Nike Branding Strategy Celebrity Endorsement and Innovation

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Introduction

Among the fundamentals of business success is good brand creation. The process involves developing a strong brand image and subsequently communicating the brand ID across all media channels that are available. Nike as a brand is at the heart of today's sporting world, manufacturing athletic and sports apparel as well as equipment. Since the conception of the company by Phil Knight and Bill Bowerman under a partnership in 1962, the company has grown a lot. The brand has been targeting young males who have consistently been vital buyers of the company's footwear (Swan & Zou, 2012; Kaplan & R. W., 2017).

While Reebok has been its main competitor, Nike has tried to enlarge its niche market in the sporting industry. This has made Nike develop some branding strategies, including engaging celebrities to endorse its brand. Some of them include Michael Jordan and Kylie Jenner, among others. This has greatly enhanced the marketability of its products. Other factors that have contributed to the tremendous growth of its global market share are aggressive marketing, the creation of new products and the production of superior-quality products (Ringen, 2018; Nike, 2017; Nike, 2018). This has seen its turnover increase significantly, therefore generating increased revenue for Nike. However, since Nike was established, it has undergone a lot of transformation that has helped it realize a positive impact, particularly on male athletes.

Nike Today

The company's primary business activity has been engaging in the design, development and global marketing of quality footwear, apparel, equipment and also accessory products. It is among the top producers of quality athletic shoes in the world, selling its products via its retail accounts in the US and through its various independent distributors, subsidiaries and all those who are licensed in other world nations. Since its first slogan, "Just Do It," the company has managed to nurture some basic standards related to the Olympics and sports (Lashinsky, 2015; Yong, 2018; Lindzon, 2018).

The Brand Evolution

Having been founded in 1962, the company was called "Blue Ribbon Sports." Its primary goal back then was supplying American consumers with low-cost Japanese sportswear while maintaining high quality to break the monopoly that Germany had in that industry. The first shipment was in 1962, whereby 200 shoes were delivered. By 1971, it was already manufacturing soccer shoes of its own, leading to the launch of the Nike brand bearing a swoosh trademark. Its secret has been producing high-tech commodities. Presently, this is possible since these technologies are found within computers. The company designs, creates and develops shoes while machines do the work of making the shoes. Besides, Nike employs diverse technology, which includes the acceptance of computer programs, the use of an intranet in its headquarters and also a web page that allows customers to conduct sales (Boudway et al., 2017; Expanding The Field, 2018; Butler-Young, 2018).

However, it has not been without turbulence, as there was a break-up between the brand ambassador Tiger Woods and the corporation in 1972, though a new deal was established with Jordan in 1980 that led to the growth and expansion of the company (Nike, 2014; Holmes & Bernstein, 2004). Currently, its traditional and non-traditional channels go beyond 90 countries, not forgetting that it owns factory stores and outlets. Additionally, it runs websites where consumers can purchase its products. This has seen the company create a lot of jobs globally.

The Celebrity Face of the Brand Nike

The endorsement of the Nike brand by different celebrities like Tiger Woods, Michael Jordan, and lately, Kylie Jenner, among others, has made the brand valuable and unique. The decision to collaborate with celebrities is a good strategy since they act as spokespeople. This puts the company in a good market position by generally extending their popular personalities. In the same manner, the ambassadors reflect their social stature as well as their popularity in their areas of expertise onto the Nike brand. Also, the personalities create a distinction between other brands and Nike, hence attracting a more prominent group of customers. These celebrities are mostly drawn from the youth bracket, particularly males, who are assumed to be good purchasers of more footwear compared to other people. Again, the celebrities are young and successful in attracting their age mates, who can identify with them (Segran, 2017; Nike, 2016; Datamonitor, 2012).

Other famous personalities who could be possible endorsers for Nike could be design models as well as professional dancers. This is because such people can fit into the company's product offerings like athletic apparel and sporting footwear. This would make the brand attractive as models attract customers due to their positive image of the company. The models' appearance and physical attributes enhance customers' positive memory of the specified brands (Locke et al., 2007; Datamonitor, 2009).

Conclusion

Nike, as a brand, has amassed wealth and commanded a significant market share. This is attributed to the significant evolution the brand has been through. Its main target market has been young males since they are the primary consumers of the company’s footwear. Since competition in the footwear industry is stiff and is ever-changing with the change in customer preferences, it can be very challenging for Nike if it fails to position itself well in the market. That is why it does not tolerate substitute products. Reebok, which is the brand’s primary competitor, has also strategically positioned itself to gain a more significant market share. The celebrities who endorse Nike enhance the company’s product marketability, hence making the company carry on the celebrity face of the brand regime.

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