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What's Sexy Now?

Victoria's Secret Loses Sex Appeal as Fashion Show Ratings Decline and Brand Loyalty Sags

NEW YORK, NY June 4, 2019 – In light of declining viewership and brand loyalty ratings, L Brands, parent company of Victoria's Secret, formerly the No. 1 lingerie label in the United States, is considering ending their long-running fantasy-focused global broadcast. According to L Brands, they are, "Looking for something that will push the boundaries of fashion in the digital age."

"Victoria's Secret, perennially #1 or #2 in the Apparel Retail category in our Customer Loyalty Engagement Index (CLEI), dropped to #4 in 2016, #6 in 2017, and #10 in 2018. This year it sank to last place in our ranking, #19," noted Robert Passikoff, president of New York-based brand research firm, Brand Keys, Inc. (www.brandkeys.com), a longtime tracker of customer loyalty.

Victoria Secret's falling brand loyalty and viewership ratings coincide with dramatic shifts in category dynamics that began in 2015, along with last year's resignation of Jan Singer, CEO of Victoria's Secret lingerie, after her CMO made awkward statements about transgender and plus-size models not representing the "fantasy" that is supposed to be Victoria's Secret. "That statement continues to be problematic for Victoria's Secret," said Passikoff. "Inclusiveness has become a hot-button issue for apparel brands."

Victoria's Secret's Wings Clipped

In the lingerie category Victoria's Secret, a perennial high-flier in the Apparel Retail category, got its wings clipped. As the brand has gone off-message and off-course, so have sales.

The 2019 Brand Keys CLEI ratings of Victoria's Secret indicates the brand needs a new flight path for the evolving retail atmosphere, or it will continue to pay the price. "It already has," said Passikoff. "Demand was down 3% in comparable sales during the holiday quarter."

The Victoria's Secret fashion show, replete with fantasy supermodel "Angels," celebrities, and musical guests, started as a webcast and shifted to network TV nearly

two decades ago. “But political polarization, rising consumer tribalism, and recent, fervent social activism have changed the face of brand engagement *and* consumer loyalty dramatically in all product categories,” noted Passikoff. “More importantly, the drivers of loyalty – never static or inert – have shifted again while Victoria’s Secret took their eye off the brand and their consumer.”

What Lingerie Consumers Yearn For

“The CLEI evaluations always tell us what consumers think, how they feel, and how they will behave in the marketplace. Different category drivers of loyalty have shown up throughout the retail sector, but especially in the lingerie category,” said Passikoff.

Consumers today want more buzz about brands and more ways to access them. But they expect options in clothing structure – constructed, unconstructed, and sporty. And consumers demand what they perceive as real value. “Consumers don’t want to feel ripped off. They are looking for comfort – in both clothing fit and how the brand fits their body image, which connects directly to one’s self-esteem *and* wallet,” noted Passikoff. “There’s something ultra-personal about lingerie.”

Then, there’s consumers’ expectations for more natural looks. Younger consumers have expressed a yen for more realistic representations and underwear that’s more crop top than bralette. Not so much fantasy as much as relatable beauty. “It appears that in today’s lingerie apparel category, more *is* more,” said Passikoff.

Lingerie Category Get Squeezed as New Faves Emerge

Victoria’s Secret lost its mojo while there was a surge in retailing’s boom and the lingerie sector’s success. Up and comers on this year’s Brand Keys CLEI list include: Aerie, True & Co., Lively, Journelle, and Third Love. Even GAP and J. Crew are looking to cash in on changing customer values and a changing lingerie market.

“Ultimately it comes down to apparel marketers identifying the true shape of their category ideal,” commented Passikoff. “Not from their own perspective, but from those of consumers’. Lingerie plays a big part in how women carry themselves, but now it’s up to women to carry the brand.”

“Any retailer that thinks they can ignore self-image *is* living in a fantasy world!” said Brand Keys Passikoff.

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