

MEMO

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Subject: Social Media in the Sports Fashion Industry

INTRODUCTION

Executive Summary

Social media has become our future of communication from posting photos, making calls, and a form of entertainment. It is used on a regular basis by college clubs, businesses, news channels, and people of all ages. Social media is also a resource for employment as job postings are updated by companies which connect bridges between candidates and recruiters. This in-depth analysis provides clear insights into an industry's usage of social media to advertise themselves through different trends that can be both current or past based on the target audience. Utilizing these trends, we are researching how social media benefits the industry and how it can be better incorporated to solve the problems faced in the industry.

In this report, our team will analyze the usage of social media in the sports fashion industry. The companies that we will be focusing on are: Nike, Adidas, and Lululemon. Our objective is to analyze the companies we selected and rank them on four different functions which are Marketing & Sales, Careers & Recruitment, and Global Presence & Cultural Accommodation. While focusing on these four functions, we are ranking the social media presence of each sports fashion company on a scale of 1 to 5 with 1 being the lowest rating denoting to unsatisfactory and 5 being the highest rating denoting to outstanding.

FUNCTIONS

Marketing/Sales

In order for any company to get their brand into customers, they have to market themselves properly. Social media is the right tool to get this task done with quick reach if the ideas click with those who view the activity posted. It is really cost effective because businesses can invest any amount of their budget and still walk out with solid marketing advertisements like a reel, video, photo, or cover page. It has made marketing easier and more accessible regardless of social class and financial stability from the old commercial and billboards to today's toys and stickers starting from the younger audience who grow up with these memories. These are just a few examples of how social media integrates. As technology enriches, there is always be a handful of market techniques to promote products in a large scale.

Mostly all of the companies that we researched succeed in this department with Nike in the top position with a rating of 5, Adidas in second place with a rating of 4.5, and Lululemon in last place with a rating of 3.5. As expected, Nike is the leader of the sports fashion market so it is expected that they have done research on a strong marketing system and constantly innovating to evolve the process. Overall, all of the companies are strong with Lululemon expected to improve in the coming years.

Careers & Recruitment

Recruitment is a major factor for a sports fashion company to thrive by not only brings those passionate about sports into the field but also provides opportunities to establish a career. Nowadays, social media has become a resource for employment as employers are taking into account that fact that news can be spread quicker so that their offered positions can be hired at a quick pace. LinkedIn has always been a top destination for employment after Indeed and Glassdoor but now Instagram has also joined in on the race where job applications are posted on the descriptions of their profiles or as posts sent out on a regular basis. As most jobs are targeted at the younger population, sports fashion stores like Adidas, Puma, and Lululemon are utilizing social media especially LinkedIn and Instagram to their advantage of promoting open positions.

Out of the companies researched, Adidas and Nike continue to be neck-to-neck with a rating of 4 as they found their successful resource of employment that has brought in several interested students. Nike's website has found several visitors on a daily basis due to the manner in which it is designed with captivating images of fashion items that grasps viewers attention. On the other hand, with Lululemon, being new on into the market, is still working on this functions along with all others we discussed in the report so we rated it a 3.5 due to its IDEA and several internship opportunities that they offer even though the opportunities are complained about for their hostile treatment.

Global Presence & Cultural Accommodation

Sports fashion companies have a presence globally with different sports being popular in countries worldwide. Nike, Adidas, and Vans tend to be the popular names we hear in the market with other brands like Puma and Sketchers slowly catching up with the market trend of the customers. As sports fashion companies expand internationally, they have to consider the cultural spectrum in the countries they are doing business in so that they can tailor their products with those customers allowing to create a personal connection with them. Some examples include: partnering up with local celebrities, creating separate accounts per location's customer base, and utilizing native languages on their marketing campaigns which always spreads quickly due to cashing in on the popularity of both the language and the celebrities approached. In order to appeal to different audiences, these are some criteria that they should consider and make adjustments to as regional cultural trends change rapidly from time to time.

In the companies we researched, both Nike and Adidas occupied a strong global presence which led us rate a 5 to both companies because they have been established for over 60 years to attain this global status. On the other hand, Lululemon comes in last with a rating of 3 because they are still working on their global as they are still new to the market being based in Canada which has different marketing patterns.

OVERALL

Social media plays a big role in marketing in several different industries while also transforming

our communication. Today, we use it for regular interactions related to both career-related and personal communication. Companies that have not made themselves accessible on social media should take the time to become open to all different types of markets which allows them to make more out of their products and promote themselves worldwide. They might not also lose out on potential customers for not possessing this quality as it is one that anyone today expects from all businesses that they shop at. Overall, the sport fashion industry is one industry that social media has further enriched and has continued to do as new styles are brought into the market. The three functions that we discussed include Sales & Marketing, Careers & Recruitment, and Global Presence & Cultural Accommodation. Each function is really important in customers' minds of looking into brands and further traveling with them. The overall rankings of our companies researched include: Nike (1st), Adidas (2nd), and Lululemon (3rd).

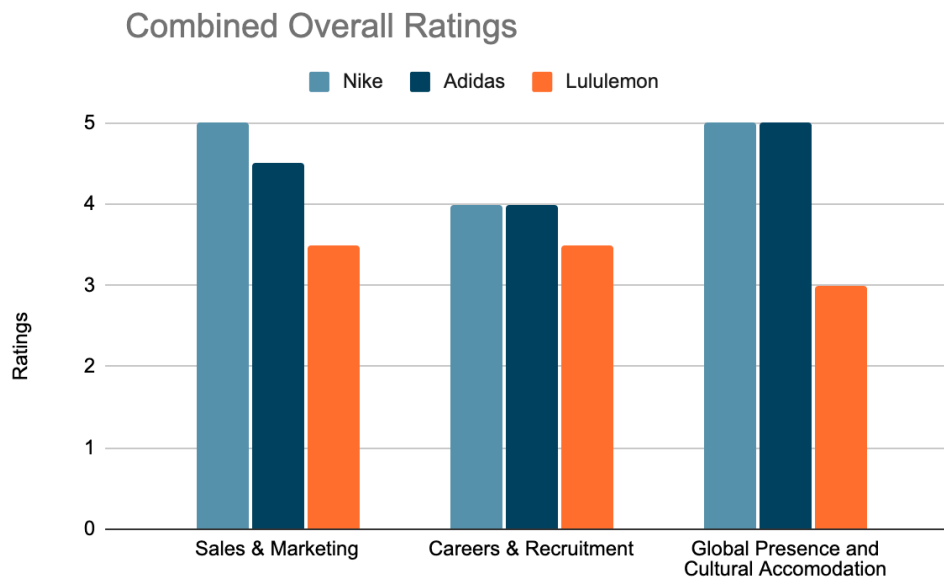


Figure 1. Our Companies' Ranks in each Function

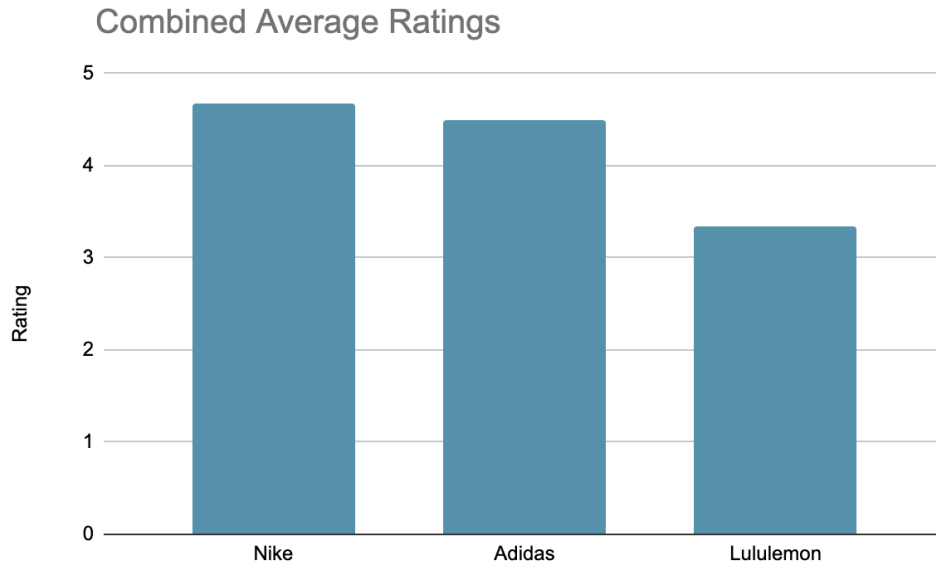


Figure 2. Our Companies' Overall Ranks



BACKGROUND

Nike, Inc., established in 1964 by Bill Bowerman and Phil Knight as Blue Ribbon Sports and rebranded in 1971, is a global leader in designing, manufacturing, and marketing athletic footwear, apparel, and equipment. Based in Beaverton, Oregon, Nike is known for its iconic “Swoosh” logo and the famous “Just Do It” slogan. Initially a distributor of Japanese running shoes, Nike quickly expanded by focusing on high-performance footwear and building strong athlete partnerships. Over the years, Nike has been at the forefront of athletic innovation, introducing products like the Air Max and Flyknit lines, while diversifying its offerings across various sports and lifestyle categories. With a powerful marketing strategy and endorsements from major athletes like Michael Jordan, LeBron James, and Serena Williams, Nike has become a globally recognized brand. Now operating in over 170 countries, the company continues to lead in athletic innovation and fashion, while addressing sustainability, labor, and supply chain challenges.

FUNCTIONS

Marketing & Sales: 5

Nike throughout the years has increased their revenue due to their social media presence. Although Nike has had many outstanding innovations, their social media presence plays a big role on why they can market and increase their sales throughout the world. Their knowledge increased throughout the years on how to properly market their new inventions and products throughout their social media, making sure everyone around the world knows who and what Nike is. Nike’s main marketing strategy is promoting on their biggest social media platforms which are Instagram, X, and Facebook. With Instagram having 252 million followers, X (formally known as Twitter) having 9.52 million followers, and Facebook having 36 million followers (Sweta Panigrahi, 2024). One big role that social media can also play for the Nike organization is that they have four different marketing techniques to increase sales, which are: Endorsements, Sponsorships, Regular social media following, and Having emotional branding. Endorsements or in other words signing big time athletes can play a role in how others perceive

your company through social media, this can also bring collaborations with big time athletes/public figures (Sweta Panigrahi, 2024). For example Micheal Jordan is one of the best basketball players of all time, and he is signed to Nike. This brings publicity to the basketball community making others want to buy from this company because Micheal Jordan is only promoting Nike Athletic Company. Sponsorships for athletic teams, or athletic events can also bring publicity to the company. Nike has sponsored many big events, some being the Olympics, The World Cup, and a lot more. An example of this would be Nike officially sponsoring 30 teams in the National Basketball Association, which brings an increase in social media presence and publicity to their company (NYSB, 2024). With all these marketing techniques and the social media presence increasing, their sales have increased every year and has been the number one company in sales and marketing for the past few years.

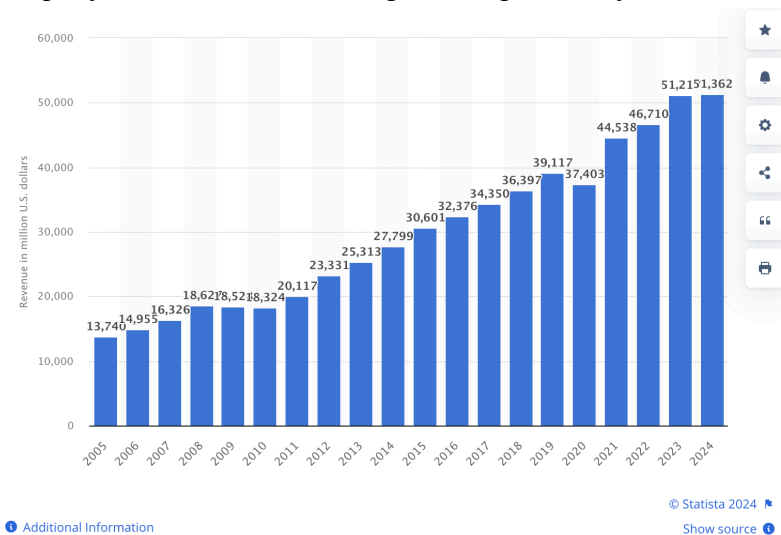


Figure 1: Revenue of Nike from 2005 to 2024, Adapted from “ Nike Revenue 2004-2024, D Tighe, 2024, Nov 6, *Statista*, retrieved from <https://www.statista.com/statistics/241683/nikes-sales-worldwide-since-2004/>

Careers and Recruitment: 4

Nike emphasizes their brand as a career path through one website, which is the Nike Career website. This website is to help those who want to work for this big company and encourage people to apply for jobs around their area. Although they do have a website, the Nike company does not use their social media presence to recruit more workers for their company. Even though Nike does not do this, they still have people that apply for work on their website, still making the jobs that are available very competitive. Nike also maintains their great work environment, with everyone who worked or is currently working for the company, giving good ratings on the company. Without Nike trying to recruit, their social media presence alone makes people want to join this specific athletic company. So although they could improve their recruitment, I would still give them a 4 in careers because they are never short staffed and have a competitive job market.

Global Presence and Cultural Accommodation: 5

Nike's global presence is big due to the fact that their social media is one of the top social media accounts for a single company. Their global presence is big enough where Nike has different accounts and merchandise for specific countries and states. An example of this is the different accounts that Nike has throughout their social media pages, such as; Nike Tokyo, Nike LA, Nike Hong Kong, Nike Berlin, and more. This can be tied into both global presence and cultural accommodation, because in these specific social medias they speak the native language that those in the countries speak, while also having a global presence outside of the state that Nike was first founded in. With this global presence, they also accommodate what the trending products are in those specific countries. Something that Nike does is collaborate with certain people that are popular in those countries. An example of this would be they collaborated with Cristiano Ronaldo for nikefootball, or collaborating with Lebron James for Nikebasketball (Sweta Panigrahi, 2024). Some cultural accommodation that Nike provides is on their social media website, they have people from that country/state represent themselves on their specific social media. This accommodates everyone especially those who live in that specific country.

This was one of the most popular social media commercials that Nike has put out which is showing the diversity of sports and people that Nike has had a huge impact on in the athletic industry. This commercial shows that anyone can do it, and together everyone is stronger. This brings us into the objective that Nike has when it comes to social media. This would be to showcase their new products, promote sporting events that are sponsored by Nike, and to have people push past their limits in sports.

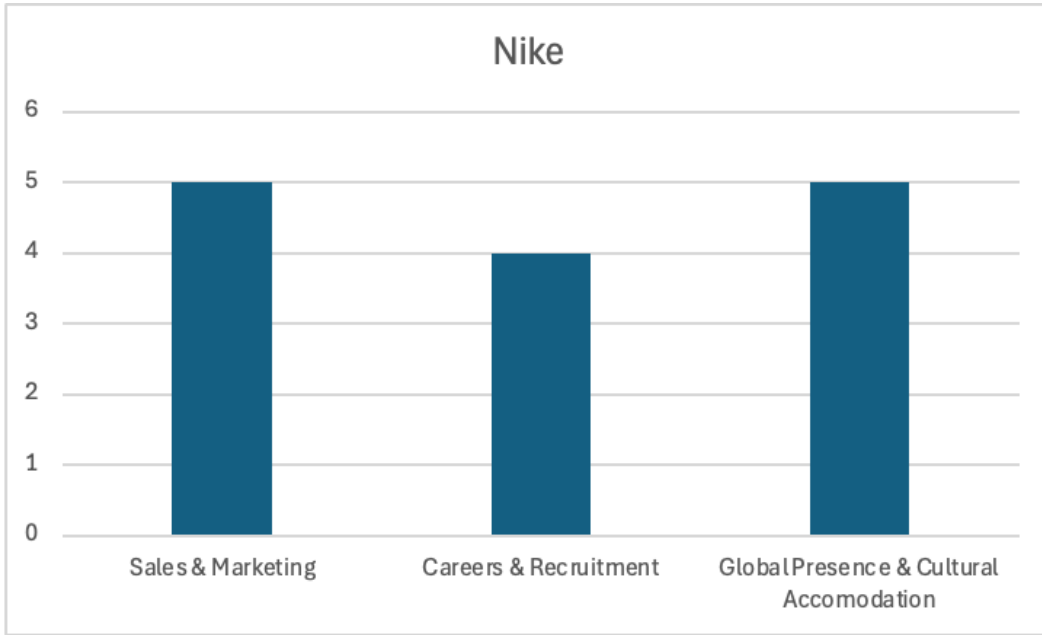
Nike
Case Study

*Nike's "You can't stop us" is
a masterclass in advertising*



With all the social media presence that Nike has, it has led to the increase of demand in their product making them strive in the athletic market. This would increase sales, making their net profit to increase and helping them grow as a company to make new and improved products. But with social media and a high production of products, there are bound to be problems such as customer dissatisfaction with products, defective products, and people slandering the name Nike all together.

GRAPH





BACKGROUND

Initially, in the athletic shoe industry, Adidas was founded in 1949 in Germany by a gentleman named Adolf Dassler. Fast forward to the present day, Adidas is a leading global sportswear manufacturer known for its products highlighted by an iconic three-stripe logo. They have now branched out and begun producing sports equipment, casual apparel, accessories, and various footwear types. They are now a publicly traded company and have a valuation of over \$43 billion as of 2024. One of the main contributors to their success is their utilization of social media. Social media has become an integral part of any modern brand and it can be used to achieve many things. After analyzing the social media of Adidas, there are three strong themes to be highlighted: marketing/sales, careers/recruitment, and global presence/cultural accommodation.

FUNCTIONS

Marketing & Sales: 4.5

Adidas's success over the years has not only been sourced from its innovative products but also through its social media presence. They were able to increase their revenue as social media evolved over time, reaching \$21 billion in 2023 (Tighe, 2023). They leverage their established platform to consistently promote the brand through casual posts and periodic, more complex marketing campaigns. This allows them to communicate with their supporters directly and efficiently. They do this with many different accounts with millions of followers across Instagram, X, and Facebook. This type of promotion is low-cost compared to traditional advertisements and faster than making announcements on other media sources. Because of this, they have been able to boost their exposure exponentially and convert it into more customers and sales. The content that is shared is also very strategic. They have several accounts under their main account with each specializing in a popular aspect of the brand. Adidas sponsors athletes in many different sports and having sport-specific accounts for this allows users to only see content that they are interested in. To illustrate, the Adidas Basketball account allows basketball fans to

only view desirable content, while at the same time, giving Adidas a niche community to share basketball new shoe releases, NBA players wearing gear, and other basketball-related marketing campaigns. (Pereira, 2024). This specialization isn't limited to sports, but they also have accounts for non-athletic apparel, skateboarding, and careers. These accounts also allow targeted marketing for these partnerships so posts can appear more cohesive and less random. Partnerships are also very important to their social media. Across their social media platforms, they can collaborate with public figures to market their products. Fans can see their celebrities wearing Adidas, influencing some of them to purchase the product and boost sales. They do this very well, but not as good as Nike leading to a score of 4.5 out of 5.

Careers & Recruitment: 4

Adidas emphasizes their brand as a career choice through the two platforms, Instagram and LinkedIn. Both platforms share mostly the same information and they share lots of content about Adidas's work life all over the world. This content isn't really geared towards a specific demographic other than the workforce. They attempt to attract workers all over the world and they don't limit their content to one region. With this in mind, they also don't post about one specific professional aspect to their company. For example, in one Instagram post, they posted a group of their new hires and each of them worked in different industries: finance, marketing, and supply chain. Instead of focusing on how an aspect of their business thrives, they mostly show pictures showing off their work culture. They display this positively through pictures of their workers, videos of the office, behind the scenes of certain projects, and the final product of their employees' work. Additionally, they like to show off their standings on how well media companies rank them as an employer. This is evident in a post where they share how Forbes ranked Adidas 25th in the world's top companies for women in 2024. They go further into depth in the caption explaining how 40% of their leadership positions were held by women along with a statement saying it is their goal to raise that number.

Other than the content previously described on the Adidas career Instagram and LinkedIn account, they don't do much more to attract new talent. I believe that they meet the expectations and do a very good job in showing their work culture, but when taking into account the size of the company, there is definitely room for improvement in terms of effort. They only utilize two platforms (Instagram and LinkedIn) and don't post much content consistently. Because of this, I would give Adidas a score of 4 out of 5.

Global Presence and Cultural Accommodation: 5

Adidas has been able to successfully establish itself as one of the world's leading brands and is easily recognizable across the globe.

One of the ways this was made possible is through their global presence and cultural accommodation in their social media. With such a large audience, it can be difficult to appeal to everyone individually, especially when there are huge differences in every population. Adidas realized this and knew it was close to impossible, so they created regional-based communities

through various platforms. This allows them to appeal to each audience individually and produce content that is specifically tailored to a region. For example, Adidas's market in the US will be very different from its market in India due to the difference in societal norms. As a result, they created an Adidas India Instagram to adjust for the differences. This allows them to focus on the most common sports played in India such as cricket, boxing, and wrestling, which are less mainstream in the US. Furthermore, they are also able to collaborate with local celebrities and create posts about them including Bollywood celebrity Ranveer Singh, boxer Zareen Nikhat, and actor Shah Rukh Borgohain. (Panigrahi, 2024). Some of these posts are also shared in the local languages, allowing the country's citizens to connect more personally to the brand. These location-based accounts overall allow followers to receive personalized content and create a stronger appeal toward certain demographics. This is apparent not only in India but also in North Korea, Indonesia, the Philippines, Dubai, and many other countries across the world. They do a very good job in connecting with other countries' unique cultures, allowing a rating of 5.

GRAPH

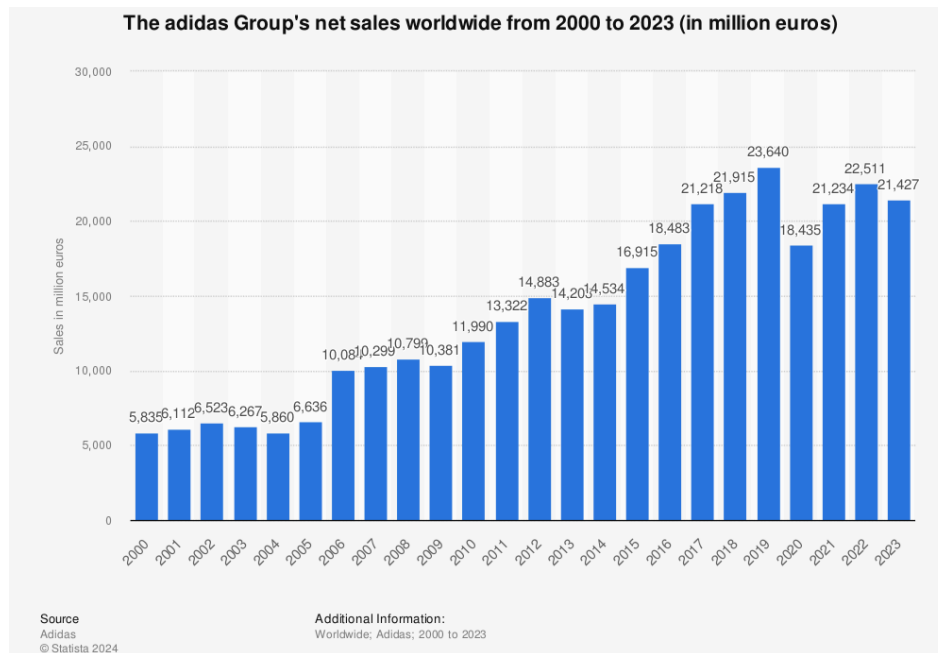
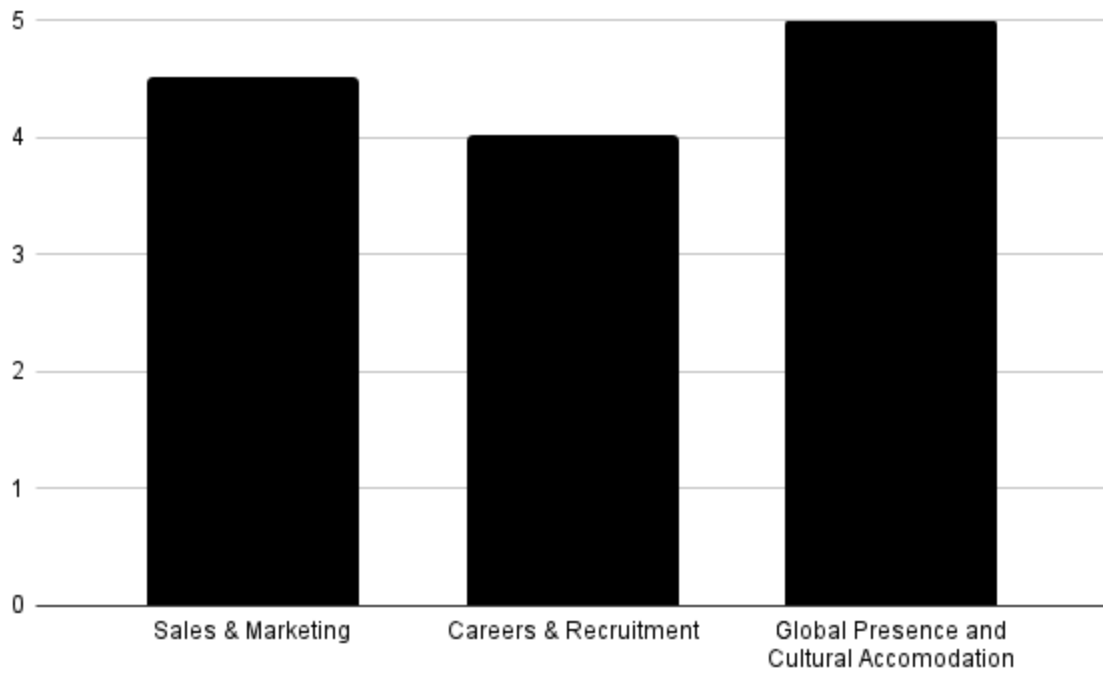


Figure 1. Tighe, D. (2024, June 6). *Adidas Revenue 2000-2023*. Statista.

<https://www.statista.com/statistics/268416/net-sales-of-the-adidas-group-worldwide-since-2000/>





lululemon

BACKGROUND

Lululemon Athletica Inc is a popular athletic apparel retailer that was established in Vancouver, Canada, in 1998, by entrepreneur Chip Wilson. They are known for their high-quality athletic apparel, as well as focusing on fitness and active lifestyle. Wilson was interested in yoga and attended a yoga class where he started noticing the women in his class did not have breathable and comfortable athletic apparel, which inspired him to start his own athletic wear that was enhancing to the body while looking fashionable. In 2007, Lululemon stock was published, raising \$327.6 million and has grown 13-fold since its publication, with high competition including Nike and Adidas. They were first known for their signature black leggings, then decided to venture out to men's athletic apparel and other activewear accessories.

FUNCTIONS

Marketing & Sales: 3.5

Lululemon has expanded their name through being active on many social media platforms, such as Tik Tok, Instagram, and Facebook. They collaborate alongside with local ambassadors, as a way to spread brand awareness and act as a representative. Lululemon also has many accounts from different countries, including Asia, Europe, etc, as well as their studio account which is their fitness platform that solely focuses on workout videos, live-streamed classes. For example, they use high-quality photos and videos on Instagram to showcase their products in aesthetically pleasing and aspirational ways. These posts often highlight real customers and influencers, creating a relatable and inspiring feed that draws users in. (Lorincz, 2024). Having these various accounts that specify under specific regions can help Lululemon achieve a wider range of audiences and reach different demographics. They have worked with big ambassadors such as Suni Lee, an American gymnast, who has a vast following throughout her social media, and was able to be a part of the Lululemon Align Collection campaign. This illustrates the importance of

how Lululemon work closely with their ambassadors to represent their brand’s values and grow their brand. They have various types of content throughout their platforms, such as having professional shots, reels, and user-generated content. They have their user-generated content use the hashtag #TheSweatLife, and by doing this, it builds a sense of belonging within their “Sweat Life” community, and they are encouraged to use that hashtag in their post to grow more connections within the community. This iconic brand has expertly integrated itself into the essence of modern wellness culture. With an impressive revenue of \$9.61 billion last year, Lululemon’s success is undeniable. (Lorincz, 2024). The figure below illustrates that Lululemon’s revenue has slowly increased every year, with 2023 showing the highest revenue, exceeding \$10 billion. While Lululemon excels well on their marketing and focusing on building a connection with their close ambassadors, it does not quite have as many global campaigns and sponsorships that Nike and Adidas has to offer. Due to this, their score results in 3.5 out of 5.

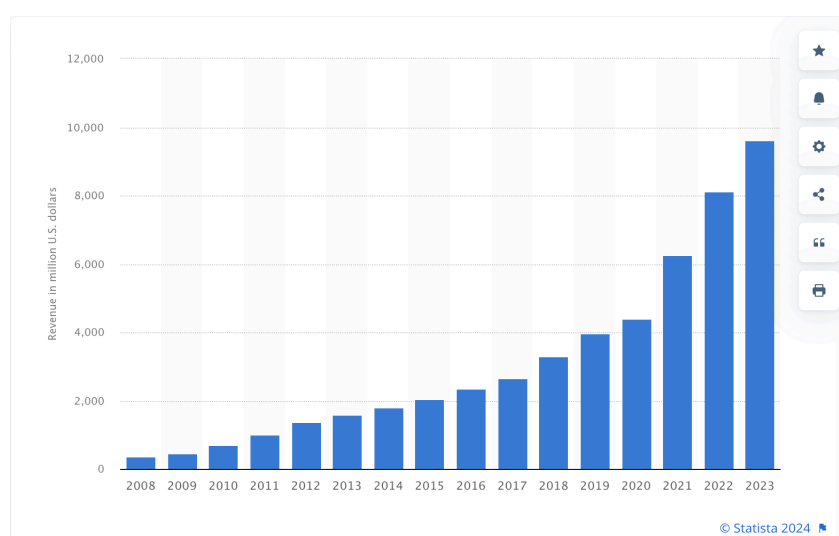


Figure 1. Revenue of lululemon from 2008 to 2023. Adapted by “Lululemon Revenue 2023, by Tighe, D., 2024, Nov 06, *Statista*, Retrieved from www.statista.com/statistics/291238/net-revenue-of-lululemon-worldwide/.

Careers & Recruitment: 3.5

The two platforms that Lululemon promotes their career choice is through their website and LinkedIn. They have two categories that guide audiences straight to job resources. One resource Lululemon has under their website is a site dedicated to “Careers” and “Job Search”, which provides many searches for job opportunities and positions that are open to apply. There are also updates through their LinkedIn that post updates on when they are open for hiring. Furthermore, they also have the IDEA (Inclusion, Diversity, Equity, and Action) Global Internship Program which is a full-time, remote, 12-week program that provides coaching and experience for students and early-career professionals. Our goal is to reach 40% racially diverse representation for our stores, and 30% racially diverse representation of our directors and assistant store managers and above by 2023. The funding and launch of our global internship and global

mentorship programs also support our commitments to attract and retain more diverse talent. (Lululemon, 2024). Now focusing on the social media aspect of their careers and recruitment, there is not much post being attentive towards people working behind the scenes for their career choice at Lululemon. It would be nice for audiences to see posts about people choosing Lululemon as their career and spreading information about their work culture. Furthermore, Lululemon has less vigorous presence throughout their social media platforms compared to Nike and Adidas, as well as limiting the outreach for global careers. Due to this fact, Lululemon's rating for this category is a 3.5 out of 5 because there are many improvements they could have made to further their reach to new talents.

Global Presence and Cultural Accommodation: 3

Lululemon are actively global through their social media platforms such as Instagram, Facebook, Twitter, and Tik Tok with millions of audience throughout each platform. They also have many accounts under different regions, which is a great way to further reach new audiences and consumers, as well as different demographics from each region that the page is specified to. Their top highest engaging platforms are Instagram, with 5 million followers, and Facebook, with 3 million followers. Throughout each platform, they are constantly active and engaging towards their audience and promoting any new products. Lululemon has launched their largest global brand campaign, Feel Campaign, investing in a variety of audiences, including expanding their audience of men's consumer, international markets, and Gen Z. The 'Feel' Campaign featured many inspiring brand ambassadors, including Akin Akman, Manoj Dias, Hailey Langland, Deja Riley, and Joe Wicks. The campaign launched in Asia, and they worked with other celebrity ambassadors in China, such as Hong Kong-American actress, Celina Lu, and NBA Star, Stephen Mabury. By including these celebrity ambassadors, they are able to reach new demographics, as well as building that trust amongst consumers to advocating for a health and fitness Lifestyle. For its most recent quarter, Lululemon reported a 88% rise in net revenue to \$1.2 billion. Its direct-to-consumer business increased 55% to \$545.1 million. (Forbes, 2021). This shows their effective strategy on strengthening loyal customers and building that barrier to focus on fitness and wellness health. While Lululemon has began to expand on their campaigns, they should have partnerships with regional celebrities and were limited to connecting with diverse global audiences as compared to its competitor. Therefore, they received a rating of 3 out of 5.

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