

# History of the nike as a company



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Founded as an importer of Japanese shoes, NIKE, Inc. (Nike) has grown to be the world's largest marketer of athletic footwear and apparel. In the United States, Nike products are sold through about 20,000 retail accounts; worldwide, the company's products are sold in about 110 countries. Both domestically and overseas Nike operates retail stores, including Nike Towns and factory outlets. Nearly all of the items are manufactured by independent contractors, primarily located overseas, with Nike involved in the design, development, and marketing. In addition to its wide range of core athletic shoes and apparel, the company also sells Nike and Bauer brand athletic equipment, Cole Haan brand dress and casual footwear, and the Sports Specialties line of headwear featuring licensing team logos. The company has relied on consistent innovation in the design of its products and heavy promotion to fuel its growth in both U. S. and foreign markets. The ubiquitous presence of the Nike brand and its Swoosh trademark led to a backlash against the company by the late 20th century, particularly in relation to allegations of low wages and poor working conditions at the company's Asian contract manufacturers.

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## **General & Usage of PEST**

PEST is part of business environment, which is considered by external environment. Political environment is the starting point, many other sources of macro-environmental forces. The result of political decision-making can often be seen as the government's economic policies and legislation. It is important to know is that the political and legislative environment related to the marketing of great significance, and may have a marketing strategy on the development are directly related. (Geoff Lancaster, 1993)

Closely related to, and intertwined with, the political / legal environment is the economic environment. The marketing strategist must understand the variety of economic variables that will shape marketing plans. Factors such as rates of inflation, interest rates, exchange rates, industrial output, levels of disposable income and the balance of payments are just some of the factors of potentially major concern to marketing management because they, in turn, influence costs, prices and demand. Once again, not just domestic but international economic developments and trends must increasingly be considered. Consequently, marketing strategy needs to take account of the 'ebb and flow' of economic factors in a global setting. (Geoff Lester, 1993)

Changes and trends in the sociocultural environment present significant challenges to the strategic marketing planner. People's basic beliefs, attitudes and values are shaped and conditioned by the society in which they grow up. Their general behaviour, including of course their purchasing behaviour, is profoundly influenced by societal and cultural norms. Core cultural and social values are firmly established within a society and are

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generally difficult to change. If and when they do change, they do so only slowly. In the short term, therefore, they should be treated as parameters within which marketing strategies need to be formulated. However, over a period of say 20 to 30 years, we can expect some social and cultural values to have changed dramatically. (Geoff Lester, 1993)

Technology is a major environmental influence upon marketing strategy. This influence is manifested in a variety of ways. For example, developments and breakthroughs in technology are the basis for new products and sometimes new industries. Home computers, compact disc players, video recorders and instant cameras are just a few of the products which have emerged in recent years. Biotechnology, information technology and energy conservation are just a few of the new industries. (Geoff Lester, 1993)

## **Benefit of PEST**

PEST use is very important. A company needs it to operate in a country. In a country where political instability makes the future of a company change. The time when the political stability, a natural and smooth operation of the company, by a government tax will be relatively low. Nike company has stores in the world, so different in every country has the political will of Nike company's works. Nike company is a foreign company must be delivered to import taxes, but if the political stability, the company naturally pay low taxes. Each country has different rules, for example, in Muslim countries can not have exposed any advertising, so the Nike company must in each country in different ways to do publicity. When the country's economic good times, can also help greatly improve the company's sales. But when the recession will certainly affect all of the companies and people.

Nike economy will affect the company. When a country's economic good time, companies can purchase a lot better than the economy can also help the company publicity. Nike items sold by the company are about to people's needs, such as clothes, shoes and more. So a good national economy will affect the company's operations, such as a country needs more clothes, then the company will be shipping for the national needs. But if the recession when the Nike company lowered the price so people will continue shopping to maintain the economy.

Community is one of them will affect a company's future. When a company started, is that the people most in need of support. In an upper class society, people will spend money on things they need the body. But in a nasty society, people need only basic needs. Sell Nike shoes company is based, in a society where everyone needs to wear shoes so the community will also affect the company's business. Different ages have different needs such as athletes need shoes so the company will make different models for the athletes shoes. If more young people to that country, the company will launch a variety of different comparison slippers or shoes and so on. Upper-class society needs are different, they need is more noble, so the company will look better shoes. In a traditional society, is not to be exposed toes, so the company will have different Nike shoes available. When the Nike company's needs to the needs of society will naturally open up. Technology on are important to every company, this will affect the company's future direction. Nike company's technology has always been unchallenged for all aspects of the shoe is its own unique design. Nike shoes for each of the company have put a lot of human and material resources to enable people to

wear more comfortable. Former shoe factories are artificial, and now the Nike company not only uses the machine also uses computer technology to produce more product information better and better products out. Nike shoe companies each have mentioned the spelling of the highest, so that people wear comfortable, so people are very reliable company works.

PEST on the Nike company has some influence. So good a company needs to control these environmental factors. With these factors, Nike company makes business better. For example, if the economy is good, political stability, higher living standards, technological progress, which will make the company a lot of room for improvement.

## **2) Organizational structure**

Organizational structure in each company will have not the same. It is used to solve a company's management, every stage has a different job, different departments have different methods of management. This is the reason for the organizational structure.

Not the same as in the organizational structure of the organization of methods, such as a: tall organizational structures, Flat organisational structures, Functional structures, Product structures, Division structures, Customer structures and so on. These are used in the operation of companies of different sizes. Now I introduce the Tall organizational structures, the organization belongs to multi-layer structure, for example, a stage that only two to three of the men, while men have only every two to three subordinates. Many companies will use this structure, because the management is easy, less friction between colleagues, every department to

do their own business. Although this is a tall structure, important decisions are often the highest authorities to the report, be carried out must also be approved. So this is what one of the disadvantages often are elongated because of the time to wait for high-level decisions, which will have missed the best time. Also, if you need some high-level consultation, the need to address the underlying lack of communication was found between them.

### **Tall organizational structure**

When a technology developed at the competitive big tall organizational structure of society can no longer be used in a big company, so many companies have changed into flat organizational structure. The reason is simple, this structure is to multi-layer system. In this organization, a department can have at least seven subordinates, so this will make the efficiency faster and work faster. Because more people to manage, so the head of each layer must have enough experience, and it does not require any management decision should be the highest level to decide. When a large company need to expand the market, this structure can be easily controlled by hand. For example, in a branch where only one in charge to control. This company wants to know the natural turnover of each will be more convenient. In each charge under the leadership of the response can be directly subordinate level can also be spread to shorten the time, the efficiency faster. flat organizational structures can be delegate power to local manager. In a busy society, people need something faster and more convenient, so the separation of powers on by the competent body that will be more easy to get the customer's heart. To make a decision quickly, the efficiency to better the people demand for higher.

## **Conclusion**

Therefore, the rapid progress in this society that every company must accelerate the pace can not be left behind. Tall organizational structure has already been replaced by flat organizational structure in large companies, only a small company can use. In many of the environmental factors in different markets require a different management structure. Organizational structure of is to allow a company to s operations more convenient.