The reason why nike should not sponsor tiger woods

Why Nike Should Not Sponsor Tiger Woods Task Judging from experience, Tiger Woods's scandals characterize severe and adverse consequences to those companies that sponsored him, so Nike should be involved with him. If, in any case, Nike sponsors him, it will suffer a reduction in its market value and destroy its reputation. In addition, due to his embitterment, I think Nike should not sponsor him. This is because the scandals surrounding him can cause a poor reputation of Nike, which is a reputable company. In addition, considering Tiger Woods's relationship with the rest of his sponsors such as Accenture, it is obvious that he is of questionable character, which can in turn have adverse effects on Nike's position. Nike's relationship with Tiger Woods can tarnish the company's name, as this will depict to the public that it supports the drama that surrounds the golfer (Knittel & Stango, 2010). Most companies sponsor athletes for the sake of advertisement, promote the company's image, and portray an excellent reputation on behalf of these companies, but Woods had proved otherwise, and most companies do not want to be associated with his persona. This also calls for Nike to take precautions and cease sponsoring him just for the sake of the company's name and reputation.

For Nike to support or be involved with Woods in any way, he should prove to be an outstanding representative of the company values. That is not the case as Woods has since been involved in several scandals including; being a reckless driver and being involved in extramarital affairs and this has damaged his reputation in the public. These values portrayed by Woods are dreadfully unacceptable and are against the values and norms of any reputable company such as Nike, and any relationship with him could

jeopardize the outstanding reputation and name of Nike in the public.

The losses that Nike is likely to incur if it decides to sponsor Woods would be extremely widespread considering the fact that Nike is a large company; hence, Nike should avoid him at all costs. Woods has proved to be incurring large amounts of loses since the ruin of his reputation, so there is no need to promote someone whose performance and earnings are moving at a downwards trend. In addition, since a larger percentage of Wood's income is from endorsements, this means that those companies involved with him are likely to be victims of his losses since it is estimated that Woods's scandal stock market effect, is on both their competitors and sponsors, as well.

Nike sponsoring Woods is extremely risky as most companies are interested in growth and value from potential partnerships but in the contrary Tiger Woods is " falling" thus not a potential partner for Nike. In addition, Tiger Woods being a celebrity, there many factors that affect companies being engaged to celebrities. For instance, Woods should be in a place to abide by the regulations and rules governing the organization. There is also an issue of cultural dissimilarities between the two parties and attitudes that prospective procurers have on Woods, specifically, what do consumers or Nike customers perceive of Woods? (Lee, 2010). This can only be determined by having further scrutiny at his code of conduct. Mr. Woods's conduct has not been satisfactory for quite a long time thus Nike should not back him at all. Another factor includes differences for risks that could be incurred in sponsoring him or being involved with a dissimilar celebrity. I recommend Nike to sponsor a singular icon other than Woods.

References

Knittel, C. R., and Stango, V. (2010). Shareholder Value Destruction following

the Tiger Woods

Scandal. Retrieved on October 24, 2011 from:

Lee, J. E. (2010). Factors that Affect the Difference in Preferences for Using

Celebrities in

Advertisements between South Korea and the United States. Texas State

University.

Retrieved on October 24, 2011 from: