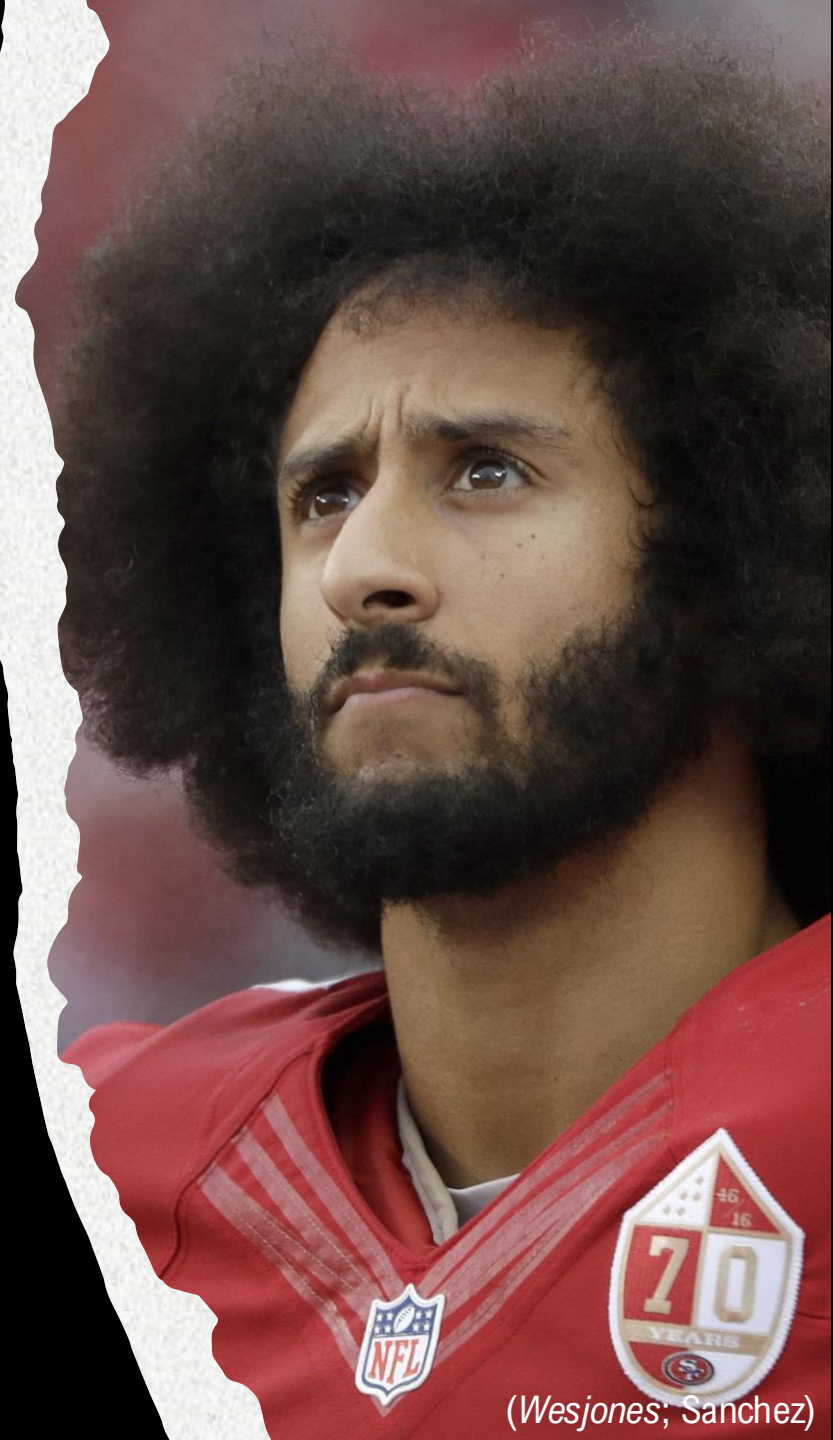




Nike and Colin Kaepernick: Case Study on "Dream Crazy"

Katrina Hellman



(Wesjones; Sanchez)

Issue Introduction

- Colin Kaepernick refused to stand during the playing of the national anthem before NFL games.
- Nike released a new ad campaign that featured Kaepernick.

Colin Kaepernick

- Born in 1987
- Biracial, identifies as Black
- San Francisco 49ers quarterback
- Protest responding to police brutality and social injustice – received mixed reactions
 - August 14, 20, 26, 2016 – sat
 - August 31, 2016 – met with Green Beret Nate Boyer
 - September 1, 2016 – knelt
- 2017 - Know Your Rights



Organizational Review: Nike

- History

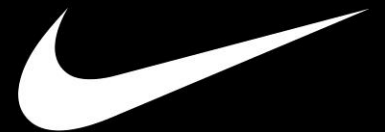
- 1964 – Began as Blue Ribbon Sports, founded by Bill Bowerman and Phil Knight
- 1971 – Nike became the new name of the company
 - Inspiration from the Greek goddess of victory
 - Nike Swoosh
- 1984 – First Nike factory opened in Portland, Oregon
- 1988 - "Just Do It" ad campaign
- 1996 – Nike launched nike.com
 - Focused on storytelling
 - 1998 – NikeiD
 - 1999 – e-commerce

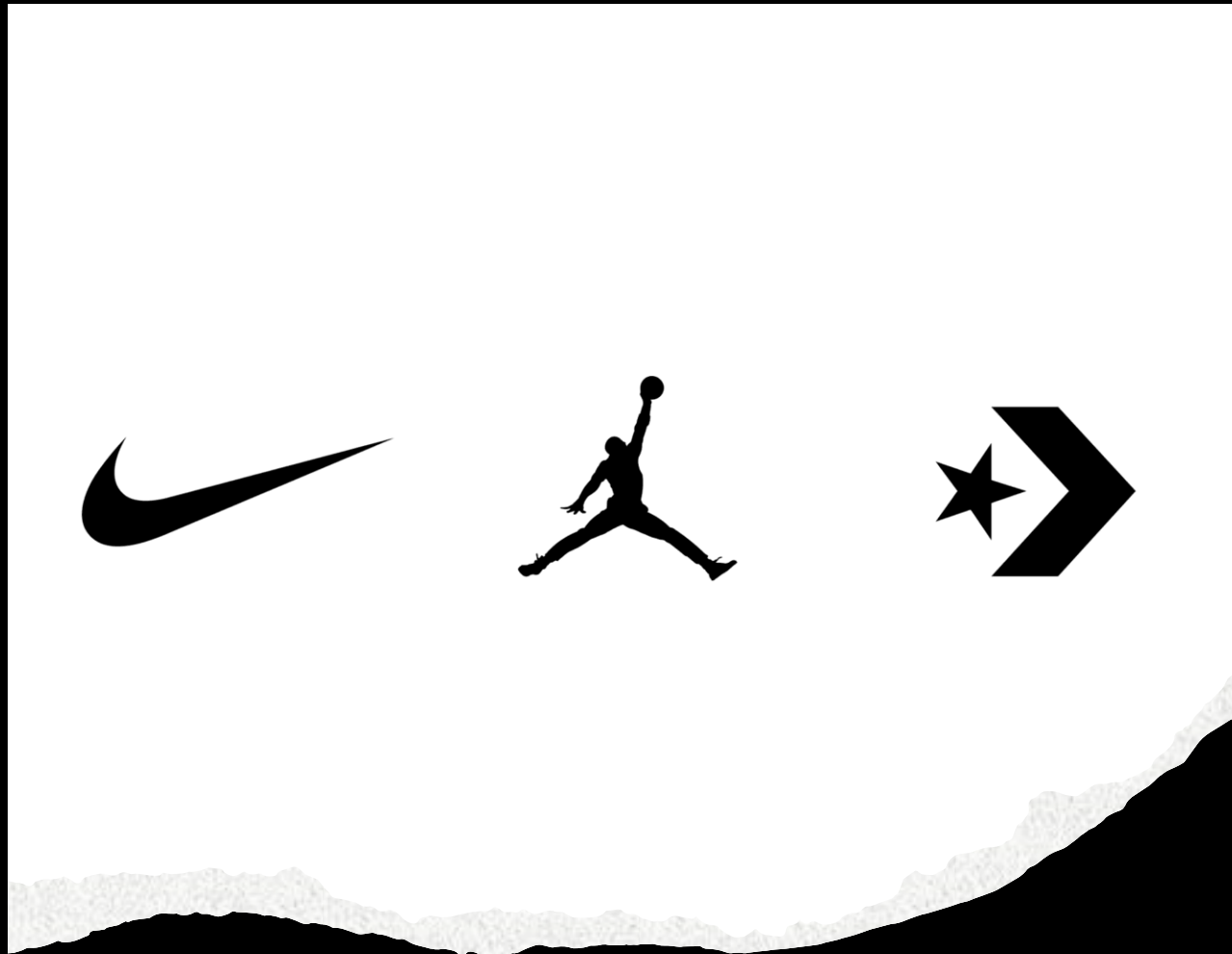


Organizational Review: Nike

(continued)

- History
 - Phil Knight
 - Public accountant
 - Professor of Business Administration
 - 1968-1990, 2000-2004 – Nike's president
 - Bill Bowerman
 - Track coach
 - Improving athlete footwear
 - Michael Jordan
 - Allegations of sexual harassment and discrimination





Organizational Review: Nike

(continued)

- Today
 - John Donahoe – Nike's President and CEO
 - 43% of Nike's leadership roles are filled by women
 - 78% renewable energy in facilities
 - \$97.7 million invested in NIKE, Inc.'s 2021 fiscal year to create a positive impact in communities worldwide
 - \$3.5 billion a year on advertising and endorsement deals

Organizational Review: Nike

(continued)

- Goals
 - Provide athletes with exceptional products that help them in superior sports performance
 - Expand access to sports for everyone
 - Help athletes achieve their potential
 - Build a future of constant progress for athletes, sport, and the world
- Vision
 - "We see a world where everybody is an athlete — united in the joy of movement. Driven by our passion for sport and our instinct for innovation, we aim to bring inspiration to every athlete in the world and to make sport a daily habit."
- Mission
 - "Bring inspiration and innovation to every athlete in the world"
 - *"If you have a body, you are an athlete"



Organizational Review: Nike

(continued)

- Commitments
 - Diversity, Equity, and Inclusion
 - Responsible Sourcing
 - Empowering Communities
 - Protecting the Planet
- Values
 - "Do the right thing"
 - "Serve athletes"
 - "Create the future of sport"
 - "Win as a team"
- Culture
 - Innovation
 - "Team-first"
 - 79,100 employees

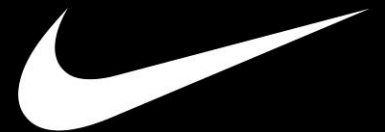


("Impact MOVING FORWARD"; "Nike Mission, Vision & Values"; "Our Mission BRING INSPIRATION"; Gupta; *Nike Newsroom*)

Organizational Review: Nike

(continued)

- Purpose
 - "To move the world forward through the power of sport"
- Financial Standing
 - \$51.2 billion – Full year reported revenues (full year ended May 31,2023)
 - Increased 10 percent
- Products/Services
 - Shoes
 - Apparel
 - Sports Equipment



SWOT: Nike

Strengths

- Strong brand awareness and brand loyalty
- High brand value: \$50.2 billion
- Celebrity endorsements
- Large customer body
- Powerful marketing strategies
- Supports Black communities

Weaknesses

- Poor labor conditions
- Lawsuits
- Reputation risks



SWOT: Nike

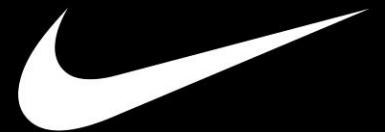
(continued)

Opportunities

- Investing in sustainability
- Increasing partnerships and collaborations

Threats

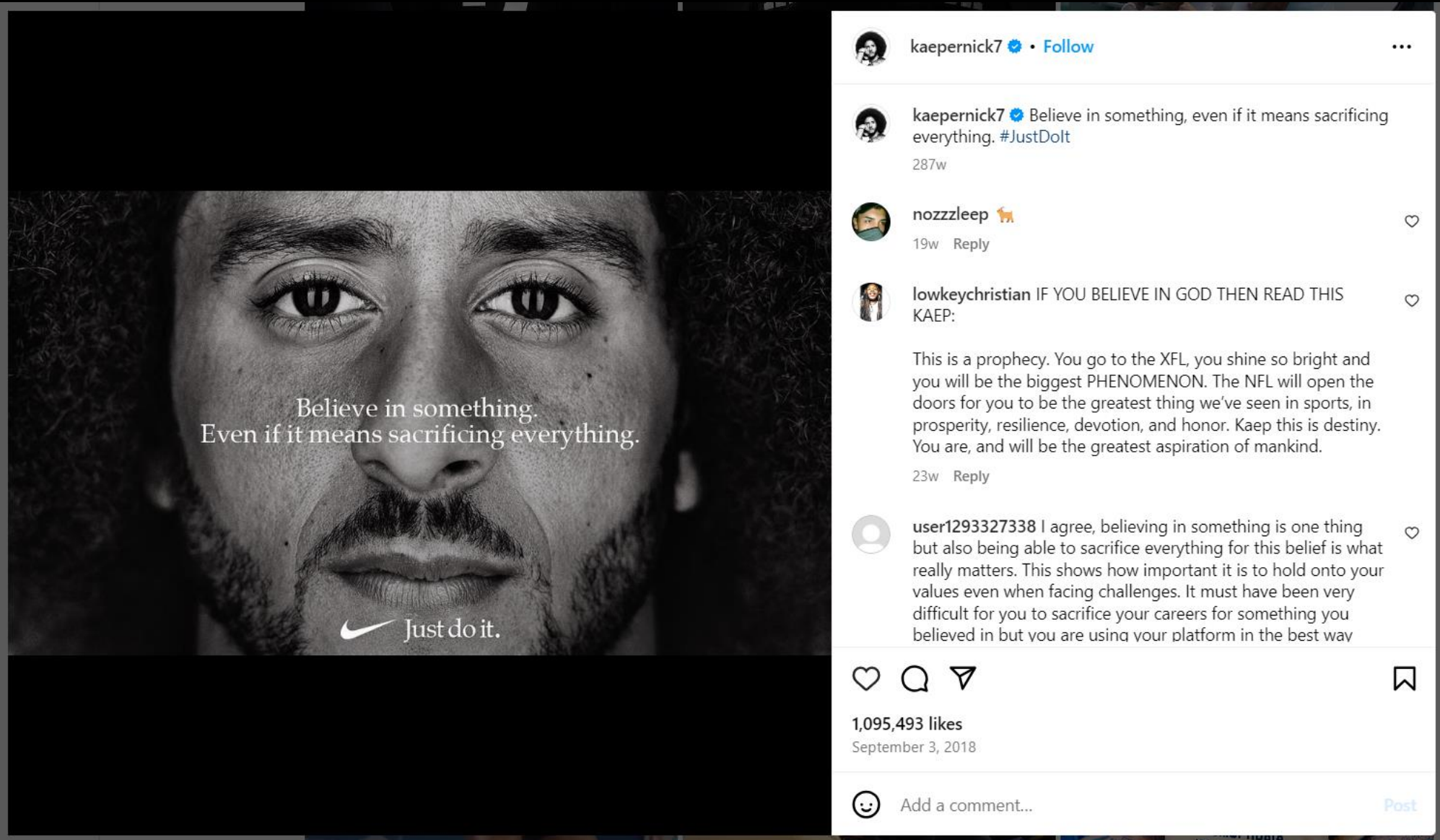
- Competition
- Negative publicity
- Changing and varying consumer preferences



30th Anniversary of Nike's "Just Do It" Campaign - "Dream Crazy"

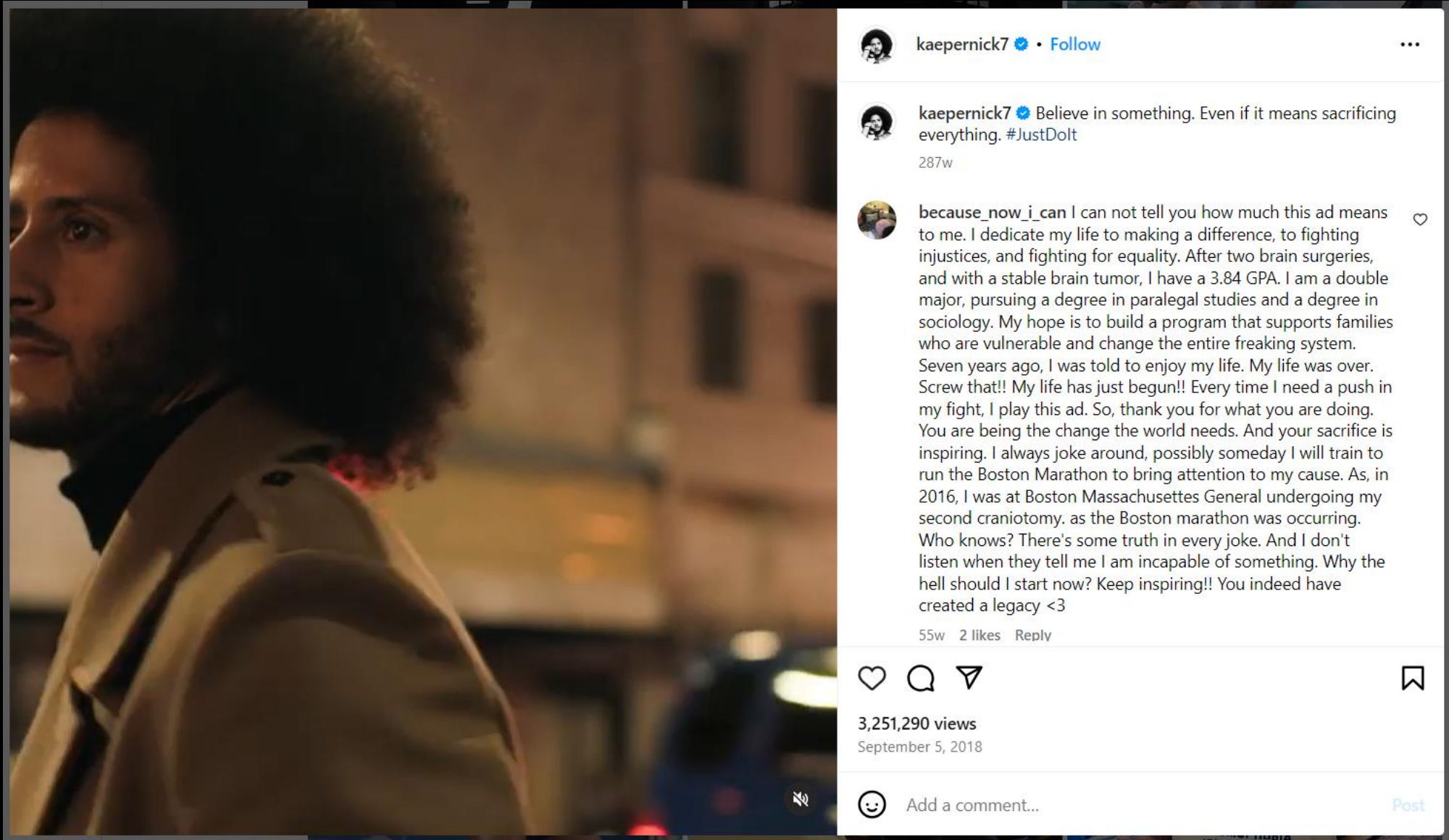


<https://www.youtube.com/watch?v=jBnseji3tBk&t=124s>



Instagram – 1M likes, 62.3K comments

(Retrieved on 3/7/2024)

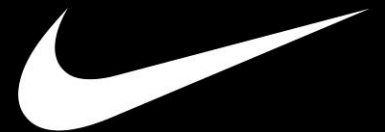


Instagram – 3.2M views/plays, 43.2K comments

(Retrieved on 3/7/2024)

- Key players involved
 - Colin Kaepernick
 - Nike
 - Athletes featured in ad
- Primary stakeholder groups
 - Nike company, leadership, employees
 - Colin Kaepernick
 - Sponsored athletes
 - Customers of Nike
 - Nike's competitors
- Publics
 - Consumers (between 15-40 years old)
 - Male and female athletes
 - Tweens and teens
 - Nike-endorsed athletes
- Target audiences
 - Younger generation
 - 18- to 29-year-old males

Issue Breakdown



Case Timeline

- 2011 – Nike signed Kaepernick with an endorsement deal
- July 2013 – Black Lives Matter (BLM) movement started
- August 14, 2016 – Kaepernick began his protests
- September 12, 2016 – President Trump released a statement
- March 1, 2017 – Kaepernick opted out of his contract with the 49ers
- October 15, 2017 – Kaepernick filed collusion grievances against the NFL
- Fall of 2017 – Nike considered canceling endorsement deal with Kaepernick



Case Timeline

(continued)

- 2018 – Adidas expressed interest in signing Kaepernick to an endorsement deal
- September 3, 2018 – launch of Nike's "Dream Crazy" campaign
 - Monday, September 3, 2018 – Kaepernick posted on social media
 - Wednesday, September 5, 2018 – Nike released the full version of the commercial
 - Thursday, September 6, 2018 – ad aired on the NFL regular season opener on NBC
- October 2018 – Nike released Kaepernick clothing
- November 30, 2018 – Nike campaign ended





Organizational PR Process (RACE)

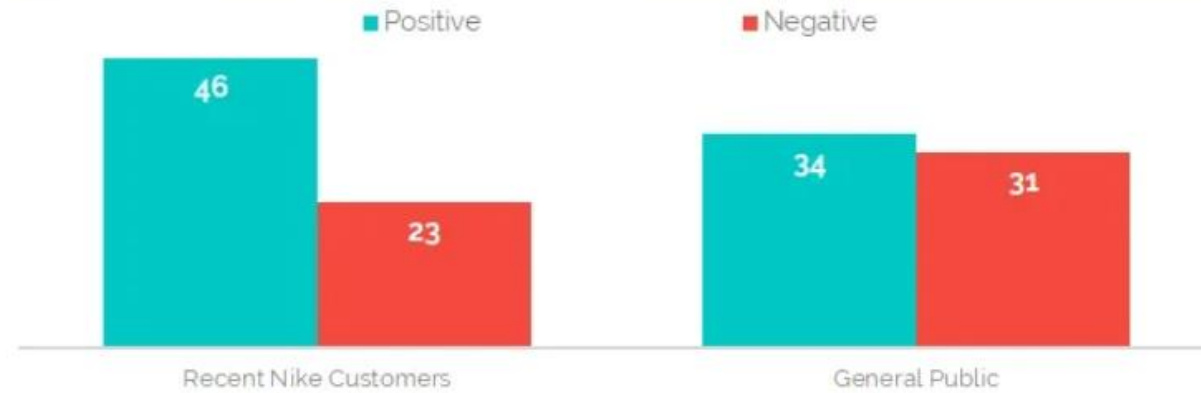
Research

- Kaepernick was the most disliked player in NFL during the 2016 season
 - 37% of Caucasians "disliked him a lot"
 - 42% of African Americans "liked him a lot"
- US adults' opinions of Kaepernick
 - 34% have positive opinions
 - 31% have negative opinions
- Nike customers' views of Kaepernick
 - 46% have a favorable view
 - 23% do not have a favorable view
- 53% of Americans say it is "never appropriate to kneel during the national anthem"
- Just as many Nike customers identify as being either black (22%) or Hispanic (23%) as they do being white (46%)

(Balkam; Marzilli; Clement and Guskin)

Kaepernick more popular among Nike customers than the general public

% of US consumers aged 18+ who have either a positive or negative opinion of former NFL quarterback Colin Kaepernick.

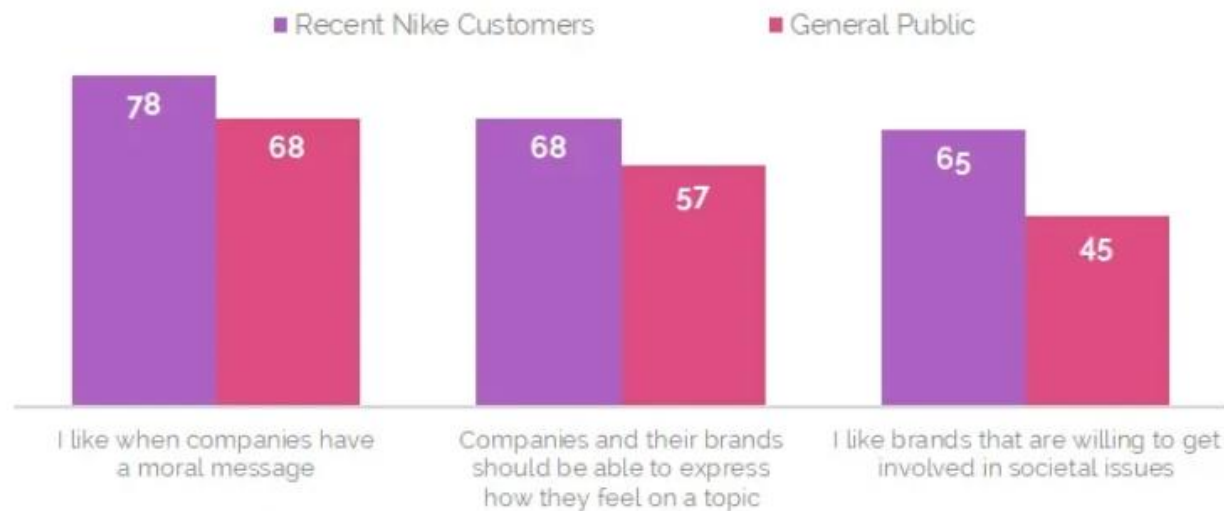


YouGov | yougov.com

YouGov's Plan & Track, September 2018

Nike customers more receptive to brands taking a stand on social issues

% of US consumers aged 18+ who agree with the following statements.



YouGov | yougov.com

YouGov's Plan & Track, September 2018



Organizational PR Process (RACE)

(continued)

Research

- No stranger to social issues
 - Ageism – 1988
 - People with disabilities – 1989
 - Whether celebrities and professional athletes should be held to higher standards – 1993
 - Ad featured openly gay, HIV-positive runner – 1995
 - Gender issues – 1995 & 2012
 - Ad featured member of the National Wheelchair Basketball Association – 2007
 - Equality in sports and the world – 2017
 - Ad featured Middle Eastern women pushing the social norms – 2017



Organizational PR Process (RACE)

(continued)

Research

- No stranger to controversy
 - Lance Armstrong – doping scandal
 - Maria Sharapova – failed drugs test
 - Tiger Woods – sex scandal and drug driving accusation
- Opportunity
 - Take a risk and address Nike's stance on the current social issue
- Current audience was young people
 - 14- to 22-year-old males
 - Two-thirds of Nike customers are younger than 35 years old

Organizational PR Process (RACE)

(continued)

Action/Programming/Objectives

- Goals
 - Celebrate 30th Anniversary of "Just Do It" campaign
 - Inspire athletes to believe in what is possible
 - Build brand loyalty
 - Support equality and diversity
 - Highlight athletes that pushed boundaries
 - Encourage consumers to stand up for what they believed
- Target audience
 - Specifically, 15- to 17-year-olds
 - 18- to 29-year-old males
 - Millennials and Gen-Z
 - Want brands to take visible, social positions
- Theme/Idea
 - Demonstrate its support of the fight for racial and social injustice
 - Provide an inspirational message
 - Feature Colin Kaepernick



Organizational PR Process (RACE)

(continued)

Communication Tactics

- \$5.2 million to air "Dream Crazy" on television
- Use social media
 - September 3, 2018 – have Kaepernick make a social media post
- September 5, 2018 – Create an ad
 - Use Kaepernick, along with other influential and inspiring athletes including Odell Beckham Jr., Serena Williams, LeBron James, Seattle Seahawks linebacker Shaquem Griffin, and skateboarder Lacey Baker
- October 2018 – Sell Kaepernick merchandise
- Place image of Kaepernick on billboards
- Donate to "Know Your Rights"



(BroBible; Hypebeast; Weiss)



Organizational PR Process (RACE)

(continued)

Evaluation

- Kaepernick received more than one million responses on Instagram, Facebook, and Twitter within the first hours of his post
- Mixed reactions
 - Positive
 - People showed support on social media – praise and encouragement
 - Support from athletes
 - Serena Williams
 - LeBron James
 - Casey Neistat
 - Negative
 - Twitter – more than 100,000 posts in first 24 hours
 - #BoycottNike
 - Country singer John Rich
 - Texas Republican Senator Ted Cruz
 - President Trump
 - #JustBurnIt; #BurnYourNikes
 - Burning Nike shoes and cutting Nike socks

(Draper et al.; Meyersohn; Balkam; "Just Do It"; Hessekiel; Penrose)



John Rich 
@johnrich · Follow



Our Soundman just cut the Nike swoosh off his socks. Former marine. Get ready @Nike multiply that by the millions.



6:02 PM · Sep 3, 2018



❤️ 25.7K 💬 Reply ↗️ Share

[Read 29K replies](#)

X – Retrieved on 3/10/2024



Sean Clancy
@sclancy79 · Follow



First the @NFL forces me to choose between my favorite sport and my country. I chose country. Then @Nike forces me to choose between my favorite shoes and my country. Since when did the American Flag and the National Anthem become offensive?



5:56 PM · Sep 3, 2018



❤️ 40.8K 💬 Reply ↗️ Share

[Read 20.6K replies](#)

X – Retrieved on 3/10/2024

Larry Dugger – Washington Veteran



https://www.youtube.com/watch?v=vmbdy6-Uc_0

Organizational PR Process (RACE) (continued)

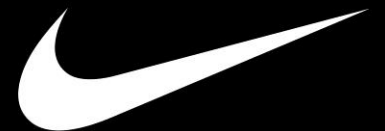
Evaluation

- Unsuccessful
 - Nike's stock down 3% the day following Kaepernick's post
- Successful
 - Nike's stock reached all-time high
 - Nike's stand with Kaepernick gained much attention
 - Reached Nike's target consumer
 - Generated at least \$43 million in free advertising for Nike in first 24 hours and \$160 million in three days (estimated)
 - Increased company's value by more than \$6 billion two weeks after commercial released
 - Boosted sales by 31%
 - 1,400% increase in mentions of Nike online

(Meyersohn; Rizvi; Balkam; Draper et al.; Draper and Creswell; "The story behind Nike's 'Dream Crazy' campaign"; "Just Do It")

Strategies

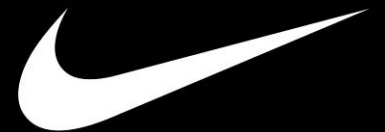
- High risk
 - Took a calculated risk; rewards outweighed the risks
- Know audience
 - Nike knew customer demographics
 - Believed its core customers would support its choice to have Kaepernick as a spokesperson
- Authentic
 - Willing to sacrifice some sales
- Culturally relevant
 - A need to cater to millennial and Gen-Z customers who desire to align themselves with thoughtful brands that are not afraid to take a stand



Strategies

(continued)

- Surprising
 - It was unknown to the public Kaepernick's involvement with Nike
- Remain aligned
 - Nike followed its values and purpose
- Bold
 - Led others towards change
 - Chose athlete with a polarizing place in American politics
- Courageous
 - Did not follow other brands



Messages

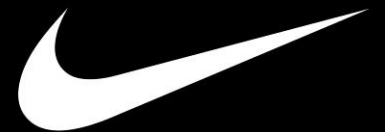
- "Believe in something. Even if it means sacrificing everything." - social media post
- "It's only crazy until you do it." (Dream Crazy) - video advertisement
- "Just Do It"



Media Analysis

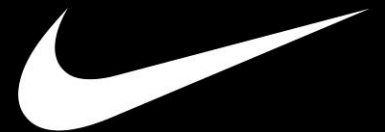
- CBS News
- ABC News
- Forbes
- NPR
- PBS
- CBC
- ESPN
- NBC News
- BBC
- NFL
- USA Today

- Global News
- The Washington Post
- Sports Illustrated
- The Guardian
- Rolling Stone
- Bleacher Report
- TODAY.com
- The New York Times
- Sports Business Journal
- Business Insider



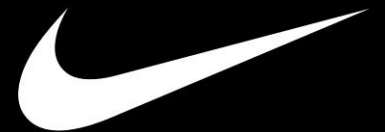
Stakeholder Impact

- Nike-sponsored athletes
 - Positive reaction
- Customers of Nike
 - Mixed feedback
- Nike's competitors
 - Adidas and Puma had been looking to sign Kaepernick
 - Might still capitalize off him



Case Analysis

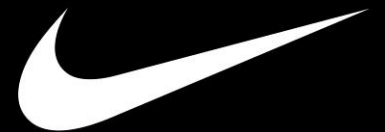
- Memorable and powerful
- Ad showed many different athletes
- Colin Kaepernick
 - Good choice for Nike's brand
 - Promote social activism
- Strategic
 - Nike outlined values
 - Willing to back them with the potential risks
 - Controversy resonated with slogan
 - Included slogan
 - Simple but stood the test of time



Case Analysis

(continued)

- Accomplished objectives
- Bold and clever positioning move
 - Streamlining customer base for future
- Inspired new relationships through the support of a controversial figure and his social advocacy
- Created noise
- Have to be careful now to keep the brand promise



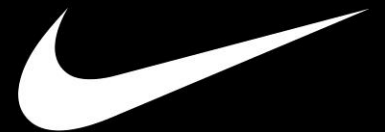
Future Expectations, Critique, & Recommendations

- I think that upcoming Nike campaigns will be strategically implemented with a reasonable amount of research completed before launching it.
- Nike will probably continue taking risks.
- Be careful and smart when choosing a stance on controversial issues.
- Make sure all public relations align with Nike's brand and values.



Discussion Questions

- Do you think Nike should have done anything different?
- Who would have been a better spokesperson for the ad?
- Do you think Nike should have created the campaign without Kaepernick, so it would not have been controversial?
- Do you think the reaction would have been different if Nike announced the ad, instead of Kaepernick?
- Do you agree that the younger generation wants brands to share their values and take stands on social issues?



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