

A Study on Marketing strategies adopted by Nike in Reference to the athletic footwear and Apparel Industry.

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Abstract

In the sportswear sector, Nike is a well-known brand known for its effective marketing techniques. This research paper will look into Nike's marketing approaches for its sports footwear and apparel lines, pinpoint the crucial elements that have fueled their growth, and evaluate the methods' efficacy. A combination of qualitative and quantitative research methodologies are used in this study. The qualitative approach entails a thorough analysis of the literature on brand management, marketing tactics, and the sportswear sector. An online survey is sent to a sample of Nike customers as part of the quantitative technique in order to collect information on their awareness of Nike's marketing tactics, preferences, and purchasing patterns. The study's findings suggest that Nike's marketing techniques, such as branding, advertising, and sponsorships, have been crucial in establishing the company's reputation and winning over customers. Nike's affiliation with famous athletes and sporting occasions has improved brand recognition and image. In order to reach a larger audience and engage with customers, the study also emphasizes the significance of including social media marketing and digital advertising in Nike's marketing mix. In conclusion, this study offers insightful information regarding the marketing tactics used by Nike in the sportswear sector. The results can be used as a guide by other businesses in the sector to help them create marketing plans that will give them a competitive edge.

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I. Introduction

Any successful firm must have marketing, and the sportswear sector is no exception. Through the use of efficient marketing techniques that resonate with their target demographic, businesses like Nike have developed a solid brand reputation. One of the most popular sportswear companies in the world, Nike is renowned for its premium athletic clothes and footwear. The success of the business has been greatly influenced by its marketing tactics, which have allowed it to obtain a competitive edge and keep its position as the market leader. The purpose of this research paper is to examine the marketing tactics used by Nike in relation to its sports footwear and apparel offerings. The goal of the essay is to pinpoint the crucial elements that have aided Nike's commercial success and to evaluate the efficiency of its marketing tactics.

The demand for athletic footwear and apparel goods is growing, which is good news for the sportswear business. According to a survey by Allied Market Research, the market for sportswear worldwide is anticipated to reach \$184.6 billion by 2025 after experiencing rapid expansion in recent years. The study emphasizes the rising popularity of stylish and comfortable sportswear, particularly among millennial and Gen Z shoppers. In order to draw in and keep customers, several brands have increased their marketing efforts. Numerous businesses are striving for market share in the fiercely competitive sportswear industry. Companies trying to acquire a competitive edge in this market must employ effective marketing methods. The study of Nike's marketing tactics will offer insightful information to other businesses in the sector, assisting them in creating powerful marketing plans to acquire a competitive edge. Brand positioning is a crucial marketing tactic employed in the athletic footwear and clothing sector. Businesses utilize brand positioning to create a distinctive identity that differentiates them from their rivals. This can be done in a number of ways, including emphasizing premium materials and cutting-edge designs, promoting a certain lifestyle or image, or endorsing prominent athletes and events.

Since it entered the sportswear market more than 50 years ago, Nike has promoted its products using a variety of marketing techniques. Nike's success has been largely attributed to a number of important variables,

including branding, advertising, sponsorships, and social media marketing. By partnering with well-known athletes and sporting events, the company has developed a strong brand reputation that has improved its image and brand recognition. Through the use of effective marketing techniques, Nike has also been able to foster consumer loyalty, which has been essential to preserving its market position. According to a Statista analysis, Nike is among the most popular sportswear brands in the world, with a market share of roughly 27% in the market for athletic footwear worldwide. Bill Bowerman and Phil Knight launched the business in 1964, and since then it has developed into a global brand with a presence in more than 190 nations. Nike's success can be due to its top-notch merchandise, solid brand recognition, and successful marketing tactics. The paper will explore how marketing tactics have changed in this sector and look at the ways in which businesses have used traditional and digital marketing strategies to reach their target audiences. The study will also look at how businesses have used collaborations, sponsorships, and brand ambassadors to raise sales and brand recognition. This paper will offer insights into how businesses may successfully promote their products in the fiercely competitive athletic footwear and apparel market by analysing the most effective marketing approaches in this sector.

II. Literature Review

Wenjie Jiang (1970) in his research titled "Sustainable Development of Supply Chain in Footwear Industry – Take Nike as the Case" states that because of the rising demand for designer shoes, both developed and developing economies have increased per capita incomes. This has led to the footwear industry's market share significantly expanding and attracting new competitors to the market. In order to analyze the growth of the footwear industry supply chain, this research will use Nike, the most prominent firm in the sector, as a case study. **Serdar Bayram (2001)** in his research titled " Nike Strategic Analysis" states that the goal of this investigation is to look into Nike's corporate strategy as a top manufacturer of athletic clothing and footwear. The study looks at Nike's key competitive advantages, its present marketing approach, and potential new approaches to succeed in the constantly shifting worldwide market. Online, qualitative data from non-Nike sources were predominantly used in the research. The investigation discovered that there is a wealth of knowledge and viewpoints about the operation of the business and its future course. **Darin J. Arsenault and Tamer Fawzy (2001)** in their research titled "Just Buy It: Nike Advertising Aimed at Glamour Readers: A Critical Feminist Analysis" states that the growing popularity of women's sports has prompted organizations like Nike to target women specifically in their advertising. Using a critical feminist lens, the study looked at Nike's advertising campaign in Glamour, a publication for young women ages 18 to 34. With the help of this methodology, it was possible to investigate how gender is portrayed in advertising, how it supports patriarchal notions, and how it may be reframed to be more empowering for women. **Fox Teryn R. (2002)** in his research titled "What Women Want: How Does Nike Target Female Athletes?" states that In order to analyze the manner in which female athletes are targeted by sports marketing, this research looks at the Nike Corporation as a case study. Understanding Nike's targeting tactics for women and how commercials have changed as the female market has expanded are the main objectives of this study.

Michael T. Donaghu & Richard Barff (2006) in their research titled "Nike just did it: International Subcontracting and Flexibility in Athletic Footwear Production" states that over the course of its 25-year history, Nike has built up a complex network of industrial alliances with South East Asian manufacturers. Understanding the "New International Division of Labour" in relation to the manufacture of Nike shoes on a global scale, the many forms of vertical disintegration and production subcontracting, and the present debate over the adaptability of industrial systems are the main objectives of the investigation. **Venkata Ramaswamy (2008)** in his research titled "Co- creating value through customers experiences: the Nike case" aims to show how leading businesses are learning to keep their competitive advantage by working together to develop useful customer experiences. By interacting with informed, connected, and networked customers all around the world, Nike uncovered a new source of value in its customers' shared experiences. Customers frequently use these new technologies to express their thoughts and opinions. **Nancy L. Lough, and Jennifer R. Pharr (2010)** in their research titled "The Use of a Multi-tiered Framework to Analyse Commercial, Cause and Social Marketing Strategies in Sport" states that marketing can take on various forms, such as commercial, cause-related, or social, depending on the intended benefit, desired outcomes, and focus of exchange. This paper aims to identify the differences between social marketing, cause-related marketing, and commercial marketing, by developing a multi-tiered marketing framework and analysing each approach to understand how they are used in sports to achieve both economic and non-economic objectives.

Kyle Gallagher (2013) in his research titled "Why do we just do it: a study of adolescents' influences for Nike sneakers" states that the goal of this research project is to investigate the reasons, influences, and decision-making process of adolescent boys when it comes to buying athletic footwear and apparel. Additionally, regardless of age, adolescent male consumers tend to prefer using the Internet as a source of information about products. **Laura Virginia, and Masár Vieites (2014)** in their research titled "Athlete

endorsement as a marketing strategy: A case study of Nike and Michael Jordan” states that companies are always striving to expand their customer base and increase brand awareness. This study explores the use of athlete endorsements as a popular tool in companies' marketing mix. **Patrick Flynn (2015)** in his research titled “Nike Marketing Strategy: A Company to Imitate” states that the aim of this paper is to examine the factors that have led to Nike becoming the largest company in its industry, and how other companies from various industries have attempted to replicate Nike's success.

Hussain A. Ali Mahdi, Mohammed Abbas, and Taher Ilyas Mazar (2015) in their research titled “A Comparative Analysis of Strategies and Business Models of Nike, Inc. and Adidas Group with special reference to Competitive Advantage in the Context of a Dynamic and Competitive Environment” states that strategy is crucial for the future success of organizations and involves carefully considering various options before making strategic decisions. This study conducts a thorough examination of the strategies and their impact on the performance of athletic apparel companies Nike Inc. and Adidas Inc. in the context of Bahrain, by analyzing case studies, articles, and annual reports. **Michael Sean Dingilian (2016)** in his research titled “Nike Pulls Away: An Analysis of Nike's ‘The Jogger’ Advertisement and Other Marketing Strategies” examines how Nike has maintained its leadership position for so long using advertisements like "The Jogger" and other marketing techniques. Nike's skill at promoting is better understood through the commercial "The Jogger," which also explains why Nike has grown to be the most powerful sports brand worldwide. **Gausselin Brendan (2019)** in his research titled “Impact of Nike Inc.'s Utilization of Social Issues in Their Marketing Strategy on Brand Equity, Brand Image, and Brand Loyalty” states that the objective of this study is to examine the effect of Nike's incorporation of social issues in their advertising strategy on the company's brand equity, brand image, and brand loyalty. To accomplish this, the researcher focused on the Colin Kaepernick campaign, which focused on themes of racial equality and Kaepernick's actions that led to his dismissal from the National Football League.

Lauren Thomas (2020) in his research titled “Nike learned a lesson in China: Some want to sweat away their coronavirus stress” states that this study focuses on how Nike increased their sales during the pandemic. To support this, Nike has made the premium version of its Nike Training Club app, which includes virtual workouts such as a 43-minute upper body strength routine and a 23-minute core strength yoga course, free for all consumers in the US. This change was made last weekend when Nike began promoting a new advertising campaign called "Play Inside and Play for the World" in response to the coronavirus outbreak. **Ni Putu Eni Diantari, and Jean Richard Jokhu (2021)** in their research titled “The Impact of Instagram as a Social media tool on consumer purchase decisions on Nike” states that the study aimed to investigate the factors that affect consumer purchase decisions for Nike brand sneakers in Indonesia, where the brand has seen a decline in popularity in recent years. The study found that celebrity endorsement, Instagram advertising, and word-of-mouth recommendations (E-WOM) significantly impacted consumer purchase decisions and brand awareness. **Anna Zhavoronkova (2021)** in her research titled “Sports marketing and its social implications. Realize Nike social media marketing strategy using in-depth analysis on four social media platforms” states that recently, modern sport has become a significant part of modern human life. This thesis aims to examine the impact of social media on sports marketing by analyzing Nike's social media marketing strategy on four platforms (Twitter, Instagram, YouTube, Facebook, and TikTok).

III. Research Methodology

Research objectives:

1. To identify the marketing strategies used by Nike.
2. To evaluate the impact of marketing strategies on brand awareness, customer engagement, and sales.
3. To examine the marketing strategies of Nike to keep up with changing consumer behavior and trends in the industry.

Research Design:

The research design used for this study is a quantitative research design. It involves the use of a questionnaire to collect data from a sample of respondents. The questionnaire was designed to gather information on the marketing strategies adopted by Nike. The research design is descriptive in nature and aimed at obtaining a clear understanding of the marketing strategies used by Nike.

Sampling design:

The target population for this study is individuals who are familiar with the marketing strategies adopted by Nike. A non-probability sampling technique known as convenience sampling was used to select the sample. The sample size for this study was 55 respondents who are familiar with the marketing strategies adopted by Nike.

Data source:

The primary data source for this study is a questionnaire designed to gather information on the marketing strategies adopted by Nike. The questionnaire was distributed to respondents who are familiar with Nike's

marketing strategies. Secondary data sources such as academic articles, research papers, and books were also used to supplement the primary data.

Reliability and validity of the data:

The reliability of the data was ensured by using a standardized questionnaire. The questionnaire was designed to be consistent and clear in its questions, ensuring that the same information was gathered from all respondents. The validity of the data was ensured by using established theories and concepts related to marketing strategies. The questionnaire was also reviewed by experts in the field of marketing to ensure its validity.

Mode of analysis:

The data collected through the questionnaire was analyzed using statistical methods such as descriptive statistics and inferential statistics. Descriptive statistics were used to summarize and describe the data, while inferential statistics were used to test hypotheses and make inferences about the population based on the sample data. The results were presented using tables and graphs.

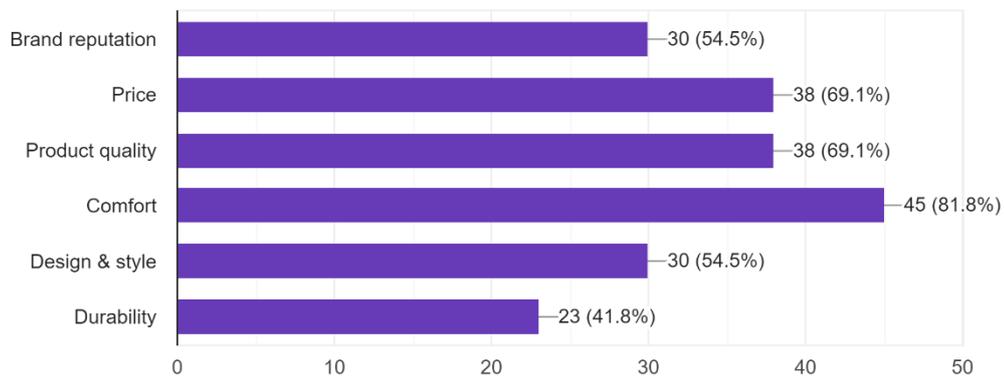
Data Analysis and Interpretation

Age: The data represents the age of individuals and is divided into different age ranges. The age ranges are 0-20, 21-30, 31-40, 41-50, and 51 or above. The data shows that the majority of individuals fall into the 0-20 age range with a frequency of 28, followed by the 21-30 age range with a frequency of 12. The 31-40, 41-50, and 51 or above age ranges have lower frequencies indicating fewer individuals in these age groups. Overall, the data suggest that the target population for the research project is likely to be younger individuals with the majority falling into the 0-20 age range.

Gender: Based on the data provided, there were 27 male respondents and 23 female respondents and no respondents identified as 'prefer not to say'.

What factors do you consider while purchasing footwear?

55 responses



Based on the data provided, it appears that the most commonly considered factors while purchasing footwear are brand reputation, price, product quality, comfort, design & style, and durability. However, not all respondents considered all of these factors; some only considered a subset of them. The data suggest that comfort, price, and product quality are given the top priority.

Have any marketing strategies influenced your purchases of shoes?

Based on the data provided, it appears that the majority of respondents (47 out of 55) have been influenced by marketing strategies when making purchases of shoes. Only 8 respondents answered "No" to this question.

Have you ever been influenced to purchase a Nike product based on a celebrity endorsement?

Based on the data provided, it appears that celebrity endorsements have some influence on whether or not people purchase Nike products. Out of the 55 respondents, 31 stated that they have been influenced to purchase a Nike product based on a celebrity endorsement, while 24 respondents said that they have not been influenced.

What do you think sets Nike apart from its competitors?

The data shows that all of the above was mentioned by most respondents (23 out of 55) who believe Nike excels in all the mentioned factors. Product design/style and Brand reputation are also frequently mentioned with 13 and 12 out of 55 responses respectively. Innovative marketing strategies received fewer mentions (7 out of 55) compared to the other factors.

Have you ever chosen a Nike product over a competitor's product because of Nike's marketing strategies?

Based on the data provided, out of 55 respondents, 35 (or 63.6%) reported that they have chosen a Nike product over a competitor's product because of Nike's marketing strategies. The remaining 20 respondents (or 36.4%) reported that they had not.

In your opinion, what is the most effective way for Nike to reach its target audience?

Based on the data provided, it seems that the most effective way for Nike to reach its target audience is through trendsetting design and style, with a total of 22 responses out of 55. Innovation and performance come in second with 13 responses, followed by celebrity endorsements with 12 responses, and marketing and advertising campaigns with 8 responses.

In your opinion, what marketing strategy has been the most successful for Nike in terms of promoting its products?

From the data, it is evident that Nike has been successful in promoting its products through a variety of marketing strategies. The most popular marketing strategy among the respondents was Celebrity Endorsements, which received a total of 15 responses, followed by sports sponsorships with 14 responses. Innovative marketing campaigns and social media marketing were also popular marketing strategies with 13 responses each.

IV. Conclusion

In conclusion, Nike is a world leader in the extremely competitive market for athletic footwear and gear. Nike's marketing methods have been essential to its success, and the company has implemented a number of cutting-edge strategies to interact with consumers and stay competitive in the market.

Nike uses branding as one of their primary marketing tactics. With the help of its famous "Swoosh" emblem, Nike has developed a strong sense of brand identification. The brand identity of the business is based on the idea of athleticism, which has aided in building a devoted customer base of athletes and fitness aficionados. The business has used sponsorships, events, and social media to interact with customers while leveraging its brand identity. Product differentiation is one of Nike's key marketing tactics. Shoes, clothes, and accessories from Nike are widely available and made for a variety of sports and fitness pursuits. In order to set itself apart from its rivals, the company has also created unique items in collaboration with well-known athletes. In order to manufacture cutting-edge items that offer superior performance and comfort, Nike has also made significant investments in research and development. This has helped the company draw in and keep customers.

Additionally, Nike has adapted a customer-focused marketing strategy. To better understand its consumers' requirements and preferences, the organisation has engaged in customer research and analysis. Nike has also developed a number of programmes to interact with its clients, such as NikePlus, which provides users with personalised training plans and rewards. Additionally, the business has consistently improved its goods and services based on user input. Nike's usage of digital marketing is among the company's most cutting-edge marketing techniques. Nike has made use of online platforms to develop captivating and interactive marketing campaigns. Instagram, Twitter, and Facebook are just a few of the social media channels the business has utilised to reach out to clients and advertise its goods. The Nike SNKRS app, which employs augmented reality to let users put on virtual trainers, is just one example of how Nike has employed augmented reality and virtual reality technologies to create immersive experiences for its customers. In addition, Nike has included celebrity endorsements into its marketing plan. Famous sportsmen including Michael Jordan, LeBron James, and Serena Williams have worked with the brand to market its goods. The company's brand identity has benefited from the strong relationship that these endorsements have made between Nike and high-performance sports and athletes.

Nike has become the world leader in athletic footwear and gear thanks to its incredibly successful marketing methods. However, the business is faced with a number of difficulties, such as shifting consumer tastes, heightened competition, and sustainability issues. Nike must keep innovating its goods and services in order to be competitive, as well as adapt to shifting consumer tastes. The corporation must implement eco-friendly practises and lessen its carbon impact in order to address sustainability issues. Nike has already started moving in this direction by incorporating recycled materials into its goods and cutting waste throughout the production process.

As a result, Nike's marketing tactics have been essential to the success of the corporation in the sports footwear and apparel sector. The business has implemented a number of cutting-edge strategies to interact with customers, set itself apart from competitors, and build a strong brand identity. Nike has had remarkable success with its use of digital marketing, customer-focused strategies, and celebrity endorsements. However, Nike must keep innovating and solve sustainability issues if it wants to be competitive. Overall, Nike's marketing tactics show businesses how to thrive in very competitive industries by focusing on their customers, differentiating their products, and building a strong brand identity.

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