

The core benefits of converse chucks

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The Core Benefits of Converse Chucks

The core benefits of Converse Chucks are a known brand, quality, less expensive, and a reliable shoe. The actual product benefit of Converse Chucks is the basketball, other lines of shoe, and new clothing line. For example, the basketball shoe was the first actual product, but the new lines of clothes and shoes are now the actual product. The augmented product benefits of Converse Chuck are the Nike guarantee of quality and the backing of the Nike brand.

2. Identify 2 risks and 2 benefits of the licensing arrangement that Converse has with a producer in India. The first risk of a licensing arrangement with a producer in India is quality might suffer. When being produced in the USA, Converse, a company based in the USA, could observe quality control better. The second risk is loss of control over the Converse product to a certain extent. For example, Indian products might not have the same appearance as an original American product. The first benefit would be the globalization of the product. Instead of selling a product to only Americans, the Converse brand can sell worldwide. The second benefit would be cheaper production in India.

3. Has the licensing arrangement helped or hurt the Converse brand.

Support your answer with an explanation and a source from online research.

Before being acquired by Nike, Converse:

marketed its products in approximately 110 countries outside of the United States through subsidiaries, branch offices, independent distributors and licensees. Non-U. S. sales accounted for 31% of total net sales in 2000.

(CVEO Corp.)

Although the company ended in bankruptcy, the nearly 1/3 international

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sales showed that the licensing arrangement started in India was somewhat successful.

4. Identify 5 sources of brand equity for Converse and Chuck Taylor AllStars?

Basketball shoes are one source of brand equity for Chuck Taylor AllStars.

The history of Chuck Taylor AllStars is another source of brand equity. The affordability of Converse is a source of brand equity. The retro/rebel image of Converse is a source of brand equity. Finally, the durability of the brand name is brand equity. Even though Converse went through bankruptcy, the name is known worldwide and in almost every American home.

5. Research the current position of Converse in the market place. Has it changed strategy since the case was written? If so, how? If not, why do you think they haven't? Support your answer with an explanation and a source from online research. I believe that the strategy since this case was written is being brought to fruition. Under Nike's leadership, Converse is growing and thriving.

In fiscal 2007, revenues increased 23 percent and pretax income increased 133 percent, with Converse ending the year with its biggest global sales quarter ever. The Chuck Taylor All-Star franchise continues to generate strong sell-through in every model, and Converse continues to expand its presence in performance basketball, athletic footwear, and lifestyle footwear and apparel. Strong growth is continuing this year, with Converse generating revenue growth of more than 40 percent for the second quarter of fiscal 2008. (Reuters)

Nike took Converse's brand and created a profitable asset for. The predictions of the study case have come to pass today.

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