



**SO DIGITAL closes the resource & process gap of Nike EMEA Digital Brand Wholesale.com department to enable frictionless centralized digital brand campaign execution within 14 WE markets' e-retail network**

## Background

Wholesale or partner retail has historically been a major revenue driver for Nike. Among, today more than 30,000, retail partners which generate around 70% of Nike's business, there are just a handful of accounts that make up a lion share of the wholesale business and are considered as strategic accounts. The Pareto rule or the "80-20" applies in Nike's case as well, so 20% of partners generate about 80% of the business in each territory (North America, EMEA, APAC).

In a very brand driven business and organization like Nike, brand function, brand strategy and branding execution has a prominent position that permeates all aspects of business operations. Given the importance of brand and branding and importance of wholesale as a channel – it is not surprising that Nike established a dedicated (digital) brand team and department solely focused on brand support of wholesale (.com) partners.



**MILLIONS OF  
CONSUMERS INTERACT  
WITH NIKE THROUGH  
WS.COM PLATFORMS**

In 2013, being early to recognize the growth promise of e-commerce sales and being on the forefront of trends, Nike organizes an EMEA level digital brand support department for wholesale.com partners. The department's single mission was driving digital brand business growth of wholesale partners with nascent e-commerce capabilities and partnering with, then only emerging, today sport and fashion online retail powerhouses. This newly formed, almost start-up like, team was tasked with continuous digital brand enablement of category's growth and sales targets with individual and group accounts across Western Europe.

# Executive summary

As a part of a broader global growth targets agenda, which placed strong bets on e-commerce revenue growth, where e-retail (wholesale.com) accounts for an outsized share, elevating digital brand expressions and ensuring digital brand consistency across partners' online properties in Western Europe markets was one of the key strategy goals. To be able to operationalize brand strategy execution in a context of a complex global organization implementing centralized global branding towards diverse and extensive network of wholesale partner network, there were two significant structural transformations to be made.

First, centralization of digital brand management and execution and, second, tiering of wholesale partner's branding support. In 2014 Nike centralized digital brand management and execution within its EMEA headquarters in Hilversum near Amsterdam. Transferring positions, talent, decision-making and brand implementation capabilities from individual countries to headquarters, was envisioned to enable digital brand growth within wholesale.com (e-retail) network in EMEA region. Tiering of brand support ensued, with creation of G3 (later to evolve to G6) accounts, Tier 1, Tier 2 and Tier 3 account levels, all entailing a different level of brand marketing support. This move was supposed to ensure executional brand consistency and sustainable premium branding support across the heterogeneous retail partner network's rising tide of digital touchpoints. However, once digital brand management and execution function was centralized, new challenges emerged, which threatened to undermine the complete organizational effort.

	TIER 1	TIER 2	TIER 3
	<b>G3 + SELECTED PURE PLAYS &amp; R10</b>	<b>ALL R10 + YOUNG GUNS + TERR MUST WIN ACC</b>	<b>EVERYONE ELSE</b>
<b>FOCUS</b>	<b>85%</b>	<b>15%</b>	<b>0%</b>
<b>PACKAGE</b>	<b>RICH DIG COMMERCE CONTENT + STRATEGIC OMNICHANNEL DEVELOPMENT</b>	<b>BRAND CREATIVE + TOOLKITS BEYOND TIER 1 STORIES</b>	<b>PRODUCT IMAGES + DESCRIPTIONS</b>
<b>DESCRIPTION</b>	<ul style="list-style-type: none"> <li>- STRATEGIC SUPPORT AND OMNICHANNEL DEVELOPMENT</li> <li>- BESPOKE CAMPAIGN ADAPTATION</li> <li>- SEASONAL PLANNING</li> <li>- GAME PLANNING</li> <li>- DIGITAL CAMPAIGN CONTENT</li> <li>- PLAYBOOKS</li> <li>- ACCESS TO NIKE PORTAL</li> </ul>	<ul style="list-style-type: none"> <li>- SEASONAL PLANNING</li> <li>- DIGITAL CAMPAIGN CONTENT</li> <li>- ACCESS TO NIKE PORTAL</li> <li>- PLAYBOOKS</li> </ul>	<ul style="list-style-type: none"> <li>- GENERIC PRODUCT IMAGES</li> <li>- GENERIC CATEGORY IMAGES</li> <li>- PRODUCT DESCRIPTION</li> <li>- TRADE MARK DIRECTIVE</li> </ul>
<b>SUPPORT TOOLS</b>	<b>DEDICATED 1 on 1 + NIKE WS.COM PORTAL</b>	<b>NIKE WS.COM PORTAL</b>	<b>NDA</b>

## About the client

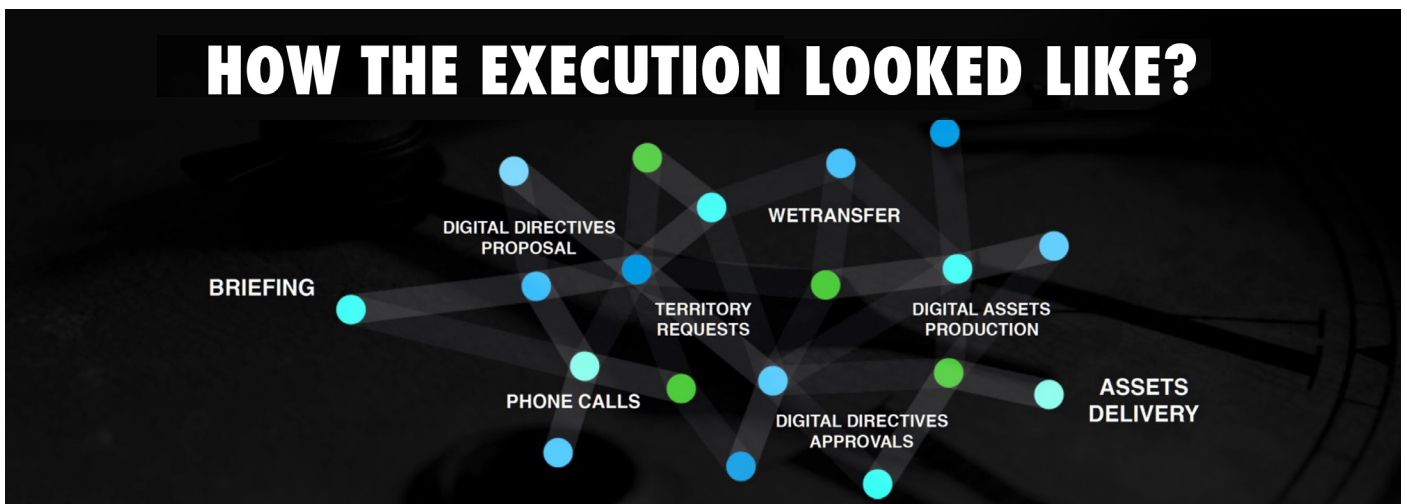
NIKE, Inc., named for the Greek goddess of victory, is the world's leading designer, marketer, and distributor of authentic athletic footwear, apparel, equipment, and accessories for a wide variety of sports and fitness activities. **In 2015, Nike released a bold statement that it would reach \$50 billion 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 across both wholesale and direct-to-consumer channels. Even though long-term strategy favored nike.com (direct-to-consumer) the reality was in short-term majority of revenue & growth could only come from through wholesale.com partners business increase.

## The challenge

Such aggressive growth targets could only be achieved by Nike simultaneously elevating multiple brands and categories across the entire partner e-commerce network, creating more dynamic online brand shopping experiences, in which the common conventions of e-commerce are adapted to the unique character of the Nike brand. However, such forceful brand elevation effort across a heterogeneous and extensive wholesale.com network as a granulated digital brand environment, meant not only an explosion in digital brand campaign pipeline and exponential increase in brand managers' workload, but a continuous flood of digital brand assets to be centrally produced and delivered back to countries and retailers. As centralized global-to-local branding campaign implementation means multiple upstream and downstream communication and assets flows between geographically distributed teams with campaign materials needing adaptation per country and per each individual e-retail individual specs, ensuing organizational executional chaos jeopardized the very mission of the new digital brand team.



As the formula for creating, executing and managing digital brand expressions became exponential [ Countries x Partners x Languages x Devices x Dimensions = Digital Brand Consistency] brand managers started to gasp for air. Taking over previous responsibilities of country teams for management and execution of local campaigns, especially in part of centralized production and distribution of brand assets, while being digitally disabled - using excel sheets to keep track of brand execution, customer journeys, assets, dimensions, copy etc. meant one thing - email chaos, asset chases, and late nights at the office

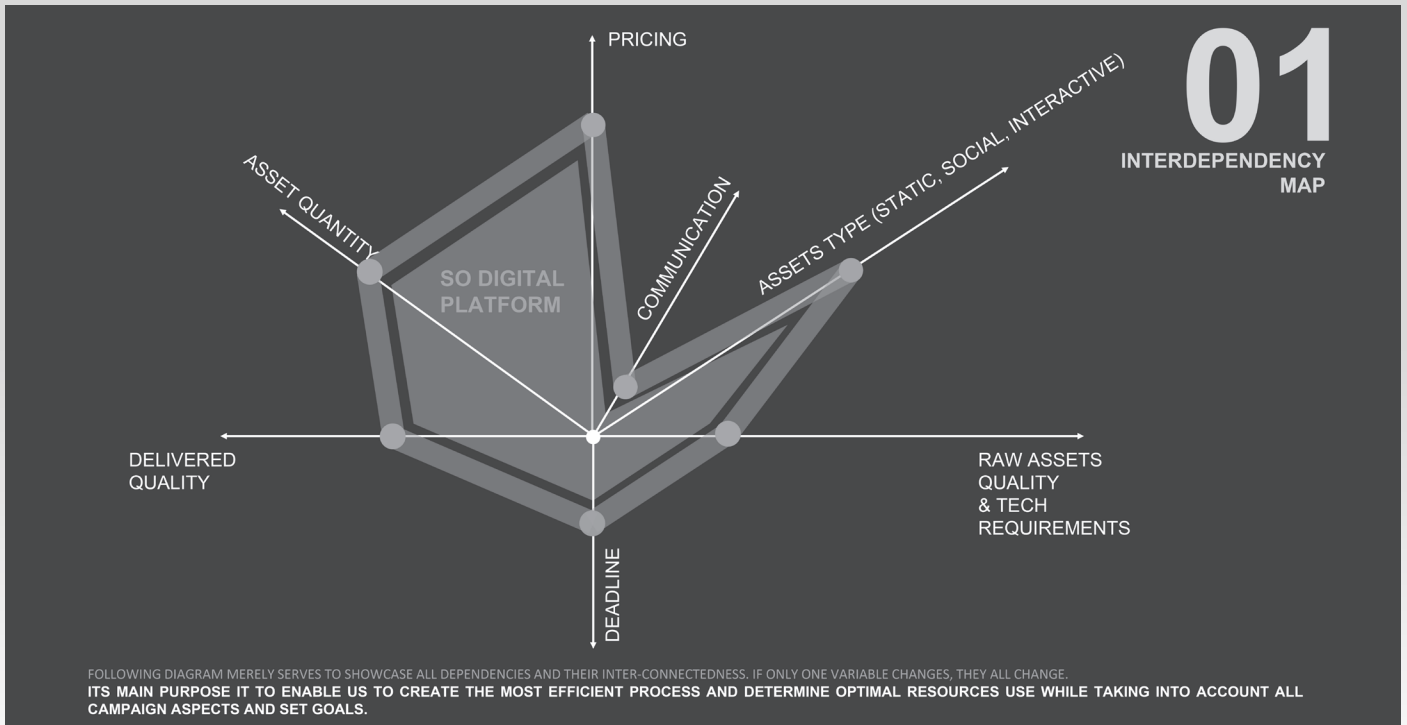


Given a strong and successful traditional (physical) retailing heritage, neither new digital skillsets nor digital production capabilities, required for such endeavor, were available internally at the time. Moreover, being basically a corporate startup, needing still to prove its worth to the wider corporation, digital brand wholesale.com team couldn't rely on traditional in-house resources pools nor existing external vendors lists. Sheer volume of branding materials support and dynamics of requests flowing in seemed insurmountable. Ensuring premium branding execution at such a scale & speed, across a granulated digital environment, within a traditional agency vendor cost model would have meant a budget implosion. Obvious digital brand resource and process execution gap threatened to challenge the new operational set-up.

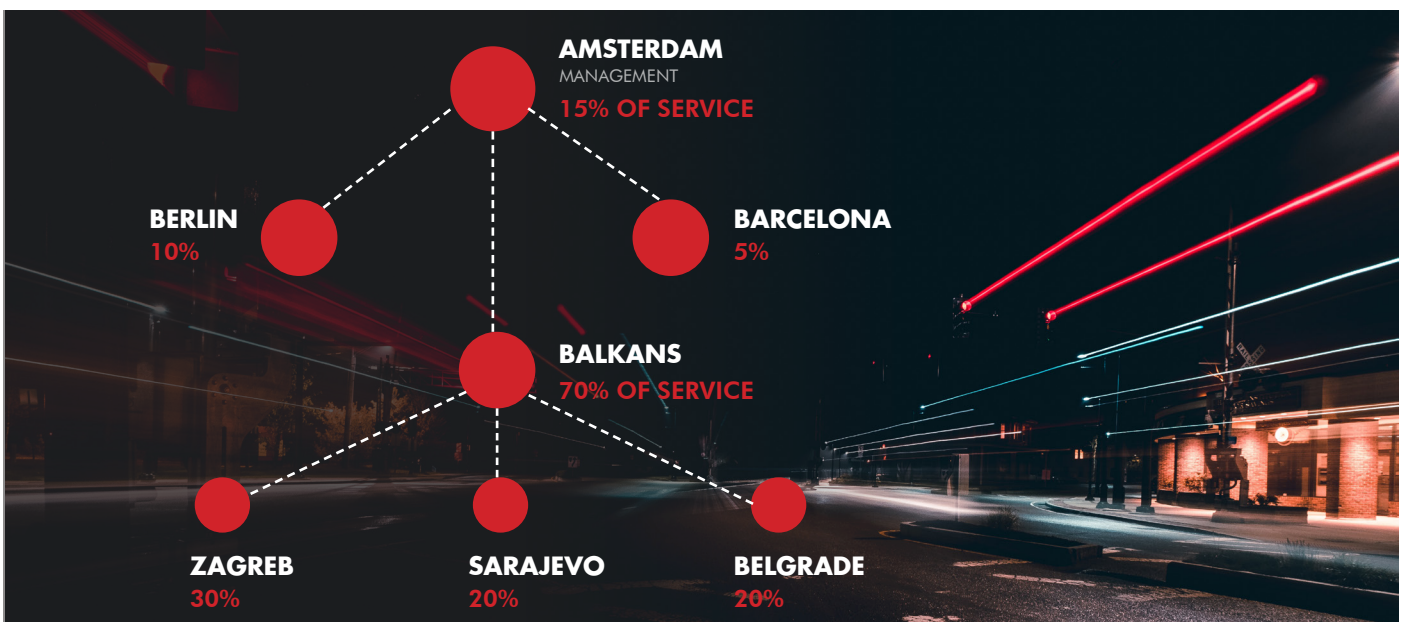
# The solution

New organizational context, new type of a business need, required a new type of a vendor, and new way of working. Operationalizing the centralized execution of digital brand strategy through tiered production support of Nike's wholesale.com partner accounts across Western Europe markets was the main role of SO DIGITAL. After a strategic analysis of the operational environment, consisting of number of accounts, number of campaigns, categories and per category seasonal stories supported, as well as the supply of 'raw' assets - quality and dynamics of input versus the desired quality and quantity of branding support output level per retailer, we've come up with an action plan that would ensure a scalable and continuous delivery of premium digital brand services.

## Client Presentation Excerpt

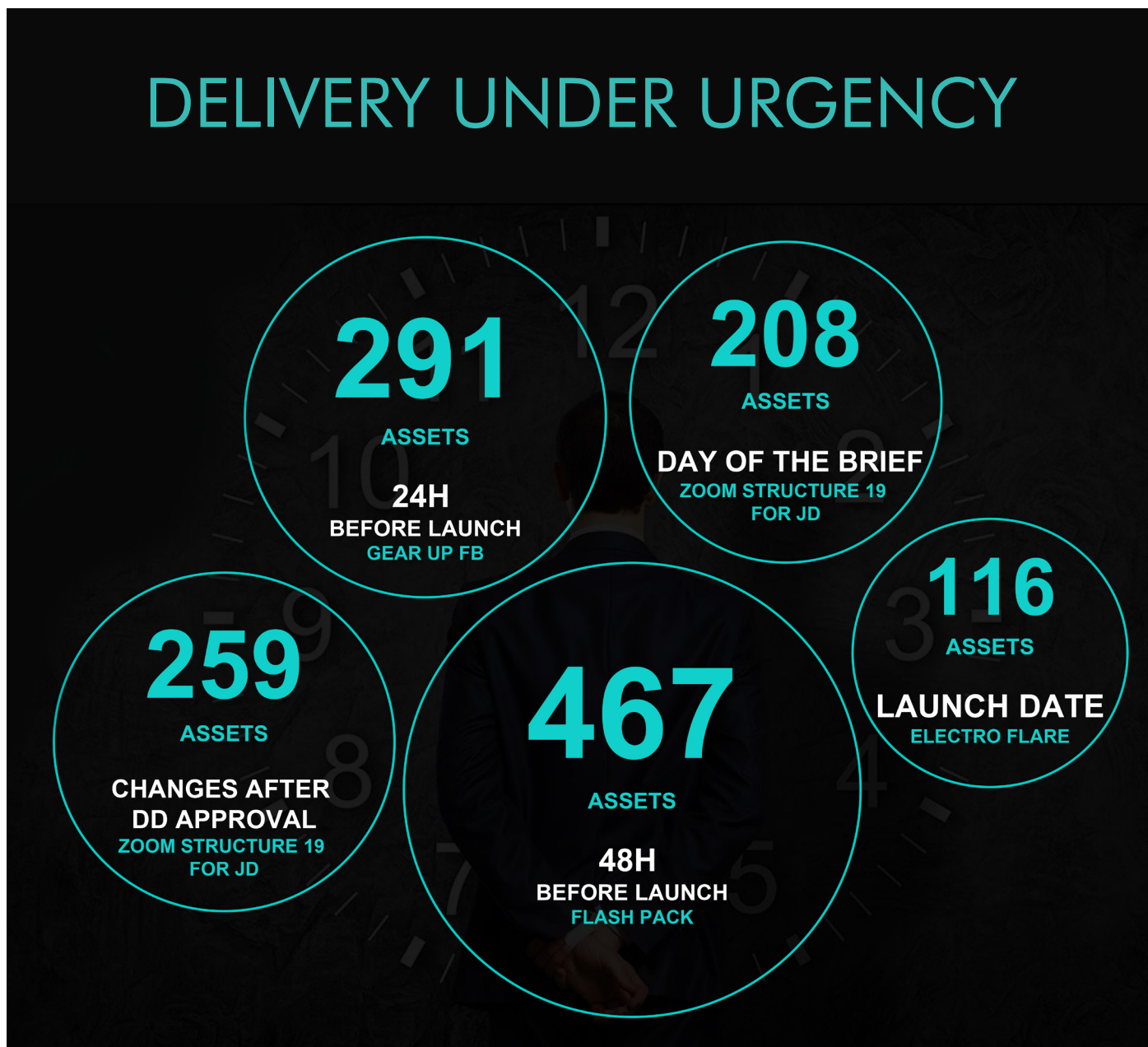


To meet the depth and width of demand, while meeting time and budget constraints, SO DIGITAL established three outsourced production hubs in Balkans (Sarajevo, Zagreb, Belgrade) that would provide a round-the-clock digital branding support to Nike's network of e-retail partners. 'Always on' requirement was shaped by the scope and size of product portfolio and number of categories forming a hyper-dynamic launch schedule that knows no pause or off-season.



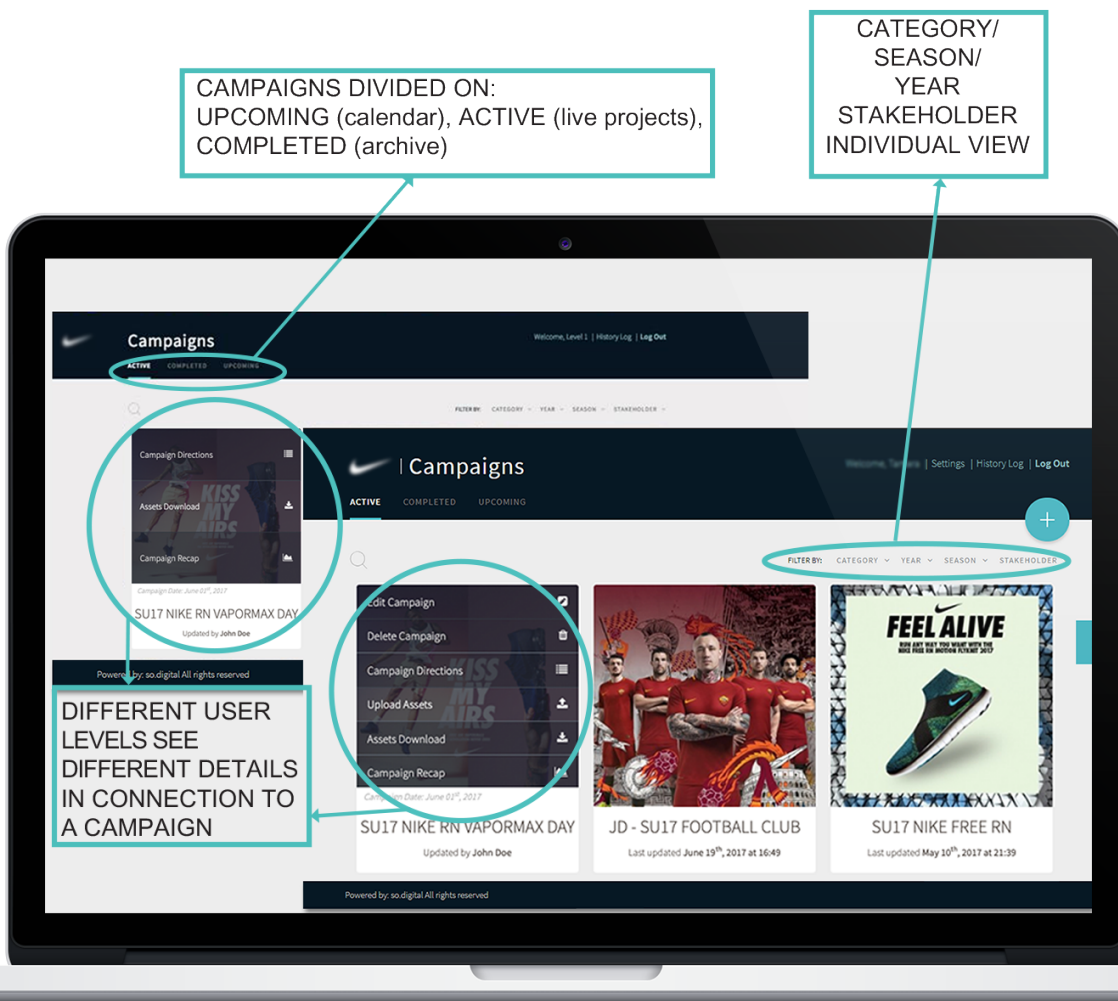
Diversity of wholesale.com network meant that partners were on differing level of digital development and had different size of both marketing and IT teams responsible for day-to-day management of client campaigns. Operationally this diverse partner network meant production specs diversity as every partner had a different website and different branding positions that were available for brands to use, unlike for example advertising standardized spaces. Moreover, not all partners participated in every campaign as buy-ins of products / colorways differed greatly to avoid competition/cannibalization which meant that for every campaign we had to liaise with country account manager to confirm the buy in / activation participation.

## Agile Digital Brand Production | Performance Highlights



Unique expertise required for creating providing agile and scalable digital brand production support merged knowledge of the Nike brand, technical expertise on digital devices and formats, operational efficiency as well as in-depth knowledge of partner's digital properties and behavior of implement brand creative materials. All campaign creative directions were distributed from and reported to a Global HQ in Portland. This of course, in such large organization meant multiple upstream and downstream communication flows, alignments across teams distributed across time zones, all in highly fast paced environment characteristic for a product launch. As our cooperation with Nike progressed, to cope with the increasing load, we've created a brand operations platform.

**Brand Ops Excellence Platform was at the heart of our SO DIGITAL GLOBAL BRAND IMPLEMENTATION EXCELLENCE SOLUTION** which helps headquarter brand marketing teams set up, operate and continuously improve a scalable centralized digital brand execution support system that efficiently manages heterogenous brand content demands from stakeholders across countries.



Our service merges technology that creates structure both on supply and demand side of brand content relationship between headquarters, countries and country level retailers with scalable and cost-efficient digital brand production resources. Together they compose a support system that is able to effectively handle wide range of heterogeneous digital brand content needs while optimizing operations to save time, money and data across all organizational levels.



Platform architecture represents a tiered digitalized brand content supply chain system that resides on predefined user level roles and needs, assigned platform and campaign process phase views, mapped out stakeholder/partner brand touchpoint specs, brand directives and 3rd party productivity tools. It divides brand execution on planning, execution and reporting phases providing complete visibility and transparency into progress across the organizational levels (HQ-country-retailer) thus optimizing and aligning execution time.

**SO DIGITAL**  
Global Brand Excellence Solutions

# Results

## ALWAYS "ON" DIGITAL BRAND CONTENT PRODUCTION SUPPORT

#1

DIGITAL BRAND ON KEY  
E-RETAIL PARTNERS

100%

ON TIME CAMPAIGN  
DIRECTIVE & ASSET  
PRODUCTION AND DELIVERY

30 +

STORIES PER SEASON  
SUPPORTED

20+

BRAND CAMPAIGN  
LANDING PAGES CREATED  
& IMPLEMENTED ON PARTNER  
SITES

10+

CATEGORY BRAND PAGES CREATED  
& IMPLEMENTED ON PARTNER SITES

10k

ASSETS PRODUCED & SEAMLESSLY  
DELIVERED "ON BRAND" AND "ON  
TIME"

1

ONLINE FLAGSHIP STORE  
(JORDAN BRAND)

## PROCES STANDARDIZATION, DIGITIZATION & OPTIMIZATION VIA PLATFORM EXECUTION

100+

STAKEHOLDERS ALIGNED  
VIA THE PLATFORM

120+

WHOLESALE PARTNERS

90 +

BRAND CAMPAIGN PRODUCT  
LAUNCHES SUPPORTED

50K

HOURS SAVED IN PERIOD  
2015 - 2018

3

ORGANIZATIONAL  
LEVELS CONNECTED  
(EMEA - COUNTRY - RETAILER)

7

MONTHS START-UP  
IMPLEMENTATION

9

CATEGORIES  
SUPPORTED

14

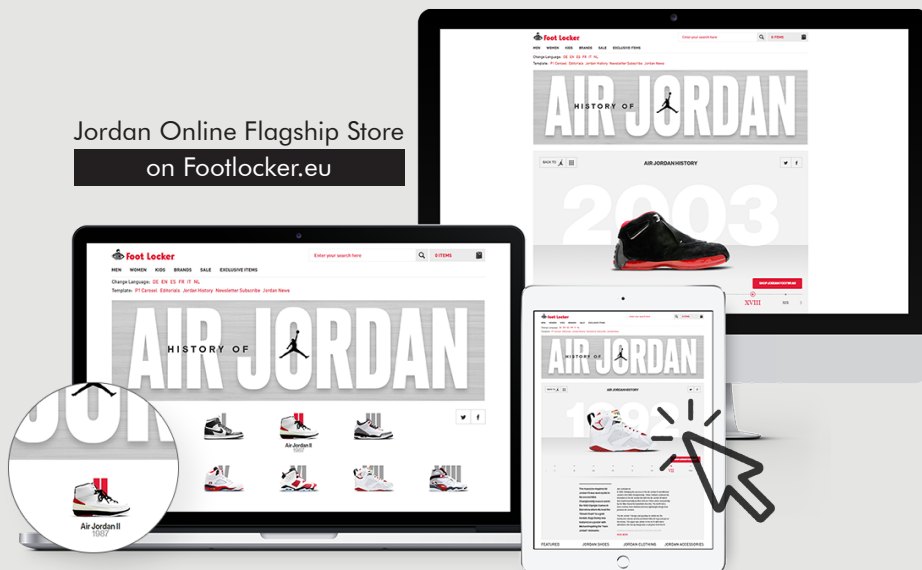
WE COUNTRIES

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"MISUSED"  
CREATIVES

## DISCOVER MORE WORKS IN OUR ONLINE PORTFOLIO

Jordan Online Flagship Store  
on Footlocker.eu



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