

Group Project: Nike

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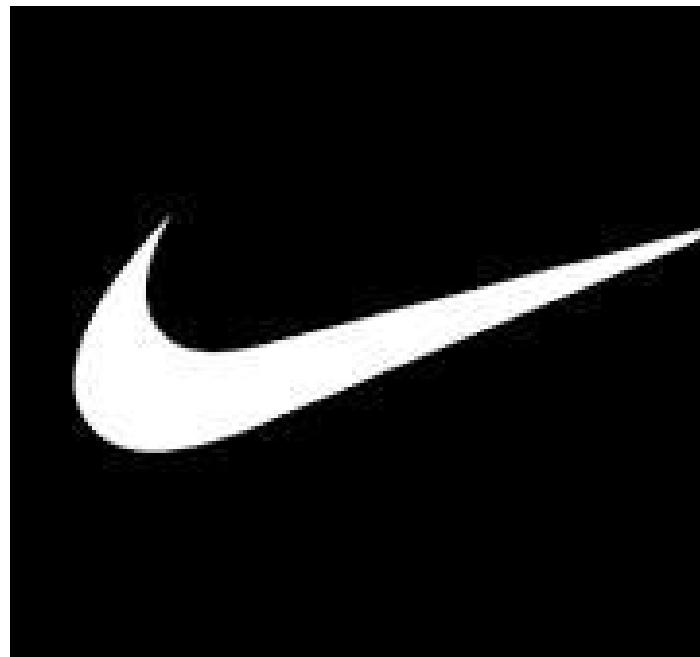


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Executive summary

Nike is one of the most famous sports brands in the world, known for their innovative footwear, apparel, and sports equipment for people of all ages. Athletes and everyday consumers admire Nike for its products that are not only comfortable, but good quality. The brand's iconic slogan, "Just Do It," is recognized around the world and inspires people to push themselves to achieve their goals.

Nike success comes from several key factors. The brand partners with world-famous athletes such as LeBron James, Serena Williams, and Cristiano Ronaldo who's partnership builds trust and credibility among the brand's consumers. Seeing elite athletes use Nike's products creates an excellent reputation for the brand. Moreover, Nike has a highly effective marketing strategy featuring ads that are powerful and emotional and tell stories of determination and perseverance. This resonates with the brand's audience and creates a strong connection.

Nike also uses technology to enhance customer experience and its sales. The brand has its own network of retail stores, a strong website, and mobile app that is user-friendly. This makes it easy for customers to discover and purchase new products. Additionally, they use data analytics to understand customer preferences which allows the brand to give personalized service and recommendations of products that align with consumers wants and needs.

Nike also cares about environmental stability. The brand strives to make products from recycled materials and reduce energy consumption during their manufacturing process to minimize its negative impact on the planet. Many people today seek out brands that prioritize the environment and Nike's efforts not only benefit the Earth, but also they strengthen their appeal to their eco-friendly audience.

Even though Nike has strong competitors like Adidas and Puma, it stays number one because of its strong brand, great products, and focus on the future. Nike is always trying new ideas to stay ahead.

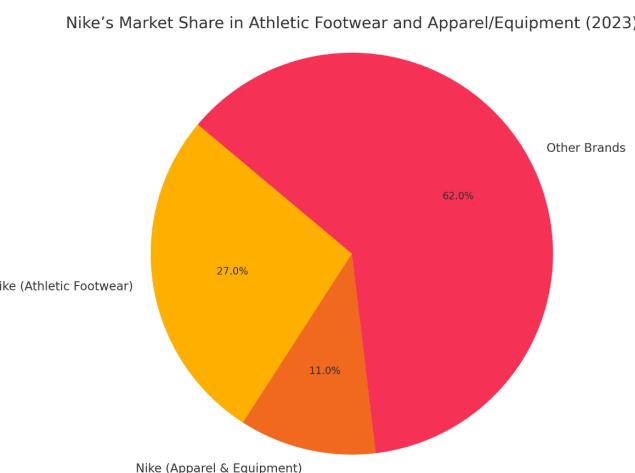
In the end, Nike represents more than just a brand. It is a symbol of motivation, athletic excellence, and striving to be your best self. This is why so many people around the world admire and trust Nike.

Situational Analysis

Nike, Inc. is one of the biggest names in the athletic footwear, apparel, and equipment market. This space mainly includes products for activities such as running, training, basketball, and even outdoor sports like hiking. In 2023, Nike's total revenue hit around 51.2 billion USD, with 13.8 billion USD coming from apparel sales and about 2.1 billion USD from equipment sales. Meanwhile, the whole global athletic apparel and equipment market was valued at about 210 billion USD during the same year. Looking ahead, experts are predicting a compound annual growth rate (CAGR) of roughly 6.5% through 2032.

Nike continues to dominate, especially in North America, which made up close to 40% of its overall revenue in 2023. In terms of global market share, Nike captured about 27% of the athletic footwear market and somewhere between 10% to 12% of the broader athletic apparel and equipment market. These numbers were put together based on data recorded from around 2018 to 2023.

With its huge 51.2 billion USD in sales last year, Nike clearly holds a strong position compared to its competitors. The visual chart shown here displays Nike's market share towering above many others in the industry.



Nike Fund Revenue Investment

Focus Area	Investment detail	Purpose/ Impact
Digital Transformation	More than \$1 billion was spent on data analytics, Nike.com, SNKRS, and the Nike App.	Improves individualized experience and direct-to-consumer (DTC) sales.
Sustainability	Investing in sustainable manufacturing, recycled materials, and "Move to Zero".	Serves to environmentally aware customers and supports Nike's carbon neutrality objective.
Product Innovation	R&D expenditures through the Nike Sport Research Lab and smart shoe technology.	Promote performance gear innovation and fortifies brand leadership
Marketing & Branding	Approximately \$3.5 billion is spent on marketing each year (influencer partnerships, campaigns, and athletes).	Increases market share, cultural significance, and worldwide brand awareness.
Supply Chain	Funding for logistics optimization and regional supplier diversity.	Enhances delivery effectiveness and lowers the

		danger of worldwide disruptions.
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Digital Transformation:

Nike has made over \$1 billion in investments in digital platforms such as the Nike App, SNKRS, and Nike.com. The goal is to expand its direct-to-consumer (DTC) business while giving customers a more seamless and customized experience. This action lessens Nike's need for outside merchants while fostering closer ties with its clientele.

Sustainability:

Nike is investing heavily in recycled materials, sustainable production, and their "Move to Zero" initiative, which aspires to achieve zero waste and zero carbon emissions. Through these initiatives, Nike not only lessens its environmental effect but also draws in eco-aware customers, who represent a growing market share.

Product Innovation:

By making significant investments in R&D through the Nike Sport Research Lab and cutting-edge technology like smart sneakers, Nike maintains its position as a leader in innovation. Nike's position as an innovator in the sports sector is upheld by these investments, which also keep the company at the forefront of performance apparel.

Marketing & Branding:

Nike spends about \$3.5 billion a year on marketing, which is still one of its best investments. Nike increases its global visibility, fortifies its cultural relevance, and grows its

market share globally through influencer partnerships, high-profile campaigns, and athlete endorsements.

Supply Chain:

Nike is likewise working to improve the speed and flexibility of their supply chain. Nike can more easily deliver goods and control the risks associated with worldwide disruptions by investing in logistics optimization and buying from a larger range of vendors. This guarantees that Nike maintains its competitiveness even in the face of unforeseen difficulties.

Market Summary

Nike operates within the global athletic footwear, apparel, and equipment industry. It is currently the largest sportswear brand in the world by revenue. Nike's market spans a diverse range of customer demographics and regions. Its key market segments include athletes, fitness enthusiasts, casual wear consumers, and fashion-driven buyers. Nike maintains a global footprint, with its strongest markets in North America, Europe, and China. Emerging regions like Southeast Asia and Latin America are also seeing rapid growth, presenting expansion opportunities.

In recent years, Nike has increasingly focused on its Direct-to-Consumer (DTC) strategy, which includes owned retail stores and digital platforms like the Nike App and SNKRS app. This transition allows Nike to better control customer experience and increase profit margins by reducing reliance on wholesale distribution. According to their Fiscal Year 2023 report, Nike's DTC revenue accounted for over 43% of total sales.¹

The market has seen several ongoing trends that have impacted Nike's strategy. A major trend is the boom in athleisure, where consumers are increasingly choosing athletic-inspired clothing for everyday wear. Additionally, the increasing demand for sustainability is shaping

purchasing decisions of consumers making them seek out environmentally responsible brands. Customization has also become important as consumers are looking for unique, personalized products that reflect their individual style. Finally, the digital transformation has changed the market making E-commerce and data-driven consumer engagement essential for brand loyalty.

Nike is addressing these shifts by implementing AI and machine learning in product recommendations, introducing sustainable product lines (like Nike's "Move to Zero"), and offering customizable sneaker models through Nike By You.

SWOT Analysis

Strengths	Weakness
<ul style="list-style-type: none"> ✓ Nike is one of the most valuable and recognized brands in the world, with a brand value of over \$50 billion. ✓ It has a strong distribution channel. ✓ Collaborations with world-class athletes like Lebron James and Cristiano Ronaldo strengthen brand credibility. ✓ It has Innovative shoe design which enables customer design their own shoe online. ✓ Has a strong Marketing Campaign and endorses different products. 	<ul style="list-style-type: none"> ✓ Over 90% of Nike products are made by independent contractors primarily in Asia. ✓ Its sales highly depend on the footwear sector. ✓ It has high prices compared to its competitors.eg Adidas ✓ It has violations in history, and they provide minimal wages to its workers.

Strengths:

Nike is undoubtedly one of the strongest brands in the world, valued at over \$50 billion. Its brand power is backed by a global distribution network that ensures Nike products are available almost everywhere. Collaborations with iconic athletes like LeBron James and Cristiano Ronaldo have further reinforced its credibility and status. Nike also leads the way in innovation, offering customers the ability to design and customize their own shoes online, which creates a more personalized shopping experience. On top of all that, Nike's marketing campaigns are bold, creative, and highly effective, helping the company stay culturally relevant across generations.

Nike's strengths are reflected in several key areas. In 2023, Nike kept its position as the most valuable clothing brand in the world, with a brand value of \$31.3 billion according to Brand Finance's "Apparel 50 2023" study, despite their slight decline of six percent from the previous year. Partnerships with elite athletes such as LeBron James and Cristiano Ronaldo have further enhanced Nike's credibility. LeBron James alone has a lifetime contract, and has generated over one billion dollars and boosted the company's reputation and market influence. Another strength of Nike is their innovation, offering customization through their "Nike by You" platform that allows customers to design and personalize their own shoes.

Weaknesses:

Despite its strengths, Nike isn't without challenges. A major concern is that more than 90% of Nike's manufacturing is outsourced to independent contractors, mostly located in Asia, exposing it to reputational and operational risks. Another weakness is Nike's heavy reliance on

its footwear sales — if demand for athletic shoes ever declines, it could hit the company hard. Pricing is also a concern; Nike's products are generally more expensive than competitors like Adidas, which could turn away price-sensitive customers. Lastly, Nike's reputation has been tainted in the past by labor violations and criticism over low wages provided to factory workers, which remains a point of sensitivity.

According to YaleGlobal, more than ninety percent of Nike's products are manufactured by independent contractors, primarily in Asia. As shown in Nike's 2005 corporate reports, the company employed thousands of contract workers across multiple independent facilities with 124 in China, 73 in Thailand, and other countries such as South Korea and Vietnam. Another weakness of Nike's is that they heavily rely on their footwear division. According to investopedia, in 2024 footwear accounted for 68% of the company's total revenue which shows the critical role this plays in Nike's business strategy. Nike has also faced some criticism for reports showing that some workers are being paid less than minimum wage which can raise serious questions about the company's labor standards.

Opportunity	Threats
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|---|---|
| <ul style="list-style-type: none"> ✓ It can develop products such as sport's wear, sunglasses and jewelry. ✓ Further innovation in recycled materials and low-carbon manufacturing can attract environmentally conscious consumers. ✓ Women's apparel and footwear are growing faster than men's, offering a profitable growth area. ✓ It can support different market events globally as (the Olympics, FIFA). ✓ Wearables, AR/VR fitting tools, and data-driven design can enhance user experience and brand stickiness. | <ul style="list-style-type: none"> ✓ Fake Nike items dilute brand value and reduce consumer trust. ✓ Sensitivity to Price. ✓ An economic recession and fluctuations in the currency can lead Nike to losses. ✓ Higher competition as competitors are becoming more aggressive and creating high quality products. |
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Opportunities:

There are numerous chances for Nike to keep expanding. Nike may be able to create new revenue streams by expanding into new product categories including jewelry, eyewear, and sporting accessories. Innovation is still a significant advantage; creating more environmentally friendly items with recycled materials and low-carbon manufacturing could appeal to consumers who care about the environment. The rapidly rising women's market presents another significant opportunity for Nike, as women's clothing and footwear are growing at a faster rate than men's. Nike's global profile could be increased by collaborating with major international events like the

Olympics or FIFA World Cup. Additionally, Nike can develop even more engaging and memorable brand experiences by utilizing cutting-edge technologies like wearable technology, augmented reality (AR) fitting tools, and data-driven personalization.

Threats:

There are some serious dangers to Nike that can halt its growth. Nike's brand image is harmed by the global counterfeit industry, which also confuses consumers and undermines their trust. Another problem is price sensitivity; if Nike's goods remain expensive while rivals offer comparable quality at lower prices, consumers may begin to switch brands. Although they are beyond Nike's control, economic downturns and volatile currency fluctuations could have a major negative impact on sales in many locations. Last but not least, the rivalry is getting fiercer every year as companies like Adidas and Puma, as well as upstarts, are growing more assertive and improving the quality of their products.

Competition

Nike's primary competitors in the sportswear and athletic footwear industry include Adidas, Under Armor, Puma, New Balance, and Reebok. Each of these brands competes with Nike across different segments such as performance apparel, casual/lifestyle wear, footwear technology, and sustainability. Most of these companies, like Nike, are also developing sustainability initiatives in response to environmental concerns and consumer demand. Nike has set ambitious goals to reduce its environmental impact. As stated in its 2023 *Impact Report*, Nike aims to achieve zero carbon and zero waste to help protect the future of sport. Nike is working to reduce its carbon footprint by transitioning to 100% renewable energy in owned and operated facilities by 2025 and by increasing the use of sustainable materials like recycled polyester and organic cotton. They report that approximately 73% of all Nike footwear and

apparel now contain recycled materials. However, Nike has faced criticism in the past regarding labor practices in supply chains, and despite efforts to improve transparency, some believe there is room for growth in terms of reporting and ethical sourcing.¹²

Among Nike's most direct competitors is Adidas, which has taken major steps in sustainability and innovation. Both brands have extensive global reach and are market leaders in athletic footwear and apparel. While Nike is known for its aggressive marketing, cutting-edge tech like Nike Air and Fly knit, and athlete endorsements (e.g., LeBron James, Serena Williams), Adidas positions itself strongly through its collaborations (e.g., Yeezy, Ivy Park) and its eco-innovation. Adidas introduced shoes made with ocean plastic through its partnership with Parley for the Oceans and aims to make nine out of ten articles sustainable by 2025.³ Compared to Nike, Adidas has a more visible commitment to sustainable materials, though Nike has a broader dominance in sports endorsements and product technology.

Another key competitor is Under Armor, a U.S.-based brand known for performance wear and innovations like sweat-wicking fabric (Heat Gear). While Nike appeals to both the athletic and lifestyle markets, Under Armor remains focused on high-performance training and fitness. Under Armor has struggled to scale its appeal beyond North America and has a smaller footprint in footwear compared to Nike. On sustainability, Under Armour launched its 2023 *Sustainability & Impact Report* outlining goals like reducing water and energy usage, but it has been less aggressive than Nike or Adidas in implementing large-scale material shifts or global campaigns.⁴

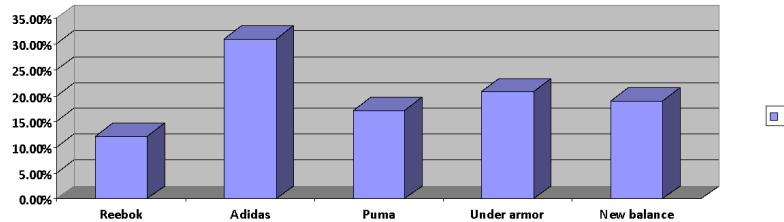
Puma, a German brand, is considered a mid-tier competitor. It combines affordability with stylish performance wear, often collaborating with fashion icons like Rihanna and Neymar Jr. Puma is appealing to younger consumers who seek fashionable yet functional activewear.

Puma's *Forever Better* sustainability platform targets carbon neutrality by 2050 and emphasizes transparency in production processes. However, in terms of R&D and innovation, Puma lags behind Nike's tech-driven product development.⁵ Puma focuses more on fashion-forward streetwear compared to Nike's dominance in performance and lifestyle crossover products. New Balance is another U.S.-based brand, often considered a legacy competitor. While Nike relies heavily on overseas manufacturing, New Balance stands out for its domestic production, with several of its shoes made in the USA. Known for comfort and quality, especially in running and walking shoes, New Balance appeals to consumers who value durability and craftsmanship. New Balance also highlights its use of sustainable materials such as ethically sourced leather and environmentally friendly foam insoles. Its sustainability reporting is not as comprehensive as Nike's, but its emphasis on local manufacturing reduces shipping emissions.⁶

Reebok, now owned by Authentic Brands Group after being sold by Adidas, has shifted focus toward fitness, training, and casual wear. Reebok has adopted some sustainability practices, such as plant-based shoes and recycled materials, but has not made the same impact or investment as Nike. Its brand relevance has declined in the performance of the sports market, though it maintains a loyal following in fitness communities.

In summary, Nike's competition varies widely. Adidas poses the biggest threat due to its equal brand stature and strong sustainability positioning. Under Armor and New Balance offer niche competition in performance and comfort-focused segments. Puma and Reebok target fashion and affordability but do not challenge Nike's dominance in high-tech innovation or athlete endorsements. Nike remains a leader, but its competitors are gaining ground, particularly in eco-consciousness and niche brand loyalty.

Reebok	Adidas	Puma	Under armor	New balance
12.10%	31%	17.20%	20.70%	19%



Considering the competitive environment, Adidas has a significant 31% market share, placing it ahead of Nike's nearest competitors. With a strong 17.2%, Puma is next in line, followed by New Balance and Under Armour, which both have 20.7% and 19%, respectively. At 12.1%, Reebok has the least market share among these well-known companies.

According to the data, Adidas is undoubtedly very well-known throughout the world, but companies like Under Armour and New Balance are not far behind. Actually, the close proximity of Puma, Under Armour, and New Balance indicates that the market for sports footwear and clothing is highly competitive. Despite being smaller, Reebok is still a significant competitor and, with the correct tactics, may be able to recapture more market share. Overall, the market remains very competitive, with no brand (aside from Adidas) massively dominating the others, which leaves Nike facing a broad and capable field of challengers.

Impact of Messi's Partnership on Adidas Revenue:

Adidas has seen significant revenue gains since Messi's affiliation with the company: Market Capitalization Growth: Messi's widespread appeal helped Adidas' market value rise from

about \$10 billion in 2006 to about \$40 billion in recent years.

Sales of Inter Miami Jerseys:

After Messi joined Inter Miami in 2023, Adidas was hit with a huge demand for the team's uniforms, receiving roughly 500,000 orders right away. According to estimates, almost \$300 million was made from the sale of about 2 million Messi jerseys, with an average price of \$150.

The Competitive Environment between Adidas and Nike:

Both Adidas and Nike continue to use well-known athlete endorsements to further their fierce rivalry. Football Kit Sponsorships: For the 2025–2026 season, Adidas will sponsor 11 of the top 20 most profitable football teams, including Real Madrid, Bayern Munich, Manchester United, and Liverpool. Conversely, Nike supports five of the top 20 teams, with Barcelona being their most well-known sponsor.

Market Share Dynamics:

Nike continues to have a larger market presence, even if Adidas has improved its standing in football. Adidas recorded €21.9 billion in revenue in 2023, while Nike reported €46.4 billion. The latest news from BILD.de

In conclusion, Messi's partnership with Adidas has increased the company's visibility in football and generated substantial financial advantages, thereby escalating its rivalry with Nike.

Marketing Strategy and Positioning

Nike's marketing strategy is centered around a strong emotional connection with its audience, cutting-edge product innovation, digital engagement, and bold brand storytelling. As the world's leading athletic brand, Nike doesn't just sell shoes or apparel—it sells a lifestyle of motivation, ambition, and excellence. Its iconic slogan, "*Just Do It,*" remains one of the most recognized and enduring brand messages in advertising history. Nike's marketing efforts are multi-channel, highly targeted, and deeply rooted in inclusivity, performance, and inspiration.

Nike's marketing strategy and positioning objectives focus on multiple key areas. The company's goal is to enhance its marketing communication tactics in order to strengthen the brand visibility and engagement. They are also committed to the development of sustainable products worldwide and expanding its market share in the Middle East. Nike also aims to produce high-quality products at lower costs to remain competitive in the global market.

Target Market:

Nike targets a broad range of consumer segments across demographics, psychographics, and behaviors. The brand appeals to athletes and sports professionals seeking high-performance gear, as well as youth and young adults ages 15 to 35 who are influenced by identity, fashion, and pop culture. A key market is also fitness enthusiasts that prioritize functionality and comfort, along with casual consumers that are drawn to athleisure or streetwear styles. Nike is also increasingly attracting eco-conscious consumers that prioritize sustainability in the brands they buy from. Nike segments its audience by sport, region, gender, and activity type, enabling it to tailor marketing and product offerings to niche communities like runners, skaters, basketball players, or yoga practitioners.

Positioning Statement:

Nike positions itself as the global leader in athletic innovation, empowering every individual to reach their potential through sport—regardless of age, ability, or background. Its brand promise combines elite performance with emotional motivation, making consumers feel that greatness is accessible. This unique blend of technical excellence, aspirational storytelling, and inclusive branding positions Nike at the intersection of sport and culture.

There are many core elements of Nike's marketing strategy. They use emotional branding and storytelling to build strong narratives around athletes, challenges, and social movements. Campaigns like "*You Can't Stop Us*," "*Dream Crazier*," and "*Equality*" go beyond products to touch on values like perseverance, justice, and empowerment. These emotionally resonant stories help build loyalty and cultural relevance. Another major element is the brand's athlete and influencer endorsements which is central to its marketing. Collaborations with top athletes such as Michael Jordan, Naomi Osaka, and Cristiano Ronaldo elevate the brand's credibility. The Jordan Brand remains one of Nike's most valuable sub-brands, blending exclusivity with cultural cachet.

Nike invests heavily in digital experiences through its Nike App, SNKRS App, and Nike Run Club. These platforms not only drive DTC sales but also collect consumer data to personalize marketing. In 2023, Nike's DTC strategy contributed significantly to its global growth, increasing margins and building deeper customer relationships. The brand also uses an innovation-driven product strategy. Their innovation in footwear and apparel (e.g., Nike Air Zoom, Fly Ease, Space Hippie) supports its premium positioning. These products offer comfort, performance, and sustainability, addressing both functional and emotional needs.

Sustainability as Brand Value:

Through its “Move to Zero” initiative, Nike integrates environmental responsibility into its brand. Marketing campaigns now regularly highlight recycled materials, reduced emissions, and circular design. This shift is also reflected in product lines like the Nike Air Max Terras cape and Space Hippie, designed with eco-conscious consumers in mind.

The brand is also very inclusive and diverse with their messaging. Nike’s campaigns consistently reflect diverse voices, body types, and communities. Marketing targeting women, the LGBTQ+ community, and adaptive athletes (e.g., Nike GO Fly Ease for hands-free access) has increased Nike’s reach and resonance.

Marketing Mix

Product:

Nike has a wide variety of products such as footwear, apparel, equipment, accessories, and sports gear. The brand's product strategy is offering a wide range of high quality items that are tailored to athletes, fitness enthusiasts, and casual customers. Nike footwear ranges from sports shoes such as cleats, basketball, volleyball, and running shoes to lifestyle, fashion, and comfortable lounge shoes. Nike does a great job at targeting all kinds of audiences, which is why it is one of the most successful athletic brands.

Nike's apparel consists of performance-oriented clothes such as active wear while also providing casual wear that focuses on comfort. The brand is also the number one sponsor of athletic teams in the NCAA and in professional leagues where they provide gear such as jerseys, shoes, socks, backpacks, and equipment. According to *SportsPro*'s second annual list of "the World's 50 most Marketable Brands" Nike was ranked as the most marketable brand in sports with more than 16,000 athletes and sports teams promoting its brand worldwide, and the brand was found to have received the most value of any brand invested in sports sponsorships.

Price:

Nike's pricing strategy is value-based pricing and they use a premium pricing strategy. A value-based pricing strategy is used by setting the price of a product based on what the customer perceives the value of the product to be. Nike's main focus is giving customers the highest possible quality of products at the right price to make sure they have the best experience. This strategy creates customer confidence in the quality of the products they are buying from Nike, and drives higher sales revenues. Nike also uses a premium pricing strategy by setting higher prices than their competitors based on the quality of their products. People will spend that

amount of money on Nike because they believe that the quality of the apparel they are buying is worth the high price.

Nike's pricing strategy of charging higher prices based on the quality of the products compares to competitive brands such as Adidas, Under Armour, or Puma because these brands offer very similar quality of products but don't charge as high of prices for them.

Place:

Nike's products are sold in physical stores and online. As of 2024, Nike has over one thousand stores worldwide and almost 400 just in the United States. Products are also sold in retail partners such as Foot Locker, Dick's Sporting Goods, Finish Line, JD Sports, and many Department stores. Nike also has their own website and app that you can buy products on, and they are sold on retailer websites such as Amazon, Zappos, ASOS, etc. This brand has also acquired several clothing and footwear companies such as Cole Haan, Converse, Hurley, Bauer Hockey, Starter, and Umbro. The Nike logo, the swoosh is one of the most famous and most recognizable logos ever.

Nike's distribution strategy involves selling products to wholesalers in the United States and international markets, which is the company's largest distribution channel. The company gains the largest revenue from sales to wholesalers such as Footlocker, JD Sports and Intersport. The company made a major pullback from wholesale distribution in 2021 because of the pandemic and has started repartnering with DSW and Macy's after pulling away from them during that year. Nike strategically used the pandemic to allow it to switch over to be more e-commerce based, and has reaffirmed its reputation as an omnichannel powerhouse. Nike is a very strategic brand that knows how to outsmart their competition and think about the long-term game of their business.

Nike's distribution strategy also majorly involves direct-to-consumer sales. They do this by selling directly to their consumers with Nike Direct, which has increased sales considerably and has a major contribution to the overall sales mix of the company. This also includes factory retail outlets and e-commerce sales through their website and app and Amazon. Online sales is the company's fastest growing channel of distribution. Since 2011, the brand's DTC sales grew from sixteen percent to thirty five percent of its namesake brand revenues.

Promotion:

Nike's marketing strategy has many layers to it, but this brand is attached to one of the most well known slogans, "Just Do It", that focuses on motivating and inspiring others to take action in achieving their goals. The interesting thing about this phrase is that it was taken from the last words of convicted murderer, Gary Gilmore, before he was executed. He said the phrase "Lets do it" , which was then turned into the positive and motivational phrase we all know today. The first year after the "Just Do It" marketing campaign was launched, sales increased by forty percent, and now the brand has a value of over thirty four million dollars. The strategy of this phrase creates an emotional connection to the brand's consumers. It is made to resonate with people around the world to pursue their goals and motivate themselves.

Another major marketing strategy that Nike uses is their partnerships with top athletes and influencers such as Michael Jordan and Christian Ronaldo, who both have a lifetime contract with the brand worth over a billion dollars. They have also collaborated with Kobe Bryant, Tiger Woods, Serena Williams, and Lebron James. Nike not only selects athletes that are talented, but who reflect the brand's values- pushing limits, self-motivation, and perseverance, which makes people look up to these athletes and form an emotional connection to them and the brand. An excellent example of this is the infamous Air Jordan brand, which revolutionized sports

marketing. Nike didn't just endorse Michael Jordan, but they created an entire product line around him.

Nike's marketing strategy also involves targeted segmentation, where they are able to reach different groups of people effectively and uniquely. For example, the brand not only has athletic gear for athletes, but they also have work out gear for fitness enthusiasts, streetwear for people interested in fashion, lounge wear that anyone can wear, and trendy shoes for sneakerheads. Nike also is very diverse in the athletes they choose for their brand endorsements to reach people in different kinds of ways. For example they work with athletes in all kinds of sports such as basketball, soccer, golf, and tennis. These athletes are from all kinds of backgrounds with their own stories that allow the consumers to form an emotional connection with the person and look up to them.

Nike's marketing strategy also involved digital marketing, so they are very active on their social media platforms such as Twitter, FaceBook, Instagram, YouTube, and TikTok. They have over three hundred active social media profiles such as their Nike Football, Nike Basketball, Nike Yoga, and any sport you can think of, accounts on all of these social media platforms. They have at least a million followers on all of their social medias with a whopping 301 million followers on instagram. The brand does a good job at focusing on their content whether that is through partnering with successful athletes, inspirational and motivational stories, or behind the scenes. Nike commercials tend to consist of high-quality visuals with an emotional background that aligns with their "Just Do It" attitude.

Nike advertises pretty much everywhere whether that is through social media, google search ads, website banners, streaming platforms, pairing up with influencers and athletes, billboards, or sports events. One of the main reasons for Nike's popularity and success is through

their partnerships with popular professional athletes. When these athletes advertise their products, it makes people that look up to them or support them want to buy the product to be just like them.

Financials

In the business year of 2024, Nike generated \$51.36 billion in revenue, which was a slight increase from \$51.22 billion reported in 2023. Although the growth was rather small, this demonstrates the company's ability to maintain strong performance within a highly competitive market. In the same fiscal year, Nike reported approximately \$5.7 billion in profit, achieving a profit margin of 11%. This means that the company retained eleven cents for every dollar earned, which indicates the company's operational efficiency and effective business management.

Nike remains one of the largest employers in the sports industry. In 2024, the company employed approximately 79,400 people worldwide which was a slight decrease from the 83,700 employees they had in 2023. The small decline could reflect cost-saving measures, but Nike still continues to maintain a large global workforce.

Nike is owned by various individuals and institutional investors. One of the largest stakeholders is a group called Swoosh, LLC, which owns about 29% of the company. Another major shareholder, Vanguard Group, owns about 7.2%. These are both investment firms known for investing in strong and stable businesses. Additionally, Nike's co-founder, Phil Knight, continues to maintain significant control over the company through his ownership of these shares.

Nike doesn't just focus on business and profit, but the brand also cares about the environment and social responsibility. The company launched its "Move to Zero" initiative with a goal to reach zero waste and zero carbon emissions in the future. This supports the planet by reducing energy consumption and minimizing pollution. Nike is also working on incorporating more recycled materials in their products with some shoes and clothes now made with reused plastics and fabrics. Nike also encourages people to donate or recycle their used sportswear.

Through their recycling and donation programs, gently used shoes or clothing can be given to people who need them, or damaged items can be recycled instead of ending up in landfills. These initiatives help reduce waste and support communities which shows the brand's commitment to sustainability and social impact.

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