

Nike world cup 2010 case essay sample

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



In 1962, Nike started as a US distributor for the Japanese shoe manufacturer Onitsuka under the name of Blue Ribbon Sports selling merchandise out of the back of cars at track meets. It wasn't long before they realized they wanted to start designing and manufacturing their own brand of athletic footwear. In 1972, they changed their name to Nike and developed their iconic swoosh logo. Their first innovative shoe featured a waffle outsole that was lightweight and provided superior traction. Through quality, innovation, endorsements and strategic decisions the company had captured 50 percent of the US running shoe market by 1979.

Since their primary focus had been the running market, by the early 90s Football had only grown to a 40 million dollar business for Nike. The big powerhouse, Adidas, dominated the Football market worldwide. Nike saw the potential in this market, as Football was the most watched and played sport across the globe. Not long after the '94 world cup, then CEO Phil Knight made the decision to open a brand new department dedicated solely to Football. Nike had built their company around the idea of innovation and offering athletes the best tools to improve their performance and they wanted to make that the driving force behind the new department. They recognized that the design of boots, balls and jerseys had not changed in many years and they saw this as their opportunity and competitive advantage.

They also saw the popularity and individuality of the Brazilian team and their style of play and leveraged them into an endorsement deal to become the face of Nike football. By the 1998 World Cup Nike developed the lightest and most innovative Football Boot ever with the guidance of Brazilian star

Ronaldo. They released the “ Airport” ad, which featured the Brazil national team in the airport showing off their skills. This ad was immensely effective at combining pop culture into Nike’s brand image to help people identify Nike as a major player in the Football apparel market. Unfortunately, because of the long history with FIFA and deep pockets, Adidas has had exclusive rights to ad time during match play as well as exclusive apparel billboards around the field during the World Cup. This forced Nike to find an alternative way to distribute their marketing resources.

They continued to pump out the most innovative shoe just in time for the World Cup and looked to utilize new media such as the Internet as a marketing tool. In 2000, they launched Nikefootball.com and built in an interactive application, the first of its kind, with games and information to engage a youthful audience. The World Cup air rights that Adidas held remained a roadblock for the traditional advertising method so they continued to explore the effectiveness of online marketing methods. Leading up to the 2010 World cup, Nike knew their marketing strategy had to incorporate a lot of social media and online marketing.

They wanted to reach the consumer in new ways that built off of their previous projects in online marketing to bring the potential and existing customers the best possible experience and associate the brand with improved performance. They wanted to debut their latest innovation, the Mercurial Vapor Superfly II, in a big way on the world stage. Despite the contract obstacles they were still committed to creating an impactful commercial. Finally they wanted to incorporate sustainability and social

responsibility into their marketing campaign. The problem Nike faced was implementing all this effectively while delivering the Nike brand message and reaching its target market. Without being able to air commercials during match play, reaching a large viewership became problematic.

In the last World Cup, cumulative TV viewership was over 26 billion over the course of the tournament. Nike needed to find other ways to get these potential customers to see their products and generate brand interest. Nike continued their record of innovation with the Superfly II and designed them not just for performance but also to stand out. They went with one color option which was different from their past models which usually matched team colors. They colored them total orange and metallic purple because this was the furthest on the color spectrum from the green grass. This not only made them more visible to opponents, giving them a greater presence and intimidation factor, but also made them stand out on television.

Even though Nike couldn't play commercials during the matches, they certainly had a noticeable presence on the field during many matches. The media platform in which to debut the commercial during the world cup took serious consideration. Commercial production is expensive and they have to be sure it will reach enough people before they invest the money into its production. There are several options for where they can show the commercial. They could use YouTube, TV, the new Nike football website, Facebook or a combination of different ones. They have already seen success on YouTube with the "touch of gold" ad, which was debuted when

the site was less known and managed to get several million views within a few weeks of uploading it.

The new website would have to be promoted before they could get the number of views necessary to make it worth the investment. They would have to run the ads on TV between or before the start of matches when the viewership is significantly lower. The final option is to do a combination of these and incorporate the other aspects of the marketing plan into the actual ad as well as the media. My proposal for the actual Ad would be an on the field depiction of Nike evolution through clips showing someone moving down the field showcasing products that progress from clip to clip to the newest Superfly II.

Before they actually show footage of the new model, “ The Future is here... Again” comes on a black screen right before the person brings his foot forward to shoot. A slow motion close up of the Superfly II is then shown kicking the ball and as it moves it goes back to normal speed and flashes to a view from behind the net of the ball coming at you. It then shows “ Go to Nikefootball+. com to see more”. This would be shown between games and as close to the start as contractually possible while people are tuning in. They would also post this on the YouTube and Facebook accounts.

This sticks to the strategy of showing the Brands superiority and commitment to innovation as well as generating traffic to the new site. With the success of their past online projects, they wanted to take the next step and connect the physical world of product to the digital world of consumers. They wanted to include innovative product offerings, training tools, video

content and guidance aimed at improving player performance. The feedback from participants in the boot camp project showed promise that this would be an effective way of engaging the customer and getting them to frequent the site. The question was how do we lay out the training. Options were to focus on skills vs. fitness, breaking it up into different categories, having well known players and coaches explaining and demonstrating the drills and lining it up with the four product line categories.

Another issue that arose was how to offer it to consumers. They could offer it for free and maximize adoption, offer it based on subscriptions or include access codes with the purchase of products. There are a few additional features not listed that could appeal to their target market. Videos from star players about why they play, how they got where they are and how they train. They can include product profiles that explain the different technologies and the development process of each flagship product to reinforce product superiority. They can add a box on the side bar that has facts associated with Nike evolution and performance such and number of goals scored off a Nike boot in the world cup with a learn more link to further enforce the brand superiority. They can also incorporate the World Cup and push web traffic by having a score and game center.

They could add more social features such as profiles, Communication among members, connecting to nearby players to set up recreational games and include sponsored stories that deal with Nike helping people perform at their best. I believe their best option is to make people register before getting access to the premiere features but offer it for free. They should promote the

site and its features on product packaging. In order to register they give email and valuable customer information that can be used in future marketing of products and promotions. They should look to include the social features that will generate frequent web traffic.

They should stress product innovation and technology in a way that makes consumers think of personal improvement through the use of the product. The training tools should be skill and fitness based with different categories. The videos should feature informational and entertaining content. The layout should be intuitive and simple to navigate with main category tabs then more detail under each. The site can evolve as customer demand is better understood which will come through trial and error. Sustainability and social responsibility are a large part of the 2010 World Cup strategy.

One thing they are trying to do is develop the highest quality jerseys using recycled plastic bottles for the national teams they sponsor in the cup. The issue is whether to promote the sustainability aspect of these jerseys. The preconceived notions of sustainable products are that something was sacrificed in order to make them whether it is quality or a higher price tag. This is something to recognize and position the brand as a company that cares but is also innovative for successfully developing the jerseys while improving quality and performance. Social media, NikeFootball+ and YouTube are great media to inform the public but it is important to do it in a way that stresses the jerseys performance, benefits and technology that was incorporated.

A short video that shows the production process (if aesthetically pleasing) as well as the product in use while being explained by a product manager with a good camera presence and voice to give credibility. Nike is also considering partnering with the (RED) foundation by donating profits from certain products to the Global Fund, which contributes to the fight against HIV/AIDS. Though this fits with the cup being held in South Africa, there is uncertainty in whether that sends the right message to consumers. Another issue is deciding what product to use for this and how to market it. The product options are high margin items such as boots, jerseys, balls or a smaller margin item such as shoelaces and giving all profit to the cause.

The next decision is whether to make a special edition or just incorporate (RED) in to the packaging. The best option and easiest to roll out would have to be the laces because they can easily design and implement packaging for the laces and market them as a (RED) special edition. It is also a smaller low cost item so the risk and repercussions of people not responding well to it is minimized. Given their influence and reach with males age 16 to 19, Nike is in a good position to help get that demographic into conversations about HIV/AIDS.

One way they could do this is through NF+ by having a section dedicated to the subject and the work with (RED). This is risky as it affects the image of the site. The most promising route would be to get one of their more recognized star athletes to do a PSA video posted to the YouTube channel and NF+ to raise awareness and get the conversation going.

Incorporating all of these elements together and implementing them on time will make for a unified and effective campaign that will create brand excitement and capture brand loyalty. It is important to use all these tools together to have a consistent and meaningful message. If they can draw people to NF+ steadily then they will have a great platform for launching future products and will have to devote fewer resources to market future products.