

Nike – nepal segmentation, targeting, positioning essay sample

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



Nike is leading supplier of sportswear, athletic shoes and sports equipment in the world. Its main headquartered is in the Portland metropolitan area of Oregon, which is near Beaverton of USA. In 2007, it had collect about \$ 16 billion USD revenue and similarly in 2008, it employed about 30, 000 employed in the worldwide. Furthermore, in 1962, Nike Company was founded by Bill Bowerman and Philip Knight and was originated as Blue Ribbon sports but later on, in 1978, it was renamed as ' NIKE'. And which means ' Greek goddess of victory'. Some of its products on its brand name are Nike Golf, Nike+, Nike skateboarding; Air Jordan, Nike Pro, Team starter and some of its subsidiaries products are Cole Haan, Umbro, Hurley International and converse.

From 1995 to 2008 Bauer Hockey was owned by Nike and later on it was renamed as Nike Bauer. Nike marketing policy totally based upon its brand image, which is satisfactory and has developed as great multinational enterprises from long time, similarly its logo and slogan " Just Do It" is quite unique and different than others and it have been used as its advertising from long ago. Moreover, \$ 100 million USD was invested worldwide in community - based sports initiatives and similarly they were supposed to invest \$ 315 million USD for betterment of backward young player and to create chance for them to play and to make their future bright in game.

NIKE IN NEPAL:

Nike was introduced in Nepal in 1998 and it's headquarter is in Durbarmarg, Kathmandu. And for its better promotion and advertisement it was tied up with Nepal football coaching academy i. e. All Nepal Football Association

(ANFA) in 2000. Similarly, it again became official sponsor of ANFA and it became ANFA's kit sponsor by providing NRs. 18crores (About 1. 2 million £).

SEGMENTATION, TARGETING and POSITIONING OF NIKE:

For long period of time it has been in market and thus it is using its good STP policy to promote and sell its product in market and due to its strong STP policy it is in number one supplier of sportswear and equipment. * MARKET

SEGMENTATION:

Nepal's NIKE marketing segmentation is segmented into many groups such as customers of different income levels, different age groups, genders and many more. Some its market segmentation types are mentioned below: *

Economic segmentation:

Nepal's NIKE have segmented their market as consumer earning more than NRs. 15000 and as high, medium and low income levels that how they can meet or maintain their lifestyle with NIKE's product. * Demographic

segmentation:

Nepal's NIKE Company has segmented their market demographically into different age group, gender, and different social class segments and so on.

Following are some of its marketing segmentation as per demographic: *

Age: 15 to 35 years

* Income level: Above NRs. 15000

* Gender: Male and Female

* Social class: Upper class, middle class, lower class

* Geographic segmentation:

Nepal's NIKE market geographically has been segmented as per density i. e. urban and semi- urban cities; its market can be segmented as north, south, east, west. Thus, mainly sportsmen are its main consumers than other people it is so because of its value which comes with its product. Similarly, it is even targeting youth who are embraced by hip-hop culture. * Targeting strategies:

NIKE uses so many policies to target their consumer. One of them is sponsorship of their product by celebrity athletes, professional athletic. It is one of the successful strategies of this Company due to which they were able to reach to too many athletics. For instance, some of the celebrities are basketball player such as Jermaine O' Neal, Lebron James 2 and Triathlete Lance Armstrong and football player such as Roberto Carlos, Ronaldo, Ronaldinho and golf star like Tiger woods and lawn tennis player such as Nadal, Federer. In Nepal NIKE is targeting young people; they are even making more attention towards the others popular games. For its targeting it tied up with ANFA and even signed Anil Gurung as brand ambassador for its promotion. The Company is targeting market as per consumer's class, living style, gender and location. Some of the products that are targeted by the Company for its customers are as follows:

- i. Athletes
- ii. Gym regular
- iii. Brand and image seeker
- iv. Sports enthusiasts

Furthermore, NIKE has targeted many age group, gender, social class and so on. And its targeting strategies are quite different than its competitors i. e. Reebok, Puma, Fila and Adidas, so it is able to be successful in its business. Mostly, NIKE target to the consumers who cares more about the value and quality of the product rather than the its price due to this factor NIKE is able to make large number of profit margin than others (competitors) sportswear and equipment producing Company like Adidas, Puma, Reebok, etc. Next, important point to note is that NIKE uses the vertical integration pricing strategy or policy and in which they take ownership of the participants at channel level and they also involve in diverse channel level operation in order to control the cost and pricing function of their products.

* Positioning:

NIKE is leading product in world-wide in sportswear and sports equipment and it covers about the 40 per cent share of the United State sportswear market which means that it leads the global market even though, Adidas and Reebok leads in the European market. Thus, we can say that NIKE is the leading sports product in the world. The brand image of NIKE is positioned as the high-end or high quality product which cost expensive but provides value for the money and good service, quality and designs than other products. Due to this factor, in the mind of the consumer it is positioned as the best product in sportswear likewise, due to it, they able to make satisfaction to their consumer and is able to achieve the high volume of the profit than its competitors. Similarly, in Nepal too NIKE is treated as best product than others products. In Nepal, it has not success as in the other countries but it is

doing better than other competitors. According to the last year data of the retailer welfare organization, NIKE was the best than others, it was able to cover the 55 per cent of the market and rest of other per cent was covered by the products like Adidas, Puma, Reebok, Bata, Fila, etc. And they were the only one Company to make more profit and were able to satisfy the consumers' desire and wants. They have accounts the 55 per cent of share of the NRS. 349crore branded sportswear market. * Branded sportswear market of Nepal:

Thus, from the above given pie chart we can mention that NIKE is the best product for the Nepalese people and it is able to satisfy the Nepalese consumer and they are success in their marketing segmentation, targeting, positioning strategies in Nepal. And they have positioned their brand image as the high- end product in the mind of the Nepalese consumers.

* Perceptual map of Branded sportswear in Nepal:

High quality

*Adidas *Nike *Reebok

Low priceHigh price

*Fila *Puma

*Bata

Low quality

* Promotional and communication strategies:

For the promotion of the product NIKE Company has contracted so many

numbers of celebrity athletes and professional well known sports men due to which they are able to draw the attraction of the consumer or people towards their products. Some of the celebrity who were contracted by the NIKE are basketball players like Jermaine o' Neal, Lebron James 2, Triathlete Lance Armstrong and football stars such as Ronaldinho, Roberto Carlos, Ronaldo and golf star like Tiger wood, lawn tennis players such as Nadal, Federer, and so on. These things have helped the Company to attract the consumer towards their products; similarly, it has made good promotion of NIKE products and as well as good NIKE products awareness towards the consumer. Beside this Company has invested huge amount of money on its advertisement on the mass media and the company is also known as the company who invest heavily on its advertisements and brand image promotion. Furthermore, there are other more strategies too which are used by the Company and they are pricing strategies and distribution strategies.

* Conclusion:

NIKE has position as the leader and continues to be in leader in the sportswear and equipment market but it should be always aware of its competitor and their pressure which will allow NIKE to sleep at the top. Furthermore, currently Reebok and Adidas have combine as one product so it is great challenge for NIKE to formulate the new marketing policy or strategies to remain in top to continue the leading and to maintain its position. And some of the suggestion or recommendations are suggested for the NIKE Company to maintain its position and to tackle with new problems and with its competitors and they are mention below: Developing new

product to increase the market share, creating competent pricing strategies or policy to compete with the other competitors. Creating more awareness to the consumer through new and attractive advertisement and promotional activities. Moreover, analysing the previous data and try to cover the problems and learn from previous data.

And focus on the marketing strategies, targeting strategies to be in top the market. Some the other suggestions are: increasing the social responsibilities to strengthen the image of the company and focusing in new distribution channels mainly in the international markets with different pricing strategy and new market segmentation. Similarly, Nepal NIKE should more focus on the consumer choice and their wants and desire. They should focus on pricing strategies in Nepal and on other factors like marketing segmentation, strategies so that they can do better business in Nepal too. Lastly, Nepal NIKE Company is not investing more in its promotion and advertisement. So, they need to invest on the promotion to be success in their business in Nepal. At last, from the all above mentions sentences we can conclude that, NIKE is positioned as the top or leading Company in the sportswear and equipment market and it is doing far better than other products like Adidas, Reebok and puma etc. And even in Nepal it is doing better than other products and furthermore it is also known as the most liked product of Nepalese consumers.