

Providence College

DigitalCommons@Providence

School of Business Student Scholarship

School of Business

4-29-2021

Your Emerging Career: Nike

Meghan Reynolds
Providence College

Follow this and additional works at: https://digitalcommons.providence.edu/bus_students



Part of the [Marketing Commons](#)

Reynolds, Meghan, "Your Emerging Career: Nike" (2021). *School of Business Student Scholarship*. 9.
https://digitalcommons.providence.edu/bus_students/9

This Presentation is brought to you for free and open access by the School of Business at DigitalCommons@Providence. It has been accepted for inclusion in School of Business Student Scholarship by an authorized administrator of DigitalCommons@Providence. For more information, please contact dps@providence.edu.



Nike YEC

Meghan Reynolds

Class of 2024

Professor Caloura

Marketing 205

What is Nike



Consumer products in footwear & accessory industry with a focus on athletic wear



Market orientated organization

Political

- China and US tariffs – China and the US do a lot of International business. This will decrease the market growth
- The federal and state government shut down the economy from March 2020 until June 2020 which impacted sales across the entire US economy. There is an increase in left over inventory
- Political stability of Pakistan where the textiles come from, therefore, it may become harder to get the textiles unless the company is involved in Pakistan. They will have to ensure they have a back-up plan for their supply chain.

Economic

- Currency exchange rate from US Dollars to Euros is 0.86 Euros = \$1.00
- The current US and Global economy are having a large shift towards digital sales;
- There has been a decrease in consumer spending due to COVID-19 due an increase in unemployment

Social, Cultural & Demographic

- North American, Europe, Asia-Pacific, and LEMEA are the main target markets
- Gender segmentation: Comfortable and Stylish footwear for women
- Increase in individual marketing
- Athletic and nonathletic footwear – benefit segmentation
- Average consumer spends \$392 on footwear each year in the US
- \$12,191,200,000.00 market potential for the entire US Footwear market
- Bloggers have a big influence – buzz marketing

Legal

- Must follow all the footwear guidelines and the business guidelines in general.
- Anti-Trust Laws: Sherman Anti-Trust Act that needs to be followed by all firms in all industries. The lawyers that work for the firm have to ensure that this law is followed among other laws.

Technological

- Rise of “Smart” Footwear and apparel that improve the performance of consumers
- 9% of U.S. Consumers prefer to buy shoes online,

Environmental

- Paris Agreement to lower carbon emissions is signed by 195 countries
- GenZ is more likely to shop sustainable
- Large cost for COVID-19 preventive measures

SWOT

Strengths

- Unique selling proposition of the swoosh - brand symbol
- Wholly owned subsidiaries like Converse, Hurley, Nike Golf, Umbro, and Cole Haan
- Value proposition of innovation, accessibility, and brand/status
- Nike ID customizations
- Q1 statistics for 2020-2021 Fiscal Year
 - Direct sales were \$3.7 Billion
 - Digital sales were up 82% from the previous quarter
 - Inventory increased 15% from the previous quarter but decrease 9% from the previous year.

Weaknesses

- Growth estimate of -12.90% of Q1 of 2020
- In FY 20-21, there is expected decrease volume in Nike physical stores, and Nike will continue to invest further in digital spaces until the pandemic seems to be near its end.

Opportunities

- Athletic and non athletic footwear segmentation
- The market is segmented into type, end users, distribution channels, material, and regions.

Threats

- 9% of U.S. Consumers prefer to buy shoes online, therefore, firms would need to build an online platform that allows consumers to easily purchase not only shoes.
- The US inflation rate for 2020 is 1.3%
- Change in international tax laws, have more tax liabilities or increase in domestic tax rate could have Lower demand for consumer discretionary spending due to the pandemic – higher inventories & lower gross margins & revenues

What have I learned

Apply my competitive aptitudes to my future career

How to turn my weaknesses into strengths

How my competitive aptitudes can help Nike become a stronger company

Marketing & Political Science Major is not for me

Segmentation of markets & how that impacts advertising & all parts of the business cycle

How to read a 10k Report

My Career Path

- Finance Major & Political Science Minor on a Pre-law track
- Industries of Interest: Law and Government, Advertising and Public Relations, and Professional Business Services
- Work for a firm with a strong mission statement

The Next Steps:

- Maintain at least a 3.5 GPA
- Apply for internship at the beginning of next semester for summer 2022
- Earn my undergraduate Degree in Finance
- Go to law school
- Continue to work on my strengths and weaknesses