We are choosing Nike athletic shoes as our example of a lifecycle of a mass produced consumer product. The Nike sports research laboratory (called NSRL) work side by side with Nike designers trying to satisfying people’s needs and wants. A lot of their research is data collection using a variety of tools such as muscle sensors and thermal imaging devices. Once they finalize an idea, they prepare a design brief and then send it to the innovation kitchen where designers or “cooks” collaborate with athletes and coaches to produce the best sports’ shoe.

Later in the process comes the marketing strategy. One of the most successful marketing tactics is to sponsor famous athletes that are idolized by the consumers. They invest a lot of money in the commercial and billboard advertising to promote their products. Nike tries to make a big identifiable brand that inspires customer loyalty.

For manufacturing, Nike uses low labor costs throughout the Asian region, mostly in China and Indonesia, which helps them increase their profits. There were numerous occasions where Nike was found to have poor factory and human conditions.

They initially had shoe boxes made out of corrugated cardboard to reduce packing waste. They developed a shoe box that used 30% less materials which would equate to saving 200,000 trees annually. In addition, this shoe box was fully recycled and recyclable.

More than 70% of their sales are to whole sellers while the rest are directly sold to consumers. As of recently, they are trying to sell directly to their consumers since it would provide higher sales margins than from whole sellers. They are trying to grow the direct to consumer sales to $8 billion by 2017. As of 2014, they are at $5.3 billion.
Initially, Nike distributed its cargo by air, but now it does via container ships from Asia to North America. This change saved Nike $8 million in 2009 and will help achieve the company goal of reducing carbon emissions by 30% by 2020. In the U.S. Nike distributes to a large number of chain retailers such as Footlocker, Champs, Footaction. Since most of their profit comes from these large retailers they have many distribution centers across the U.S. to store and track their inventory that they are sending out to retailers.

The average lifespan of Nike athletic running shoes is 6 months to a year. After the shoe gets used, there are many options rather than just throwing them away. If the shoes are unusable and cannot be donated, there is no need to throw them out since one of the options for the final disposition is Nike’s reuse shoe program. This program eliminates any waste since they collect old athletic shoes and transforms them into Nike grind, a material used at creating athletic and playground surfaces. Since 1990, it has collected 28 million shoes.

Nike has made strides in the past years to reduce its carbon footprints. This has made Nike one of the most successful eco-friendly companies of this day and age.