

Practice Leads to High Performance as Nike Executes Global Strategy



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Athletes are always looking for an edge and Nike—the world’s leading athletic shoes, apparel and equipment brand—is no different. As it has grown from a US-based footwear company in the early 1970s to the number one sport brand in the world today, Nike’s mission “to bring inspiration and innovation to every athlete in the world” has held true throughout the company’s history. Known for bringing the best innovations to athletes at every level, it is no surprise that Nike continuously strives for excellence. As it faces increased competition and is challenged to grow market share, the company is making a strategic shift to build an even stronger retail organization.

Though Nike had consistently grown earnings over the past few years, management believed the key to future success began at the storefront, where consumers experience the brand every day. Translating the new company strategy into reality, the retailer challenged its global stores to deliver a meaningful consumer experience and convert traffic into sales. With a heightened focus on driving conversion and empowering the field, Nike needed a solution to better equip its store managers, known as Head Coaches, and District Managers for the transition.

To be successful, Nike Head Coaches and District Managers needed to build alignment and understand the business levers necessary to effectively develop people, improve consumer experience, and drive sales and profitability. Nike partnered with [BTS](#), a leading strategy implementation consultancy, to bring this global initiative to life.

A Highly Customized Development

To accelerate the execution of Nike’s retail strategy and build the capabilities critical for success, BTS created two fully customized experiential-based programs targeting Nike’s Head Coaches and District Managers. Two scenario-based solutions—one modeling a retail store for Head Coaches, the other a sales district for District Managers—defined the core of each one-day program.

In each competitive business simulation, teams of employees were challenged to balance priorities, react to unexpected events, and make trade-offs as they executed their brand strategy and grew profitability in a simulated retail store or sales district. Through

the high-impact program, teams of participants experienced first-hand the impact their decisions had on revenues, costs, consumer experience, employee capability, and contribution to the brand's overall strategy.

An online portal, business acumen course and compelling virtual engage map primed participants for the simulation workshop. To continue the learning and provide support back on the job, BTS developed a desktop planning tool for Head Coaches. This tool, updated on a regular basis and made available through the online program portal, enabled Head Coaches to test assumptions and create a plan for achieving KPI targets on a weekly, monthly or quarterly basis. First introduced during the workshop, participants practiced utilizing the parameters before returning to their stores and accessing the tool on their personal desktop.

To enable the execution of Nike's strategy across the corporation, the program was implemented on a global scale—across North America, Europe, Asia and Latin America—and translated into and facilitated in local languages.

Practice Leads to High Performance

According to participating Nike employees, the program was highly impactful. Head Coaches found value in the customized business simulation: 51 percent indicated a deeper understanding of the store levers and another 40 percent indicated a shift in mindset to own the store and its performance. District Managers reactions were even better: 71 percent noted a deeper understanding of how to pull different store levers and 57 percent felt an improved capability of analyzing, filtering and prioritizing information.

As Nike continues to execute its strategy globally, the impact of the program is already showing tangible results. In one case, store revenue increased 22 percent based on the changes implemented by the Head Coach upon returning from the BTS program. A follow-up survey and interviews also indicate that participants, applying the tools from the simulation experience in their stores and regions, are realizing increases in revenue based on new behaviors. By coaching store associates (also known as Athletes) on product knowledge, the KPIs that they can control, and how they impact store revenue, Nike Head Coaches and District Managers are improving the consumer experience by bringing the brand to life. As Nike proves once again, practice leads to high performance.

About BTS

BTS focuses on the people side of strategy, working with leaders at all levels to help them make better decisions, convert those decisions to actions and deliver results. At our core, we believe people learn best by doing. For 30 years, we've been designing fun, powerful experiences™ that have profound and lasting impact on people and their careers. We inspire new ways of thinking, build critical capabilities and unleash business success. It's strategy made personal.

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