

# Swot analysis of nike



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Strengths: •Brand name recognition, because Nike has been around so long, the brand is recognized and respected both internationally and domestically.

•Brand loyalty, Nike has consistently produced quality products that appeal to its consumers both internationally and domestically. •Nike carries a wide arrangement of products with a large amount of options for personal preference. •Nike carries a wide arrangement of products with a large amount of options for personal preference. •Strong international presence, in the event that U. S sales continue to slack off or the economy continues to worsen, they have their international investment that consistently turns a profit. They are the number one consistently turns a profit.

They are the number one footwear manufacturer in nine international countries; with distribution centers both internationally and domestically. The ad agency that they contract out to has opened three offices in three different countries in order to reach their target audience on a local level.

•Nike is costly trying to increase their international presence. •Low manufacturing cost Nike has an on-line store where custom shoes may be purchased •In such a competition environment Nike steps it up by investing a large portion of their into R&D, with the formation of the Nike sport research laboratory in 1980, and the introduction of the advanced product engineering department; Nike is making sure that they stay in control of their market share. These two departments ensure that Nike has new shoe styles and are constantly developing new products. Weakness: •Earlier Nike shoes and apparel were being manufactured through the exploitation of child labor.

The consumer response was so great that it had suffered a lot at its first, till it's had made change its practices. •Contract manufacturing of shoes to low-wage factories makes Nike susceptible to laws, and economic problems abroad. Opportunities: •Product diversification, with new technology and increased earning they should be able to invest even more into R & D

- Increase their global presence by expanding their services to countries such as Chile, Peru, Bolivia, India, Mexico, and South Africa in an attempt to serve those with the largest populations. The key is more advertising, encourage young people to purchase Nike's even if they are not sport' players.
- Increase marketing to the female consumer.
- Increase manufacturing of products that the new generation is interested, specifically booth and sandals. Threats: •Increase competition both domestically and internationally. •Change in the young consumer preference to sandals and boots. •High inflation and unemployment in Asia and Pacific Rim, Latin America, and Russia may cause a decline in shoe sales. •The flections of region currency and interest rate may pose a treat to earnings.
- Import and export regulations.