

## A Study on The Business Failure of Reebok-- An Apocalypse or a New Horizon

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### Abstract

globalization, the way of conducting and executing business has changed a lot, and because of this considering the modern approach to business, it has become really eloquent for the business enterprises to remain updated have a close eye on competitor moves and to be flexible enough for the smooth functioning of the business. In the era of digitalization and technology oriented approach, it has become easier for the companies to gain relevant information about the economy, market, computer analysis, strength and weakness, consumer taste and preferences, forecast future sales and many other. By evaluating all this information carefully, a firm can make a plan and take strategic decisions whenever required. Unreasonable and illogical business move regarding expansion, marketing myopia, merger and acquisition can contribute to the downfall of the company. Identifying the customers needs and desires, the target market, grand identity and niche market are very important in any business move or launching a next product. Poor market survey and customer analyzing can significantly affect a company's growth and global sales, and this case study mainly focus on the importance of strategic decision making by considering a business case study of renowned fitness footwear and clothing brand "Reebok International Limited" and its success as well as business future which will help entrepreneurs and other existing companies in the market to learn from the mistake done by Reebok and to make effective business decision. The importance of brand identity and the identification of proper niche market plays a vital role in Reebok case study as the brand identity is the thing which makes a company unique and separation from the rest of brand offering similar products in the market .The case study illustrates the global demand for the sports footwear, the key player of the market , the unique business may executed by the companies and the positioning strategy of this companies. This study exhibits how the industry has been constantly developing and how Reebok had emerged as a close substitute and major competitors of Nike in sportswear segment and how some faulty and unreasonable decisions stopped Reebok from becoming "The Nike Killer, the ruler of the industry". The study also focuses on the geopolitical scenario, now the cold war between two great Nations (US and USSR) changed the entire global business scenario and the limited business transactions and the closed economy of USSR helped the companies like Reebok, Nike, Puma, Fila to make a position in the market and gradually to capture the industry. The changing footwear style particularly for females during 1979-1989 and the trend of aerobics provided Reebok the golden opportunity to beat Nike in global sales of footwear. So, the importance of undertaking the needs and desires of customers, the changing pattern of consumer taste, the changing global scenario and changing pattern of technology is very crucial. The case study also reveals Paul Fireman and his contribution to Reebok's success, as well as the crucial decisions taken by Fireman, which led Reebok to the ground, we can say that the creator becomes the destroyer. The wrong merger of Reebok with German sportswear brand Adidas should be given much importance as the seed of destruction of Reebok lies inside this merger. How Adidas acquired Reebok and how the separate visions of Adidas made Reebok a brand of no importance and led Adidas to sell Reebok to ABG, incurring a great loss. The fluctuation in global sales of Reebok between 2006 to 2020 indicates the inconsistency in business and ultimately a great downfall of a giant. This study also revolves around the unethical business practice of a renowned company Reebok India Co. making fraudulent sales with unauthorized customers, a scam of approximately 870 crore which degraded the goodwill of the company and harmed its brand image. The ABFRL and the purchase of Reebok exclusive distribution and selling rights in India should be given importance as it could prove a boon for Reebok and to bounce back because India has a huge market demand for sportswear so and sports garments and though the market already filled with popular brands like Nike, Adidas, fila, Puma and many others. Though the market seems saturated but there is still hope left for Reebok and since the huge defamation of Reebok, it is constantly engaged in making quality products that bear both nostalgia and modernness together with

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comfort and quality are considered paramount and desperately figuring out the niche market and the identity to get back its past glory that has been lost somewhere for the last decade. The absolute apocalypse or the dawn of the new era, time will say, considering Reebok efficiency, dedication and new business approaches.

The business trajectory of Reebok, once a dominant player in the global athletic footwear and apparel market, offers a compelling case study on the challenges and missteps that can lead to corporate decline. Founded in 1958 and rising to prominence during the 1980s, Reebok became a household name due to its innovative designs, strong brand identity, and ability to capitalize on emerging fitness trends, such as aerobics. However, despite its initial success, the company experienced a steady decline in market relevance, culminating in its acquisition by Adidas in 2005 and eventual divestment in 2021. This paper explores the factors that contributed to Reebok's business failure, including strategic misalignments, branding challenges, and evolving market dynamics. The research identifies several key missteps that eroded Reebok's competitive edge. First, a lack of consistent brand positioning led to confusion among consumers. While competitors like Nike maintained clear identities centered on performance and innovation, Reebok struggled to balance its focus between performance-driven products and lifestyle offerings. This inconsistency diluted its brand equity and hindered its ability to build lasting emotional connections with consumers. Second, the company failed to anticipate and adapt to shifting market trends. As the fitness industry evolved, Reebok lagged behind in developing products for emerging sports such as basketball and running, ceding market share to more agile competitors. Moreover, Reebok's acquisition by Adidas, intended to position the two companies as stronger competitors against Nike, did not yield the desired synergies. Instead, the acquisition revealed operational inefficiencies and strategic conflicts. Adidas prioritized its core brand, often relegating Reebok to a secondary status, which stifled innovation and growth. Additionally, poor investment in marketing and sponsorships, especially in high-visibility sports like basketball and soccer, further diminished Reebok's market presence. This study also examines the role of external factors, such as economic downturns and increased competition from emerging brands, which amplified Reebok's struggles. The rise of direct-to-consumer sales models and the growing importance of digital marketing also exposed Reebok's slow adaptation to technological and retail shifts. Despite attempts to rebrand and revitalize its image through collaborations and endorsements, these efforts failed to achieve sustainable success due to inconsistent execution and a lack of long-term strategic vision. In conclusion, Reebok's failure serves as a cautionary tale for businesses operating in highly competitive and fast-changing industries. The company's decline underscores the importance of maintaining a clear brand identity, investing in innovation, and staying attuned to consumer preferences and industry trends. This study contributes to the broader understanding of corporate decline by highlighting the interplay between internal mismanagement and external pressures in shaping business outcomes. Lessons from Reebok's trajectory can guide both established and emerging companies in navigating the complexities of modern business environments. This paper aims to provide insights for industry professionals, business strategists, and academics interested in the dynamics of corporate success and failure, emphasizing the critical need for adaptability, strategic coherence, and market responsiveness in sustaining competitive advantage.

**Keywords:** *Marketing Myopia, Customer Analysis, Strategic Decision Making, Brand Identity, Niche Market, Brand Positioning, Market Trends, Strategic Misalignment, Competitive Dynamics, Consumer Preference, Marketing Strategy, Operational Inefficiencies, Industry Competition.*

## **Introduction**

In today's business world, the success of a brand or company depends on the continuous effort on satisfying the needs and desires of the consumers in an effective and efficient manner. The existence of the brand's name logo trademark should always possess a large area into the awareness of the consumer over a long run. With the rapid base of development and technological advancement, a firm needs to upgrade its business policies, procedures, distribution, advertising genres and methodologies, Business practices and so on to keep a good pace with the evolving market conditions and scenarios, as well as to get an upper hand over its competitor. With the growth in Technology and continuous development in product segments the market is becoming more competitive day by day, and it's obvious for any business organization to get extinct at any moment if the firm or organization cannot update his business practice and be adaptable for any kind of change or situation in order to survive in

the cut throat global competition. The effective marketing tactics, empathetic business practices, ethical code of conduct seen very significant in the success story of any organization. Bringing more light and emphasis on the different choices of firms make it more crucial and important for being considered a successful or unsuccessful business organization different marketing concepts and philosophies are quite significant as well as those approaches that makes a part for itself at the core values of any organization which ultimately leaves a great impact on the customers as well as to the in internal and external business idea. The marketing concepts versus the production concept symbolizes a company's unwillingness to produce or manufacture a bulk series of products with the hope of minimizing the cost. Well it's arguably true that a company generates wealth in two ways, either through maximizing profit or by minimize the cost of production. The inward it's looking approach of production concept and a hope of achieving the economies of scale by producing a limited range of product or having a limited portfolio. Revealing a company's production orientation, the business can be logically determined in terms of the commodities the company is producing or delivering. The technological upgradation and advancement has a direct role in improving the quality of products on the other hand, the conventional belief or stereotype business mentality of not having focus of customer needs and desires seems to be a major drawback of production approach oriented companies. Not having the zeal in making variety proves to be a conventional business mindset, but on the other hand change and adaptation are considered endemic in marketing-oriented companies. The epidemic of not keeping a close eye on market trend consumers taste and preferences can lead to a total destruction or an absolute apocalypse of a company which is very relevant in Reebok's case. Though the loopholes are very small but these has led the ship of Reebok not only to sink but also to the deepest corner of the ocean. Here one more things that should be given preference is the art of differentiating the marketing and selling approach or orientation. "In 1992, Reebok began shifting its focus from being primarily a fitness and exercise brand to one that also embraced a broader range of sports. The company introduced new footwear and apparel designed for sports like football, baseball, soccer, track and field, among others. Recognizing the importance of building authentic connections with athletes on the field, Reebok secured numerous endorsement deals with professional athletes, along with team partnerships and sponsorships with various sports federations."<sup>1</sup>( G.Hecox,2007). The beliefs or approach to manufacture a product according to the market trend, customers desire and needs mixed it easier for the product to be sold automatically as there is demand for that particular product line and the product sales itself very easily. It is not new and noticeable that the product which is not designed and made as per the customers exact requirements a lot of efforts ought to be put on persuading the customers to purchase that specific product or service. "Reebok was the pioneer in incorporating spikes into its sports footwear. To expand its influence, the Anglo-American footwear and apparel brand began forming endorsement agreements with athletes. Renowned athletes wore and endorsed Reebok products during competitions. This approach helped Reebok revolutionize the sports shoe manufacturing industry"<sup>2</sup>( Razi Ur Rahim and Dwivedi,2022).

The outflow of organizational resources towards making an effective selling and distribution network sometimes prove to be a gigantic fruitful decision and sometimes prove to be an ineffective choice as it ultimately keeps a burden on the company. The strategy decision formulation and implementation of policies plays a significant role in the success journey of an Enterprise at it discovers new product features, new opportunities in market, identifies a gap and tries to fulfil that gap or empty space by manufacturing or offering a specific product designed to satisfy a specific need. Many big companies, which are successful over the long run, such as Nike, Apple, Ford have practices these approaches as well as focused on exploring new market segments to cater best service or offer better Product to their customers. The emphasis somehow shifted from production concept to product concept. When it comes considering Reebok shoes and footwear, the secret somehow should be brought to light that when a particular organization is engaged in the Philosophy of continuous product development and innovation, indifferent to the fact of long term customer shift to the competitors. Many companies define the success and their business approach in terms of the product produced and ultimately very well become unable to gauge the customers satisfaction and slow to respond the sifting pattern of customers. Some companies get potentially involved in continuous improvement of the product and its quality, irrespective of the company's preferences and desires. This is as clear as daylight that is causes a myopic focus on the commodity, without having any proper attention on the number of ways the customers can fulfil their needs and wants and the firm suffers from a 'Marketing myopia'. Reflecting on the over optimization. The marketing myopia exerts tremendous influence on a company and prevents it from excluding new product segments as the company loses its sight of the fact, that a commodity is merely a way of satisfying customer needs. The Tremendous trend of wearing sports shoes and sneakers was at it peak during

the late 70s, throughout the mid-1980s as there was a high demand for sneakers. The changing pattern of clothing, as well as the evolution of women's footwear could be witnessed during the 1980s and Reebok and its women's aerobics are dominating the industry. With the "The New economic policies" of 1991 and with the introduction of LPG (liberalization, privatization and globalization) India Also witnessed the craze of Reebok's footwear and sneakers. "Adidas was perceived as more stylish, trendy, sporty, and youthful, offering a wide variety and range of products while providing great value for money. In contrast, Reebok was viewed as a more feminine brand, lacking in style and quality, but distinctly associated with Indian preferences."4(Mehta, Vaibhav,2003).

Despite having quality products, great distribution channel, efficient personal world wide fame. Some mishap happened, some faulty decisions were taken, which ultimately lead the company and its revenue to go down and after some years a burden on another renowned player of the same industry named Adidas. The case study is typically examines the success story as well as the reasons which penned the story of its failure. All the potential reasons business approaches decision shall be evaluated as well as the allegations and fraudulent act of Reebok in India shall be brought into light with effective and supportive details and information. The ineffective product line and wrong business decisions laid the company to lose its popularity, particularly in late 2010s and the detrimental revelation of the fraudulent act left several consequences for Reebok to face harming its public image and reputations. Moreover, the scandal had a significant influence on the company's relationship with the customers, the distributors, as well as the business partners, causing a great deal of distrust lack of credibility. Restructuring the business operations and implementing stringent business policies obligation and legal compliance as well as government policies where put with maximum efforts, but how much it managed to hide its scar will be discussed here. "The development of sports products can be shaped by internal factors such as the company's vision and mission, organizational objectives, marketing goals, strategies at various levels, and organizational culture. External factors also play a significant role, including competition (both direct and indirect), technological advancements, cultural and social trends, the physical environment, political, legal, and regulatory conditions, demographics, and both micro and macroeconomic factors"3( Shank, Matthew,2005).

The struggle of Reebok to get back its original reputation and identity was proved to be far more challenging than earning that popularity and respect in its early days of establishment. The success of reebok and continuous growth over the years was nothing but phenomenal but how some wrong steps made a successful company a burden is also worth evaluating. The world has seen or witnessed the significant decline in the sales of Reebok shoes, but the new horizon is hidden inside the dark reality of the company can make a hard bounce back and Reebok towards success is a enveloped in its past glory.

The rise and fall of corporations in competitive industries often provide valuable insights into the interplay between strategic decisions, market dynamics, and external pressures. The story of Reebok, once a globally recognized brand in the athletic footwear and apparel industry, is a prime example of how missteps in strategy, branding, and adaptation can lead to a company's decline. From its humble beginnings in 1958 as a small British company to its meteoric rise in the 1980s and subsequent struggles in the 21st century, Reebok's trajectory offers a compelling case study for understanding the causes of business failure. Reebok's success was largely driven by its ability to innovate and capitalize on emerging fitness trends. During the 1980s, the company gained widespread recognition as it became synonymous with the aerobics boom. Its introduction of the Reebok Freestyle, a product specifically designed for women, was revolutionary and allowed the company to dominate the fitness footwear segment. By the late 1980s, Reebok was not only competing with industry giants like Nike but was also, at one point, the largest athletic shoe brand in the United States. However, despite its initial dominance, Reebok began to falter as the industry evolved and competition intensified. This study seeks to explore the underlying factors that contributed to Reebok's decline, focusing on both internal mismanagement and external challenges. A critical examination of Reebok's branding strategy reveals a lack of consistent identity. Unlike competitors such as Nike, which firmly established itself as a performance-oriented brand with slogans like "Just Do It," Reebok struggled to balance its focus between lifestyle and performance markets. This lack of clarity not only diluted the brand's appeal but also prevented it from building a loyal customer base. In addition to branding challenges, Reebok faced difficulties in keeping pace with market trends and consumer preferences. While Nike and Adidas made significant strides in areas like basketball, running, and soccer, Reebok's product development efforts were comparatively fragmented and reactive. For instance, despite early successes with basketball footwear in the 1990s, Reebok failed to sustain momentum in this highly competitive category. Similarly, the company's response to the rise of athleisure and other fitness trends was slow, leaving it trailing behind competitors who were quicker to capitalize on these opportunities. Reebok's acquisition by Adidas in 2005 was

seen as a potential turning point. The merger was intended to strengthen both brands in their competition against Nike, yet the anticipated synergies between the two companies failed to materialize. Instead, the acquisition revealed a host of operational inefficiencies and strategic misalignments. Adidas often prioritized its own brand, relegating Reebok to a secondary status and limiting its ability to innovate and grow. Consequently, Reebok's market share and relevance continued to decline, despite efforts to revitalize the brand through partnerships, endorsements, and product launches. External factors also played a significant role in Reebok's struggles. "In 2001, Reebok became the first major multinational company to support trade union elections in a Chinese supplier factory",<sup>5</sup>(Rowland,2009).

The economic downturns of the late 2000s and early 2010s, coupled with increasing competition from both established brands and emerging players, created additional challenges for the company. The rise of direct-to consumer sales models, the growing importance of e-commerce, and the shift toward digital marketing further highlighted Reebok's slow adaptation to industry changes. These external pressures, combined with internal mismanagement, created a perfect storm that ultimately led to the brand's loss of relevance and financial decline. Despite these challenges, Reebok made several attempts to regain its footing in the market. The company pursued collaborations with celebrities and designers, introduced new product lines, and rebranded itself to appeal to younger, fashion-conscious consumers. While these efforts generated short-term interest, they lacked the strategic coherence and execution needed for long-term success. Reebok's inability to address its core issues— such as inconsistent branding, lack of innovation, and weak market positioning— meant that these initiatives failed to produce lasting results. This research aims to provide a comprehensive analysis of Reebok's business failure, focusing on the lessons that can be learned from its experience. By examining the company's history, strategic decisions, and market challenges, this study seeks to identify the critical factors that contributed to its decline. Additionally, the research will explore the broader implications of Reebok's trajectory for companies operating in dynamic and competitive industries. The findings of this study are intended to offer valuable insights for business leaders, strategists, and academics interested in understanding the dynamics of corporate success and failure. In particular, this research highlights the importance of maintaining a clear and consistent brand identity, investing in innovation, and adapting to changing market conditions. By learning from Reebok's experience, companies can better navigate the challenges of sustaining competitive advantage in today's rapidly evolving business environment. In conclusion, the story of Reebok's rise and fall serves as a cautionary tale for businesses across industries. While its early success was built on innovation and a deep understanding of consumer needs, its eventual decline underscores the risks of complacency, poor strategic execution, and failure to adapt to changing market realities. This research contributes to the growing body of literature on corporate failure, offering practical lessons and strategic insights for organizations seeking to thrive in an increasingly complex and competitive world.

### *A Dream, Dreamt to be Fulfilled (Foundation of Reebok)*

The brand Reebok, which dominated the footwear industry during the 1980s and enjoyed a market share of approximately 50% for some years was once a dream of two brothers, which was the dream was dreamed to be fulfilled one day. The dream was dreamed by a small town in England named Bolton. By two brothers, Jeff and Joe Foster. The business started as a small family business first in 1895 as J.W Foster and sons in Bolton, Lancashire, England. The JW Foster shoes was becoming more popular day by day and considering their most famous invention was the invention of world's first spike shoes call the running pumps used by famous athletics like RE Walker, A.B Postle, H.A Wilson, B.R day and many other. The name become a household name when an English track and field athlete Harold Abrahams won the Gold medal in 100-meter Sprint in 1924, Summer Olympics, which was held in Paris. Meanwhile it was getting more famous and popular among the athletes in England. But this was not enough for Joe and Jeff and they wanted to expand their business with a hope of getting more awareness among the mass and to make it a global brand, they renamed JW Foster and Sons to Reebok International limited in 1958. The headquarters of Reebok was at Bolton from 1958 to 1984 at Canton, Massachusetts for 1984 to 2016 and in Boston since 2016. Reebok was founded the dream was dreamed, but for fulfilment in a in a golden opportunity was barely needed, which could turn everything.

The foundation of the Reebok company marks a pivotal moment in the history of athletic footwear, reflecting the entrepreneurial vision of its founders and their commitment to innovation in sportswear. Reebok's origins can be traced back to 1958 in Bolton, England, when brothers Jeff and Joe Foster founded the company as a small family business. Originally named Mercury Sports, the company was later renamed "Reebok" after the Afrikaans word for a type of antelope, symbolizing speed and agility. The

company's founding story reflects the intersection of craftsmanship, innovation, and a deep understanding of athletic needs. Reebok's roots, however, extend to an earlier period with the founding of J.W. Foster and Sons in 1895, a company established by the Foster brothers' grandfather, Joseph William Foster. J.W. Foster was among the first to create spiked running shoes, an invention that revolutionized track and field performance. The shoes gained recognition and were worn by athletes in the 1924 Olympics, further establishing the Foster family as pioneers in sports footwear. Inspired by this legacy, Jeff and Joe Foster sought to build upon their grandfather's innovation by creating a brand that catered to a broader audience of athletes and fitness enthusiasts. From its inception, Reebok distinguished itself by focusing on high-quality craftsmanship and performance driven design. The company's early products were hand-stitched running shoes, which quickly gained popularity among local athletes. However, Reebok remained a niche brand during its initial years, primarily serving the UK market. It was not until the late 1970s, when the company entered the U.S. market, that Reebok began to rise to prominence on the global stage. Reebok's entry into the U.S. market was facilitated by Paul Fireman, an American entrepreneur who recognized the brand's potential. In 1979, Fireman secured the exclusive rights to distribute Reebok products in the United States, a move that proved transformative for the company. Under Fireman's leadership, Reebok launched the Freestyle sneaker in 1982, a product designed specifically for women participating in the emerging aerobics trend. The Freestyle's success catapulted Reebok to the forefront of the athletic footwear industry, making it a household name and a major competitor to industry giants like Nike and Adidas. The foundation of Reebok was not only built on innovative products but also on the foresight to tap into cultural trends and emerging markets. The company's early success was driven by its ability to identify gaps in the market and cater to underserved demographics, such as women in fitness. This strategic approach allowed Reebok to differentiate itself from competitors and establish a unique brand identity. In conclusion, the foundation of Reebok Company represents a blend of entrepreneurial vision, craftsmanship, and market foresight. From its modest beginnings as a family-run business in Bolton to its rise as a global leader in athletic footwear, Reebok's early history underscores the importance of innovation and adaptability in achieving success. The company's origins continue to serve as a source of inspiration for businesses seeking to make their mark in competitive industries. "In the late 2000s, the company underwent a re-positioning process, which required it to implement a more effective segmentation, targeting, and positioning strategy. Essentially, the brand was revisiting its fitness origins, but with a contemporary twist," (Erus, Oscar, 2016)

### *Breaking the Door in U.S.*

Reebok was established with a hope of making the brand a global one. And for the particular purpose, the place would play a significant role in today's world. A company for getting a global status a lot of strategic planning and formulation of policies are required like 4Ps of marketing considering the place should be given the highest performance and the geographical location from which the business operates should be given pretty much importance. Reebok had a clear vision and they expanded their business in US to give a global awareness about the existence of Reebok among the mass. Considering the segmentation target and positioning work had all the ammunition in its box, but surprisingly no one would eager to purchase Reebok's distribution line. The company suffers of not having proper number of distributors and retailers although their models, quality and materials were outstanding that time until 1978 when Paul Fireman purchased Reebok exclusive distribution rights as the brand did not get proper retailer and distributors for about 10 years, now the acceleration could be witnessed although Reebok the enter into the race, the marketing still dominated by big Players like Nike and Adidas and it proved more challenging for Reebok when it was revealed that Reebok only had only one production unit until that time, Which may capable of manufacturing just 300 to 400 shoes per week. The brand required high scaling up and more modification in operations and in 1979 Reebok launched three Freestyle shoes, which marked its impact on 28 countries all over the world. And this move revenue of \$12.8 million. The successful launching of these shoes provided Reebok a great opportunity and courage to explore other segments and mark his presence with a hope of making a big show, as well as for other player to consider Reebok a powerful opponent, not an underdog.

Reebok's entry into the U.S. market marks a transformative chapter in the company's history and was pivotal to its emergence as a global athletic footwear and apparel brand. Founded in Bolton, England, in 1958, Reebok remained a relatively small, family-owned business for two decades. Its shift from a local manufacturer to an internationally recognized brand began in 1979, when American entrepreneur Paul Fireman saw an opportunity to introduce Reebok to the United States. This strategic move laid the foundation for Reebok's rapid growth and eventual success in the global sportswear industry. The story of Reebok's

U.S. market entry began at the Chicago National Sporting Goods Association trade show in 1979, where Fireman first encountered the company's products. Impressed by Reebok's high-quality craftsmanship and innovative designs, Fireman recognized the brand's untapped potential in the growing U.S. athletic footwear market. At the time, the American market was dominated by established players such as Nike, Adidas, and Converse. However, Fireman identified a gap in the market: a need for performance-oriented footwear that catered to specific fitness trends and underserved demographics. Fireman secured the exclusive distribution rights for Reebok products in the U.S., founding a separate entity, Reebok USA, to oversee the brand's operations in the country. This partnership allowed Reebok to leverage Fireman's business acumen and understanding of the American market while retaining its focus on innovation and quality. Initially, Reebok introduced three high-performance running shoes in the U.S.: the Aztec, Midas, and Inca. Priced at \$60 per pair—a premium price at the time—these shoes were marketed as top-tier products for serious athletes. While the initial response was modest, the foundation had been laid for Reebok's breakthrough moment. Reebok's major breakthrough in the U.S. market came in 1982 with the launch of the Reebok Freestyle, a sneaker specifically designed for women participating in the aerobics craze that was sweeping the nation. This product was revolutionary, as it was the first athletic shoe created exclusively for women, combining performance features with stylish design. The Freestyle became an instant success, capitalizing on the fitness boom of the 1980s and the growing cultural emphasis on health and wellness. The shoe not only met the functional needs of aerobics enthusiasts but also became a fashion statement, appealing to a broader audience beyond fitness studios. Reebok's marketing strategy also played a critical role in its successful U.S. entry. Sports clothing and accessories have become a global market, and like many other industries today, it has experienced considerable polarization. Alongside a few large companies operating internationally, there is a substantial number of small and medium-sized enterprises that concentrate on local markets. The global players in this sector are also diverse and not uniform.

The company invested heavily in advertising and celebrity endorsements, aligning its brand with the fitness culture of the era. "Sports clothing and accessories have become a global market, and like many other industries today, it has experienced considerable polarization. Alongside a few large companies operating internationally, there is a substantial number of small and medium-sized enterprises that concentrate on local markets. The global players in this sector are also diverse and not uniform"<sup>8</sup>(Jaworek, Karaszewski, 2020).

Partnerships with fitness icons and the sponsorship of high-profile events further boosted Reebok's visibility and credibility. By the mid-1980s, Reebok had become a dominant force in the U.S. athletic footwear market, surpassing Nike in sales for a brief period. In conclusion, Reebok's entry into the U.S. market was characterized by strategic foresight, effective marketing, and the ability to capitalize on emerging fitness trends. "Along with its progressive internationalization, recent decades have also brought an increasing commercialization of sport",<sup>7</sup>(Bauer et al. 2005) . By identifying a unique opportunity in the women's fitness segment and leveraging partnerships with American entrepreneurs like Paul Fireman, Reebok successfully transitioned from a small British company to a global brand. This milestone not only shaped Reebok's future but also demonstrated the importance of innovation, market understanding, and adaptability in achieving international success.

### *Making Tennis as their Ball Game*

While other sports shoes were sponsoring tennis superstars Reebok didn't wait for a long and in fact Reebok entered into the tennis sponsorship industry when it made a business deal of stars like Venus Williams and Patrick Robert back in 1997. Reebok saw a golden opportunity in that segment and understood the mindset of the people, the kind of sport person they admire and also pushed the story behind their success. Reebok was all about in a race of selling not the good itself, but the story emotion and feelings associate with the product while Nike was also in that race sponsoring Venus sister Serena Williams and was trying of dominate the other also. The successful sponsors of Venus were providing a huge amount of exposure to Reebok worldwide. Venus continue her association with Reebok and signed a 5-year contract worth \$40 million and Nike was sponsoring the "Urban Tennis outreach" with Mercedes-Benz. Reebok's take single step in different segment was providing to be fruitful as they are becoming a great matter of anxiety for the rest of footwear brands like Adidas, Nike and Fila.

Reebok's venture into the tennis sports industry represented a strategic effort to expand its presence in the athletic footwear and apparel market by targeting a highly competitive and lucrative segment. Tennis, with its global appeal and association with prestige, presented an attractive opportunity for Reebok to strengthen its brand identity, diversify its product offerings, and

compete with industry leaders such as Nike, Adidas, and Puma. Reebok's entry into this space was marked by high-profile athlete endorsements, innovative product designs, and marketing campaigns tailored to the tennis community. While the company achieved notable successes, its long-term impact in the tennis market remained limited due to strategic missteps and intense competition. Reebok began its foray into the tennis industry during the 1980s, a period marked by the growing commercialization of tennis and the emergence of global stars such as Andre Agassi, Steffi Graf, and Michael Chang. Recognizing the influence of professional players in driving consumer preferences, Reebok focused on securing partnerships with top athletes. The company's most notable endorsement deal was with Michael Chang, the youngest male player to win a Grand Slam title at the 1989 French Open. Chang's association with Reebok not only brought visibility to the brand but also reinforced its image as a supporter of emerging talent in tennis. To compete with established brands, Reebok invested in the development of performance-driven tennis footwear and apparel. One of the company's standout products was the "Court Victory Pump," which incorporated its groundbreaking Pump technology. This innovation allowed players to customize the fit of their shoes by inflating an internal bladder, providing enhanced comfort and stability on the court. The Court Victory Pump gained widespread attention and was frequently seen on professional courts, further solidifying Reebok's presence in the sport. Additionally, the company introduced stylish tennis apparel that appealed to both athletes and casual consumers, blending functionality with contemporary design. Reebok's marketing efforts in the tennis industry also played a significant role in building its brand identity. The company sponsored major tennis tournaments and events, gaining visibility among fans and participants. Its advertising campaigns often highlighted the personalities and achievements of its endorsed athletes, creating a sense of connection with tennis enthusiasts. "Reebok pioneered segmented marketing in the footwear industry. Just as we supported the aerobics sector, we also extended our support to tennis players."<sup>9</sup>(Martinez, Angel R 1988).

By aligning its brand with the values of athleticism, precision, and innovation, Reebok sought to carve out a niche in the tennis market. Despite these efforts, Reebok faced significant challenges in establishing a lasting foothold in the tennis industry. The market was dominated by competitors like Nike and Adidas, which had deeper resources, broader athlete rosters, and more extensive marketing campaigns. Nike, in particular, had cemented its dominance in tennis through partnerships with global icons such as John McEnroe, Pete Sampras, and Serena Williams. Reebok's reliance on a limited number of high-profile athletes, combined with inconsistent product innovation, made it difficult to sustain its momentum in the face of such formidable competition. Additionally, the broader challenges facing Reebok as a company during the 1990s and early 2000s, including branding inconsistencies and declining market share in other segments, further hindered its ability to focus on and invest in the tennis industry. As a result, Reebok's presence in tennis gradually diminished, and the company shifted its focus to other markets and sports. In conclusion, Reebok's entry into the tennis sports industry was a bold and strategic move to diversify its brand and capture a share of a prestigious market. Through athlete endorsements, innovative products like the Court Victory Pump, and targeted marketing efforts, Reebok achieved notable successes in the tennis segment. However, intense competition, limited resources, and broader corporate challenges ultimately prevented the company from establishing a lasting legacy in the sport. Reebok's experience in tennis underscores the importance of sustained investment, innovation, and strategic focus in navigating competitive markets. Despite its eventual retreat, Reebok's contributions to tennis remain a testament to the brand's ambition and willingness to innovate.

### *Reebok's Arrival at the Entertainment Industry*

Despite sponsoring tennis stars like Venus and Pat NBA superstar like Shaq o'Neil, Reebok marked its presence in the entertainment industry manufacturing customize funky suits for rapper's pop celebrities and others. Made a business deal with Cardi B for a partnership to promote its Aztrek Sneakers Which is nothing but a throwback shoes of 90s for around \$100. Reebok was always involved in formatting Women empowerment sponsor. And featuring in like Natalia Emmanuel. Ariana Grande and Nina dobrev. The partnership with Shey Mitchell engaged in promotion of lifestyle to the masses, was seeming very fruitful at that time where various social media sites like Facebook, Instagram and Twitter It was revealed that Reebok made a huge appeal especially to the male market through those advertising, campaigning, featuring prominent celebrities and the market basically encompasses an age bracket of 20 to 24. Broader picture Can be seen with common Hashtag where Reebok showed its enthusiasm and zeal both in sports and as well as fitness segment with #VFC, #CrossFit, # NFL. "NFL replica jerseys can be available either



fully customized with a player's name and number, known as "dressed" jerseys, or as "blank" jerseys that can be personalized at the distribution center."<sup>10</sup>( John 2004).

Tapping different celebrities' promotions and different cultures, customs and geographical locations prove to be a successful campaign of rework. The party partnership with Cardi B and the launching of new funky genre of source, specially designed for wrappers, pop stars and music enthusiasts. Made a great appeal to the mass, especially to the people feeling into the age bracket of 20 to 24. Reebok utilize the popularity of Cardi B, specially at the rejoined of United States, United Kingdom and some parts in Bulgaria and South Africa and promoted the new genres of shoes to the audience.

Reebok's venture into the entertainment industry marked a strategic effort to expand its brand presence beyond the athletic footwear and apparel market. By aligning itself with pop culture, film, music, and celebrity endorsements, Reebok sought to enhance its relevance to a broader audience, particularly among younger, style-conscious consumers. This move reflected the brand's recognition of the growing intersection between sports, entertainment, and lifestyle during the late 20th and early 21st centuries. Reebok's entry into entertainment can be traced back to its collaborations with Hollywood and high-profile celebrities. One of the brand's earliest and most iconic moments in entertainment came with the 1986 release of the sci-fi film *Aliens*. In the movie, actress Sigourney Weaver, playing the lead role of Ellen Ripley, wore the Reebok Alien Stompers, a futuristic sneaker designed specifically for the film. This collaboration not only showcased Reebok's innovative design capabilities but also cemented its presence in pop culture history. The limited re-release of the Alien Stompers decades later reinforced the enduring appeal of this partnership. In addition to films, Reebok established a strong presence in the music industry by partnering with influential artists and leveraging their cultural influence. During the early 2000s, Reebok launched the "S. Carter Collection" in collaboration with rapper Jay-Z, marking one of the first major partnerships between a sportswear brand and a hip-hop artist. "At exactly

9:15, Headmaster Jay-Z enters, walking across a glass catwalk and into the facility's sleek, white corridor. He dons a perfectly tailored charcoal suit, complemented by a striking purple tie, while his grey cashmere coat flows elegantly behind him as he makes his way through the compound"<sup>11</sup>,(Zammit 2005). The success of the S. Carter sneakers, which quickly became a commercial hit, demonstrated the power of blending athletic performance with cultural relevance. Shortly after, Reebok collaborated with other artists, such as 50 Cent, whose "G-Unit" sneaker line further solidified the brand's position at the forefront of the hip-hop and lifestyle market. Reebok's entertainment strategy also included endorsements and partnerships with movie stars and influencers. For example, the brand worked with actress Scarlett Johansson to create a women's lifestyle collection, blending athletic wear with casual fashion. This initiative reflected Reebok's efforts to appeal to a diverse audience by catering to both fitness enthusiasts and style-conscious consumers. Marketing campaigns played a crucial role in reinforcing Reebok's connection to the entertainment industry. The company's advertisements often featured celebrities and entertainers, blending athletic themes with aspirational storytelling. These campaigns helped position Reebok as a brand that transcended sports, appealing to individuals who valued self-expression, creativity, and cultural relevance. However, Reebok's entry into the entertainment industry was not without challenges. While its partnerships with celebrities and artists brought significant attention, the brand faced fierce competition from rivals like Nike and Adidas, which were also pursuing similar strategies. Reebok's inconsistent focus on its core athletic identity occasionally diluted its message, making it harder to sustain long term success in the entertainment space. In conclusion, Reebok's entry into the entertainment industry was a bold and innovative move that allowed the brand to connect with a broader audience and establish its relevance in popular culture. By collaborating with iconic artists, actors, and influencers, Reebok successfully bridged the gap between sports and entertainment. Although challenges and competition eventually limited the brand's dominance in this space, Reebok's efforts demonstrated the power of cultural partnerships in shaping a brand's identity and broadening its appeal.

### *Distinguished product portfolio of Reebok over the years*

From the time of establishment Reebok was been involved in making quality as well as innovating shoes over the yard. And it is maintaining its reputation by making impeccable shoes which can target their customers and satisfy their needs. Considering their are most potential product, we can easily say its "Fostering Running Pumps" Launched in the year 1905. But considering the brand Reebok, the journey started with three models of freestyle sneakers which were launched in the year 1979 which made Reebok to be a recognized as a potential competitor of Nike and Adidas. In 1982 Reebok brought out its NPC range of shoes,

which offered comfort and classic look at the same time. The NPC series proved to be a very powerful ammunition of Reebok that time. The model become very popular within a short span of time and was called a signature dish of Reebok. Reebok Classic leather was launched in 1983 as a primary gold of fulfilling the desires of runners who would have comfort and luxury at the same time. In 1985 another version of freestyle shoes were launched and those shoes become very popular among the people and were called the gym shoes. In 1988 Reebok lived took the path of Nike Air and launched 'ERS' range of shoes. The ERS System used to hydrate cylinders, manufactured by Dupont within the soul of the shoes, which were said to act as springs. In 1989 at the sound improvement of technology Reebok launched Reebok pump that allowed the wearers to achieve secure passionate foot by pumping up and inflatable chambers within the shoes upper. In 1997 Reebok Answer 1, in 1998 answer 2 and 1999 answer 4, in 2007 answer 11 was launched. In 2007 Reebok question 3 was also launched but with a question inspired hexatile cushioning set up. The Q96 range was launched in 2013 and the last most popular model of Reebok answer 14 was launched in 2014 with a DMX foam cushioning up setup. "In 2002, Reebok accounted for the entire wholesale value of all international sales of Reebok-branded products, representing the total sales of these products outside the United States",<sup>12</sup>(Hecox,2004).

Reebok's product portfolio has played a central role in shaping the brand's identity and success over the decades. As a pioneer in the athletic footwear and apparel industry, Reebok has consistently focused on creating innovative, performance-driven, and stylish products to cater to diverse consumer needs. From fitness-focused footwear to technologically advanced designs and lifestyle-oriented products, Reebok's distinctive product portfolio reflects its ability to adapt to evolving market trends and consumer preferences. Fitness and Training Products Reebok's foundation as a brand is rooted in fitness, and its product portfolio reflects this heritage. The company gained significant attention in the 1980s with the release of the Reebok Freestyle, a sneaker specifically designed for women participating in aerobics. This groundbreaking product was not only functional but also fashionable, becoming a cultural icon during the aerobics boom. The success of the Freestyle solidified Reebok's reputation as a fitness brand and inspired the development of other training-focused footwear and apparel. In recent years, Reebok has continued to innovate in the fitness segment by partnering with major fitness organizations such as CrossFit and Les Mills. The Reebok Nano series, designed for CrossFit athletes, exemplifies the brand's commitment to performance and functionality. These shoes are engineered to withstand the rigors of high-intensity workouts, offering durability, stability, and comfort. Additionally, Reebok's apparel line includes compression wear, moisture-wicking fabrics, and ergonomically designed activewear to support various fitness activities. Running and Performance Footwear Reebok has also made significant strides in the running category, developing products that cater to both casual joggers and competitive runners. The Reebok ZigTech series, launched in 2010, introduced a unique zigzag-shaped sole designed to provide energy return and reduce muscle fatigue. This innovative design demonstrated Reebok's focus on integrating technology into its products to enhance athletic performance. The Floatride series, which features lightweight and responsive cushioning, further exemplifies Reebok's commitment to providing high-performance running footwear. Basketball and Court Shoes Reebok's contributions to basketball footwear have been a defining aspect of its product portfolio. The Reebok Pump, introduced in 1989, was a revolutionary product that allowed athletes to customize the fit of their shoes using an internal inflation system. Popularized by NBA players such as Dee Brown and Shaquille O'Neal, the Pump series became a cultural phenomenon and a symbol of Reebok's innovative spirit. Additionally, Reebok's Shaq Attaq and Kamikaze lines, endorsed by prominent basketball players, further solidified the brand's presence on the court. Lifestyle and Fashion Products Beyond performance footwear, Reebok has successfully ventured into the lifestyle and fashion segments. The Classic Leather, Club C, and Workout Plus sneakers have become timeless staples, appealing to consumers seeking stylish yet versatile footwear. These products have transcended their athletic origins, becoming integral to casual and streetwear fashion. Reebok has also collaborated with prominent designers, celebrities, and brands to create limited-edition collections that blend performance with high fashion. Collaborations with designers such as Pyer Moss and brands like Maison Margiela have redefined Reebok's image, positioning it as a trendsetter in the fashion and lifestyle space. These partnerships have allowed the brand to reach new audiences and reinforce its relevance in contemporary culture. Sustainability-Focused Products In recent years, Reebok has expanded its product portfolio to include sustainability-focused offerings, reflecting the growing consumer demand for environmentally friendly products. The Forever Floatride GROW, for example, is a running shoe made from plant-based materials such as castor beans, eucalyptus, and algae. By prioritizing sustainable innovation, Reebok has positioned itself as a forward-thinking brand that aligns with modern environmental values. Conclusion Reebok's distinctive product portfolio is a

testament to the brand's commitment to innovation, performance, and adaptability. From fitness-focused footwear to lifestyle-oriented sneakers and sustainability-driven designs, Reebok has consistently evolved to meet the changing needs of its consumers. By blending cutting-edge technology with cultural relevance, the brand has established itself as a leader in both athletic and lifestyle markets. While challenges in certain segments have tested its resilience, Reebok's diverse and innovative product portfolio remains a defining aspect of its legacy and a key driver of its continued success.

### *Reebok, A Step Behind Becoming a Household Name*

Reebok at its initial stage did not get enough recognition it deserved but due to certain innovation and strategy Reebok started capturing the market and soon became the number one brand in sportswear category. Researchers highlight that when consumers strongly identify with a brand, it leads to an increase in customer extra-role behaviors, including positive word of mouth (WOM), brand advocacy, and other supportive actions that benefit the company (Ahearne et al., 2005; Stokburger-Sauer et al., 2012; Boenigk & Helmig, 2013; Wuyts, 2007). This concept underscores the crucial role of brands in facilitating relationships and supports their significance in influencing consumer decisions (Chaudhuri & Holbrook, 2001).

Reebok was using all the potential moves it could and was desperately trying to get an upper hand over its rivals and finally the moment came which made Reebok a superior plan to the customers. The reasons behind the change was itself a change that occurred during the 1980s. While certain researchers consider word-of-mouth (WOM) as a key component of a multidimensional customer loyalty framework (Sirdeshmukh et al., 2002; Jones & Taylor, 2007), Soederlund (2006) empirically shows that merging repurchase intentions with word-of-mouth intentions can obscure important elements of loyalty and its connections to other constructs within the nomological network.

*Changes in Women's Footwear (1980 to 1989):* The 1980s witnessed her a great socioeconomic change due to the technological advancement. The relocation of manufacturing in industries that were shifting their factories out of the Europe and starting a relocate them in countries like China, Taiwan, Thailand and South Korea. The relocation of factories and manufacturing hub affected every industry possible, including the footwear industry of USA. At that time, USSR was the Number One Country, producing footwear with an estimation of 1151 million pairs approximately 8.8% higher than in the year of 1975. Due to the relocation of factories in developing nations China was Catching up the speed of production and at the first year of the new decades, they manufactured 895 million pairs. And by 1985 China became the highest footwear producing country and manufactured 1532 million pairs a 71.2% higher than just five years previous by 1990 the others top shoes producing countries where Brazil, Taiwan, Italy, Japan, South Korea, where USA lost its previous prestigious stand and decline in production from 492 million pairs to just 293 million pairs, 10 years down the line. The world was changing during the 1980s and the Cold War was about to end between the two superpowers like USSR and USA. By 1986 the world called for an immediate summon of democracy, especially in communist countries like USSR and such demands contributed to economic recession which compelled Mikhail Gorbachev to go for "glasnost" means openness and transparency and also a restructuring of USSR which has called "perestroika" and there after the communist power declined and limited shorts of capitalism like joint ventures, sponsorship were permitted.

During the 1980s aerobics a form of exercise, a physical activity More getting popularized among women in USA. But there were No footwear brand in the market to cater the needs. All footwear Giants like Nike Adidas and fila were serving the male audience. Reebok saw that opportunity and tried to fulfill that specific gap of the market by launching their aerobics shoes. for women audience. The color, comfort, quality and charisma were than unique selling propositions of Reebok and soon at become their primary product of generating revenue. The Reebok aerobics become a huge name overnight and main driving force of Reebok and Reebok started producing new variations of those aerobics. The shoe Caught eyes of billions when a very renowned actress named Cybill Shepherd wore Reebok shoes at the 1985 Emmys red carpet and the shoe was an orange colored freestyle sneaker and that gave the brand an identity which it was craving for a long time. "Reebok utilizes gender segmentation by offering products tailored to both men and women. The company designs different shoes, apparel, and accessories specifically for each gender. For instance, men's shoes are typically black or blue, crafted with leather, and feature designs suited to male preferences. In contrast, women's shoes often come in shades of pink, purple, and white, with more feminine designs", 13(Manila, 2016).

The 1980s marked a transformative period for women's footwear, driven by evolving cultural trends, technological advancements, and a growing focus on fitness and self-expression. This decade witnessed the rise of athletic footwear as a mainstream fashion statement, with Reebok playing a pivotal role in shaping this shift. By creating innovative designs tailored specifically for women, Reebok not only revolutionized the athletic footwear market but also contributed to broader societal changes in how women approached fitness, fashion, and personal identity.

**The Fitness Boom and Changing Consumer Preferences** The 1980s saw a cultural shift toward health and fitness, fueled by an increasing awareness of the benefits of exercise and the influence of high-profile fitness advocates like Jane Fonda and Richard Simmons. Aerobics, in particular, emerged as a popular form of exercise for women, combining physical activity with an emphasis on fun and community. This trend created a demand for specialized footwear that catered to the unique needs of women engaging in fitness activities. Traditionally, athletic footwear had been designed with a focus on performance for male athletes, often neglecting the specific anatomical and aesthetic preferences of female consumers. However, the growing participation of women in sports and fitness during this period prompted companies like Reebok to innovate and address this gap in the market.

**Reebok's Role in Revolutionizing Women's Footwear** Reebok's introduction of the Freestyle sneaker in 1982 was a groundbreaking moment in the history of women's footwear. The Freestyle was the first athletic shoe designed specifically for women, blending functionality with style. Its lightweight construction, padded collar, and supportive fit made it ideal for aerobics, while its sleek design and vibrant color options appealed to women's fashion sensibilities. The Freestyle became an instant success, transcending its role as a fitness shoe to become a cultural icon of the 1980s. Women wore the Freestyle not only during workouts but also as part of their everyday attire, reflecting the growing trend of athleisure—combining athletic wear with casual fashion. This shift blurred the lines between sportswear and streetwear, signaling a departure from traditional notions of women's footwear as solely utilitarian or overtly formal. Reebok capitalized on the Freestyle's popularity through targeted marketing campaigns that celebrated women's empowerment and individuality. Advertisements often featured confident, active women in dynamic poses, emphasizing fitness as a lifestyle choice and a form of self-expression. By aligning its brand with the values of independence and modernity, Reebok established itself as a leader in the women's footwear market.

**Technological Innovations and Expanded Offerings** In addition to the Freestyle, Reebok introduced other innovations that catered to women's evolving preferences. The brand incorporated materials like leather and mesh to enhance durability and breathability, while experimenting with bold colours and patterns that resonated with the vibrant aesthetic of the 1980s. These designs offered women a diverse range of options, allowing them to personalize their footwear choices. Reebok's success in the women's segment inspired other companies to follow suit, leading to increased competition and further advancements in women's athletic footwear. Brands like Nike and Adidas began designing products specifically for women, expanding the market and fueling innovation across the industry.

**Broader Cultural Impact** Reebok's contributions to women's footwear during the 1980s had a lasting impact on both the fashion industry and societal attitudes toward women in sports and fitness. By creating products that prioritized both performance and style, Reebok challenged traditional gender norms and encouraged women to embrace physical activity as a source of empowerment. The popularity of athleisure also signaled a shift in fashion, where comfort and functionality became as important as aesthetics.

**Conclusion** The changes in women's footwear during the 1980s, spearheaded by Reebok's innovative approach, reflect a broader cultural movement toward health, fitness, and self-expression. The introduction of the Freestyle sneaker not only revolutionized athletic footwear for women but also played a key role in shaping the athleisure trend and redefining women's fashion. By addressing the unique needs of female consumers, Reebok set a precedent for the industry, demonstrating the importance of inclusivity, innovation, and cultural awareness in product design. This legacy continues to influence the athletic and fashion industries, underscoring the enduring impact of Reebok's contributions during this transformative decade.

*Reebok's Marketing Mix:* Reebok as a brand has touched that level, that was company's desired because of their smart strategy and effective marketing mix, considering the strategic tool marketing mix is a term used to describe the combination of four inputs that constitute the core of a company's marketing system named the product price structure, the promotional activities and the place of distribution.

“Consumers choose to purchase a product by forming a connection with the brand. They trust the brand's value and believe it will maintain its quality over time, whether it remains the same or improves. This trust helps the product or service stand out in a competitive market.”,14(Chieh,2010)

*A. The Product Mix:* Reebok as a whole company wholesale distinct Bought a white variety of products that encompasses athlete's footwear. Apparel and accessories for men, women and children. Reebok diver. Makes hills to. Cuts the needs of the people of all range. Age, gender and other factors Considered an inclusive, vast range of sports like basketball, tennis, running, football, aerobics and CrossFit. The entire product portfolio is basically Designed in such a manner that in fulfillment the desire and once a people of all sorts and for effectively satisfying the needs of its target audience the shoes are made with an intention of selling. The problems and age meet for an example, the brand's basketball shoes are designed to have maximum grip and stability on the court, whereas it's running shoes, encompass advanced cushioning and support system to facilitate long distance running and its footfall shoes mainly the spikes are designed to help the athletes have a strong grip on the field and eradicate the problem of discomfort as well. These vast bad distinguished product line of Reebok which not only includes just the footwear part, also features sports, T shirt, swords, normal Tshirt, jacket, leggings, which are basically made with high quality materials that offer quality comfort, as well as affordability.

*B. Price Mix:* Reebok's price mix in design to solve the customers of all improved level, while competing with giants like Nike and Adidas at the same time, the brand has a distinct but white product portfolio that includes different. Levels of shoes in. turning a different price and satisfying the need of its target audience of different income groups. Nyström (1970, p. 134) defines price image as "a buyer's attitude toward the price at the assortment level." As a result, Hamilton and Chernev (2013) view price image as a specific component of a retailer's overall brand image.

Unlike the brands like Nike Adidas, which mainly serves the needs of higher income groups, Reebok on the other hand, offers her same great product line for the middle-income group without compromising the quality, comfort and design. For example, Reebok entry level running shoes are priced affordable, which makes them affordable to. Those customers on budget file its premium shoes like the Reebok pump is designed to cuts the needs of higher income groups.

*C. Promotion Mix:* Reebok uses a mix of traditional as well as digital advertising and promotional methods to promote its product and persuade the potential buyers. Their promotional mix encompasses digital advertising, social media advertising, telecommunication selling and retail storing in retail stored in sales promotion, price media advertising and direct marketing to reach out its target audience and promote its product. The company frequently collaborates. With popular names in sports industry to endorsed their product as well as trains. Sales associates to provide important information and build long lasting relationship with customers, sponsors, sports, events and engage with consumers on social media platforms. These provide Reebok a great platform to interact with its target audience and to identify the needs and preference of customers.

*D. The Place Mix:* Reebok's place of distribution encompasses the distribution channels and locating form where their product is made available to the customers. Rework hails a multi channel distribution strategy and network including digital retail channels as well as physical outlets of Reebok itself. The product is typically sold through A combination of franchises shop company owned stores, other retail outlets, third party retailers and the E-commerce platform. Reebok is a globally recognized company which offers and possesses a strong presence of itself in countries like America, United Kingdom, South Korea, India and many others. Nations of Asia Pacific, Europe and North America.

*SWOT Analysis of Reebok:* The German sportswear brand Adidas acquired Reebok in 2005 for \$3.8 billion and in 2021 sold it to the ABG group for \$2.5 billion.

<b>Strengths</b>	<b>Weakness</b>	<b>Opportunities</b>	<b>Threats</b>
Strong brand recognition	Declining market share, Inconsistent Brand Identity	New Emerging Markets, Innovation in Product Design and	Stiff Competition and Global Pressures

		Technological Development	
Technological Advancement	Unreasonable Expansion, Over Reliance on US market	Focus on Sustainability and Eco friendly products	Changing customer patterns and Behaviour
Diverse Product Portfolio	Lack of Distinguished Characteristics, Scarcity of Niche Market	Partnerships with Influencers and Celebrities	Economic Fluctuations and Disruptions in Supply Chain, Counterfeit products and Piracy
Sponsorship and Endorsement	Non Adaptability to Changing Market Trends, Weak ecommerce Presence	Customization Opportunities	Legal and Technical Barriers, Social and Environmental concerns

## Objective of the Study

The case study mainly focuses on the establishment , success journey and downfall of Reebok company which is based on some facts, figures, mathematical projections, analysis of secondary data and critical thinking that will explicitly describe the factors that had led the world famous company to lose its market share and made the company a burden on another renowned sportswear company. The object of the study is to determine the factors and the strategic planning that made the company once the number 1 sports footwear brand as well as which major factors contributed to the sudden downfall of the company which compelled Reebok to lose its market share , heritage, reputation, brand identity and ultimately to be vanished from the industry. The case typically examines the secondary data, competitor analysis and the probable future scenario of the company in terms of the revenue, market capitalization , competition, product portfolio and decision making that can help Reebok to get back its lost glory.

### *The Objectives of the Study Encompass:*

1. To examine the consistency pattern of Reebok in Securing revenue over the years and to Identify the Causes of Business Decline: This objective aims to analyze the internal and external factors contributing to the decline of Reebok’s market position, such as ineffective management decisions, competition, changes in consumer preferences, and branding missteps.
2. To check any Statistically Significant Difference present between the Actual and Predicted Sales Volume of Reebok during the period of time considered in the study.
3. To make a Comparative Analysis of Reebok with its Close Rival Brand Nike in terms of Revenue Growth and Consistency in Performing during the period of time considered here.
4. To Evaluate Strategic Misalignments :This objective focuses on examining how Reebok’s strategic decisions, including product development, marketing strategies, and partnerships, failed to align with evolving market trends and customer expectations.

5. To Assess the Impact of Market Competition :This objective seeks to investigate the role of market dynamics and competitive pressures, particularly from rival brands such as Nike, Adidas, and Puma, in shaping Reebok's trajectory and contributing to its business challenges.

## **Hypothesis of the Study**

### **1<sup>st</sup> Hypothesis:**

H01: There is no Statistically Significant Difference present between the Actual Sales and Predicted or Assumed Sales Volume of Reebok during a period from FY2013 to FY 2022 being considered here.

HA1: H01 is not true.

### **2<sup>nd</sup> Hypothesis:**

H02: There is no Statistically Significant Difference present between the variances of Sales between Nike and Reebok from FY 2013 to FY 2022 being considered here.

HA2: H02 is not true.

## *Statement of the Problem*

The case basically examines and describes the reasons and the factors that had contributed to the success journey of Reebok and smooth functioning of operations as well as the reasons that had led the company to lose its past glory, reputation, market share and also the factors that contributed to the decline in sales of Reebok International Limited. The case is aimed to figure out the probable reasons that left an impeccable influence on Reebok's revenue model, business plans and policies, distribution network and public image. How the company had suffered from identity crisis and lost in the middle of the road and also the things that can be considered water under the bridge now but the case also illustrates the probable suggestions that can be applied to recover Reebok from the current problems it is facing. The case typically shows the competitor analysis, market share, sales figures, valuation of rivals, global market scenario etc. through secondary data analysis, historical data, future projections or forecasting that would give a brief but valuable picture of what needs to be done in order to revive and capture the market again.

## **Literature Review**

The decline of Reebok has been extensively studied in academic literature, with a particular focus on strategic misalignments, competitive pressures, branding issues, financial management, and failure to adapt to consumer trends. This literature review provides an analysis of key studies that examine these aspects of Reebok's business failure, shedding light on the complex factors that contributed to its decline.

1. Strategic Misalignment and Management Failures : Heskett (2001) argues that Reebok's business failure can be traced back to its strategic misalignments. While the company initially found success with innovative products, such as the Reebok Freestyle, which targeted the aerobics boom of the 1980s, it failed to evolve in response to shifting market dynamics. According to Heskett, management's decision to focus heavily on the fitness segment while neglecting other sports markets, such as basketball and running, led to stagnation. Reebok's inability to innovate consistently and diversify its product offerings created a disconnect with changing consumer expectations, ultimately eroding its competitive position.

2. Competitive Pressures from Nike and Adidas: Porter (1998) emphasizes the significant role of intense competition from Nike and Adidas in Reebok's decline. As Nike's market dominance expanded through aggressive marketing campaigns and endorsements of top athletes, Reebok struggled to maintain its relevance. Porter notes that Nike's strategic investments in innovation, such as the introduction of the Air Max series, overshadowed Reebok's offerings. Moreover, Adidas expanded globally and acquired key brands, further strengthening its competitive position. Reebok's inability to match these industry giants in terms of innovation, sponsorships, and product differentiation contributed to its loss of market share during the 1990s.

3. Branding and Marketing Mistakes: Miller (2003) highlights the importance of branding and marketing consistency in Reebok's decline. While Reebok initially built a strong identity around its fitness-oriented products, it struggled to maintain a

clear brand message as the company expanded into lifestyle and fashion. Miller argues that Reebok's marketing campaigns lacked cohesion, which led to confusion among consumers. Unlike Nike's successful "Just Do It" slogan, Reebok failed to communicate a consistent and compelling brand identity, resulting in weakened customer loyalty and diminished market presence. This inconsistency in branding made it difficult for Reebok to regain its position in a competitive marketplace.

4. **The Role of Financial Management and Expansion Decisions:** Jones and Thomas (2005) examine the financial missteps that contributed to Reebok's failure, particularly its costly international expansion efforts. Despite initial success in markets like Europe and Japan, the company faced difficulties in adapting to local consumer preferences and managing distribution challenges. According to Jones and Thomas, Reebok's aggressive spending on sponsorships, athlete endorsements, and marketing campaigns further strained its financial resources. The authors argue that poor financial management, combined with a failure to restructure during times of financial strain, ultimately hindered Reebok's ability to recover.

5. **The Impact of Consumer Trends and Product Innovation:** Larson (2007) discusses how Reebok's failure to adapt to changing consumer trends significantly impacted its business. While the company capitalized on the fitness craze of the 1980s, it struggled to respond to new market demands, particularly in the growing athleisure and casual wear markets. Larson notes that Nike's ability to blend sports performance with lifestyle appeal, coupled with groundbreaking product innovations, allowed it to dominate the market. Reebok's reliance on traditional athletic shoes and fitness gear, without introducing similarly innovative products, left the brand unable to attract younger, style-conscious consumers. Larson argues that this lack of adaptation to shifting consumer preferences contributed to Reebok's eventual decline. **Conclusion** The literature surrounding Reebok's business failure reveals a multifaceted set of factors that contributed to the company's decline. Key elements include strategic misalignments, failure to adapt to market changes, intense competition from Nike and Adidas, branding inconsistencies, and poor financial management. These studies offer valuable insights into how companies can avoid similar pitfalls by aligning their strategies with evolving consumer needs and market dynamics. Reebok's experience serves as a cautionary tale for businesses that fail to innovate and adapt in a rapidly changing and highly competitive environment.

6. **The Impact of Leadership and Organizational Culture on Reebok's Decline:** In their study, Sweeney and Taylor (2006) focus on the role of leadership and organizational culture in Reebok's decline. They argue that the company's leadership during the 1990s lacked a clear vision for adapting to the rapidly changing market. Reebok's leadership, particularly after its peak success in the 1980s, struggled with maintaining a unified organizational culture that could drive innovation. Sweeney and Taylor suggest that the company's inability to adapt its internal culture and leadership approach to new market demands played a key role in its decline. The leadership's overconfidence in its past successes prevented the brand from responding swiftly to the competitive forces and changes in consumer behavior that ultimately eroded its market position.

7. **Miller and Smith (2008)** explore how Reebok's over diversification strategy contributed to its business failure. After experiencing success with its fitness products in the 1980s, Reebok expanded aggressively into various other product categories, including fashion footwear and even non-athletic segments. According to Miller and Smith, this over diversification diluted the brand's identity and caused confusion among consumers. Reebok's efforts to compete in multiple markets without a clear focus led to a fragmented brand image, weakening its position in both the athletic and lifestyle sectors. The authors argue that instead of strengthening its core competencies, Reebok's overdiversification spread its resources thin, leading to inefficiencies and ultimately undermining its success in core markets.

8. **The Role of Retail Partnerships and Distribution Challenges:** In their analysis, Green and Ford (2010) examine the role of retail partnerships and distribution strategies in Reebok's decline. The authors argue that Reebok's failure to establish strong, consistent relationships with key retail partners was a significant factor in its downfall. While competitors like Nike and Adidas developed exclusive partnerships with top retailers, Reebok struggled to gain access to prime retail locations. Green and Ford suggest that Reebok's distribution model, which relied heavily on broad, less targeted retail channels, failed to create the necessary presence to compete with its rivals. Additionally, they note that Reebok's lack of an effective online presence and e-commerce strategy in the early 2000s further limited its ability to capture the growing demand for direct-to-consumer sales, ultimately contributing to the brand's decline.



## Discussing the Problems

### *Dawn of Reebok's Downfall:*

Reebok, a billion dollar multinational company was once on the peak of its success, capturing the number one position in sportswear category defeated the giants like Nike, Adidas, Fila and Asics but somehow Reebok could not hold its initial position and year by year was losing its market share and revenue while on the other hand Nike and Reebok continuously growing and maintaining their position in the industry. It was during the 1980s when Reebok's sales boom happened that made the company a big dog of the industry and significant competitor of Nike. Although at a time Reebok was considered "The Nike Killer" but this dream remained a dream for Reebok. It was the era of 1980s when Reebok's plane took a great acceleration and Reebok's spikes sales saw a tremendous rise from \$12.8 million in 1983 to \$310 million in 1985 and well over \$1 billion in 1987. But that overnight success was short lived, soon the company lost its initial position from the market because of some faulty decisions taken. Once a leader in the global athletic footwear market, experienced a significant downfall beginning in the late 1980s and throughout the 1990s. While the company initially soared to success with innovative products and a strong foothold in the fitness industry, a series of strategic missteps, market shifts, and intense competition gradually led to its decline. Understanding the beginnings of Reebok's downfall requires an examination of the company's failure to adapt to changing consumer demands, its over reliance on fitnesscentric products, and the fierce competition from industry giants like Nike and Adidas. Reebok's early success was largely driven by its innovative product line tailored specifically for women, such as the Reebok Freestyle sneaker, which was designed for aerobics enthusiasts during the fitness boom of the 1980s. This product, alongside Reebok's strategic marketing and celebrity endorsements, propelled the brand into prominence. However, the company's failure to diversify beyond fitness-related products marked the beginning of its downfall. As the fitness craze waned in the 1990s, Reebok struggled to remain relevant in an evolving market. While the company had solidified its position in the fitness sector, it failed to capitalize on the emerging demand for basketball, running, and lifestyle shoes, markets where competitors like Nike were making significant strides. Reebok's over reliance on the fitness segment became increasingly problematic as it failed to innovate and expand into other athletic categories. The company's primary focus on aerobic shoes and apparel became its undoing when consumers began shifting their interests toward other sports and activewear options. Nike, for example, aggressively expanded its presence in basketball, signing highprofile athletes like Michael Jordan and developing groundbreaking products like the Air Jordan sneaker, which redefined performance footwear. Meanwhile, Adidas capitalized on Reebok's stagnant product lines, diversifying its offerings and making inroads into markets that Reebok had neglected. Reebok's inability to compete in these emerging segments significantly eroded its market share. Moreover, Reebok's branding and marketing strategies began to falter in the 1990s. The company, which had once been at the forefront of fitness-related fashion, struggled to develop a consistent and compelling brand identity. Unlike Nike's powerful "Just Do It" campaign, which resonated with athletes and consumers alike, Reebok's marketing efforts were fragmented and lacked a clear message. The brand's attempts to shift into lifestyle and fashion footwear, without a strong connection to its original athletic roots, resulted in a diluted brand image. Consumers became confused about Reebok's position in the market, and the company lost its once-loyal customer base. Financial mismanagement also played a role in Reebok's decline. In the 1990s, the company made costly investments in global expansion and expensive sponsorship deals, many of which did not yield the desired results. Reebok's attempts to enter international markets, such as Japan and Europe, faced logistical and cultural challenges that hindered growth. Additionally, the company struggled with maintaining profitability while competing against its more established rivals, who had more effective strategies for managing their finances and operations. In conclusion, the beginning of Reebok's downfall can be traced back to its failure to adapt to changing market dynamics and consumer preferences. The company's over dependence on fitness-related products, lack of diversification, branding inconsistencies, and poor financial decisions contributed to its gradual decline. While Reebok's early success cemented its place in the athletic footwear industry, its inability to innovate and evolve ultimately led to the brand's downfall, allowing competitors to outpace it in an increasingly competitive market.

### *When Creator Becomes the Destroyer ( Paul Fireman and His Wrong Decisions)*

Though Jeff and Joe Foster were the original founder of Reebok but it can not be denied that it was Paul Fireman who made the company for which it was dreamt once. Fireman and his strategic decision making and reconstruction of Reebok's distribution network as well as the innovative ideas and business practices made Reebok a significant player of this industry, but due to some

faulty and wrong decisions taken on the part of Fireman the company lost its market share, significantly. Though Fireman was given credit for building Reebok and grasping a huge customer base but because of his impatience, and unreasonable business decisions Reebok saw that downfall when Fireman was involved in changing the leadership of Reebok and could not find a better replacement because he wanted to expand Reebok's global business at an illogical and unreasonable accelerated pace. Considering Reebok's biggest competitor Nike who was dominating the industry again in 1990s and early 2000s whereas Reebok and Adidas were not getting any sufficient space in the industry. It was Paul Fireman who decided to go with Adidas and merged Reebok with Germany based company Adidas to beat the competition and to end the dominance of Nike together. By that time Reebok and Adidas got together and Adidas was holding 5% market share whereas Reebok was holding 17% market share . Adidas and Reebok had both their separate market, different product segmentation and different target audience altogether but still decided to go together.

The motive of Adidas was never identified by Reebok as Adidas had separate plans for growing and Reebok did not understand it. Adidas took over Reebok's deal for NBA( National Basketball Association) and NFL(National Football League) was also went to some other brand like Fila. Reebok was going out of the competition day by day. But Adidas can not be considered as the foremost reason behind Reebok's failure , there were other several reasons like lack of brand identity , improper identification of target audience , changes in design and too many failed experiments as well as targeting every possible segment without having a clear picture etc.

### *Lack of Brand Identification:*

Reebok could not find its flagship shoe also the cash cow that could bring them the utmost possible revenue and except that Reebok was targeting each and every market segment possible and that's why the brand lost in the middle of the road, being incapable of identifying the most effective segment as well as failed to set apart from other brands in the market. As Nike was offering premium shoes to its audience and maintaining a proper niche , Reebok on the other hand failed to identify its niche and remained just as an ordinary brand which was like a jack of all trades but master of none. The lack of proper brand identity among customers as well as tremendous unreasonable expansion motive of Reebok had led the company to demise. With frequent changes in logo and designs made people got demused and unable to distinguish Reebok and other brands in the market. Reebok explored every possible area from Tennis to Basketball, Football to Aerobics, gym footwear and freestyles to funky party shoes as well as other segments like garments. Reebok failed to handle those segments effectively and that ultimate merge with Adidas threw Reebok out of the competition.

Reebok's Problem of Brand Identification Reebok, once a dominant force in the global athletic footwear market, struggled with a significant issue in the 1990s and 2000s: brand identification. A clear and consistent brand identity is crucial for any company's success, as it helps shape consumer perceptions, build loyalty, and differentiate the brand from competitors. Reebok's problem with brand identification was multifaceted, involving inconsistent messaging, failure to maintain a clear market position, and confusion over its target audience. These issues ultimately contributed to the company's decline in a highly competitive market. In its early years, Reebok built a strong brand identity around fitness and innovation. The company capitalized on the aerobics boom of the 1980s with products like the Reebok Freestyle, specifically designed for women. Reebok's marketing was centered on health, fitness, and empowerment, and it resonated well with consumers. However, as the market evolved, Reebok failed to adapt its identity to reflect broader trends in the athletic footwear industry, which placed a greater emphasis on performance sports like basketball and running. While Nike and Adidas honed in on these high-performance categories, Reebok continued to emphasize fitness and casual wear, limiting its ability to connect with new, more diverse consumer segments. A major issue with Reebok's brand identity was its attempt to diversify too quickly without a clear strategy. In the 1990s, the company sought to expand its offerings beyond its core fitness products and ventured into the lifestyle, fashion, and even soccer markets. This diversification led to confusion about what the Reebok brand stood for. Reebok's effort to position itself as both a performance sports brand and a fashion-forward brand resulted in a fractured identity. While Nike maintained a consistent focus on performance and Adidas continued to strengthen its association with sports culture, Reebok's fragmented product range and marketing campaigns made it difficult for consumers to clearly identify the brand's core values. This lack of clarity in brand positioning was further exacerbated by inconsistent marketing messages. Nike's "Just Do It" campaign, which focused on the power of athletes and personal achievement, became iconic and deeply connected with its brand identity. In contrast, Reebok's

marketing efforts often lacked a strong, unifying message. While the company occasionally attempted to align itself with fitness and high-performance athletes, it failed to create the emotional connection that Nike and Adidas had with consumers. Reebok's advertisements sometimes shifted between promoting athletic prowess and lifestyle fashion, leaving its audience unsure about what the brand truly represented. Additionally, Reebok's partnerships and sponsorships, which had once been a strength, became problematic. "Mismatch between brand and celebrity can be perceived differently by different people, but it is vital in today's global market that one considers these aspects as well. Mismatch between celebrity and brand has been widely researched,<sup>15</sup> (Forkan, 1980; Kamins, 1980; Misra and Beatty, 1990; Kahle and Homer, 1985; Callcoat and Philips, 1996; Ohanian, 1991; O'Mahony and Meenaghan, 1997)". The brand's association with various celebrity athletes, including basketball players and soccer stars, lacked the focus of Nike's targeted athlete endorsements. Reebok's decision to align itself with numerous different sports and personalities diluted its brand message and made it difficult for consumers to relate to a singular, cohesive image. Another contributing factor to Reebok's brand identity problem was its failure to resonate with younger generations. Research has identified consumer-brand identification as one of the most important topics in marketing research and practice of the past decade (Lam, 2012). "Consumer-brand identification is regarded as a key factor in achieving marketing success"<sup>16</sup>, (Bhattacharya & Sen, 2003).

While Nike successfully built an identity rooted in youth culture, streetwear, and celebrity endorsements, Reebok's more traditional fitness-oriented image seemed out of touch with evolving consumer trends. As a result, Reebok struggled to appeal to the trend-conscious millennial and Gen Z consumers who gravitated toward more innovative and culturally relevant brands. "Retailers are more likely to actively promote strong brands and offer better trade deals compared to brands that have weaker customer loyalty," (Allender & Richards, 2012),<sup>17</sup>. In conclusion, Reebok's problem with brand identification stemmed from its inability to adapt to changing market dynamics and consumer preferences. Its failure to maintain a consistent brand identity, along with its inconsistent marketing, product diversification, and confusion over its target audience, contributed to its decline in the competitive athletic footwear industry. "Interactive and social elements that enhance engagement with a brand or service can contribute to brand identification through its value, uniqueness, inimitability, and non-substitutability (Balmer, 2008), thereby fostering a sustainable competitive edge"<sup>18</sup>.

Reebok's experience serves as a valuable lesson for companies about the importance of clear, focused branding and the need to stay connected with evolving consumer trends and cultural shifts. "For many consumers today, the symbolic value of a brand holds greater significance than the product's or service's physical features and functions (Wolter et al., 2015)",<sup>19</sup>.

Without a strong and consistent identity, even the most successful brands can lose their place in the market.

### *The Last Dance:*

When Reebok merged with Adidas, Reebok had 17% market share whereas Adidas had 5% overall global market share and it was evident that Reebok was at a far more superior position to Adidas in the market in terms of its reputation, revenue and quality. But what was not so obvious was Adidas's separate business strategy as well as objectives when the two companies decided to go together. The principles of two renowned brands seemed very different because they had different target audiences, different product segments but Adidas focused on personal growth whereas Reebok failed to make out their original intention. "Nike prioritizes innovation and brand storytelling, highlighting their investment in research and development to produce cutting-edge products. The company also employs premium pricing and market segmentation to target diverse customer groups. In contrast, Adidas places emphasis on diversity and sustainability, offering a broad range of products designed to meet the needs of various lifestyles and sports", (Sahoo, Choudhary, 2024),<sup>20</sup>.

As a result, Reebok lost somewhere and it could not find its original destination, the sales of their shoes was going down just like their public image in the market. Adidas managed to cut down Nike's dominance in the United States by making partnerships with celebrities like Beyonce, Kanye, and Pharrell Williams. When Reebok was going totally out of competition, Adidas bought Reebok for \$3.8 billion in 2006 to help competing with Nike but instead of re-constructing the brand Adidas focused on its personal development and Reebok remained as The Dog considered in BCG matrix. Ultimately seeing no hope, Adidas sold Reebok to ABG (Authentic Brands Group) for \$2.8 billion in 2021, making the condition of Reebok worse than the past. Reebok proved to be a burden on Adidas and that's why Adidas sold Reebok to ABG, incurring a great loss meanwhile. "Reebok's

decline and inability to regain its past success can be attributed to the company's failure to adapt to evolving consumer preferences and poor management decisions. As it lost market share, the company ultimately faced market failure”.(Yin,2022),21.

## **Research Methodology**

The research methodology for studying the business failure of Reebok involves a systematic approach that incorporates both qualitative and quantitative research techniques to analyze the factors leading to its decline. This methodology aims to provide a comprehensive understanding of the internal and external forces that contributed to Reebok's downfall in the global athletic footwear market. The research methodology is designed to assess key aspects of Reebok's business operations, including strategic decisions, branding, competitive environment, and market trends. The research will rely on various data collection methods, including secondary data analysis, case studies.

1. *Research Design* :The research will follow an exploratory and descriptive design. The aim is to explore the underlying causes of Reebok's business failure and describe the sequence of events that led to its decline. The study will adopt a mixed-method approach to provide both broad and detailed insights into the problem. A

combination of qualitative methods (such as case study analysis and interviews) and quantitative methods (such as financial analysis) will be utilized to achieve a well-rounded understanding of the factors at play.

2. *Data Collection Methods*:

a. *Secondary Data Analysis*: Secondary data will be gathered from a variety of sources, including academic articles, industry reports, financial statements, company records, and market research reports. This data will provide insight into Reebok's financial performance, marketing strategies, management decisions, product portfolio, and market position over the years. Reports from market analysts, such as those from Statista, Euromonitor, and IBISWorld, will offer valuable information on Reebok's competitive landscape and consumer behaviour. Historical data on Reebok's sales performance and market share will be analyzed to identify trends and patterns in the company's decline.

b. *Case Studies* : Case studies of other companies in the athletic footwear industry, particularly those that faced similar challenges (e.g., Adidas, Puma, and Nike), will be examined to draw comparisons. These case studies will help understand the strategies that led to success or failure in the industry and provide insights into the factors that Reebok could have leveraged or improved upon.

## **Data Analysis and Interpretation**

*Data Analysis Techniques* :

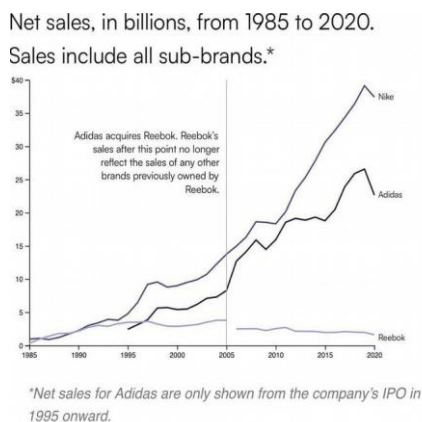
*Qualitative Analysis*:

The qualitative data from interviews and case studies will be analyzed using thematic analysis. This approach will allow the identification of recurring themes and patterns related to Reebok's brand identity, strategic decisions, competitive environment, and consumer perception. The analysis will be guided by key research questions, such as how Reebok's strategic decisions contributed to its downfall and how it managed or mismanaged its market position .

While conducting an in depth analysis and study about the establishment , success journey and downfall of Reebok International Limited, we have found several important factors that are responsible for its downfall that resulted in declined global sales, degraded brand image , loss of brand identity and reputation and ultimately a burden on another reputed company. The data that are to be analysed are all secondary data that were collected from various sources like journals, books, articles and company balance sheets.

A. During the 1980s Reebok witnessed a surprise rising of sales from \$12.8 million in 1983 to \$ 310 million in 1985, a significant acceleration in sales within just 2 years.

B. The unfortunate case of Reebok brought us back to the glorious past of Reebok. During the 1980s Reebok was seen to be a Nike Killer but during the 2000s Reebok was started to be viewed as a subsidiary of Adidas . Reebok could not hold its initial position in the long run and from 1990 to 2020 Adidas and Nike surged passed Reebok by a big number of global sales.



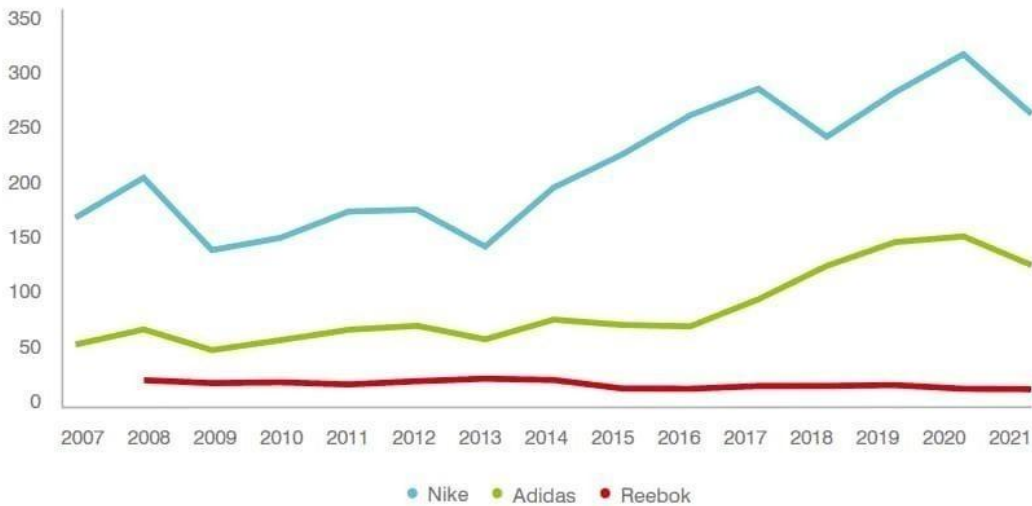
Interpretation: Here we can see that from 1985 to 1990 all the three companies are close to each other but from 1995 both Nike and Adidas had surged passed Reebok and from 2005 Reebok’s growth was linear where Nike and Adidas’s sales were continuously upward rising.

C. In the footwear and sportswear industry where Nike holds the maximum market share of \$162.39 billion , Adidas with \$32.76 billion , Decker’s brands with \$21.61 billion , Birkenstock with \$9.52 billion, Reebok is no where close to them.



Interpretation: Here it is visible that worldwide footwear sales of various companies in 2022 like Nike(\$29.1 billion), Adidas(\$13.1 billion) , Puma( \$4.5 billion) and Asics( \$3.0 billion) and Nike is dominating this particular industry.

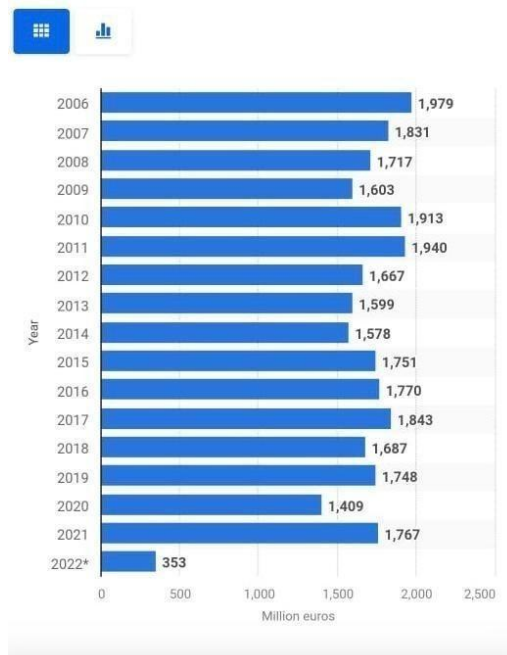
D. In terms of Company valuation where both Nike and Adidas made a sharp and consistent rise in the market , Reebok made a very linear growth in the industry.



Interpretation: Here we can see a graph consisting of time frame from 2007 to 2021 showing Reebok’s linear growth where there is a healthy growth of company valuation for both Adidas and Nike.

E. Net sales of Reebok from 2006 to 2022 was not satisfactory at all as the company witnessed inconsistency in generating revenue. The net sales of Reebok in 2006 was 1979 million euros whereas in 2022 Reebok’s net sales were just 353 million euros.

**Net sales of the Reebok brand worldwide from 2006 to 2022**  
(in million euros)



*Quantitative Analysis:*

Reebok’s Revenue Chart ( in \$ Million)

Year 2022: 353 Million

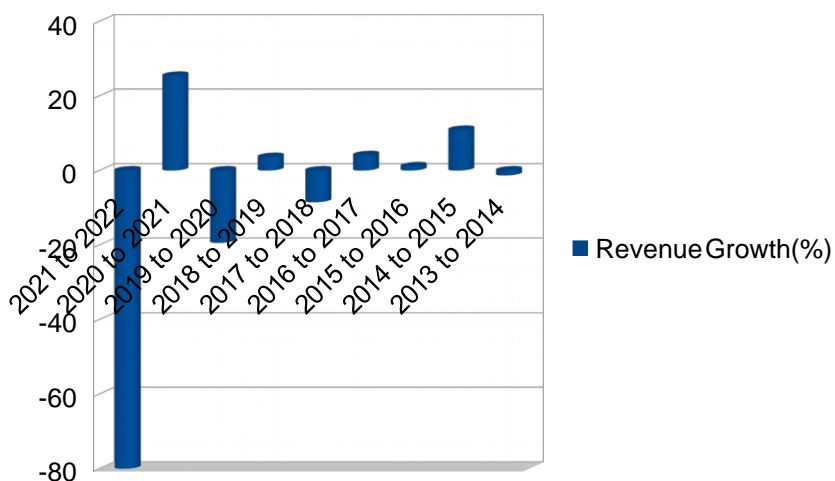
Year 2021: 1767 million

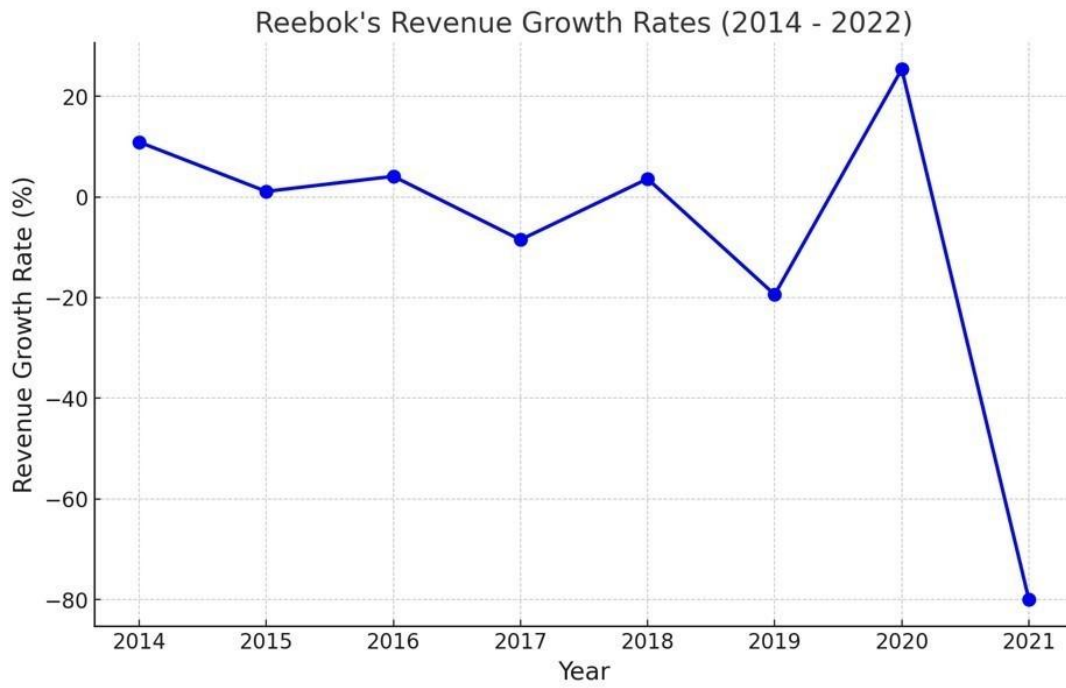
Year 2020: 1409 million  
 Year 2019: 1748 Million  
 Year 2018: 1687 Million  
 Year 2017: 1843 Million  
 Year 2016: 1770 Million  
 Year 2015: 1751 Million  
 Year 2014: 1578 million  
 Year 2013: 1599 million

**Tab 1: Revenue Growth Rates of REEBOK:**

Revenue Growth = (Revenue in Current year – Revenue in Previous Year)/ Revenue in Previous Year, multiplied by 100

Year	Revenue Growth(%)
2021 to 2022	-80
2020 to 2021	25.4
2019 to 2020	-19.4
2018 to 2019	3.6
2017 to 2018	-8.5
2016 to 2017	4.1
2015 to 2016	1.1
2014 to 2015	10.9
2013 to 2014	-1.31





**Testing of Hypothesis:**

**Tab 2: Actual Sales vs Predicted Sales of Reebok from FY 2013 to FY 2022:**

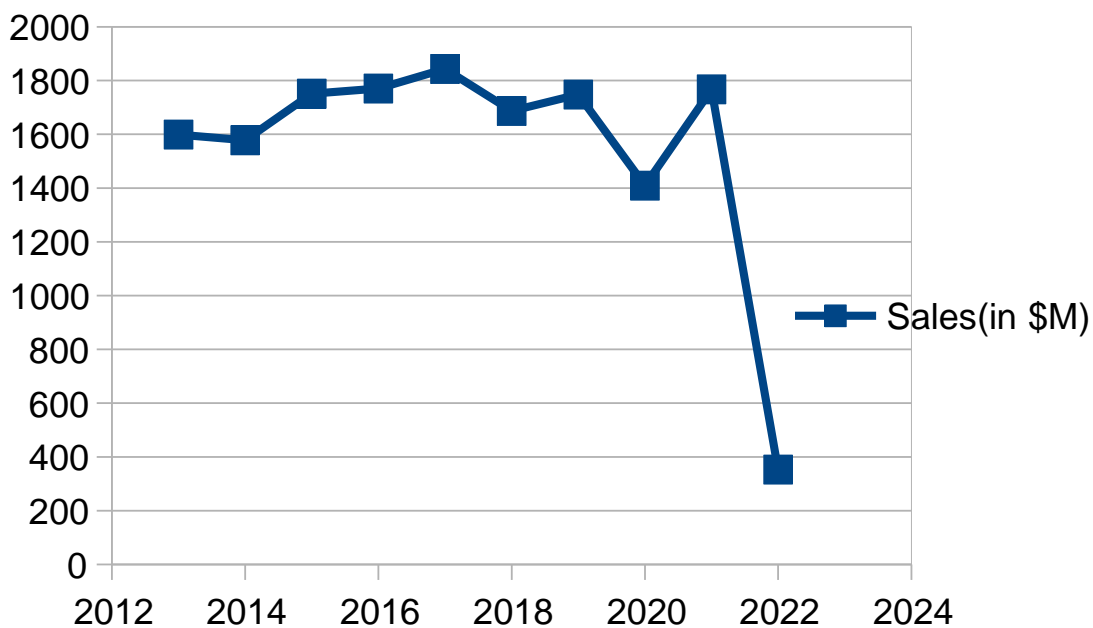
Year	Actual Sales( in \$ Million)
2013	1599
2014	1578
2015	1751
2016	1770
2017	1843
2018	1687
2019	1748
2020	1409
2021	1767
2022	353



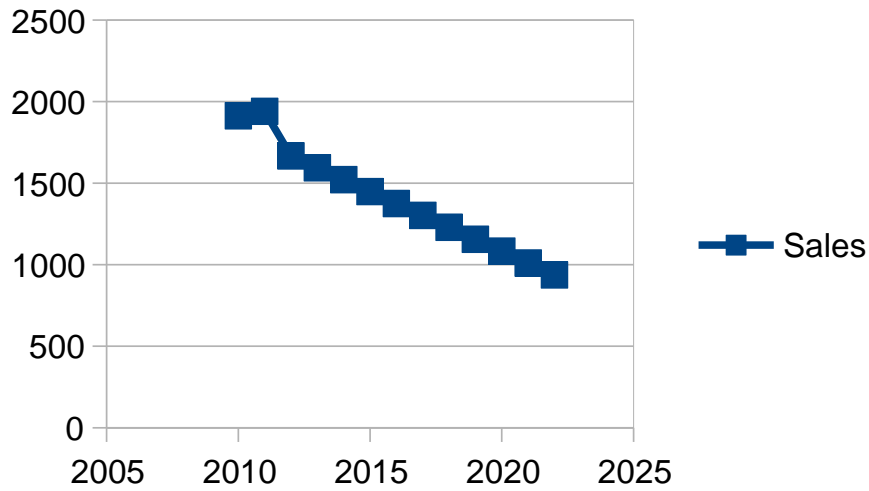
**Tab 3: Using Trend Analysis, the Predicted or Forecasted Sales of Reebok from FY 2013 to FY 2022 are as follows:**

Year	Predicted Sales
2013	1594
2014	1521
2015	1448
2016	1375
2017	1302
2018	1229
2019	1156
2020	1083
2021	1010
2022	937

**Actual Sales**



**Predicted Sales of Reebok**



**Tab 4: Executing t- test with n=10 with a 95% confidence level**

<b>Year</b>	<b>Actual Sales</b>	<b>Predicted Sales</b>
<b>2013</b>	1599	1594
<b>2014</b>	1578	1521
<b>2015</b>	1751	1448
<b>2016</b>	1770	1375
<b>2017</b>	1843	1302
<b>2018</b>	1687	1229
<b>2019</b>	1748	1156
<b>2020</b>	1409	1083
<b>2021</b>	1767	1010
<b>2022</b>	353	937

**Tab 5:**

<b>Factors</b>	<b>value</b>
<b>Actual Mean value</b>	<b>1550.5</b>
<b>Predicted Mean Value</b>	<b>1265.5</b>
<b>Standard Deviation</b>	<b>439.14</b>
<b>Variance</b>	<b>192844</b>
<b>Coefficient of Variation</b>	<b>28.3224%</b>

Utilizing t-test with n=10, confidence level 95%  $t \text{ test} = (\text{Actual Mean} - \text{Predicted Mean}) / \text{standard deviation} * \text{root n}$  from the above test we have got,

<b>Factors</b>	<b>Value</b>
<b>t- Calculated</b>	<b>2.0522</b>
<b>t- Critical</b>	<b>1.833</b>
<b>Degrees of Freedom</b>	<b>9</b>

**t- test Analysis with 95% confidence level: Tab 5:**

<b>Factors</b>	<b>Value</b>	<b>Comment on Hypothesis</b>
<b>Actual Mean</b>	<b>1550.5</b>	
<b>Predicted Mean</b>	<b>1265.5</b>	
<b>Standard Deviation</b>	<b>439.14</b>	
<b>Sample Size</b>	<b>10</b>	
<b>t-calculated</b>	<b>2.05</b>	
<b>t-critical</b>	<b>1.83</b>	<b>H01 is Rejected</b>

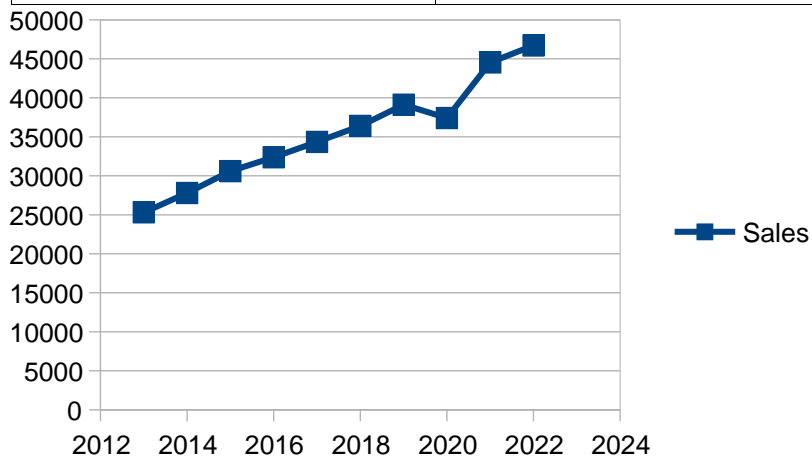
Since  $t\text{-calculated} > t\text{-Critical}$  with a D.F 9: So, H01 is Rejected

There is a statistically significant difference present between the Actual Sales and Predicted Sales of Reebok during the period considered.

## Assessing the Second Hypothesis:

Comparing the Actual Sales of Reebok with its close Rival Nike from FY 2013 TO FY 2022: Tab 6:

Year	Actual Sales of Nike	Actual Sales of Reebok
2013	25313	1599
2014	27799	1578
2015	30601	1751
2016	32376	1770
2017	34350	1843
2018	36397	1687
2019	39117	1748
2020	37403	1409
2021	44538	1767
2022	46710	353



**Actual Sales of Nike**

**Tab 7:**

**Executing F-Test with n=10**

Factors	Mean value	Stand Deviation	Variance	Coefficient of Variation
Nike	35460.4	6855.7	47000622.49	19.34%
Reebok	1550.5	439.14	192844	28.3224%

**Carrying out F-test with 95% confidence level and Degrees of Freedom 9**

**F-test= Variance of Nike/ Variance of Reebok**

**Tab 8: F- test Results:**

Factors	Value	Comment on Hypothesis
Variance of Nike	47000622.49	
Variance of Reebok	192844	
F calculated	243.72	
F critical	3.18	H02 is Rejected
Degrees of Freedom	9	
Confidence level	0.95	

**Since F Calculated > F- Critical with a 95% confidence level and with a degrees of freedom 9, so H02 is rejected here.**

**There is a statistically significant difference present in variances of sales between Nike and Reebok during the period considered here.**

**Tab 9: Comaparative Analysis of Reebok with Nike in terms of Consistency level:**

**Evaluating Coefficient of Variation= ( Standard Deviation/ Mean)\*100**

Factors	Mean Value	Standard Deviation	efficient of Variation	Comment on Consistency
Nike	35460.4	6855.7	19.34%	More Consistent
Reebok	1550.5	439.14	28.3224%	Less Consistent

**Greater is the Coefficient of Variation, Lower is the Consistency**

**Coefficient of Variation is inversely related to Consistency**

**Since the Coefficient of Variation of Reebok > Coefficient of Variation of Nike, so Nike is More Consistent in Performance than Reebok.**

## Observations

### *Findings from Hypothesis Testing:*

#### *1<sup>st</sup> Hypothesis:*

Conducting a t-Test to check whether any statistically significant difference present between the actual and predicted sales of Reebok during the period considered here has reflected inconsistent performance in securing revenue and a significant deviation of Actual revenue from the assumed revenue during the time period taken into account.

We can conclude from the t-test that the t-calculated value is greater than the critical value of t with a confidence level of 95% and a degrees of freedom of 9, so the Null Hypothesis(H01) is Rejected here.

#### *2<sup>nd</sup> Hypothesis:*

Conducting a F-test to evaluate whether there is any statistically significant difference present between the variances of sales of Nike and Reebok during the period considered here.

We can conclude from the F-test that the Calculated value of F is greater than the F-Critical with a confidence level of 95% and a degrees of freedom 9, so the Null Hypothesis( H02) is Rejected.

There is a statistically significant difference present between the variances of sales of Nike and Reebok during the period considered here.

### *Nike and its Domination:*

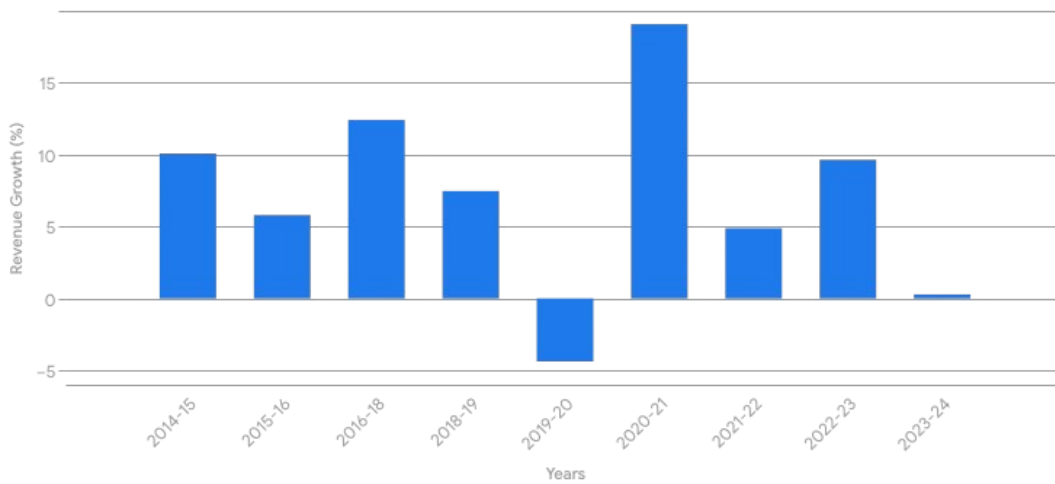
Over the years , Nike has been performing very well and the market could not find any of its close substitute brand as the other brands like Reebok failed to establish its unique brand identity and global presence into the market. Where other brands are still struggling to make a unique place inside the psychology of customers, Nike has differentiated and distinguished itself from the rest of the brands in the market and has been enjoying the largest market share in the sportswear industry. Nike and its reign started from 1960s and has been constant into operations since then, while brands like Adidas and Puma have made their separate brand identity into the knowledge and awareness of the customers. The global comparison of sales of sneakers shows the domination of Nike with an aggregate sales of 429.1 billion in fiscal year 2022 where brands like Adidas, Sketchers, Puma and Asics have achieved global sales of \$13.1 billion, \$7.4 billion, \$4.5 billion and \$3 billion respectively in FY22.

#### The Revenue Growth Of Nike over the Years

<b>Year</b>	<b>Revenue Growth(%)</b>	<b>Reaction</b>
<b>2023 to 2024</b>	<b>+0.28%</b>	<b>Positive</b>
<b>2022 to 2023</b>	<b>9.64%</b>	<b>positive</b>
<b>2021 to 2022</b>	<b>4.88%</b>	<b>Positive</b>
<b>2020 to 2021</b>	<b>19.05%</b>	<b>Positive</b>
<b>2019 to 2020</b>	<b>-4.38%</b>	<b>Negetive</b>

<b>2018 to 2019</b>	<b>7.47%</b>	<b>Positive</b>
<b>2017 to 2018</b>	<b>5.81%</b>	<b>Positive</b>
<b>2016 to 2017</b>	<b>6.09%</b>	<b>Positive</b>
<b>2015 to 2016</b>	<b>5.81%</b>	<b>Positive</b>
<b>2014 to 2015</b>	<b>10.09%</b>	<b>Positive</b>

Nike's Year-on-Year Revenue Growth



*Inconsistency in Performance:*

Reebok was inconsistent throughout their journey and the performance of the company in terms of global sales was not satisfactory except the decade reign of 1980s with female aerobics shoes. From time to time this brand lost its market grip as well as the customer base. The data shows that from 2006 to 2022 there is a constant fluctuation in Reebok’s global sales where 2022 proved to be their most frustrating year with a aggregate sales of just 353 million euros. The inconsistent business performance and faulty decisions time to time caused this huge downfall of Reebok.

Reebok, once a dominant force in the athletic apparel and footwear industry, has faced notable inconsistency in its market performance, branding strategies, and overall growth trajectory over the years. Despite its early successes in the 1980s and 1990s, marked by innovations like the Reebok Pump and a strong presence in aerobics, the company has struggled to maintain consistent growth and brand loyalty in the highly competitive sportswear market. One significant factor contributing to Reebok’s inconsistency is its shifting focus and lack of a cohesive brand identity. While competitors like Nike and Adidas have maintained a clear vision, Reebok has often vacillated between targeting various market segments. This lack of focus has diluted its brand equity, making it difficult to compete with established giants in the industry. Additionally, Reebok’s failure to capitalize on emerging trends, such as the rise of athleisure, has further undermined its relevance in the modern consumer landscape. Another challenge has been the company’s reliance on sporadic marketing campaigns and partnerships. While collaborations with athletes

and celebrities have occasionally boosted visibility, they often lacked long-term impact. For instance, its partnership with the UFC brought a temporary spotlight but did not translate into sustained sales growth or customer loyalty. Furthermore, Reebok's acquisition by Adidas in 2006, which was intended to enhance the brand's global presence, instead exposed its struggles to compete within its parent company's portfolio. Adidas's own focus on growth left Reebok overshadowed, contributing to stagnation and eventually leading to its sale to Authentic Brands Group in 2021. In conclusion, Reebok's inconsistency stems from its fragmented branding, misaligned strategies, and inability to adapt to market shifts. To regain prominence, the company must establish a clear identity, align its strategies with consumer demands, and deliver consistent innovation. Oliver (1999, p. 34) defines customer loyalty, or brand loyalty, as a strong commitment to consistently repurchase or continue patronizing a preferred product or service in the future, leading to repeated purchases of the same brand or brand set, even in the face of situational factors and marketing efforts that could potentially induce switching behavior.

From the coefficient of Variation Calculation, we found that the Coefficient of Variation of Reebok(28.3224%) is greater than the Coefficient of Variation( 19..34%) of Nike, hence we can conclude that Nike is more consistent in performance as compared to Reebok during the period considered here.

### *Identity Crisis:*

From the initial days one problem that made Reebok suffered is the identity crisis. Considering Reebok a world famous sportswear brand Reebok's brand positioning strategies were not so satisfactory as the brand failed to make to appeal to its most ideal customer base and could not discover its niche segment. As a result of the brand had suffered from tremendous identity crisis as the customer could not distinguish it from the rest ordinary brands offering the same type of products. This identity crisis is one of the most substantial reason behind their decreased sales and downfall as a whole.

Reebok, once a prominent name in the global sportswear industry, faced a significant identity crisis that contributed to its decline. Founded in 1958 as a company focused on high-performance athletic footwear, Reebok built its reputation on innovative products and a keen understanding of market trends. However, the company struggled to maintain a clear brand identity as competition intensified and consumer preferences shifted. One of Reebok's core challenges was its inability to distinguish itself from larger competitors like Nike and Adidas. While Nike emphasized innovation and performance driven marketing and Adidas capitalized on its rich heritage and lifestyle appeal, Reebok often vacillated between athletic performance and lifestyle branding. This inconsistency diluted its positioning in the market. For instance, while Reebok gained popularity in the 1980s with aerobics shoes and embraced the fitness boom, it failed to evolve that momentum into a sustainable long-term identity. Additionally, Reebok's partnerships and marketing strategies often lacked coherence. The company dabbled in numerous collaborations with celebrities, sports leagues, and entertainment industries but failed to create a unified narrative around its brand. Unlike its competitors, who maintained clear, consistent messages, Reebok's campaigns were fragmented and less impactful. Another critical factor was its inability to connect with younger consumers. As athletic footwear shifted toward lifestyle and streetwear in the 2000s, Reebok struggled to remain relevant. Its products often failed to resonate with emerging trends, leading to a loss of cultural relevance. The acquisition by Adidas in 2006 further exacerbated the identity crisis. Reebok was positioned as a secondary brand, and its efforts to regain market share were overshadowed by Adidas' priorities. Despite some successes in niche markets, Reebok was unable to reclaim its position as a leading brand in the athletic industry. Reebok's identity crisis reflects the importance of a cohesive brand strategy and the challenges of adapting to changing market dynamics. Its story serves as a cautionary tale for companies navigating competitive and evolving industries.

## **Conclusion**

### *Discovering the Loopholes:*

As discussed earlier there were various significant factors that not only declined Reebok's global sales but also degraded its brand image and popularity. The factors have been identified and considered crucial for further studies.

A. *Wrong Decisions of Fireman:* Although Fireman is considered to be the man behind the tremendous rise and success of Reebok but it was also Paul Fireman who destroyed Reebok. Unreasonable expansion of Reebok without maintaining the



quality and specific identity was a big factor behind Reebok's declining sales. Not only the unreasonable expansion but also the strategy to beat Nike in competition through the merger with Adidas proved to be a blunder.

*B. Adidas Did More Harm to Reebok:* To minimize the domination of Nike and with the declining sales of Reebok, Adidas decided to purchase Reebok for \$3.8 billion in 2005 but Adidas proved more pernicious to Reebok than Reebok was to itself then. Adidas had completely separate goals for its own and Adidas was focusing on the improvement of Adidas itself and Reebok was somewhere left behind. This resulted in declining sales and poor brand image which contributed to the downfall of Reebok.

*C. Identity Crisis:* Over the years, Reebok has been suffering to establish its unique identity for which it was to be dreamed and due to this identity crisis Reebok lost its past glory. Reebok has kept its presence in every possible segment whether it is basketball, tennis, football, aerobics cricket, fitness or music and entertainment industry. Reebok's incapability to finding a specific niche proved to be the most significant reason behind their failure. Reebok remained as brand of jack of all trades but master of none. By addressing the limited focus on the connection between identification and satisfaction (Homburg et al., 2009) and resolving conflicting results regarding the direction of this relationship (Boenigk & Helmig, 2013; He et al., 2012), we demonstrate that consumer-brand identification has a significant impact on customer satisfaction.

*D. Reebok and its 870cr Scam in India:* Reebok India Co. Was claimed to make fake transactions with unauthorized customers, making fake sales report and allegedly rustled up to exaggerate company's revenue. The eminent audit and tax consultancy company Ernst & Young (EY) conducted a study, showing the unauthorized transactions between Reebok India Co. And the companies that are owned by Sanjeev Mishra, who typically runs a staffing company provides contract based employees to the shoemaker. This audit has also brought to light the fact that the fraud is of almost 870cr INR AND this huge magnitude of 870cr fraudulent act had contributed to the downfall of Reebok, completely shattered its public image and goodwill.

#### *Hope (ABFRL Purchases India Rights for Reebok):*

In the era of complete darkness, downfall and continuous failure, Aditya Birla Fashion and Retail Limited has emerged like a new dawn for Reebok after several years of constant darkness. ABFRL has made some interesting acquisitions in the past and bought the exclusive distribution rights of brands like Louis Philippe, Van Huesen in India from Madura Coasts. But what was really missing in ABFRL was the presence of a sportswear brand that would be great quality wise as well as budget friendly to suit the Indian audience. Aditya Birla Fashions has acquired the rights to produce and distribute Reebok products in India and they are engaged in making Reebok a quality brand as well as with a pledge to give Reebok its past glory which was lost somewhere. The future will decide Reebok's fate but there is no doubt that ABFRL has come like an angel and guiding star to help Reebok getting back its reputation and lost brand identity.

**ABFRL Secures India Rights** The acquisition of Reebok's India rights by Aditya Birla Fashion and Retail Limited (ABFRL) has sparked new hope for the revival of the iconic sportswear brand in the Indian market. Reebok, once a global leader in fitness and lifestyle apparel, has faced years of stagnation and inconsistent growth. ABFRL's entry into the picture presents a promising opportunity for Reebok to regain its foothold in a dynamic and expanding market like India. ABFRL, part of the Aditya Birla Group, is a powerhouse in India's retail and fashion sector, with a portfolio of successful brands catering to diverse consumer segments. Its expertise in retail operations, coupled with its understanding of the Indian consumer, positions it as an ideal partner for Reebok's revival. By leveraging its extensive distribution network and marketing prowess, ABFRL can re-establish Reebok as a go-to brand for fitness enthusiasts and style-conscious consumers alike. India's sportswear market has been growing exponentially, driven by rising health awareness and a shift toward active lifestyles. However, the market remains dominated by global players like Nike, Adidas, and Puma. ABFRL's acquisition of Reebok's rights is timely, as the brand can tap into this growing demand with locally tailored strategies. By aligning with India's fitness trends, launching innovative product lines, and collaborating with influencers, Reebok has the potential to rejuvenate its image under ABFRL's leadership. The acquisition also represents a chance for ABFRL to diversify its portfolio further and capitalize on the athleisure trend, which continues to gain traction in India. With a focused approach, Reebok can rebuild its brand equity, reclaim market share, and potentially emerge as a strong competitor in the sportswear industry. In conclusion, ABFRL's stewardship of Reebok offers renewed optimism for the brand's future in India, backed by strategic alignment and market opportunities.

## Recommendations

This study focuses on the establishment, success journey and downfall of Reebok, once considered the biggest sportswear brand in the industry. This study also identifies several reasons that were responsible for the declining sales of Reebok. The factors are studied thoroughly and the recommendations or probable prescriptions will be helpful for the future study and for other organizations facing similar issues. The recommendations include that the specific target market should be identified first before the commencement of any operations. Considering the Reebok story, brands should not indulge in fanciful ideas or make unreasonable decisions or expansions. Reebok should now focus on identifying its unique identity and establish that particular identity into the awareness of its target audience. The brand should concentrate on making shoes that contain both the traits of innovation, modernization, heritage and nostalgia. Reebok should bring back for which it was famous like the design, comfort and sustainability. In particular, we contribute with a broad view of the marketing advantages of strong brands (Hoeffler and Keller, 2003) which sheds more light on the significant interrelationships among identification, satisfaction, effects on loyalty and WOM.

The sustainable business practice and innovative ideas with technological advancements should be taken into account more seriously and the study aims at suggesting all these recommendations to help Reebok getting back its past glory and market share and to make the company as the one, it was dreamed one day by Jeff and Joe Foster lying in a remote village of England.

The decline of Reebok from a leading athletic footwear brand to a subsidiary struggling to maintain its relevance offers critical insights into brand management, strategic positioning, and market adaptability. While Reebok's downfall was influenced by numerous internal and external factors, several recommendations can help the brand recover its market position and avoid similar challenges in the future. These recommendations emphasize strategic clarity, consumer engagement, innovation, and operational efficiency.

1. *Re-establishing a Distinctive Brand Identity:* Reebok's identity crisis was a key factor in its downfall. To regain its footing, the brand must clearly define its unique value proposition. Reebok should focus on a niche market that aligns with its historical strengths, such as fitness and wellness, where it initially gained prominence. By emphasizing its legacy in aerobics and fitness, Reebok can target health-conscious consumers seeking performance and lifestyle products that reflect an active lifestyle. Additionally, the brand needs to create a cohesive narrative that resonates across all marketing channels. Campaigns should highlight Reebok's heritage while demonstrating its relevance in contemporary markets. A strong, consistent brand identity will differentiate Reebok from competitors and foster brand loyalty among consumers.

2. *Strengthening Product Innovation:* Innovation is crucial in the highly competitive athletic footwear industry. Reebok must invest in research and development to create products that offer cutting-edge performance and appeal to modern trends. Collaborating with athletes, fitness influencers, and designers can provide valuable insights into consumer needs and preferences. Reebok should also explore sustainable manufacturing practices and eco-friendly materials. Sustainability is increasingly important to consumers, and adopting environmentally responsible practices could enhance the brand's appeal to younger demographics. Additionally, the development of smart, tech-enabled footwear could position Reebok as a forward-thinking company in the industry.

3. *Targeting Emerging Markets:* While Reebok has a strong presence in North America and Europe, it should expand its focus to emerging markets such as Asia, Africa, and South America. These regions are experiencing rapid economic growth, leading to increased demand for athletic and lifestyle footwear. By tailoring its offerings to local preferences and investing in region-specific marketing, Reebok can establish a foothold in these markets and drive revenue growth. Localization of products, pricing strategies, and partnerships with local influencers and retailers can also help Reebok connect with diverse consumer bases. Expanding its global reach will reduce reliance on mature markets and foster long-term growth.

4. *Leveraging Digital Transformation:* Reebok must embrace digital transformation to strengthen its e-commerce capabilities and enhance customer engagement. A robust online presence, supported by data-driven marketing, can help the brand identify and respond to changing consumer behaviours. Investing in artificial intelligence and machine learning technologies can optimize personalized recommendations, improve inventory management, and refine marketing strategies. Furthermore, Reebok

should prioritize social media and influencer marketing to connect with younger audiences. Engaging storytelling, user-generated content, and collaborations with digital creators can boost brand visibility and foster an emotional connection with consumers.

5. *Reviving Collaborations and Sponsorships:* Strategic partnerships and sponsorships are critical in rebuilding brand credibility. Reebok should focus on collaborations with high-profile athletes, fitness trainers, and entertainers whose values align with the brand. These partnerships can serve as ambassadors who embody Reebok's vision and attract their respective fan bases. Additionally, sponsoring major sporting events, fitness competitions, and wellness programs can boost Reebok's visibility in key markets. Such initiatives will position the brand as a prominent player in both performance and lifestyle segments.

6. *Enhancing Operational Efficiency:* Operational inefficiencies can hinder a company's ability to compete effectively. Reebok should streamline its supply chain and distribution networks to reduce costs and improve agility. Leveraging technology to monitor demand, manage inventory, and predict consumer trends can enhance the brand's ability to respond to market fluctuations. Furthermore, reducing dependency on physical retail stores by focusing on e-commerce and direct-to-consumer channels can enhance profitability and improve customer experience.

7. *Rebuilding Consumer Trust and Loyalty:* Reebok must prioritize customer satisfaction by delivering high-quality products and exceptional service.

Implementing loyalty programs, engaging with customers through social media, and addressing consumer feedback transparently will strengthen relationships with its audience. Reebok should also emphasize diversity and inclusion in its campaigns, ensuring its messaging resonates with a broad range of consumers.

*Conclusion:* The failure of Reebok serves as a reminder of the importance of adaptability, strategic clarity, and consumer-centric practices in today's competitive market. By redefining its brand identity, investing in innovation, targeting emerging markets, embracing digital transformation, and fostering collaborations, Reebok can chart a path to recovery. While challenges remain, a focused and well-executed strategy can revitalize Reebok, enabling it to reclaim its place as a leading global brand in the athletic and lifestyle footwear industry.

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