Nike EMEA leverages insights from SO DIGITAL GLOBAL BRAND E-COMMERCE EXCELLENCE PLATFORM to successfully plan, formulate and execute international D2C eCommerce expansion in WE, CEE, Russia and Turkey.

#### **Executive summary**

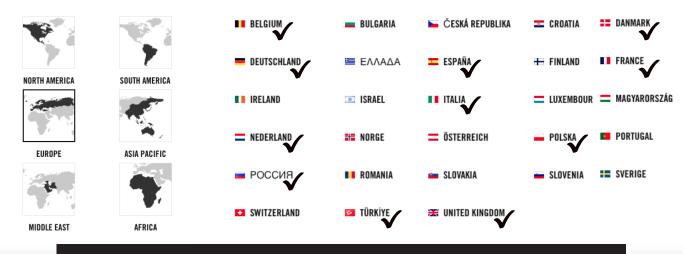
To meet ambitious global growth targets agenda in a dormant own physical retail environment, Nike EMEA has spent most of 2015, 2016, and 2017 in an aggressive expansion of D2C eCommerce capabilities across markets in WE, CEE, Turkey and Russia. With an organizational and brand implied imperative to exceed target markets average consumers' expectations from an online shopping experience Nike EMEA leveraged insights from our platform to define, formulate and execute required strategic and operational internal capabilities alignments to make each new direct-to-consumer market entry a success.

# About the client

**NIKE, Inc.,** named for the Greek goddess of victory, is the world's leading designer, marketer, and distributor of authentic athletic footwear, apparel, equipment, and accessories for a wide variety of sports and fitness activities. In 2015, Nike released a bold statement that it would reach **\$50 billion in annual revenue by 2020.** In order to reach this target, Nike had to grow at an approximate **10.3%** compounded annual rate. It planned on achieving this through growth in e-commerce, women's, and its Jordan brand. E-commerce is a large part of Nike's growth strategy. The target required compounded annual growth of 42% for eCommerce sales.

"Ecommerce Target : 42% growth YoY"





#### DURING THE PERIOD OF 2015-2016, NIKE'S E-COMMERCE QUARTERLY REVENUE GROWTH YOY RANGED TO 56% WHICH WAS WELL ABOVE NEEDED 42%.

# The Challenge

Such aggressive growth targets could only be achieved by Nike offering its e-commerce capabilities in new regions. However, such forceful opening of new markets via own eCommerce capabilities was impossible without precise and tailored insights into eCommerce competitive dynamics of the market and sports goods segment. Not only did these markets represent an unknown from an online consumers expectations perspective and online purchase habits, but they were already served by Nike retail partners at different stages of e-commerce maturity. With a differentiation product assortment strategy in place, and in line with global digital brand and e-retail ecosystem positioning where Nike.com served as the place for the ultimate Nike experience, the direct-to-consumer purchasing experience not only had to outcompete those of its retail partners in individual markets, but also be distinctively "Nike".

### The Solution

In order to gain definitive insights into competition dynamics and consumers' average expectations from an online shopping experience within and across markets in EMEA region, Nike leveraged SO DIGITAL GLOBAL BRAND E-COMMERCE EXCELLENCE PLATFORM.

As benchmarking of market leading online retailers across the phases of post-purchase is at the heart of our platform, Nike was able to gain invaluable insights to plan, formulate and execute e-commerce strategies and strategic operational alignments required to meet & exceed average consumer expectations, but as well to differentiate from already present partner retailers serving Nike consumers and outcompete its category competitors.

These alignments, their scope and depth, would have been impossible to define without market level (sport) e-retailers insights into crucial competitive elements which comprise a differentiated fulfillment such as best performing carries, packaging standards, omnichannel and cross-channel functionalities, delivery and returns, promotional and marketing strategies employed etc.

#### Results

**Global Brand Excellence Solutions** 



