

Adidas competing with nike in china

[Business](#), [Marketing](#)



Adidas Versus Nike: A Comparative Review Adidas Versus Nike: A Comparative Review Conducting a business is not easy especially nowadays that unemployment rate is about ten percent, slow down in home-building industry, increase in number of failing businesses, low stock values and reduced consumer expenditure (Pride, Hughes and Kapoor, 2010). Because business is tough, it is essential to know the importance of marketing. It is primarily the lifeblood of business to obtain profit. According to Mc Kenna, marketing is not just a function but a way of doing business. It is the role of everybody to have marketing in their objective. It is about combining the consumers to the product design and create solid plans and methods in building long-lasting relationship between the business and the customers. Marketing is seen not only in business but also in other aspects of life like arts, fashion, retailers, publishers, people, internet providers, tourism, education, government, non-profit organizations and even sports (Groucutt, Leadley and Forsyth, 2004).

In the 20th century it is note-worthy to take note of the globalization of business which is affected by internal factors such as mission, systems, management and resource structures; external factors like customers, suppliers, labor force, shareholders, society, technology, governments, economy and competition (Lussier and Kimball, 2009). According to Heizer and Render, most companies that enter the global markets like Europe, South America and China expand their businesses especially supply chains with challenges. Proper and innovative strategic planning and careful research must be conducted to reduce the high political and currency risks in all countries around the world. Some key points for global supply chains are:

to be able to adjust to quick changes like currency exchange fluctuations, distribution channels and parts availability; to be able to use the computer and internet technology to manage the system, schedule and distribution; to be able to seek help from teams made up of specialists to handle all sorts of issues. A good example is Mc Donald's, the fast food chain had planned six years ahead before expanding in Russia and had a supply chain there to lower the cost of distribution and to keep the quality of the food (Gaspar et. al, 2006).

Nike and Adidas have been competing in the arena of shoe industry.

Currently Nike get the most market share especially in East Asia which many sports fans are located. The technique done by Nike is subcontracting. The company harnessed the vast man power of China by subcontracting some Chinese shoe companies for a fraction of labor costs. Adidas also does the same approach to save money while still being able to provide quality shoes (Luo, 2000). Both brands have certain qualities that make them successful as world players in the rubber shoes industry.

Adidas is an innovator in terms of studs for soccer boots, spikes for running shoes and nylon soles for all shoes. The performance of Adidas had been tested by people especially by famous personalities like Adolph Dassler who always use Adidas equipments to improve his athletic standards. It also exists because of competition with Nike. The winning edge of Adidas is its division that focuses on maintaining the history of Adidas products through the Sports Heritage Division. Through endorsements from famous people like Hiphop stars Missy Eliot and Run DMC and sports people like David Beckham (Haig, 2004).

Nike is also an innovator because of its patented air-sole technology. Another innovation is FIT or functional innovative technology. Nike then recently adapted the Richter System's RAM. Another attribute to Nike's success is by distributing Nike products through apparel retailers like Foot Locker.

Recently Nike put up its own retail stores which are called Nike Town. Also Nike sponsors major sports leagues to boost its popularity and sales. The best part is they diversify the products unlike Adidas (Luo, 2000).

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