

# **CONSUMER PERCEPTION TOWARDS COMPETING BRANDS: A STUDY ON NIKE & ADIDAS**

## **Project Report**

**Submitted By:**

**NAURA MEHRIN (Reg. No: SB20BMS024)**

**Under the guidance of**

**Mrs NAMITHA PETER**

In partial fulfilment of the requirements for award of the degree of  
**Bachelor of Management Studies (International Business)**



**ST. TERESA'S COLLEGE (AUTONOMOUS), ERNAKULAM**

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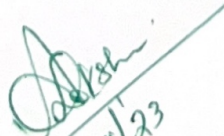


**CERTIFICATE**

*This is to certify that the project entitled A study on “Consumer Perception towards Competing Brands: A Study on Nike & Adidas”, has been successfully completed by Ms. Naura Mehrin, Reg. No. SB20BMS032, in partial fulfilment of the requirements for the award of degree of Bachelor of Management Studies in International Business, under my guidance during the academic year 2020-2023.*

**Date:** 19/4/23

  
**Mrs. NAMITHA PETER**  
**INTERNAL FACULTY GUIDE**

*Valued by*  
  
19/04/23



## DECLARATION

*I, Naura Mehrin, Reg. No. SB20BMS024, hereby declare that this project work Entitled "Consumer Perception towards Competing Brands: A Study on Nike & Adidas" is my original work.*

*I further declare that this report is based on the information collected by me and Has not previously been submitted to any other university or academic body.*

**Date** 19/4/23



**NAURA MEHRIN**

**Reg. No: SB20BMS024**



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**NAURA MEHRIN**

## **EXECUTIVE SUMMARY**

People have been participating in sports increasingly as a form of entertainment and satisfaction during the past several decades. As a result, there is a substantially increased demand for sports-related materials and equipment, particularly for the shoes used in numerous sports. Since time immemorial, the two well-known global firms from the USA and Europe, Nike and Adidas, have dominated the market for shoes and athletic gear. Most people are aware of these two companies or have at least heard of them. Furthermore, growing in the same niche, 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. Nike is the leader in the athletic shoe industry after which comes Adidas. So this clearly states that they are Giants in the athletic footwear industry and are highly competing with each other. In this study most of the factors are covered that affects the competition of Nike and Adidas. It contains all the details of Nike as well as Adidas. And there was also a survey conducted, considering various factors of Nike and Adidas. The purpose of this report is to learn about strategy and strategic management by comparing the strategies of two companies from the same industry.

The strategies of Nike and Adidas have been compared from the footwear industry. Nike and Adidas both specialize in footwear, apparel and accessories and their competition is intense as Nike is the market leader and Adidas is the market challenger. Both companies have a long history of producing high-quality athletic gear, footwear, and accessories, and have gained a loyal following of customers who appreciate their commitment to innovation, performance, and style

In this report the Researcher has attempted to cover the comparison between both their strategies as well the customer perception. This report shows us the influence the strategy has on the success or failure of companies and how companies craft sustainable strategies that help them to retain their position in the market and know the customer preferences.

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# **CHAPTER ONE**

## **INTRODUCTION**

# 1. INTRODUCTION TO STUDY

The footwear industry is a multi-trillion dollar one worldwide. The footwear market, which is a subset of the clothing and apparel sector, consists of shoes, sneakers, luxury footwear, athletic footwear, and sporting shoes, as well as other associated products. Leather, textiles, and a variety of synthetic materials are frequently used to make footwear goods. The Indian leather industry is the core strength of the Indian footwear industry. India is the world's second-largest producer of footwear after China, and it serves as the development engine for the entire country's leather sector. At the end of a product cycle, a company needs to get the products to the target customer. To do this, the company has to adopt some marketing strategies. A marketing strategy is a long-term plan for achieving a company's goals by understanding the needs of customers and creating a distinct and sustainable competitive advantage. It encompasses everything from determining who your customers are to deciding what channels you use to reach those customers.

With a marketing strategy, you can define how your company positions itself in the marketplace, the types of products you produce, the strategic partners you make, and the type of advertising and promotion you undertake. Marketing strategies are required for both service and goods businesses. Globally, companies formulate their strategies based on their visions and reaching the satisfaction of customer's needs, requirements and expectations. Subsequently, they use those strategies as a baseline to compare their actual performance with planned ones, to evaluate the end results and ensure the continuing organizational excellence.

Companies that manufacture sportswear, such as clothing, footwear, and other equipment, need to market their goods successfully. There are worldwide companies in the industry that utilize various marketing methods for their success despite the industry's growing market.

There are three levels of strategy, which are corporate level, business level and functional level strategy. A corporate level strategy is the strategy which determines the overall purpose and prospect of an organization and reflects on how to add value to different parts of the organization. The business level strategy provides guidelines on how to excel competitors or survive in a particular market and the functional strategy is the contribution made by the resources, people and processes to the business and corporate level strategies. Companies strive with their strategies in order to become the leader in their specific industry or market.

Nike and Adidas are the top two competitors in the footwear, apparel and accessories segment of the textile industry. Nike and Adidas have “almost” similar strategies but different implementation methods. Both the companies concentrate heavily on technology and strive to produce new and innovative products.

The researcher's main objective is to understand consumer perceptions of the various marketing strategies used by Nike and Adidas as well as the marketing strategies those companies use to compete with one another.

## **1.1 STATEMENT OF PROBLEM**

- What makes a consumer choose one brand over the other and the reasons for being loyal to one particular brand
- Both being a lucid brand, how much does price affect the consumer decisions

## **1.2 LITERATURE REVIEW**

Definition of Strategy:

Business leaders and business philosophers have studied strategy for years. But, there is no clear definition of what strategy actually is. Everyone approach strategy differently, which is one reason why.

The strategy is how a business organises its resources to best serve the needs, demands, and expectations of its markets and stakeholders. Also, an organization's long-term direction and scope shape its vision and goals (Gerry Johnson & Kevan Scholes, 2008).

It is also a strategy that helps an organisation get a competitive edge. Additionally, it shows decisions to offer the organization's goods or services in specific markets and represents a pattern of behaviour through time (Henry Mintzberg, 1994).

In some circumstances, a company's strategy is the pattern of choices that establishes and makes its objectives, purposes, and goals clear. The primary policies and plans for accomplishing those goals are also produced by strategy. It outlines the type of economic and social organisation the firm intends to be, as well as the range of business it will pursue (Kenneth Andrews, 1980).

Top management decisions are what constitute strategy in achieving a company's stability and sustainability. Also, it makes reference to fundamental directional choices, i.e., purposes and missions. The crucial steps required to carry out these directions make up strategy, which is also the goal the business intends to achieve after picking the right course (George Steiner, 1979).

In reality, not all business decisions are belong the strategic circle; the strategic decisions are those which doing something 'differently' from competitors and that difference make a sustainable advantage. Even, the activities that are used to increase productivity are not strategic since they can be easily imitated by others (M. E. Porter, 1996)

Broadly speaking, strategy is a framework that directs activities to be made while also being modified by those actions, and it has nine potential driving forces: Goods provided, Market requirements, Technology, Production potential, Sales and Distribution Methods, Natural Resources, Size and Growth, Return and Profit (Benjamin Tregoe & John Zimmerman, 1980)

Yee and Sidek (2008) demonstrated how respondents' brand loyalty to sportswear brands affects their opinions. According to study, brand name, product quality, pricing, style, promotion, service quality, and retail atmosphere are the seven elements that influence brand loyalty. Brand loyalty and brand recognition have a close association. Marketers are encouraged to create aggressive marketing campaigns in order to increase customer satisfaction and encourage brand loyalty; there is a positive and significant correlation between brand loyalty factors (brand name, product quality, price, style, promotion, service quality, and store environment) and brand loyalty for sportswear.

Different consumers have various decision-making processes, which Krishna (2012) largely focused on in relation to attitudes and behaviour on the concept of young people's purchasing behaviour for branded sports shoes. The ultimate aim of the buyer is to purchase the goods at the lowest/best reasonable price that has both qualitative and quantitative quality. In order to recognise various consumer purchase habits for various shoe brands, such as athletic shoes from Adidas and Nike. The research focuses on young people's shopping habits as well as other consumer behaviour models, works of literature, and theories.

Yoh, Mohr, and Gordon (2012) looked at the variables that affect Indian teenagers' decisions to buy athletic shoes. Seven factors were taken into account while reviewing the relevant literature: price, colour, style, brand name, comfort, quality, and celebrity endorsement. It showed that gender significantly influenced Indian teen consumers' purchase decisions.

Male teenagers said that comfort and quality are the most significant considerations, whilst female teenagers said that style and colour are the most crucial considerations. The results of this study should be used by marketers and advertising managers at athletic shoe businesses to better connect with teen customers. Sportswear, which includes sports shoes, has gained popularity because it allows young people to live more casually and with more comfort. Consumers are thought to favour developed-country goods over those from developing or undeveloped nations.

Kim, Hoon, and Ko (2008) In Korea and China, their study approach examined connections between the place of origin, perceived quality, perceived price, brand image, and purchase intention for sports shoes. For Nike and Adidas, respectively, brand image was found to be a significant factor in determining perceived quality and price. Positive purchasing intentions were found to be influenced by perceived quality in both nations.

In their 2008 study, Youn, Song, and MacLachlan looked at how customers' brand choices and price sensitivity change as their degrees of experience rise in the categories of outdoor sports equipment. Existing single-category Hidden Markov techniques necessitate a substantial purchase history and are ineffective for categories of durable goods like sport climbing. We can decide which product category best represents a certain stage in a consumer's evolution using the multi-category technique.

### **1.3 SIGNIFICANCE OF STUDY**

In order to analyse market strategies, it is essential to keep Adidas and Nike in direct competition. Additionally, it involves researching the variables that affect consumers' purchasing decisions. The study involved looking at Nike and Adidas' target market. The researcher gathered first-hand information from participants in the target markets.

### **1.4 SCOPE OF STUDY**

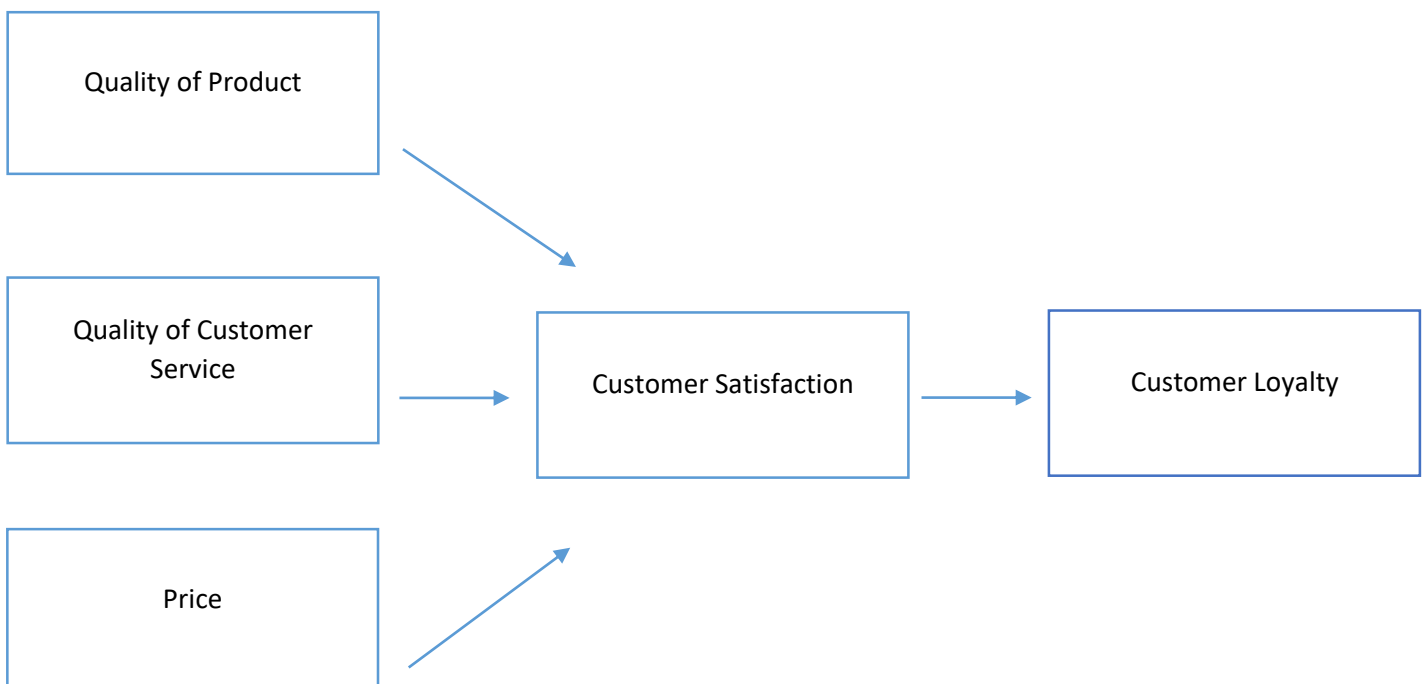
This study covers the preferences of people on different shoe brands with selected brands of shoes based on the thoughts of researchers which are: Nike and Adidas. The study will also cover the following aspects of shoe purchasing of Nike and Adidas that respondents rated: cost, comfort, style, durability, and general quality. It focuses on the factors that affect consumer buying behaviour in the selection of branded shoes that is Adidas and Nike. This indicates that the main concept of the study will be about consumer behaviour and brand selection.

## 1.5 OBJECTIVES OF STUDY

The general objective this study is assessing factors that affect consumer buying decision in the selection of the brands Adidas and Nike.

- This study covers the preferences of people on the shoe brands Nike and Adidas and their personal views.
- The study will also cover the factors a person considers when buying shoes and rated by the respondents: price, comfort, design, durability, and its overall quality
- To identify and compare the strategies adopted by Nike Inc. and Adidas Group.

## 1.6 CONCEPTUAL MODEL





## **1.7 RESEARCH HYPOTHESIS**

**Hypothesis (1):** There is a positive relationship between frequencies of purchases based on individual perception

**Hypothesis (2):** There is a positive relationship between occupation and urge to buy

**Hypothesis (3):** There is no significance relationship between choosing a pair of sport shoes and age

**Hypothesis (4):** There is a significance relationship between media influence of purchase decision on magazine, newspaper, television. (A-NOVA)

**Hypothesis (5):** There is a significance relationship between choosing a pair of sports with durability, comfort and price and there is no significance relationship in style

**Hypothesis (6):** There is no significance relationship between purchase preference of the brand and gender

**Hypothesis (7):** There is a significance relationship between media influence of purchase decision on Internet and there is no significance relationship in Television, Magazine, Newspaper and other (T-test)

## **1.8 RESEARCH METHODOLOGY**

### **1.8.1. Data Collection**

There are two methods for gathering data that are typically used by researchers: primary data collection methods and secondary data collection methods. The majority of the research uses primary data collection methods, which include collecting information through observation, questionnaires, case studies, projective techniques, etc. Secondary data is information that has already been gathered and can be found in publications, case studies, letters, etc.

Questionnaires were the primary data gathering method utilised by the researcher to identify the factors determining customers' perception

The profiles of the industry and the company were discovered using secondary data collected during the study process. All secondary data-related material was gathered from reliable websites and previously published research papers.

## **1.8.2 Sampling**

### **1.8.2.1 Population**

Population is the collection of the elements which has some or the other characteristics in common. The population's size is determined by the number of elements in it. The population in this survey consists of all Indian customers.

### **1.8.2.2 Sample Size**

The population's subset is referred to as a sample. The sample for this study is confined to the target customers of Adidas and Nike in India. Keeping in view the limitations of time and resources, the sample size taken is respondents. Out of which, a total of 217 responses is taken for the study. To minimise sampling mistakes, questionnaires were sent to respondents in electronic form via mail and other social media platforms with ample time to complete them.

### **1.8.2.3 Sampling Technique**

There are two types of sampling techniques: probability sampling techniques and non-probability sampling techniques. Using a strategy based on the theory of probability, the researcher selects samples from a larger population using the sampling approach known as probability sampling. Simple random, systematic, stratified, and cluster sampling are types of probability sampling. In non-probability sampling, the researcher chooses this group based on their best judgement. Convenience sampling, quota sampling, judgement sampling, and snowball sampling are non-probability sampling methods.

In this study the researcher uses convenience sampling techniques which is a type of non-probability sampling technique that is to collect data on time and avoid a low response rate.

## **1.8.3 Tools used for Data Collection**

The questionnaire is carefully designed to meet the requirements of the research. Most of the questions are constructed using five point Likert Scale (1- Strongly Disagree; 2- Disagree; 3- Neither agree nor disagree; 4- Agree; 5- Strongly Agree). There are also nominal, ordinal, interval scale questions and ratio scale questions.

### **1.8.4 Data Analysis Techniques**

The entire data has been analysed using the SPSS software package. The Tools used are T-Test, Chi-square Test, A-NOVA test, Percentage Analysis and Demographic.

## **1.9 Limitations of the Study**

- One of the major limitations was time constraints as the research activities were undertaken alongside academic activities.
- Another limitation of the study was cost.
- Many respondents were reluctant to take the time for the survey.
- Findings of the survey are based on the assumptions that the respondent have given correct responses

**CHAPTER TWO**  
**INDUSTRY, COMPANY, PRODUCT PROFILE**

## 2. INDUSTRY PROFILE

Lifestyle changes have become a massive part of one's persona, defining how they carry themselves and establish a rapport amongst people. One of the significant elements forming our lifestyle is the way we choose to walk and what we choose to walk in – coming down to our footwear. From soles to souls, footwear's contribute a great deal to our human experience. Whether a pair of bouncy new sneakers, or a pair of bright red pumps, footwear's can make anyone smile and can elevate any outfit to the next level.

**Footwear** refers to garments worn on the feet, which typically serves the purpose of protection against adversities of the environment such as wear from ground textures and temperature. Footwear in the manner of shoes therefore primarily serves the purpose to ease locomotion and prevent injuries. Footwear can also be used for fashion and adornment.

Footwear industry is one of the most rapidly expanding industries globally. Increasing demand for new and innovative footwear and emergence of various global as well as regional brands across segments in the category is primarily driving the market. It is a diverse industry covering a wide variety of materials and products from different types of men's, women's, and children's footwear, to more specialised products like snowboard boots and protective footwear

### 2.1 Global Footwear Industry

The footwear industry is a multi-trillion dollar one worldwide. The footwear market, which is a subset of the clothing and apparel sector, consists of shoes, sneakers, luxury footwear, athletic footwear, and sporting shoes, as well as other associated products. Leather, textiles, and a variety of synthetic materials are frequently used to make footwear goods.

### 2.2 Footwear Industry in India

The footwear sector is a very significant segment of the leather industry in India; rather it is the engine of growth for the entire Indian leather industry. India is the second largest global producer of footwear. The growth in the Indian fashion and lifestyle market has given a spur to the footwear industry as well. It has developed as a fashion and style category from a basic need-based industry. Currently, a major part of India's fashion market is digitally influenced.

Due to the increasing demand, the e-commerce model has penetrated the footwear industry, providing ample opportunities for the SME sectors, especially in tier II and III cities.

Furthermore, the e-commerce ecosystem per se provided many enterprises and premium footwear brands an ease to tap into the market.

The Indian footwear industry, in specific, is not only known to generate employment opportunities nationwide but also has a robust reputation in the government as it evidently contributes to the economy and intends to expand annually by 13.53% by the year 2025 (as stated in a report by Statista). Being one of the fastest growing industries, the Indian footwear segment consists of an array of options ranging from traditional to the modern picks. From contemporary to vintage, it is a perfect amalgamation of diversity in individualities.

### **2.3 Evolution Footwear Industry in India**

The Indian footwear industry has come a long way. From a basic need-based industry to a pre-eminent part of the overall fashion and lifestyle market. The footwear sector is one of the most rapidly augmented industries globally. The rising demands for new and innovative footwear and the emergence of various global and regional brands across categories in the segment are the primary driving force of the market. Be it personalised choices or customised products, brands are analysing various ways to bridge the gap in shoppers' requirements. For the women's footwear industry, newer collections, categories, and segments are introduced in the sector with styles such as loungewear sliders, kitten heels, and occasion specific footwear. All this is pushing industry leaders to consistently innovate their offerings for consumers.

Online retailing has enabled SMEs and enterprises across the country to target national consumers rather restricting themselves as regional retailers. This has opened the gates for new possibilities of online retailing i.e. multichannel, Omni channel, and D2C. Indian footwear industry is emerging as the most demanded shopping category brands, such as Bata, Campus Shoes, Action Shoes, Puma is going online and creating a niche market and opportunities for the other footwear retailers

### **2.4 Challenges of Footwear Industry in India**

The footwear industry has been largely unorganized and scattered in different parts of the country. Uttar Pradesh and Tamil Nadu, are the biggest footwear-related market. Though technology has marked its presence in the modernization of the footwear industry, most of the production is still handmade. Major challenges in the Footwear Industry:

- Timely and efficient delivery of products
- No stock rotation leads to outdated stock
- Managing Multiple Warehouses and Stores
- Easy transition to present Taxation policies
- Effective Utilization of stock
- Seamless management of returns and cancellations

## **2.5 Footwear Industry: Eco- Friendly contribution towards the Environment**

For a long time, fashion labels were dependent on inferior quality synthetics and unsustainable materials, putting a heavy price on the environment. However, the process of recycling and up cycling is now an innovative concept, which is now adopted by most brands across the world. While recycling converts material into something of roughly the same value as the original product, up cycling converts the material into something that can be used to craft a brand-new high-quality product. Plastic waste from the ocean is also recycled and used to produce a wide variety of products for retail purposes. Some of the world's most popular brands are using this technique to create products like shoes etc. Another innovative technique is the scrap acquired from natural leather or other natural materials recycled to make footwear soles and foot beds

Home-grown Indian brands are now adapting to use Piñatex as an alternative — a leather substitute made from cellulose fibres extracted from pineapple leaves

## **2.6 Adidas: Porter's Five Forces Analysis**

Adidas, or Adidas AG, is a German company that produces sporting items and athletic footwear. It was the second-largest sportswear producer in the world and the biggest in Europe in the beginning of the twenty-first century. As more association football (soccer) players began wearing Adidas' light-weight shoes with screw-on cleats in the 1950s, the company experienced steady growth. After that, the business created a line of sporting items and released soccer footballs in 1963. Adidas was the most well-known brand of athletic shoes for a long time, but competition intensified in the 1970s, especially from newer companies like Nike.

Adidas's goal is to dominate the global sporting goods market with brands that are based on a love of sports and an active lifestyle. To increase our competitive position, we are devoted to consistently enhancing our brands and goods.



Porter's Five Forces Analysis of Adidas covers the company's competitive landscape as well as the factors affecting its sector. The analysis focuses on measuring the company's position based on forces like:

- Threat of Substitutes
- Threat of New Entrants
- Bargaining power of Customers
- Bargaining power of Suppliers
- Industry Rivalry

### **1. Threat of Substitutes**

Adidas is a well-known brand, so the products are of the finest quality. The business also makes significant investments in its research activities, enabling the brand to be among the first to introduce innovations into its products. The brand has a large number of patents, which places it first in terms of functions. As a result, any brand that wants to take over the business must provide features that Adidas does not. This appears to be very unlikely. Yet one major feature of alternatives that the brand needs to be aware about is the presence of a huge number of counterfeit items available in the market. They offer the same features and hence present a threat to the business. Some local brands also closely resemble Adidas in terms of quality while charging less. As a result, we can conclude that the threat of alternatives has a moderate impact on Adidas.

### **2. Threat of New Entrants**

Adidas is a German multinational corporation that produces apparel, accessories, and shoes. From the early 1900s, Adidas has been an important player in the footwear and garment industries. As a result, the company's supply chain and distribution channels are extremely extensive. Setting up a production facility and launching a business in the market won't pose any problems for a new player in the sector. But it would be difficult to overtake a well-established business like Adidas. The new enterprises won't be able to match the proportion of investments made by the company in marketing and research, and the economies of scale that the company can achieve won't be able to be replicated by the new firms. It will be challenging for new businesses to compete with the brand's goodwill that has grown through time and the company's simple access to new distribution channels. Thus, the threat of new entrants is a very weak force when it comes to affecting Adidas.

### **3. Bargaining power of customers**

The Adidas brand has a large customer base. Additionally, in the case of Adidas, each buyer contributes a very small amount. This means that even if a consumer changes his or her mind about which sports shoes they prefer, it won't have a significant impact on the business. As a result, the corporation has more negotiating leverage. In determining the costs, special offers, etc. Also, there aren't enough participants on the market. Customers will therefore find it challenging to switch brands given the low standards they have for the product. Adidas charges a price that justifies the premium quality of the goods they sell. In addition, clients lack sufficient product knowledge to make choices. Few individuals see a distinction between products based on the materials that were utilised in their production. So, it is safe to say that the influence of customer negotiating power on Adidas is moderate.

### **4. Bargaining power of Suppliers**

Many vendors on the market provide Adidas a variety of raw materials for production. Because the organisation works with several suppliers in various areas, it will therefore have the upper hand in all talks. They have business relationships with local suppliers all over the world. As a result, it is simpler for them to switch out any suppliers at any time. In addition, well-known companies like Adidas always carry goodwill, which all suppliers would like to be affiliated with. As a result, suppliers will always be eager to do business with Adidas, which is advantageous for the company. In addition, the supplier is unable to match the brand's reach due to the company's extensive supply chains and distribution channels. Most of the items are frequently outsourced. Also, this frees Adidas from having to engage in direct discussions with the suppliers. As a result, when it comes to Adidas, the bargaining power of Suppliers is a weak factor.

### **5. Industry Rivalry**

In the markets where Adidas competes, there is fierce competition. When it comes to selling their products, the brand competes directly with Nike and other brands. These companies market goods that are nearly identical in terms of quality, cost, and other factors. As a result, these brands have very limited possibility of having a strong USP. Additionally, all of Adidas' immediate rivals' marketing and R&D initiatives are equally effective. So, it is challenging to build a definite lead in the market. The company's biggest problem is that it doesn't participate in every market that Nike serves. Because of this, there is a great likelihood that individuals will choose Nike over Adidas.

However, there are other regional companies on the market that serve sizable consumer bases in the regions they serve. Adidas must therefore use its reputation and name to get an advantage over its rivals. Ultimately, it can be said that Adidas is strongly impacted by competitive rivalry on a global scale.

## **2.7 Nike: Porter's Five Forces Analysis**

Nike, Inc. is an American multinational corporation that creates, develops, produces, markets, and sells clothing, accessories, equipment, and services on a global scale. The company's global headquarters are located in the Portland metro area, close to Beaverton, Oregon (USA). It is a significant manufacturer of sporting goods and among the biggest providers of athletic footwear and gear worldwide. With the globally recognisable trademarks "Just Do It" and the Swoosh emblem, Nike sponsors a number of well-known athletes and sports teams.

Nike Inc.'s goal is to promote product innovation for athletes worldwide. In order to improve athletic performance, lower the risk of injury, improve perception and feel, and provide athletes with cutting-edge products, countless ideas are tried.

Porter's Five Forces Analysis of Nike covers the company's competitive landscape as well as the factors affecting its sector. The analysis focuses on measuring the company's position based on forces like:

- Threat of Substitutes
- Threat of New Entrants
- Bargaining power of Customers
- Bargaining power of Suppliers
- Industry Rivalry

### **1. Threat of Substitutes**

As Nike is a well-known brand with great R&D capabilities, there are no prospects for a rival to replace it. The best research and development team in the business has long been at Nike. In addition, the company holds more global patents than any other sporting brand, totaling more than 25,000. But one factor that causes issues for Nike is the increase in counterfeit goods that look like genuine shoes.

A new threat to the company's sales has emerged as a result of recent improvements in the functionality supplied by the counterfeit goods. Yet, when it comes to Nike, the danger of alternatives is a weak one.

## **2. Threat of New Entrants**

Nike is a multinational firm based in the United States that has made a name for itself in the design and development of clothing, equipment, and shoes. Although there are few barriers for new businesses to enter the market and begin operations, it would be challenging for them to compete with well-known brands like Nike, who cater to the premium market. The concern for the new entrants in this situation is not sourcing suppliers or launching the business. Their main issues include the significant costs associated with brand development, the marketing activities needed to bring the product to market, etc. Nike faces tough competition from regional brands with little influence outside of their home market. But because of economies of scale, many small businesses will fall short of Nike. By lowering its retail price and offering extra perks with its product, the firm can always draw customers. However due of the operating expenses involved in establishing and starting their business, the new competitors will never be able to do so. As a result, the threat of a new competitor is a very minor influence here.

## **3. Bargaining power of Customers**

The lower switching cost for customers is the main factor giving them the upper hand. People can readily switch to the competing brand, and doing so requires little expense and effort. Yet, given that each customer's contribution is so negligible, this can be readily overcome. Also, there aren't many alternatives that can give the same functionality as Nike do that are readily available to buyers. Customers are at a disadvantage due to the small pool of suppliers, thus it is reasonable to infer that the force of bargaining is of moderate strength. Although some customers are price conscious and prefer to shop for less expensive options, Nike's premium pricing is justified by the brand's reputation for quality, assurance, and goodwill. Also, a rise in the number of qualified citizens with more discretionary income helps Nike. As a result, clients have a moderate amount of bargaining power.

#### **4. Bargaining power of Suppliers**

There are numerous suppliers who provide rubber, synthetic leather, and other materials to sporting companies all around the world. The industry's suppliers' total ability to negotiate is reduced as a result. As Nike is a well-known brand, there is goodwill attached to it that the suppliers look forward to sharing. The suppliers that Nike works with are reasonably large, thus they don't have a stronger negotiating position with Nike. In order to lower the overall cost of the raw materials, the company has a practise of collaborating with the local producers. As they are easily replaceable, they lack the negotiating leverage. So, it is safe to conclude that suppliers have weak bargaining power

#### **5. Industry Rivalry**

Nike faces competition from a variety of brands while marketing their goods. The sales growth data has been on a saturating trajectory, which can be held responsible on the market's escalating competition. Nike's growth has stagnated as a result of the high market penetration that the rival company caused and the general market saturation. It is considerably more challenging for Nike to repeat its historical growth due to the competitiveness of its rival companies. Competing brands like Adidas, Puma, and others have been making large investments into their marketing campaigns, which makes it challenging for the brand to stand out in the crowd. Even though Nike has few direct rivals, the market is fiercely competitive, therefore rivalry among businesses is a powerful force in this scenario.

## 2.8 SWOT ANALYSIS OF INDIAN FOOTWEAR INDUSTRY

STRENGTHS	WEAKNESS	OPPORTUNITES	THREATHS
<ul style="list-style-type: none"> <li>• Easy availability of low cost of labour</li> <li>• Comfortable availability of raw materials and other inputs.</li> <li>• Presence of qualified leather technologists in the field</li> <li>• Exporter-friendly government policies</li> <li>• Massive institutional support for technical services, designing, manpower development and marketing.</li> </ul>	<ul style="list-style-type: none"> <li>• Low level of modernisation and up gradation of technology, and the integration of developed technology is very slow.</li> <li>• Environmental problems.</li> <li>• Delayed deliveries</li> <li>• Difficulties in accessing to testing, designing and technical services</li> <li>• Little brand image.</li> </ul>	<ul style="list-style-type: none"> <li>• Growing international and domestic markets</li> <li>• Abundant scope to supply finished leather to multinationals setting up shop in India.</li> <li>• Aim to present the customer with new designs, infrastructure, country and company profiles.</li> <li>• Growing fashion consciousness globally.</li> <li>• Product diversification</li> </ul>	<ul style="list-style-type: none"> <li>• Entry of multinationals in domestic market.</li> <li>• Improving quality to adapt the stricter international standards.</li> <li>• Non- tariff barriers - Developing countries are resorting to more and more non – tariff barriers indirectly.</li> <li>• Fast changing fashion trends are difficult to adapt for the Indian leather industries.</li> <li>• Stiff competition from other countries.</li> </ul>

**CHAPTER THREE**  
**DATA ANALYSIS AND**  
**INTERPRETATION**



## 3.1 RESPONDENTS PROFILE

### 3.1.1 PERCENTAGE ANALYSIS OF GENDER, AGE, OCCUPATION

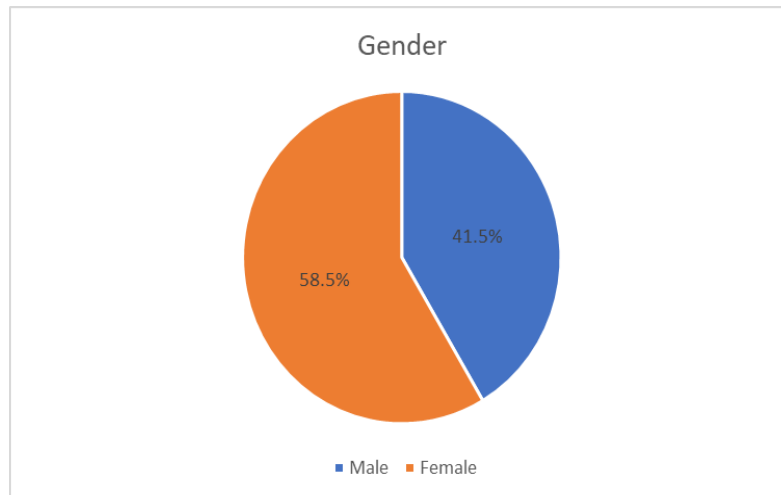
The demographic details of respondents of the survey conducted to collect primary data are shown in table 3.1.

Table 3.1 Demographic details of respondents

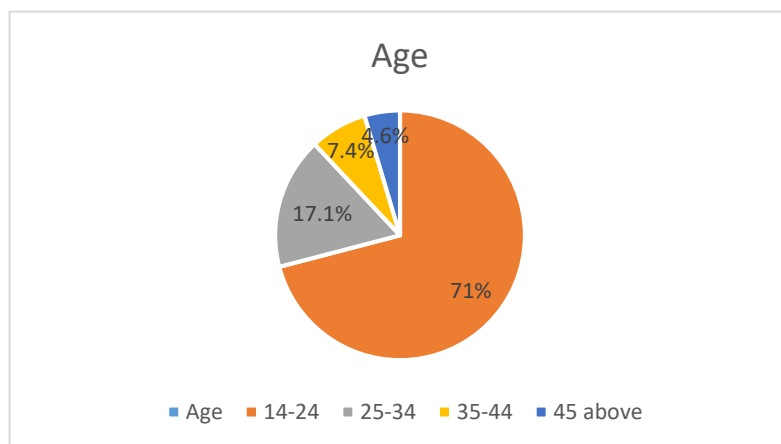
Demographic Characteristic		Number of respondents	Percentage %
Gender	Male	90	41.5
	Female	127	58.5
Total		217	100%
Age	14 – 24	154	71.0
	25 – 34	37	17.1
	35 – 44	16	7.4
	45 and Above	10	4.6
Total		217	100%
Occupation	Student	142	65.4
	Employed	63	29.0
	Unemployed	6	2.8
	Teacher	1	0.5
	Musician	1	0.5
	House wife	2	0.9
	Business	2	0.9
Total		217	100%

Out of 217 respondents, 58.5% constitute female respondents while 41.5% constitute male respondents. Furthermore, among these respondents, 71% comes under the age group 14 – 24 years, 17.1% comes under the age group 25 – 34 years, 7.4% comes under the age group 35 – 44 years and 4.6% comes under the age group of above 45 years. The demographic profile of the respondents with respect to their occupation shows that 65.4% constitute students, 29% constitute employed individuals, 2.8% constitute Unemployed individuals, 0.5% constitute Teacher, 0.5% constitute Musician, 0.9% constitute House wife and 0.9% constitute of individuals having business.

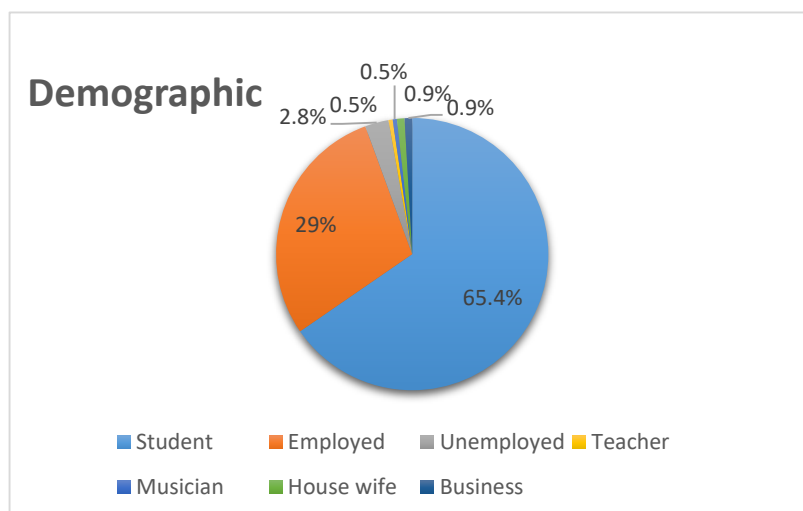
**Figure 3.1.1(a)** Pie chart depicting gender percentage



**Figure 3.1.1 (b)** Pie chart depicting Age percentage



**Figure 3.1.1 (c)** Pie chart depicting gender percentage



### 3.1.2 PERCENTAGE ANALYSIS BASED ON RATING: NIKE & ADIDAS

Table 3.6 Table showing percentage analysis result

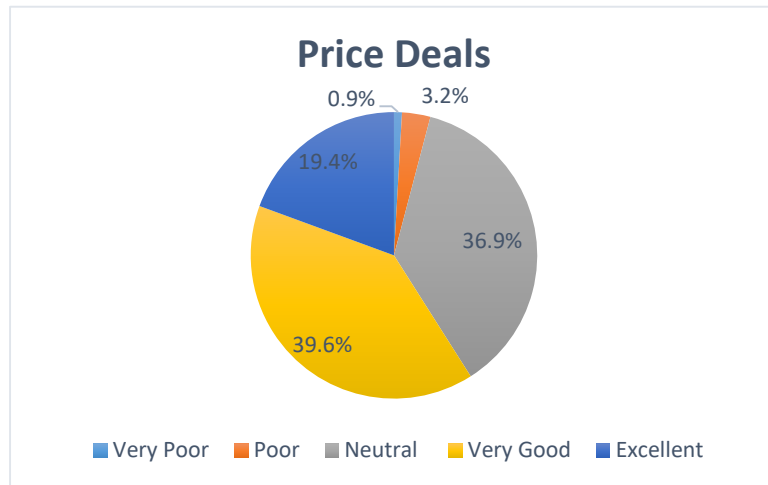
Nike		Number Of Respondents	Percentage
Price Deals	Very Poor	2	.9
	Poor	7	3.2
	Neutral	80	36.9
	Very Good	86	39.6
	Excellent	42	19.4
Total		217	100 %
High Quality	Very Poor	0	0
	Poor	2	.9
	Neutral	30	13.8
	Very Good	72	33.2
	Excellent	113	52.1
Total		217	100 %
Social Media Presence	Very Poor	0	0
	Poor	3	1.4
	Neutral	33	15.2
	Very Good	79	36.4
	Excellent	102	47.0
Total		217	100 %
Customer Service	Very Poor	0	0
	Poor	3	1.4
	Neutral	69	31.8
	Very Good	85	39.2
	Excellent	60	27.6
Total		217	100 %
Advertisement Presence	Very Poor	2	.9
	Poor	3	1.4
	Neutral	41	18.9
	Very Good	78	35.9
	Excellent	93	42.9
Total		217	100 %

Adidas		Number Of Respondents	Percentage
Price Deals	Very Poor	4	1.8
	Poor	1	.5
	Neutral	56	25.8
	Very Good	88	40.6
	Excellent	68	31.3
Total		217	100 %
High Quality	Very Poor	1	0.5
	Poor	0	0
	Neutral	25	11.5
	Very Good	77	35.5
	Excellent	114	52.5
Total		217	100 %
Social Media Presence	Very Poor	1	.5
	Poor	1	.5
	Neutral	42	19.4
	Very Good	72	33.2
	Excellent	101	46.5
Total		217	100 %
Customer Service	Very Poor	1	.5
	Poor	2	.9
	Neutral	55	25.3
	Very Good	87	40.1
	Excellent	72	33.2
Total		217	100 %
Advertisement Presence	Very Poor	4	1.8
	Poor	2	.9
	Neutral	39	18.0
	Very Good	74	34.1
	Excellent	98	45.2
Total		217	100 %

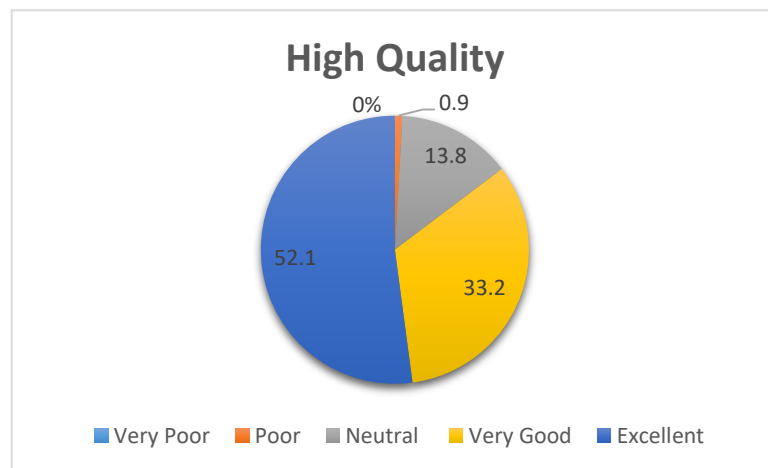
From the above mentioned table, based on “Price deals” Adidas has a higher preference with 40.6%. Based on “High quality” Adidas has a higher preference with 52.5%. Based on “Social Media” Nike has a higher preference with 46.5%. Based on “Customer service” Adidas has a higher preference with 46.5%. Based on “Advertisement presence” Adidas has a higher preference with 45.2%.

# NIKE

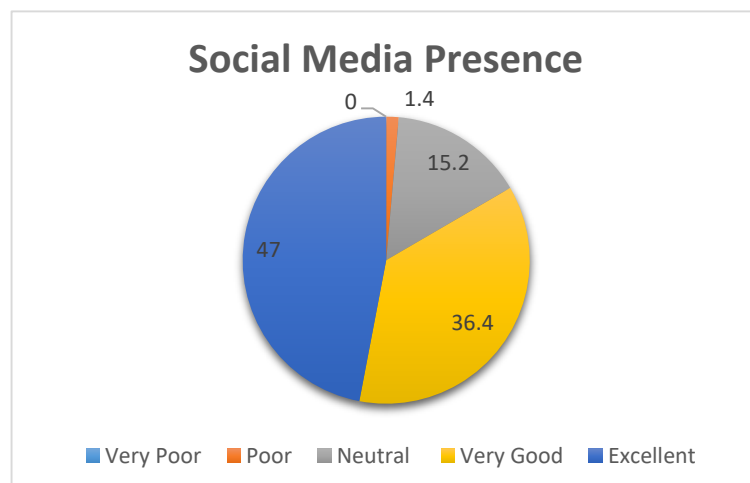
**Figure 3.1.2(a)** Pie chart depicting price deals of Nike



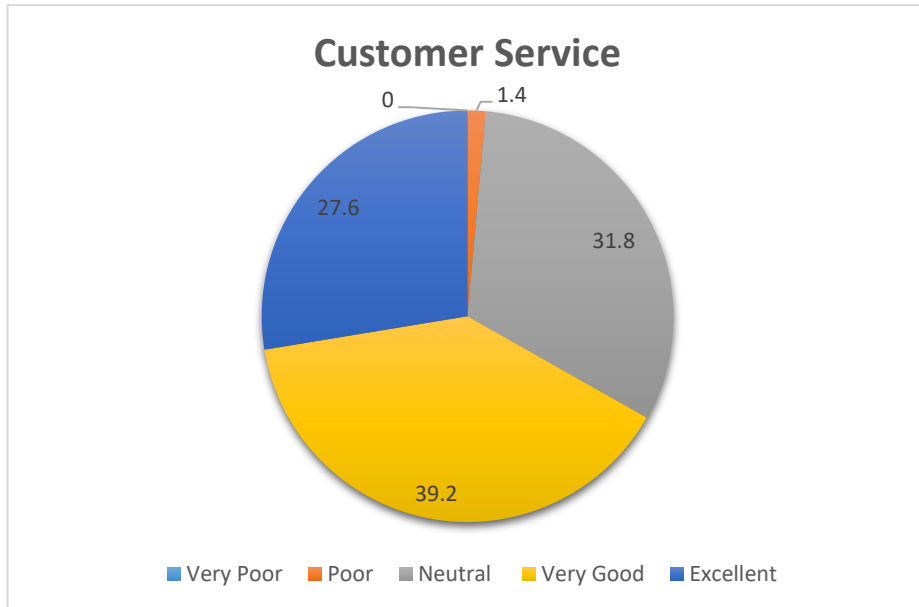
**Figure 3.1.2 (b)** Pie chart the Quality of Nike



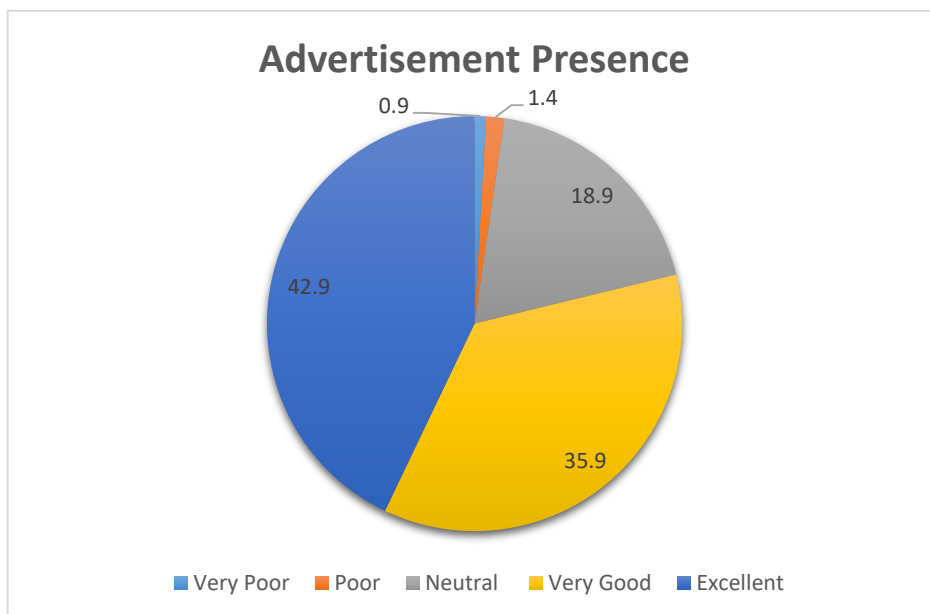
**Figure 3.1.2 (c)** Pie chart depicting Social Media Presence of Nike



**Figure 3.1.2 (d)** Pie chart depicting Customer Service

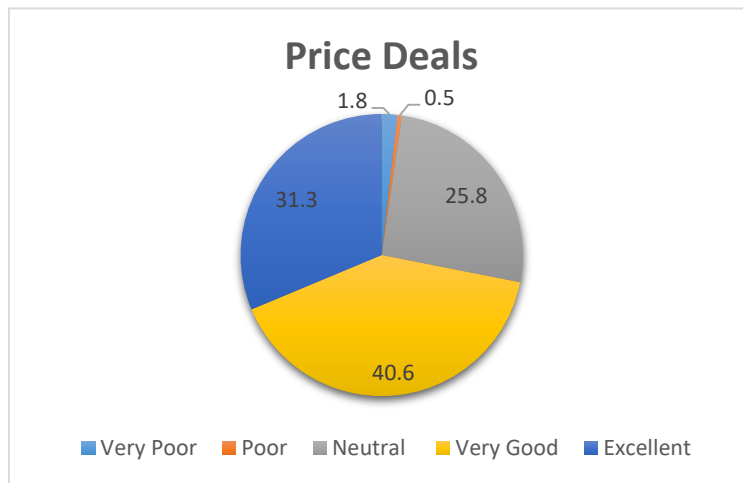


**Figure 3.1.2 (e)** Pie chart depicting Advertisement Presence

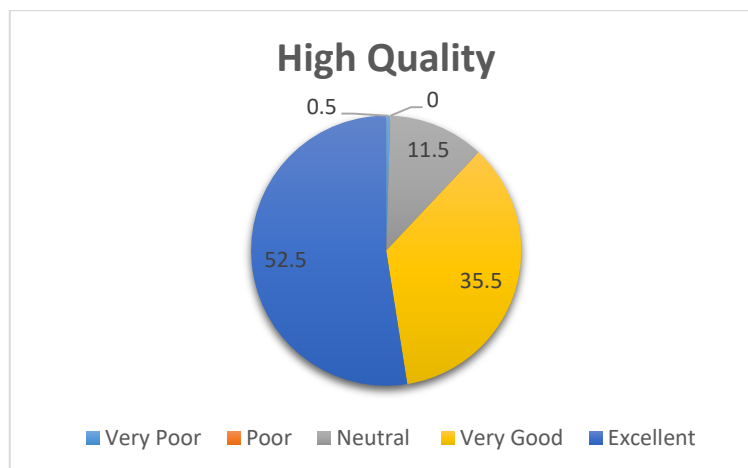


# ADIDAS

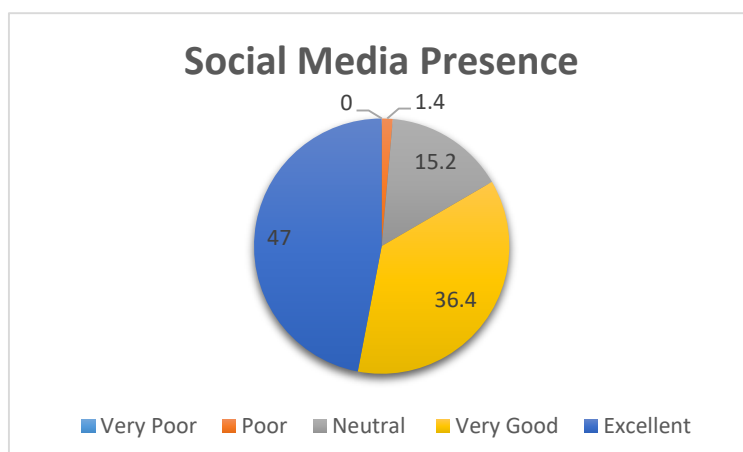
**Figure 3.1.2 (f)** Pie chart depicting Price Deals of Adidas



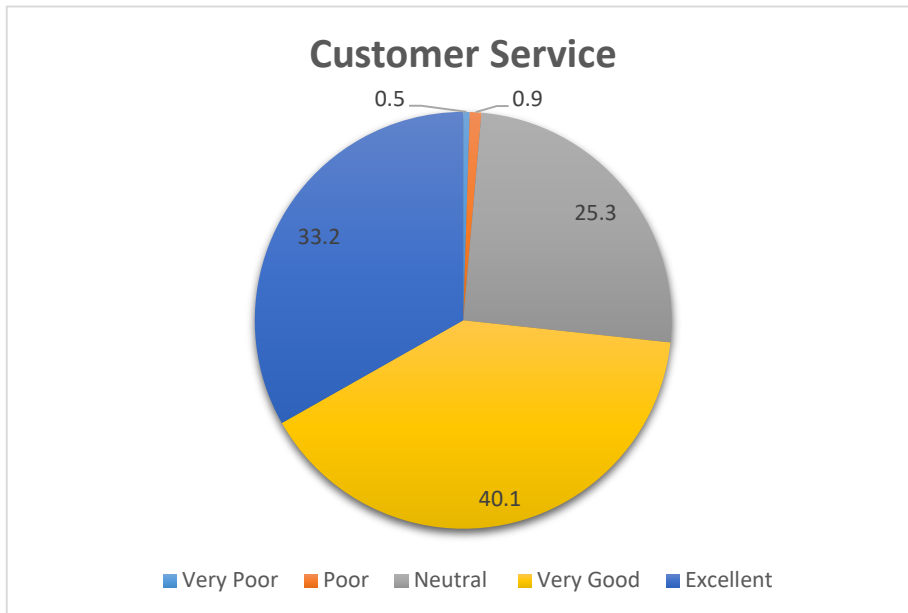
**Figure 3.1.2 (g)** Pie chart depicting Quality of Adidas



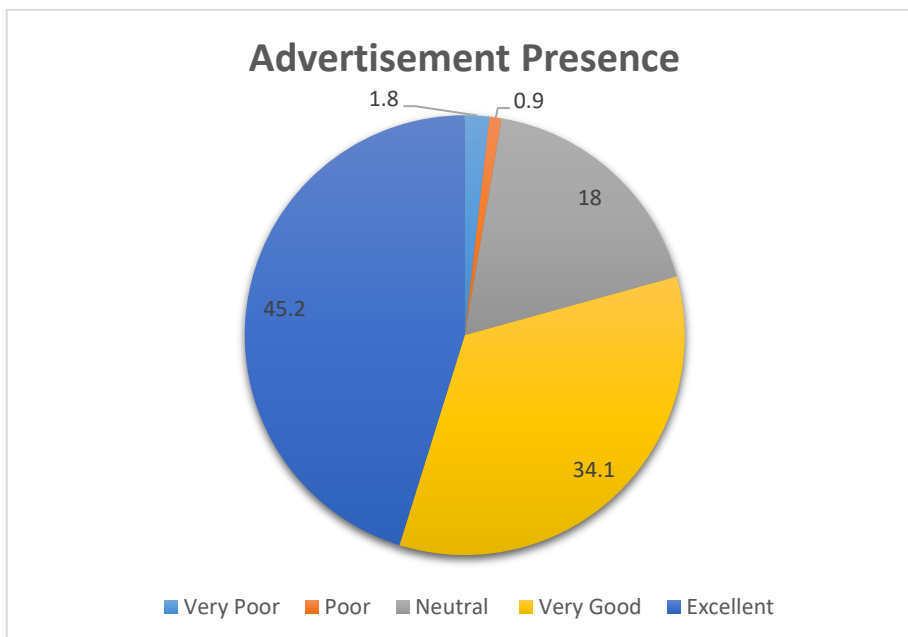
**Figure 3.1.2(h)** Pie chart depicting Social Media Presence of Adidas



**Figure 3.1.2 (i)** Pie chart depicting Customer Service of Adidas



**Figure 3.1.2 (j)** Pie chart depicting Advertisement Presence of Adidas





## 3.2 CHI-SQUARE TEST AND CROSS TABULATION RESULT

### 3.2.1 ASSOCIATION BETWEEN FREQUENCY PURCHASES BASED ON INDIVIDUAL PERCEPTIONS

H1: There is a significant relationship between frequency purchases based on individual perceptions

Chi-square test compares the means of two non-parametric variables in order to determine whether there is a statistical evidence that the associated population means are significantly associated. Here, it is used to verify an association between Frequency purchases based on Individual Perceptions

*Table 3.2.1 table showing association between frequency purchases based on individual perception*

Chi-Square Tests			
	Value	Df	Asymptotic Significance (2-sided)
Pearson Chi-Square	26.524 <sup>a</sup>	15	.033

From table 3.2.1, Analysis of data using Chi-square test revealed that the frequency of relation between frequency purchases based on individual perceptions is .033 which is  $> .05$ , hence it is significant. That is from this test we can understand that there is a significant relationship between how often you buy shoes and who generally buys shoes for you. Hence the alternate hypothesis is accepted. Therefore, the relationship is positive.

### 3.2.2 ASSOCIATION BETWEEN OCCUPATION AND THE URGE TO BUY

H2: There is a significant relationship between occupation and the urge to buy

Chi-square test compares the means of two non-parametric variables in order to determine whether there is a statistical evidence that the associated population means are significantly associated. Here, it is used to verify an association between Frequency purchases based on Individual Perceptions

Table 3.2.2(a) table showing association between occupation and the urge to buy

Chi-Square Tests			
	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	66.782 <sup>a</sup>	24	.000

From Table 3.2.2, Analysis of data using Chi-square test revealed that the frequency of relation between occupation and urge to buy is .000 which is  $> .05$ , hence it is significant. That is the purchase decision of a new pair of shoes is based on the customers occupation that is employed, unemployed, student and others.

That is from this test we can understand that there is a significant relationship between the occupation and the urge to buy a new pair of shoes. Hence the alternate hypothesis is accepted. Therefore, the relationship is positive.

### 3.3 T-TEST RESULTS

The independent samples t-test is a parametric test that is carried out to compare means of two independent groups in order to determine whether there is statistical evidence that the associated population means are significantly different.

### 3.3.1 DIFFERENCE BETWEEN CHOOSING A PAIR OF SPORT SHOES AND GENDER

H3: There is a significant relationship between choosing a pair of sport shoes and gender

*Table 3.3.1 Table showing the t-test result of difference between genders and choosing a pair of sport shoes*

Group Statistics					
	Gender	N	Mean	Std. Deviation	Std. Error Mean
How Important are the following while choosing a pair of sport shoes [Style ]	Male	90	4.54	.673	.071
	Female	127	4.42	.623	.055
How Important are the following while choosing a pair of sport shoes [Durability ]	Male	90	4.42	.779	.082
	Female	127	4.69	.512	.045
How Important are the following while choosing a pair of sport shoes [Comfort]	Male	90	4.72	.750	.079
	Female	127	4.80	.419	.037
How Important are the following while choosing a pair of sport shoes [Price ]	Male	90	4.28	.848	.089
	Female	127	4.41	.659	.058

Hence in the table 3.3.1, the mean indicates that Male prefers Style while choosing a pair of Sport shoes and Female prefers Price, Comfort and Durability while choosing a pair of sport shoes. Therefore, when focusing on female customers, the organisation must consider the products' cost, comfort, and durability. However, while marketing to male customers, the company must focus on style. Adidas and Nike must therefore target according to the gender and their preferences.

### 3.3.2 DIFFERENCE BETWEEN PURCHASE PREFERENCE OF THE BRAND AND GENDER

H4: There is a significant relationship between purchase preference of brand and gender

Table 3.3.2 Table showing the t-test result of difference between genders and purchase preference

Group Statistics					
	Gender	N	Mean	Std. Deviation	Std. Error Mean
Mean preference Nike	Male	90	4.1111	.74116	.07812
	Female	127	4.0630	.79431	.07048
Mean preference Adidas	Male	90	4.3000	.82721	.08720
	Female	127	4.0000	.84515	.07500

Hence in the table 3.3.2, the mean indicates that Male has much more purchase preferences towards Nike and Adidas and female has lesser purchase preference towards Nike and Adidas. Therefore, both Nike and Adidas must cater to male preferences while also finding a method to adapt by driving up demand from women for those products.

### 3.3.4 DIFFERENCE BETWEEN MEDIA INFLUENCE ON PURCHASE DECISION AND GENDER

H5: There is a significant relationship between media influence of purchase decision and gender

Table 3.3.4 Table showing the t-test result of difference between genders and media influence on purchase decision

Group Statistics					
	Gender	N	Mean	Std. Deviation	Std. Error Mean
How likely are the following media to influence your purchase decision [Internet]	Male	90	4.44	.766	.081
	Female	127	4.27	.971	.086
How likely are the following media to influence your purchase decision [Television]	Male	90	3.20	1.144	.121
	Female	127	3.02	1.137	.101
How likely are the following media to influence your purchase decision [Magazine]	Male	90	3.03	1.126	.119
	Female	127	2.87	1.175	.104
How likely are the following media to influence your purchase decision [Newspaper]	Male	90	2.86	1.195	.126
	Female	127	2.61	1.142	.101
How likely are the following media to influence your purchase decision [Other]	Male	90	3.31	1.233	.130
	Female	127	3.28	1.247	.111

Hence in the table 3.3.4, It is proven that Male is concerned during media influence of purchase decision on the basis of Internet, Television, Magazine, Newspaper and others and Females have no media influence of purchase decision. Therefore the organisation has to look into the media influence when targeting the male customers and find options or strategies that can affect the purchase decision of women through media influences that is internet, television, magazine, newspaper, others.

### 3.4 A-NOVA TEST RESULT

#### 3.4.1 RELATIONSHIP BETWEEN CHOOSING PAIR OF SPORTS SHOES AND AGE

One-Way ANOVA ("analysis of variance") compares the means of two or more independent groups in order to determine whether there is statistical evidence that the associated population means are significantly different. One-Way ANOVA is a parametric test.

H6: There is a significant relationship between choosing a pair of sport shoes and age

*Table 3.4.1 Table showing the A-Nova test result of relationship between ages and choosing a pair of sport shoes*

		ANOVA				
		Sum of Squares	df	Mean Square	F	Sig.
How Important are the following while choosing a pair of sport shoes [Style]	Between Groups	2.235	3	.745	1.807	.147
	Within Groups	87.821	213	.412		
	Total	90.055	216			
How Important are the following while choosing a pair of sport shoes [Comfort]	Between Groups	1.358	3	.453	1.356	.257
	Within Groups	71.121	213	.334		
	Total	72.479	216			
How Important are the following while choosing a pair of sport shoes [Durability]	Between Groups	1.586	3	.529	1.262	.288
	Within Groups	89.253	213	.419		
	Total	90.839	216			
How Important are the following while choosing a pair of sport shoes [Price]	Between Groups	1.127	3	.376	.675	.568
	Within Groups	118.551	213	.557		
	Total	119.677	216			

The above Table 3.4.1, through this relationship between choosing pair of sports shoes and age. Style, Comfort, Durability and price has no any significance difference with the age. This shows that style has no significant relationship with the age, comfort has no significant relationship with age, durability has no significant relationship with age and price has no relationship with the age. That means age does not affect when choosing a pair of sport shoes.

### 3.4.2 RELATIONSHIP BETWEEN MEDIA INFLUENCE ON PURCHASE DECISION AND AGE

H7: There is a significant relationship between media influence on purchase decision and age

*Table 3.4.2 Table showing the A-Nova test result of relationship between age and media influence on purchase decision*

#### ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
How likely are the following media to influence your purchase decision [Internet]	Between Groups	1.444	3	.481	.598	.617
	Within Groups	171.321	213	.804		
	Total	172.765	216			
How likely are the following media to influence your purchase decision [Television]	Between Groups	19.576	3	6.525	5.317	.001
	Within Groups	261.392	213	1.227		
	Total	280.968	216			
How likely are the following media to influence your purchase decision [Magazine]	Between Groups	19.014	3	6.338	5.015	.002
	Within Groups	269.207	213	1.264		
	Total	288.221	216			
How likely are the following media to influence your purchase decision [Newspaper]	Between Groups	25.915	3	8.638	6.845	.000
	Within Groups	268.794	213	1.262		
	Total	294.710	216			
How likely are the following media to influence your purchase decision [Other]	Between Groups	3.126	3	1.042	.677	.567
	Within Groups	327.998	213	1.540		
	Total	331.124	216			

The above Table 3.4.2, through this relationship between media influence of purchase decision and age Internet and “Others” does not have a significance difference but television has significance difference of .001, Magazine .002 and Newspaper .000 has a greater significance difference. That means Internet, Television, Magazine and Newspaper can affect the purchase decision based on age and other’s does not affect the purchase decision based on age.

### 3.5 COMPARITIVE MEAN ANALYSIS

*Table 3.5 showing comparative mean analysis of Gifting Adidas and Nike*

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Gift Adidas	217	2.00	5.00	4.0737	.80743
Gift Nike	217	2.00	5.00	4.0829	.85122
Valid N (list wise)	217				

Based on the above table people prefer to gift Nike (4.0829) more than Adidas (4.0737). Which means customers like to prefer gifting Nike more than Adidas to people.

**CHAPTER FOUR**  
**FINDINGS, SUGGESTIONS AND**  
**CONCLUSION**



## 4.1 LIST OF FINDINGS

From the above analysis we have found that

1. A population of 217 respondents was surveyed which constitutes population around the age 14- 45 and above years. 71.0% respondents were of age between 14-24 which is the age group with maximum respondents, 17.1% of population surveyed were of age group 25- 34 years, 7.4% of the population surveyed were of the age group of 35-44 years and 4.6% of the population surveyed were of the age group of 45 and above.
2. By doing a comparative percentage analysis on Nike and Adidas to know the preference of their products related to different factors we came into the conclusion that, based on “Price deals” Adidas has a higher preference with 40.6%. Based on “High quality” Adidas has a higher preference with 52.5%. Based on “Social Media” Nike has a higher preference with 46.5%. Based on “Customer service” Adidas has a higher preference with 46.5%. Based on “Advertisement presence” Adidas has a higher preference with 45.2%.
3. Maximum respondents i.e., 58.5% of respondents were female and 41.5% of respondents were male.
4. Among the 217 respondents that was surveyed students had the maximum response with 65.4%, 29% response from Employees, 2.8% response from Unemployed individuals, 0.5% response from Teacher and Musician and 0.9% response from house wife and individuals owning business.
5. Out of 217 respondents, 62.7% buys shoes for themselves, 32.3% parents buy shoes for them, 2.8% siblings buy shoes for them, 1.4% husband buys shoes for them and 0.5% both wife and children buys shoes for them.
6. Among the 217 respondents that was surveyed 30% spend the pair of shoes with the rate between 500-1500, 30.9% with the rate between 1500-2500, 24.4% between the range of 2500-3500 and 14.7 % with the rate of 3,500 and above
7. Among the 217 respondents that was surveyed 22.6% buy shoes occasionally, 24% after 6 months, 31.8% yearly, 21.7% in more than 2 years.

8. Out of 217 respondents, 16.6% urges people to buy through social trends, 24% through events, 50.2% through lifestyle, 4.1% through comfort, 5.1% when it's worn out.
9. Out of 217 respondents, 15.2% people prefer to buy same brand of shoes and 53.5% of people does not prefer same brand of shoes
10. Based on table 3.2.1 Analysis of data using Chi-square test revealed that the frequency of relation between frequency purchases based on individual perceptions is .033 which is  $> .05$ , Hence there is a significant difference.
11. According to table 3.2.2 it was noted that people buy shoes based on social trends, events, lifestyles, for comfort or when it's worn out. While doing a Chi-square test to analyse the association between occupations and urge to buy it was noted that the test revealed that the frequency of relation between occupation and urge to buy is .000 which is  $> .05$ , hence there is a significant difference.
12. Based on a study the difference between choosing a pair of sport shoes and gender. A t-test was conducted and it was clear that Male is concerned while choosing a pair of sport shoes on the basis of Style and Female is concerned while choosing a pair of sport shoes on the basis of Price, Comfort, and Durability.
13. Based on a study the difference between purchase preference of the brand and gender. A t-test was conducted and it is proven that Male has more purchase preference towards Nike and Adidas. Female has lesser Purchase preference towards Nike and Adidas
14. Based on a study the difference between Media influence of the purchase decision and gender. A t-test was conducted and it was clear that Male is concerned during media influence of purchase decision on the basis of Internet, Television, Magazine, Newspaper and others and Females have no media influence of purchase decision
15. Table 3.4.1 shows one- way ANOVA perform the relationship between choosing a pair of sport shoes and age there is no significant difference in style, comfort, durability and price.

16. Table 3.4.2 shows one- way ANOVA that performs the relationship between media influence of purchase decision and age. “Internet” and “Others” does not have a significance difference but television has significance difference of .001, Magazine .002 and Newspaper .000 has a greater significance difference.
17. By doing comparative mean analysis based on *Table 3.5* (people prefer to gift Nike (4.0829) more than Adidas (4.0737) with the Mean

## 4.2 SUGGESTIONS

1. According to the above survey, men like to buy Nike and Adidas more than women do. Women are less likely to buy Nike and Adidas products. As a result, Nike and Adidas can introduce a variety of products targeted at women. Thus, female buyers will increasingly prefer certain products that is based on Price, Comfort, Durability and Style.
2. It was noted that Male is concerned during media influence of purchase decision on the basis of Internet, Television, Magazine, Newspaper and others and Females have no media influence of purchase decision Therefore Nike and Adidas can identify the platform that females are highly engaging in and promote the products so that brings a reach to the females.
3. It was noted that from the above survey. “Internet” and “Others” does not have a significance difference but television, Magazine, Newspaper has a greater significance difference. Therefore the organisation Nike and Adidas can focus on Internet that is through various social media platforms that is Instagram, Facebook etc. Various promotional activities can be used through the internet as internet plays a great role in the market.
4. People prefer to gift Nike more than Adidas due to the greater social media presence. Therefore, Adidas has to target on the social media presence. Social media presence help in reaching a huge mass through a single easy source. Social media is a widely acceptable way of reaching any audience.

5. Nike should concentrate more on price deals, quality, customer service, and Advertisement presence as through the study it was found that Adidas has more reach. Therefore, Nike has to aim towards various marketing tools to bring in customers.
6. Adidas may invest more in research and development to find more environmentally friendly materials to create their products, such as the Adidas Future craft Bio fabric, a biodegradable running shoe, which is now under development.
7. Nike can establish new marketing agreements with firms like Facebook, Google etc. in order to counteract the negative effects of competitors and counterfeit sporting goods.
8. Adidas limited product line is its primary market. Adidas has not yet decided to broaden its product line despite diversification across several price ranges and overseas markets. Adidas currently sells sportswear products with an emphasis on footwear virtually exclusively. Although it is difficult to picture the sportswear business being even smaller, it is not difficult to envision new competitors pushing their way onto the scene and taking market share from Adidas. If Adidas were more diversified in the products it offers, it would be less shaken by market changes or new competitors
9. Adidas has invested very little in securing celebrity endorsements for its products. This is objectively a weakness, since it has led to Adidas constantly lagging behind Nike in terms of growth. While the Adidas brand is strong enough as it is now, there's no doubt that paid endorsements could only improve it. It's also worth noting that endorsements not only increase brand value, but they also drive sales directly
10. Nike has not significantly diversified itself across other industries, despite being somewhat diversified within the footwear industry itself. Nike should think about expanding their horizons to understand more of the customer perceptions, despite the likelihood that the footwear sector will endure.
11. As countries across the world become wealthier and wealthier, citizens in developing countries have more disposable income. In areas such as South East Asia, growing disposable incomes present an opportunity for new markets in which to sell products. If Nike is able to market themselves in these emerging markets, they could grow their reach and reduce dependence on the US market.

12. As Technology is advancing Adidas can continually investing in the development and manufacture of new materials that can be used in sportswear, Adidas may be able to offer a superior product to its competitors. For example, Adidas could invest in developing new, breathable fabrics to keep sportspeople extra-cool in the summer, or various gums and rubbers to improve the reaction of running shoes with each step. That is by bringing various strategies related to current technology advancement with other companies competitors like Nike.
13. As technology develops Adidas may be able to provide a better product than its rivals if it continues to spend in the development and production of new materials that may be utilised in sportswear. For instance, Adidas may spend money on creating new, breathable materials to keep athletes extra-cool in the summer or different gums and rubbers to enhance how quickly running shoes respond to each step. This is done by bringing various technologically oriented techniques to work on rival businesses like Nike.
14. Consumers are becoming more ecologically conscious, and they expect their favourite businesses to share these values. As a result, Nike has to take measures to guarantee that its business upholds these ideals, one of which is to encourage the use of recycled and sustainable materials in its products. For instance, the business could start urging clients to recycle their used clothing and to send in their worn-out shoes for repair.
15. The growth of e-commerce and digital retailing presents an opportunity for Adidas to reach a wider customer base and increase sales. The company can leverage digital channels to improve customer engagement and provide a seamless shopping experience.
16. Adidas can open up new markets and clients by utilising its solid alliances and partnerships with other businesses, sports leagues, and players. This might support the business's efforts to grow by raising brand familiarity and awareness.
17. Although Nike essentially controls the footwear sector, there is still room for it to lead in other industries. Moving forward, it might continue to rely on its solid reputation for excellence in other product lines or even produce new items that fill new niches.

## 4.3 CONCLUSION

From the research, Comparative Market Strategy of Nike and Adidas and the various factors that influence the customers was studied. International sports shoe manufacturers Nike and Adidas have found high sales by implementing the proper marketing strategies. Businesses that produce sporting goods, such as clothing, footwear, and other equipment, need to properly promote their goods. Despite the industry's growing market, certain worldwide businesses in the sector use unique marketing techniques to succeed.

It was observed through this research that they advertise their products using an integrated marketing strategy. This marketing tactic combines various marketing techniques to create a plan that can successfully compete with its rivals. It combines direct marketing, personal selling, public relations, and advertising. When implementing the tactics, the businesses communicate with their target customers utilising social media, radio, and television.

The Value-for-Money philosophy has always been the driving force behind both Adidas and Nike. The company needs to pinpoint its crucial success factory and strive tirelessly to realise it. There will be many issues that cannot be resolved as the world unites.

From this Research I have concluded the following points:-

- Male has more purchase preference towards Nike and Adidas. Female has lesser Purchase preference towards Nike and Adidas.
- Male is concerned while choosing a pair of sport shoes on the basis of Style and Female is concerned while choosing a pair of sport shoes on the basis of Price, Comfort, and Durability.
- People prefer to gift Nike more than Adidas

Thus, from this inferences the organisation Nike and adidas can bring in changes or modifications to their marketing strategies that will improve customer experience and enable them to compete with other companies as well as with one another.

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## ANNEXURE

### 1. Name

\_\_\_\_\_

### 2. Gender

*Mark only one circle.*

Male

Female

Other: \_\_\_\_\_

### 3. Age

*Mark only one circle.*

14 - 24

25 - 34

35 - 44

45 and Above

### 4. Occupation

*Mark only one oval.*

Student

Employed

Unemployed

Other: \_\_\_\_\_

### 5. Who generally buys shoes for you?

*Mark only one oval.*

- Yourself
- Parents
- Siblings
- Other: \_\_\_\_\_

### 6. How much would you spend on a pair of sports shoes?

*Mark only one oval.*

- 500 - 1500
- 1500 - 2500
- 2500 - 3500
- 3500 or more

### 7. How often do you buy a pair of shoes?

*Mark only one oval.*

- Occasionally
- After 6 months
- Yearly
- More than 2 years

### 8. What urges you to buy a new pair of shoes?

*Mark only one oval.*

- Social Trends
- Events
- Lifestyle
- Other: \_\_\_\_\_

9. Do you always prefer same brand of shoes?

*Mark only one oval.*

Yes

No

Maybe

10. How important are the following while choosing a pair of sport shoes

*Mark only one oval per row.*

	Very Important	Important	Neutral	Not Important	Least Important
Style	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Comfort	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Durability	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Price	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

11. How likely are the following media to influence your purchase decision

*Mark only one oval per row.*

	Very Likely	Likely	Neutral	Not Likely	Least Likely
Internet	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Television	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Magazine	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Newspaper	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

12. Have you purchased Nike shoes?

*Mark only one oval.*

Yes

No

13. How do you rate the following aspects of Nike?

*Mark only one oval per row.*

	Excellent	Very Good	Neutral	Poor	Very Poor
Price Deals	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
High Quality	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Social Media Presence	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Customer Service	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Advertisement Presence	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

14. Have you purchased Adidas shoes? \*

*Mark only one oval.*

Yes

No

15. How do you rate the following aspects of Adidas? \*

*Mark only one oval per row.*

	Excellent	Very Good	Neutral	Poor	Very Poor
Price Deals	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
High Quality	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Social Media Presence	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Customer Service	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Advertisement Presence	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

16. Rate your purchase preference of the following brand

*Mark only one oval per row.*

	Very High	High	Neutral	Low	Very Low
Nike	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Adidas	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

17. How likely are you to gift the following brand

*Mark only one oval per row.*

	Very High	High	Neutral	Low	Very Low
Nike	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Adidas	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

18. Which Brand do you prefer for the following factors given below

*Mark only one oval per row.*

	Adidas	Nike
Sports Wear	<input type="radio"/>	<input type="radio"/>
Casual Wear	<input type="radio"/>	<input type="radio"/>

### 19. How would you rate yourself?

*Mark only one oval per row.*

	1 (Lowest)	2	3	4	5 (Highest)
Confidence	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Undefeated	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Active Lifestyle	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Cool	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>