

Case Study: 1

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**Step 1:** Choose a competitor adjacent to your researched brand and perform the bell approach.

**Competitor's Name:** Adidas

**Bell's Approach (Source: Forbes):**

Nike is the largest business overall and the market leader in the global sports footwear industry with revenues from their footwear of over \$24.2 billion in 2018, compared to Adidas footwear revenue of \$15 billion. These figures include not only Nike and Adidas branded

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footwear but also Converse (owned by Nike) and Reebok (owned by Adidas). Nikes' main collaboration is with a very different genre of celebrity; veteran basketball player Michael Jordan whose Air Jordan line of trainers for Nike currently holds the top spot for celebrity sneaker brands, generating approx \$3 billion in sales each year. The first Air Jordans were launched in 1985 therefore whilst they remain popular they are now an established sneaker name and can no longer be described as having the cool factor.

**Step 2:** Analyze each brands 'retail selling methods explained in Chapter 2 and document your findings.

### **Retail Selling Methods: Nike**

#### **Customer Interaction:**

- Nike has an app that customers can download and purchase from it.
- Nike engages with many athletes and gives them the opportunity to become product line managers which are “involved in the engineering of products, category experts, brand marketers...”.
- On their main website, Nike has a plus customer reward program. This program makes it possible for the customers to have access to new products and to experts in case they have any questions.
- In the Nike app, you can get a live agent to help you out with things like: where's your order or your return.

- The Nike 2020 runway presentation had a diversity of models and even used kids to pay tribute to Kobe Bryant with whom they have a collaboration of sneakers.

### **Emphasizing Interiors:**

- Nike's New York headquarters "includes an indoor basketball court, workspaces, VIP and workout spaces, a NIKE heritage inspired VW van, and a 90-foot, planted swoosh on the rooftop terrace" according to the website designboom.com
- The Nike 2020 runway presentation had an oval kind of white shape in the middle of the presentation. The models were walking out from the left, the right and the middle side on a well-coordinated walk. The stage light became darker as the models with disabilities came walking by. At the end, all models gathered together and that showed the big amount of diversity that the brand is getting known for.

### **Non-store selling methods:**

- According to their own website, "Nike is a founding member of the sustainable apparel coalition (SAC). Basically, they work together to try to reduce the environmental impact of the footwear industry. They are also part of the Fair Labor Association (FLA) and they are together to "help improve working conditions in factories". Other partnerships include: Better Work, Social Labor Convergence Program, PeacePlayers International, Girls Inc., Mentor and many more.

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- Nike's campaigns have given support to many worldwide issues. Their use of meaningful stories and taglines have helped them bring more customers into their brand alongside spreading positive messages.
- 5 brilliant Nike campaigns according to Digital Agency Network include: Nike Air Jordan and Facebook Messenger Bot Collaboration, Nike: Reactland, Nike Unlimited Stadium, Nike: The Wonder Women of Vogue and Nike: Equality featuring LeBron James. Another very popular one that won an Emmy award was the Colin Kaepernick ad that feature the impactful phrase "Believe in something. Even if it means sacrificing everything".
- Nike still courts some of the biggest names in sports. It has pricey, lifetime deals with Cristiano Ronaldo, LeBron James and Michael Jordan, whose Air Jordan brand is a boon for the company. Nike also has a sponsorship deal with Serena Williams, and recently released its first line of female Air Jordans.

### **Retail Selling Methods: Adidas**

#### **Customer interaction:**

- Adidas has an app where you can purchase everything online and also look up what's new in stock.
- The brand also aims to interact with people on a one-to-one level across all touchpoints such as mobile, social, and physical retail.
- They also created "Fail Fast" and created most value to the customer experience both online and in-store.

- In an article “salesforce,” says that Adidas website is a key part of a platform through which the brand can offer premium, connected, and personalized experiences.

Smith-Dubendorfer said, “We are capturing people online. We’re driving traffic. The brand is on fire, and that marriage of Adidas and Salesforce allows us to be reactive, proactive, and design and evolve for the future.”

### **Emphasizing Interiors:**

- In the article “archdaily,” by María Francisca González said that Adidas Arena forms a distinctive landmark on the Adidas World of Sports campus in Herzogenaurach. The new office and reception building marks the campus’s main entrance, welcoming visitors to the Adidas group’s World of Sports headquarters and lending it a strong visual identity.
- Adidas is hosting a ‘MakerLab’ Runway Presentation in Paris for a men’s week for which it has invited three emerging designers to show their collection and they are in partnership with the British Fashion Council, BFC ambassador David Beckham, designers Nicholas Daley, Paolina Russo and Priya Ahluwalia. They will have models walk down the runway wearing customized pairs of Adidas Originals SC Premiere shoes.
- In the 2019 MLS season which kicked off in the beginning of March, Adidas teamed up with the professional soccer league for a special fashion runway presentation in the heart of Los Angeles’ Fashion District that spotlighted their 2019 team jerseys.

**Non-store selling methods:**

- Adidas made a collaboration with Beyonce for her IVY park collection in 2020. They both send major well known celebrities such as Zendaya, Kendall Jenner, Reese Witherspoon and many more. These celebrities received a big PR box full of every item in the collection.
- Adidas will launch a collaboration with actor Johan Hill for the original sneakers and with Prada for the superstars one.
- Adidas also has a collaboration with Kanye West with the Yeezys.

**Step 3:** (opinion based): State which brand has the strongest selling strategy within their market segmentation and why?

We feel that both of them have a strong selling strategy. Even though Nike has more popularity than Adidas, Adidas is very relevant in the sportswear and activewear industry. They both use similar selling strategies such as collaborations, apps, discount codes, special offers among others to sell their products. Nike is not used to playing catchup, but Adidas is doing much better in technology, innovation and style. Adidas is still much smaller than Nike. Adidas brought in \$5.3 billion in 2017 compared with Nike's \$15.2 billion. But Adidas has a better sense for what consumers want to buy, which is making Nike sweat. Nike depends on big names for marketing, and still features the biggest names. But Adidas has encroached on that territory.

**Citations:**

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