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Contemporary Designers in Luxury Markets

BUF 3310

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Professor Jackson

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CONTEMPORARY DESIGNERS AND LUXURY MARKETS

Term Project Assignment 1: Company and Brand Overview

Choose a fashion brand of your choice and begin conducting research about the company's history.

1. Marketing Plan for NIKE Spring/Summer 2020 collection.

Based upon SWOT Analysis

2. What are two major strengths for the brand?

- I. **Strong Core Brand-** The Nike brand itself is one of the strongest, if not the strongest names in the entire sportswear industry. Across much of the world, Nike is one of the first companies that come to the public's mind when they think hip, sporty footwear. Overall, this extremely powerful core brand is one of Nike's biggest strengths, and you can bet that it helps them rake in billions in additional revenue every year.
- II. **Diverse Brand Portfolio-** Although the Nike brand itself is incredibly strong, the company has a diverse brand portfolio beyond that. Most notably, this brand portfolio includes Converse as well as dozens of other Nike-centric sub-brands such as Nike Shox, Nike Blazers, and Nike Tiempo. This suggests that Nike has its foundations well spread across the footwear industry, allowing it to painlessly weather changes in preference.

3. What are two major weaknesses for the brand?

- I. **Dependence on the US Market-** In 2018, over 40% of Nike's revenue came from the US market. As you can imagine, this demonstrates a huge dependence on the US market as part of Nike's business model. If American tax or legal policies were to change, in any way affecting Nike's ability to sell on the US market, that would significantly hurt the sportswear giant's profits.
- II. **Footwear Focus-** Although Nike is relatively diversified within the footwear industry itself, Nike has not diversified itself much across other industries. Although the footwear industry is probably here to stay, Nike may consider broadening their horizons.

4. What are some opportunities within the market for your brand to explore? Think about how competitors of your brand are progressing and seeing success. Are there any areas of opportunity for your brand?

- I. **Growing Market-** There are only more and more people in this world, and many of them (especially in developed countries) are becoming gradually more active. Together, these two factors compound to create a constantly growing footwear market. If played correctly, Nike should be able to capture much of the business of this growing market, allowing the company to further grow its profits.
- II. **Responsible Manufacturer-** In many Western countries, there is a growing trend of knowing where products have come from and how the environment and workers have been treated. This presents another opportunity for Nike. If they are able to brand themselves as a responsible manufacturer of sportswear goods, they may be able to increase their market penetration among more ethically and environmentally conscious consumers.

5. What are some weaknesses of your brand? These weaknesses should be answered with positive marketing initiatives to improve business.

- I. **Tax Clampdowns-** Like many other big companies, Nike has its tax strategies optimized down to the dollar. This has for many years allowed Nike to avoid paying large amounts of tax, even on its billion dollar profits. However, there is growing controversy about the amount of leeway large organizations are afforded when it comes to tax matters, and their freedom to pay low amounts of tax may one day come to a close. This would afford Nike significantly smaller net profits.
- II. **Competition-** Nike is competing in the fiercely competitive sports apparel market, with other big names such as Adidas, PUMA, and Reebok ready to pounce on any new opportunities. As such, Nike needs to tread extremely carefully to ensure it isn't replaced by one of these, or somewhat less dramatically, doesn't lose out on potential revenue.

Brainstorm Marketing Ideas:

Keeping the company mission statement in mind; utilize the completed SWOT analysis to creatively strategize marketing opportunities for Spring/Summer 2020.

1. **CHAPTER 4:** Determine two brand partnerships that will positively impact the business, objective for your brand. These partnerships will become two marketing initiatives that will be incorporated within the marketing plan.
2. Measure metrics for each brand partnership. Include the following insights that are applicable:
 - **Social media handle(s)**
 - **Social Media follower count per digital platform**
 - **Total social media reaches across ALL platforms of the influencer or brand.**
 - **Unique Monthly Visitors to the website.**
 - **Subscription Rate for print publications**