

Brand Equity Diagnosis Of Nike And Adidas

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Introduction

Nike and Adidas are some of the most globally recognized brands. More or less, all the major sporting teams try to associate themselves with these brands. Despite the fact that they are in close competition, each brand has determined its own niche and has become successful in its own rights. In this paper, it will be seen how SWOT stands for each organization as well as how they narrate themselves in the context of the CBBE model.

SWOT Analysis Of Nike

Strengths

- Variation in product range.
- Global reach and brand equity.
- Strong research and development.

Weaknesses

- Too much reliance on proceeds from footwear.
- Highly price-sensitive retail scene.

Opportunities

- An aesthetically pleasing brand means a much broader target market.
- More chances for product development.
- It can present itself in global sporting competitions due to its equity.

Threats

- Due to international reach and the nature of trade, profit margins are highly dependent on the global currency market.
- Highly competitive marketplace.

SWOT Analysis Of Adidas

Strengths

- It is one of the oldest sporting brands with its own share of legacy.
- A diversified portfolio of products.
- Strong collaboration and membership with international sporting bodies

Weaknesses

- Higher price range and thus limited market penetration.
- All the manufacturing is outsourced, which is a big business risk.

Opportunities

- The demand for premium sports goods is always increasing as more and more people are turning towards a healthy lifestyle.
- New markets such as BRIC provide an avenue for them to sell their product.
- Expansion in the product line would also open a new set of opportunities.

Threats

- Again, in a highly competitive market, there is always pressure that the competitors are going to upstage Adidas.
- As the majority of the supply is outsourced, it is a potential risk for the business.
- Government regulations are always changing, thus affecting the cost of business in a certain country.

CBBE And Communication Of The Brand Narrative

In the next section, the CBBE of both businesses is carried out while keeping their respective brand identity, brand meaning, and response (Song et al. 2017, p.69).

CBBE Nike

One of the key things that goes for Brand Nike is how they are expected to deliver high-end solutions most of the time, as well as making sure that they develop appropriate designs. Furthermore, the higher technical performance rather than the aesthetics have made Nike rather popular among elite

sportsmen. The key feature of their brand narrative, most of the time, is how inspiration is needed to be provided to the people. Now, coming towards the feeling that general people have about the brand, one of the key feelings that is associated with the brand is how it tries to bring about excitement, fun, and an element of self-respect into the life of the individuals. Furthermore, the resonance of the idea is such that it gives credence to the possibility that greater customer interaction is being witnessed. It is one of the prime reasons that they associate themselves with the people who have a higher status as well as having a competitive streak among them (Morgan et al. 2015, p.223).

CBBE Adidas

Adidas is one of the oldest sporting merchandising brands and thus has created a legacy for them in the long run (Morgan et al. 2015, p.223). The idea behind the brand is to make sure that the imagery is created to allow popular sportsmen and athletes to be the face of the brand. The higher credibility that comes from these sections is one of the key things that work to the advantage of the business (Morgan et al. 2015, p.223). Even though they do not offer as much customization, the other thing that it tends to show is how they portray themselves as one of the legal brands (Morgan et al. 2015, p.223).

Similarities And Difference In The Narrative Of Both Brands

There are many similarities that one can see in the way the narrative of both brands has been set out. Both are at the top of the pyramid when it comes to sporting merchandise around the world (Holtbrügge and Schuster, 2017, p.19). At the same time, the target market and the demographics that they cater to are also more or less the same. It is the subtle difference with regard to the branding strategy that one gets to see the difference in. For instance, while Adidas seems to target individuals and athletes. Nike seems to get on board whole teams for their purpose. The other thing is that while Nike uses its footwear to gain leverage in the market, the Adidas product line is much more rounded and well-constructed (Holtbrügge and Schuster, 2017, p.19).

Communication Strategy Of Both The Brands

If one wants to determine whether both brands have successfully talked about their narrative, then in a different manner, it can be called a success (Choi et al. 2015, p.242). While Nike has made larger-than-life adverts and, with the help of the sponsors, tried to forge an identity of their own, Adidas is about making sure that each of the common people who are trying to stretch themselves for sporting glory must work hard all the time (Choi et al. 2015, p.242).

Recommendations For The Brand

The key thing for them to do is to make sure that they get rid of this elitist mindset that they have developed. The idea is that these two brands are certainly there for the elite sportsmen to serve their narrative for the short run, but in the long run, they are losing out on an exceptional business opportunity.

References

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