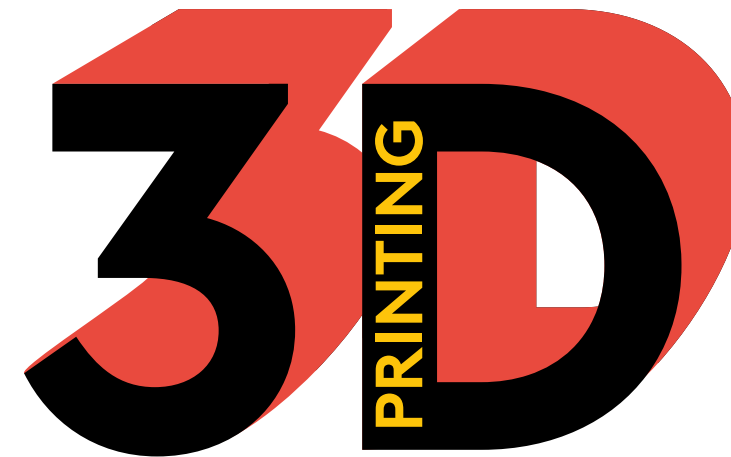
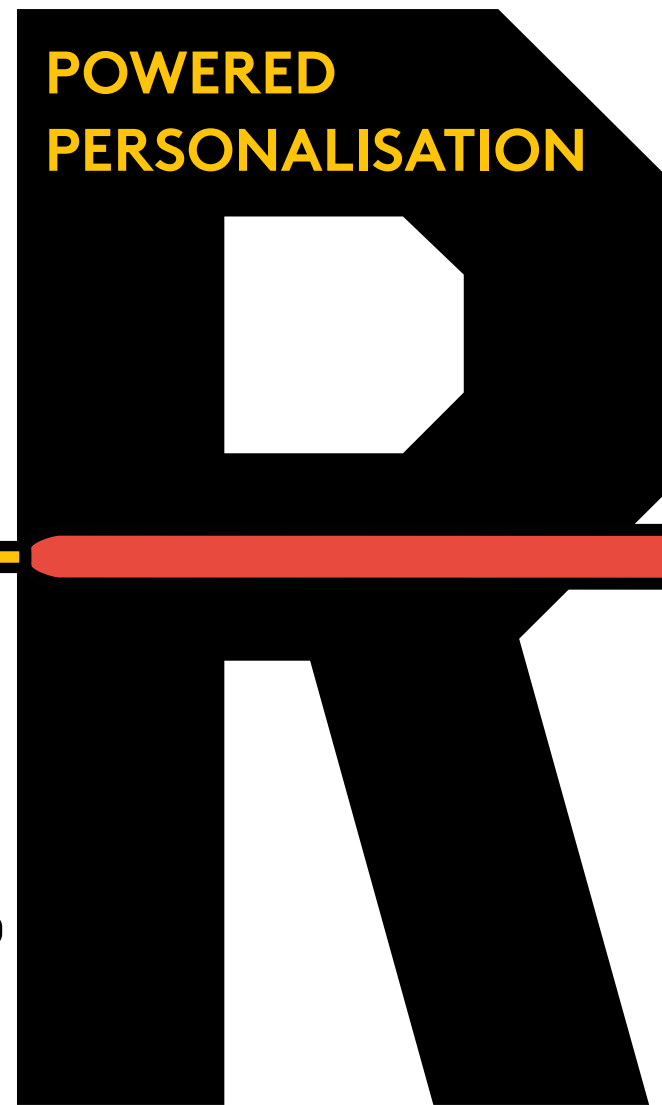
'MOTION ID', uses a series of high-tech motion sensors to capture customers' natural posture and style of movement when running

to enable staff to specify the best running shoe. The ASICS FOOT ID lab, features a 3D foot scanner and a treadmill/camera system which can be used to precisely measure customers' feet and gait cycle. Store staff can use this data to suggest shoes that best suit the individual's feet and running style.



Nike's 'Maker's Experience' pop-up in New York enables guests to **create personalised sneakers fast, using augmented reality.** Choosing from four possible packs of graphics and texts and a small menu of colours to customise the shoe's upper portion, final designs are projected onto a blank pair of sneakers for checking before entering a 90-minute production process on-site.

POWERED PERSONALISATION



The Innovation Lab by the Danish footwear brand ECCO is taking personalisation to new heights with its Quant-U project.

**CONSUMERS CAN
CO-CREATE A DIGITAL
MODEL OF THEIR FEET
IN UNDER 30 SECONDS**

and pick up personalised 3D-printed mid-soles just two hours later.

The three-step process involves first scanning consumers' feet using an in-store wearable sensor device that measures pressure points as well as temperature and humidity, to gauge their individual needs. A digital footprint is then established (and saved in the brand's database), followed by in-store production using a state-of-the-art 3D printer.

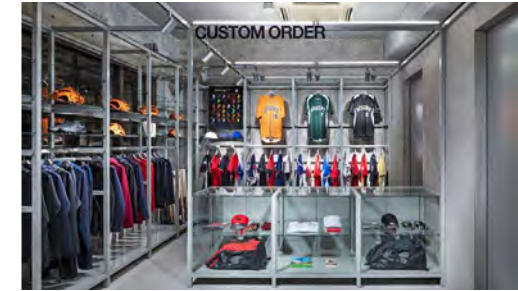
ON-DEMAND

CUSTOMISATION



Customers have body scans and then work with an employee to design their own sweaters, which are made within four hours in a studio behind a glass wall.

CUSTOMISATION COUNTERS



As Descente Blanc's largest store, the concept has a strong lifestyle element, such as an in-house tea café and shop of Susumuya, a revered Kagoshima-based tea company. A corner of the store is stocked with **baseball apparel which can be customised on the spot.**

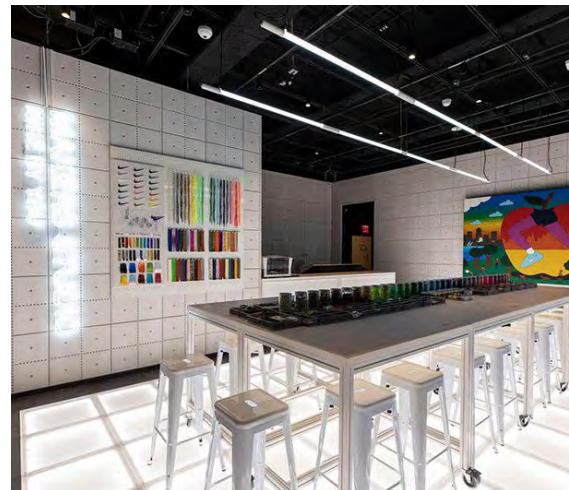
US sportswear brand Champion has marked its centenary by opening its largest Asian location yet. The label's new Tokyo flagship occupies three storeys of the new GEMS Jingumae building in Shibuya. The basement houses a customisation zone offering both **embroidery and printing services,** the latter via vintage machinery that occupies centre stage.



CUSTOMISATION 2.0

customisation zone

Visitors enter the six-storey flagship store through the customisation zone where in-house designers help customers select colours, laces, patches and tongue tags for shoes, which are ready for collection or shipping a week later. Nike has recently renamed their customisation offer 'Nike By You'.

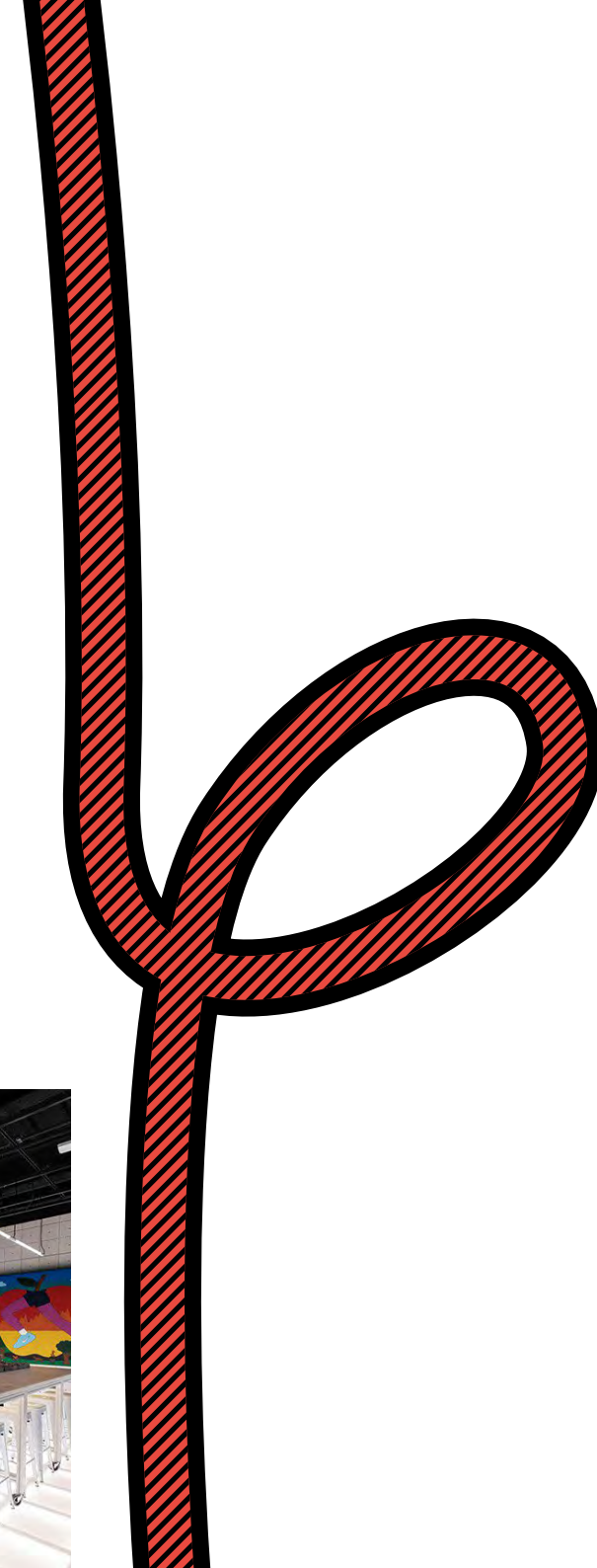


Playful confrontation headlined at Swiss brand Freitag with their pop-up stand at Milan Design Week 2019. De-Sinning the Designer

TARGETED THE GUILT ATTACHED TO OVER-CONSUMPTION,

particularly for professional producers. Guests were invited to step into the cleansing light of an installation by Swiss motion designer Georg Lendorff before taking confession with a member of staff. Visitors were given an inkjet handgun to emblazon their own eco-slogans onto a bag.

CUSTOMISING BELIEFS



Reminding New Yorkers of its mountaineering roots, The North Face is highlighting performance-driven technical apparel at its concept store 'Prototype' in Williamsburg. The new space is designed to be curated, personalised and fluid, making it a different experience each month.

**WITH NO CASH REGISTER OR
ANY SCREENS IN-STORE,**

customers can use mobile POS to access an online-to-offline platform which enables them to purchase directly online, pick up in-store or request shipping. The store offers special drops, curated selections, limited-edition pieces and collaborative items and

**SERVES AS A PLACE FOR
COMMUNITY EVENTS.**

**BETA
STORES**

KEY TAKE-OUTS

AVOID GIMMICKS.

Ensure that the element of personalisation is genuinely of use to the customer.

THINK ANALOGUE AS WELL AS DIGITAL.

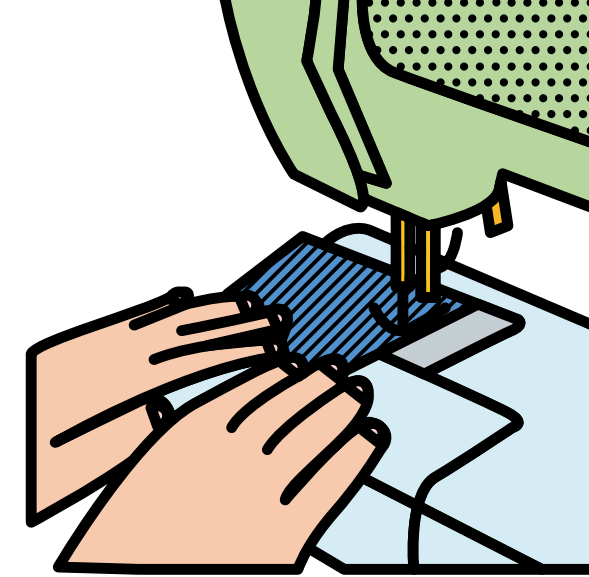
Appeal to Gen Z's 'Makers' mentality by introducing traditional craft-based methods of customisation.

THINK LOCAL.

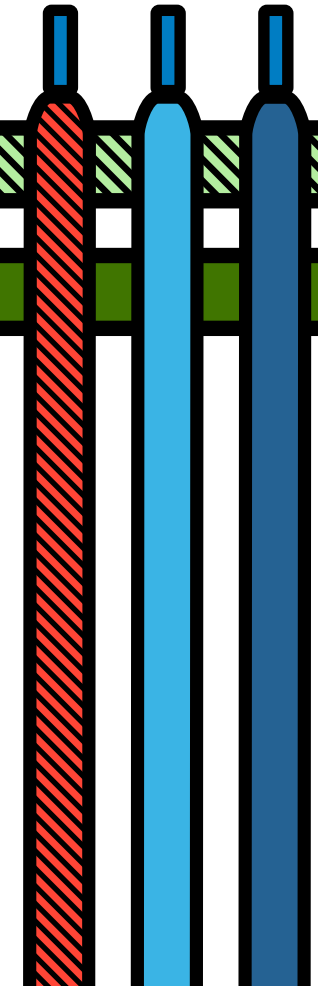
Use the latest technologies and data to personalise the product offer to the exact tastes and preferences of the locality.

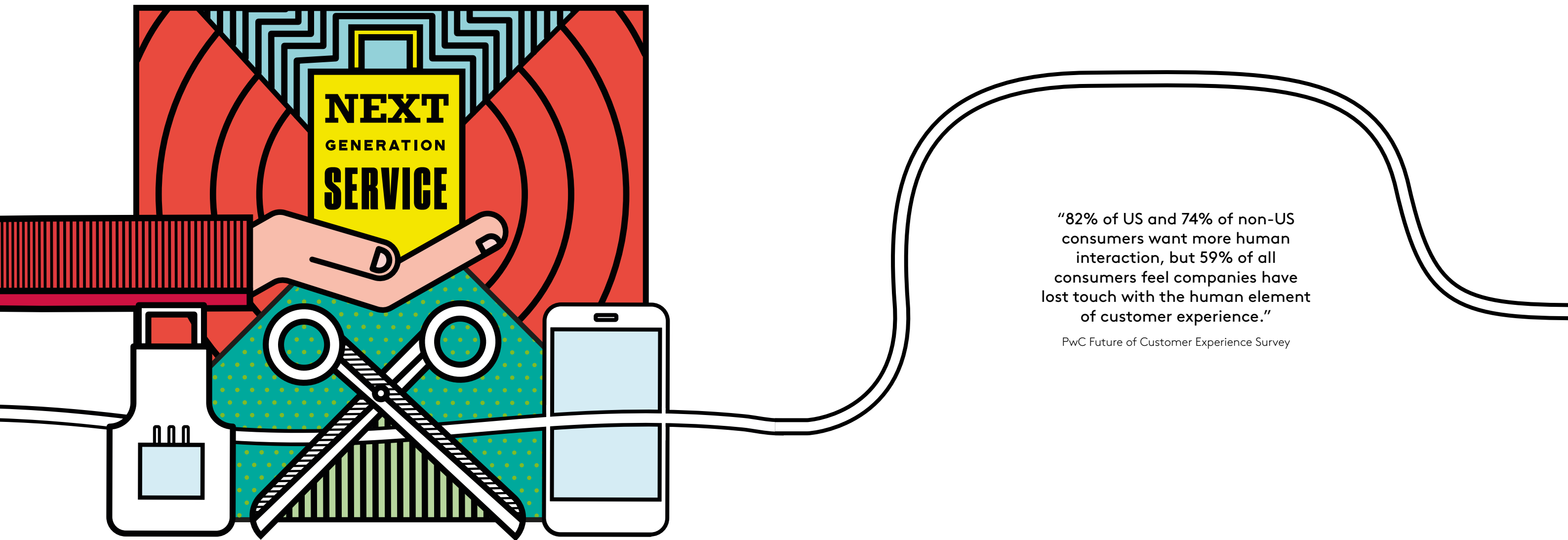
EMBRACE BETA-MODE.

Embrace Gen Z's D.I.Y. spirit and place both product and retail environments in beta-mode and encourage co-creation and customisation.



PERSONALISE THE PRODUCT





"82% of US and 74% of non-US consumers want more human interaction, but 59% of all consumers feel companies have lost touch with the human element of customer experience."

PwC Future of Customer Experience Survey

The most progressive brands are offering elevated levels of service, blending enriched human and personal interaction with the best personalised technological interaction.

As the 'hard sell' feels completely alien to younger generations, there has been a significant shift towards softer, more supportive selling techniques, and a recalibration of the role of consumer-facing staff.

Customer service is extremely important to younger generations and they demand a customer-centric experience that is carefully tailored to their wants and needs.

A concierge-culture is emerging in-store where contextual rather than product knowledge is king. After-care services are also on the rise, fuelled by sneakerhead culture and the consumers' growing rejection of the throwaway culture of old.

Several of the most progressive activewear brands are dedicating more space in-store to ensure the ultimate in **one-to-one personal service**. Often labelled as V.I.P. areas, these spaces offer keyhole access to the most loyal members and brand advocates.

Innovative service initiatives are also being developed to streamline the shopping experience and meet Generation Z's natural hunger for **speed and immediacy**.

Many brands and retailers are re-imagining their path to purchase and harnessing the latest digital technologies to eliminate friction and deliver the ultimate convenience.

Smart brands are also developing apps that enable them to offer unassisted service in the form of styling advice, ideas and inspiration.

PERSONAL STYLING ADVICE

The Nike flagship store features a concierge

for NikePlus members, providing access to unique products, experiences and customisation opportunities. Members have access to Nike Expert sessions - one-to-one appointments with an expert for personal shopping and advice.

Nike also offers a digital alternative, accessible to all via its 'Shop the Look' app.

V.I.P.
EXPERIENCE

Fuelled by the rise of sneakerhead culture and consumer enthusiasm for aftercare services, US premium shoe-care brand Jason Markk has landed in London with its first overseas outpost outside its native LA. Based in the Carnaby Street basement footwear store, Size?, it offers a selection of cleaning products alongside its in-store services. The service area at the back of the store reveals **skilled sneaker care technicians** at work.

AFTER CARE SERVICE

The Holystic sneaker laundry store in Singapore offers a range of services to suit sneaker customers' needs. The company also offers services beyond cleaning including sneaker restoration and paint removal, and a host of customisation options.

Nike's new LA store offers the **ultimate in convenience and on-demand service.** Customers can pre-order items on the NikePlus app and those items are then placed in smart lockers in-store for customers to open using their members' pass - all unassisted. They can also reserve a changing room ahead of time, pick up or exchange a product at a designated drop-off spot. The app can also be used to scan codes on different products, request price information, alternative colourways or a different size, which salespeople will then bring over immediately.



ULTIMATE
CONVENIENCE



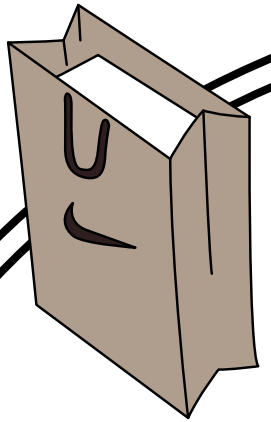
STREAMLINED SHOPPING



SPEED SHOPPING

The lower level of the six-storey flagship store has an instant Checkout space - Nike's version of click-and-collect.

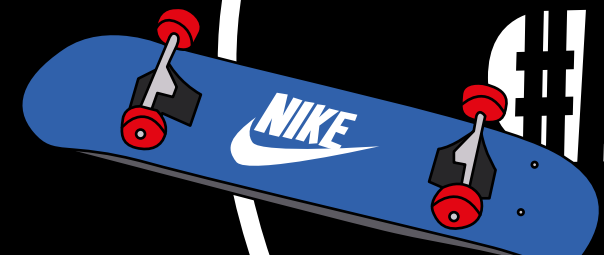
Entirely self-service, reserved items can be collected from lockers, with customers checking out via the app.



Waiting in line for limited-edition sneakers is ingrained in sneakerhead culture. However, not every enthusiast is in the city of the drop, or has the time to physically queue. Nike Korea has tackled this challenge by transferring the ritual to the digital realm. In April 2018 over the duration of two weeks, sneaker aficionados waited online using avatars in the

first ever hashtag queue

on Instagram to buy Air Max trainers. Nike Korea decided to make use of Instagram's latest feature, which allows users to follow hashtags, by creating [#AirMaxLine](#) as a digital waiting area. Fans were invited to visit a website to create and personalise an avatar using hundreds of exclusive characters and items inspired by Korean street culture.



#AIRMAXLINE



RE-DESIGNING

THE LAST MILE

There is a resurgence
of interest in
unmanned delivery,
with Segway launching

**AUTONOMOUS
VEHICLES
FOR
UNMANNED
DELIVERIES**

and JD.com testing

**AI-EQUIPPED
ROBOTS** that can
deliver up to 30 items
at a time.

KEY TAKE-OUTS

BLEND HUMAN AND DIGITAL.

Offer the perfect blend of personal service and digital interaction.

THINK HOLISTICALLY.

Consider every single step of the customer journey, both on and offline, and remove any elements of friction.

CONSIDER THE DETAILS.

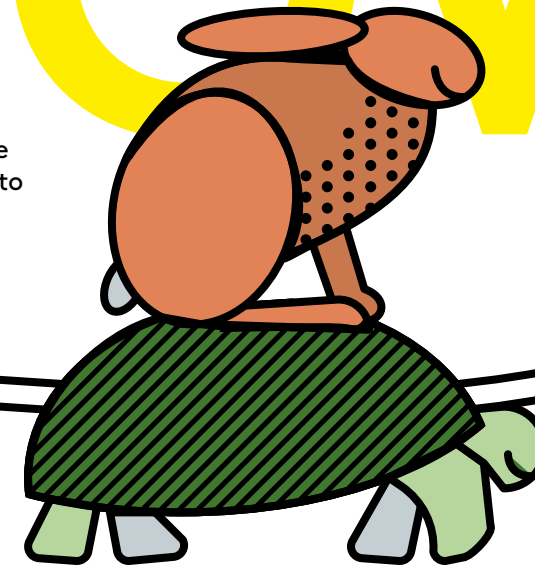
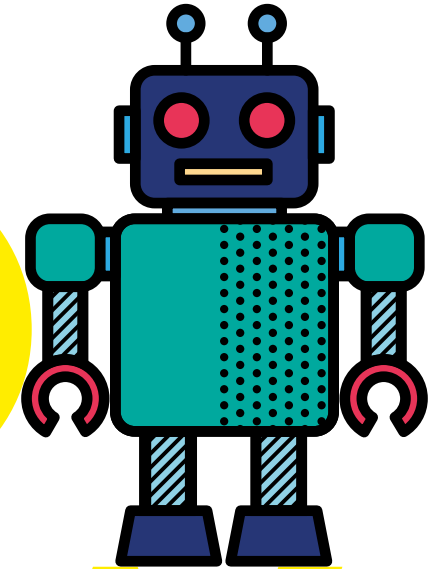
Often the simplest of additions, such as designated drop-off or collection points, vending machines or locker rooms. These can be of the greatest value to the customer when it comes to speed and convenience.

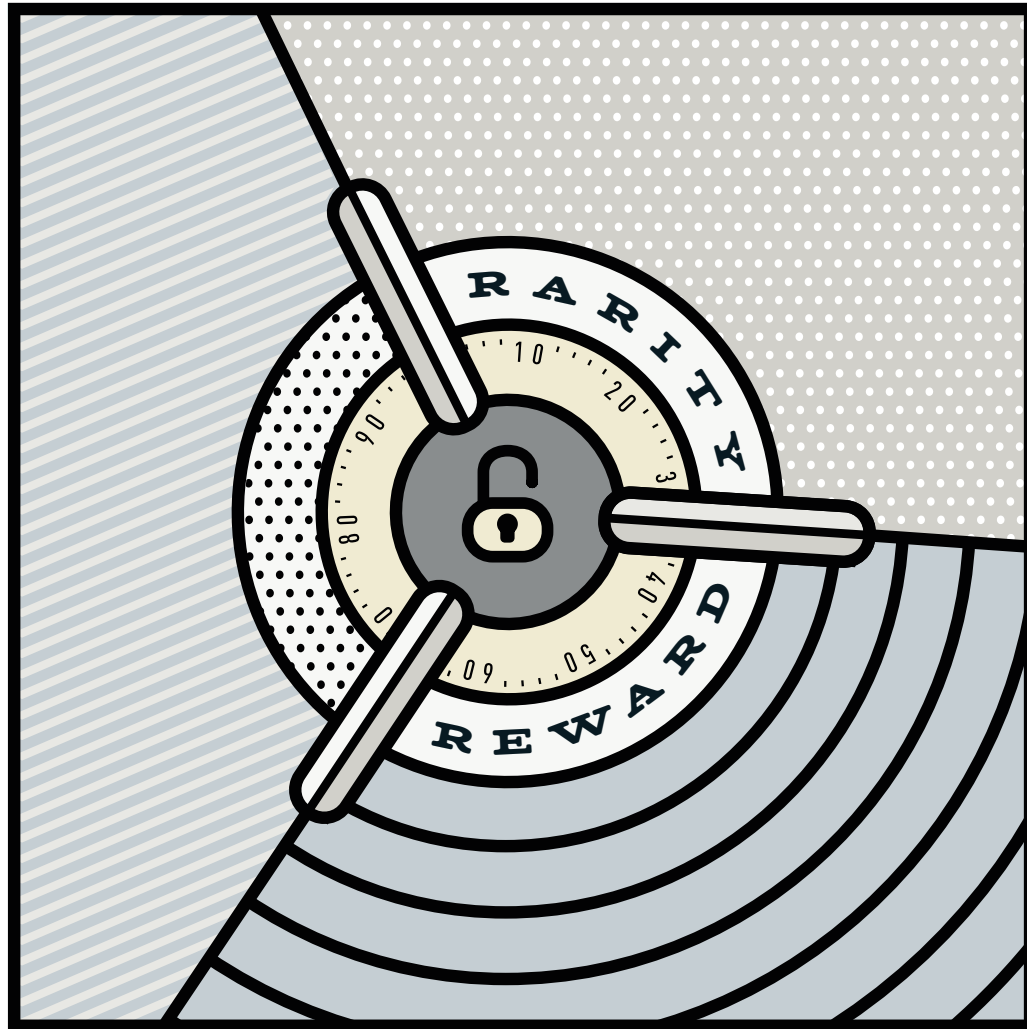
AFTER-CARE.

Consider dedicating excess space in-store to after-care or product repair services that will add value and help to differentiate your offer, and reflect the shift in customer behaviour, thereby strengthening customer and brand relationships.

FAST AND SLOW.

Create two different customer journeys - one that is quick, streamlined and efficient, and one that is geared to those who want to take their time and consider their product selection in detail.





"E-tail has invariably widened brands' horizons, but the added accessibility has simultaneously repressed the shine of rarity."

Katie Baron, Stylus

The notion of rarity and exclusivity has long been the hallmark of sneaker culture, whereby there is a direct correlation between effort versus reward, and

brand loyalty is fiercely guarded and upheld.

Inspired by this approach, many activewear brands and retailers are experimenting with ways to instil this sense of loyalty in their brand by creating the perception of

rarity and exclusivity

that is often lost in our digital 'on-demand' era.

Many are re-imagining loyalty schemes by shifting from monetary to experiential rewards for purchases made. Innovative brands have started to think in tiers; dividing their existing brand and retail space into layers and offering VIP access to their most loyal fans.

Brands have also started to invest in a 'Hard-to-Get' strategy with

'earned engagement'

strategies that raise hype and leave consumers feeling rewarded for their efforts.

Department stores and retailers are emulating sportswear brands, releasing product in anticipated 'drops' and experimenting with FOMO-inducing brand activations.

Playing a subtle game of hide-and-seek, retail environments that are

'here-today-and-gone tomorrow'

are growing in number as brands attempt to shake things up and create an urgency to buy.

From windowless and unbranded stores, to spaces nestled in secret and hidden locations, brands and retailers are becoming increasingly imaginative in their attempts to truly take us by surprise.

Brands are also moving away from a blanket approach to marketing communications, towards a hyper-targeted approach; experimenting with Snapchat, airdrop, and even the humble text message is having a revival. They are also investing in the development of apps with exclusive features and content.

Demonstrating its commitment to loyal fans, adidas has launched a members-only loyalty club that rewards engagement and interaction with early access to products, exclusive deals and invitations to special events.

unlock additional rewards

CREATORS CLUB

members-only loyalty club

Called Creators Club, the new loyalty programme sits within the brand's AI-powered shopping app, which features personalised recommendations and content. Based on points, it is organised into four tiers. Each level comes with its own set of benefits, encouraging users to rise through the ranks to **unlock additional rewards**.

HIDE

SEEK

Cult Boston-based store Bodega, which is **hidden behind a convenience store**, has opened its second outpost behind the fruits and vegetables of Downtown LA's bustling produce district. Adjacent to The Row (the area's latest shopping district), it has three levels of men's and women's sneakerhead apparel and accessories set in an expansive and distinctly industrial warehouse setting.



Appealing to the most adventurous of spirits, American outerwear brand The North Face's latest pop-up store sat at an altitude of 2,100m in Val San Nicolò in the Italian Alps, and was reachable only by foot. Consumers had to complete a two-hour hike to get to the space, where they could view coveted one-off pieces. The move formed part of the brand's new Pinnacle Project **celebrating exploration**. The pop-up displayed an eight-piece archive collection of items worn and donated by famous adventurers and climbers. All products were restored by The North Face and **labelled with a personal message from each athlete** that details the story of the product. Visitors who reached the pop-up on foot had a chance to see and feel the items before making a bid in an online auction (accessible via the brand's website), with **all proceeds going towards mountain preservation**.

GAMIFICATION

Nike has recently collaborated on a geo-smart online flash sale, hosted on Snapchat. E-commerce platform Shopify, managed order-taking, while on-demand fulfilment start up, Darkstore, facilitated same-day delivery to consumers' homes.

SNAPCHAT IS CONSIDERED GENERATION Z'S FAVOURITE SOCIAL MEDIA APP.

Brands should be encouraged to explore the potential of this communication channel. With stories deleted after 24 hours, Snapchat champions

INSTANT AND SPONTANEOUS CONTENT

for consumers with short attention spans - the kind of consumer who also impulse shops.



To launch its new Glitch Prep Pack football boot range, adidas turned a London takeaway into a Glitch pop-up, creating new Glitch-themed branding for everything from the menus to the food boxes, to the neon sign hanging outside.

gifting runners with free beer

As part of their 'Everybody's Race' campaign, New Balance launched a new initiative with fitness app Strava,

depending on how much running mileage they build up. Over the course of a couple of months, earlier in 2019, all interested participants needed to do was download the Strava app and start running. The miles logged onto their Runaway Card could then be traded in at New Balance's new pub The Runaway located in London, England for the free beer.



EFFORT = REWARD

EXTREME REWARDS

Cliff-Side Pop-Up: A two-day publicity-friendly concept saw US-based marketing agency, Work in Progress, collaborate with advanced materials company 37.5 Technology to install a

**pop-up shop on
the side of a cliff**

in Eldorado Canyon, Colorado. Shoppers had to climb 300ft to receive free items.



KEY TAKE-OUTS

EFFORT = REWARD



GAMIFICATION.

Never underestimate the power of play in gaining people's attention and think of both analogue and digital executions.

MESSAGE + MEDIUM.

Often it's how the brand message is delivered that adds to the sense of exclusivity. Consider the medium you use to communicate your brand message. Air drop, Snapchat, Instagram - even the humble text message might be the best choice.

THINK IN TIERS.

Divide your brand into a series of layers to foster a sense of exclusivity; from offering access only areas to certain customers, to having to 'earn' products.

INCLUDE FOMO.

Borrow tricks from the streetwear market by releasing product in anticipated drops and experimenting with FOMO-inducing brand activations.

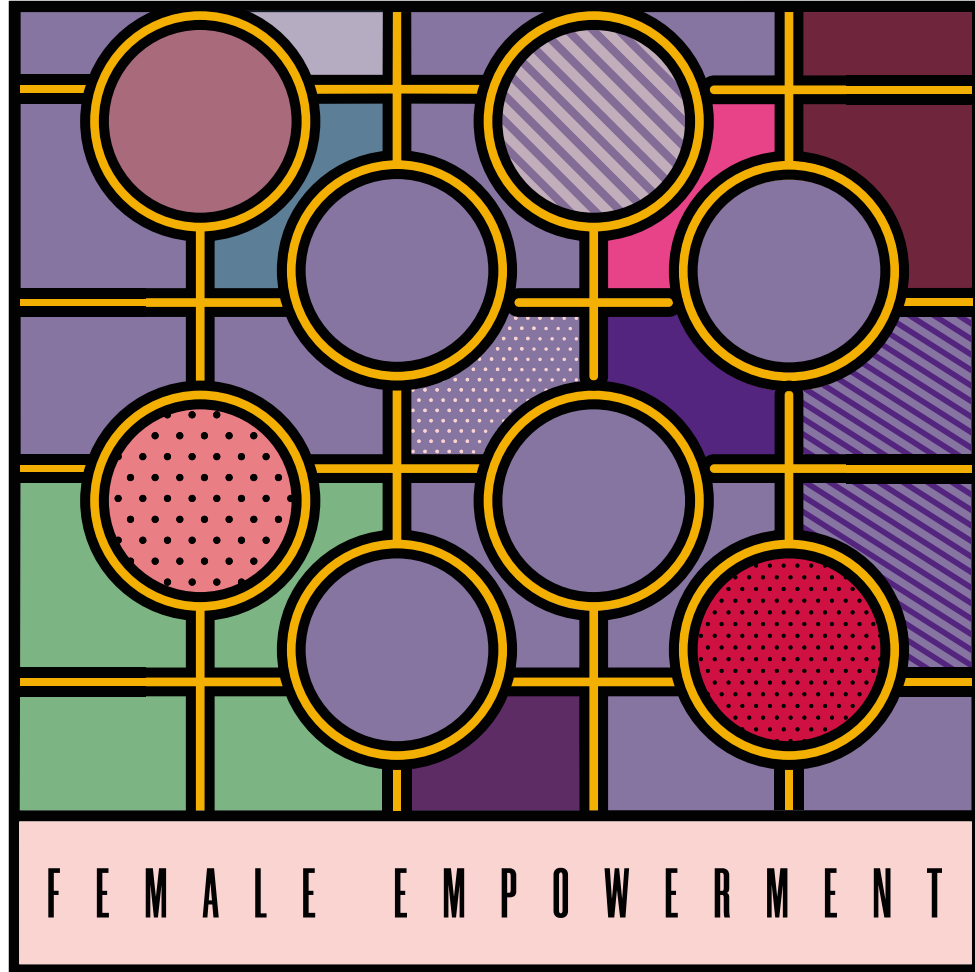
PLAY HARD-TO-GET.

Effort = reward. In the instant-gratification era, effort will increasingly be equated with a premium offer. Focus on 'earned' engagement strategies that raise hype and leave consumers feeling rewarded.

HIDE AND SEEK.

Play hide-and-seek with your customers by creating unbranded experiences in the most unexpected places.





“In the UK, 42% of 18-24 year old women feel held back due to social barriers and gender stereotypes.”

Stylus, Active Lives report

With their increasing global consumer spend and rising presence in the workforce, we are witnessing an urgent re-think of brand communications and retail environments, as they become re-imagined for a female audience.

Across all sectors, brands are beginning to steer their product development and brand messaging towards this

**increasingly empowered
consumer group,**

and traditionally male-focused industries including active sports and outdoor retailing are ripe for change.

In the past, the majority of activewear brands built their businesses around aspirational engagement strategies that were focused on athletes and performance – often with a male emphasis.

Today, pioneering brands are pushing back against the lack of authentic or helpful representation and

avoiding stereotypical attitudes

by highlighting fresh role models and creating spaces for girls to empower themselves.

Heavyweights of the sportswear industry including Nike and adidas are aiming to

double their share of the women's market by 2020.

The female activewear consumer is smart, curious and connected. Their expectations of brands and retailers have never been greater and they are drawn to those who best demonstrate empathy for their unique lifestyle needs.

Female empowerment is key and they are searching for enabler brands who will help them to achieve their fitness and wellness goals.

It's essential to note that none of the conventional stereotypes apply. Pioneering brands are focused on boosting self-esteem, exploding stereotypes and nurturing female communities. A new approach is emerging in advertising, broadcasting and print, centred on celebrating achievements.

Body positivity is now shifting from small gestures to a concerted effort, with active apparel and sport brands leading the way. The key update is a crucial focus on wellbeing, strength and empowerment – with relatable role models emerging from both athletic and non-athletic backgrounds.

The move towards authentic inclusivity is gaining pace as enlightened brands expand the idea of what is aspirational and real. Brands are making genuine strides to be more thoughtful in their advertising imagery and brand messaging when targeting to a female audience.

The fusion of sport and fashion and the rise of athleisure is dramatically changing the way activewear ranges are displayed in-store. Storytelling and curation have become essential ingredients, creating an entirely new way of shopping the product offer that is more akin to fashion retailing.



Outdoor Voices is taking a widely different approach to activewear than the typical sporting goods store. It fills the gap between performance wear and lifestyle wear. They offer fitness classes and dog walking together and appear more of a lifestyle brand than a sportswear brand.

INTERTWINED LIFESTYLES



WOMEN'S SANCTUARY

adidas opened its first fitness studio offering free workouts, run clubs and nutritional workshops for women on East London's Brick Lane. Certified personal trainers, fitness influencers and adidas ambassadors will be hosting sessions, from running and yoga via circuit training. For adidas, it's about **creating a safe and confidence-boosting environment** and to bring together a like-minded community where women can work on reaching their goals.

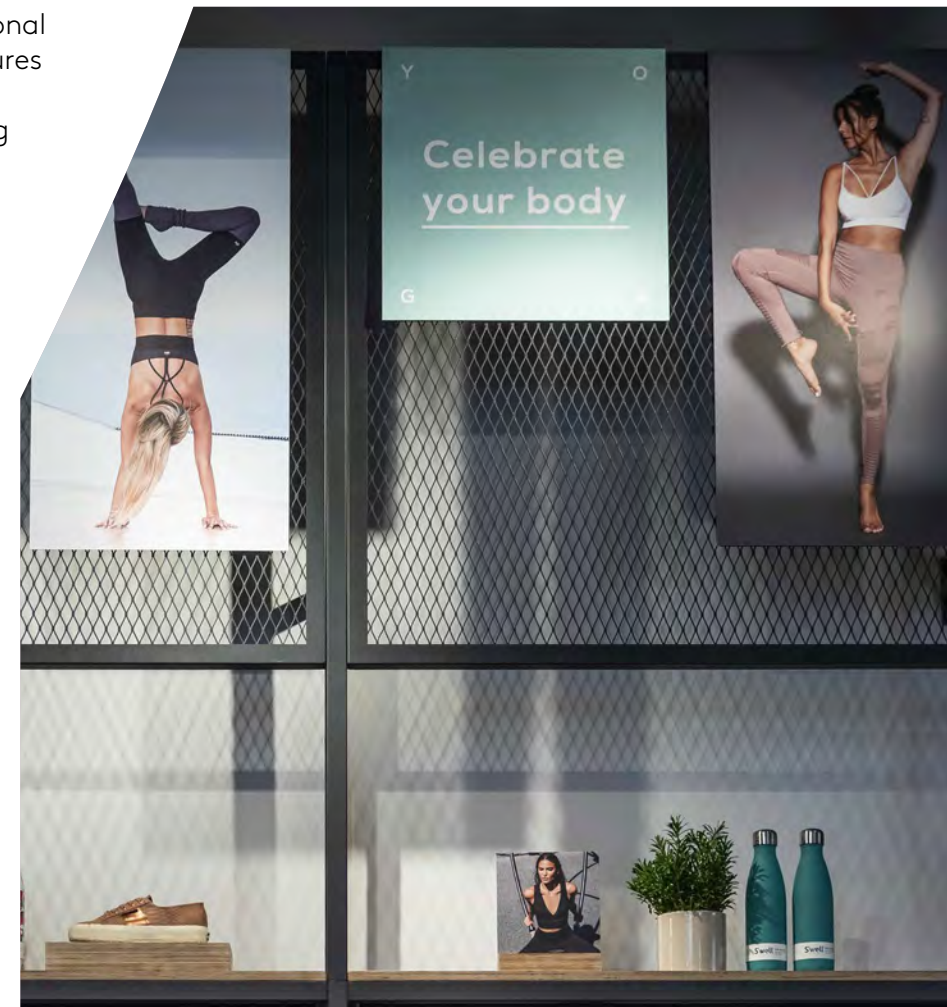
MINDFULNESS HAVENS

Canadian athleisure retailer Lululemon has opened a 'Mindfulness' space within its new flagship store in Midtown New York. The move is further proof that meditation and other mindfulness-based practices formerly considered 'alternative', are continuing to cement their place in mainstream consciousness.



The Sports Edit is a multi-brand activewear retailer offering curated edits of the finest sportswear across the globe. One of the key points of difference is the concept is the navigation; rather than defining solely by gender, this boutique takes personal goals as navigational messaging. The store features a merchandising area called 'The Edit', allowing customers to purchase from a product range curated by a team who live and breath the edited lifestyle.

CURATION
A Z D
STORYTELLING



Taking **femininity cues** to the very extreme. KITH celebrated their unexpected collaboration by transforming the third floor of its SoHo flagship to replicate Estee Lauder's office, from the wallpaper to the crown moulding.

FEMININE

SANCTUARIES



Nike has responded to complaints from girls across the globe about clichéd sneakerhead adaptations. Since 2018, Nike has been selling smaller sneaker sizes in female-focused shop-in-shop boutiques called Unlaced within key cities including Paris, New York, London, Berlin, Dubai and Moscow. Unlaced is also online, doubling as a community platform for female voices to break the male-dominated sneaker community's status quo.

S N E A K E R H E A D S

GAME-CHANGING ROLE MODELS

In late 2018, Nike also launched a podcast titled Fenom, championing female athletes. Currently seven episodes in, it hosts game-changers including Muslim-American fencer Ibtihaj Muhammad and youngest female Olympic gold medallist, US snowboarder Chloe Kim, who share stories about

LEADERSHIP, CONFIDENCE AND REPRESENTATION.

US skatewear brand Vans has been partnering with Indian female pro skater Atita Verghese (founder of skate collective Girls Skate India) to introduce female skateboarding to India and other global communities. It has since hosted 100 additional **girls-only** skate clinics around the world. This partnership has paid off for the brand - last year, it became the fastest-rising company in the history of US financial services firm Piper Jaffray's annual teen survey and global brand index. Nineteen per cent of US teens cited it as their favourite footwear brand, with the most staggering increase coming from girls (QZ.com, 2018).

Selfridges' foray into this subculture with **girls-only skating** nights in its Oxford Street flagship skate bowl in London.



NURTURING
FEMALE
COMMUNITIES



BOOSTING SELF-ESTEEM

Australian fashion retailer Sportsgirl launched its Be That Girl campaign, based on a self-commissioned study that found 50% of Australian girls worry about **being different**, while 65% worry about their body. Video footage and images of 12 young women from different walks of life telling stories about how they feel are showcased on all Sportsgirl channels, including in-store screens and billboards.

C E L E B R A T I N G A C H I E V E M E N T S

The North Face has launched its first-ever campaign focusing on women and celebrating the achievements of female explorers around the world. The campaign supports the brand's second installation of its 'Global Climbing Day', which took place on 18 August. Partnering with a multitude of indoor climbing spaces globally, the brand offered



F R E E C L I M B I N G L E S S O N S F O R A N Y O N E A T T E N D I N G O N T H E D A Y .

According to the brand, the aim of the campaign is to create a community and reflect its founding values.

EMPOWER

KEEP IT REAL.

Ensure authenticity in your brand communications and focus on body positivity, diversity and inclusivity.

KEY TAKE-OUTS

AVOID STEREOTYPES.

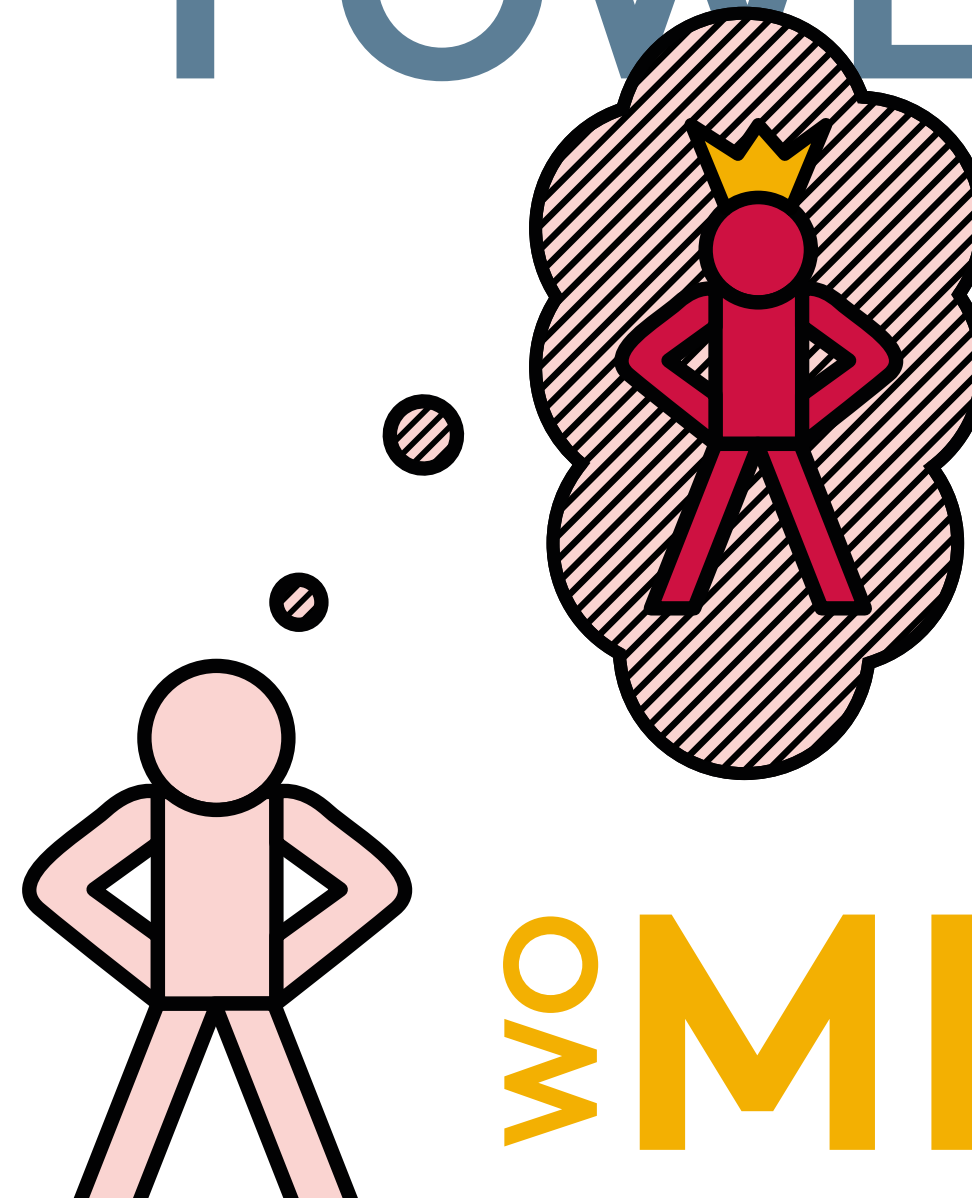
Avoid traditional stereotypes and target the new empowered female consumer mindset. Focus on boosting self-esteem, nurturing female communities and celebrating achievements.

MAKE IT VALUABLE.

Focus on learning and education; creating communities via workshops, classes and small-scale events.

CURATION.

Edit and curate your product offer in surprising and imaginative ways that maximise the sense of serendipity and discovery.



WOMENT

As activewear brands, both large and small, attempt to connect with younger consumers, it's clear that the rules of consumer engagement have completely changed.

At the heart of this change there are two guiding principles: Firstly, it's important to target Generation Z with meaning and relevance; not gimmicks, size, scale or showmanship. It's crucial to look beyond pre-conceived perceptions and traditional stereotypes and to understand your consumer today: what do they truly need? what do they value? what will they thank you for?

Secondly, it's also key to consider how you will help them feel rewarded for their brand loyalty, appreciated for their time and attention, and valued as a customer. So many of the initiatives that we have noted shared a common link – they were attempting to spark a genuine, personal connection with the consumer.

It has truly become a level playing field out there. Challenger brands with much smaller budgets can steal market share far more easily than ever before. The most stand-out concepts that we noted weren't always the boldest, or the biggest, or the most expensive – they were the ones that demonstrated the most empathy and understanding for their customer, with the most creativity, originality and imagination in their design.

Let's explore the possibilities and opportunities together!

We hope you've enjoyed reading through our report and would love to hear your feedback.

- Andrew Patterson, Founder
Mynt