



Nike Marketing Plan

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### **Brand Overview**

Nike inc. engages in the design, development, marketing, and sale of athletic footwear, apparel, accessories, equipment, and services. The brand is a multinational American corporation. Nike has its headquarters in Beaverton, Oregon, USA. It was discovered in 1964 by Bill Bowerman and Phil Knight. Nike is named after the Greek goddess of victory, is a clothing and shoe company. To help play basketball and soccer (football), as well as running, men's and women's training, and other action sports, it designs, produces, and sells several products. NIKE also markets sports-inspired apparel for children and various athletic and leisure activities under its namesake brand; it also offers sportswear under the Converse brand.

### **Mission & Vision Statement**

Nike's vision statement is "To bring inspiration and innovation to every athlete in the world." While its mission statement is to "do everything possible to expand human potential. Nike's mission is what drives us to do everything possible to expand human potential. We do that by creating groundbreaking sport innovations, making our products more sustainably, building a creative and diverse global team, and making a positive impact in communities where we live and work (Nike, 2020). Their main three goals are an inspiration, innovation, and every athlete in the world.

## SWOT Analysis

### Strengths:

Nike's is strong brand awareness and is indeed iconic, quick to pronounce, and very special, Nike is one of the world's most recognizable brands. 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 of 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. 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.

### Weaknesses:

Nike has had poor labor conditions in foreign countries in the last 20 years. Regarding their bad working conditions, Nike has been regularly criticized. "These problems include slave labor, child labor, low salaries, and inhuman "unsafe" working conditions. 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. 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 its horizons.

**Opportunities:**

Nike has many emerging markets in many foreign countries such as India, China, and Brazil. The brand has many more opportunities to expand in more countries. Nike has produced a lot of goods and there is still a lot to innovate. 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. 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 can 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.

**Threats:**

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. 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.

### **Goals & Objectives**

The brand goal is to inspire us to do whatever we can to increase human potential. We do this by developing disruptive sporting technologies, making our brand more sustainable, creating a dynamic and diverse global team, and having a positive effect on the communities we live and work in. "Nike's goal is to carry on his legacy of innovative thinking, whether to develop products that help athletes of every level of ability reach their potential or to create business opportunities that set Nike apart from the competition and provide value for our shareholders" (UKEssay, 2020). As Nike has evolved how we frame, describe, and address corporate accountability, these results come. We see corporate responsibility as an important part of how we can use our brand's influence, our people's energy and enthusiasm, and the size of our organization to drive positive change. We have therefore developed ambitious strategic targets that integrate our corporate responsibility goals into the long-term growth and innovation plans of the company because the company believes that there is no better way to achieve them than to explicitly connect them to our company.

## **Business Initiatives**

### **Brand Partnership & Business Initiative 1**

Over the next 6 months, our team will work on doing exercises with beat music to make their workout fun and enjoyable.

#### **Goal of initiative**

To provide Nike consumers with any workout session music is always the way to level up a consumer energy.

### **Brand Partnership & Business Initiative 2**

Over the next 2 months, our team will provide workout videos on how to look great in a few easy steps for a zoom meeting.

#### **Goal of initiative**

To help our consumers look comfortable for a zoom meeting, our team will provide zoom meetings on showing workout videos twice a week to help our consumers to get fit and healthy within a few weeks.

## **Target Market/Market Segmentations**

### **Demographics**

Nike mainly targets customers aged 15-40 years of age. Nike targets a range of demographic groups based on age, from young adolescents to middle-aged adults. Nike has

different advertising for men and women of every ethnicity and nationality. Nike also focuses more on women and Generation Y. Nike is now targeting teams from any sport, any size, and anywhere in the world. Households and teenagers who are interested in looking athletic and trendy at the same time are the main subjects. As part of the segmentation of Nike's demographics, all socioeconomic groups are targeted. The bulk of marketing for Nike takes place in the United States, but this is more to raise the market share of their athletic apparel than to promote their footwear.

### **Geographics**

Nike has stores across the world, and they realize that different countries have different cultures and lifestyle habits. In different countries, Nike has launched numerous products to meet the needs of regional customers. Nike has operated a total of 756 retail stores throughout the entire world. And now it has 931 retail stores around the globe. For example, Nike produces sneakers and clothing during winter that can keep out the cold, unlike in Singapore, which has only one season, summer.

### **Psychographics**

Nike is that they supply a range of goods to their customers that suit their interest and meet their expectations. Nike has a mission statement to "bring inspiration and innovation to every athlete in the world" and they do their best to fulfill the needs of their clients based on their mission statement. This helps Nike to figure out what their particular consumers want, since not all Nike customers want to do sports, so psychographic segmentation gives Nike ideas to create



different kinds of items based on their preference for buyers. Young adults, for example, choose Nike shoes mostly because it's a high-quality fashion lifestyle, and they would like to follow the trend.

### **Competitive Analysis**

Within our target market, we expect to compete with the following companies:



#### **Adidas**

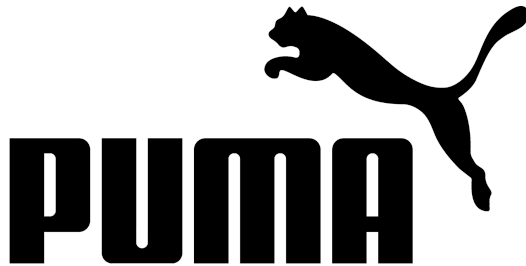
Adidas' mission is to allow people to engage in sports around the world while educating them about physical and mental health, fitness, and nutrition. Ultimately, this will encourage them to lead a more safe and fulfilled lifestyle.

#### **Brand Recognition**

Adidas is more than just a maker of athletic goods, it has a distinctive character that is "positive, courageous, undefeated and confident" and in which it owns massive brand equity.

**Advantage over Nike**

Nike is its biggest competitor. Adidas has been able to improve its position in the global markets amid Nike's powerful market presence. Several sources of competitive advantage have been developed by the brand, including technology, marketing, supply chain, and product design and quality.

**Puma**

The corporate aim of Puma is "to be the world's fastest sports brand in the world." This mission statement is encapsulated in the slogan of the organization, "Forever Faster," which illustrates the strategic target of being ahead of the sporting goods, clothing, and accessories market rivalry.

**Brand Recognition**

On both the purchase and wearing of the brand items, the leaping Puma logo is quickly recognizable. Puma is widely known as a hip, trendy, and stylish brand by customers in the global sports manufacturing industry. Puma is a brand that is strongly sought after by fashionable fashion consumers.

### **Advantage over Nike**

In this case, Puma uses its generic strategy and growth strategies indirectly competing against such companies as Nike, Adidas, ASICS, Under Armour, and VF Corporation. For example, the company's strategic plans for business growth capitalize on competitive advantages based on sporting goods innovation and design (Panmore Institute, 2019).

## **Marketing Strategy**

### **Product**

A wide variety of items are sold by Nike, including sports shoes, apparel, gear, and accessories. For men, women, boys, and children, it produces and sells goods. It also provides a wide variety of shoes, including numerous sizes and models appropriate for use in different sports. There are sports shoes available from Nike for basketball, football, biking, gym, and even lifestyle shoes, for instance. It also provides sportswear for athletes, shorts, t-shirts, and pants, such as tech fleece and Windrunner.





## Price

The ability to charge higher rates than its rivals is one of the critical differentiators for Nike. This skill, however, is focused on its products' premium quality. Its products are good looking, elegantly made, suited for sports use, and durable. The premium quality of its goods makes it possible for them to charge premium rates. Its success and brand value, however, plus the consumer loyalty it enjoys, are also significant factors that help its premium pricing. Nike does not set prices according to the state of the market or the cost of production. Instead, it sets prices according to the product's estimated value.

## Promotion

The use of digital marketing platforms by Nike for the promotion of its products has evolved. The business makes plenty of use of digital video ads to sell Nike products. It also publishes videos, including instructional and promotional videos on YouTube. Athletes and sports stars are mostly part of Nike's promotional videos. Nevertheless, many of these are motivational videos that are primarily directed at the sports community. Its marketing approach

and tactics have been widely praised for their effectiveness. A good brand image has also been maintained by Nike.

## **People**

To retain their competitive edge, businesses need to concentrate on strategically managing their human resources. It is because their workers are their primary source of competitive gain from which the other vital competitive advantages of a business are based. A company's growth depends on its people's skills and expertise as well as their success. The organization employed 75,400 individuals as of 2020. To help them find faster career growth and development, Nike invests in its individuals. Nike also includes them in its CSR services, in addition to providing them training and improved career management resources. The organization has developed human resource strategies that improve employee job satisfaction. It also uses modern training methods and strategies, in addition to fair wages and compensation packages, to give its workers opportunities to enhance their performance.

## **Process**

Almost all of its production has been outsourced by Nike to foreign suppliers. It leaves the organization free to concentrate on all the other important business processes. The company's quicker production and business growth are attributed to its marketing emphasis. The business is mainly engaged in marketing, distribution, and store activities. To maximize performance and quicker growth, Nike has streamlined its value chain. To achieve further progress, it invests a substantial amount per year in marketing as well as research and development. The focus of the

organization on greater business process efficiency has also helped it sustain its momentum for growth.

### **Physical Evidence**

Nike is a multinational organization that sells its goods in almost every part of the world. Aside from the goods and the organization's physical facilities, the packaging of the corporation is also the physical proof of its corporate operations. Nike is a physical organization, and thus when navigating its business structure, you can come across a lot of physical evidence.

### **Time and Action Calendar**

#### **Who**

We are marketing to young men and women between the ages of 15 and 40. It's mostly targeted for athletes, who are interested in sports and want to dress like one and exercise too. Nikes mostly target middle and high-class consumers. Mostly consumers who earn a salary of around 100k or more. Nike is a brand that represents energetic, active, and fearless consumers.

#### **What**

Our purpose is to unite the world through sport to create a healthy planet, active communities, and an equal playing field for all. To keep everyone healthy and active to live a better life. Nike's swish logo and "Just Do It" tagline convey inspiration that using their products makes anything possible

**When**

Nike's sales promotions are typically offered to target consumers in the form of coupons and special deals. To motivate potential buyers, the company uses promotional incentives by showing them advantages, such as the products' features and the savings they can make by using discount coupons or exclusive deals. Some Nike promotional activities are Advertising, Personal selling, Direct marketing, Sales promotions, and Public relations.

**Where**

Nike is a company that is located in many countries and states. It's easy to find them in any place, especially in small areas. It's also an e-commerce based business where people could easily buy the latest items online. Now Nikes have shops on social media too, such as the Instagram platform.

**How**

Nike products are sent in China and other nations, these products are transported by air and sea to over 500 factories. Recycled and used for the manufacture of other items, such as rubber playgrounds and shoe cases, are the materials that go to waste. More than 75 percent of its products contain recycled materials, according to Nike. Some promotions will give consumers to support the brand. When the followers are asked to repost and distribute posts on different sites, the costs are very small, providing integration for consumers who want to know more about the brand and products.

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Read Nike's mission statement and find information about NIKE, Inc. innovation, sustainability, community impact and more. (n.d.). Nike News. <https://about.nike.com/>



