

Research on Business and Revenue Promotion Methods of Commercial Companies Based on Brand Marketing Planning Path

- Take Nike's Marketing Strategy as an Example

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Abstract: Marketing is a must for every brand, and brands can take publicity from various aspects, such as advertising, celebrity endorsement, and sponsorship. Nike as one of the world's largest and most well-known brands, has been the leader of the sports fast-fashion industry since its launch., Brand marketing means the world has been widely recognized. For example, Nike's Just Do It slogan, whether on social media or while walking on the street, is often seen in Nike ads. The success of Nike absolutely cannot be separated from its excellent marketing strategy. The rapid development of business means that new products and brands are constantly emerging, and emerging brands can learn from successful marketing cases to help them stand out in today's fierce market and win consumers' favour and loyalty. This paper examines three of Nike's famous marketing success cases. It analyzes how Nike has made marketing promotions successful from three perspectives: emotional marketing, celebrity collaborations, and the release of branded co-branded limited-edition items. This paper aims to determine the importance of promotion in today's market, calling on major brands to pay more attention to developing marketing strategies. Brands need to focus on consumers at the forefront, a good brand needs good marketing support.

Keywords: Nike, marketing strategy, advertisement, brand cooperation, limited edition

1. Introduction

Consumers are exposed to advertisements from all aspects of life every day. A good advertisement can make consumers spend more time paying attention, attracting consumers to be interested in the brand. It helps the brand find potential consumers who know much about the brand from its marketing and promotion and how to attract customers with good marketing. Even with a good product, how to promote it is also essential, a product's good or bad needs to be recognized and understood by consumers to be able to judge. Brand promotion has two critical tasks: one is to establish an excellent corporate and product image, improve product awareness, and become closer to the consumer's loyalty, and the second is the ultimate product sales to improve the role. Nike, a sports brand, has been a leader for many years and has established a strong position in the sports industry by creating a solid identity and a compelling and consistent image. There are quite a few marketing

strategies that Nike has adopted over the years that can give good learning value to other brands. However, with the development of the times, Nike has also encountered many competitors in the market. In the face of the current changes in the market, the old brand needs to adjust its policies and listen more to the market and consumer demand.

Now that there has been a lot to study Nike's marketing strategy content, this paper on Nike's detailed marketing strategy needs to be recapitulated. This paper will be based on the framework of the review study and use case study and comparative study method from Nike-related excellent marketing case to analyze Nike's reliance on solid marketing to successfully establish customer loyalty and strong brand awareness of the competitive advantage. They will promote the product to the world-renowned. At the same time, this study will then analyze and compare the brand Lululemon, which has excellent competition for Nike nowadays, as a sports brand that became famous recently is how to create a group of valued consumers belonging to themselves in the sports market that is already very saturated, analyze the brand compared to Nike whether there are problems that can be improved in the market nowadays, and finally, according to the case study, come up with the common of the excellent marketing brands, which can be used for the other marketing brands. Finally, according to the case study, the commonality of the marketing brand can be used as a reference for other brands to learn.

2. Nike Outstanding Marketing Case Studies

Nike uses advertisements, sponsorships, celebrity endorsements, and partnerships to reach its target audience and achieve widespread publicity through social media, television, and offline billboards. According to the research, in 2022, Nike spent around \$38.5 billion on advertisements and promotions [1]. Well-known athletes, celebrities, and influencers are frequently featured in Nike's marketing efforts, which aids in broadening their appeal and impact.

This section will analyze three successful aspects of Nike's marketing, discussing why Nike chose this marketing strategy and explaining how the brand has achieved great success in these three areas and led the brand to significant gains.

2.1. Advertisement-a Promotional Film

Nike is committed to creating heart-wrenching and engaging stories, and their ads for these stories have been viral. As Nike identified that most of their brand's audience would be people interested in sports, Nike aimed their campaigns at inspiring athletes and always centred their campaigns around inspiring people to get more active and play sports.

Nike is very good at telling the brand story, especially putting the emotional value it wants to express in its advertisements. For Nike these ads are more than just an advertisement, they are like a mini movie. Instead of focusing on the features of the products in the ads, most of the video is about the struggles of the athletes in overcoming obstacles and so on. Nike communicates in their ads that they respect amazing athletes, that they respect great sportsmanship, that this is what they stand for, and that this is the cornerstone of their existence.

Dream Crazy is a 2018 Nike commercial with Colin Kaepernick. In this two-minute video he narrates, the film shows some of the athletes' seemingly crazy dreams and many athletes who have overcome the odds to be where they are today. For example, 10-year-old wrestler Isaiah Bird, who was born without legs but now leads a team and is an expert swimmer, track runner, surfer and soccer player; and Charlie Jabaley, who shed 120 pounds, trained for an Ironman triathlon and successfully treated a lifelong brain tumour. The memorable and touching commercial generated nearly \$43 million worth of media exposure for the company within 24 hours of airing, and the commercial

ultimately won an Emmy Award [2]. The exciting jingle stimulates the senses and inspires consumers to keep working toward their dreams.

"Dream Crazy" is more than just an event, it is about the spirit Nike brings to the table by working alongside athletes. Nike advocates the power of sport to move the world forward truly. It takes a customer-centric approach. Instead of bragging about its products and their features, Nike takes a consumer-centered approach, really focusing on the pain and problems of consumers and thinking about how they can solve with Nike products, which very few companies can do as well as Nike.

Nike is committed to building a solid brand philosophy and reinforcing its brand as a representative of a sports culture. Nowadays, when customers think of Nike, they also think of their passionate, crazy, obsessive brand philosophy, a powerful connection that sports have created and, therefore, plays an essential role in the success of selling the brand's products.

It is more than just Nike's excellent storytelling that other brands can learn from. In this "dream crazy" example, it is also clear that Nike is a brand that knows how to capitalize on seemingly "negative news" to add heat to their brand. They know how to partner with the right athletes at the right time strategically. Colin Kaepernick got into peacefully protesting police brutality. Many brands have cut him off, but Nike chose him to be the main character of their advertisement because Nike knows that his passionate speeches and level of discussion attract many customers, such as young black Americans. Generating controversy is a good thing for a brand. What is important is how to rationally utilize the heat of the controversy brought about when choosing a brand to market. Subjects and people may generate much excitement for a business and draw in many customers. However, if improperly, they can seriously harm the brand's reputation.

2.2. Athlete Cooperation

When the brand identifies its target consumers, it launches a marketing campaign to address them. Nike is currently targeting an audience of sports enthusiasts between 15 and 40 interested in an active and healthy lifestyle. One of the largest consumer groups currently is Generation Z, which has surpassed Generation X in size [3]. According to Farren's study, sports celebrities act as role models for members of Generation Z [3]. Most consumers say they are willing to pay more attention to a brand if it partners with a favourite athlete, which positively affects their willingness to buy.

Therefore, Nike aimed its marketing to include promoting its products by partnering with athletes or sports teams. It aims to design its products through a psychological strategy of the target market by associating victory with the apparel, and through sponsoring athletes' celebrities, the products are seen as a representation of victory. With all the athletes worldwide participating and training for different sports activities, it also meets its way of expanding and enriching the market.

Nike also generally chooses to work with celebrity athletes or more famous teams. With the strong influence of celebrities, it increases communication and interaction between fans and the brand. According to the survey, Nike spends much money cooperating with star players. According to research, Nike spends roughly half a billion dollars a year on endorsement partnerships [4]. From this, the FIFA World Cup is the world's very attention of a tournament. Nike in the 2022 World Cup sponsorship shows good marketing ability. Nike over Adidas to get the most sponsorship rights, the overall sponsorship of the 16 teams, and chose a famous big favourite team Brazil.

Sports have evolved into a more engaging and effective medium for businesses and sponsors to connect with and reach a wide range of consumer goals as the number of sports fans worldwide rises. Sponsors are evident everywhere, with corporate logos appearing on every team's uniform and even naming stadiums after the sponsoring company. Through team and player sponsorships, Nike broadens and strengthens its relationship with users and can get enormous exposure when it is showcased through game gear, billboards in-game arenas, etc. Particularly, jersey sponsorship is

extremely visible both on and off the field, and it attracts the most attention in the stadium when a player is sporting the brand's emblem there.

Nike's most successful marketing is of course the co-branding partnership with Michael Jordan. Few sneakers are as iconic and recognizable as the Air Jordan, and this is probably the most successful marketing partnership in history. Jordan is undoubtedly an iconic figure in basketball, and Nike leveraged his fame to quickly open up Air Jordan's fame and help increase sales of other lines of products. For decades, this Nike sneaker has been a must-have in the sports world, representing more than just a piece of equipment. It has become a cultural icon, status symbol and fashion statement.

2.3. Co-branding and the Use of Limited Edition

With the development of social media and changing consumer tendencies, people desire to express their personalities and social status by displaying their fashion. Customers use social media to satisfy their wants by improving what they buy and delight in expressing themselves through specialised goods to become well-known. According to Chae, this is a form of conspicuous consumption, with the modern development of being noticeable means that one is proud to be seen [5]. By possessing something unique that no one else has, customers desire to display their individuality or identity that differs from others.

Nike has captured this consumer mentality, and since 2008, the brand has opened up co-branded limited-edition collaborations, with the first Air Jordan 1 collaboration with the iconic American denim brand Levis, which was well received. After that, Nike launched a variety of co-branded shoes. The value of the product after the co-branding is relatively high to maintain the scarcity of the product and, therefore, reduce the production of the product to achieve the market situation of demand exceeding supply. More and more people want to buy, the value of the goods will increase.

In July 2020, Nike released a pair of Air Jordan shoes co-branded with Dior, and the news immediately attracted the attention of fans worldwide. The shoes were released in limited quantities, with only 8,000 pairs officially sold globally. Still, more than 5 million people participated in a global lottery, and the collaboration was already a big hit even before it went on sale, with the product being snapped up at the pre-order stage. The shoes went on sale for \$2,000, but the final price rose to \$10,000, and they were still hard to get.

Nike used several marketing strategies in this sale interaction, starting with the brand setting the bar for access - reservations had to be made to have a chance to buy, and the limited time rule gave consumers a strong sense of urgency that if they missed out, they would not have an opportunity to buy. As a result, many consumers will choose to participate in this purchase activity, even with the mindset of trying it out. At the same time, it also gives consumers more participation and a stronger sense of perceived value when they grab the shoes, naturally producing more excited shopping psychology. Consumers are stimulated by the scarcity of items, which also interferes with their ability to digest information. Therefore, products with high scarcity encourage consumer psychology and induce impulsive behaviour. Limited buying opportunities increase psychological pressure and enhance willingness to buy [5]. Each pair of shoes has its unique number, which ensures the uniqueness of the product.

As a luxury product, Dior represents luxury and pursuit, while Nike represents fast fashion and sports. The two brands, which seem contradictory, can have the consistency of cooperation. One of the core issues of co-branding strategy is the fit between brands. Generally speaking, the higher the perceived fit and the more commonalities consumers have, the higher the evaluation of co-branded products [6]. Nike has always advocated the pursuit of dreams and do it, and this shoe is also a sports shoe represented by a sports superstar like Michael Jordan. Nike's product can inspire desire like a luxury brand such as Dior, thus conveying similar sensations or emotions [6]. In mass brand association, luxury fashion and mass sneakers have similar functional attributes and are not

competitors to each other's products (competitors such as Nike and Adidas would have a hard time generating co-branding). Therefore, from a product category perspective, it is easy for consumers to associate the two. Moreover, since the two products are in different market segments, co-branding with each other can expand the audience. According to the previous analysis of the target customer service, many of Nike's target consumers are interested in the pursuit of fashion, and they will be willing to spend the price to buy a sports shoe with luxury goods. Especially for Nike, the cooperation with Dior is a kind of "upward cooperation", which will bring more attention to the brand from financially wealthy consumers. The two brands can leverage their influence to increase potential customers, which will help to raise the brand image and likely prices, resulting in a win-win situation.

3. Analysis on the Business Competitors

3.1. Overview of Lululemon

In recent years, one sports brand has quickly expanded and taken control of the sports business, surpassing Adidas to rank second after Nike in market capitalization. Lululemon has a market capitalization of \$40 billion in only 22 years, while it took Nike 46 years to reach this achievement.

Lululemon's products sell at a high price point and use cutting-edge materials to make their products. Lululemon also creates exclusivity by stocking very few of each item and rotating what they have in stock often, compelling customers to quickly buy the things they want. Overall, Lululemon has positioned itself as a high-end luxury brand that appeals to a specific customer who values quality and being on trend and is willing to pay a premium price. This marketing meets the current customer demand for rates and trends [7].

One of Lululemon's key marketing strategies is its active offline branding activities and building offline brand communities. As a critical component of their brand community approach, they employ local yoga instructors as brand ambassadors to conduct lessons in their brand community and provide free yoga classes to band members. Nike focuses on choosing celebrities and athletes to be their brand ambassadors, while Lululemon chooses their loyal customers to be their brand ambassadors [7]. By providing free yoga lessons, regular lectures, and in-store events, Lululemon has set itself apart from its rivals as an internationally engaged, community-driven business. Through this strategy, Lululemon emphasizes a brand image of a healthy lifestyle. Generation Z are more likely to participate in Lululemon's offline events than Nike's, which is a great way to help them socialize.

Lululemon's marketing strategy in the women's market has dealt Nike a heavy blow. The brand quickly recognized a clear market position and quickly captured a gap in the market. In the Nike market, it is still mainly invested in the male sports market. The North American women's sports market is blank, and at the same time, with the development of society, women's education and cultural level increased, and they became more involved in the workplace. With the improvement of economic status and the awakening of self-consciousness, women are gradually focusing on improving their self-image and physical and mental health and have more ability and willingness to pay a high price for products with high brand value and good quality. Women's consumer market is becoming more and more grand. Lululemon recognized the market and the timing and marketed their products to women's sports, targeting middle-class women who enjoy yoga and fitness and are looking for a high quality of life [8].

All in all, Lululemon can quickly grasp consumers' emotional needs at every stage of their lives in today's fast-changing consumerism market and produce products accordingly. Helping women improve their quality of life and focusing on different aesthetic needs are all hot topics nowadays, so Lululemon can create an excellent emotional resonance with consumers and ultimately strengthen consumer loyalty.

Casual, comfortable clothing has become increasingly popular in recent years, and these garments are designed to be suitable for sports and everyday wear [9]. The company is also recognized as a leader in athleisure, focusing on consumer needs and advocating new lifestyles. The brand has introduced "Athletic leisure" products, which link sport with fashion and comfort, combining tailoring and high-quality fabrics. Lululemon has also created a line of high-end yoga apparel. The yoga industry has grown steadily and will reach 16 billion users globally by 2021[9]. Lululemon has a large share of the yoga market compared to other brands. Nike focuses primarily on footwear, with its footwear line accounting for 64% of its total revenue. With Lululemon entering the shoe industry, it will impact Nike's shoe sales [10].

3.2. Marketing Advantages and Innovations of Lululemon

Lululemon is slowly gaining traction with the women's market, and the brand has expanded into men's apparel and, more recently, golf and hiking apparel. It also builds brand loyalty through community initiatives, in-store classes and running groups.

3.2.1. Lululemon's Community Marketing Strategy

Nike has always spent much money to cooperate with celebrity athletes. The amount of money spent is enormous, and if it does not achieve good results, it will cause a minor blow to the brand. Nike can learn from Lululemon to choose loyal customers with rich knowledge to become brand ambassadors. Through the brand ambassador's network and circle, they will help promote the benefits of the brand, which is a highly efficient and low-cost marketing communication channel [9]. In addition to providing shoppers with athletic apparel. Lululemon spends much energy improving the customer experience and a marketing strategy that draws customers closer to the brand. Lululemon selects brand ambassadors from consumers and relies on brand ambassadors to interact with friends and family to promote the brand. The brand holds regular fitness classes to which consumers are invited, which results in a stronger, more personalized connection with potential customers [11]. According to research, 40% of consumers become more brand loyal after participating in a brand activation or experience, demonstrating the long-term strategic benefit of building strong brand engagement. After participating in a brand-sponsored event, 40% of consumers feel more loyal and appreciative of the company and are more willing to promote the company to others [9]. In the face of consumers increasingly pursuing quality of life and customized demand for fitness, Nike can also add more offline interaction with consumers to experience activities, such as sports competitions and physical activity workouts, to bring closer to consumers, but also can be an excellent opportunity to get more potential customers.

3.2.2. The Understanding of Consumer Needs

Lululemon is more focused on what consumers want than Nike, and it is reflected in their products. For example, Lululemon created "camel toe" yoga pants for women and "anti-ball crushing" sweatpants for men, which consumers very well received. At the same time, Lululemon has attracted a significant new customer base that enjoys athleisure. Their high-quality clothing and unique styles designed for various demographics have increased the brand's competitive position. What is more, Lululemon also emphasizes that everyone has the right to pursue beauty in today's diverse aesthetic development. Nike, as a traditional and established company, should also listen more to the needs of consumers. Nike can incorporate new modern elements into famous old advertisements, such as women's independence and respect for diverse aesthetics.

4. Conclusion

According to the above analysis of excellent brands, good brand development is always inseparable from developing excellent marketing activities. Excluding fancy activities is a more sincere way to impress consumers, especially when consumers perceive that the brand attaches more importance to their wishes, from the brand concept, product design is centered around their basis, paying attention to the customer's emotional experience. Companies need to be able to communicate the history of the brand and the reasons behind its creation to customers in addition to giving them a reason to purchase a good or service, Having a quality product or service is not enough, brands need to know how a wider audience can discover them, brands should be thoughtful and create a value proposition that is exclusive to the brand -this has to have a positive uplifting emotion, then once consumers identify with this value of the brand, they will be more interested in the brand's products. According to the consumer positioning of Nike and Lululemon analyzed above, brands should pay more attention to the newly emerging Generation Z and female consumers. Unlike previous generations, Generation Z spends much time on social media sites such as Instagram, Snapchat, Facebook, and YouTube. Generation Z is the first generation to be exposed to the internet from a young age and is the generation that is entering the productivity stage. As a result, companies should pay more attention to Generation Z and produce what those consumers genuinely need.

This paper lacks official data support in the research, lacks primary survey data, and all the content comes from second-hand surveys. Nike's marketing staff could not be contacted to explain in detail why the brand chose to carry out these marketing activities at that time. If Nike's staff could be interviewed, this paper would be more persuasive. Moreover, if there can be consumers for the three marketing cases listed in this paper to survey the genuine sentiment of the feedback, whether consumers are recognized by these marketing activities or marketing activities by what proportion of the population, if there is a relevant questionnaire form will make this paper for the importance of marketing emphasize more supportive.

In order to solve the shortcomings of this study, the future direction of development is proposed: firstly, a large area of questionnaire survey for consumers, an in-depth study of consumer perceptions of brand marketing, and trying to ensure that the objectivity of the data collected, so that the study is more realistic. Secondly, to address the importance of marketing in future research, it may focus on analyzing more emerging and successful brands, refining the marketing content, and emphasizing the analysis of a particular aspect, such as the success of advertising.

If a brand wants to get a place in the competitive market, the first thing the brand needs to specify is a good marketing strategy to choose the proper brand promotion means. Of course, these cannot be permanent, as Nike, despite being well known, needs to face up to the needs of consumers and adjust its marketing strategy to make the right products in the face of changing market demands and competition from brands of the same class.

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