

# Threats tough competition

Business



Threats Tough Competition (Addis, Nikkei & Rebook) Lower brand recognition

In comparison Pumas Response to the potential threats imposed by its competitors was to target untapped markets in the form of producing products that address people's lifestyle. In doing so It positioned Itself as an athletics company that produces high quality products with an edge, whether that edge Is how trendy it Is In terms of colors ; design or how appropriate it is to a person's lifestyle. And it emphasizes this by teaming up with designers, sports icons and trendy car manufacturers.

Puma tries to address the low brand recognition in comparison to its rivals by sponsoring teams in championships and tournaments. This In my opinion is a very good way of proving Its products are of high performance quality, however this should be laced with a degree of understanding the cultural differences of each country.

Puma is also trying to address the third world markets by producing products dedicated to these countries; this is exemplified in the limited edition shoe it designed with the AJAX flag colors. However In my opinion any company targeting a new segment must have very good knowledge of the cultural does and don't.

While using a nation's flag colors on footwear may be considered as a good promotional stunt in one county, it may not be considered as such in another. In my opinion it is not PUMA's insensitivity that is at question, but its failure to know the cultural differences when addressing a new market. And while people might be inclined later on to disregard the incident, the fact that PUMA's marketing strategy didn't include ten Key Tactic AT cultural

Territories may Impact Middle Eastern market for years to come. To  
penetrate ten