

**A**  
**Project Report**  
**On**  
**“A Comparative Analysis on Brand Performance of Nike**  
**and Puma ”**

Submitted to  
**G. S. College of Commerce & Economics, Nagpur**

Affiliated to  
**Rashtrasant Tukadoji Maharaj Nagpur University, Nagpur**

In partial fulfillment for the award of the degree of

**Bachelor of Business Administration**

Submitted by  
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Under the Guidance of  
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**G.S. College Of Commerce & Economics, Nagpur**

**Academic Year 2022-23**



**G.S. College Of Commerce & Economics , Nagpur**

**Academic Year 2022-23**



## **CERTIFICATE**

This is to certify that “**Kamlesh R. Varma** “ has submitted the project report titled **A Comparative Analysis on Brand Performance of Nike and Puma**, towards partial fulfillment of **BACHELOR OF BUSINESS ADMINISTRATION** degree examination. This has not been submitted for any other examination and does not form part of any other course undergone by the candidate.

It is further certified that he/she has ingeniously completed his/her project as prescribed by Rashtrasant Tukadoji Maharaj Nagpur University, Nagpur.

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Date:-

**G.S. College Of Commerce & Economics, Nagpur**

**Academic Year 2022-23**



## **DECLARATION**

I here-by declare that the project with title “**A Comparative Analysis on Brand Performance of Nike and Puma** ” has been completed by me in partial fulfillment of **BACHELOR OF BUSINESS ADMINISTRATION** degree examination as prescribed by Rashtrasant Tukadoji Maharaj Nagpur University, Nagpur and this has not been submitted for any other examination and does not form the part of any other course undertaken by me.

**Kamlesh R. Varma**

Place: Nagpur

Date:

**G.S. College Of Commerce & Economics , Nagpur**



**Academic Year 2022-23**

## **ACKNOWLEDGEMENT**

With immense pride and sense of gratitude, I take this golden opportunity to express my sincere regards to Principal, G.S. College of Commerce & Economics, Nagpur.

I am extremely thankful to my Project Guide Prof. Dr. Afsar Sheikh for his/her guideline throughout the project. I tender my sincere regards to Co-ordinator, Dr. Afsar Sheikh for giving me outstanding guidance, enthusiastic suggestions and invaluable encouragement which helped me in the completion of the project.

I will fail in my duty if I do not thank the Non-Teaching staff of the college for their Co-operation.

I would like to thank all those who helped me in making this project complete and successful

**Kamlesh R. Varma**

Place: Nagpur

Date:

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# **Introduction**

## **1.1 INTRODUCTION**

This research project covers all the aspects relating to performance and market image of Nike and Puma interpreted according to standard. This project was done with the help of secondary data. In marketing subject, it is done on performance, not on potential. The project selected by me is to do comparative analysis on brand performance of above mentioned brands using various aspects like market share, product, price, quality, service quality, store environment and consumer satisfaction rate. The main intention is to group or regroup the various figures and information appearing on the comparative analysis to draw the fruitful conclusion therefrom. I found that by comparing both the brands unveils why one company is more efficient in its activities as compared to other. All and all it was a good experience doing this project and will be of great help to us in future.

The project helps to get knowledge about the company thoroughly and various processes involved in the company. Project helps to know the in-depth information about the different verticals of the company and also to inculcate working related skills.

## **1.2 INDUSTRY PROFILE:**

The global sportswear market can be classified based on the product, distribution channel, end use and location. We have sports apparel (top wear, bottom wear, hats and others), sports footwear, and other accessories. We can classify sportswear consumers into men, women, and kids based on end use in terms of products. The men's section accounts for a significant share of the global sportswear market. An analysis of the sportswear market revealed that the men's segment generated the most revenue in 2018. We can attribute this to the increased participation of men in sporting activities. Forecasters expect this trend to continue as more people surge into sports. Current research also revealed that the discount store is the most significant sector, accounting

for the largest share. The discount market has a hedge over other markets. It presents different options like discounts on every purchase, trials ahead of purchase, and the benefits of instant gratification. However, the e-Commerce segment has more potential for growth. This forecast is due to the current increase in the use of internet. The use of smartphones for online shopping allosteric the consumers to compare and contrast products in real time. Regionally, the U.S. has the most prominent market in sportswear. We can attribute this to the evolved retail market structure. There is also a higher adoption of sportswear due to aggressive advertising. Another thing that boosts the market in the U.S. is celebrity brand endorsement. When a celebrity endorses a product, fans go after it whether they need or not. Research revealed that the Asia Pacific region has the highest value of sportswear market growth, reaching up to 6.9%.



# **Company Profile**

### **1.3 COMPANY PROFILE:**

#### **Nike Inc.**

Nike, Inc. engages in the design, development, marketing, and sale of athletic footwear, apparel, accessories, equipment, and services. Although primarily designed for athletic use, many of its products are worn for casual or leisure activities. Nike sponsors many high-profile athletes and sports teams around the world, with the highly recognized trademarks of “just do it” and the swoosh logo. The majority of Nike's products are manufactured by independent contractors and are sold either direct to consumer through Nike retail outlets and digital platforms, or through independent distributors, licensees, and sales representatives. One of the most valuable brands among sport businesses, Nike employs over 79,100 people worldwide in FY 2022. Nike leading a 43.7% market share of global sportswear segment. The company has over 1046 shops around the world in 2022 and has offices situated in 45 countries outside the United States. Nike generated revenue of \$46.710 billion in 2022. John Donahoe is President and CEO of Nike Inc. He will lead continued growth of the Nike Brand as well as Nike’s global portfolio.



### NIKE HEADQUARTERS IN BEAVERTON, OREGON, U.S.

Nike Originally known as Blue Ribbon Sports (BRS), was founded by University of Oregon track athlete Phil Knight and his coach, Bill Bowerman, on January 25, 1964. The company initially operated in Eugene, Oregon as a distributor for Japanese shoe maker Onitsuka Tiger, making most sales at track meets out of knight's automobile. In its first year in business, BRS sold 1300 pairs of Japanese running shoes grossing \$8000. By 1965, sales had reached \$20000. In 1966 BRS opened its first retail store at 3107 pico Boulevard in Santa Monica, California. In 1967, due to increasing sales, BRS expanded retail and distribution operations on the east coast, in Wellesley, Massachusetts. In 1971, the Bowerman used his wife's waffle iron to experiment on rubber to create a new sole for track shoes that would grip but be lightweight and increase the runner's speed. Oregon's Hayward Field was transitioning to an artificial surface, and Bowerman wanted a sole which could grip to grass or bark dust without the use of spikes. By 1971, the relationship between BRS and Onitsuka Tiger came to an end. BRS prepared to launch its own line of footwear, which was rebranded as Nike, and would bear the Swoosh newly designed by Carolyn Davidson. The Swoosh was first used by Nike on June 18, 1971, and was registered with U.S. Patent and Trademark Office on January 22, 1974.

### **Puma SE.**

The Puma is one of the leading brand of the sportswear. It engages in the design, manufacturing, marketing and sales of athletic and casual footwear, apparel and accessories. Puma's shoe and clothing designs feature the Puma logo and the distinctive form strip. In 2021, the number of people employed worldwide by Puma was 16, 125. Puma sells its products via puma retail outlets and e- commerce stores. Puma has a 7.6 % market share in a global sportswear segment and Puma has a market cap of \$10.33 billion in a end of FY 2022. They have 1948 retail sites across 23 countries. Bjorn Gulden, CEO of Puma leads the company and its global business across the world.



### PUMA HEADQUARTERS IN HERZOGENAURACH

In 1924, Rudolf and his younger brother, Adolf, nicknamed "Adi", founded a shoe factory. They named the new business "Gebrüder Dassler Schuhfabrik" (*Dassler Brothers Shoe Factory*) which was the only business at the time that manufactured sports shoes. The pair started their venture in their mother's laundry. At the time, electricity supplies in the town were unreliable, and the brothers sometimes had to use pedal power from a stationary bicycle to run their equipment. In 1927, they moved into a separate building. The brothers drove from Bavaria to the 1936 Summer Olympics in Berlin with a suitcase full of spikes and persuaded United States sprinter Jesse Owens to use them, the first sponsorship for an African American. Owens won four gold medals. Business boomed; the Dasslers were selling 200,000 pairs of shoes annually before World War II. In the first football match after World War II in 1948, several members of the West Germany national football team wore Puma boots, including the scorer of West Germany's first post-war goal, Herbert Burdenski. Rudolf developed a football boot with screw-in studs, called the "Super Atom" in collaboration with people such as West Germany's national coach Sepp Herberger.

Puma became a public company in 1986, and thereafter was listed on the Börse München and Frankfurt Stock Exchange; its first profit since the IPO was registered in 1994. In May 1989, Rudolf's sons Armin and Gerd Dassler sold their 72 percent stake in Puma to Swiss business *Cosa Liebermann SA*. The company acquired Scandinavian Tretorn Group in 2001, later sold to Authentic Brands Group in 2015. For the fiscal year

2003, the company had revenue of €1.274 billion, and majority shareholder Monarchy/Regency sold its shareholdings to a broad base of institutional investors.

In 2008, Melody Harris-Jensbach was appointed deputy chief executive officer; designer and artist Hussein Chalayan became creative director, and Puma acquired a majority stake in Chalayan's fashion business. In 2010, Puma acquired Cobra Golf, and took over bodywear and socks company Dobotex the following year. In July 2011, the company completed a conversion from an Aktiengesellschaft (German public limited company) to a Societas Europaea, the European Union-wide equivalent, changing its name from *Puma AG Rudolf Dassler Sport* to *Puma SE*. At the same time, Franz Koch [de] replaced the long-serving Jochen Zeitz as the firm's chief executive officer (CEO), with Zeitz becoming chairman. The company has been led by former football professional Bjørn Gulden since 1 July 2013. Arne Freundt was appointed CEO in November 2022.

## 1.4 Product profile

### Nike Inc.

Nike's range of products include shoes, jerseys, shorts, cleats, baselayers, etc. for sports activities such as association football, basketball, track and field, combat sports, tennis, American football, athletics, golf, ice hockey, and cross training for men, women, and children. Nike also sells shoes for activities such as skateboarding, baseball, cycling, volleyball, wrestling, cheerleading, lacrosse, cricket, aquatic activities, auto racing, and other athletic and recreational uses. Nike recently teamed up with Apple Inc. to produce the Nike+ product that monitors a runner's performance via a radio device in the shoe that links to the iPod nano. While the product generates useful statistics, it has been criticized by researchers who were able to identify users' RFID devices from 60 feet (18 m) away using small, concealable intelligence motes in a wireless sensor network.

Their first products were track running shoes. Nike Air Max is a line of shoes first released by Nike, Inc. in 1987. Additional product lines were introduced later, such as Air Huarache, which debuted in 1992. The most recent additions to their line are the Nike 6.0, Nike NYX, and Nike SB shoes, designed for skateboarding. Nike has recently introduced cricket shoes called Air Zoom Yorker, designed to be 30% lighter than their competitors'.

In 2008, Nike introduced the Air Jordan XX3, a high-performance basketball shoe designed with the environment in mind. In 2004, Nike launched the SPARQ Training Program/Division. Some of Nike's newest shoes contain Flywire and Lunarlite Foam to reduce weight. The Air Zoom Vomero running shoe, introduced in 2006 and currently in its 11th generation, featured a combination of groundbreaking innovations including a full-length air cushioned sole, an external heel counter, a crashpad in the heel for shock absorption, and Fit Frame technology for a stable fit.



*Nike Zoom elite 2 athletic shoe.*



*Nike air Jordan basketball shoes*

The Nike Vaporfly first came out in 2017 and their popularity, along with its performance, prompted a new series of running shoes. The Vaporfly series has a new technological composition that has revolutionized long-distance running since studies have shown that these shoes can improve marathon race time up to 4.2%. The composition of the sole contains a foamy material, Pebax, that Nike has altered and now calls it ZoomX (which can be found in other Nike products as well). Pebax foam can also be found in airplane insulation and is "squishier, bouncier, and lighter" than foams in typical running shoes. In the middle of the ZoomX foam there is a full-length carbon fiber plate "designed to generate extra spring in every step". At the time of this writing Nike had just released its newest product from the Vaporfly line, the Nike ZoomX Vaporfly NEXT%, which was marketed as "the fastest shoe we've ever made" using Nike's "two most innovative technologies, Nike ZoomX foam and VaporWeave material".



Nike vaporfly



Nike cleat

The Nike brand, with its distinct V-shaped logo, quickly became regarded as a status symbol in modern urban fashion and hip-hop fashion due to its association with success in sport. Beginning in the 1980s, various items of Nike clothing became staples of mainstream American youth fashion, especially tracksuits, shell suits, baseball caps, Air Jordans, Air Force 1's, and Air Max running shoes with thick, air cushioned rubber soles and contrasting blue, yellow, green, white, or red trim. Limited edition sneakers and prototypes with a regional early release were known as Quickstrikes, and became highly desirable items for teenage members of the sneakerhead subculture. By the 1990s and 2000s, American and European teenagers associated with the preppy or popular clique began combining these sneakers, leggings, sweatpants, crop tops, and tracksuits with regular casual chic street clothes such as jeans, skirts, leg warmers, slouch socks, and bomber jackets. Particularly popular<sup>[citation needed]</sup> were the unisex spandex Nike Tempo compression shorts worn for cycling and running, which had a mesh lining, waterproofing, and, later in the 2000s, a zip pocket for a Walkman or MP3 player.

From the late 2000s into the 2010s, Nike Elite basketball socks began to be worn as everyday clothes by hip-hop fans and young children. Originally plain white or black, these socks had special shock absorbing cushioning in the sole plus a moisture wicking upper weave. Later, Nike Elite socks became available in bright colors inspired by throwback basketball uniforms, often with contrasting bold abstract designs, images of celebrities, and freehand digital print to capitalise upon the emerging nostalgia for 1990s fashion.

In 2015, a new self-lacing shoe was introduced. Called the Nike Mag, which are replicas of the shoes featured in *Back to the Future Part II*, it had a preliminary limited release, only available by auction with all proceeds going to the Michael J. Fox Foundation. This was done again in 2016. Nike have introduced a premium line, focused more on streetwear than sports wear called NikeLab. In March 2017, Nike announced its launch of a plus-size clothing line, which will feature new sizes 1X through 3X on more than 200 products. Another significant development at this time was the Chuck Taylor All-Star Modern, an update of the classic basketball sneaker that incorporated the circular knit upper and cushioned foam sole of Nike's Air Jordans.



## Puma SE

Puma makes and sells sports shoes, apparel, and equipment. It has brought products for men, women as well as kids. The company makes products focused on different sports categories including basketball, football, running, cricket, badminton, motorsport, running, and gym. Several of the shoes made by Puma have been highly popular. Throughout its history, the focus of Puma has remained on making great quality shoes that help athletes improve their performance. Back in 1952, just 4 years later than the launch of the Puma brand, the company made and released the Super Atom shoes, which were the world's first sports shoes with screw-in studs. The product successfully created a stir when it was launched. This was also the start of Puma's football legacy. In its existence of over 70 years, the company has released several mind-blowing models. While football shoes are the main attraction of Puma's portfolio, its product range is much larger including accessories and apparel as well as equipment. Footwear is the largest product category of Puma based upon net sales followed by apparel and accessories.



*Puma street yaam.*



*Puma lifestyle shoes*

Puma has also partnered several other brands and licensed them to use the Puma trademark. One of these partners is the watch brand Fossil. As a part of the agreement, Puma has licensed Fossil to make and sell Puma brand watches. The partnership between Kering eyewear and Puma started in 2015 and since then Kering has kept releasing two seasonal Puma collections each year. Kering has an extensive global distribution system that spans around 100 countries. Such partnerships with other market-leading fashion and accessory brands strengthen Puma's appeal and market position in the global market. Some of the other licensed partners of Puma include Watex, ISM and L'oreal. WATEX has designed a special workwear range of apparel 'Puma workwear'. ISM, a German manufacturer, and distributor of safety shoes, makes and distributes Puma safety shoes



across more than 35 countries. Its partnership with Puma is more than 10 years old. L'oreal

is also a licensed partner of Puma which has launched nine deodorants and fragrances under the Puma brand name. Puma SE (Puma) is a sporting goods and equipment manufacturer that designs, develops, and markets footwear, apparel, and accessories for men, women, and children. The company markets products under PUMA, stitched, and Cobra Golf brand names.

## 1.5 Swot analysis

### Nike

#### Strengths:

- The biggest strength of Nike is that it is an extremely competitive organization with its approach of “Just Do It” slogan for its brand epitomizing its attitude towards business. The company was founded on the principle that it would make shoes for anyone who could walk or run and this has been the guiding philosophy behind Nike. Coupled with its iconic “Swoosh” logo and its equally catchy tagline, Nike’s strength is that it has emerged as a “Can Do” company.
- Strength of the company is that it has outsourced all aspects of its production to overseas facilities and thereby, does not have any manufacturing outlet of its own. This has helped the company focus on higher value adding activities like design and research and development and at the same time, it has saved the high labor costs that are part of the traditional manufacturing sector.
- Apart from this, the other big strength of Nike is that it is a globally recognized brand that has top of the mind recall among consumers and the youth in particular. Further, the Nike brand is synonymous with quality and resilience as well as endurance and fitness, which makes it the brand of choice for athletes and anyone who wishes to run.
- Finally, Nike stands to benefit from the current disarray among its competitors because of the fragmentation of the market wherein Nike with its USP or Unique Selling Proposition can stand alone among them.

**Weakness:**

- Nike is almost exclusively driven by its footwear business and therefore, the footwear market contributes to a lion's share of its revenues making it dependent on this segment for its survival. In these recessionary times, it is not a good business practice to be overly dependent on one segment and hence, Nike ought to diversify horizontally as well as vertically and include apparel and other accessories.
- Though we have mentioned the fact that it has outsourced its manufacturing aspects completely as strength, the negative publicity that Nike got because of labor unfriendly conditions in its overseas outlets has badly dented its brand image. Indeed, the name "Sweatshops" is used to mockingly describe the abhorrent conditions in its overseas manufacturing facilities.
- The company does its business through retailers who stock other brands as well. This means that the assiduously cultivated exclusivity is sometimes sacrificed because it has not yet spread its wings to include exclusive retailer outlets as part of its business strategy.
- Nike is perceived by some consumers as being too premium and a luxury brand. While this is necessarily not a bad thing, the current market scenario is such that consumers are migrating to the middle tier of the luxury scale as they are becoming price conscious and quality focused.

**Opportunity:**

- The biggest opportunity for Nike is from the emerging markets of China and India where the Billion Plus new consumers are now aspiring to western lifestyles which means that they would be more receptive to brands like Nike. As the company is associated with premium branding and segmentation, it can be said that capturing the "emerging market newly affluent consumers' prize" could well be a game changer for the company.
- In recent years, Nike has begun to diversify into accessories and other premium products apart its signature footwear segment. This is a step in the right direction and something, which would stand the company in good stead

as it attempts to look for revenues beyond its traditional offerings.

- The emphasis on design of higher end footwear seems to be paying off for Nike that is increasingly being seen as a must have product for anyone who walks or runs and as the company was founded on the principle that it would serve anyone with legs, this strategy seems to have hit the right notes.
- Nike has the unique advantage of offering value for money and this can be leveraged to the hilt as the company begins to make inroads into the newer consumer segments, which want quality at an affordable price.

### **Threats:**

- The fact that the company has a global supply chain means that it is subject to the vicissitudes of international trade practices including labor strikes in its overseas locations, currency fluctuations that decrease its margins, as well as lack of control over the geopolitical events happening around the world which have the potential to disrupt its global supply chain.
- Nike must improve on its image wherein it is being seen as resorting to exploitative business practices in its overseas outlets. Already, it had to pay a heavy price (monetarily as well as metaphorically) because the emerging generation of consumers are socially and environmentally conscious which means that they would not like to buy a product that is the result of dubious business practices.
- The ongoing recession has taken a heavy toll on Nike with consumers becoming more price conscious and retailers demanding higher margins. The combination of retailing in third party outlets and competing brands cutting prices has made the going tough for Nike.
- Finally, Nike has to ensure that it does not dilute its focus like some of its competitors who are now in the doldrums. For instance, Reebok that promised a lot and was intensely competitive with Nike has seen its fortunes sag and hence, Nike must not go Reebok's way and instead, must define its core competence and implement its strategies accordingly.

### **Competitors:**

There are several brands in the market which are competing for the same set of customers.

Below are the top 12 competitors of Nike:

- Puma
- Reebok
- New Balance
- Converse
- Adidas
- Fila
- Bata
- Liberty Shoes
- Under Armour
- Umbro
- Woodland
- Asics

Hence this concludes the Nike SWOT analysis.

## **Puma SE**

### **Strengths:**

The strengths of Puma looks at the key aspects of its business which gives it competitive advantage in the market. Some important factors in a brand's strengths include its financial position, experienced workforce, product uniqueness & intangible assets like brand value.

Below are the Strengths in the SWOT Analysis of Puma :

- Puma is established over 90 countries and employs around 14000 employees all over the world.
- Puma is the main producer of enthusiast driving shoes and racing suits in both Formula One and NASCAR.
- It has entered into partnerships with famous companies like Ferrari and BMW.
- Puma brand is very innovative and has a very rich Research and Development team. The Company produced the first screw boots for football and “Mexico 68” with the innovative brush soles, which were the most comfortable running shoes.
- It has an excellent brand name throughout the world.

- The brand has excellent management and marketing strategies and has advertised the products very well and eye-catching throughout the world.
- Puma has entered into sponsorships with various players and teams in different sectors of the sporting industry.
- Puma sponsors global events like FIFA football World Cup, Olympics, cricket, motorsports, rugby & many other sports
- The brand has a strong online presence with good engagement on social media & ecommerce platforms

### **Weakness:**

The weaknesses of a brand are certain aspects of its business which are it can improve to increase its position further. Certain weaknesses can be defined as attributes which the company is lacking or in which the competitors are better. Here are the weaknesses in the Puma SWOT Analysis:

- Puma has tough competition and limited market share compared to Nike and Adidas
- High brand switching means difficult to have loyal customer base

### **Opportunity:**

The opportunities for any brand can include areas of improvement to increase its business. A brand's opportunities can lie in geographic expansion, product improvements, better communication etc. Following are the opportunities in Puma SWOT Analysis:

- The company can attain more sponsorship as more international events in the sporting industry are taking place.
- Puma can start entering the lifestyle section of the industry
- More advertising and branding to tap newer customers
- Puma still has to increase its foothold in the emerging market

### **Threats:**

The threats for any business can be factors which can negatively impact its business. Some factors like increased competitor activity, changing government policies, alternate products or services etc. can be threats. The threats in the SWOT Analysis of Puma are as mentioned:

- Being a global brand, Puma's business is affected by recession and economic slowdown
- There is extensive competition from existing players and new players which is growing in the industry.
- Imitations of Puma brand is extensively increasing causing losses
- Government policies and regulations can affect business operations

**Competitors:**

There are several brands in the market which are competing for the same set of customers.

Below are the top 12 competitors of Puma:

- Nike
- Reebok
- New Balance
- Converse
- Adidas
- Fila
- Bata
- Liberty Shoes
- Under Armour
- Umbro
- Woodland
- Asics

Hence this concludes the Puma SWOT analysis.

# **Literature Review**

## 2.1 Literature Review

1. Yee and Sidek (2008): investigated how the respondents are influenced by factors of brand loyalty towards sportswear brands. Previous research adopted seven factors to test in the Malaysian environment. The seven factors of brand loyalty are brand name, product quality, price, style, promotion, and service quality and store environment. Brand name has shown strong correlation with brand loyalty. In order to increase customer satisfaction and drive them to be brand loyalists, marketers are encouraged to develop aggressive marketing programs; there is positive and significant relationship between factors of brand loyalty (brand name, product quality, price, style, promotion, service quality and store environment) with sportswear brand loyalty. Study of more focused factors that are appropriate to the Indian environment is recommended in order to obtain accurate information.

2. Youn, Song and MacLachlan (2008): examined how consumers' brand preferences and price sensitivities evolve as their levels of experience increase in outdoor sports gear categories. It is proved that how consumers evolve along discrete latent states that represent their experience and knowledge levels, and how this corresponds to changes in preference parameters. In our empirical estimation and evaluation of the model we utilize customer membership data from a large outdoor and sporting goods retailer. Existing single-category Hidden Markov approaches require a rich purchase history and do not work well for the types of durable product categories in an area such as sport climbing, as typical customers make relatively few purchases in any single category, even over long periods of time. For this reason we use a multi-category framework in which unobservable experience levels are inferred by leveraging information from multiple categories. Using Hierarchical Bayes estimation, account for initial consumer heterogeneity as customers first take up the sport at different skill levels. This also allows us to account for consumer heterogeneity in transition probabilities as customers accumulate experience and knowledge at different rates. We model the latent states to follow a Markov chain with a transition probability matrix that is specific to individual customers, and is a function of their cumulative purchases in each category. Thus, we are able to identify the typical brand(s) purchased by customers at different stages of their experience. We find empirical evidence that customer who are beginners or are new to sport climbing will prefer certain brands while customers who have more experience or knowledge of the sport will prefer other brands. The multi-category approach allows us to determine which product category is most indicative of a stage of a consumer's evolution.



3. Krishna (2012): focused on attitudes and behavior on the concept of the youth's buying behavior towards branded sports shoes, different consumers have got different decision making process. The buyer's ultimate goal is to buy the product of qualitative, quantitative with low/best affordable price. In order to identify different kinds of consumer's behavior towards buying of different branded shoes and Nike sports shoe. Investigator has carried out buying behavior of youth and different kind of consumer behavior models, literature and theory of consumer behavior; and finally, analyzed and concluded.

4. Yoh, Mohr and Gordon (2012): investigated factors that influence Indian teens' athletic footwear purchase. Four hundred and fifty-six teens participated in the study. Throughout the review of related literature and the conduction of a pilot study, seven characteristics were considered; price, color, style, brand name, comfort, quality, and celebrity endorsement. It indicated that gender played a significant role in the purchasing behavior of Indian teens. Male teens stated that comfort and quality are the most important factors while female teens revealed that style and color are more important factors than any other factor. Marketers and advertising managers of athletic shoes companies should utilize the findings of this study to communicate with teen consumers more effectively. Sportswear, including sports shoes, becomes a common and popular category because it gives young people a more relax lifestyle and greater versatility and comfort. It is believed that consumers prefer products of developed countries to products of developing or underdeveloped countries.

5. Ko, Kim and Hoon (2008) tried to compare consumer behaviors for sports shoes between Nike and Adidas. Their research model analyzed relationships among country- of-origin, perceived quality, perceived price, brand image and purchase intention for sports shoes in Korea and China.. Brand image was found to play an important role in influencing perceived quality and perceived price in Nike and Adidas respectively. Perceived quality was found to influence positively purchase intention in both countries. Perceived price was found to negatively influence purchase intention in case of Nike.

# **Research Design**

## **Problem statement**

This study uncovers the customer preference regarding the two leading brands of sportswear industry and evaluates their performance in a significant market. A special emphasis is laid on Nike and Puma. The project begins with the detailed information about both the brands considered under the study. The objective of the study was to investigate the brand preference of sports brands consumers in a global scale. The study mainly compare two sportswear brands to understand the perception of consumers towards the sportswear products.

## **NEED OF THE STUDY:**

- The main objective of carrying out this project is to understand the market of Nike and Puma.
- This study providing an opportunity to studying and analysing the information about market, products, customers, as well as competitors in order to determine which steps can leads to the success of an organisation.

## **Objective of the study**

- To know the level of customer satisfaction towards Nike and Puma.
- To understand the perception of consumers towards Nike and Puma.
- To analysing and evaluating the market image and brand performances of Nike and Puma.

## **Hypothesis**

### Hypothesis I

H0:- Nike is not preferable than Puma.

H1:- Nike is preferable than Puma.

### **Hypothesis II**

#### Hypothesis I

H0:- Nike brand is not much famous as compared to Puma.

H1:- Nike brand is more famous as compared to Puma.

## **Scope of the study**

This study uncovers the customer preference regarding the two leading brands of sportswear industry and evaluates their performance in a significant market. A special emphasis is laid on Nike and Puma. The project begins with the detailed information about both the brands considered under the study. The objective of the study was to investigate the brand preference of sports brands consumers in a global scale. The study mainly compare two sportswear brands to understand the perception of consumers towards the sportswear products.

## **Research Methodology**

Research methodology is a strategy that guides a research in providing answers to research questions and for this, research survey is being done. “Accuracy of the study depends on the systematic application of the method”. The researcher has to decide the method to be used that helps him to get a desired direction in a systematic way.

## **Data Collection Method**

Secondary data will be used for this project.

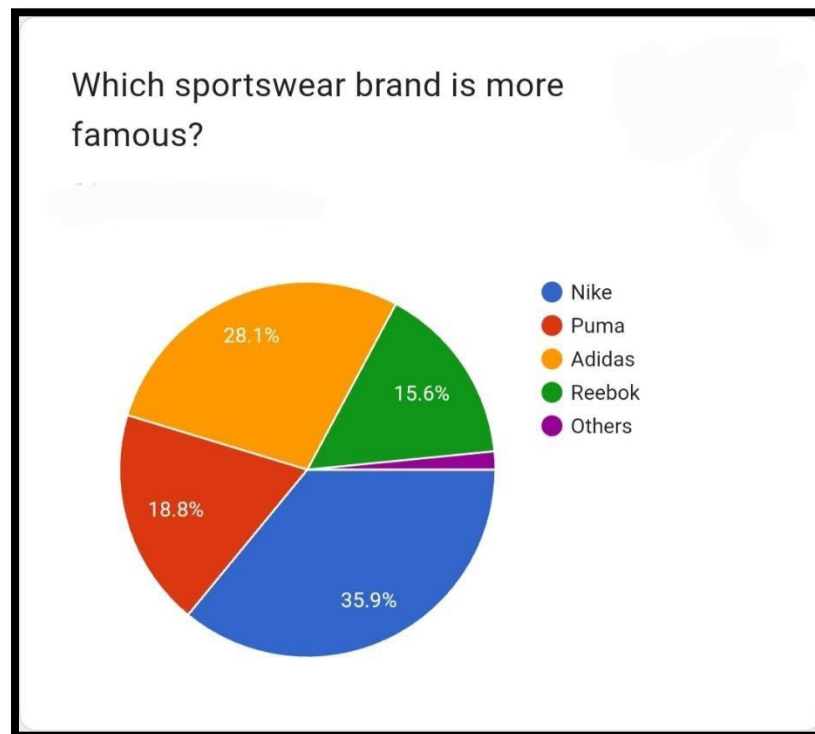
The following are some of the source used for data collection.

- WIKIPEDIA.ORG
- WEBSEARCH
- BUSINESSSTODAY.

# **Data Analysis and Interpretation**

### 1) Which sportswear brand is more famous?

Particular	Percentage
Nike	35.9%
Puma	18.8%
Reebok	28.1%
Adidas	15.6%
Others	

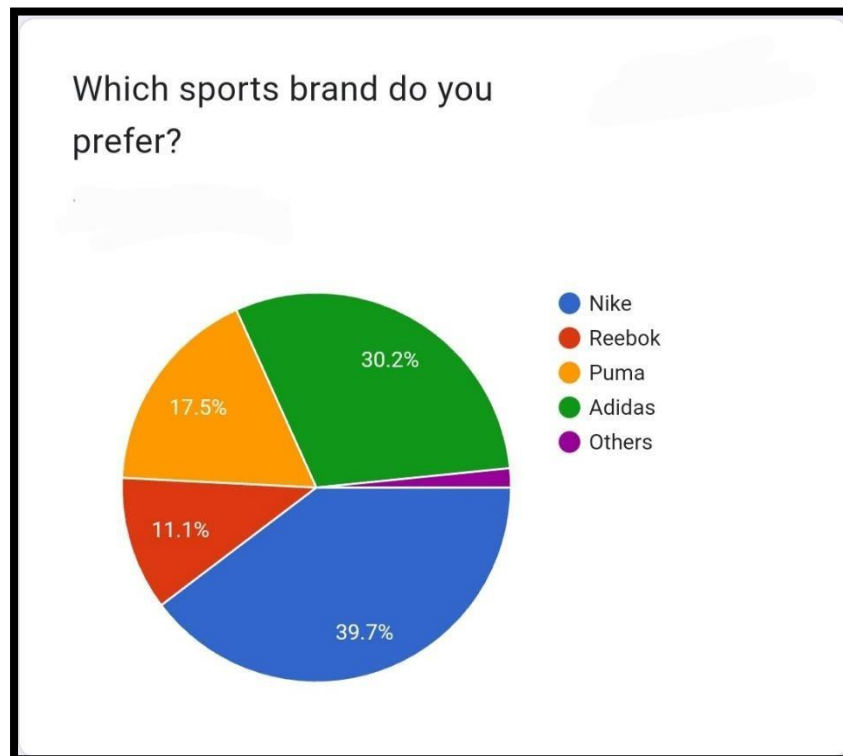


### Interpretation

Number of total people responds is Showing in Percentage and according to it the Nike Brand is most famous brand in sportswear segment. Puma has 18.8%, of total responds.

## 2) Which sports brand do you prefer?

Particular	Percentage
Nike	39.7%
Puma	17.5%
Adidas	30.2%
Reebok	11.1%
Others	

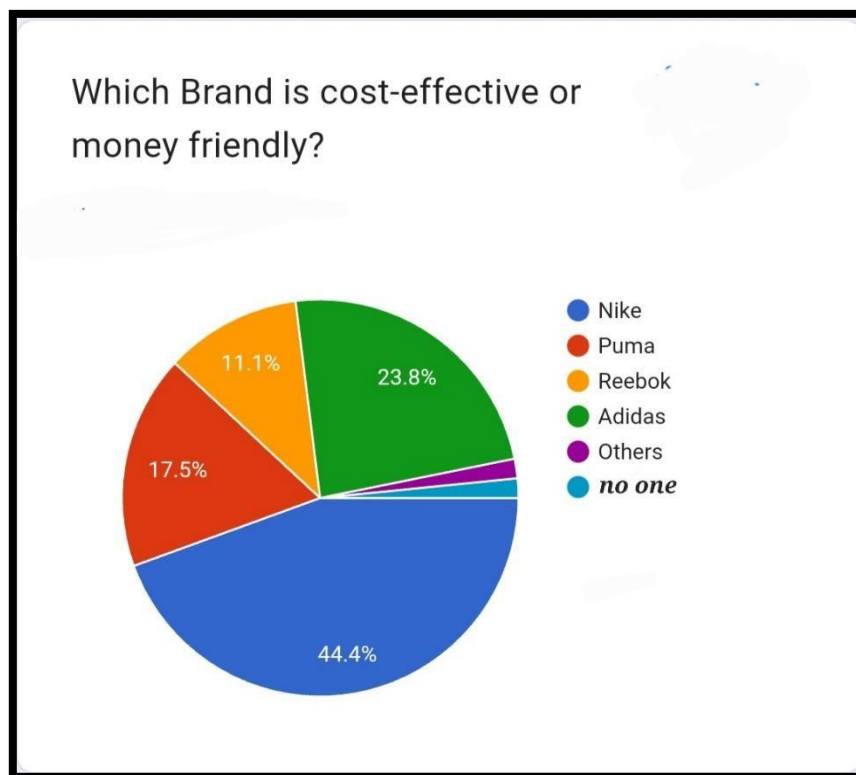


### Interpretation

A no. of total people responds is Showing in percentage. A Nike was a most preferred brand. Puma has 17.5% of total responds.

### 3) Which brand is more cost effective and money friendly?

Particular	Percentages
Nike	44.4%
Puma	17.5%
Adidas	23.8%
Reebok	11.1%
Others	
No one	



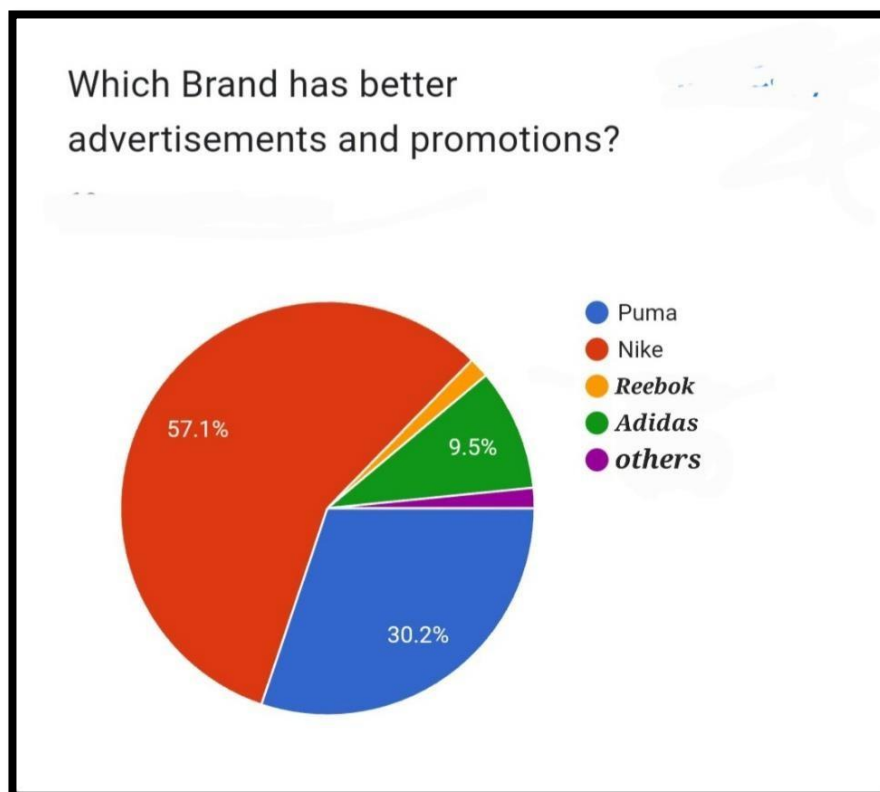
#### Interpretation

A no. of total people responds is Showing in percentage according to it with 44.4% the Nike brand is more cost effective and money friendly compared to others. The Puma has 17.5% of total responds.



#### 4) Which brand has better advertisements and promotions?

Particular	Percentages
Nike	57.1%
Puma	30.2%
Adidas	9.5%
Reebok	
Others	

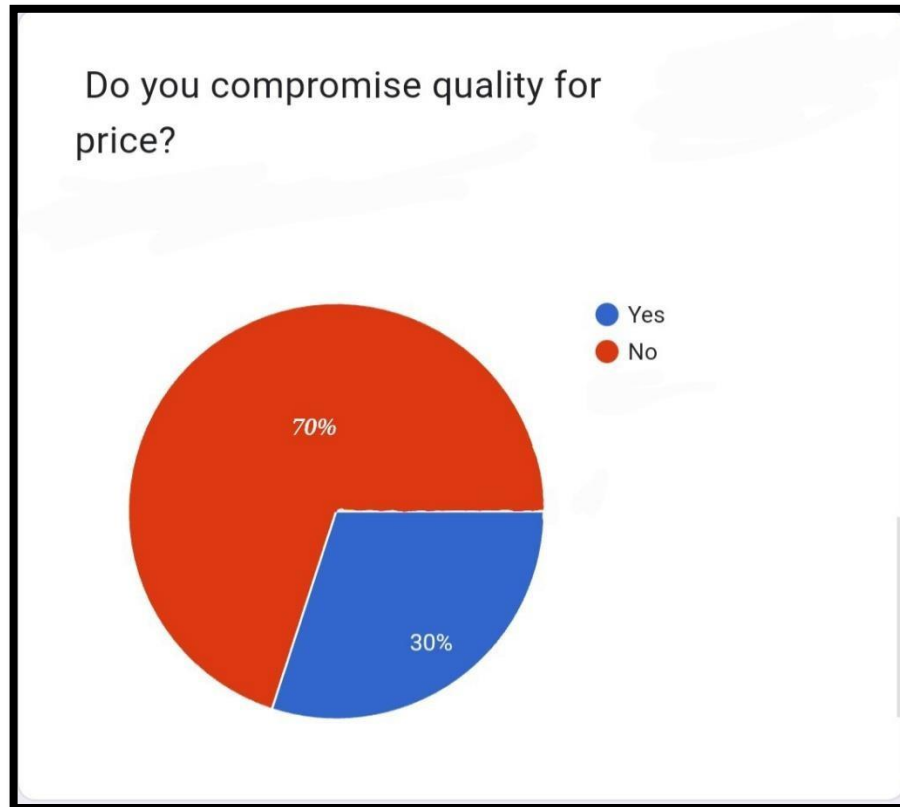


#### Interpretation

We all know that the Nike is a marketing giant of a sportswear industry, a no. of total people responds is Showing that it is true. The Puma has 30.2% of total responds.

**5) Do you compromise quality for price?**

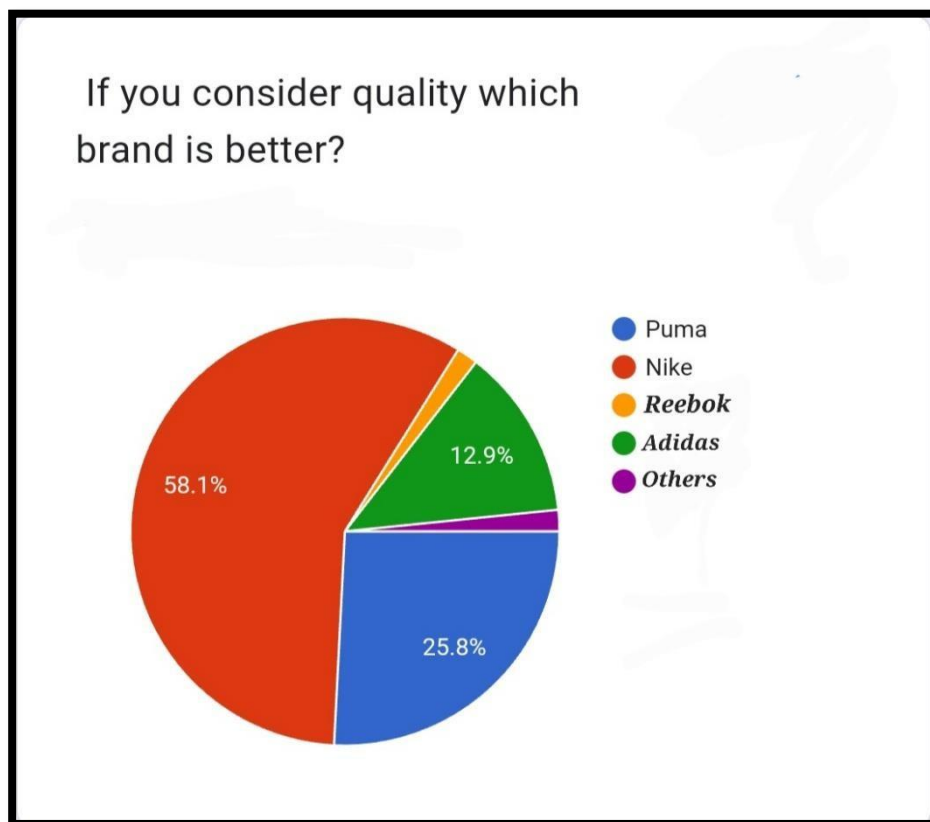
Particular	Percentages
Yes	70%
No	30%

**Interpretation**

A no. of total people responds is Showing in percentage and that shows intent of consumers. People never compromise the quality for price. The 70% of total responds is for Yes.

**6) If you consider quality which brand is better?**

Particular	Percentages
Nike	58.1%
Puma	25.1%
Adidas	12.9%
Reebok	
Others	

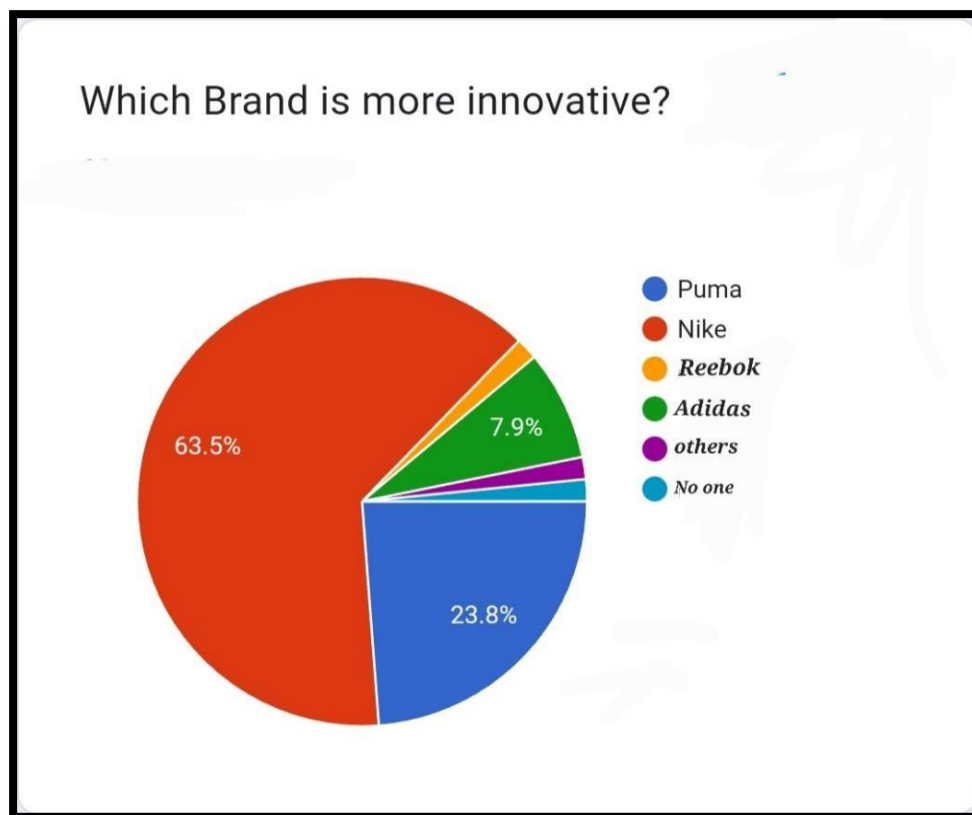


**Interpretation**

A no. of total people responds is Showing in percentage. According to people the Nike has the best quality products compared to others. Puma has 25.8% of total responds.

## 7) Which brand is more innovative?

Particular	Percentages
Nike	63.5%
Puma	23.8%
Adidas	7.9%
Reebok	
Others	
No one	

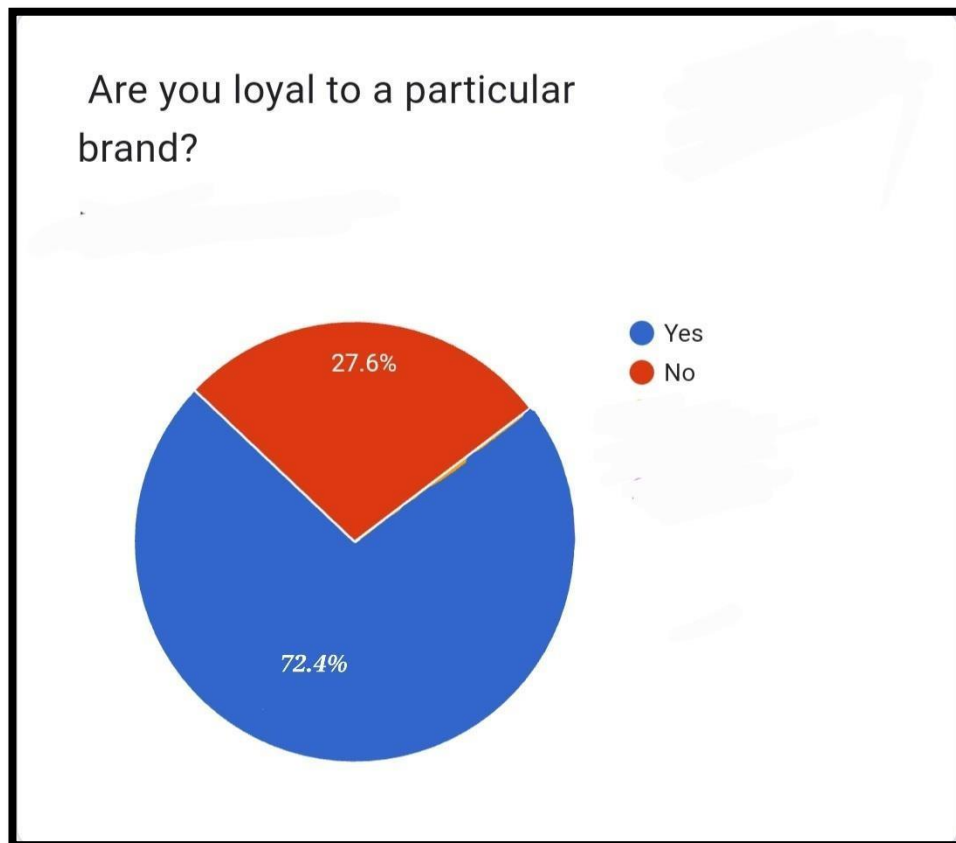


## Interpretation

A no. of total people responds is Showing in percentage and according to it nike is most innovative brand in a sportswear industry. Puma has 23.8% of total responds.

**8) Are you loyal to a particular brand?**

Particular	Percentages
Yes	72.4%
No	27.6%

**Interpretation**

A no. of total people responds is Showing in percentage. Customers are loyal to their particular brand according to people responds. 72.4% responds are for yes and rest 27.6% for no.

# **Hypothesis Testing**

## Hypothesis Testing

Hypothesis is usually considered as the principal instrument in research. Its main function is to suggest new experiments and observations. In fact, many experiments are carried out with the deliberate objects of testing hypothesis

### Hypothesis I

H0:- Nike is not preferable than Puma.

H1:- Nike is preferable than Puma.

### Hypothesis II

H0:- Nike brand is not much famous as compared to Puma.

H1:- Nike brand is more famous as compared to Puma.

From the above Analysis, it is found that from the above given Hypothesis 1 the alternate Hypothesis i.e., H1 “Nike is preferable than Puma” and H1”Nike brand is more famous as compared to Puma” is found to be True. Hence, accepted whereas null hypothesis i.e., H0 “Nike is not preferable than Puma” and H0 “Nike brand is not much famous as compared to Puma” is rejected.

## **Findings, Conclusion and Suggestions**



## Findings

After analysing and evaluating the brand performance and comparing customer rating of Nike and Puma, it was found that:

- Nike brand is the market leader in a global sportswear segment due to their problem solving innovations for sportsperson and customers. They are biggest marketing Giants in the world.
- Puma highlights its versatility by combining sports and fashion in one mix and therefore made significant progress in the competition with other brands. This strategy make Puma more preferable.
- Nike is more costly then Puma but according to customers they had better quality and more variety of products.
- To capture a big customer base and market share , Puma have to improve their quality of products or change their strategies of marketing.
- Nike should lower their prices to reasonable to meet larger markets of customers.
- They both are the most preferred brands in a global scale. According to customers rating Nike and Puma have the most satisfied customers in a global level.
- 7Both the brands have different strategies to promote their brands.

## CONCLUSION

On the basis of the results of this study it was concluded that the global customers prefer wearing sports shoes on regular basis for various purposes other than gym. Not only is it used by athletes, but also teens and mid age group. Puma and Nike brands were highly preferred at the cost of other brand shoes like New Balance, Reebok and others. Particular brands were preferred because of its perceived quality and durability by the consumers. Least importance was assigned to price, variety, quality or safety provided by the sports shoes to the consumers in this study. The brand name and image attracted consumers and they felt that the preferred brand reflected their personality. The consumers were contented with the materials used and color options provided by their preferred brands. There was complete agreement on the satisfaction with the quality of preferred brand sports shoes. They perceived that the style of the preferred brand was suitable to them and also believed that the style of their preferred brand has distinctive features. They agreed that the behavior of salesperson of the store was friendly and courteous. There was agreement by a large number on the impact of celebrities on purchase of sport shoes. It was also believed that the increase of price hindered their ability to purchase. Sportspersons agree that the preferred brand provided goods value for buyers money. They also agreed on satisfaction with the price range and disagreed on purchase of another brand of same quality with lesser price. This exhibited their strong association with the brand and their loyalty. It is noteworthy that many of the respondents provide importance on the price of sports shoes of their preferred brand. Respondents were determined not to switch over their preferred brand sport shoes under normal circumstances and they expect some sort of discount to be offered.

## Limitations

Due to constant of time and resources, the study is likely to suffer from certain limitations. Some of these are mentioned here under so that finding of the study may be understood in a proper perspective. The limitations of the study are:

- The study is based on the secondary data and the limitations of using secondary data may affect the results.
- The collected data are placed into an order.
- Percentages of respondents answered similarly are calculated and placed in a table. Then this is interpreted.
- This involved drawing conclusion from the gathered data. Interpretation changes the new information immerging from the analysis into information that is per relevant to the study.
- Due to limited time period and constrained working hours for most of the respondents, the answers at times were vague enough to be ignored.
- Most of the people took their Nike Shoes in the period preceding March due to high sale so comparison was not in a proper base & so the response to initial contacts were not all encouraging and that has been the primary reason in the inability to quantify the results large enough so as to deduce any relevant outcomes.
- Preparing the questionnaire was time consuming as well as forming the sample size.
- Many respondents were not in favor for both of the brands, there was a problem to find specific Adidas and Nike brand lovers.

## RECOMMENDATIONS AND SUGGESTIONS

Following recommendations are recommended on the basis of the findings of this study:

- The results of the present study may be helpful to upcoming sports marketing students and professionals in order to enhance their sales.
- The results of the present study shall guide the sports manufacturers and franchise in making their product better.
- A similar study can be conducted on other sportswear brand like Adidas, Reebok., Under Armour, etc. The study in future days may include different variety of sportswear products .
- The tool used in the study may be made systematic by using Likert Scale for assessing the perception of the consumers.
- Puma should undertake more celebrity endorsements and should increase their quality.
- Nike should lower their prices to reasonable to meet larger markets of customers.
- On the basis of this research, it is found that both the companies have cut throat competition; both the companies should promote their products which are in great demand.
- Puma should change its strategies in order to reach up the level of Nike, and to promote well in most parts of the country.
- Nike should not only target high level customers, but also mid income group for specific periods to increase sales.

## **Bibliography**

## **Bibliography**

- <https://fortune.com/company/nike/>
- [https://en.m.wikipedia.org/wiki/Nike\\_\(company\)](https://en.m.wikipedia.org/wiki/Nike_(company))
- <https://www.forbes.com/companies/puma/?sh=198d362854fc>
- [https://en.m.wikipedia.org/wiki/Puma\\_\(brand\)](https://en.m.wikipedia.org/wiki/Puma_(brand))
- Times of India
- <https://www.academia.edu>

### **Annexture-**

1. Which sportswear brand is more famous?
  - a) Nike
  - b) Puma
  - c) Others
2. Which sports brand do you prefer?
  - a) Nike
  - b) Puma
  - c) others
3. Which Brand is cost-effective or money friendly?
  - a) Nike
  - b) Puma
  - c) Others
4. Do you compromise quality for price?
  - a) Yes
  - b) No
6. If you consider quality which brand is better?
  - a) Nike
  - b) Puma
  - c) Others
7. Which Brand has better advertisements and promotions?
  - a) Nike
  - b) Puma
  - c) Others
8. Which Brand is more innovative?
  - a) Nike
  - b) Puma
  - c) Others
9. Are you loyal to a particular brand?
  - a) Yes
  - b) No
10. Which Brand's Product is more durable?
  - a) Nike
  - b) Puma
  - c) Others

**Thank You**