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Introduction

Nike and Adidas are the two top companies in the sports apparel industry. The two have aggressively put in place strategies to ensure they each attain great market share. Their promotional and advertising strategies employ creativity, innovation, and technology, which essentially explains why the two firms are market leaders in the sports apparel industry. The two companies also have continued to tap effectively into their key competencies in their effort to topple each other from the market leader in the sports apparel industry (Anthony, 2011). The promotional strategies have notable similarities and differences, which will be discussed in this paper.

The similarities between the two companies' promotional strategies are well captured in the use of internet in reaching their target markets. Nike and Adidas have their own websites, which they use to provide information to their customers. The websites as part of the promotional strategies of the two share the same objectives of reducing cost and boosting sales. The two also have capitalized on the emergence of social media to advance their advertising and promotional objectives. The facebook pages and twitter accounts of the two companies are updated on a real time basis in an effort to advertise and promote products. Additionally, Adidas and Nike are effectively involved in causes and charities that ultimately help them to reach out to new customer base or market segments (Hill & Jones, 2012).

The two understand the effective use of the social conscious image in attracting customers. The sponsorship of sports teams by the two companies is another strategy that has been used in the advertising and promotion of their brands. Nike and Adidas have managed to sponsor numerous national

and club teams in an effort to stamp their authority in the sports industry. The differences are established in the approaches taken by both Adidas and Nike. Nike has majored mainly on celebrity advertising as part of their grand advertising and promotional strategy. The aggressive marketing strategy incorporates the use of sports celebrities in all sports niches such as Michael Jordan-Basketball who even had shoes named after him, Air Jordans, Tiger Woods in order to tap into the Golf sport market et cetera (Chesbrough, 2006). Adidas, on the other hand, has not tapped into the use of sports celebrities in its advertising. Unlike Nike, Adidas has incorporated the aggressive use of covert advertising. The covert advertising entails the use of brand embedding in entertainment platforms such as films.

A company within the sports apparel industry may tap into the Adidas and Nike's marketing information to establish a differentiated marketing strategy. The company, however, must first put into consideration the following factors: target market, budget outlay, advertising media, seasonality and key competencies (Clark et al., 2012). The company may opt to sponsor small-scale sports events as part of its strategy. This strategy will ensure the company carries out cost-effective approach in its marketing. The small-scale sports events ultimately are not costly to use as advertising platforms by the company. The costs saved from this strategy may be spread over other small-scale events across the globe. Consequently, this will translate to extensive brand promotion in various parts of the globe at an ultimately lower cost as compared as advertising in reputable sports events such as the World Cup. The strategy if carried on over a long time will bring about the seasonality element in the company's advertising and

promotion objectives. The small-scale events run through seasons associated with the company's brand that ultimately translated to increased brand recognition and market share.

The second strategy that may be used by the company in its effort to gain competitive advantage in the sports apparel industry is specialization on the low-cost fashion market segment. The company should tailor-make its advertising techniques to attract the low-end consumer that is fashion-conscious. The company may point out its unique fashion sense by illustrating its sublime, unique features as compared to the top market leaders in the sports apparel industry. The social media, for instance, may be the right platform to spark conversation on the company's low cost and fashionable sports apparel. Twitter through witty trending topics regarding the company's product may attract individuals into the company's products.

Consumer-Oriented Promotions

The company may adopt consumer-oriented promotions in its long-term and short-term objectives in the sports apparel industry. The consumer-oriented promotions will ensure that the specific needs of the target market are not overlooked over time. These strategies, however, should be in line with the company's mission and objectives. They should not compromise the company's stature in the industry in terms of ethics, effectiveness, and company growth (Clark et al., 2012). These strategies should have the ultimate aim of increasing the consumer-base, brand awareness, market responsiveness, and favorable company positioning in the industry.

The first strategy that the company may use is the mail order marketing.

This strategy will be essential for the company's existing consumer base. Many companies overlook this market segment by creating strategies that only seek to widen their market scope. The mail order marketing will enable the company to capture its customer-base personal information. The personal information will be valuable to the company in understanding its target market properly. The consumers can also have a personalized experience due to this strategy that will enable the company tailor-make its messages for its individual clients. The strategy will also enhance customer loyalty, which will strengthen its standing as a brand in the long-term. The company may also use charity and cause as part of its consumer-oriented promotion strategy. The strategy will involve the firm taking part in social events and meaningful causes. The company, for example, may donate a certain percentage of its price cost of products in helping the under privileged in the society or an environmental sustenance program. This strategy will give the company's consumers a feeling of being part of something noble and fundamental by using the products in the short-term. This translates to a win-win situation for all parties involved. The socially conscious image will be a great impetus to the company's long-term goal to become a force to reckon with in the sports apparel industry.

Pricing Decisions and Objectives

Nike currently is the leading company in the sports apparel industry. It employs price leadership and value -based pricing as its key strategies in increasing its profits and market share. Nike uses the price leadership strategy due to its position as the sports apparel market leader. The

company sets a price that it deems fit for its products and consumer's bargaining power. The value-based pricing strategy, on the other hand, entails the establishment of a price basing it on the perceived value held by the customers on the product. Nike researches what a consumer is willing to spend averagely on its product, which determines its pricing mechanism. The other companies in the sports apparel industry may opt to have a low-cost pricing strategy. This can be achieved through outsourcing of functions and use of sourcing of cheap raw materials. The outsourcing of functions will ensure that the companies save on costs that emanate from the industrial operations. The firms may, for instance, outsource its production function of Chinese firms that have cheap labor and energy costs. The saved costs are thus extended to customers in the form of low prices thus making this strategy viable in enhancing competitiveness of the two firms. The firms may also source for cheap raw materials that are essential for the production process. The reduced costs in the raw materials will translate to less fixed costs that may be factored in the final product cost. The use of cost-effective distribution channels will also be essential in the effective implementation of the low-pricing strategy as part of the two firms' quest to have a competitive advantage in the sports apparel industry.

The second strategy the two firms may adopt is technological leadership. The two companies should put great investment in emerging technology across their widespread establishments. The technological leadership will ensure that the firms incorporate energy efficiency that have consequent impact on their operation costs. This strategy will further ensure the companies produce a high volume of differentiated products into the market.

It will also enhance value addition of products through the use of latest technology in production of sports apparel to meet different market segments.

Internet as An Advertising Medium

The best advertising medium for a company in the sports apparel industry is the internet. Internet advertising includes the use of search engine marketing, display advertising, email advertising, and mobile advertising. It is currently the most cost-effective and far-reaching mode of advertisement for products especially for multinational companies. It is, further, the most viable advertising medium due to the number of the world populace that has internet access (Schwientek & Schmidt, 2008).

This advertising medium is very beneficial for the sports apparel company due to several factors. The company will incur fewer costs as compared to other offline advertising mediums. The low cost ensures the company saves up when it comes to its promotional and advertising budget. The establishment and use of the website as an advertisement platform is much cheaper than the use of billboards yearlong. Measurability is another benefit and merit brought about by by online advertising. Online or internet advertisement easily allows the collection of statistical data such as the advertisements reach, outcome of the advertisement, actual audience response et cetera. This information is integral to the advertising segment in the company as they are much able to evaluate their advertising program whether it is meeting its basic objectives (Clark et al., 2012) . It also guides

the company in the future development of advertising strategies as well as concepts.

Conclusion

In conclusion, the sports apparel industry like any other industry is faced by competition, which is enhanced by the establishment and use of effective promotional and advertising strategies. The two top firms, Nike and Adidas, have been ascertained to have similarities and differences in their business approaches. This explains their intensified rivalry as well as their ever-changing business patterns. Their strategies, however, present loopholes for many new entrants into the sports apparel industry. It is up to the new entrants to tap into these loopholes in order to gain effectively market share in a broadly based industry.

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