Nike business strategy

Business, Strategy



Page 2

Nike Inc. has been dealing with many sports starts, Michael Jordan to name

one, in order to promote its products through its marketing strategies; and

overall part of the business. With Nike manufacturing products with its cost

effective business strategies through factories in the developing nations,

criticisms regarding its abuse of child labor have affected its popularity to an

extent.

Nike is no more completely recommended by Asians fans and also by

westerns followers because of many documental proofs that have been

publically shown about low-grade working conditions and child labor.

Moreover, criticisms such as the sweatshops has caused problem for the

organization which were not handled properly.

This clearly indicates that Nike Inc has not been dealing right with its

business strategies. Even though Nike was not solely responsible for the acts

of child labor, it had some obligations to fulfill. Secondly, Nike tried only to

mention the abuse of child labor, ignoring extreme working conditions thus

causing more unpopularity. The company had failed to promote effective

public relations with the media globally causing much disrespect among its

fans.

Related essay: Nike: Public relations

One solution to the problem was to communicate fully about what had been

the source of dismay, trying to rectify it with the expert critics who raised it

initially. This would have caused less loss to the company. Secondly,

effective public relations strategies should also have mentioned the positive

side; the employment provided to thousands who were living in extremely poor working conditions.

With a drastic change in business strategy to counter-back the problem, effective use of Public Relation policies, committing itself to corporate socialresponsibility, committing tohealthand safety of employees, creating some benchmark working standards and an informed work place for representatives to audit independently, Nike can turn back the bad times to its favor and gradually recover the lost. Therefore, Nike needs to make changes in its strategies globally.

Reference

Soloman, Jolie. "When Nike Goes Cold." Newsweek. March 30, 1998

Tim Connor (2001). *Still Waiting For Nike To Do It*. Nike's Labor Practices in the Three Years Since CEO Phil Knight's Speech to the National Press Club. San Francisco, California. Global Exchange.