

**Chapter 7: Marketing:
Providing Value to
Customers**

Objectives

eBook and Active
Figures

Quick Quizzes

Learning Labs

Nike Case Study

■ About Nike: Cases
7.1, 7.2 and 7.3Nike Video Clip:
Marketing SoccerNike Memo Writing
Assignment: Nike
Gets...Nike Questions:
Nike Goes Surfing

Business Plan Project

Student PowerPoints

Glossary Flash Cards

Web Links

Research Navigator

Profile

[Home](#) > [Chapter 7](#) > [Nike Case Study](#) > [About Nike: Cases 7.1, 7.2 and 7.3](#) > About Nike Case 7.1: Fashioning the Female-Friendly Message

About Nike Case 7.1: Fashioning the Female-Friendly Message

Consider a few facts:

- In the United States, women buy 81 percent of all athletic apparel.
- Not only do they shop for themselves, but they buy 67 percent of men's and 91 percent of children's apparel.
- The global market for women's footwear and sports apparel is \$14.5 billion and growing at 5 percent to 8 percent annually.

Gender Difference 101

You'd think that a savvy marketer like Nike would have done everything in its power to target this lucrative market, but, surprisingly—at least up until the late 1990s -- Nike paid very little attention to the female consumer. It wasn't that Nike didn't make products for females (it did), but rather that it just didn't spend much time thinking about what female consumers wanted. Basically, Nike just offered them whatever was convenient. Women's footwear, for example, was made from shoe molds designed for small men, and more often than not, women's apparel was really small men's apparel.

Male Athletes Selling to Male Athletes

You don't need much experience in marketing to figure out that women aren't small men. So how had Nike managed to become such a myopic marketer? To answer this question, you don't have to think much past Nike's heritage: Nike began as a company of male athletes selling shoes to other male athletes. Its founders and early managers were males, they grew the company by hiring other males like themselves, and—at least not until about the turn of the most recent century—Nike's male-dominated management didn't seem to fully realize that not only do women have considerable spending power, but that their participation in athletic activities had increased substantially. When it finally woke up to this realization, Nike management wanted to be a player in the women's market. But how could it reverse its dismal performance in this deceptively simple game? When your team's on a losing streak, you usually look around for some new players, and that's precisely what Nike did. Despite the improved roster, the team still had a lot of work to do: It not only had to come up with new products, but with new ways of marketing them.

Designing (for) Women

Obviously, Nike had to quit trying to sell men's shoes to women. Much more important, however, the company had to find out what female consumers wanted. So Nike managers did a lot of listening, and here's what women told them:

- Physical activity is just one component of a woman's busy day. Women want to be able to leave the gym still wearing their athletic apparel but without looking too shabby to socialize, eat out, and shop. They want apparel and shoes that do double duty, both inside the gym and outside.
- Performance is important, but clothes and shoes have to be fashionable. And coordinated: Apparel and shoes must go together.
- As for athletic activities, women are into running, yoga, fitness/dance, and cardio exercises.

Nike designers got busy, and the result was a winning combination of performance, style, and coordination that will be fairly obvious if you look at any of Nike's "top ten" outfits featured on its [NikeWomen Web site](#).

**Chapter 7: Marketing:
Providing Value to
Customers**

Objectives

eBook and Active
Figures

Quick Quizzes

Learning Labs

Nike Case Study

About Nike: Cases
7.1, 7.2 and 7.3Nike Video Clip:
Marketing SoccerNike Memo Writing
Assignment: Nike
Gets...Nike Questions:
Nike Goes Surfing

Business Plan Project

Student PowerPoints

Glossary Flash Cards

Web Links

Research Navigator

Profile

**Rockstar Workouts and Online Styling**

Another thing that women told Nike: They didn't like NikeTown stores. They found the atmosphere distinctly male and saw no reason why they had to get past rack after rack and shelf after shelf of manly inventory in order to find something that would fit them. Nike, therefore, decided that it had to revamp the ways in which it made women's wear available to women. Step one was a complete redesign of NikeTown, starting with its well-known Chicago store, where the entire third floor was redesigned to spotlight products for women.

The next step was building stores specifically for women. The concept was sound but very simple: Create stores where women would be comfortable. There are now 12 NikeWomen stores ¹ in the United States and one in Germany, and women customers are actively encouraged to provide feedback on the style and performance of Nike products. Moreover, if they drop in at the right time, they can take part in a Nike Rockstar Workout conducted by expert fitness instructors. A mix of fitness training and dance, the workout was developed by Jamie King, a choreographer who's worked with such big time stars as Jennifer Lopez, Britney Spears, and Madonna.

Nike also reaches women via a dedicated [NikeWomen.com Web site](#), where you can browse through a selection of products, customize your own shoes (using NikeID), or assemble your own outfit (using Nike's [E-stylist](#)). If you'd rather get a little exercise, click on one of the [workout videos](#). If you prefer catalog browsing, go to the NikeWomen's Web site and put yourself on the [mailing list](#). The shiny Nike catalog was launched at the urging of women and now reaches nearly a million homes.

But Don't Mention Pigs

Nike's first foray into the field of targeted advertising for women was in 1987. How would you have reacted to this commercial? A remarkably fit female triathlete works out to the background strains of "Just Do It, Just Do It." At the end of the commercial, she turns to the camera and, in order to drive home the message about the body beautiful, says, "And it wouldn't hurt to stop eating like a pig, either."

The ad was a flop and so Nike turned to women—a team of about 40 drawn from both Nike and its ad agency—to figure out ways of addressing women more sensitively and sensibly. The team was responsible for the critically acclaimed "dialogue" print ad campaign that focused on personal growth. Many of the themes of the campaign weren't even athletically oriented. One, for example, touched on a woman's relationship with her mother, while another focused on the emotions of a young girl in gym class. Nike has found that many women prefer ads like these instead of ads spotlighting female athletes like Mia Hamm and Serena Williams.

Conclusion

So here's what Nike has learned about marketing to women:

- Women are different.
- They don't like being ignored.
- They care about performance but want stuff that's fashionable and coordinated.
- They want dedicated shopping areas.
- They like catalogs.

And they don't want to be told that they eat like pigs.