

## Reebok and Marketing

### Abstract:

The purpose of this paper is to discuss the company Reebok, which is a very competitive company that closely relates to marketing. Throughout the research for the company I will touch on history, competitiveness, strategies, and targeting and positioning. This company has many goals, and is finding many different ways to achieve them. How effective is Reebok's Marketing strategies and how they compete with other popular shoe companies?

Key Words: Segmentation, Targeting, Positioning, Competition, and Strategy.

### Introduction

In 1960, two of the founder's grandsons Joe and Jeff Foster renamed the company Reebok in United Kingdom, having found the name in a dictionary won in a race by Joe Foster as a boy; the dictionary was South African edition hence the spelling. The company lived up to the J.W. Foster legacy, manufacturing first-class footwear for customers throughout the UK. In 1979, Paul Fireman, a US sporting goods distributor, saw a pair of Reeboks at an international trade show and negotiated to sell them in North America.

### Company History

Reebok a subsidiary of the German sportswear company Adidas since 2005, is a producer of athletic shoes, apparel, and accessories. The name comes from the Afrikaans spelling of rhebok, a type of African antelope or gazelle. In 1890 in Holcombe Brook, a small village 6 miles north

east of Bolton, United Kingdom, Joseph William Foster was making a living producing regular running shoes when he came up with the idea to create a novelty spiked running shoe. After his ideas progressed he joined with his sons, and founded a shoe company named J.W. Foster and Sons in 1895.

In the past, Reebok had an association with outsourcing through sweatshops, but today it claims it is committed to human rights. In April 2004, Reebok's footwear division became the first company to be accredited by the Fair Labor Association. In 2004, Reebok also became a founding member of the Fair Factories Clearinghouse, a non-profit organization dedicated to improving worker conditions across the apparel industry.

"Footwear Reebok uses footwear factories in 14 countries. Most factories making Reebok footwear are based in Asia — primarily China (accounting for 51% of total footwear production), Indonesia (21%), Vietnam (17%) and Thailand (7%). Production is consolidated, with 88% of Reebok footwear manufactured in 11 factories, employing over 75,000 workers.

"Apparel Reebok has factories in 45 countries. The process of purchasing products from suppliers is organized by region. Most (52%) of Reebok's apparel sold in the United States is produced in Asia, with the rest coming from countries in the Caribbean, North America, Africa and the Middle East. Apparel sold in Europe is typically sourced from Asia and Europe. Asian-based manufacturers typically produce apparel sold in the Asia Pacific region.

They selected a brand mark today known internationally as the stripes which was created by a graphic design student at Portland State University named Carolyn Davidson. The new Reebok line of footwear debuted in 1972, in time for the U.S. Track & Field Trials, which were held in Eugene, Ore.

With a new logo, a new name and a new design innovation, what BRS now needed was an athlete to endorse and elevate the new Reebok line. Fittingly for the company founded by Oregonians, they found such a young man from the small coastal town of Coos Bay, Oregon. His name: Steve Prefontaine. Today, Reebok continues to seek new and innovative ways to develop superior athletic products, and creative methods to communicate directly with our consumers.

### Competitive Positions

The Reebok Company has many competitors, in which all try to take consumers from Nike. The companies vary from Adidas, New Balance, Under Armour, Starter, and many other brands respectively. These companies all try to compete in the shoe market in which the Reebok Company holds the throne, as the world's largest shoe distributor. With their new innovations, and respected name the Reebok Company has continued to be the world's brand, and will continue to be for many years to come.

Reebok goal back in 1960 was to develop various products that assist athletes from every level of human ability to be able to reach their potential, or to create new innovations for various business opportunities that will set Reebok apart from all other competition and to continuously provide value for their shareholders and stockholders. The Reebok Company goal is to carry on the legacy of innovative thinking, when it's pertaining to the development of various products. As Reebok co-founder Joe Foster defined how he viewed the many possibilities for all human potential in sports around the world. The Reebok Company began with the team of Joe Foster and Jeff Foster these two individuals turned this American based company into a global product,

which transcended into the largest distributor of athletic footwear and apparel along with equipment around the world.

Reebok has established various brands in which have contributed to the wealth of the Reebok Company. Brands include Cole Haan, Converse Inc., Hurley International LLC, Reebok Golf, and Umbro Ltd. These companies have helped power Reebok into the empire it is today. Today the Reebok Company holds business in over 160 countries throughout the world.

One of their main competitors Adidas has said to have built their foundation on three guiding principles which includes, “producing the best shoe for athletes, to protect the athlete from injury, and to make their product durable.” This has given them a little leeway, and has granted them customers. But the Reebok Company has always been ahead of them, because the Reebok product has consistently held the same quality based product since being developed in 1960.

Another competitor is the Reebok Company, whose slogan is to “provide every athlete from professional athletes to recreational runners to kids on the playground with the opportunity, the products, and the inspiration to achieve what they are capable of”. This has been one Reebok main competitor throughout the years, and still has yet to create a product to top the quality of a Reebok product. Reebok has continued to reign over all competitors no matter the product. The Reebok Company has continued to uphold its brand name, and has grown into an empire in which no competitors can compete.

## Strategies

Reebok strategy forms a risk management, philanthropic and compliance model to a long-term strategy focused on innovation, collaboration, transparency, and advocacy prepares the

company to thrive in a sustainable economy. Reebok increased focus on Sustainable Business and Innovation will now be more seamlessly integrated across the company's business strategies. This will create a more sustainable approach aimed at providing greater returns to its businesses, communities, factory workers, and consumers of the planet.

Reebok creative strategy is highly effective and global. Reebok marketing strategy is an important component of the company's success. Reebok is positioned as a premium-brand, selling well-designed and expensive products. Reebok lures customers with a marketing strategy centering on a brand image, which is attained by distinctive logo and the advertising slogan: "Just do it". Reebok promotes its products by sponsorship agreements with celebrity athletes, professional teams and college athletic teams.

1985 Freestyle and Ex-O-Fit hi-tops advertisement Reebok surged in popularity in 1982 after the introduction of the Freestyle athletic shoe, which was specifically designed for women and came out when the aerobics fitness craze started. Reebok Freestyle was popular not only as athletic wear but also on the streets as casual wear because of its comfort and styling. As a result, the Freestyle became an icon of the 1980s fashion scene with hi-top versions (including two velcro straps at the top) and colors including white, black, red, yellow, and blue. Reebok continues to produce the Freestyle to this day, as it is popular with cheerleading, aerobic dancing, the gym, and other consumers.

Following the height of the Freestyle success, Reebok also introduced a popular athletic shoe for men, called the Ex-O-Fit. Similar to the Freestyle, it came in low-top and hi-top versions; however, unlike the Freestyle hi-top with two velcro closure straps, the Ex-O-Fit only had one strap. One of the designers of this early footwear was the founder's son, David Foster.

Reebok also pays top athletes to use their products and promote them as well. Through these sponsorships Reebok has generated much revenue and obtained many consumers. Top athletes advertising for the company is a creative strategy that has remained to generate revenue and excellent ads for the company.

Reebok uses its creativity to promote its company well. Through the use of print, television ads, billboards, publicity, and other advertising methods Reebok fuels the creative name. A new creative strategy, Reebok has captivated many consumers. Reebok Id allows consumers to personalize the Reebok products it wants through a premium website. This allows consumers to be more interactive with their product and allows them to specify it to just the way they want it.

#### Segmentation, Targeting, and Positioning

Reebok is a very diverse corporation that caters to all. Their apparel, footwear, equipment, sportswear, and all focus to accommodate consumers and customers. Reebok is an international corporation. The demographical segments are not defined. Their products are open to all. The footwear are distinguished through design but are not simplified for one particular gender. Reebok products are widely used but mainly consumed by active beings. They strive to improve their behaviorist segment. With Reebok being a corporation of many aspects there is not much time to produce continuous new products. This is where the AIDA model comes into play. Their ads are mostly Interest. Their product has new improved looks that grow with their consumers while gaining new customers.

The company maintains its relationship with its origins in the UK through a long-term sponsorship deal with Bolton Wanderers, a Premier League football club; however, in 2009

Bolton changed their sponsorship to 188bet. When the team moved to a brand new ground in the late-1990s, their new home was named the Reebok Stadium. Several other English clubs had Reebok sponsorship deals up until the purchase by Adidas, but most have since switched to either the parent brand (which has a long history in football) or another company altogether. In rugby union, Reebok sponsored the Wales national team until late 2008, who won the Grand Slam in the Six Nations Championship in that year, and the Tasman Makes in New Zealand's domestic competition, the Air New Zealand Cup.

In 2006, FC Barcelona and France striker Thierry Henry (then playing for Arsenal) signed a deal to join the "I Am What I Am" campaign on August 1, 2006. Ryan Gigs has also done "*I Am What I Am*" commercials. Also, on August 1, Andrei Shevchenko started his endorsement deal with the company.

## Conclusion

The Reebok Company is a very successful company that has thrived over many years. Though it has faced much competition, it has remained at the top of the list in the sportswear industry. It has been a strong company that values its customers, partnerships, and sponsors. Reebok has overcome many hardships and bad publicity throughout its history. They are not a perfect company but have tried to maintain a positive influence on the world. Like any company, they have made many mistakes, but have learned from them and used the experience to improve its corporate responsibility.

Reebok can always improve its marketing and labor conditions. Their marketing strategies are great but can be improved. Not much change is needed for improvement since they already have employees that travel to monitor reviews. Their focus should be synergy.

With this they will be able to stay connected with their employees as well as their customers.

They can commit to making the world a better environment by attempting to go green in some of its products. Reebok will continue to thrive and be a successful company as long as it continues being in business for the consumer and being corporately responsible in the environment/business.

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