

BINDURA UNIVERSITY OF SCIENCE EDUCATION

FACULTY OF SCIENCE AND ENGINEERING

DEPARTMENT: SPORTS SCIENCE

MASTER OF SCIENCE DEGREE IN SPORTS MANAGEMENT

SM 507: STRATEGIC SPORTS MARKETING

DURATION: 3 HOURS
(Plus 15 Minutes for Case Reading)

TOTAL MARKS: 100

INSTRUCTIONS TO CANDIDATES

Section A is **Compulsory**.
Answer **two (2)** questions from Section B.

Section A

Question 1:

Nike vs Adidas: Who is leading the market?

Nike and Adidas have always been obvious competitors/rivals in their space. Both of them focus on sportswear and the shoes are what they are specialized in.

Marketing/Branding Strategies of Nike and Adidas

Marketing/Branding Strategies of Nike

On diving into the marketing strategies of Nike the first thing that will pop up in your mind is the dominant hold of the market that Nike exercises. The brand believes in maintaining a strong brand image, where it is prominently remembered as a sportswear brand. Nike is capable of pulling it off with the help of numerous smart marketing strategies that the brand implements. Here's a quick look at all the key strategies of the brand:

- **Positioning of Products** - Throughout history, Nike has positioned its products with utmost care. For example, it sells "**athletic shoes**" for the sportsperson, which helps it capture the niche market easily. Going by the market segmentation of Nike, the company targets athletes, sportspersons, and others who are eager to join the sporty or healthy lifestyle.
- **Creative Ability of Storytelling** - Nike has heavily relied on its storytelling abilities. The brand, as it was founded by athletes, also has an authentic background or a credible story that backs it up. Yes, Nike founder Bill Bowerman is the person who

has first implemented this incredible idea of telling real stories. Back then he was a track and field coach during Nike's initial days when Bill wrote stories for his own products that helped the company connect with its audiences.

- **A Focus on Social Media Marketing** - As soon as Nike discovered that most of its audiences are there on social media platforms, the brand decided to target various social media platforms. This helped Nike witness rapid growth over social media platforms and in revenues. Here are some **key highlights of the social media strategies**: It focuses on user-generated content, Nike works out collaborations with celebrities, The company often engages with the users on social media, Nike attracts influencers and allows them to promote the brand.
- **Makes for Easy and Hassle-free Purchasing via its Website** - Nike has decided to build an easy and effective website that categorizes all the products neatly in an easy-to-use interface. The website of Nike brings out the bold and fearless attitude of Nike users, which Nike boasts of. Nike also has smart product recommendations on its website, which makes it easy for the purchasers to make their decisions.
- **Loyalty Program** - Nike has a loyal group of over 100 million members who have been recorded to have spent 3X more time on their website than the guest buyers. Nike used this data to stress their loyalty programs and have magnified their loyalty programs.

Nike Ad

Marketing/Branding Strategies of Adidas

Adidas has rapidly progressed in the past few years by leveraging smart marketing strategies. The brand has notably grown at a rate of 17.6%, thereby adding nearly \$5.8 bn since 2015 when compared to Nike's addition of \$4.3 billion at an average rate of 6.8%. Here's a list of all that Adidas leverages, which helps keep the brand ahead of its peers:

- **Digital Marketing Strategy and Technical Advancements** - Adidas' straightforward digital marketing strategy and its laudable implementation is the power behind its success. A fast-growing e-commerce channel, digital production processes, and the quick adaption of technological advancements help the company gain a considerable amount of revenue along with helping it engage with its consumers.
- **The pace of Production** - Adidas boasts of its speed of production, which is completely digitalized and empowered with the latest technology of 3d printing and robotics at Speedfactory in Ansbach.
- **Relationship with the customers** - Adidas' customer relationship is unparalleled. The company is there on the leading social media channels and keeps a constant engagement alive with its customers.
- **Commendable collaborations and partnerships** - Adidas calls in creativity. The company opens its doors and lets out an open call for all the sportsmen and other consumers from all around the world who have a creative bent to collaborate with the brand. The "Calling All Creators" campaign is one illustrious example of such

initiatives of the brand. Furthermore, Adidas also collaborates with renowned football players, singers, and athletes to inspire its consumers and target customers.

Strategic cities of operation - The cities that Adidas has decided to run its operations include London, Los Angeles, New York, Paris, Shanghai, and Tokyo, which have been strategically important for its growth.

Nike vs Adidas: Sports Sponsorship

Sports sponsorship has been the main activity of both the companies and has a history of being a part of numerous famous sports events. Nike is known to be the main provider of apparel, footwear, and uniforms of the NBA league most of the time.

In 2018 however, Adidas sponsored way more than Nike in the Football world cup. Where 12 teams wore the brand Adidas, 10 teams signed up for Nike. Adidas boasts the current World Cup holders Germany, along with Argentina, Spain, Belgium, Colombia, Egypt, Iran, Japan, Mexico, Morocco, Russia, and Sweden.

Both Companies have always competed on who will get to sponsor more teams especially in events like the FIFA World Cup, Olympics, and NBA basketball games.

Task:

- a. Which company has got better marketing and branding strategies? Justify your choice with evidence from the case? **[10 marks]**
- b. What sports marketing mix strategies can Nike and Adidas employ to improve the competitiveness of their products and protect their market share? **[20 marks]**

Question 2:

Assume you are working as marketing manager for a professional sports team and you have been tasked by the board of directors to draft a celebrity endorsement sponsorship proposal for the purpose of seeking sponsorship from a recently established digital communication company for the team's best player who is aged twenty one.

Task:

Draft the required celebrity endorsement sponsorship proposal. **(30 marks).**

Section B

Question 3:

As a sports marketing consultant, you have been approached by a Zimbabwean sports entity to develop guidelines on how they can use social media marketing to optimise relationship marketing outcomes.

Task:

Prepare a draft of your relationship building recommendations.

[20 mark]

Question 4:

As a brand management specialist, you have been requested to advise a Zimbabwean professional sports team on how they can use team sport branding models to inform their brand equity building initiatives.

Task:

Prepare a draft of the advisory report.

[20 marks]

Question 5:

After realising that most sports organizations in your country are reluctant to embrace market planning as one of their key strategic activities, the ministry of sport in your country approached you as a sports marketer to make a presentation focusing on the nature and benefits of marketing planning in sport at a capacity building workshop for marketing executives drawn from all professional sports organizations in the country.

Task:

Prepare a draft of your workshop presentation.

[20 marks]

Question 6:

Sports consumption patterns in Zimbabwe have shown a worrying shift towards the preference of foreign sports brand at the expense of local sports brands by young sports consumers. As a sports marketing academic, you have been requested by the ministry of sport to develop innovative strategic initiatives to reverse these patterns.

Task:

Prepare a draft of your recommendations.

[20 marks]

END OF PAPER