Mission Statement

~To bring inspiration and innovation to every athlete in the world...~
Brief Overview

- Founders: Bill Bowerman and Phil Knight
- Nike, originally known as Blue Ribbon Sports (BRS), was founded in January 1964.
- Nike – The Greek goddess of victory
- First-year sales totaled $8,000. In 1972, BRS introduced a new brand of athletic footwear called Nike.
- The company's first self-designed product was based on Bowerman's "waffle" design in which the sole of the shoe was inspired by the pattern of a waffle iron.

Bowerman’s Waffle Racer
The Nike Slogan and Symbol
The “Just Do It” Campaign

- Effective in reassuring consumers that the brand they picked, Nike, was a quality brand.

- Most effectively portrayed by celebrity sports figures such as Bo Jackson, John McEnroe and later, Michael Jordan.

- Celebrity endorsements appeal to the consumers’ sense of belonging and social stature as Nike became a self-fulfilling image prophecy: if you want to be cool, wear Nike; if you are cool, you are probably wearing Nike.

- By focusing on the aura and image conveyed by the fitness culture, Nike was able to attract those who wanted the image without incurring the pain.
Because Nike creates goods for a wide range of sports, they have competition from every sport and sports fashion brand including Adidas, Puma, and Reebok.

Nike’s first big move was when they cashed in on the jogging/fitness craze of the mid 1980s. Reebok was sweeping the aerobics race and gaining huge market share in the sneaker business.

No longer content to be the choice running shoe of a few thousand marathoners and exercise nuts, Nike wanted to expand its operation to target every American, regardless of age, gender or physical-fitness level.
The 4 P’s of Nike’s Advertising Campaign

Products
Pricing
Placement
Promotion

“Nike's marketing strategy is an important component of the company’s success. Nike is positioned as a premium-brand, selling well-designed and expensive products. Nike lures customers with a marketing strategy centering around a brand image which is attained by distinctive logo and the advertising slogan: "Just do it". Nike promotes its products by sponsorship agreements with celebrity athletes, professional teams and college athletic teams.”
Nike sells a huge assortment of products, including shoes and apparel for sports activities including hockey, basketball, combat sports, tennis, futbol (soccer), American football, athletics, golf, cross training, tennis, golf, skateboarding, soccer, baseball, football, bicycling, volleyball, wrestling, cheer leading, aquatic activities, auto racing and other athletic and recreational uses.

Nike produces a wide range of sports equipment. Their first products were track running shoes, tennis, soccer, wrestling and basketball shoes. They currently also make jerseys for a wide range of sports including track & field, football, baseball, tennis, soccer, lacrosse, basketball and cricket.

“Nike positions its products in such a way as to try to appeal to a “youthful,...materialistic crowd”. It is positioned as a premium performance brand. However, it also engineers shoes for discount stores like Wal-Mart under the Starter brand.”
Studies show that consumers are willing to pay more for brands that they judge to be superior in quality, style and reliability.

Nike’s products range in price from deals with Wal-Mart for inexpensive, more affordable sneakers, to very expensive sneakers and other products in various locations.

Nike mainly bases its pricing on exclusivity, style, and customization.
Nike owns facilities in Oregon, Tennessee, North Carolina and The Netherlands, and operates leased facilities for Niketown and NikeWomen retail stores, over 200 Nike Factory Stores and over 100 sales and administrative offices.

Nike sells its product to more than 25,000 retailers in the U.S., including Nike outlets and "Niketown" stores, and in about 140 countries in the world.

← Nike Headquarters - Mexico
Nike’s ads rarely focused on the product itself, but on the person wearing the product while incorporating jokes, explicit and implicit, to make their point.

Nike does not just sponsor professional athletes. Nike also sponsors events like Hoop It Up (high school basketball) and The Golden West Invitational (high school track and field), focusing attention on its products. Nike uses web sites as a promotional tool to cover these events.

“Nike, the Greek goddess of victory, helped others succeed in times of war. NIKE, the world’s #1 shoemaker, does more dominating than assisting, to capture more than 20% of the US athletic shoe market.”
Endorsements

- Nike has endorsed players in sports such as Futbol (Soccer), Basketball, Football, and Tennis

- Nike also endorses players in other sports such as formula one racing, golf, cycling, and skateboarding

- However, it was the signing of basketball player Michael Jordan in 1984, with his subsequent promotion of Nike over the course of his storied career, that proved to be one of the biggest boosts to Nike's publicity and sales.
Why Was the Campaign Successful?

- The timing for this campaign could not have been any better.

- The ads were often humorous, appealing to the cynic in all of us, while imploring consumers to take charge of their physical fitness.

- More importantly, by owning Nikes you were instantly a member of a desirable group. The campaign was easily identifiable (to the point that Nike eventually did not even bother to display the word “Nike” in commercials - the swoosh was enough) and stayed true to its message.
With its “Just Do It” campaign and strong product, Nike was able to increase its share of the domestic sport-shoe business from 18 percent to 43 percent, from $877 million in worldwide sales to $9.2 billion in the ten years between 1988 and 1998.

Revenue – Nike generated net revenues of $15.0 billion in 2006, a 9% increase from 2005
“After stumbling badly against archrival Reebok in the 1980s, Nike rose about as high and fast in the ’90s as any company can. It took on a new religion of brand consciousness and broke advertising sound barriers with its indelible Swoosh, “Just Do It” slogan and deified sports figures. Nike managed the deftest of marketing tricks: to be both anti-establishment and mass market, to the tune of $9.2 billion dollars in sales in 1997."

- Jolie Solomon
“When Nike Goes Cold”
Newsweek, March 30, 1998

“As small as we feel, the Nike family is a fairly vast enterprise. We operate on six continents. Our suppliers, shippers, retailers and service providers employ close to 1 million people. The diversity inherent in such size is helping Nike evolve its role as a global company. We see a bigger picture today than when we started, one that includes building sustainable business with sound labor practices. We retain the zeal of youth yet act on our responsibilities as a global corporate citizen.”

- Co-Founder of Nike, Bill Bowerman

“Eventually the campaign was credited with embracing not just resolve and purpose, but also the beauty, drama and moral uplift of sport - even, every now and then, fun.”
“If you have a body, you are an athlete. And as long as there are athletes, there will be Nike.” - Bill Bowerman