

Good example of research paper on under armour company analysis

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



Introduction

Every successful company once started with a 'Big Idea' which transformed an industry, sector and people in general, the story of Under Armour (UA) is a testament to the fact that an idea and a persistent effort will bear fruits in terms of recognition and revenues.

The company is the brainchild of Kevin Plank who during his playing days at the University of Maryland got the 'big idea' to make a T-shirt which helps the players in providing compression and perspiration off the skin rather than absorb it which in essence helped the players in regulating the body temperature and also enhance performance (UA About, 2014).

Just like Under Armour HeatGear® T-shirt which was named the #0037 (UA History, 2014), the primary aspect in the success of the product was innovation in terms of keeping the athletes cool, dry and light (UA Product Innovation, 2014), in the midst of established companies like Nike, Adidas etc.

Mission

Under Armour as an organization is known for being the innovators for sports T-shirts which is backed by designs which are both eye catching and modern for the athletes and consumers in general.

The products unique selling proposition (USP) is the technological edge and the focus on athletes convenience and thus the mission basically translates the core idea of the company 'To make all athletes better through passion, design and relentless pursuit of innovation' (UA Mission, 2014).

Target Market

The market potential of Under Armour (UA) is viewed in terms of the positioning of their products and segmenting a category of consumers in terms of the product offered with respect to the products innovative features and usage.

The primary target market of UA is young athletes both male and female, since the product is focused on sports it can also be classified as niche, as stated in an article in Forbes (2013), the women's business generates 30% revenues and thus the recent focus is on women.

UA Products

The primary revenue generator for UA are its T-shirts, besides the portfolio includes equipment, footwear, sports accessories and clothing for all segments i. e. Men, Women, Kids. The products are of high quality and are prices at a premium in view of its brand recognition.

Footwear is one product which can be leveraged through loyalty earned through its apparel business and aim is to grow the footwear revenues from \$290million to \$600million by 2016 (Forbes, 2013).

Competitors

The major competitors of Under Armour are Nike Inc., Adidas, The North Face Inc. and Columbia Sportswear Co. As reported in Sarah Meehan article in Baltimore Business Journal (2014), and in the preceding holiday season besides Nike all other companies have suffered losses.

SWOT Analysis

The success and failure of a new product is depend on an analysis which will detail the internal and external scenario which will help in the launch and its subsequent operations

The strength of UA in view of the research done by the author starts with the brand image which is really strong, innovative product portfolio, financially stable and athletes and team's sponsorship, all these aspects will help the launch of skating boards.

The weaknesses of UA is its premium pricing which has not helped UA in becoming a mass name like Nike and Adidas, Lack of international space, Lack of a proper marketing strategy, Focus on male segment with sales coming from female segments (John Kell, 2013).

The opportunity is to create new grounds internationally with Summer Olympics in 2016 (John Kell, 2013). Focus on new segments like older people and new product development for a younger generation i. e. skating boards as a start. Footwear market share increase, creating a new price level for the masses, increased marketing activity like the UA new ColdGear infrared technology campaign (Sarah Meehan, 2014).

The Threat is the competitions which have a greater international presence and established consumers group. Perception of a brand which is not for all due to its pricing, government policies impact on operations (John Kell, 2013) and most importantly with regards to the launch of skating boards the competition is strong with established players such as DC, Globe, Emerica, Vans, besides Nike and Adidas are also in the category (Jenkem Magazine,

2014). Thus, to create a level of support through the current consumer segment and generate necessary support for the launch.

Product Launch Proposal

Under Armour as a cutting edge and innovation based organization is always was look out for adding products and services in its portfolio which matches the companies mission and also cater to new segments and opens up new revenue streams.

In view of the young target market base and with women generating revenues and a decline in men's sale, the need is to introduce a product which helps in creating a niche category in terms of sales.

The Product

Skating Boards will be the product to be launched, in view of UA innovative trend in terms of products the Skate boards will open up to new young target market to create a new revenue stream and also counter the negative impact of ' Mach 39' which was advertised as the fastest speed skating suit in history and U. S. speed skating teams failure in partnership with Lockheed Martin (Dan Moskowitz, 2014).

Skating Boards will be an extension of a more daredevil attitude for the consumers which can be utilized any and everywhere and eventually be a preferred choice for specialists.

Product Features

It will include skating boards, snow boards and also boards for surfing with different colour, sizes and styles, also the new offering will be available in

hardware, boards and also shoes to cater to all types of youth consumer segment.

The key focus will be on Decks, Mini, Old School, Long Boards, Pre-Built Complete and Sale.

With a significant presence worldwide and in U. S. where UA is predominantly based, the product will help as boarding is a huge industry with its own Olympics, X-games, video games and also movies being made on surfing and skate boarding thus romanticizing the sports in the youth.

Extended Product Line

Besides the skating boards, UUA will also offer customized gears used for boarding, which will include body suits, caps, tops, bands, body guards and pads and helmets which will in essence create an added flavour to the boarding youth segment targeted to get their required stuff from a one window solution at UA.

Product Differentiation (Benefits)

Under Armour using its innovative technology will in essence create a differentiation aspect in terms of technology which will assist in new manoeuvres and drills, from new wheels development to flexible movement techniques the intent is to that the UA skating boards become a trend setter in the boarding genre.

Product Pricing

The pricing will be with regards to the company image of a premium product organization. This is in view of the fact that established players such as DC,

Globe, Emerica, Vans, however the price tier will be focused on from what Nike is offering as it is the direct competitor of UA.

The Price Ranges will in effect start from \$40. 00 and will go on to \$200+ and the intent is to go tactical at the launch and offer gear or anything relevant to boarding to go with the boards and try to create an emotive connect.

Conclusion

On a concluding note, the boarding industry is on the up and it is the right time to join the bandwagon and enjoy a share of the boarding pie in terms of revenues and a new target segment by Under Armour.

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