

# Nike and apple

[Business](#), [Company](#)



\n[toc title="Table of Contents"]\n

\n \t

1. [Nike and Apple](#) \n \t
2. [Conclusion](#) \n \t
3. [Reference](#) \n

\n[/toc]\n \n

This paper looks at two global brand names that have teamed up to make a new product for sports consumers. These are Nike and Apple. Nike is well known corporate brand associated with manufacture of Nike shoes while Apple is known for the manufacture of small and durable computer gadgets used in the music industry, the iTunes music store. Due to growing trend of consumers liking of their brand they have developed Nike+iPod Sport Kit that embraces two technologies that are divergent in nature but uniquely complementary to sports use. The Nike+iPod Sport Kit is able to capture athlete's data, store it and interact with other gadgets useful for sports training. The use of it and other older devices have contributed to the success and potential of the merger between Nike and Apple companies.

## **Nike and Apple**

Nike and Apple are brand names of companies dealing in two different market fields. Nike has established itself as the dominant figure in sport shoes while Apple is the dominant the field of computer technology where they have build a solid base in the music play list. Nike brands are Nike shoes that are the darling and much sought after shoes from sports consumers. While Apple has the dominant iTunes music store in which

athletes have been uploading music. Since music is synonymous with athletes during training, the CEOs of these two companies came with a partnership to deliver a product of its kind (Lab paper main source).

The CEO of Nike first approached Apple's CEO with the ' smart running shoe' idea it was processed and a new idea referred by Apple's CEO as ' great start' was born. This is a combination of two technologies that would improve the performance of the runners. The partnership which was labeled ' design difficulties' embraces a phenomenon that has already been ventured by other companies however, great improvement have been made. Thus Nike and Apple came up with the product called Nike+iPod Sport Kit. This is where an electronic sensor is embedded on the shoe which relays signals to the receiver connected remotely to the Apple's iPod of the nano music player (Lab paper main source).

The data is loaded in it of which information like distance covered, speed of the runner, calories burned during the training and can be customized to give details with specificity such as setting of ' power song'. The iPod stores information on duration, distance covered and calories utilized during running time. The data is then transferred to a Mac or computer to which it uses the Nike website, Nikeplus. com where the runner can view data on the screen, analyze his progress, customizegoalsand show results later. This kit allows the runner to get feedback through the iPod speaker, and listen to music as he or she trains (Lab paper main source; Lab paper supporting material 2).

The accuracy of this gadget is quite precise at over 90 percent even when used outside the box. For instance Armstrong used it during his training and tested with car speed and found that the nano recorded 5. 2 miles while the speedometer recorded 5. 3 miles (Lab paper supporting material 2).

As a matter of fact the two companies brought this synergy of ideas based on the ‘ beautifulfriendship’ level to which there association has brought similarities and differences in harmonious integration. For instance, Nike and Apple are similar because they leading global brand names in their field of specialization that is the buzz of young and cool consumer market.

Two they are all technologically driven whereby the apple is known for semiconductors and software proficiency while Nike is force behind anatomy, precision molding as well as thin film technology. This is illustrated by one of the CEOs who termed it ‘ scratching the surface of technology’ where they can only be limited by the scope of imagination and business deal. It is a merger that is transcending to a field that has not been touched hence showcasing the huge potential opening for further development (Lab paper main source).

Therefore, Nike has rolled out an expansive development of seven other styles of Nike branded shoes in the near future which include Nike air zoom moire, Nike shox, Air max lines, Plus ready and Nike plus. Plus ready brand is already in market with at least 4 million shoes being sold in stores (Lab paper main source).

The development of technology did not happen without the obstacles as admitted by the executives' of the two companies. One is that it took them eighteen months to come to agreement on the best platform dubbed Zen state. The problems being the sensor in the Nike shoe was bigger which was not welcomed by Nike engineers but the Apple designers saw it as small. Secondly the duration of the battery was short at about 1000 hrs. This was because the wireless technology to be employed consumed a lot of power and none wanted wire connection.

However, it brought out a gadget that could be beneficial to all at an affordable price of \$29 for iPod, \$ 149 for nano and \$100 for the shoe. This brings the question of affordability of the product to the consumers compared to previous product from companies like Garmin handheld GPS which its cost range from \$115 to \$377 depending on its sophistication (Lab paper main source).

The partnership of two companies carries great benefits to both as indicated by their market share experiences. For instance, Nike will be solidifying its presence on the MP3 player market having unsuccessfully tried through collaboration with Philips electronics. Apple being the dominant player gives Nike the presence and avenue it needs most. While Apple is gaining ground on a new field hence making iPod become a platform in sport market rather than as a music player.

Nike profile will be elevated due to its connection with Apple and their market share will expand similarly because of similar demographics.

Although some criticize the apple deal arguing that it is nutty others opposed

it vehemently. For the case of Philips electronics where they have had long brand-licensing agreement it will still hold (Lab paper supporting material).

This is not the first time Nike is penetrating the MP3 player market because they have done so with Philips electronics and co-branded the PSA 610, 4 GB hard disk with GPS sensor. This market has had other products of similar nature such as use of wristwatches, heart rate monitors, pedometer and cycling computers. The polar's line of heart rate enabled athletes and cyclist to set up, training regimens where data can be viewed on the computer and results analyzed.

The Garmin forerunner which had a hand held GPS connected to the wrist or in edge lines provided real time tracking of location from the GPS. Mac's gadgets were used to interface computers and internet including the use of polar and Garmin models. Therefore as the new product are developed old gadgets such as Mac's solidify their ground (Lab paper supporting material).

## **Conclusion**

This paper has discussed the merger of two global brand names that are successful in their area of business. Their merger has created a new market and potential of technological collaboration as well as boost in market share consolidation.

## **Reference**

1. Lab paper main source article
2. Lab paper supporting material
3. Lab paper supporting material 2