

Nike's Strategic Assessment: Sportswear

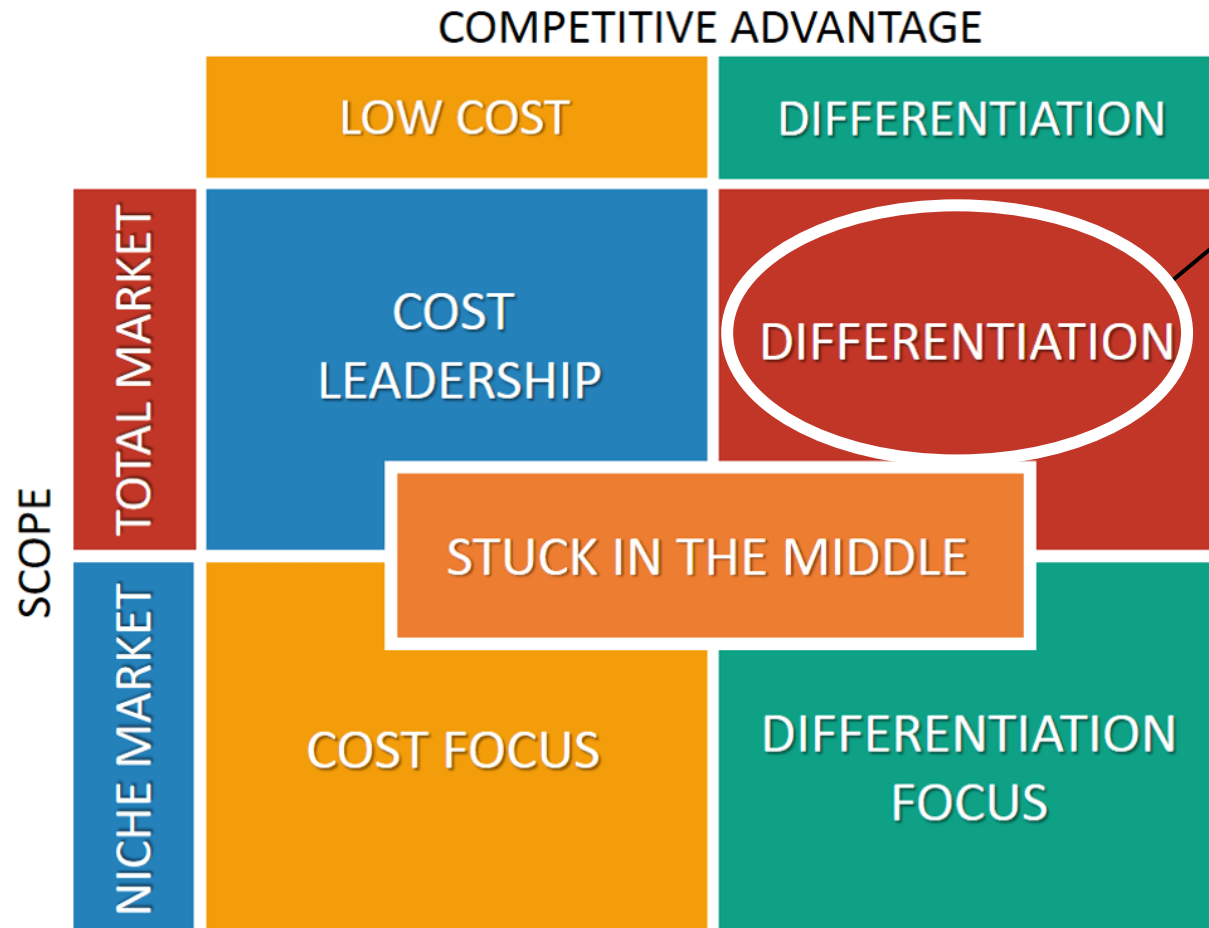


ITS - Strategy
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Background on Nike using SWOT analysis

| Strengths | Weaknesses |
|--|---|
| Nike's strengths include strong brand recognition, wide distribution network and innovative product designs that differentiate them from competitors | Nike's high prices, reliance on third-party manufacturers, and ongoing sustainability concerns are its main weaknesses |
| Opportunities | Threats |
| Nike has opportunities to grow through expanding e-commerce, capitalizing on sustainability trends, and leveraging the global fitness movement | Nike faces threats from intense competition, counterfeit products, economic downturns, and potential supply chain disruptions |

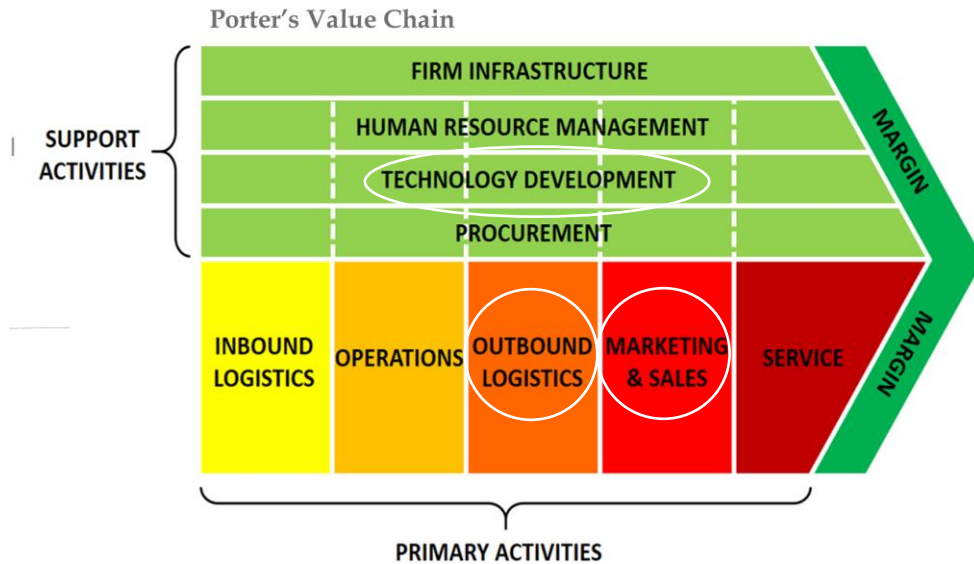
Nike's differentiation strategy for the sportswear market



How Nike leverages differentiation

- Nike competes by offering unique products that customers perceive as superior
- Innovation in design, materials, and marketing creates a competitive advantage that allows Nike to charge higher prices while retaining a loyal customer base
- Nike is very successful and remains a leader in the global sportswear market, commanding premium prices and maintaining strong brand loyalty
- Nike's ability to stay relevant through product innovation and effective marketing continues to drive growth in sales

Prioritizing key value chain activities for Nike



Technology Development

Strategy Impact: Continuous improvement in apparel technology is crucial

IT System: Oracle Product Lifecycle Management (PLM) software could streamline R&D processes and foster collaboration across teams to enhance innovation efforts

Outbound Logistics

Strategy Impact: Nike's image relies on timely, reliable delivery

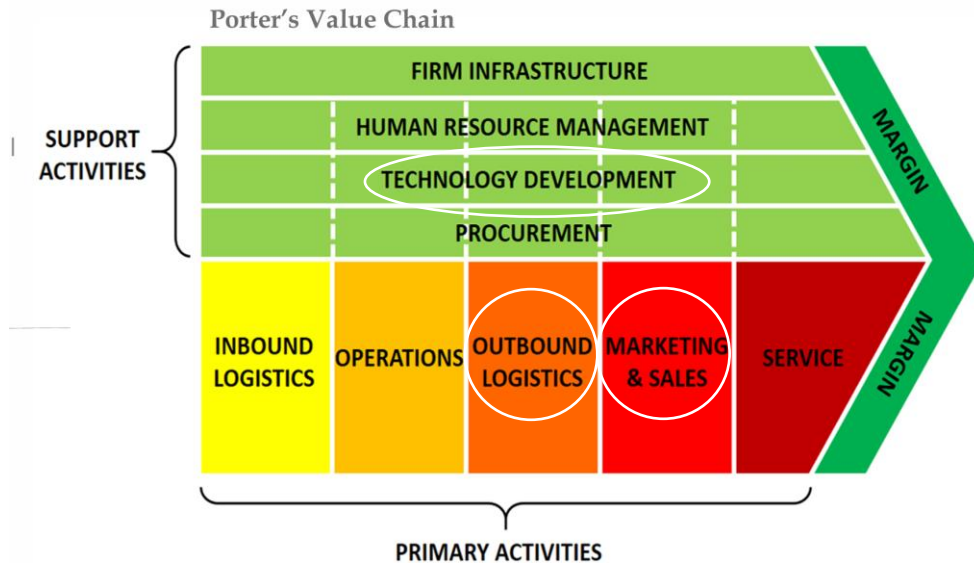
IT System: Oracle EBS Warehouse Management System (WMS) could optimize inventory management and improve the efficiency of distribution channels

Marketing & Sales

Strategy Impact: Effective marketing and strong digital presence reinforce its premium positioning

IT System: Salesforce CRM software can help Nike manage customer data and provide personalized experiences

Key value chain activities for Nike's monitoring plan



Technology Development: Nike uses PLM software to reduce **time-to-market** for new products, streamlining collaboration and boosting innovation, **resulting in faster product launches**

Outbound Logistics: Nike leverages WMS to optimize inventory management, ensuring faster and more reliable **order fulfillment times**, **improving customer satisfaction**

Overall Outcome Metric: Brand Equity Index

A composite measure reflecting Nike's brand strength, including factors like brand awareness, customer loyalty, and perceived quality

Marketing & Sales: CRM systems enhance Nike's **customer engagement** by personalizing campaigns, leading to **higher interaction and increased conversion rates**

Operational metrics and outcomes in bold

Build Understanding

Choose Path

Plan Implementation

Plan Monitoring