

A Case Study on Nike's Branding Strategy in Terms of Green Transparency and Consistency

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Abstract:

The research paper discusses a case study on Nike's green branding strategy, reviewing the foundational elements of the strategy, both implicit (brand essence and spirit) and explicit (texture and feel). With an overview of each element, the research paper explores Nike's green orientation and the alignment of the brand's actions with its core values.

The paper begins by introducing two evaluation criteria for the study: green transparency and green coherence. Green transparency refers to the brand's credibility in pursuing its declared goals and values related to current environmental issues such as global warming and waste management. Green coherence, on the other hand, refers to the brand's sustainability in consistently pursuing its green orientation. Together, these concepts serve as a measure of the accuracy and discipline of the brand's green direction and environmental issues.

The research paper found fluctuations in Nike's performance regarding green credibility, while, on the other hand, it demonstrated a higher degree of coherence and performance continuity.

Keywords

Green Transparency, Green Consistency, Branding Strategy, Greenwashing.

1. Introduction

Nike is the world's leading brand in the field of sports apparels and accessories. Since its creation in 1964, Nike has proven to be a market leader with game-changer maneuvers and tactics. Facing frequent accusations of embracing un-environmental policies and anti-social tendencies; Nike had to reposition itself as green-loyal and socially responsible. Nike examined that a product-quality standard can never fulfill increasing market needs, unless accompanied with a transparent and consistent environmental behavior. By adopting environmental values, Nike hoped to usure a new perspective of socially responsible branding strategies; the one within which brands prove their good intentions and social awareness in order to gain the respect of their target audiences. Aiming for customers' respect has shown to be the only pavement nowadays for winning their hearts and sincere loyalty.

This research paper represents a case study on Nike's Branding Strategy; in the terms of Green Transparency and Consistency. That is because case study research is a method for understanding and examining the depth of the subject matter and to focus on the particular issue. A case study becomes particularly useful when there is a need to understand some particular problem or situation in great-depth, and when there is a case that is rich in identifiable information.¹ In that sense, researcher found that Nike examined a rich and resourceful experience through which there were many ups-and-downs, ons-and-offs. And that raised a question about how Nike could manage it through such challenges? And if that was done by the careful and ingenious adoption of a profound branding strategy that is consistent, and occasionally, transparent.

2. Problem Statement

The problem of this research paper can be stated in the research questions as follows:

- What were the metrics implemented in building Nike's green branding strategy? And how did they embrace its green core values?
- To which extent can Nike's branding strategy be described as transparent and consistent? And how did that reflect on its branding endeavors?

3. Aims and Objectives

The research paper aims to examine the depth of Nike's sustainable approach towards green branding. The main objective of the paper is to identify the green metrics being implemented, and the extent to which they can be described as transparent and consistent.

4. Hypothesis

The research hypothesis are as follows:

- Nike's sustainability approach sets a good example of an almost holistic green branding strategy.
- Nike's green positioning has proven to be almost consistent, but occasionally transparent.

5. Significance and Importance

The significance of the subject matter can be tracked down into two main reasons; First: the increasing awareness of the importance of environmental issuing and green tendencies which penetrated international and local marketplace since the 80s and 90s. And secondly, the

¹ Daniela Yasenova Baeva: Strong Brands; How Brand Strategy and Brand Communication Contribute to Build Brand Equity, The Case of Navigator, Master Thesis in Marketing, Faculty of Economy, Univ. of Coimbra, Portuguese, 2011, P. 63.

significance of monitoring and studying leading brands, such as Nike, in order to obtain a profound and in-depth knowledge of brand-building strategies and techniques.

6. Delimitations and Scope

This research paper is bound by the subject of Nike's sustainability strategy, which started in the 1990s till the time the research ends.

7. Research Methodology

The research takes a qualitative case study approach to construct validity and reliability of collected data.

8. Literature Review

Nike is now considered the world's leading supplier of athletic products, and has gained a large number of loyal fans all over the world. The company handles in around 160 countries, and employs more than 44000 people in a range of 6 countries. The brand has a number of major manufacturing factories located in USA, Japan, Vietnam, China, Sri Lanka, Brazil, Indonesia and more.²

As Nike expanded, the company's leadership kept returning to the very essential question, that is; How to cement Nike's status as the patent leader of the sports apparel and accessories category?"³ Nike has always exploited technology to build deeper, and more personalized connections with its customers, e.g.; when Nike found out that basketball fans had wondered what it would be like to shoot hoops with their favorite players, Nike has responded to this by releasing Nike's Air Jordan Flight Lab. The technology was unveiled in celebration of the NBA All-Star Weekend in New Orleans. Nike used holographic technology to bring NBA stars to life in a first-of-its-kind experience. The holographic technology permitted consumers to learn signature moves from hyper-realistic holographic athletes, e.g.; Carmelo Anthony, Chris Paul, and Blake Griffin. Consumers also were allowed to design their customized pairs of shoes, with the assistance of Nike's design team, then digitally posting their designs to a large display.⁴

Nevertheless, Nike has always encountered accusations of not being sincere to its social responsibility. Such accusations were focused on their laboring polices, and also some claims of greenwashing; that means "claiming for green products whilst those products aren't truly that green"⁵.

² Consumption of Plastic and Sustainability Efforts of Nike Towards Green Environment: Almiya, Mukesh Singh et al., International Journal of Applied Businesses and International Management, April, 2020, p.p. 60,61.

³ Debbie Millman: Brand Bible; The Complete Guide to Building, Designing, and Sustaining Brands, Rodrigo Corral Design, Rockport Publishers, 2012, P. 120.

⁴ Smith, Kerry and Hanover, Dan: Experiential Marketing; Secrets, Strategies, And Success Stories From The World's Greatest Brands, Wiley, USA, 2016, P.131.

⁵ A definition articulated by the researcher.

In order to defy such accusations, Nike adopted some sustainable branding strategies since 1990s, trying to prove not-guilty, showcasing alliance to such environmental issues as; greenhouse gas emissions, fresh water usage, and waste recycling supply chains. Nike has managed to communicate such tendency to its customers through a wide spectrum of touch point communications channels. The new tagline “Nike’s journey toward zero carbon and zero waste, helping to protect the future of sport” is a good example of the image Nike was struggling to support, and the new personality trait as being loyal to emerging environmental causes.

8.1. Green Transparency and Green Consistency

The research identifies “Transparency” as “the tendency to honestly respond to issues, with the concealed practices correspondent to the declared values and points of views”.⁶ In that sense, a branding strategy is considered green transparent or not on the basis of its honesty and sincerity towards environmental issues. Brands get their transparency reputation according to their real behavior in the marketplace, and not upon their claims or declared situations.

On the other hand, “Consistency” refers to “the tendency to keep-track of a declared value and point view over a period of time, or otherwise for as long as it takes”.⁷ A branding strategy is considered green consistent when the brand shows its alliance to environmental issues over a long period of time. By definition, there is an overlap between transparency and consistency, yet, there is a differentiation point that is; where transparency implies the honesty inside-out, the consistency implies the preservation of values and ideas.⁸

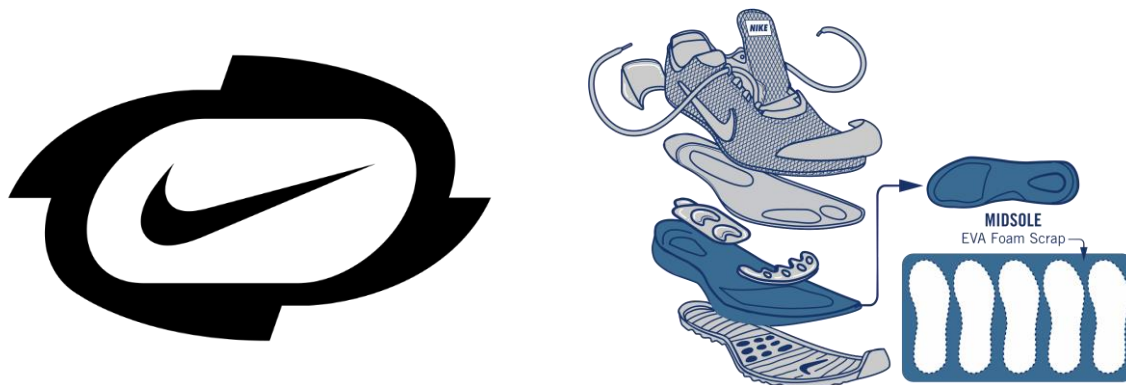
8.2. Nike’s Green Transparency and Consistency

Nike has shown a respect-worthy commitment towards the environment, with multiple procedures being taken such as; Nike Grind Program. Via this program, the post-consumed athletic shoes are used to create items like flooring weighs and baseball fields. Thus, lessen down the expenses for maintaining the baseball field. The parts of the unused shoes are being used to repair the certain part of flooring weight rooms, as the original parts are high in cost. This procedure can cut a lot of cost for Nike.

⁶ A definition articulated by the researcher.

⁷ A definition articulated by the researcher.

⁸ A differentiation articulated by the researcher



Picture No.1 An illustration of Nike Grind Program ⁹

A second procedure is reducing transportation, such as lorry, a procedure that results in reducing the emission of carbon monoxide gas that can harm the environment. This was done by setting the rules to buy only materials that are found within 321km from the factory.

A third procedure is to replace artificial colors with organic based colors to the leather, as the inorganic chemicals have dangerous substances harming the living organisms such as aqua animals if accidentally or intentionally spilled in the water. Instead, using vegetables-based colors is a more environmentally-friendly procedure. Nike focuses on finding more energy efficiency, and on distributing the energy to increase the access of renewable energy.

Shrinking carbon dioxide is very critical as too much carbon dioxide gases in the air would result in causing people inhalation problems. Nike took the initiative to create super type of quality product without neglecting the environment and planet's wellbeing. Nike addressed such objective by using 100% recycled polyester as it could save more than three plastic bottles. By reducing the use of polyester that can conduct to the pollution, Nike is hoping to create a benchmark for the big companies to take part in the environmental issues.

Nike collaborated with 30 retailer shops in “Nike Aids in Creation of the Apparel Index”, as that would reflect on reducing the environmental impact of cutting trees. Another initiative took by Nike is using wireless monitoring devices as it could save many rubbers to use as the wires. Nike encouraged a venture focusing on the alternatives and effective energy to be used in the factory. Hopefully, this strategy would lead to attract more employees and investors to the brand.¹⁰

Move to Zero is Nike's journey toward zero carbon and zero waste, focusing on carbon, waste, water, and chemistry with a time spam expanding to 2025. The strategy targets are:

⁹ <https://www.nikegrind.com/about/>

¹⁰ Consumption of Plastic and Sustainability Efforts of Nike Towards Green Environment: Op.cit., P.p. 70,71.

- 0.5 M tons less of greenhouse gas emissions, through the increasing use of environmentally friendly materials to 50% of all key materials; polyester, cotton, leather and rubber.
- 100% waste diverted from landfill in its extended supply chain, with at least 80% of waste recycled back.
- 25% reduction of fresh water usage per kilogram in textile dyeing and finishing.¹¹

In 2013, Nike has introduced its free Making app, selecting its materials from an in-house sustainability index that scores each product's environmental impact, then put that information into the hands of designers everywhere.

Each designer-decision has its impact on the environment, and in order to ease the process of making an informed choice, the designer-friendly Making came in. The app's data is driven from the Nike Materials Sustainability Index (NSMI), and upon which the app ranks the environmental impact of materials most commonly used in sports apparel in four main domains, such as; chemistry, energy, water and waste. Higher scores represent better environmental footprint. Thus, Nike supports the creation of sustainable products in an easy to use and free experience, that hopefully, will lead to increasing the demand for sustainable products.



Picture No.11 Nike's Making App.¹²

Making has been downloaded more than 15,000 times, and was incorporated in design colleges curriculums in the UK and the US, moreover, it was covered by Wired, Fast Company, WWD, Glamour and Contagious etc. In 2011, Nike paired with other companies, manufacturers, NGOs and academics to use NSMI as a platform for an industry-wide index that evaluates products' sustainability.¹³

¹¹ <https://www.nike.com/sustainability>.

¹² <https://www.dexigner.com/news/26721>

¹³ <https://www.theguardian.com/sustainable-business/sustainability-case-studies-nike-making-app>



Nike's free Making app.¹⁴

8.3. Nike's Green Transparency and Consistency Accusations:

In the 90s, Nike has faced accusations of terrible human rights treatment. The brand tried to wipe out this denigration and alter the disparaged image in consumers' minds. Most of the accusations focused on the company allowing its suppliers to exploit workers by paying below the minimum wages, enforcing excessive working hours, and failing to provide safe working conditions. It is known that the brand has not signed the Bangladesh Fire & Safety Accord, a significant lead to improve factory safety instigated after the death of over 1,000 garment workers in the Rana Plaza factory collapse.

In the early 2020s, Nike used Uzbek cotton, in which forced labour and child labour has been widespread. In March 2017, Nike ceased allowing the independent NGO Workers Rights Consortium access to factories to check on labour standards.

In 2021 and 2022, Nike received a score of 51-60% in the Fashion Transparency Index, showcasing that the brand has commenced to follow the rightful measures. Unfortunately, Nike's score has dropped back down 41-50% in the 2023 report. In May 2023, Nike received a class action of 47-page lawsuit over "greenwashed" sustainability claim. The lawsuit accused Nike of illegally attempting to capitalize from consumers' preferences of green products by falsely tagging sustainable for some specific apparel, while waste-and carbon-reducing 'Move to Zero' products were, in fact, made from non-biodegradable plastic-based materials. As for

¹⁴ <https://www.fastcompany.com/90350603/nike-is-launching-a-guide-to-sustainability-for-brands-get-it-here>

animals, Nike faces accusations of using cruel animal-based fabrics like down and exotic animal skin.¹⁵

8.4. Nike's Green Branding Strategy:

Branding strategies refer to “the plans specifying the direction and scope of brands over the long term in order to build and maintain sustainable competitive advantages over marketplace competitions”. Thus, a branding strategy is the process whereby a company identifies which brand elements are necessary to create the appropriate and feasible brand proposition to the target group.

The central focus of branding strategies is over their core values; therefore, brands must retain a deep and accurate understanding of their core values to ensure strategic consistency.¹⁶ Branding strategies can be divided into a couple of structural assets; that are implicit (meaning internal building units), and explicit (meaning external building units). The first group can be called the Heart and Soul group, while the second group is called the Touch and Feel group.

8.4.1. Nike's Branding Strategy Heart and Soul Assets:

This group entails assets such as; the marketing mix, the brand SWOT analysis, segmentation, positioning, personality, and equity.

8.4.1.1. Nike's Green Marketing Mix:

Nike has a very successful marketing mix, which enabled the brand to maintain its leading position among its competitors; Reebok, Puma, and Adidas. With an annual growth rate evolving since 2012, Nike's revenue in the footwear segment surged to \$28.02 billion in 2021, that is more-than-double that of Adidas and nearly eight-times Puma's.¹⁷ Here are the main pillars of Nike's marketing mix:

Product:

Nike has a broad product profile that includes shoes, apparel and equipment. It also offers products for tennis, golf, skateboarding, association football, baseball, cycling, volleyball, wrestling, cheerleading, aquatic activities, racing shoes, etc. Nike also has a sub-brand named NIKEiD allowing the consumers to customize their own Nike footwear selecting their colors and fabrics, or otherwise, select from the pre-made designs.¹⁸

¹⁵ <https://goodonyou.eco/nike-vs-adidas-whos-more-ethical/>

¹⁶ Daniela Yassenova Baeva: Op.cit., P.22.

¹⁷ The Analysis of Nike's Marketing Strategy from Social Media and Consumer Psychology & Behavior: Zheng, Kewen, BCP Business & Management, Volume 34, 2022, p. 439.

¹⁸ Strategic Marketing Plan of Nike: Ahmed, Rizwan Raheem, et al., technical report, Nike Inc., April 2016, P. 16.

Nike is now going green by using some environment-friendly substance comprising organic and reprocessed cotton and polyester. It is also minimizing the off-cuts component in the manufacturing processes. Nike has a strategy for waste and water reduction.¹⁹

Pricing:

There is a feeling among the general public that Nike's prices aren't suitable for everyone, and that is a big concern that Nike's marketing strategy works to address. Nike's pricing strategy is somehow considered as a competitive one, as it is oriented towards using more production channels to control cost and impact product pricing. Nike's equity allows it to apply a Value-Based pricing other than competitors, knowing that the target customers are classified as niche with a financial capability, and they consider wearing such products as a status symbol, and high-status customers are generally willing to pay the costs in order to ensure the quality and received services.

To reduce the costs of Nike's products, Nike has an outsourcing strategy with China, Vietnam and other developing countries of Asia. Nike also incorporates online advertising business and e-commerce to expand its appropriate channels.

Placement (Distribution):

Nike has specific distribution outlets, with different scales such as:

- **Nike town shop.** In big cities of countries.
- **Flagship stores.** Retail stores that have label of flagship of Nike.
- **Nikeid.** A website which serves the global customers with customization services.
- **Big retail discount stores.** Serve with some high demand Nike products.

Promotion:

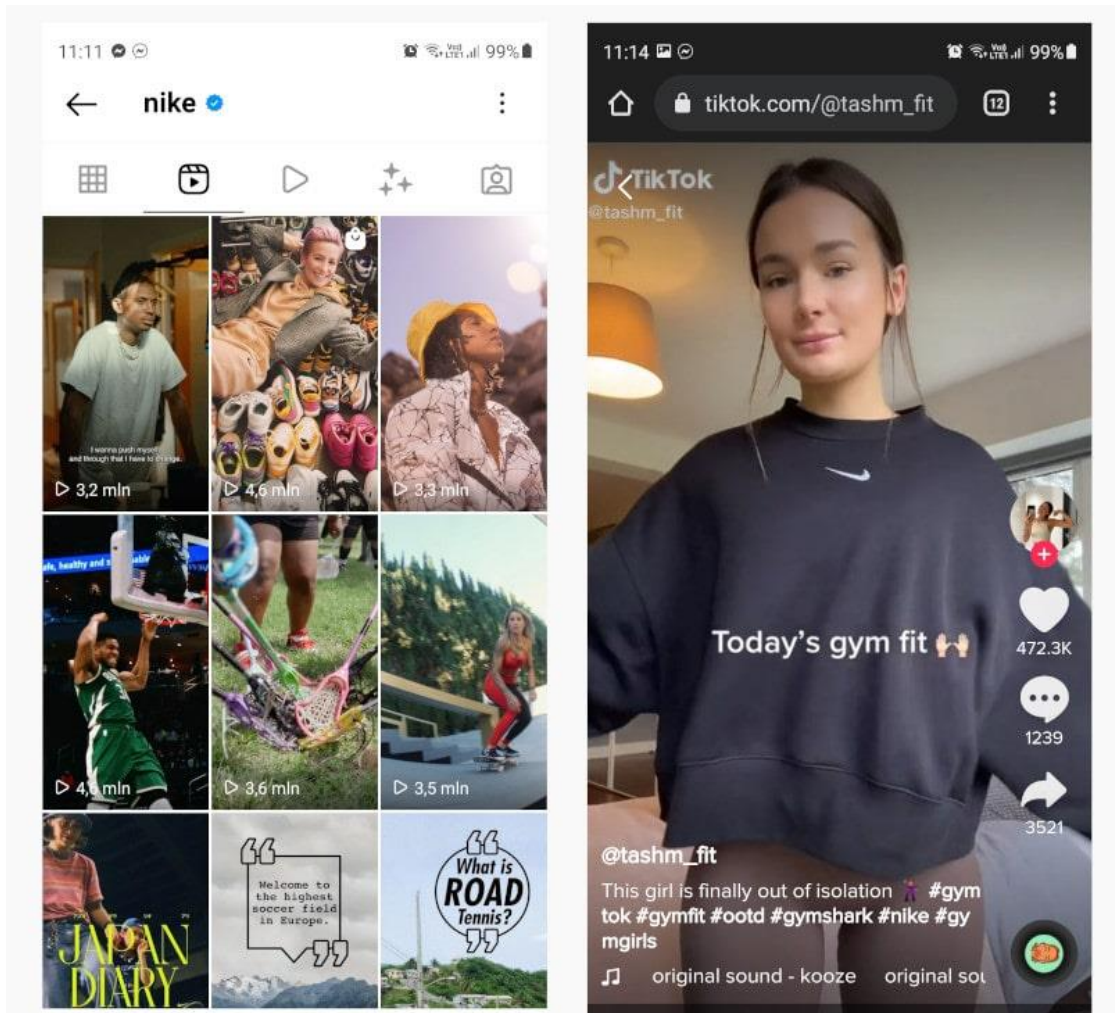
Nike always employ renowned athletes to promote its products. It uses commercials and billboards as means to address their customers, and to broadcast the distinctive features of their new releases and offers. Print advertisements in general are simple with profound messages, as it is targeting to achieve the greatest impact on its potential customers.

Nike sponsors valued events such as Hoop It Up and The Golden West Invitational²⁰. Social Media is one of the brand's biggest marketing channels, to get in line with customer's way of receiving promotions. Nike has recently used social media communication mix, allowing customers to take advantage of their campaigns; sharing photos of themselves while using the

¹⁹ Consumption of Plastic and Sustainability Efforts of Nike Towards Green Environment: Op.cit., P. 61.

²⁰ Strategic Marketing Plan of Nike: Op.cit., P.p. 16, 19.

products, then proudly uploading them, and if they win, they might receive a \$ 500 or a scholarship.²¹



Picture No.2 Nike's social media communication mix²²

Nike's promotion strategies include sponsorship of its products through sports-teams or celebrities. It is a strategic plan aiming to link triumph with apparel that is products are viewed as victory when sponsorship is done by athlete celebrities. Another promotion strategy is Nike Cross Training established in 1989, which caters athlete participants all over the world, and trains different sport activities which has also become way to make its target market satisfied.²³

²¹ Ibid., P. 21.

²² <https://brand24.com/blog/nike-social-media-strategy/>

²³ Strategic Marketing Plan of Nike: Op.cit., P. 13.

8.4.1.2. Nike's Brand SWOT Analysis:

SWOT analysis shows how Nike sees its points of Strengths, Weaknesses, Opportunities, and Threats.

Strengths:

- **Strong core brand.** Nike possess a strong brand position in the marketplace. It has a very strong brand recall as a top-of-mind in the public when they think of stylish sneakers.
- **Brand portfolio diversified.** The company encompasses a variety of brands, allowing it to overcome the painless changes in preference.
- **Low cost product.** The company has a broad production line in developing Southeast Asian countries such as Indonesia and Thailand. This insures very low labor costs. Nike also uses relatively inexpensive materials for many of its shoes. All of these factors allow the company to reduce its prices.

Weaknesses:

- **Relying on the US market.** Statistics have shown Nike's revenue dependance on US markets; more than 40% in 2018. That means if US tax or legal policies change, it will seriously hurt Nike's profits.
- **Manufacturing outsourcing.** This leads to the production of products that are not always high quality.
- **Focus shoes.** Nike has not diversified much across industries other than shoes.

Opportunities:

- **The growing market.** Nike shall be able to get a large part of the business of this growing market, allowing the company to increase its profits.
- **Developing markets.** In regions such as Southeast Asia, growing disposable income represents an opportunity for new markets to sell products.
- **Responsible manufacturer.** Specially in western countries, there is a growing trend to put environmental and social performances as a priority. In that sense, green branding can provide a chance to increase Nike's penetration into the market among the most environmentally conscious consumers.

Threats:

- **Taxation.** There is a debate considering large corporations' freedom to pay lower taxes, and how would that end someday. And how would that reflect as much lower net profit.
- **Competition.** Sportswear market is very competitive. Nike's rivals are brands such as; Adidas, PUMA and Reebok. All of them are strong brands with powerful marketing strategies.
- **Counterfeiting.** Nike encounters lots of counterfeit's products by legal actions against them, or by smart marketing campaigns encouraging costumers to by the real products.²⁴

8.4.1.3. Nike's Brand Segmentation:

Segmentation is a crucial branding strategy phase, as it is "the process of defining and specifying the metrics of the brand's typical customer, thus enabling the brand to articulate the brand messages accordingly". Nike's segmentation categories are as follows:

- **Demographics segmentation.** Nike has segmented an age and gender group of male and female with ages that range between 15 and 55 years old.
- **Geographic Segmentation.** Nike has a broad geographic segmentation that cater markets in most countries around the world. It has major markets in USA, Asia-pacific Europe, Africa.
- **Behavioral and Psychographics segmentation.** Nike has psychographic and behavioral segmentation which includes sports or athletic oriented, and active lifestyle, who has interest in fitness and exercise for recreation.

8.4.1.4. Nike's Brand positioning:

Brand positioning is "the act of designing the company's offering and image to occupy a distinct place in the mind of the target market". It refers to the sum of all the activities aiming to allocate a specific position for the brand in the minds of its stakeholders; customers and prospect as relative to competition.²⁵

Nike has positioned itself as the leading brand among its competitors. It also has a position in the mind of its target customers as the leading provider of such products that satisfy its niche market with all products related to sports. The tagline "Just do it" appeals to the target market

²⁴ <https://edubirdie.com/examples/nike-company-pestle-and-swot-analysis/14>, Sept. 2023.

²⁵ Daniela Yasenova Baeva: Op.cit., P. 35.

as an urging statement that inspires the target customers to buy the product with sense of confidence. Nike's positioning statement is:

'For every serious athlete; Nike provides perfect shoe or sports products, that gives confidence for every sport activity.' The statement reflects the following positioning strategies:

- Enhancing athletic lifestyle, or fantasy in consumer's mind
- Appealing style and attitude
- Positioning Nike as premium brand with well-designed products
- Appealing quality level and valuable products.²⁶

8.4.1.5. Nike's Brand Personality:

American Marketing Association AMA defined brand personality as "the psychological nature of a particular brand as intended by its sellers, though persons in the marketplace may see the brand otherwise (called brand image). These two perspectives compare to the personalities of individual humans: what we intend or desire, and what others see or believe".²⁷

Nike's ads are usually expensive; however, they serve to shape a strong brand image of the products that can reap high demand in the marketplace. Nike uses super high-renowned professional athletes as brand ambassadors. Ronaldo and Roberto Carlos, LeBron James, Tiger Woods and Lance Armstrong cycling golf are number of the famous athletes used by Nike as celebrity endorsement strategy to promote its products. Target customers enjoy watching their favorite celebrities using brand products, thus inspiring them to imitate the act.²⁸

²⁶ Strategic Marketing Plan of Nike: Op.cit., P.p. 12,14.

²⁷ Daniela Yasenova Baeva: Op.cit., P. 31.

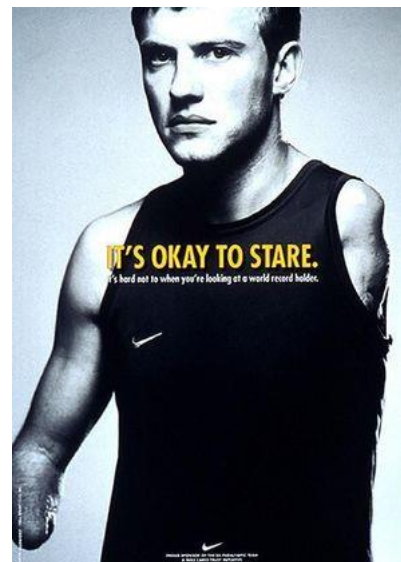
²⁸ Strategic Marketing Plan of Nike: Op.cit., P. 19.



Picture No.3 Nike’s LeBron James Nike ad.²⁹

Nike’s brand image works as its most effective equity-gainer tool. With its main competitors offering not entirely different products, but its efficiency in creating the consumer brand awareness, and the way it positioned itself in the market enabled the brand to maintain the No.1 seat that cannot be replaced by its competitors in the market.³⁰

The most apparent brand personality for Nike is ruggedness, as the consumers want to see themselves as outdoorsy and tough. Also, constant innovations and daily inspirations with high technology, reflect the daring, imaginative, and up-to-date aspects of the excitement of brand personality. Additionally, Nike offers a sense of equality between males and females, abled and disabled. Supporting women and girl athletes in basketball and soccer, Nike seized the opportunity to increase its market share by addressing the needs of a more fitting-to-female sneakers, launching such motivational ads like “New Girl”. Addressing women and people with disabilities helped Nike to improve an equal image in consumers’ minds.³¹



Picture No.4 Nike ad addressing disabled

²⁹ <https://www.youtube.com/watch?app=desktop&v=AFFdD-T3gjI>

³⁰ Strategic Marketing Plan of Nike: Op.cit., P. 7.

³¹ The Analysis of Nike’s Marketing Strategy from Social Media and Consumer Psychology & Behavior: Op.cit., P. 440.

8.4.1.6. Nike's Brand Equity

Brand equity is “the incremental utility or value added to a product or a service by its brand’ name”. Brands’ equity can be estimated by subtracting the utility of physical attributes from the total utility of brands. Brands equity increases cash flow to businesses. Also, they are critically important to build points of differentiation that would work as non-price competitive advantages.³²

Nike builds its loyal clientele base through restless endeavors to build a good relationship with its customers. By providing a good customer service, even in cases when customers face any type of problems, they can send emails to Nike and receive a respectful problem management. Nike would respond to their problems within working days, while customers can solve their problems with help of websites and sending them emails. This attitude has made the consumers to hold a positive image of Nike in their minds. Thus, increase their purchasing decisions and behavior towards the products, eventually, insuring a quite powerful loyalty level. In 2011, the company gained \$20.862 billion revenues with a total equity of \$9.843 Billion.³³

8.4.2. Nike's Branding Strategy Touch and Feel Group

This is the group that is explicit to audiences, and can be seen on all brands’ communications. The group entails assets such as; Core values, mission and vision statements, the brand story, the brand name and tagline, logo and typeface design, color scheme, and communication touchpoints designs.

8.4.2.1. Nike's Brand Core Values

Brand core values are the “states of mind that are important to consumers, and that are used to decide the mission of a brand”. Their importance lies in their role as determinants of brands’ attitudes and behaviors.³⁴

Nike’s core value can be stated as “the spirit to challenge oneself”. And is reflected in the name which can be traced back to the Greek mythology goddess of victory. The meanings associated are those of speed, movement, softness, and vitality, which together can be summarized in the slogan “*Just do it*”.

³² Daniela Yasenova Baeva: Op.cit., P. 38.

³³ Strategic Marketing Plan of Nike: Op.cit., P.p. 6,7.

³⁴ Daniela Yasenova Baeva: Op.cit., P. 36.

8.4.2.2. Nike's Brand Mission and Vision Statements

Nike has two missions statements, one of them is: *“To bring inspiration and innovation to every athlete in the world”*, and the other is *“If you have a body, you are an athlete”*. With these inspiring statements, Nike is aiming to encourage every normal person to pursue a positive life style, and that's why consumers shall choose Nike.³⁵

Nike states its vision as: *“The Nike goal is to carry on its legacy of innovative thinking, whether to develop products that help athletes of every level of ability to reach their potential, or to create business opportunities that set Nike apart from the competition and provide value for our shareholders”*.³⁶

8.4.2.3. Nike's Brand Story

Nike was co-founded in January 1964 by Phil Knight, a University of Oregon track athlete. He and his coach Bill Bowerman initiated the brand originally called “Blue Ribbon Sports” BRS.³⁷ The company initially served as a U.S. distributor of running shoes made by the Japanese company, Onitsuka Tiger. In 1971, Knight and BRS started to manufacture and distribute their own shoes, under their own brand. Knight wanted to name the brand “Dimension Six”, but they ended up with the name, Nike.³⁸ According to the Greek mythology, Nike is the goddess of victory and was the daughter of Titan Pallas and the Goddess Styx. Some stories say she is the daughter of Mars the God of war.³⁹

After more than 50 years of innovation, Nike has occupied the role as the leading supplier of athletic brands, with a large number of loyal fans.⁴⁰ Today, Nike has about 20,000 retail accounts in the US, and sells its products in almost 200 countries worldwide.⁴¹

8.4.2.4. Nike's Brand Name and Tagline

A well-chosen name can offer the brand a marketing-edge over competition, that's why brand names are considered as valuable assets that help communicate quality and evoke specific knowledge. A brand name can offer a customer a specific meaning which helps product recognition, as well as, help in the decision-making process. Brand names can fulfill a number of advantages such as; contributing to brand identity, simplifying shopping, implying quality,

³⁵ The Analysis of Nike's Marketing Strategy from Social Media and Consumer Psychology & Behavior: Op.cit., P. 437.

³⁶ Strategic Marketing Plan of Nike: Op.cit., P. 4.

³⁷ Ibid., P. 2.

³⁸ <https://www.businessinsider.com/how-nike-got-its-name-2016-1>

³⁹ <https://www.carpeditours.com/blog/how-nike-got-its-name/>

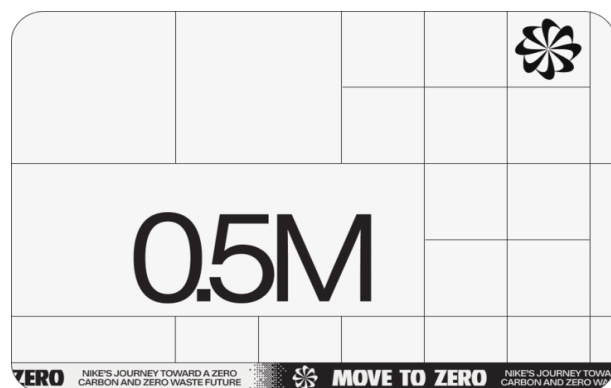
⁴⁰ The Analysis of Nike's Marketing Strategy from Social Media and Consumer Psychology & Behavior: Op.cit., P. 437.

⁴¹ Strategic Marketing Plan of Nike: Op.cit., P. 17.

evoking feelings of trust, confidence, security, strength, durability, speed, status and exclusivity, and in some occasions, it becomes a product's only distinguishing characteristic.⁴²

Nike's original name was Blue Ribbon Sports (BRS). In 1971, the company's name was transferred to Nike till today. Dan Wieden was a cofounder of the advertising firm Wieden and Kennedy. He also was the brain behind many iconic brand campaigns. Wieden coined the tagline, "*Just Do It*". The phrase immediately took off, and signaled an upward trajectory for Wieden and Kennedy, as well as Nike. The tagline was efficient, approachable and vague enough that anybody could apply it.⁴³

In its Move to Zero strategy, Nike uses the tagline "*Nike's journey toward zero carbon and zero waste, helping to protect the future of sport.*" The announcement of Move to Zero came in the eve of the Global Climate Strike; the week-long event held in September where protesters of 150 countries demonstrated supporting action on climate change.⁴⁴



Picture No.5 Nike's Move to Zero.⁴⁵

8.4.2.5. Nike's Logo and Typeface Design

The iconic Nike swoosh was created in 1971 by Carolyn Davidson, a graphic design student at Portland State University. The logo has undergone many several changes over the years reflecting the constant changes and company growth. The evolution of the Nike logo is a testament to the brand's ability to adapt and evolve while remaining true to its values. In 1995 Nike opted for a single, swoosh-only logo symbol, and it became the primary Nike logo ever since. The shape of the logo is a swoosh symbolizing the feathers of the goddess's wings.⁴⁶

⁴² Daniela Yasenova Baeva: Op.cit., P. 26.

⁴³<https://www.npr.org/2022/10/06/1127032721/nike-just-do-it-slogan-success-dan-wieden-kennedy->

⁴⁴ <https://www.nike.com/sustainability>

⁴⁵ Ibid.

⁴⁶ <https://looka.com/blog/nike-logo/14>, Sept., 2023.



Picture No.6 Nike's logo evolving process.⁴⁷

In 1970s, a “Sunburst” symbol was created as a circular option where asymmetry of the swoosh logo didn't work. The sunburst logo is now being used in to the Move to Zero branding endeavors.



Picture No.7 Nike's sunburst logo.⁴⁸

For the typeface design, Nike logo is rendered in italic sans-serif reminiscent of the Futura Bold Condensed Oblique. The simplified Futura typeface was developed in 1928 specifically for the Bauer Type Foundry. After eight years, it was slightly modified by the typographer Paul Renner.⁴⁹

⁴⁷ <https://www.carpeditours.com/blog/how-nike-got-its-name/>

⁴⁸ <https://www.nike.com/sustainability>

⁴⁹ <https://www.dafontfree.io/nike-font/>, 14, Sept., 2023.

8.4.2.6. Nike's Brand Color Scheme

Nike believes that colors can convey energy, attitude and style of its products. Nike's color palette includes a wide variety of colors used in shoes, apparel and accessories. Black, white, blue, red, pink and green are some of the most popular Nike colors. Nike incorporates a premium group of experts who determine the colors for each season's products. The company also introduces new colors from time to time, in order to keep its products fresh and stylish.⁵⁰



Picture No.8 One of Nike's color palettes.⁵¹

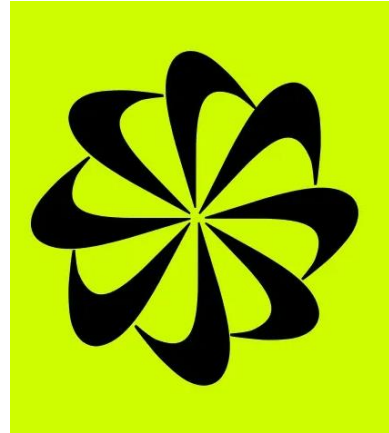
In its logo, social media pages, and also website elements such as buttons, icons and banners, Nike uses different shades of black. As for the respective RGB value of that same color, they use 17 red, 17 green, and 17 blue. In HSL that would be hue of 0, 0% saturation, and 7% brightness.⁵²

⁵⁰ <https://dribbble.com/shots/20101622-Nike-Color-Palette>, 14, Sept., 2023.

⁵¹ <https://www.smorgasbordstudio.com/journal/nike-hike/>

⁵² <https://www.onlinepalette.com/nike/14>, Sept. 2023.

In its sustainable approaches such as Move to Zero, Nike uses brilliant green color with 204 red, 220 green, 41 blue. In HSL that would be hue of 64, 81% saturation, and 86% brightness.



Picture No.10 Nike's Move to Zero green.⁵⁴



Picture No.9 Nike's shades of black in website elements.⁵³

8.4.2.7. Nike's Brand Communication Touch Points

Brand communication touch points provide an important tool by which organizations inform, educate, persuade and remind consumers about their products and services. Brands communication represent the voice and tone of brands that are used to build brand-consumer dialogues leading to the establishment of brand-consumer relationships.⁵⁵

Nike's advertisements show a great deal of creativity, as the company incorporates the most renowned designers and the most prestigious athletic celebrities. The second touchpoint is the brand website with its unique interface, providing an extraordinary navigation experience. Nike

⁵³ <https://www.webii.net/blog/2014/12/interesting-use-of-logos-in-web-design/>

⁵⁴ <https://www.nike.com/sustainability>

⁵⁵ Daniela Yasenova Baeva: Op.cit., P. 51.

also focus on producing infographics and stationaries, representing its core values, and showcasing their environmental tendencies.⁵⁶



Picture No.11 and 12 Nike sustainable ad copy^{57 58}

⁵⁶ <https://beesypapers.com/nike-brand-touchpoints-and-the-customer-buying-process/> 14 Sept. 2023.

⁵⁷ <https://d3.harvard.edu/platform-rctom/submission/nike-is-it-the-sustainability-transformation-of-the-decade/>

⁵⁸ <https://www.ecotextile.com/2016051222116/fashion-retail-news/nike-sets-2020-targets-in-sustainability-report.html>

8.4.3. Data-Analysis Table

The table below shows Nike’s Green Branding Strategy Structural Assets. Each item is then evaluated according to its behavior, as Green Transparent and Green Consistent.

Nike’s Branding Strategy Heart and Soul Assets	Marketing Mix	<p>Products. Proved to be not always environmentally-friendly.</p> <p>Prices. Nike tried to lessen its green products’ prices mostly by outsourcing manufacturing, with poor laboring polices.</p> <p>Placements. Nike addresses green customers from are all over the world, especially in Western markets.</p> <p>Promotions. Some messages were consumer-deceiving, and considered greenwashing.</p>	Not Green transparent	<p>Products. Nike kept its production lines for allegedly-green products, from the 90s and so far.</p> <p>Prices. Nike tries to avoid green products premium prices.</p> <p>Placements. Nike kept placing its green products, by addressing mainly Western markets.</p> <p>Promotions. Nike’s promotions kept their apparent environmental tendency since the 90s and so far.</p>	Green Consistent
	Brand SWOT Analysis	<p>Strengths. Low-cost products are one of Nike’s strength points, but this could be due to their outsourcing manufacturing resulting in poor labor conditions.</p> <p>Weaknesses. Relying on the US market. Manufacturing</p>	Not Green transparent	<p>Strengths. Nike didn’t keep a clear path to the strength point of low-cost products.</p> <p>Weaknesses. Nike didn’t keep its quality level due to Manufacturing outsourcing.</p>	Not Green Consistent

	<p>outsourcing led to low-quality products.</p> <p>Opportunities. Growing markets in developing countries with growing income in Southeast Asia give the brand an opportunity in expanding its markets.</p> <p>Threats. Nike faces counterfeiting by smart marketing strategies encouraging customers to buy the real brand products.</p>		<p>Opportunities. Responsible manufacturers, specially in Western countries help the brand maintain its quality levels.</p> <p>Threats. Nike faces a harsh competition with Adidas, Puma, and Reebok. Yet, the brand kept its market leadership.</p>	
Segmentation	Transparency in segmentation strategy.	Green Transparent	Consistent level of segmentation.	Green Consistent
Positioning	Nike’s positioning as premium brand that is well-designed and with an appealing style is, to a great extent, true.	Green Transparent	Nike kept its market leadership since its beginning and so far.	Green Consistent
Personality	Nike’s brand personality traits kept to be honest, A more fitting-to-female sneakers. The ad “New Girl”. Addressing women and People with Disabilities. Equal image. but as for its honesty and	Not Green Transparent	Supporting Women and girl athletes in basketball and soccer showed a consistent level of performance. On the other hand, the brand personality trait as environmentally	Not Green Consistent

		transparency towards environmental issues; the brand encountered serious accusations.		friendly is facing on-and-off phases.	
	Equity	In 2011, the company gained 20.862S billion revenues, with a total equity of 9.843S billion.	Green Transparent	The brand built a strong relationship with its customers.	Green Consistent
Nike's Branding Strategy Touch and Feel Group	Brand Core Values	The brand faced some accusations as not true to its core values, and the meanings associated to them.	Not Green Transparent	The brand has shown consistency in its core values.	Green Consistent
	Mission and Vision Statements	<p>Mission <i>"If you have a body, you are an athlete"</i>. Treating all people as equal is a transparent mission statement.</p> <p>vision as: <i>"The Nike goal is to carry on its legacy of innovative thinking, whether to develop products that help athletes of every level of ability to reach their potential, or to create business opportunities that set Nike apart from the competition and provide value for our shareholders"</i>.</p>	Green Transparent	<p>Mission <i>"To bring inspiration and innovation to every athlete in the world"</i>. The brand showed consistency in supporting innovation.</p> <p>vision Nike kept its vision statement promise.</p>	Green Consistent
	Brand Story	Nike's brand story is honest and true to its values. The story	Not Green Transparent	Nike's brand story is consistent along its marketplace presence time	Not Green Consistent

		does not intensify green values.		spam. Yet, it does not show green consistency.	
	Brand Name and Tagline	Nike’s name is true to its values, as victory is already a trait of Nike. In Nike’s Move to Zero strategy, Nike used the tagline “ <i>Nike’s journey toward zero carbon and zero waste, helping to protect the future of sport.</i> ” The brand didn’t show a sincere and honest representation of the value inherent.	Not Green transparent	Nike did not show green consistency in its name and tagline choices.	Not Green Consistent
	Logo and Typeface Design	Nike’s logo swoosh represents a feather of the goddess of victory’s wing. The meaning reflected is true to Nike’s core values. The logo didn’t reflect green values. The sunburst logo on the other hand, is used to symbolize sustainability, although no figural resemblance.	Not Green Transparent	“Sunburst” symbol was created as a circular option where asymmetry of the swoosh logo didn’t work. The sunburst logo is now being used in to the Move to Zero branding endeavors.	Green Consistent
	Brand Color Scheme	Nike uses shades of grey for its website interface. The color scheme is transparent	Not Green Transparent	For its Move to Zero approach, Nike uses a green color to symbolize	Green Consistent

		to the brand’s value of being unique and market leader. Yet, it doesn’t reflect environmental transparency.		environmentally-friendly tendencies.	
	Brand Communication Touchpoints	Nike focuses on producing infographics and stationaries, representing its core values, and showcasing their environmental tendencies. These values don’t always signify the truth.	Not Green transparent	Nike pursues its green alignment by incorporating its communication touchpoints to spread awareness of the cause.	Green Consistent

9. Conclusion

From the data-analysis table; the following results can be derived:

- Nike has incorporated a green branding strategy that started in the 1990s.
- In its pursue towards being green; Nike adopted various green measures such as the Move to Zero approach.
- Nike has shown a wobbling performance in its green branding endeavors. This performance was affected by not being transparent most of the time.
- Nike’s transparency was disparaged due to frequent accusations of its laboring policies in outsourcing manufactures, and also some greenwashing accusations.
- In terms of consistency; Nike has a better green performance showcasing green consistent most of the time.

10. Research Recommendation

The research paper recommends studying brands approaches towards current issues such as environmental causes and green alignments. The paper suggests two criteria to be adopted as measures; such as transparency and consistency.

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