

# Nike: a success and failure



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A business is an economic system used in our society in which goods and services are offered for one another for the sole purpose of capital. Every business requires a model for investing and an abundant number of consumers to whom its production can be sold for revenue on a regular basis. A business is an idea, A product that can be either a risky or beneficial investment for a person or an organization that want to start their own venture when beginning a business but first you must decide what form of business entity to establish. A business has different kinds of structures such as such as a sole proprietorship, a partnership, or a corporation. The following document concentrates on a method known as niche marketing and how a niche product is beneficial to a sole proprietor, a partnership, or a corporation by Gaining capital through their consumers by using the niche marketing strategy in a business by addressing the following questions.

1. Name at least three challenges when setting up a business? Give an explanation why they are challenges.
2. Explain why a niche company might benefit in a market. Would cost necessarily be an advantage? Explain why or why not.
3. Explain what a “ niche” product is. Give at least three examples of niche products.
4. Identify and explain three reasons why customers would pay more for exclusivity.
5. Explain how a niche player “ chips away” at a larger competitor’s base. Give three examples of retailers who have done this.

This review of this literature focus on these five questions which is about creating a business in the niche marketing method and its benefits towards consumers by a person or an organization.

Name at least three challenges when setting up a business

1. One important reason when starting a business is your assets. Does the proprietor, partnership, or a corporation have enough cash to fund the opening of the business as well as its ongoing operations and organization? Many times the owner has enough financing to open their Business but they run into Liabilities that can affect their cash flow which could result in debt and at end the possibilities of losing their business simply becomes a debt and this is because a person or an organization fails to recognize that a business has ongoing cash flow requirements. Excess growth becomes a factor specially if there is no control of the ongoing operations which require proper accounting of the business operations.

2. An Appropriate Location is also a key element in a Business; the location can be a deal maker or a deal breaker of the success of the business. The type of product can have a big impact on the appositeness simply because of the place. For example a Pub inside of a mall, where the owners decide to focus the opening of their Restaurant and promotion of their brand name Beer. A mall is a suitable place because young people are always looking for a great place for gatherings with their friends or simply because they want to grab a bite to eat after shopping.

3. Legal Issues: Patents and trademarks must be secured on the unique products, the name chosen for the business must not be too similar to

another business' because it can cause confusion, it must be a proper name that will show the types of products and services offered, and it must be eye-catching to attract people to have people's attention. The product or service that is being offered if the business is Smart should the product should be promoted by any method suitable depending on the business. For example there is a Facial Recognition Time Attendance System sold directly from china that businesses can use for security purpose in a work environment for purposes like face recognition attendance that allows an employer to track work time, vacation time, overtime, etc., and give you full data and reports by department or personal ([www. chinavasion. com](http://www.chinavasion.com)).

Does a niche company benefit from advantages?

The Benefits of a niche company is that a company doesn't provide mainstream products which make it difficult to buy ([www. buychinadirect. info](http://www.buychinadirect.info)).

The product produces a special interest to a certain group of people who make it desirable to buy only from that business that provides that product or service. Because of its reliability and quality to a certain group of people, people get interested in that product or service ([www. buychinadirect. info](http://www.buychinadirect.info)). This is a clear advantage as you can solely focus properly on a specific task. Marketing to a smaller group is often more efficient and more cost-effective than marketing to a large mass of group. You will be able to cultivate a better marketing strategy. You can also better target your segment by using specific verticals that your potential buyers would acknowledge. One of the best advantages of targeting a niche market is that the marketplace tends to

be less inundated than the general, bigger marketplace. Less competition will allow fewer barriers to entry and a better chance of becoming a major player in the marketplace in any niche market business. With a niche strategy, the most distinct advantage is that you will be able to better understand the needs and wants of the niche market, than you would if you were targeting the market. Thoroughly understanding your niche market will allow you to better expect the new wants, needs, and changes of your Consumers which will allow a company to better adapt to a better ethical business organization for a greater success of the operation of a business.

What is a “ niche” product?

A “ niche” product is a product or service that is a sub segment of a larger product market, and the “ niche” product has special or unique qualities that attract clients interested in those unique qualities that the customer will often pay extra money for Niche products that can't be provided by larger businesses because the client base is small, or the product is difficult to mass produce. Another way to say it is that the niche product is not a commodity product that is commonly available, and therefore people will pay a premium to obtain the product or service. Niche products also have a downside in that they can be smaller market, and therefore it is harder to grow the business due to limitations on the size of the target market.

What are Three examples of niche products?

Some Examples of Niche Products Are: The I-Pad which it's been said that it has unique user interface. The qualities of this computer tablet is designed and marketed by Apple, meant for internet browsing, media consumption,

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gaming, and light content creation Which Means the Service is provided by AT&T network.

Whole Food Market is another sample simply because they offer natural and organic foods in their grocery stores in which they are a very profitable Business because their consumers care about what they eat even if they have to pay a little more to maintain a better organic lifestyle.

Texas Instruments been around for years it started as a personal computer company later known as one of the top providers for graphing calculators for students and teachers. That is used for as a tool for math and science.

Why would a customer pay more for exclusivity?

The product is better quality and will last longer than a standard commodity product that they could buy in many other stores.

It's all about quality at the end. The customer prefers to shop in a more intimate environment so they can experience more personal service and offers. Better return policies versus the major vendors who can be inflexible and difficult to deal with. The customer wants to feel special and that's why they would pay more because of the convenience they get at the end. The product will allow the customer to save time, improve efficiency and allow the customer more power and product when it comes to choice.

How does a Niche Player Chip Away at a larger competitor's base?

Niche players can chip away at a larger customer's base by offering something that the larger service vendor does not offer. For example,

Starbucks provides special blends of coffees and different concoctions, such as their Frappuccino drinks; they have their ways of doing business and strive to be good corporate citizens; they offer nice seating with sofas and soft chairs in a part of their stores and sell themselves as a place to gather over coffee, and they were one of the first retailers to offer Internet access.

Another niche player would be Best Buy. Although this store is of a large scale, it has a focus on providing entertainment and computer products and their employees can answer questions about the products. Unlike other specialty stores that focus on this same target market, Best Buy does not pay their employees based on commissions. Rather, the employees are paid a wage and are not as high-pressure as salespeople in other stores, so the shopping experience is more pleasant for customers.

Also Target is an uprising niche player because of the way they organize themselves. By paying attention to the customers and offering great deals in their Merchandise they are being recognized. Their employees seem fine when performing their work ethics in attending their customers and this I say from a consumer's point of view on all of the above niche companies from my experience at the following above mentioned stores.