

BINDURA UNIVERSITY OF SCIENCE EDUCATION
FACULTY OF SCIENCE AND ENGINEERING
DEPARTMENT: SPORTS SCIENCE
MASTER OF SCIENCE IN DEGREE IN SPORTS MANAGEMENT/
MASTER OF SCIENCE IN DEGREE IN SPORTS SCIENCE
SSM 502: SPORTS TECHNOPRENEURSHIP

NOV 2021

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

TOTAL MARKS: 100

INSTRUCTIONS TO CANDIDATES

Section A is Compulsory. You are required to answer **two (2)** questions from Section B.

Section A

Question 1:

Nike Case Study: Adapted from Muskaan Nagori, 2022

Why is Nike going Digital?

"Digital is fuelling how we create the future of retail," CEO John Donahoe said. He also said "Digital is now woven into everything we do as a company"

Nike's growth has typically been based on a foundation of strong new products, extensive brand marketing across numerous media channels and effective and efficient operational processes. Nike was extremely fast to adopt the possibilities of new digital media as they became available. Nike has always developed its digital initiatives to satisfy unique requirements with the Marketing of Nike embracing social media. The company began using technology in its products. Product Development adopted digital design techniques and facilitated cross-supply chain collaboration.

Nike+ is a classic example of how Nike has set trends for the industry in Digital strategies to connect with customers. In the similar pursuit and to enable continuous improvement and connecting to the athletes Nike's Global Digital Brand and Innovation Director Jesse Stollak says "The goal hasn't changed since the beginning of Nike". Nike wants to connect with athletes to inspire and enable them to be better. The rise of social media provides new ways to do this." Nike has also created very innovative social offers for the running community in

addition to joining public social forums. A shoe, an Internet platform and a gadget (such as an iPod, iPhone, GPS watch, or FUEL band) that can geo-track a runner are all part of the Nike+ concept. Runners can post their results online and even get personalized advice from trainers. Nike+ is also an opportunity for the company to have a better understanding of its customers' wants and preferences.

A large amount of data is available on the Nike+ platform and hence Nike says, "With such a large group, Nike is discovering stuff we've never known before" People in the United States run more frequently in the winter than those in Europe and Africa, but for shorter distances. The average length of a run in the world is 35 minutes and the most well-known Nike+ Runners can create a powerful song to give them a boost of motivation The Black-Eyed Peas' 'Pump It'. All this information was previously not available and since going digital

"Internal procedures, as well as consumer-facing processes, have been altered by digital technologies. The transition from paper-based to totally digital product design was a significant internal upheaval. Nike began using 3D design in the early 2000s. It also backed environmental policies and drew in younger designers who expected digital design talents. "Materials, componentry, construction procedures, manufacturing methods, the entire digital revolution," said CEO Mark Parker. Knitting technique that eliminates the need for cutting and stitching, as well as obsolete production procedures, to create sustainable design and footwear. All of that thought is being included in the product."

By implementing a digital-first strategy, the forward-thinking company was able to increase its share price and re-establish the exclusivity and covetability of its brand. Covid caused most of Nike's stores to close but even as most of its stores were reopened, Nike's digital sales soared 82% during the fiscal first quarter. COVID therefore has further pushed the digital strategy at Nike. This leads us to believe Nike's digital strategy is long-term and here to stay. The company states that it is on track to have its digital sales represent 50% of total revenue in the coming years. Nike said its online sales are more profitable than sales in wholesale channels, like department storesⁱⁱ.

Nike went digital by first creating an online presence for all to relate to and interact with. Secondly, they closed most of their shops, but they didn't underestimate the importance of brick-and-mortar shops. They innovated a lot in their shops and integrated them with their digital presence. They opened a scan-it-yourself code that allows you to directly pay and leave and skip checkout completely. These are innovations that they have used in their Nike app which finally makes you pick options like curbside pickups for your purchases or simply walk into the store to make your own Nike.

They also extended beyond the core e-commerce apps to go digital in their motive. Creating an eco-system helps with this objective a lot like Apple does this best. Nike has a lot of points for entry into its ecosystem that are not core footwear like Nike running club or Nike training club which allow home workouts and strength training too. Nike commercialized such apps early in the pandemic. As you can see it's not just about the shoes it's about keeping your customers engaged and knowing what they want, making them the centre of

your business which Nike not only says but does in various ways. One such way is by newer product launches to keep them interested. Even in the pandemic, Nike continued to make new products and launch them. It recently launched maternity activewear.ⁱⁱⁱ

Nike's continuous pursuit of innovation, excellence and hunger to be connected to the customers has always led it to keep itself ahead of the curve in Marketing and Communication trends. Digital is one such strategy where it has continuously innovated and Covid has only pushed this further. With connectivity infrastructure getting cheaper than ever, 5G technology already in execution and every customer now interacting more than ever on a screen Digital is the way forward and Nike has been only a leader in this space hence not a surprise to see that Nike has gone Digital and is large part of its strategy.

Nike has used technology to develop some excellent products across consumer segments like the Nike Air Jordans 11Adapt which are self-tying shoes. The next best example of technology-integrated shoes are the Go FlyEase shoes which are hands-free shoes. Nike has been embracing technology in its supply chain and customer communications since the very beginning. It was first only targeting print media in the 1970s but later dominated TV commercials and now it's creating its eco-system and going digital completely through social media and other platforms.

Nike hasn't always embraced new communication mediums for marketing purposes only to chase new, bright items. Not at all. Instead, they've been fast to embrace new platforms since that's where their customers are.

Task:

- a. Identify the strengths and weaknesses of Nike's digital transformation strategy and make recommendations for improvement. (20 Marks)
- b. What lessons can sportswear producers in your country draw from this case? (10 Marks)

Section B

Question 2:

As a sports Innovation specialist, you have been engaged to advise a national sports federation in your country on how it can SCAMPER Tools and the Six Thinking Hats to overcome resistance to change and unlock digital transformation in its officiating function.

Task:

Prepare a draft of your advisory report.

[20 Marks]

Question 3:

As a sports scientist, you have been asked to make a keynote speech at an adapted physical activity conference focusing on the benefits and drawbacks of using technology to support disabled performers in sport in your country.

Task:

Prepare a draft of your speech.

[20 Marks]

Question 4:

Assume you are a sports management academic and you have been tasked to determine the current status of the current status of the electronic sports industry in your country and suggest measures on how the country can grow this sector.

Task:

Prepare a summary of your advisory report.

[20 Marks]

Question 5:

As an aspiring sports technopreneur, you have applied for a start-up loan from a local bank. The capital is required to set up a sports academy. The bank requires that you draft and attach a business plan to your application.

Task:

Prepare a draft of the business plan you are required to submit with your loan application.

[20 Marks]

Question 6:

Assume you have been tasked by the Ministry of Sport in your country to make an argumentative review of the socio-economic impact of the commercialisation of sport in the country.

Task

Prepare your review report.

[20 Marks]

Question 7:

Assume you have been invited to make a conference presentation focusing on evaluating the extent to which Intellectual Property laws are currently being used to regulate sports sponsorship relationships and sports merchandise sales in your country and make recommendations for improvement.

Task:

Prepare a summary of your presentation.

[20 Marks]

END OF PAPER
