

Nike international finance

Finance



Nike got its venture started as a athletic shoe (Blue Ribbon shoes) selling company for athletic players exclusively. The main strengths of the company then were low capital requirement and the necessity to develop the market which captured the market totally with its reputation of authenticity and highest quality products. Finally Blue Ribbon started its first retail outlet in the year 1966. In 1970 the biggest success of Nike was that it surpassed the market share of Adidas by almost 50% and the complement goes to its marketing strategy and the focus to its basic norm – authenticity.

Product: Nike shoes were strongly known for its performance, innovative design and technology. The focus of the target market was especially the male consumers and the athletes with dedication to sports. Its main core competency was styling with technology, close relationships with the US athletes and marketing by itself. Promotion: Endorsements were huge as most of the endorsers were the sports personalities and athletes with distinct personalities. The positioning that was created was on the ground of winning, self-sacrifice, determination and individuality.

“ Pyramid of influence” where in word of mouth was the biggest factor to boost Nike’s sales. Advertising and commercialism were heavily used by involving TV advertising campaign, peer group journals etc. The focus of the founders here was that Nike had to better in the international and global arena of the environment where by customer base perspectives which include customer logic, purchasing logic, information logic demands focus upon and secondly Industry / Competitive perspective which include competitive logic, industry logic, size logic, and regulatory logic.

Depending on the global scenario, Nike need to identify the customer requirements where in the core competency of the product usage depends upon the country the product is launched and has to be marketed also in the manner which suits the culture of the global marketplace. Place: The buying pattern of the customers, the distribution extent and the delivery system and the gray markets needs to be thoroughly researched to identify the crux and the authenticity of the presence required in the market.

Customers need convenience and the best deals are wider areas to fetch the maximum. The various occasions where the customers make the Nike products available are at local stores, outlet stores, while traveling for business trips or while surfing online. Nike has made its customers loyal because of wide options that are made available in its purchase pattern.

Place requires a global level analysis as competitors exists worldwide and to function effectively and efficiently the product should be made available within the similar competitive marketplace. Nike runs its operations in the traditional and non traditional distribution channels in around 110 countries which has the primary markets of US, Asia Pacific, Europe and has a wide network of 20, 000 approx. retailers consisting of Nike Town, Cole Haan stores, Nike stores, Nike Factory outlets and the web sites.