Major Research Project

on

CONSUMER SATISFACTION AND BRAND LOYALTY OF YOUTH TOWARDS NIKE BRAND

Submitted by

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CERTIFICATE

This is to certify that **Sawni Mahajan, 2K22/DMBA/111** has submitted the major research project titled **"Consumer Satisfaction and Brand Loyalty of Youth Towards Nike Brand"** under the guidance of Mr. Abhinav Chaudhary as a part of Master Business Administration (MBA) curriculum of Delhi School of Management, Delhi Technological University, New Delhi during the academic year 2023-2024.

Signature of the Guide

Mr. Abhinav Chaudhary

DECLARATION

I Sawni Mahajan, a student of MBA hereby declare that the Major Research Report titled **"Consumer Satisfaction and Brand Loyalty of Youth Towards Nike Brand"** which is submitted to Delhi School of Management, Delhi Technological University, in partial fulfillment of the requirement for the award of the degree of Masters of Business Administration (MBA) has not been previously formed the basis for the award of any degree, diploma or other similar title or recognition. I also declare that the information collected from various sources has been duly acknowledged in the project.

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ACKNOWLEDGEMENT

<u>ABSTRACT</u>

Sustaining success in the highly competitive global economy requires an understanding of customer behavior and building brand loyalty. This study examines the complex connection between consumer happiness and brand loyalty to the well-known Nike company worldwide.

The study uses a combination of methods to gather both types of data: numerical data and descriptive information. While qualitative interviews offer more nuanced insights into consumer opinions and experiences, quantitative surveys will collect quantifiable data on customer happiness and brand loyalty.

This study's main goal is to look at the following:

a) How consumer happiness affects brand loyalty to the Nike name.

b) The roles of perceived quality and brand image in connecting brand loyalty with customer satisfaction.

c) How consumer psychographics and demographics moderate the link between brand loyalty and customer satisfaction.

The research findings are expected to enhance our understanding of brand loyalty and customer satisfaction. The study's findings will give marketing professionals insightful information that will help them create strategies that will increase consumer happiness and build brand loyalty.

CONTENTS

LIST OF FIGURES

CHAPTER 1
INTRODUCTION

1. 1.1 Background

A brand is something that makes a seller's product stand out from others. This could be a name, a word, a design, or a special feature. Businesses, marketers, and advertisers use brands. A current illustration of a brand is Nike, Adidas, etc. The corporation that is closely associated with a brand is frequently referred to by the metonym brand. A brand connected to a commodity is called a commodity brand. Old Noseband, which means to burn, is where the term brand originates—recalling the custom of manufacturers marketing marking their items with a burning mark.

According to the American Marketing Association (AMA), a brand is something like a name, term, symbol, or design, or a mix of these, that helps to identify the products and services of one seller or group of sellers and set them apart from those offered by others. Consequently, it makes sense to realize that branding is about persuading prospects to view you as the only company that can solve their problem rather than about getting your target market to pick you over the competitors.

In the ever-intense competition for consumers, having a good brand is important. It's crucial to commit time to developing, establishing, and studying your brand. Brands are, after all, the origin of a promise made to your customer. In brand analysis, opinions, gut feelings, and inventive thinking are insufficient. Assessing a business environment and selecting a course of action are part of brand analysis. The industry and the current competitive environment are the two dozen main concerns of brand analysis. Brand analysis requires these evaluations.

They set acceptable goals, guarantee that long-term guidance is available, and basically design a successful plan. Understanding the prevailing economic characteristics of a certain industry is part of brand analysis. Additionally, brand analysis looks at the nature of the industry's current rivalry and the strength of each force that drives it a thorough analysis of a company's strengths, weaknesses, opportunities, and threats is

essential for pinpointing issues, considering different options, and crafting a strategic plan for effective brand evaluation. Without these vital assessments, a company might find that its brand does not fit well within its industry and fails to provide a lasting competitive edge.

To analyze a brand effectively, it's crucial to evaluate the company's ecosystem strategically. Decisions should be based on a comprehensive review of both the company's internal operations and its external environment.

An assessment of the key economic aspects of a sector must be done in order to successfully build a company's brand. In this sense, "industry" refers to a group of companies that compete for the same customers by offering the same or a comparable product or service. There are a few common criteria that should be considered while assessing the economic aspects of a sector. The market's scale, the level of competition, the industry's growth rate, the current phase of industry growth, the count and size of competitors, and the number and size of customers.

It's time to evaluate the competition and the forces that now drive it after determining the industry's primary economic aspects have been determined and assessed. Examining the brand's competitive strengths and how it functions within the current industry is a crucial component of brand analysis. Although each business operates in a unique environment, the competitive dynamics within each industry are largely similar. Generally, these dynamics involve five main competitive forces. These five competitive forces include the competition between companies in the same industry and an organization's efforts to attract potential customers. The essential component of brand analysis is the assessment of the delivery methods for branding strategy.

Brand analysis determines whether the pricing of goods and services is appropriate and makes sure that the planned branding strategy effectively preserves the company's long-term profitability and competitiveness. A strong branding strategy requires a basic analysis of the market and the competitors. Businesses that are successful employ brand analysis to develop and execute smart strategies that fit the conditions of their sector. When a customer hesitates to purchase and use a product from a brand they don't trust, this is referred to as brand loyalty. It's assessed using techniques such as personal recommendations, buying again, responsiveness to price changes, loyalty,

how happy customers are, and the level of trust in the brand. The study of a consumer's steadfastness toward a particular brand over time is known as brand loyalty analysis.

Nike makes a variety of sports clothing and equipment. They started out with track running shoes. In 1987, they introduced the Nike Air Max series. In the following years, Nike brought out several new products, including the Air Huarache which first appeared in 1992. More recently, they've added models like the Nike 6.0, Nike NYX, and Nike SB, which are all made for skateboarding. Nike also launched the Air Zoom Yorker, a cricket shoe that weighs 30% less than its rivals. In 2008, Nike released the Air Jordan XX3, a basketball shoe praised for its top-notch performance and eco-friendly design.

Nike manufactures a variety of sportswear and equipment. One of their earliest products was running shoes for track athletes. Back in 1987, Nike came out with their line of shoes called Nike Air Max.

In 1992, Nike launched the Air Huarache. Later, they added several models tailored for skateboarding, such as the Nike 6.0, Nike NYX, and Nike SB. Additionally, they introduced the Air Zoom Yorker, a cricket shoe that's significantly lighter than those from other brands. 2008 saw the release of the Air Jordan XX3, a basketball sneaker designed with environmental sustainability and enhanced performance by Nike.

1.2 Statement of the Problem

The Nike brand is essentially a unique identifier like a name, image, or feature that sets apart the products sold by one company from those of its competitors. Businesses, marketers, and ads all rely on brands to stand out in the market. The purpose of this study is to examine how young people view the NIKE brand. The goal of the study is to comprehend consumer attitudes toward the Nike brand as well as the impact or significance of brand loyalty for a brand. The purpose of the study was to identify and assess these organizations' competitive advantages and strengths as well as to look into the important changes and company milestones that have occurred.

1.3 Significance of the Study

We can learn more about consumer satisfaction with the Nike brand. Nike's membership program gives you perks like no-cost shipping, getting first dibs on fresh releases, skipping lines at sports events, earning rewards for using their app, getting expert tips on staying fit, and scoring special birthday treats. The primary importance is in increasing client loyalty. Additionally, it raises brand recognition. Nike's ability to build consumer trust is crucial. Nike shows it gets athletes by looking at its brand's past, the skills of its team, and how committed it is to the whole sports scene. They're obviously equally skilled at offering assistance.

Nike has one of the best Twitter handles for customer support. They have Team Nike, a dedicated Twitter account, etc. This research also provides assistance in times of business turmoil. Making a difference from the competition is also helpful.

1.4 Objectives

a) To evaluate how familiar consumers are with the Nike brand, including their awareness of its products, reputation, and overall presence in the market.

b) To identify and analyze the key factors that influence consumers' purchasing decisions when it comes to Nike products, such as price, quality, brand image, and marketing campaigns.

c) To measure the level of satisfaction among consumers who have purchased and used Nike products, assessing aspects like product performance, customer service, and overall value for money.

d) To assess the effectiveness of Nike's marketing strategies, determining how well their advertising campaigns, promotions, and branding efforts resonate with their target audience and drive sales.

1.5 Research Methodology

1.5.1 Research Design

The present is descriptive, quantitative, and analytical. It is descriptive in the sense it tries to identify various characteristics of the research problem. It is quantitative because it involves numerical expression. It is analytical since it examines, analyzes, and interprets collected data to conclude.

4

1.5.2 Research Instrument

A set of quizzes and additional prompts are included in the questionnaire, which is a research tool used to collect data from respondents.

a) Primary Data: The data is gathered for the first time by an inquiry or an organization for any statistical analysis from primary sources, which are the sources of origin from which the data is formed. In order to get primary data, we employ the questionnaire approach. One of the key ways to collect firsthand information is through using a set of questions, often called a questionnaire. Participants were provided with a set of organized questions to fill out, aiming to gather original information.

(b) Secondary data: means using information that's already been gathered and studied by someone else. This study has benefited from information gathered from secondary sources, including books, journals, newspapers, magazines, reports, websites, and more.

1.5.3 Sample design

In stats lingo, sampling means picking a set number of examples from a bigger bunch for analysis. The samples were chosen at random from a population using a sampling procedure.

1.5.4 Tools for Analysis

The collected data were used with the help of statistical tools like percentages. In the questionnaire, five-point scales were used several times, and four-point and three-point scales were also used. Tabular and graphical presentations were used for the presentation of data. The graphical presentation includes a bar diagram, histogram, pie chart, etc.

1.6 Scope of the Study

Only Nike brand consumers were included in the survey. Primary data for the study are gathered via surveys, while secondary data are gleaned from websites, periodicals, and published publications. The study aims to figure out what things make people stick with a brand and see what young folks think about Nike.

1.7 Limitations of the Study

a) The timespan of the study was limited.

b) The responses from the respondents may be biased and prejudiced

c) The responses of the respondents may have a bias, which may not give a true picture of the chosen research topic.

d) The sample may not be representatives of the interest of the entire population.

CHAPTER 2
REVIEW OF LITERATURE

1. Ahmed Anoosh (2020) This research aims to understand how people's loyalty to Nike shoes is affected by different factors. I looked at seven factors that might influence loyalty, like the brand name, quality of the product, price, style, promotions, and how good the service is at the store. I wanted to see if these factors affect people differently based on their gender, age, or job. To do this, I talked to 202 people in South Korea and asked them questions. Then, I used a program called SPSS to analyze the answers. The results showed that factors like the brand name, price, style, and promotions really matter for loyalty. Also, it seems that different groups of people care about these factors in different ways. So, companies that make Nike shoes and advertise them should pay attention to these findings. They can use them to create better marketing strategies and connect with Korean customers more effectively.

2. Kunal Gaurav (2020) In India, the sportswear industry is booming, with many international brands joining the market. This has led to increased competition among sportswear companies as people choose from a variety of brands. Customers decide what to buy based on different factors like quality, price, style, service, durability, brand name, suitability, and comfort. These factors affect whether customers stick to one brand or switch between brands. This study aims to understand how these factors impact the decision to buy branded sportswear. A survey with 150 participants, mostly young males aged 20-30 with undergraduate degrees, was conducted using a 5-point rating scale. Results show that brand value strongly influences brand loyalty, while pricing matters less to customers when buying sportswear.

3. Rajdeep Singh's (2016) The study's foundation is the footwear industry's brand loyalty. The way businesses were previously operated has altered due to the dynamic and competitive market. The marketing duty has entirely changed as a result of clients' growing understanding and the abundance of alternatives available to them. In the present situation, maintaining long-term connections with clients is crucial to generating repeat business. These days, businesses are emphasizing building customer brand loyalty in order to gain from recurring business. Therefore, the goal of the current study is to look at the variables that influence brand loyalty in the footwear sector. Concurrently, an effort has been undertaken to determine which footwear brand

is the most sought-after. One hundred respondents were chosen at random from the Ludhiana area. Multivariable regression and correlation statistics were applied. The findings showed that fourteen factors in all had been shown to have a substantial impact on brand loyalty. The two main factors influencing a client's loyalty to a footwear brand were effective pricing strategies and customer happiness.

4. Amit Jain's (2012) a comparison of the Nike and Adidas markets It's possible that Amit Jain has seen that happy consumers are more inclined to tell five or six other individuals about their experiences. In addition, unhappy consumers are more likely to tell ten more others about their bad experience. They also come to the conclusion that, while this varies from industry sector to industry sector, it is crucial to understand that many customers will not file complaints. Sure, here's a human-friendly rephrasing: "People who believe that dealing with customer complaints is pricey should understand that getting new customers could be up to 25% more expensive."

5. Preeti Mehra's (2010) The study on customer satisfaction with branded shoe purchases provides and confirms a thorough explanation of the elements influencing respondents' attitudes regarding several aspects of branded sports shoes. To reach this objective, they chose 322 people from the cities of Jalandhar, Amritsar, and Ludhiana in Punjab without using a formal method of selection. However, it was discovered that innovators favored shoes with the newest cutting-edge trends and technology, while brand loyalists preferred purchasing shoes from their favorite brands. Customers wanted bright, fashionable sports shoes, and they connected shoe attributes to their individuality.

6. Prof. Gill's (2009) report based on Adidas and Nike's branding strategies Professor Smith would have noted that understanding the cultural influence and distinctive character of fashion internationally is crucial when it comes to customers' perceptions of sportswear. When worn with sportswear, fashion conveys an active lifestyle and the idea that the wearer is focused on improving their quality of life and their physical well-being. Fashion is a means of expressing one's individuality, style, and preferences. The reasons behind consumers' purchases of sportswear, particularly its adaptability to both casual clothing and physical activity.

7. Prof. Gill's (2009) report based on Adidas and Nike's branding strategies According to Prof. Gill's study report, Nike and Adidas' branding strategies prioritize product segmentation based on sport and training. In contrast, the latter emphasizes training,

football, jogging, and the great outdoors. Athletics supremacy should take use of the changing perception of sportswear as casual or daily wear, much as Lulu Lemon and the tale tics of actress Kale Hudson. Success in this new profession is possible. According to a 2009 Cotton Incorporated research, 80% of those surveyed wear athletic attire in their daily lives, not simply when competing in sports or engaging in physical activities.

8. Bethuelkinyanjuikinuthia (2009), Malaysian customers' happiness with their brand-new shoes This research looks on the connection between brand equity and consumer happiness when it comes to buying branded shoes in Malaysia. Because customers are increasingly important to businesses as competition intensifies, many companies have recognized the importance of retaining their current customers and have begun implementing campaigns to encourage customer loyalty. A survey involving 205 participants was conducted using questionnaires to evaluate consumers, revealing the relationship between customer loyalty, satisfaction, and brand value. The study came to the conclusion that while brand equity had a less substantial effect than customer happiness, brand equity nevertheless received a favorable score in the end. Customer satisfaction is the precursor of customer loyalty.

9. Prof. Richard's (2007) a report derived from client loyalty. Richard believes that it's crucial for businesses to build a group of loyal customers because simply getting new ones isn't a guarantee of long-term success. Reichheld was one of the pioneers in suggesting that businesses should prioritize keeping existing customers over always chasing new ones. He, along with W.E. Sasser, emphasized the importance of retaining clients for business profitability. This aligns with common marketing wisdom. Pfeifer supports this idea, stating that acquiring a new customer costs five times more than retaining an existing one.

10. Celuch (2004) client happiness determined on brand loyalty Taylor, Celuch, and Goodwin's (2004) research indicates that brand equity is one of the factors that has the most effects on behavioral and attitudinal 24 loyalty. In addition to cultivating enduring client loyalty, companies that strive for strong brand recognition can reap several benefits. Even though several antecedents for consumer loyalty have been identified, the principles of its creation remain unclear despite the efforts of both past and present scholars. Among these antecedents, customer satisfaction has received particular attention from academics and professionals, who see it as another important antecedent of loyalty (Bodet, 2008). A little change in satisfaction can result in a

significant shift in loyalty increase, according to a research by Oliva et al. {cited in Bowen & Chen, 2001}.

11. Anderson (2004) found that there is a favorable correlation between customer satisfaction and store level performance. The greatest approach to improve a company's financial performance, profitability, and number of consumers who will either directly or indirectly raise income is to ensure that they are satisfied. Customer satisfaction also indicates that a firm is the market leader if it has a high percentage of happy clients due to its standard services and high-quality offerings at competitive costs.

12. D Mello's (2003) a report based on the experiences of brands Six further studies were carried out in addition to the analysis to demonstrate the validity of the scale brand experience of customer intensity over their preference of choice among four or five goods, after which they were asked to choose one product and contrast it with the other brand. In essence, comparison refers to consumers' experiences and contentment with the product.

13. Troy (2000) Customer pleasure as a function of product excellence According to Troy's study, good footwear is essential since they are more than simply shoes. The writer argues that shoes play a big role in how people see themselves and how others perceive them. They say that the reputation of a shoe company gets a boost from its logo. The company bosses should realize that customers will want more and more from them in the future. That's why brands like Nike and Adidas use their logos and symbols to attract customers and sell more products through different kinds of media, like the internet and ads. People don't just care about the brand name; they also care about how good the product is. And there are lots of different types of shoes out there, like ones for sports (running, working out, gaming), and so on.

CHAPTER 3
THEORETICAL FRAMEWORK

3.1 Introduction

A brand is like a signature for a company's products, helping them stand out from competitors. Brands are utilized by businesses, advertisers, and marketers to create recognition. Think of popular brands like Nike and Adidas. Sometimes, when we talk about a brand, we're really talking about the whole company behind it. If a brand is associated with a particular product, it's called a commodity brand. Interestingly, the word 'brand' has roots in an ancient word meaning 'burn'. Recall the practice of product marketers branding their products with a burned mark.

The American Marketing Association (AMA) defines a brand as something that represents a company's products or services and sets them apart from others. This could be a name, logo, or any other recognizable aspect. Consequently, it makes sense to realize that branding is about persuading prospects to view you as the only company that can solve their problem rather than about winning them over to your brand over the competitors. In the ever-intense competition for consumers, having a good brand is important. It's crucial to commit time to developing, establishing, and studying your brand. Ultimately, brands serve as the origin of a promise made to your customer. In brand analysis, opinions, gut feelings, and inventive thinking are insufficient. Assessing a company environment and selecting a course of action are part of brand analysis. The industry and the current competitive environment are the two dozen main issues of brand analysis. Brand analysis requires these evaluations.

They set acceptable goals, guarantee that long-term guidance is available, and basically design a successful plan. Understanding the prevailing economic characteristics of a certain sector is part of brand analysis. Additionally, brand analysis looks at the nature of the industry's current rivalry and the strength of each force that drives it. To make sure a company's brand fits well in its industry and gives it a competitive edge, it's important to thoroughly analyze both the company itself and the world around it. This means identifying problems, considering different choices, and then coming up with a solid plan based on all this information. Without doing this groundwork, a company

might find that its brand doesn't quite fit in with the industry, making it hard to stay ahead of the competition.

It's important to carefully evaluate all aspects of a company's setup to understand its brand strategy. Take Nike for example, they're famous for making shoes, clothes, and gear for athletes, and they're pretty much known everywhere, bringing in over $18 billion in sales. Their logo is recognized worldwide, and they team up with athletes to get the word out about their brand.

3.2 History of the Nike Brand

Nike, headquartered in Beaverton, Oregon, reigns as the dominant force in the footwear, apparel, and sporting goods market, boasting a commanding share of over 60%. It's more than just a brand; it's a cultural symbol, often likened to the goddess of victory from Greek mythology. Despite its relatively recent emergence on the global stage, Nike stands as the most recognized name in its industry worldwide.

The company's origins trace back to a strategic move by Phil Knight, a mid-distance runner, and Bill Bowerman, a track coach at the University of Portland. In the early 1960s, they joined forces to introduce high-quality, affordably priced running shoes from Japan, challenging the dominance of German brands in the athletic footwear market. Under the banner of Blue Ribbon Sports, they began importing and distributing Japanese Netsuke shoes. Jeff Johnson, once Knight's competitor, came on board as the company's first dedicated salesperson in 1965, initially selling shoes from the back of a van at local and regional track events. The first retail store, established on Pico Blvd. in Santa Monica, California, still bears the original address, though it's no longer operational. After the creation, Bowerman and Knight started creating more shoes, and when Jeff Johnson dreamed of Nike, the Greek goddess of triumph, the company's new name, Nike, Inc., was established. Then comes a line of shoes, many of which are built around the waffle outsole.

Some popular sneaker models include the Waffle Racer, Air Force One, Air Max 93, Max95, and Max97.

In 1971, Carolyn Davidson, who was studying graphic design at Portland State University, got a request from Knight to make a logo for Nike. She was compensated $35 for her work, and later she briefly worked for Nike before they outsourced their advertising needs.

In 1983, Davidson was honored for her creation of the Swoosh logo with a gold ring featuring the symbol and a diamond, along with some shares in Nike, during a luncheon.

Nike introduced its Air technology in 1979, which was developed by M. Frank Rudy and was first used in the Tailwind running shoe. This technology involves cushioning with plastic membranes filled with gas.

In December 1980, Nike went public by selling 2,377,000 shares of its common stock.

In 1982, Nike released the Air Force 1 basketball shoe, marking the debut of air technology in court shoes. The following year, in 1984, Nike launched the first version of Michael Jordan's famous sneaker.

In the 1980s, Nike made some big moves in the sneaker world. They snagged a major deal with a basketball star, causing quite a stir when the NBA initially banned the new shoes. This brought tons of attention to Nike.

Then, in 1986, Nike hit a huge milestone, making over $1 billion in revenue for the first time. The following year, they introduced the Nike Air Max, with its distinctive cushioning unit visible on the side of the sole. This marked the beginning of a series of innovations for the Air Max line. Also in '87, a Beatles song, "Revolution," appeared in a TV ad for the first and only time.

In 1988, Nike launched their famous slogan, "Just Do It." They opened their first Nike Town store in Portland in 1990, quickly gaining recognition for its design. Over the next decade, they planned to expand with 14 more stores across the USA, England, and Germany.

Then in 1994, Nike made a big push to dominate the football market by partnering with the Brazilian national team. And in 1993, they introduced a new sustainability program called reuse-A-shoe.

1996 Shortly after the young golfing sensation gave up his amateur status, Nike signed Eldritch "Tiger" Woods. When Nike Golf wins market share, Woods becomes the brand's ambassador.

Nike sparked controversy in 1996 when they ran an advertisement during the Atlanta Summer Olympics with the catchphrase, "You don't win silver—you lose gold."

Many people are harshly critical of Nike for using this phrase, including a number of former Olympic silver and bronze medalists.

Nike's iconic "flagship" shop, Nike Town New York, opened its doors in midtown Manhattan in 1966.

1998 Phil Knight explicitly pledges to hold Nike to high standards for its production locations.

2002 A song about Air Force Ones by rapper Nelly becomes popular.

2003 Nike successfully offers $305 million to purchase competitor Converse Shoes, which is in bankruptcy. Nike's sales outside of the USA have surpassed those within the USA for the first time in the company's history, demonstrating its growing worldwide reach. 2003 Nike becomes the first firm to win "Advertiser of the Year" twice (1994) in the 50-year history of the Cannes Advertising Festival.

2003 Lebrun James, a top basketball player in high school, joins Nike.

2004 With effect from December 28, Phil Knight resigns as Nike's president and CEO but stays on as chairman. William D. Perez takes over as Nike's new CEO. Revenues in 2004 topped $13 billion annually.

Chinese artist Zhu Zhijuan, often known as Xiao, sues Nike in June for allegedly stealing his cartoon stickmen for their advertising. In the end, Zhu prevails in the legal battle, and Nike is ordered to reimburse the cartoonist $36,000.

In 2005, Nike launched the 20th version of the popular Air Jordan basketball shoes called Air Jordan XX. At the same time, they introduced the Nike Considered brand to focus on sustainability and reducing waste.

In 2006, Nike unveiled their fourth collection of sneakers endorsed by LeBron James, called the LeBron Nike Air Zoom. Along with this, Nike sponsored an entire episode of ESPN's Sports Center and distributed 400,000 DVDs explaining the making of the sneakers and their unique advertising strategy. When it came to the fourth shoe in the series, which features a big Nike sneaker on a billboard that changes into a transformer, there were a lot more advertising outlets employed than there were for the first, second, or third. Recently, Nike launched a spin-off ad campaign supporting female athletes in response to radio DJ Don Emus's controversial remarks about +.

3.3 SWOT Analysis

NIKE

STRENGTH

a) Strong Brand Recognition and Value: Thanks to its easily remembered name and unique style, Nike stands out as one of the most recognizable brands globally. Its iconic swoosh logo is instantly identifiable.

b) Commitment to Environmental Sustainability: Nike's CEO, Mark Parker, has expressed a dedication to addressing environmental issues in local communities. The company pledges to actively contribute to finding solutions for these challenges.

c) Cost-Effective Manufacturing: Nike primarily manufactures its footwear overseas, with Vietnam accounting for 51% of production in the fiscal year 2021, followed by China at 24%, and Indonesia at 21%. Additionally, operations are also carried out in Mexico, Argentina, Brazil, India, and Italy.

d) Notable Collaborations: Nike has sold a lot more stuff because of their long friendship with Michael Jordan. The "Air Jordan 1 Shoes" came out of this friendship, showing how well they work together.

e) Dominant Market Presence: Nike commands a significant share of the shoe market, leading with a 39% share in sports footwear globally and capturing 13% of the athletic clothing market.

RELAXO

STRENGTH

a) Market Leader: Relaxo is one of the top footwear brands in India, holding a significant market share. Its dominance is evidenced by its widespread presence across the country.

b) Diverse Product Range: Relaxo offers a wide range of footwear catering to various demographics and preferences. From casual to formal wear, it has options for all age groups and occasions.

c) Affordable Pricing: One of Relaxo's strengths lies in its competitive pricing strategy. By offering quality products at affordable prices, it attracts a large customer base, especially in price-sensitive markets.

d) Strong Distribution Network: Relaxo boasts a robust distribution network, with its products available in numerous retail outlets, both offline and online. This extensive reach ensures its products are easily accessible to consumers nationwide.

e) Brand Reputation and Trust: Over the years, Relaxo has built a strong brand reputation for quality and reliability. Consumers trust the brand for comfortable and durable footwear, contributing to repeat purchases and brand loyalty.

f) Innovative Designs: Relaxo continuously innovates its product designs to stay ahead in the competitive market. By keeping up with the latest fashion trends and incorporating customer feedback, it ensures its offerings remain appealing and relevant.

Comparison:

1. Nike excels in brand recognition and innovation, whereas Relaxo's strengths lie in affordability and a strong presence in the Indian market.

2. Nike's global reach is unparalleled, while Relaxo's understanding of local markets gives it an edge in certain regions.

3. Both brands have diverse product ranges, but Nike's focus on premium performance gear contrasts with Relaxo's emphasis on affordability and comfort.

4. Athlete endorsements play a significant role for Nike, whereas Relaxo relies more on word-of-mouth marketing and reputation for quality in its target markets.

3.4 Nike Product Information

Footwear

Nike is really good at making shoes for lots of different sports, like basketball, football, golf, soccer, baseball, snowboarding, hockey, tennis, and volleyball. Alongside sports shoes, they also create trendy consumer goods such as flip-flops and Mary Janes. Nike sneakers are made with both style and effective athletic performance in mind.

Fig. 1.1

Apparel

Nike creates clothing for a range of activities beyond just sports, like yoga and dancing. They have different clothing collections like SPARQ, Nike Pro, Nike Free, and Livestrong. They also create casual clothing for men and women. Some folks pick Nike gear not just for playing sports but also because it's fashionable and carries a certain prestige.

Fig. 1.2

Equipment

Nike offers a variety of products beyond just shoes, such as golf clubs, baseball bats,

balls, swim caps, and rackets. They also have items like agility cones, gloves, and yoga mats in their inventory.

Additionally, you can find weights and protective gear like shin guards, knee pads, and wrap sleeves among their offerings.

Fig. 1.3

Accessories

The company is famous for its gadgets like the Nike+ iPod add-on, along with other stuff like socks, bags, and watches. They also have sports gear like belts, DVDs for training, and rubber wristbands. You can find plenty of bags with logos from different teams and schools, such as UCLA and Manchester United.

Fig. 1.4

Stores

Around the world, a broad range of retailers sell Nike merchandise. Nike.com is the corporate website where customers may purchase Nike goods online. You can find Nike products in various department stores. Nike Town is their main store, with spots in big US cities like Portland, Oregon; New York; Los Angeles; and Chicago. Also, there are Nike factory stores where you can get discounted Nike items.

Fig. 1.5

Shoes

Athletic training requires the use of shoe technology. Sports technology has been employed by shoe manufacturers to create footwear tailored to each sport. Athletic performance is improved by the layout of the laces, the materials on the side, and the sole design of the shoe. Asics, for instance, creates running shoes for every kind of runner. The frequency of training, the natural mobility of your foot, and your performance level are taken into account while designing these shoes.

Fig. 1.6

Clothing

Sports training is done year-round, both indoors and outdoors. Hence, athletic wear needs to keep wearers cool in the summer and warm in the winter without limiting range of motion. Sportswear technology has made it feasible to perform in any

conditions. Some businesses go above and above with creative designs that keep you dry and comfy. The sportswear brand Under Armour started off by creating a t-shirt that wicks perspiration away from the body as opposed to absorbing it. It incorporates the same technology into each training outfit an athlete dons. Additionally, it created Locker Tags, which have successfully taken the place of conventional clothing tabs that show jersey numbers imprinted on the garment.

Fig. 1.7

Tracking

Devices used to measure physical performance include scales, body fat calculators, sports watches, pedometers, and heart rate monitors. Athletes can track their progress toward accomplishing certain objectives, including weight increase or decrease, by using tracking tools. Athletes can track their fitness levels based on heart rate. It also

makes it possible for people to compute their caloric expenditure precisely. Modern sports timepieces come equipped with sophisticated electronics that can record laps, tell time, and even operate portable music players.

Fig. 1.8

3.5 Marketing Mix of The Nike Brand

3.5.1 Product Strategy of Nike

Nike sells lots of different stuff for people who like sports, like clothes, shoes, and accessories. They're known for making really good quality stuff and giving customers a lot of choices. Most of their money comes from selling sports shoes, especially ones made for different sports like cricket, football, and basketball.

But, their regular shoes are still the favorites for most people.Alongside sports shoes, Nike also provides a range of sneaker styles for all demographics, featuring vibrant colors especially appealing to younger buyers. Some of Nike's most iconic sneaker designs include:

a) The Nike Cortez shoe, known for its retro style, was initially designed for running.

b) Nike Air Max, the pioneer in featuring a visible air unit, stands out as the prized possession in Nike's shoe lineup.

c) The Air Force Hawk, a lightweight and advanced running shoe, has gained popularity among consumers aged below eighteen.

d) Nike's Blazer sneaker exudes a relaxed vibe and is ideal for skateboarding.

e) Nike's Air Force 1 enjoys fame both as an athletic shoe and a casual streetwear item, earning its place as an iconic basketball sneaker.

f) Nike's Air Jordan, yet another timeless footwear from the brand, prioritizes wearer comfort.

3.5.2 Price Strategy of Nike

Nike uses different strategies to determine the prices of its products. One method is based on the value perceived by customers, where they consider the current market prices. They also assess how willing consumers are to pay for their products before

finalizing the prices. This approach can eventually lead to increased profits for Nike. Another strategy involves pricing their products higher than competitors' for better quality items. This helps Nike increase both its revenue and sales over time.

In addition to these pricing strategies, Nike incorporates celebrity-themed advertisements into its marketing mix, enhancing its premium brand image.

Nike occasionally offers special promotions like the "Easter sales" both online and in-store, aiming to attract new customers while keeping existing ones engaged. Nike focuses on advancing its technology even though its products are expensive, but it also takes into account market conditions when setting prices.

3.5.3 Place Strategy of Nike

Outside the U.S., Nike runs more than a thousand stores and offices in 45 different countries. Since lots of people like to test things out before buying, Nike mostly sells its stuff in regular stores. They put these stores in smart places to help folks find what Nike's selling.

Nike Town, a retail concept owned by the company, consists of spacious multi-level stores offering various services and high-quality experiences. These large buildings house stylish boutiques showcasing the latest products. They also include features like customization stations and expert advice areas, enhancing the shopping experience and making customers feel valued.

Recognizing the evolving nature of the industry, Nike is adjusting its approach. While physical stores remain crucial for customers who prefer hands-on shopping experiences, some also desire the convenience of avoiding long queues. This led to the rise of online platforms like the Nike website, as well as e-commerce sites such as Myntra, Amazon, and Flipkart. As more people opt for the convenience of online shopping, these platforms continue to gain popularity.

3.5.4 Promotion Strategy of Nike

Nike relies heavily on sponsorships and advertising to market its products. A company makes commercials with well-known stars and sports figures from different countries,

like Rafael Nadal, Kunal Rajput, Lebron James, Mo Farah, Serena Williams, and Cristiano Ronaldo, and others. They also back big sports leagues such as the NBA, NFL, and cricket.

Their marketing strategy extends beyond traditional ads to include direct outreach to local sports teams, universities, organizations, and schools. Nike also provides financial support to NGOs to improve public relations and promote its brand. Offering attractive deals and discounts is another tactic they use to drive sales. Nike aims to appeal to a wide range of people, but if we break it down, there are three primary groups they focus on: top-tier athletes, younger folks, and those passionate about fitness.

Nike uses popular social media sites like Facebook, Twitter, Instagram, and YouTube to connect with young people. They've been using their well-known "Just Do It" motto since 1988 to motivate folks to get moving. Another notable campaign is #YouCantStopUs, which emphasizes the uniqueness and equality of every sports field. These emotionally resonant ads cover a variety of topics and leave a lasting impression on viewers.

CHAPTER 4

DATA ANALYSIS

How likely are you to recommend Nike services?

15 responses
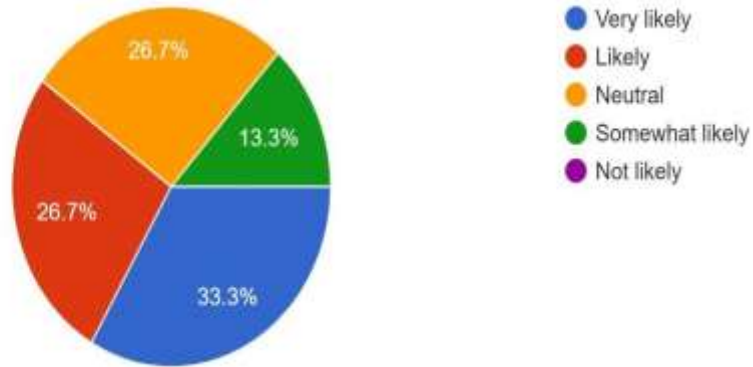
Fig. 1.9: 33.3 % of people are happy and recommending people to buy Nike products, 26.7 % people are likely to recommend the Nike brand, 26.7 % people are neutral about recommending the brand to others, 13.3 % are not confident about recommending the brand to other and no one doesn't want to recommend the Nike brand to others.
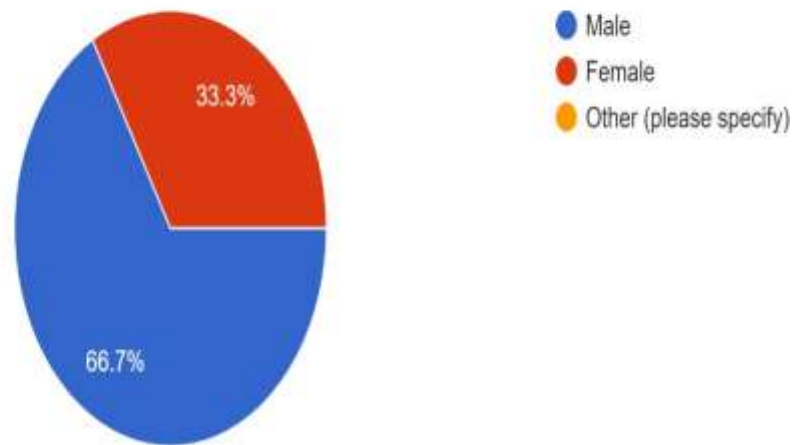
Age

15 responses
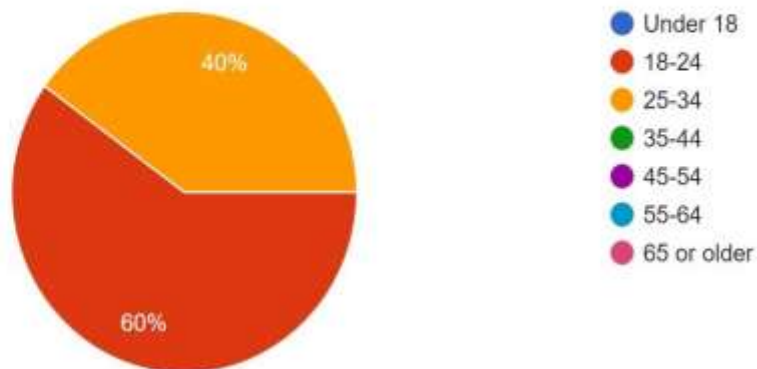
Fig. 1.10: For this survey, 60 % of people are between the age group of 18 – 24 is the young generation who are more into brand things, and 40 percent people are of the 25 – 34 age

group.

Gender

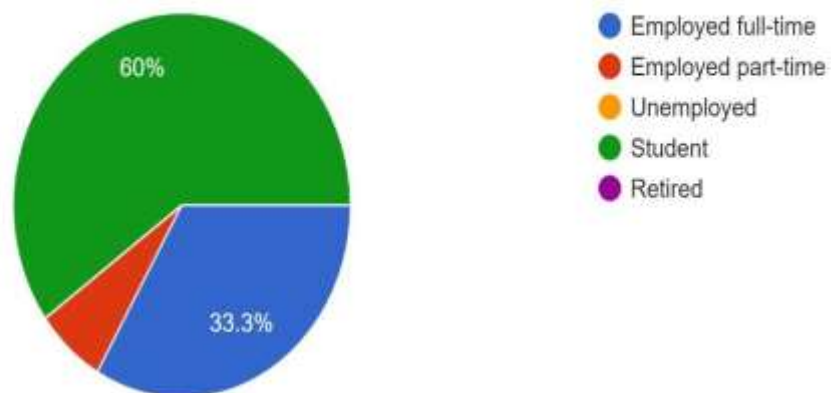15 responses

Fig. 1.11: 66.7 percent people in this survey are male and other 33.3 percent are female audience.
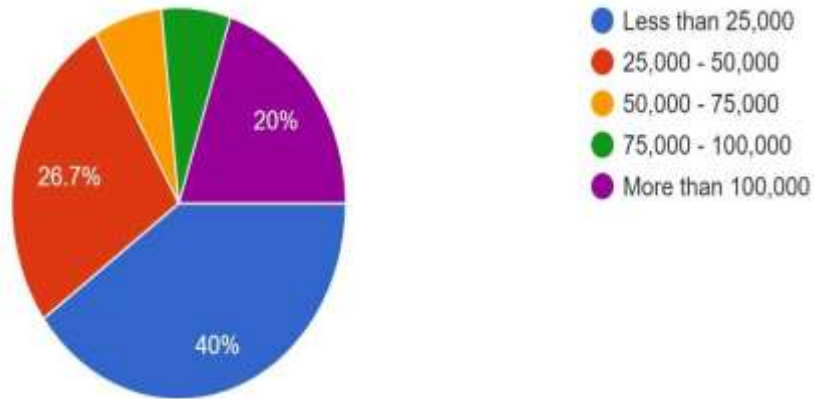
Employment Status

15 responses

Fig. 1.12: 60 percent of people are students and 33.3 percent people are full time employed only 10 percent 6.7 percent people are part time employed.

Income Bracket
15 responses

Fig. 1.13: 40 percent of people in the survey are earning less than 25000, 26.7 percent of people are earning between 25000 – 50000, 6.7 percent are earning 50000 – 75000 and the same 6.7 percent people are earning 6.7 percent are earning 75000 – 100000, 20 percent people are earning more than 100000.

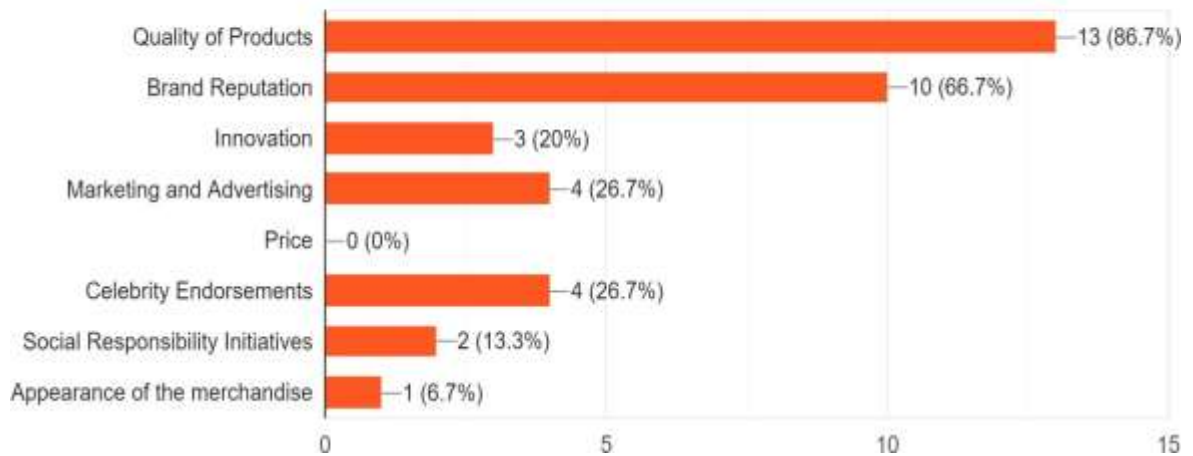## How would you describe your overall perception of Nike as a brand?
15 responses
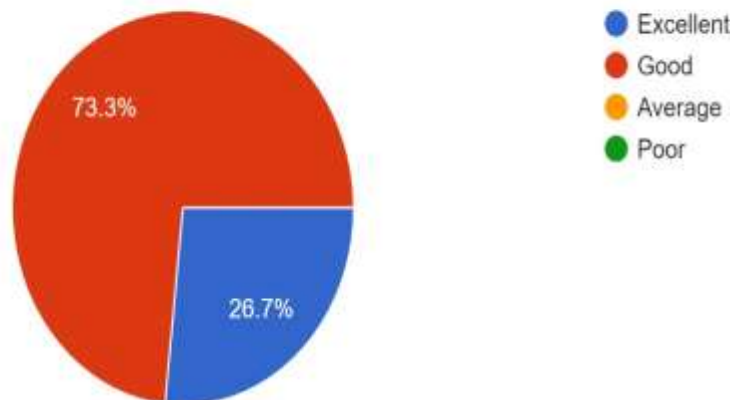
Fig. 1.14: 73.3 percent of people perceives Nike as Good brand and only 26.7 percent people perceive it as excellent brand .

## What factors contribute most to your perception of Nike?
15 responses

Factor	Count
Quality of Products	13 (86.7%)
Brand Reputation	10 (66.7%)
Innovation	3 (20%)
Marketing and Advertising	4 (26.7%)
Price	0 (0%)
Celebrity Endorsements	4 (26.7%)
Social Responsibility Initiatives	2 (13.3%)
Appearance of the merchandise	1 (6.7%)

Fig. 1.15: 86.7 percent of people in the survey think that the quality of the product is what influences them to be with the Nike brand, 66.7 percent people think that brand reputation is what influences them, 20 percent innovation, 26.7 percent of people marketing and advertisement, no one thinks the price of Nike products influence them, 26.7 celebrity endorsement, 13.3 CSR activity and 6.7 percent appearance of the merchandise.

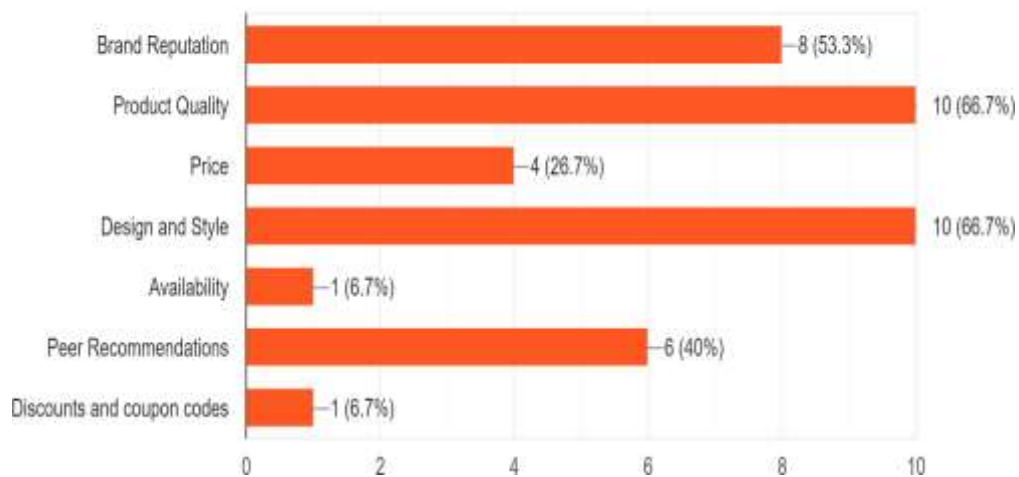## How frequently do you purchase Nike products?
15 responses

- Daily
- Weekly
- Monthly
- Occasionally — 46.7%
- Rarely — 53.3%
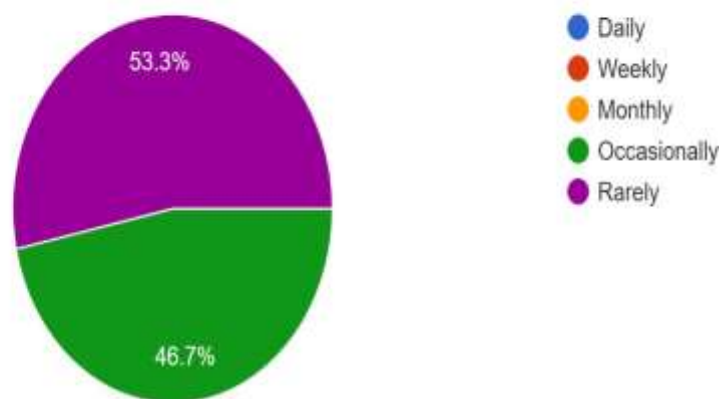
Fig. 1.16: 53.3 percent rarely purchase Nike Products and just 46.7 percent people

27

purchase occasionally.

What influences your decision to purchase Nike products?

15 responses

Fig. 1.17: 53.3 percen`21t of people think that brand reputation is what influences their purchase decision, 66.7 percent of people think it is product quality, 26.7 percent of people are influenced by price, 66.7 percent decide because of design and style, only 6.7 percent people are influenced by availability, 40 percent purchase because of peer recommendation and again only 6.7 percent are influenced by discounts.

How would you rate Nike's brand image compared to its competitors?

15 responses
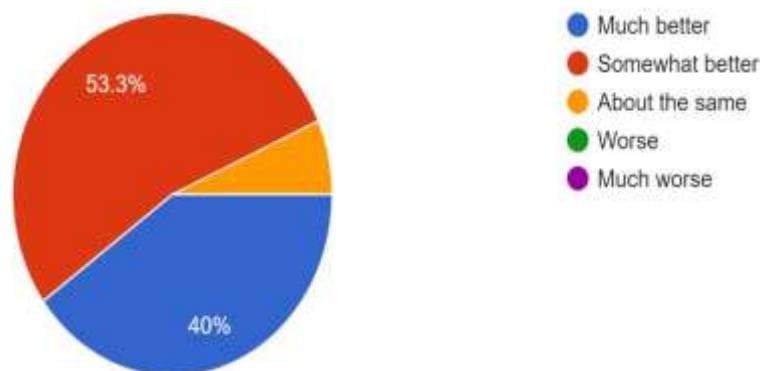
Fig. 1.18: 53.3 percent of people in the survey think that Nike brand image is somewhat better than competitors and 40 percent thinks that the Nike brand is much better than

28

competitors and 6.7 percent think that Nike has the same brand image compared to its competitor.

How likely are you to try new Nike products based solely on the brand name?
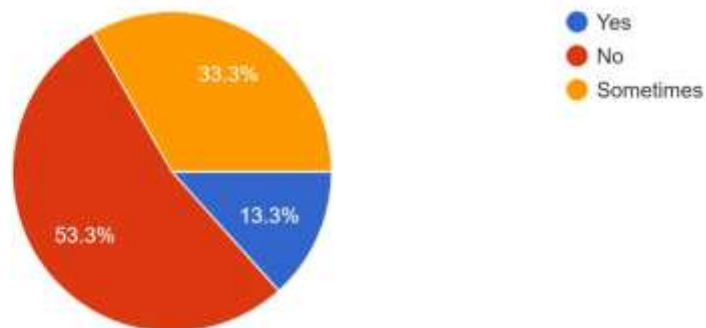15 responses
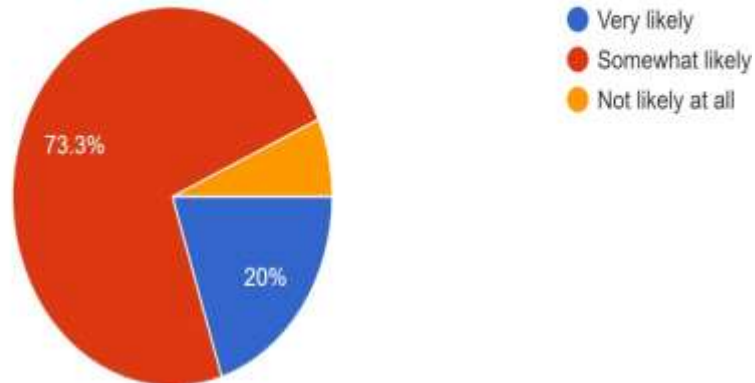
Fig. 1.19: 73.3 percent of people are somewhat likely to try new products based solely on the brand name, 20 percent are very likely to try solely on brand name and only 6.7 percent people are not interested in ty products solely on brand name.

Do you actively seek out Nike products when making purchasing decisions?
15 responses

Fig. 1.20: 53.3 percent of people don't go for Nike products only 13.3 percent go for Nike products always and 33.3 percent people sometimes think to buy Nike products.

CHAPTER 5

FINDINGS AND SUGGESTIONS

5.1 Findings

Here are the key discoveries from the research:

a) It means that more guys than gals took part in the survey—60% men and 40% women, so dudes are the main group in the sample.

b) For this survey 60 % of people are between the age group of 18 – 24 that is young generation who are more into the brand things, and 40 percent people are of the 25 – 34 age group.

c) Students seem to be using Nike products regularly for sports activities. This is because Nike products were highly sold for sports purposes.

d) The major source of awareness regarding Nike is from advertisements. The advertisement influences in purchasing decision of the customer.

e) The major factor that influences the loyalty of customers towards Nike products. Here, the majority of the respondents are loyal customers of Nike products.

f) The commonly used product from the Nike brand is footwear because footwear is commonly used by students for sports purposes.

g) The customers are motivated to use Nike products with pricing, style, trend, brand value, quality, color, and durability. most of the respondents were from the brand value and quality of Nike products.

h) The majority of those surveyed agreed with the assertion. Consequently, it indicates that advertising and celebrity endorsements have a favorable effect on consumers' decisions to buy. Nike items were heavily influenced by advertisements.

i) The most common marketing techniques adopted by Nike were discount, media, visuality, belief towards brand product, offers, and nothing influencing and the majority of respondents say they have belief towards Nike products. The respondents

were also influenced by other marketing techniques like offers, and discounts to buy Nike products.

j) Since young consumers are greatly drawn to Nike's quality, proper procedures should be used to ensure the quality of the items.

k) The study shows the occupation of respondents. In our survey majority of respondents were students and the least respondents were housewives.

l) From the study, it is clear that Nike products have a higher level of awareness regarding the brand.

m) Most of the respondents were conscious of Buying products.

n) Some of them preferred to buy the product online, in-store, online, and in-store. Online and in-store had a high level of respondents and online mode had the least respondents.

o) The Nike product usage is occasionally as per the respondents in the study.

p) The certain negative factors that affect the Nike product were Price, durability, quality, and color. As per the study, price is one of the Negative factors that have a higher number of respondents.

q) The majority of those surveyed agreed with the statement. As a result, it shows that celebrity endorsements and advertisements have a favorable effect on consumers' decisions to buy. Nike items were heavily influenced by advertisements.

r) Paid search advertising, word-of-mouth advertising, social media advertising, print advertising, broadcast advertising, outdoor advertising, and native advertising are some of the appropriate media for featuring the Nike brand. Print, broadcast, and outdoor advertising have more participants in the research than any other media.

5.2 Suggestions

a) More features like new colors, variety, fashion, and trends can be introduced in the market to increase the satisfaction level of customers.

b) If you favor the Nike brand, you should choose quality above popularity.

c) Businesses that specialize in branding should take advantage of any possibilities that arise to foster customer loyalty.

d) Customers have switched to other local brands because they believe the firm lacks creativity.

People tend to like good stuff, but just being good isn't enough. Brands need to come up with fresh ideas for their products to stand out.

a) Most folks prefer quality things, but simply being good isn't sufficient. Brands must generate innovative concepts for their products to distinguish themselves.

b) Because there is a lot of competition in the market right now, customers may choose a different product if a brand doesn't meet their demands.

c) The most influential marketing techniques adopted by Nike were discount, media, visuality, belief, offers, and nothing influences. As per the study, the most influential technique is the belief that brand products have a high percentage as per response.

d) The study shows there is a positive impact of advertisement and celebrity endorsement on the purchasing decision. Advertisements played a very significant role in Nike products.

e) According to the survey, the majority of respondents preferred the Nike brand over other brands because of its reputation, dependability, and quality. These aspects of the Nike brand have an impact on most responders.

CHAPTER 6
CONCLUSION

When a company has something unique about its products that makes them different from others, it's called a brand. Advertisers, marketers, and businesses use brands to stand out. Think of names like Nike and Adidas - those are brands. Sometimes when we talk about a brand, we're actually talking about the company behind it. And when a brand is closely tied to a specific product, we call it a commodity brand.

Understanding the prevailing economic characteristics of a certain sector is part of brand analysis. Additionally, brand analysis looks at the nature of the industry's current rivalry and the strength of each force that drives it. Before diving into building a brand, it's important to thoroughly look at both inside and outside factors that could affect it. This helps in spotting any issues, considering different choices, and coming up with a solid plan to make the brand successful. If this step is skipped, a company might end up with a brand that doesn't fit well in its industry and struggles to stay ahead of the competition. So, checking out the company's environment is key for a successful brand analysis. All choices have to be supported by thorough internal and external business analysis.

"A study on consumer satisfaction and brand loyalty of youth on Nike" is the subject of the research. The primary goal of the study is to gauge customer satisfaction with the Nike brand. When people buy stuff, most of them care about the brand. They think about how good a product is before buying it. Researchers looked at how happy customers were, and found that most of them were happy with Nike's quality. People said they buy Nike stuff because of famous people and ads. They also said social media ads work best for Nike. More than half of the people in the study would recommend Nike to others. Since many young folks like brands, it's important to give them what they want to keep them loyal. With lots of competition, if a brand doesn't satisfy customers, they can easily switch to something else.

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