# Nike: "Make Yourself"

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# **About the Campaign**

Nike's "Make Yourself" campaign began in Fall 2011 and is directed towards women. The photography used throughout the campaign was shot by photographer Annie Leibovitz using seven successful women athletes from around the world. Using the Nike "Make Yourself" team, made up of "Hope Solo (US, soccer), Li Na (China, tennis), Maria Sharapova (Russia, tennis), Allyson Felix (US, track & field), Laura Enever (Australia, surfing), Sofia Boutella (Algeria, dance), and Perri Shakes-Drayton (UK, track & field), Leibovitz showcased their athleticism and superlative physiques, while still managing to capture the beauty of sport, as well as of the individuals" (Leftfoot). The campaign was designed to inspire and motivate women to be the best that they can be, and uses the photographs of these seven women working out to encourage Nike women to get fit. According to the Nike website,

"Seven world class athletes can't be wrong.

They know how to set and reach a goal.

They know how much work and willpower it takes.

They know about overcoming obstacles and beating the odds.

They know what it ultimately comes down to: you." (Nike Women)

# **Market Description**

The market that Nike competes in is the sports goods and apparel industry. In 2010 the industry was just over \$70 billion. This is a decrease from 2008, when sales were approximately \$75 billion (SGMA). This is congruent with the general decrease in sales since the economic recession began. Nike is the top producer in this market, with a 42% market share, but some of the other main competitors in this market are Adidas, Reebok, Under Armor, Puma, Fila and New Balance. Nike has more than 23,000 distributors worldwide, as well as close to 700 Nike

stores. Nike sells sneakers, apparel, sporting accessories and equipment and aims to generate \$28-30 billion by 2015.

# **Product Description**

Nike produces sporting goods as well as sneakers, sporting apparel and accessories.

While each of their products has an air of superior quality, there are several different divisions within Nike, including Nike Women. This division produces shoes, clothing, and other athletic apparel designed specifically to appeal to women on a functional level as well as on an aesthetic one. Nike Women also aims to appeal to the athlete in its female consumers and appreciates the fact that male and female athletes are physically different.

# **Product Positioning**

The positioning of the Nike brand and products is one of superior quality. Nike products are technologically superior to others in their market and they provide their users with a competitive edge. They are costly, but they are also viewed as the best in the market. Nike Women appeals to their target market through the idea of simplicity. Nike Women simply states the facts about their product and technology, and uses the brand awareness of the consumer to gain trust and confidence. It allows women to focus on the specific, high quality, products without the clutter of the industry.

# Competition

As a member of the sports and athletic clothing industry, Nike competes with Adidas, Reebok, Under Armor, Puma, Fila and New Balance. Nike is, however, the top producer in this industry, and has a 43 percent market share. Nike owns close to 700 retail stores, and sells their

products to more than 23,000 distributors not only in the United States, but worldwide. Using these retail stores and distributors, Nike aims to generate \$28 to \$30 billion by 2015 through the sales of sneakers, apparel, sporting accessories and equipment (Equity Clock).

Reebok, one of Nike's main competitors, has recently expanded their media platforms. In 2010, the athletic brand nearly tripled its measured media spending in the US to \$75.7 million, with \$38 million devoted to ZigTech and \$31 million to EasyTone. This is a huge jump from numbers in 2009, when Reebok spent \$27.6 million and only \$8.2 million in 2008 (Zmuda). Another competitor, Puma, spent an estimated \$15 million in the US alone in 2007 and \$7 million in the first 10 months of 2008, according to Nielsen Monitor-Plus. (McMains)

In regards to competition, Nike took a different spin with their "Make Yourself" campaign. This wasn't simply an advertising campaign geared towards women; it was specifically designed with the intention of inspiring and motivating women to "achieve their goals and become the best 'versions' of themselves." The ads, which feature images of extremely physically fit women working out in sports bras, are designed in such a way as to encourage women to become the best versions of themselves that they can possibly be (Mau). In this sense, Nike was able to pull away from competition with this campaign and gain considerable market share among women.

### **Seasonality**

In the United States, seasonality is not a huge factor for Nike. The products are cyclical, meaning that they are constantly being used, and therefore are constantly in demand. Research does indicate, however, that sales for Nike do increase during the spring season, back to school season, and the holiday season. The "Make Yourself" campaign is also unaffected by

seasonality. This campaign was not designed to promote a specific product or brand, but rather to simply motivate women to be the best they can be. The female athletes who were photographed were all wearing Nike apparel and accessories and no new product was being enhanced or promoted through this campaign. Therefore, since this was more of general, or even subliminal promotion, the campaign is unaffected by seasonality.

# Geography

The geography of Nike's market is global. However, in North America, revenues hit \$2.2 billion and earnings rose to \$534 million. Nike sells to more than 25,000 retail accounts in the United States. The brand's domestic retail account base includes a mixture of footwear stores, sporting goods stores, athletic specialty stores, department stores, skate, tennis and golf shops, and other retail accounts. Sales are more concentrated around metropolitan areas because that is where these retail stores are located. Nike utilizes 18 sales offices in the United States and four independent sales representatives to sell specialty products for golf, skating, and outdoor products. Nike's distribution centers in the United States for footwear are located in Wilsonville, Oregon, and Memphis, Tennessee. Apparel and equipment products are shipped from Memphis, Tennessee, Tigard, Oregon, Foothill Ranch, and California distribution centers. (*Stock Market News*)

#### **Purchase Patterns**

Nike conducts qualitative and quantitative research to gather important information for the launch of current and future products. The qualitative research refers to the consumers purchasing behavior. Questions revolve around the why, how, what do they decide on the basis of Nike's image and products. Quantitative research deals with what are the results of the

company's behaviors and financial status. Nike takes the research aspect of the company incredibly serious so they can analyze the consumer market and competitors to the best of their ability. This allows the company to understand the consumer behavior and ultimately, the buying behaviors of those consumers. Nike spends a large amount of time of researching the attitudes, tastes, and preferences of their changing patterns. They do so by having questionnaires filled out by customers online and in person. At times, they could also conduct interviews with particular valued customers as well. These research developments are what made Nike and ultimately Nike women in the highly valued company by its loyal customers.

### **Usage Patterns**

Nike not only has the ability to conquer the athletic shoe market in nearly every athletic market from golf apparel to women's gear. This range of products gives Nike the opportunity to build strength in all of its product lines and also allow flexibility when the market shifts. Nike started with the vision of two Oregonians, Bill Bowerman and his University of Oregon fellow runner Phil Knight. The pair and the people that they eventually hired evolved and grew the company that later became known as Nike. The company came from a U.S. based footwear distributor to a global marketer of athletic footwear, apparel and equipment that is unrivaled in the world. Although the company started as that of an athletic based one, their products are now worn during times of athleticism and beyond.

Nike believes in the motto, "if you have a body, you are an athlete," and they use this quote as part of their mission statement. Therefore, they now design their sneakers and other apparel to fit the needs of the "every day" person, not just for those playing sports or competing in other athletic activities. Nike expanded its market by introducing the Nike women campaign.

Women ultimately wear athletic apparel for more than just time spent working out and this allowed the company to enter into the mainstream clothing marketing.

# **Pricing**

Nike sets their prices based on the value that the consumer places on their product. Nike has spent a lot of money to promote their brand as top of the range. Nike competes with Adidas, Reebok, Under Armor, Puma, Fila and New Balance for its consumers and is one of the most expensive out of its competitors. Customers buy Nike despite the price for the Nike symbol and are willing to pay high prices regardless of the actual value of the product. Geographic differences cause Nike to have geographical pricing in certain areas of the world. Shipping costs, certain taxes, and legislation all affect the geographical pricing.

### Distribution

Nike owns close to 700 retail stores, and sells their products to more than 23,000 distributors not only in the United States, but worldwide. Using these retail stores and distributors, Nike aims to generate \$28-30 Billion by 2015 through the sales of Sneakers, Apparel, Sporting Accessories and Equipment. The type of retail outlets Nike uses are specialty stores, department stores, and E-commerce. Nike has taken the lead in e-commerce by being the first to market on their e-commerce web-site. Nike's distribution channel runs from manufacturer to wholesaler to retailer to consumer. The Nike factory stores indicate the manufacturer channel level while the Nike stores and the Nike town stores are for wholesale of the Nike products. Retail shops and internet based stores belong to the retail channel level.

### Marketing Objectives/Strategies

Using the "Make Yourself" campaign, Nike is targeting their female audience with an attempt to inspire them to get in shape through ads depicting professional women athletes. By portraying these successful women doing amazing athletic stunts seemingly effortlessly, Nike hopes these advertisements will reach their female consumer segment and increase market share and favorability. The photographs of these women highlight their strong and fit bodies which should encourage other women to strive to look like them, but in the healthy manner that Nike promotes. By designing a campaign focused solely on women, Nike's marketing objective is to target this consumer segment that might sometimes be overlooked by a brand so strongly focused on athletics.

# **Creative Message and Tone**

The creative message of the "Make Yourself" campaign is very edgy and presents itself as a challenge to women to shape themselves into their ideal self. The photographs are artistically shot, yet at the same time simple, as they portray these seven female athletes doing activities specific to their sport, but in a common setting. The campaign has been designed as a dare to women to accept life's challenges and be prepared for both successes and failures. Its tone is one that encourages the belief that you can be anyone you want to be, but in order to reach that goal, you need to be ready and willing to put in the time and effort. These advertisements are very eye-catching and appealing, and Nike was successful in designing a campaign that women are attracted to and can relate to.

# **Budget Recommendation**

Nike, being the largest shoe company in the world, clearly spends more than \$50 million on advertising a year. In 2008 Nike spend almost triple that, "The shoe giant spend \$143.4"

million on advertising in the first nine months of 2008" (Klayman, 2009). This shows that \$50 million is a lot smaller than the usual budget for Nike campaigns. Its competitor Rebook has a similar budget unlike the smaller spending company, "Puma, which has a much smaller marketing budget than Nike or Adidas" (The dash for cash: competing in China's booming sportswear market, 2008). Although it might be challenging, we just have to be extra cautious and we will be able to keep out advertising budget under \$50 million.

# **Media Objective**

In order to improve Nike's media plan, we need to allocate our \$50 million dollar budget to certain aspects of advertising. This is going to be challenging considering that this is lower than Nikes "Make Yourself" campaign's usual budget. We want to have a nation brand advertising campaign with high involvement in order to increase awareness and purchase intent. Nike is not a new brand, but their "Make Yourself" campaign is recently new since it was first launched in the fall of 2011. Our objective is to have high reach among our target market of active women from their teenage years into their 50's. Frequency will be important to the company as a whole since it is in the growth stage of its lifecycle. Continuity is extremely important for the potential customers in order for them to remember the new "Make Yourself" campaign; this is another objective of ours because we want our campaign to be memorable.

# **Prospect Audience**

1) Basic Designation: The prospect audience for the Nike "Make Yourself" campaign is financially stable young white women who are educated and currently are heavy to moderate users of Nike products. This audience also consists of women who are married with young children and are busy and constantly on the go. They value quality, as well as

- themselves and their appearance. They are involved in the community and have the ability to influence others.
- 2) **Demographics:** The prospect audience of this media campaign is white women, between the ages 18 and 54. These women are educated to, at least, the college level and, most likely, have a sales or office occupation. They are upper middle class and have a household income of greater than \$75,000 a year. They have lived in a house that they own, which is located in the South or Midwest, for several years and are married with children who are younger than six years old.
- products of higher quality and they prefer these products to those of lower quality. These audience members value themselves as women and have great pride in their appearance. They are active both physically and socially and enjoy the feeling of being busy. They are constantly on the go and desire products that can be as active as they are. They are involved in their community and are well known and well liked, allowing them to be influential to those around them and making them opinion leaders. The women in our prospect audience feel as if there is not enough time in the day to get everything that they need to do done, but they always end up accomplishing great amounts.

# **Effective Reach/ Frequency Goals**

The effective reach frequency is the number of times a person must be exposed to an advertising message before a response is made and before exposure is considered to be wasteful. The campaign stars seven elite female athletes—Nike's "Make Yourself" team. Nike launched "Make Yourself" in the fall of 2011 with the intention of inspiring and motivating women to "achieve their goals and become the best 'versions' of themselves." We believe that an effective

four week frequency level would be at a low number like 2 or 3. The repetition can also be a low number, as well. We have decided on this because Nike is already an incredibly popular brand and therefore, not much persuasion needs to be made or extreme attitudes need to be changed.

#### **Creative Units**

The campaign includes images of impossibly physically fit women working out in sports bras, including USA track and field Olympian Allyson Felix, Chinese tennis player Li Na, Algerian-French dancer Sofia Boutella, British hurdler Perri Shakes-Drayton, Russian-born tennis star Maria Sharapova, USA goalkeeper Hope Solo and Australian surfer Laura Enever. The campaign included several series of four color, full page advertisements. One series included the Pro Athletes in solo shots participating in various physical activities in their Nike Fitness gear. A second series included the Pro Athletes plus model fitness shots with their Nike Fitness gear.

Besides the individual Pro Athlete shots, there was one print advertisement in the campaign that was a four color, full page advertisement. This ad included four separate pictures of a fitness model stretching and doing other poses in fitness gear. Next to each picture was an excerpt of what she was wearing and how it is made from the best quality material there is. There was also a one minute television commercial filmed. The opening of the commercial is a black screen with the bold words, "This is your chance to train with the best." The commercial included all seven professional athletes participating in a brief athletic position or activity. The commercial is filmed in a studio and has a setting of being filmed during a photo shoot. Although this is the setting, a viewer can tell these athletes are being active and the camera angles draw a specific focus on the Nike Fitness gear.

# MEDIA SELECTION AND RATIONALE

By comparing quintile numbers from the Nike MRI+ Product report, insight can be gained as to which media will best reach Nike Women between the ages of 18 and 54. Using the index numbers for Quintiles I and II (the heaviest users), it appears that magazines, radio, internet and outdoor will most strongly reach our target. The following chart shows this rationale:

	Quintile	Quintile	Yes/No	Rationale
	1 Index	2 Index		
Magazines	130	104	Yes	An index number of 100 represents an average person. With Quintile 1 at 130, this means that women who use Nike products are 30% more likely than the average consumer to read magazines. Because Quintile 2 is over 100 as well, magazines appear to be a good way to reach these consumers.
Newspaper	84	103	No	Although Quintile 2 is over 100, it is not a significant enough difference to offset the low Quintile 1 number. Also, newspapers are growing increasingly inefficient in popularity, especially to those who are not of an older generation. Therefore, it would be a waste of money to include newspapers and we also do not want to place such a huge emphasis on regional ads.
Radio	111	113	Yes	Both index numbers are over 100 so we can assume that radio is a good way to reach these consumers.
TV	81	89	-	Although these numbers appear very low, it is hard to ignore TV in an advertising budget, especially when the campaign is national and for such a broad demographic. TV offers the most efficient way to reach a mass audience and will also allow us to specifically target women by playing our ads on channels targeted specifically towards them. Therefore, because the index numbers are low, we will not spend as much on TV as we normally would, but we will still include it in our budget.
Internet	109	123	Yes	These numbers are both over 100, so Internet

				will be a good way to reach our target market. In addition, middle-aged women represent the fastest growing segment of social media users so this will play a key role in the construction of our media plan.
Outdoor	117	105	Yes	These numbers are both high, so we will include outdoor in our budget. Because it is so expensive and is regional, we will only target specific DMAs throughout the country using outdoor to reinforce our campaign.

Within these media classes, we compared percent down numbers to choose specific media vehicles. The following cable channels appear to have the best numbers for our TV campaign:

• ABC Family: 34.7 (probably because these consumers are mostly married with younger children)

• E!: 27.5

• Food Network: 36.3

Lifetime: 37.1Vh1: 35.9

As we mentioned before, TV is a very expensive medium, and because it does not reach our target market as strongly as other media, it will receive a smaller percentage of our budget. That being said, we will probably select only a few channels to run our commercials on. Of those listed above, our top choices are ABC Family, Lifetime, Food Network, TBS, and Vh1. This is not only due to their high reach numbers, but also because the shows on these channels fit with the wide range of preferences of 18 to 54 year old women. We will also include a few national broadcast stations, such as ABC and Fox, for broader national reach. However, since cable reach numbers are so high for our target and because networks are so expensive, this section will receive only a small section of our budget.

The largest percentage of our budget will be devoted to magazine advertising. Based again on percent down numbers from MRI Plus, the magazines that will best reach our target market include:

• BH&G: 27

Cosmopolitan: 18.6Family Circle: 13.9

• Good Housekeeping: 16.8

People: 32.4Vogue: 10.8

• O, the Oprah Magazine: 15.1

This medium seemed to reach our target very well, and also allows for targeted segmentation and high quality print ads. Because our audience encompasses such a broad range of ages, we were careful to select publications from this list that apply to all ages between 18 and 54. Therefore, Cosmopolitan, People, and Vogue are strong choices because they apply strongly to younger women, but remain popular through the upper end of our demographic as well. Better Homes and Gardens is another good option because its numbers are so strong, even though this publication will definitely target the older end of our demographic primarily.

Radio will make up another considerable section of our budget as it very strongly reaches our target market, and is also a relatively cheap medium that allows for regional segmentation.

According to percent down numbers, it appears that morning prime time radio (6 am to 10 am) is a good time to reach our target during their commutes to work or perhaps dropping children off at school. Late afternoon to afternoon prime time (3 pm to 7pm) is also a good opportunity to reach these consumers, either on their way home from work or picking up their kids from school. We will run our radio spots in top ten DMAs in the country, which will also enforce our regional outdoor advertising. We will focus heavily on stations in these regions that play Adult Contemporary, Modern AC, Soft Adult Contemporary, Easy Listening, and Classic Hits. These programming formats all apply strongly to adults over 25, and many of them are specifically targeted towards women.

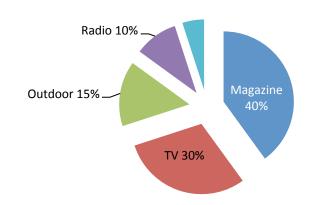
Internet advertising will include a heavy Facebook campaign, as this will reach all consumers within our demographic. Middle aged women (encompassed within our target demographic) represent the fastest growing segment of social media users, especially through Facebook. Therefore, this concentration of advertising dollars will specifically reach many of these consumers. In addition, we will run a smaller Twitter campaign to reach the younger consumers in our target, maybe those between 18 and 25, as well as banner advertisements on Yahoo! News, Amazon, MapQuest, EBay, Overstock.com, YouTube, Weather.com, and Google Maps. All of these sites have high reach numbers according to MRI data.

Finally, the outdoor portion of our campaign will be very strong in select top ten DMAs. According to MRI, women Nike consumers are prevalent in the South, so we included a heavy emphasis on cities in this region. Because outdoor is so expensive and regionally based, it will be given a significant amount of our budget to cover its costs, but not as much as media such as print and TV, which will more directly reach our audience. The DMAs we chose to focus on include New York, Los Angeles, Dallas, San Francisco, Washington DC, and Miami. These were selected out of the top DMAs in the country, and will therefore reach the largest amount of consumers.

# **MEDIA BUDGET:**

Internet 5%

Magazina	\$20 million
Magazine	\$20 1111111011
TV	\$15 million
Outdoor	\$7.5
	million
Radio	\$5 million
Internet	\$2.5
	million



# **Television: 15 Million**

# Flighting Schedule

Quarter	Month	Percent of TV Budget	Dollar Amount Per	Allocation of
		Per Month	Month	Network vs. Cable
1	January	15%	\$2,250,000	100% Cable
2	April	15%	\$2,250,000	44% Cable
				56% Network
	June	10%	\$1,500,000	100% Cable
3	July	10	\$1,500,000	100% Cable
	August	15%	\$2,250,000	44% Cable
				56% Network
4	November	15%	\$2,250,000	100% Cable
	December	20%	\$3,000,000	58% Cable
				42% Network

### Primetime Network TV for December:

- \$1,260,000 = Network TV Cost for December (42% of \$3 million)
- CPP for Primetime Network News for Women  $18+=\$24,278 \times 1.10 = \$26,705$
- \$1,260,000/\$26,705 = **47.2** TRPs
- 30% Reach (From table 16.1 in the workbook corresponding to Primetime Network)

• 47.2/30 = **1.57** Average Frequency for Network Primetime TV

#### Cable TV for December:

- \$1,740,000 = Cable TV Cost for December
  - $\circ$  Daytime = 25% = \$435,000
  - $\circ$  Primetime = 75% = 1,305,000
- Daytime Cable for December:
  - o CPP for Daytime Cable TV for Women  $18+ = \$3,257 \times 1.10 = \$3,582$
  - $\circ$  \$435,000/\$3,582 = **121.4 TRPs**
  - o 46% Reach (From table 16.2 in the workbook corresponding to Daytime Cable)
  - o **2.64 Average Frequency** for Cable Daytime TV
- Primetime Cable for December:
  - O CPP for Primetime Cable TV for Women 18+ = \$10,473
  - o \$1,305,000/\$10,473 = **124.6 TRPs**
  - o 66% Reach (From table 16.2 in the workbook corresponding to Primetime Cable)
  - o 1.89 Average Frequency for Cable Primetime TV

Combined Net Reach for TV in December (using the Sainsbury Formula):

- Primetime Network: 30% reach
- Daytime Cable: 46% reach
- Primetime Cable 66% reach
- Net combined Reach = [1 (1-0.30)\*(1-0.46)\*(1-0.66)] = [1-(0.70\*0.54\*0.34) = 0.87 = 87%
- Net combined Reach =  $87 \times 0.95$  (5% adjustment) = 83% Reach
- Total TRPs = 47.2 + 121.4 + 124.6 = 293.2 TRPs
- 293.2/83 = **3.5** Average Frequency

### Breakdown of TV Budget:

	Channel	% of December	<b>Cost for December</b>
		Budget	
Network	ABC	50% of Network	\$630,000
(\$1,260,000 for the	FOX	50% of Network	\$630,000
month of December)			
Cable	ABC Family	10% of Cable	\$174,000
(\$1,740,000 for the	Lifetime	25% of Cable	\$435,000
month of December)	Food Network	20% of Cable	\$348,000
	E!	20% of Cable	\$348,000
	Vh1	15% of Cable	\$261,000
	TBS	10% of Cable	\$174,000

# **Magazine: 20 Million**

# Pulsing Schedule

Quarter	Month	Percent of Magazine Budget Per Month	Dollar Amount Per Month
1	January	10%	\$2,000,000
	February	5%	\$1,000,000
	March	5%	\$1,000,000
2	April	15%	\$3,000,000
	May	5%	\$1,000,000
	June	5%	\$1,000,000
3	July	5%	\$1,000,000
	August	10%	\$2,000,000
	September	5%	\$1,000,000
4	October	5%	\$1,000,000
	November	10%	\$2,000,000
	December	20%	\$4,000,000

Magazine Breakdown for the month of December:

Publication	Percent of Budget for	Number of Issues per	Reach (From MRI	Number of Ads per Month	GRPs for December
	December	Year	Pct Down)	(Frequency)	
People	25%	52	32.4	6	291.6
Better Homes	20%	12	27	2	52.0
& Gardens					
Cosmopolitan	15%	12	18.6	2	37.2
Good	10%	12	16.8	2	33.6
Housekeeping					
O, the Oprah	10%	12	15.1	2	30.2
Magazine					
Vogue	10%	12	10.8	2	21.6
Family Circle	10%	15	13.9	2	27.8

<sup>\*</sup>We will run both FP/4C ads and Back Cover ads in these magazines

Combined Net Reach for Magazines in December (using the Sainsbury Formula):

- Net combined Reach = [1 (1-0.324)\*(1-0.27)\*(1-0.186)\*(1-0.168)\*(1-0.151)\*(1-0.108)\*(1-0.139)] =
- [1-(0.68\*0.73\*0.81\*0.83\*0.85\*0.89\*0.86) = 0.78 = 78%
- Net combined Reach =  $78 \times 0.90 (10\% \text{ adjustment}) = 70\% \text{ Reach}$

**Outdoor: 7.5 Million** 

Flighting Schedule

Quarter	Month	Percent of TV Budget	Dollar Amount Per
		Per Month	Month
1	January	15%	\$1,125,000
2	April	15%	\$1,125,000
	June	10%	\$750,000
3	July	10%	\$750,000
	August	15%	\$1,125,000
4	November	15%	\$1,125,000
	December	20%	\$1,500,000

Outdoor Breakdown for the Month of December: (Taken from Clear Channel Outdoor Rate Card)

DMA	4 Week GRPs	4 Week	4 Week Reach
		Frequency	
Washington			93.6
DC	100	31.0	
New York	100	31.9	87.5
City			
Los Angeles	100	28.8	93.0
San Francisco	100	30.0	93.3
Dallas	100	31.6	93.7
Miami	100	30.1	93.3

# Radio: 5 Million

Pulsing Schedule

Quarter	Month	Percent of TV	Dollar	Dayparts	Targeted
		Budget Per Month	Amount Per		Program
		Month	Month		Formats
1	January	8%	\$400,000	100% Network	Adult
	February	8%	\$400,000	Radio in top DMA	Contemporary,
	March	8%	\$400,000	stations during	Modern AC, Soft
2	April	10%	\$500,000	primetime morning	Adult
	May	8%	\$400,000	(6am to 10am) and	Contemporary,
	June	8%	\$400,000	primetime	Easy Listening,
3	July	8	\$400,000	afternoon (3pm to	Classic Hits (6

	August	8%	\$400,000	7pm)	networks)
	September	8%	\$400,000		
4	October	8%	\$400,000		
	November	8%	\$400,000		
	December	10%	\$500,000		

### Radio Breakdown for December:

- Primetime for December:
  - CPP for Primetime Radio = \$600
  - $\circ$  \$500,000/\$600 = **833 TRPs**
  - o **65% Reach** (Table 16.3 in the workbook corresponding to MAX Network Radio for 6 networks)
  - o 12.8 Average Frequency for Primetime Network Radio

### **Internet 2.5 Million**

### Continuous Schedule

Site	% of	Total Per	Total per	Reach (Using MRI+
	Budget	Year	Month	from Pct Down)
	Per Month			
Facebook	20%	\$500,000	\$41,667	52.1
Twitter	5%	\$125,000	\$10,417	5.8
Yahoo! News	10%	\$250,000	\$20,833	15.3
MapQuest	10%	\$250,000	\$20,833	24.5
EBay	10%	\$250,000	\$20,833	16.3
Amazon	10%	\$250,000	\$20,833	20.7
Overstock.co	10%	\$250,000	\$20,833	10.6
m				
YouTube	10%	\$250,000	\$20,833	34.4
Weather.com	10%	\$250,000	\$20,833	27.0
Google Maps	5%	\$125,000	\$10,417	15.7

Combined Net Reach for Internet for the month of December (using the Sainsbury Formula):

- Net combined Reach = [1 (1-0.521)\*(1-0.058)\*(1-0.153)\*(1-0.245)\*(1-0.163)\*(1-0.207)\*(1-0.106)\*(1-0.344)\*(1-0.270)\*(1-0.157)] =
- [1-(0.48\*0.42\*0.94\*0.75\*0.83\*0.79\*0.89\*0.66\*0.73\*0.84) = 0.97 = 97%
- Net combined Reach =  $97 \times 0.85$  (15% adjustment) = **82% Reach**

#### Media Flowchart:

	Jan.			Feb.		March		April		May				June			July		Aug.			Sept.				Oct.			Nov.			Dec.			Total		
Television																																					\$15,000,000
Cable						$\Box$																			Т												
Network						П						П																								Г	
			П		П	П	Т					$\neg$	Т		П	Т		П							Т					П							
Outdoor																		, i																			\$7,500,000
Bulletins						П	$\top$					$\neg$	Т	Т										Т	Т	Т		$\neg$									
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Print						,	Ė					ľ	Ė			ľ		, i			Ė				Ė												\$20,000,000
FP/4C Ads																																					
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Radio													Ė			Ė					, in				ì												\$5,000,000
15 Second Ads																																					
						П	Т		Т	Τ															Τ								Г				
Digital		•			•		•									Ė					T.																\$2,500,000
Social/Banner																																					
	П		П	Т		Т	Т		Т	Т		П	Т	П	П	Т	Т	П			Т	П		Т	Т	Т			Т	П		T	Т	Г	П		
Total Cost	\$5,9	83,332	\$	1,608	332	\$1,	608.	332	\$7,0	183,	332	\$1.	608	332	\$3	858	,348	\$3.	.858,	332	\$5,	83,3	332	\$1,	608	,332	5	1,60	8,332	2 5	5,98	3,332	2 5	9,2	08,33	2	\$50,000,000

### PROPOSED TESTING

In order to make sure that our media plan is sufficiently reaching our target market of women ages 18 to 54, we have come up with several measures and objectives. We recommend that Nike:

- set objectives and measures using the DAGMAR theory in order to evaluate advertising expenditures
- thoroughly copy-test their advertisements before running them to make sure that they receive their desired effect
- measure brand awareness and favorability scores among women through periodic surveys
- monitor sales and market share among women throughout the campaign
- track regional sales specific to the DMAs being emphasized in the regional portions of the campaign
- observe online interactivity among women in social media sites or communication forums
- pay attention and react to consumer feedback from social media sources and communication forums

If, based on these measures, Nike does not find themselves to be building brand awareness among women ages 18 to 54, we recommend that Nike do one of the following depending on the severity of the situation:

- reassess specific components of the campaign including ads, DMAs targeted, media used, etc. to assess where the problem is occurring
- pull the campaign completely and focus more on the more general "Just Do It" campaign directed towards all consumers
- shift resources to, or more strongly emphasize, elements of the campaign that are successfully reaching women

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