

Nike

by Nike Nike

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NIKE's Fashion Trend

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Introduction

Over the decades, every human generation has unique styles that distinguish them from previous or future generations. One of the distinguishable features is how we choose our dressing mode, including clothing, footwear, accessories, hairstyles, and overall body posture. The dressing fashion trend has changed over the years due to historical events and technological evolutions, resulting in fashion growth as one of the most popular industries by contributing an average of \$20 billion every year to the world's economy. (scratchhand.com) By strategic market planning, fashion designers can research the current trends and predict future fashion trends, thus achieving the fashion industry's success. Moreover, designers usually choose a specialty of clothing to design, such as sportswear, bridal wear, footwear, children's clothing, and men's clothing. This report will primarily focus on the fashion trend and marketing knowledge planning of NIKE, Inc. as one of the most prominent sportswear designers.

Company Overview

NIKE Inc. is a multinational corporation company in Beaverton, Oregon, in the United States. The company started in Jan 1964, and most people have always mistake NIKE for being initial, but the company got named under the Greek Goddess of victory. The corporation's design is developing, producing, and selling various clothing to assist in sports such as basketball and soccer and developing products for other sport's action and training and running. Currently, NIKE has employed over 75 000 people worldwide and producing a net income above \$3 billion per year, making it's net worth stand at \$37.4 billion. (Forbes Magazine, 2020, Nov. 21). The company's plans strategically is to attain long-standing returns advancement by creation of advanced products and building deep personal client connections with its unique brands, thus

distributing persuasive consumer experiences through digital platforms and retail levels. July 2020, the company's management announced leadership and working model sequence to speed up the strategic execution. Besides, NIKE Inc. has located more than 500 branches worldwide and its offices in 45 countries outside the United States, with most in Asia, including countries like China, India, Taiwan, Turkey, Korea, Malaysia, Philippines, and Pakistan. Other are locations are in European countries.

Fashion Retail Marketing Plan

According to (Elise Renner, 2018), retail marketing relates to industries' plans and tactics to attract the consumers and bring their products directly to the consumers in a retail store. For an effective retail marketing plan, the following four core concepts, product, price, place, and promotion, should be considered while strategizing the market plan for efficient service delivery. First, successful execution of a retail marketing plan needs a solid development and manufacturing of quality products to the consumers. The products should fetch a considerate price to optimize sales and exploitation of the customers. According to the concept of place, it suggests that location is a very crucial perception in retail marketing planning. For instance, an industry may be manufacturing the best and quality products in the world's market, but if the product is out of the customers' reach, you are unlucky. (Elise Renner, 2018). For that reason, a company must ensure that it creates proper distribution channels accessible by all the consumers. Lastly, the concept of promotion is majorly about communication between the industry and the consumers through advertisements. NIKE being a manufacturing industry, must employ these overall concepts for better plans.

However, NIKE is a fashion industry. It must present its products to attract a customer; aside from applying the concepts mentioned earlier, it should primarily focus on the concepts related to fashion retail marketing plans. The concepts include the texture, shape, and color of the manufactured products. By studying the fashion trends of the market, the industry can design its products to fit the preferences of the latest market trends either by color, shape, or texture of the produce. For example, the industry may decide to design its products by enhancing different tints and shades. Colour will determine the customer's moods depending on the combination; the neutral range of colors will consist of black and white hues, the warm colors will be from red, yellow and orange shades, and tints, while the cool colors are the shades from blue and green. The company must also consider its good shape, supposing it wants to design running shoes for training purposes, they must ask a question like; should the sole be high or flat? That will depend on the fashion trend and the customer's preferences. Lastly, the company should also consider that the products' texture tactile and visual; textures get designed in fashion in surface accompaniments like weaves or prints. Texture defines the products surface fabrics; they may be designed rough or smooth, soft or stiff, heavy or light, thin or bulky, or any other combination of these features. Article by (Nicole Lujan. June 2013)

These concepts shed light on the company's vision of inspiring and innovate every world's athlete. Since Nike places itself as an innovative corporation, it is its will to develop its products repeatedly. The company also holds a mission of ensuring that all the human potentials expand through its products; most NIKE's consumers follow inspirations from the company's elements that they get connected to; the firm considers everybody as an athlete regardless of different body shape and sizes. As a result of these retail marketing plans, NIKE became successful by developing some of the best goods for the world's market. Their success history evolved from

employing various unique market communication strategies that ensured the organization provided with the target market of different nationalities, ages, sex, and cultures.

Fashion Retail Industry Analysis

It is essential to understand different forces that are at working the general organization components of effective planning. A company must understand its position relative to other organizations that produce the same services or products. According to (Hitesh Bhasin, 2019), industry analysis is an assessment and evaluation device designed to offer an organization unit a comprehensive idea concerning a specific company's complex nature. The industrial analysis consists of evaluating the reviews that impact the company, such as market, economic and political factors. (Lawrence Gregory. Aug 2018) an industry analysis comprises three primary elements: the critical features that regulate a company's achievement, the fundamental forces at work in the organization, and its general attractiveness.

Since NIKE develops goods for various sports, they face stiff competition from other sports fashion brands such as Adidas, Reebok, and Kappa; hence, industrial analysis is crucial. The company develops and manufacture a comprehensive and unique variety of sports equipment. Their current status is remarkably well since the beginning of 2020, when it had a stock rise of over 40% at the current price of \$142. Even when the firm faced threats of temporary closure for several of its worldwide branches, it succeeded in making revenue of \$38.2 billion for the last four quarters. Additionally, it has added more than 50 million new members across the globe since the beginning of covid – 19 pandemic, hence showing energy that there could be some room for more stock gains for the next nine months. Finally, the company's dedication is to start

more stores to accelerate its development and provide a more reliable connected capability for clients.

As an assessment form of the organization, industry analysis is of great significance since it helped the company understand the market conditions. It immensely helped forecast the demand and supply trends and enable the company's financial returns. Furthermore, industry analysis specified the firm's competitiveness with other related industries and the cost associated with the industry expenditure. NIKE discovered that the company is continuing to grow and has unexploited future opportunities with a detailed assessment.

Fashion Marketing Strategy

Most companies strive to bring its good directly to the local stores for consumers through a retail marketing strategy. This particular type of marketing strategy is very crucial for imposing ideas for small retailers. (Alyssa Gregory, 2010). Most firms are aware of the fundamentals concepts of marketing, and if we want to improve our services or acquiring new clients effectively, we get the word out to upsurge awareness of our trademark. There are four types of marketing concepts that help companies ensure their brand reaches consumers through the retail stores; cause marketing implies that a link must be created between the company and its products. Scarcity marketing generates an insight that targets consumers to buy a good out of fear that they may not acquire it in the future. Undercover marketing states implicate marketing to customers to not realize they are the target; lastly, relationship marketing emphasizes consumer satisfaction to enhance the relationship with existing customers for loyalty purposes.

Currently, NIKE is determined to use this strategy to market its brand collection. At the beginning of its establishment, it first produced tennis, soccer, running shoes, and basketball and

wrestling shoes. They have advanced over the years and have added several items to the previous collection. The company manufactures include jerseys and training kits for several sports such as lacrosse, cricket, baseball, soccer, basketball, tennis, football, and track field activities. Also, NIKE has recently advanced in designing Nike SB for skateboarding and the introduction of unique cricket shoes, Air Zoom Yorker considered being 29% lighter than that of their competitors. Besides the sports brands, the industry also produces handbags, coats, luxury shoes, and lifestyle accessories. Each of these unique brands diversifies opportunities to different consumers for long-term growth.

Over the years, NIKE has become successful due to its excellent marketing strategies. It has devoted itself to structuring its brand through sports celebrity programs and emotional marketing. Selected marketing strategies that it has used to market the product are as follows: Establishment of their brand and logo by having celebrities, college athletes, and professionals with agreements on sponsorships, NIKE focuses on promoting their brand through sponsorships of celebrities across all sports, such as, Tiger Woods, Cristiano Ronaldo, Drew Brees, Lebron James, Joe Mauer, Serena Williams and many more. Through celebrities, the company's marketing message effectively blends by promoting products to consumers by inspiring them to imitate how these celebrities desire the brands. Other strategies employed include selling the "emotional benefits of their brands through eye-catching commercials, embracing the current technologies and developing a wide range of products to different sports hence capturing a vast market. Furthermore, NIKE has expanded its spur growth by associating with the international markets in Asia, Europe, and Africa.

Marketing is the essential part of this organization; it is frequently changing in response to technological expansions, information explosion, and the level of competition aggressiveness.

The entire firm's strategy is a concern to marketing strategy; fortunately, marketing strategies can be evaluated by practice, experimentation, and making mistakes.

Retail Trend Analysis.

The evaluation of historical income results to detect a company's future pattern is the retail trend analysis; it is very beneficial in analyzing the financial onset that fluctuates in revenue growth rates. Trend analysis also exposes the truth to problems, the origins of the problem, and the organization's problems. Like any other marketing venture, retail is also a very tricky one; companies have learned that with proper ideas structuring and product knowledge, consumer's buying habits at the retail level will improve. With the relevant information resulting from retail trend analysis, industries can reposition themselves in areas where there is a desperate need for improvements. This analysis can detect what good has failed, in what areas, how to shove the manufactured goods up again, and which products are profitable. Retail trend analysis also gives awareness to the goals met and the missing ones; hence, a company understands what to do when another crisis hits them.

NIKE Inc. is a very productive investment to the stakeholders and hence, needs future protection. The company's shoes and apparel are a great addition to the consumer's closets, and this has proven that their stock is a wealth builder investment. Article by: (Neil Patel, July 2020) For five years, their selling stock has doubled. Their brand became hotter than ever before because the demand rises for sneakers which is a shred of more evidence that the industry is gaining momentum towards future achievements. Its retail analysis's strength has resulted in the push of other stars outside the sports activities, such as social media influencers and musicians, on selected sneaker brand shapes allowing other top brands to knock into the overall market.

NIKE is moving in the right direction to ensure its success in the future market. The increase of their gears for non – workout events will grow as the organization collaborates with other celebrities outside sports, such as Drake, Kevin Hart, and Travis Scott. Another crucial retail trend is general sports; people enjoy watching sports for entertainment all around the world. The fans have a better connection to those athletes on the courts or fields, which sharpens the love of the sport, which will be a long–term advantage for the company.

As the world leaders in sports footwear and apparel, we conclude that NIKE will continue to influence general world sporting activities and casual fashions. Like any other competing industry, it's also struggling with the challenging environment with hopes of emerging stronger. Investors should consider some important factors of retail trends to evaluate their achievements for the coming years. Concerning its products' branding, retail trends seem to suggest the occurrence of more significant marking over time as the stakeholders and producers strive to be more modest in the increasingly competitive brand market and in which their retailers have more economic power. This research discovered that social certification, environmental guarantee, and branding are critical elements in promoting the products retailing by considering different groups' demands and interests. For instance, if the industry's management is making all the right decisions and moves to position its brands for more outstanding future achievements, I am confident that stock, sales, and profit will be relatively significant in the coming years. Therefore, it is essential to extend the potential benefits to the group of interests and specify the brands to specific markets within a particular country.

Contemporary Strategies

According to the journal "Strategic Management" (Jeffrey Kennedy & David Smith), contemporary strategic management involves the past methods of strategic thinking and the current views of new industrial developments. Therefore there is a need to fashion sustainability growth by addressing the whole structure of the fashion industry. In recent years, there has been an emergence of a sensitive awareness towards the fashion industry's environment, resulting in strengthened worldwide clothing consumption. Also, there was a release of the detailed extent of the fashion environment's impacts and how more fashion industries targeted the sustainability campaigns from previous reports. Fashion sustainability is a progression and promoting change in the fashion products and the fashion system towards a greater goal. The plan was to help draw attention to the ideas and trigger an unmistakable wave of intention towards an actual measurable action, with the vast information associated with fashion industry sustainability.

Sustainability is one of the biggest fashion industry challenges, and the fashion industries have developed procedures to sustain the industry's overall growth. In the last decade, most fashion firms have depicted fashion sustainability; industries use the following ways to ensure fashion sustainability. First and foremost, the initiatives encourage second-hand cloth shopping since it contains some unique fashion trends, making brands and retailers move towards achieving this goal. The fashion companies should also develop fair and ethical fashion brands; that do not hurt any person's feelings, animals, labor, or even the planet since they move towards the products that serve their values and interests. Another way is by redesigning and repairing the most trended outfit, resulting in improved overall consumer experience by ensuring their previous purchase lasts for a very long period. Lastly, fashion, being among the industry that majorly pollutes the environment, should develop green and clean fashion brands that do not

destroy the planet in any way. Since sustainability sets the future priorities, a clean and green fashion will keep the planet clean and productive for people to live.

Concerning NIKE Inc, the strengths that push its growth and sustainability are increasing health awareness such as fitness programs and increasing sports activities to consumer's interests. Moreover, it has improved the demands for "athleisure" activities by designing sneakers for casual functions. It's also enticing its retailers and consumers with a burst of unique releases, allowing it to maintain the shifts in trend preferences and lower the amount of the unsold stock, which accrue to profit, thus ensuring sustainability. The company's management sees these strategies as a driving tool for long-term growth; if this continues, it will lift its gross margin for a higher percentage.

Conclusion

Recently, the fashion trend changes rapidly, either in casual or informal wear. Celebrities, mainly sports personnel and movie stars, are primarily used as trendsetters in fashion and fashion shows. Hence, making the industry one of the predominant industries with an enormous amount of revenue generation. For enterprises in the fashion industry to be more conscious and positive about lessening their products' environmental effects, they would have to rely on a piece of conclusive benchmarking equipment to measure the product's decisions on the environment.

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