**Nike Business Plan**

**1.Business background (Company information):**

Foundation :1972

Chairman and CHIEF Executive Officer: Phil Knight

Nike was formed in 1964 as a partnership between University of Oregon runner Phil Knight and his coach Bill Berman. Based on a thesis Mr. Knight wrote as a graduate business student at Stanford, it embodies the vision of some track stars and sports fans: to get more and more athletes to wear high-quality, inexpensive running shoes made in Japan. Fair and Berman formed The Cordon Bleu Sporting Goods Company in 1964, and in 72 the company was named Nike, "the ancient Greek goddess of victory." Nike has always been proud to inspire and deliver the best products to every athlete in the world. Nike's language is the language of sport. Over the past 30 years, the company has always been committed to creating opportunities for everyone to express themselves. Nike knows only by using advanced technology can we produce the best products. Therefore, Nike has been investing a lot of manpower and material resources in the development and development of new products. Nike revolutionized the sports world with its pioneering air cushion technology. The technology creates sneakers that protect the athlete's body, especially ankles and knees, from sprains during strenuous exercise, reducing the impact and wear on the knees. Air-cushioned sneakers were an instant hit. Casual consumers and professional athletes alike love it. Over the years, Nike has always been adhering to the concept of "innovation", with avant-garde design and excellent quality, leading most sports fans to enjoy the cutting-edge sports fashion.

**(1). Competitor environment analysis**

As a sports brand, no matter the internationally famous brands like Nike or the local brands like Li Ning and Anta, they are all developing toward specialization and diversification. These brands not only involve sports shoes and sportswear, but also peripheral products such as bags and sports equipment. Nike has been leading the market share, but the gap with Adidas is not very big, has been in a tight state. They play the role of market leader and challenger respectively. Li Ning and Anta have more market shares than other brands, but they are far behind The first group Nike and Adidas. So, they play the role of market followers. The rest, though the largest share, is shared by nearly 200 brands, some of them acquired by Adidas and Unigram. So, these 200 + companies were created as niche players.

**(2). Market segment**

Understand the market position of the enterprise, but also clear, in the end in which segments of the market we have advantages and in which segments of the market we have shortcomings. First, look at the region. Due to the different origins of each brand, its popularity and sales will vary from region to region. Take Adidas as an example. It is a brand that originated in Germany. Therefore, he has a better understanding of the needs of European consumers and has developed in Europe for a long time. Therefore, its sales volume in Europe is much higher than that in other regions. Similarly, the sales performance of local brands such as Li Ning in China is also higher than in other regions. Nike is home in the United States. Let’s look at the differences between different categories. Each brand has its strengths, and the two main sports brands are athletic shoes and sportswear. This is each brand basketball shoes in China market share statistics. We can see peak, which started as a professional basketball shoe brand, is high in this respect. Looking at Nike and Adidas, Nike is clearly 22 percentage points higher than Adidas. So, Nike is more powerful in basketball shoes. But we must see in general, Nike and Adidas are neck and neck. At the same time, we know that Adidas does not have a particularly outstanding aspect that can beat Nike, so Adidas has an even share in different categories, while Nike has an advantage in shoes.

**(3). Competitor advantage (the ability and cost advantages of competitors to provide differentiated products or services)**

Product and service differentiation As Nike's main competitor, Adidas adopts the same model with Nike in every aspect. In terms of products and services, it is not difficult to see from the current situation that Adidas and Nike imitate each other, and their products are of high homogeneity. They should try to distinguish each other in effective implementation and coordination. While Nike's marketing and r&d teams focused more on the needs of North American consumers, Adidas took the initiative to shape its brand image. From the overall performance of the two companies, the return on total assets of Adidas is very close to Nike, which means that in the long run, Adidas has the potential to compete with Nike.

**2.The SWOT analysis method:**

**Strengths(S):**

Nike's strength lies in research and development, as can be seen from its constantly evolving and innovative product line. Nike then outsources production wherever it can produce high-quality products at the lowest possible cost. If local production costs rise and production is cheaper (relative to the same or better product specification) elsewhere, Nike will move there and outsource production. Nike is a global brand. It is the number one sports brand in the world. Nike's famous "Swoosh" logo became so popular that Phil Knight even had it tattooed on his ankle.

**Weaknesses (W):**

Nike has a wide range of sports products. However, the company's revenue is still largely dependent on its share of the footwear market. If the shoe market share shrinks for any reason, it will be greatly affected. The retail sector is very price sensitive. Nike has its own retailer in Nike Town. Nike, however, makes most of its money by supplying products to other retailers. Retailers tend to offer customers a very similar experience. So as retailers try to pass some of the low-price competition on to Nike, the company's margins are squeezed.

**Opportunities (0):**

The constant development of products has created many opportunities for Nike. The Nike brand has many stalwarts who insist that Nike is not a fashion brand. Developing new products such as sportswear, sunglasses and jewelry is also an opportunity for Nike.

**Threats (T):**

Nike is trapped in international trade. It buys and sells products in different currencies, so costs and profits are not stable over time. This effect means Nike may produce and/or sell at a loss. This is a problem for all global brands. The retail sector is becoming a price competition. That ultimately means consumers are shopping around for a better deal. This consumer price sensitivity is a potential external threat to Nike.

1. **Marketing mix(4p):**

(1). Product: Nike's products cover a wide range, including all kinds of shoes and clothing, sports equipment including all kinds of balls and sports protection, but also including all kinds of children's wear. Take the sneaker category for example: AirMax series, Zoom series, Basketball Elite series, Air Force 1 series, Blazer series, Dri-Fit series, NikeFootball X series, Tech Pack series, NIKE DUNK series, NIKEiD exclusive custom series, etc. Nike shoes are categorized into casual, running, basketball, American football, football, fitness/training, etc. It is not difficult to see from these that Nike has a wide range of products and is of very good quality as an international brand.

(2). Price: In terms of product price, except for sneakers, the price of all kinds of clothing is basically determined by cost, design, rarity and season. The price fluctuation is not very big, and it is easy to be accepted by the public. The prices of Nike shoes vary greatly, including the popularity and rarity of shoe styles, as well as the matching colors of shoes. The prices of different matching colors of shoes of the same style are extremely different. All kinds of star endorsements, brand joint prices are also very different, the water is huge. Especially in the secondary market of shoes were even more out of the sky.

(3). Place: Opening specialty stores in major cities in various countries is one of the most common. Buy at the original price through a lottery on Nike's own platform. It can be in the form of online, sold on major online sales platforms, or through some individuals to the secondary market sales, which can obtain high returns. As for NIKE, it does not carry out transportation by itself. The transportation link is completed by a third-party logistics company, and the transportation cost is only borne from the production area to the regional office warehouse, which is managed by the office itself. The main function of the warehouse is that it serves as the warehouse of the branch directly under the head office, not the warehouse of each agency company. Another important function is transferring warehouse, after the product carries regional warehouse from producing area, acting company can pick up goods to carry oneself warehouse immediately, it is to do transfer warehouse to use so. Each agency prepares their own vehicles, to NIKE company's local office warehouse pick up goods, shipped to their own warehouse, and then shipped to the agency's stores. This part of transportation and storage is completed by the agency company, transportation and storage costs are borne by the agency company, which can greatly save transportation costs.

(4). Promotion:

(Individualize the company culture)

"Sports, performance, free and free sportsmanship" is the personalized corporate culture Nike pursues. This distinctive corporate culture contrasts with the traditional corporate image. (The motive force of marketing strategy innovation comes from the innovation of cultural idea)

Creating a perfect and dynamic image of the company and its products is the strategic goal of the company. Teenagers have a strong ability to imitate and are very sensitive to brands. The clothes of stars often become the object of imitation. Therefore, if we try to make the most attractive athletes wear Nike, we will be able to attract a large number of people across the country to imitate.

(Reform and innovation to attract consumers with novel designs)

Hire famous designers with ideas, can have fashion initiative and wear comfort. We can also launch joint products with other brands to create different elements and designs between brands, which can not only arouse consumers' interest, but also improve the popularity of each brand.

(Cross-cultural problems in marketing)

Cross-cultural problems are problems that every multinational company has to encounter in its operation and management, so we must understand the culture of a country to better combine culture and products. We can design different products based on local culture, so that consumers can accept our products as they accept their own culture.

1. **Operation plan (employee qualification):**

**1. Consumer market strategy**

(1) Look at the market and focus on athletes and teenagers.

With the development of modern sports, athletes have higher and higher requirements for their sports equipment, and various sports departments are paying more and more attention to strengthening the strength of athletes. NIKE "as the world's first sports brand, athletes is its first market, so to promote to the majority of athletes. Secondly, teenagers are also a big market, many of them pursue fashion and feel the stimulation of famous brands, at all costs to buy NIKE. We should seize this mentality, the famous brand play louder, the style to do the update.

(2) Make product prices clearer.

Product price is the first consideration when people buy, so the price should be adjusted first. There should be different prices for different levels of consumption. In the face of high consumer groups, hunger marketing can earn more rewards, but also improve the price of the brand, relatively more grade. In the face of low consumption groups, they can use qingming prices to sell products with large shipments, and they can also use lottery to buy high-end similar products for a small number of people. Make the product more mass.

(3) Maintain a good brand image.

“NIKE” in the general consumer impression is very satisfied. In addition to superb design and good quality, there is good after-sales service, which is more important to consumers. It is suggested that enterprises should reduce costs, reduce prices, and increase competition while maintaining a good brand image. You can invite some stars with good influence to do brand endorsement and establish a good brand image.

(4) Adopt marketing strategies according to local conditions.

Although NIKE "company in China agent only three (Beijing, on

Hai, Guangdong), but in each large and medium-sized city they have its stores. We should make full use of human resources and resources in various regions and link them all up. We should carry out more social activities with consumers and carry out activities related to the movement trend, so that everyone first falls in love with sports as the premise. Can be appropriate to carry out exhibition and sales activities, and through sales with prizes, gifts, promotional materials, and other means to attract customers to increase sales, so that the lower consumption level of customers can enjoy the "NIKE" care.

2. Advertising design

(1) The plane poster adopts NIKE's usual style -- simple, simple and fashionable. The poster selects black characters on white background to increase contrast, highlighting the performance of the "NIKE" logo, coupled with simple lines as decoration, increasing the sense of time and speed of movement. Put the beholder out of sight.

(2) Large neon advertisements are placed in the most eye-catching places in tourist areas and central squares. The screen uses vivid humorous animation to reflect the spirit of "NIKE", as well as the detailed introduction of "NIKE" shoes of various powerful functions, so that people feel worthwhile.

(3) You can use the Internet advertising and brochure, now is the world of the network, the Internet is more and more common, and network trading is the trend of the current trading market. Therefore, NIKE advertisements are published on the major web pages of the country, with links to the advertisements, so that readers can easily buy directly online.