

Vladimir Matović¹
Milenko Stanić²
Igor Drinić³
University Sinergija, Bijeljina, BiH

ORIGINAL SCIENTIFIC ARTICLE
doi:10.5937/ekonomika1903035M
Received: Jun 02. 2019.
Accepted: Jul, 09. 2019.

IMPACT BRANDING ON CONSUMER PREFERENCE TOWARDS BUYING A CERTAIN PRODUCT: COMPARATIVE ANALYSIS OF BRANDS NIKE AND ADIDAS

Abstract

Brands Nike and Adidas are considered competitors because both companies produce sports shoes, clothes and equipment and are leading in the global market. The subject of this work is analysis of the impact of brands on consumers' willingness to buy brands like Nike and Adidas, as well as examining the similarities and differences between the brands and their positioning in the global market. The purpose of this work is reflected in increasing the level of awareness of the importance that the companies in BiH build a strong brand as one of the prerequisites for good positioning on the market, and about the impact of the brand on consumers' inclination to purchase specific products. The specified subject and aim of this research has set up guidelines to define the main hypotheses that the citizens of the municipality of Foca believe that brand has a significant impact on them when purchasing athletic shoes, apparel and equipment, and to prefer shopping Nike better than Adidas brand. The research was conducted by a variety of techniques and methods of scientific research.

Keywords: Brand, Nike, Adidas, comparative analysis, consumer, buying a particular brand

JEL classification: M31

УТИЦАЈ БРЕНДИРАЊА НА СКЛОНОСТ ПОТРОШАЧА КА КУПОВИНИ ОДРЕЂЕНИХ ПРОИЗВОДА: КОМПАРАТИВНА АНАЛИЗА БРЕНДОВА НИКЕ И АДИДАС

Апстракт

Брендови Нике и Адидас се сматрају конкурентима јер обје компаније производе спортску обућу, одјећу, опрему и водеће су на глобалном тржишту. Предмет истраживања овог рада се односи на испитивање утицаја брендова на склоност потрошача ка куповину брендова Нике и Адидас, као и испитивање сличности и разлика између наведених брендова и њиховог позиционирања на глобалном тржишту. Циљ рада се огледа у подизању нивоа свијести предузећима у БиХ о значају изградње јаког бренда као једног од предуслова за добро позиционирање предузећа на тржишту и о утицају бренда на склоност потрошача ка куповини одређених производа. Наведени

¹ vladimirmatovic87@yahoo.com

² mstanic@sinergija.edu.ba

³ idrinić@sinergija.edu.ba

предмет и циљ истраживања су поставили смјернице за дефинисање главне хипотезе која се односи на то да грађани општине Фоча сматрају да бренд има значајан утицај на њих приликом куповине спортске обуће, одјеће и опреме и да преферирају куповину бренда Нике у односу на бренд Адидас. Истраживање је спроведено уз различите технике и методе научног истраживања.

Кључне ријечи: *Бренд, Nike, Adidas, компаративна анализа, потрошач, куповина одређеног бренда*

Introduction

Analysis of brands like Nike and Adidas, it can be concluded that the Nike and Adidas competitive brands because it's about brands that have a common market, which is the marketplace for footwear, apparel and equipment. The primary difference between brands Nike and Adidas is considered to be the following difference: brand Nike promotes the existence of competitive spirit and the idea that whoever plays needs to win, while the brand Adidas satisfies itself by participating and game and kept saying “it does not matter to win, it's important to participate “ (Filipović V. 2008). Observing these brands during 2018 leads to the conclusion that the brand Nike stood at the 25th position among the top 100 brands in the entire world market, while the brand Adidas has taken only 50th place.

For the purposes of this research, using the appropriate samples, the survey covered is 80 subjects, citizens in the municipality of Foča (Matović V. 2018). Questionnaire forms are collected through personal interviews. Research process consists of the following activities:

- Creation of the questionnaire,
- Determining the sample that will be conducted the survey and the demographic structure of subjects,
- Interviewing a pre-set pattern of the citizens of the municipality of Foca,
- Sorting and processing the information obtained through the questionnaire,
- Interpretation of the results and
- Discussions.

Questionnaire was created for the purpose of research and consists of 3 parts:

part I - General information on the subject with which to collect data on consumers who participate in research

part II - the tendency of consumers to purchase certain products which are examines consumers' propensity to purchase specific products and examining factors that have influence on the behavior of the customers and

part III—branding's impact on consumers' propensity to purchase specific products, which examines which of the two brands that are subject to research among the citizens of Foca are preferred, as well as the reasons why.

The results of research and discussion

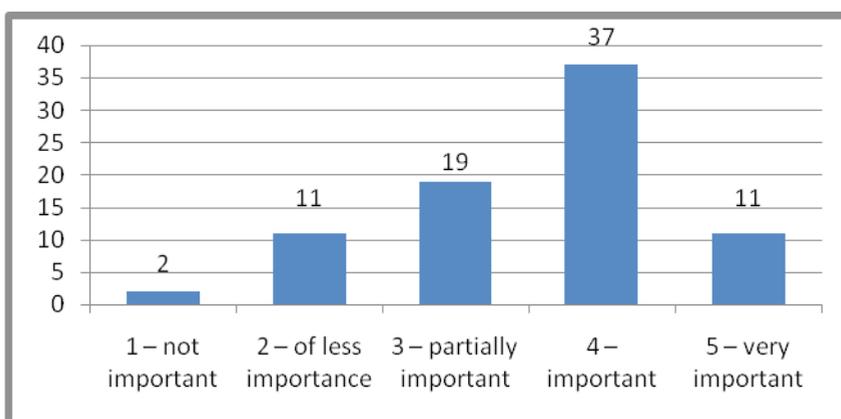
The research was conducted in order to examine the influence of branding on consumer preference towards buying brands like Nike and Adidas. Since respondents were asked to assess the importance of making a certain decision when buying clothes and shoes.

It is about the following decisions:

- -decisions on brand,
- -decisions of the seller,
- -decisions on the quantity,
- -decisions on the time of purchase and
- -decisions on the method of payment.

The first question, the significance of decision which brand to purchase, is the most important point of this research, because the main hypothesis is based on this decision. This decision has proven to be quite significant to the respondents because the average rating of importancesums up to 3.55. Numerical structure that gives an explanation on the importance of thisdecision is shown in the following chart.

Chart 1: the position of the respondents on the importance of deciding brand



Source: own questionnaire

Based on the chart above leads to the following conclusions:

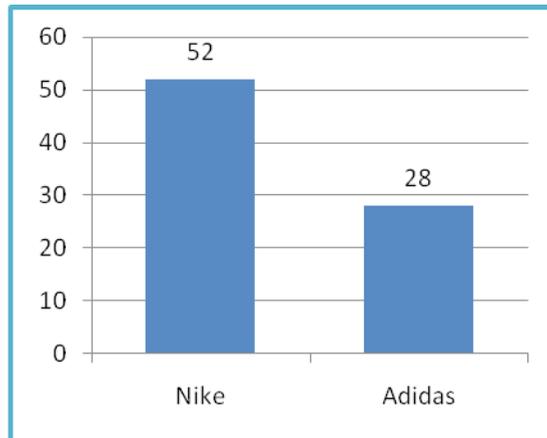
- -2% of the respondents considered that a decision on the brand does not matter,
- -14% of the respondents considered that a decision on brand is less important,
- -24% of the respondents considered that a decision on brand is partly important,
- -46% of the respondents considered that the decision on brand is important and
- -14% of the respondents considered that a decision on the brand is very important.

The survey is also intended to examine to which of the brands, Nike and Adidas, do respondents give priority to when shopping, as well as the reasons why respondents prefer one of these brands in relation to another. The results showed that respondents generally prefer brand Nike versus Adidas brand as follows:

- -52 respondents preferred the brand Nike and
- -28 respondents preferred the brand Adidas.

Above the results of the survey are presented in the chart that follows.

Chart 2: brand preference for Nike versus Adidas brand expressed in percentages



Source: own questionnaire

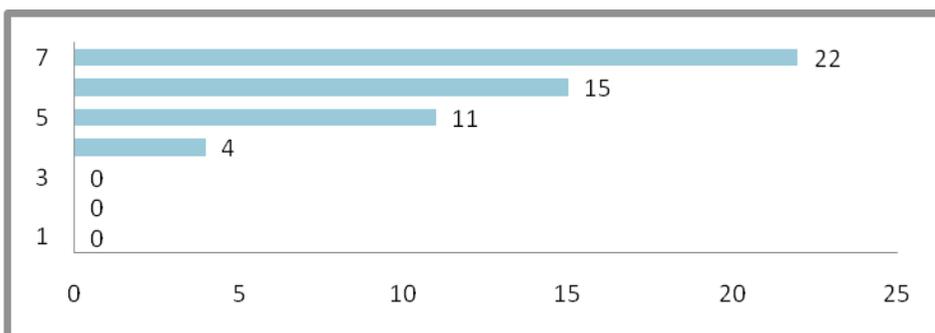
Since respondents were asked to specify the reasons for preferring a particular brand, and they are offered to the following reasons:

- -Quality of the products,
- -Having left better impression on customer
- -Better resonance,
- -Recognizable logo,
- -Easy to remember slogan,
- -Interesting packaging and design,
- -Brand color that varies in relation to competitive.

Respondents have given grades 1 to 7 for each of these reasons for preferring a particular brand, with seven being most important reason, and 1 the least important reason. First presented are the results of Nike brand.

The first reason of brand preference which has been the subject of evaluation is the quality of the products. The obtained results are shown in the chart that follows.

Chart 3: rating the quality of Nike product brand as one of the reasons for preference of this brand



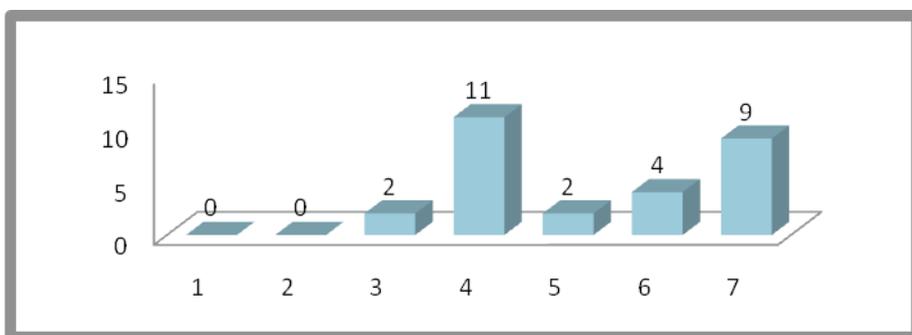
Source: own questionnaire

Data from previous graphs show the following:

- -42.31% of the respondents named the score of 7 of quality of Nike products as the decisive reason for the preference of this brand over Adidas
- -28.85% of the respondents named the score of 6 of quality of Nike products as the decisive reason for the preference of this brand over Adidas
- -21.15% of the respondents named the score of 5 of quality of Nike products as the decisive reason for the preference of this brand over Adidas
- -7.69% of the respondents named the score of 4 of quality of Nike products as the decisive reason for the preference of this brand over Adidas
- -average rating of the respondents regarding the importance of choosing the brand Nike is 6.06.

The first reason for that has been the subject of evaluation by respondents who prefer brand Adidas is the quality of the brand's products. The following results:

Chart 4: rating the quality of Adidas products as one of the reasons for this brand preference

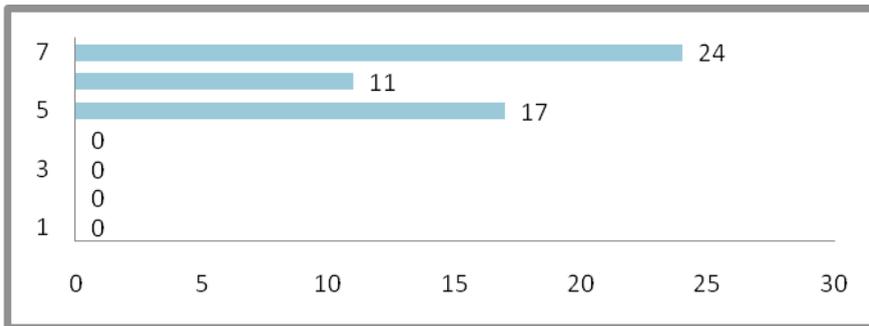


Source: own questionnaire

- -32.14 percent of the respondents considered the superior quality of Adidas products as the reason they prefer this brand and consider this of the highest importance,
- -14.29% of respondents named the score of 6 of the quality of Adidas products as one of the reasons for the tendency to purchase the products of this brand,
- -7.14% of respondents named the score of 5 of the quality of Adidas products as one of the reasons for the tendency to purchase the products of this brand,
- -39.29% of respondents named the score of 6 of the quality of Adidas products as one of the reasons for the tendency to purchase the products of this brand,
- -7.14% of respondents named the score of 6 of the quality of Adidas products as one of the reasons for the tendency to purchase the products of this brand,
- -Average grade of the importance of quality in choosing the Adidas brand is 5.25.

Another reason that has been the subject of evaluation by the respondents is the fact that Nike leaves bigger impact on a customer. The obtained results are shown in the chart that follows.

Chart 5: grading the preference of Nike products due to the better impression



Source: own elaboration

Data from previous graphs show the following:

- -46.15% of respondents graded 7 the reason to choose Nike as the brand leaves the biggest impact on them,
- -21.16% of respondents graded 6 the reason to choose Nike as the brand leaves the biggest impact on them,
- -32.69% of respondents graded 5 the reason to choose Nike as the brand leaves the biggest impact on them,
- -average grade of the importance of choosing Nike, based on the impression it leaves, is 6.13

Another questionnaire deals with the customers that prefer the brand Adidas as it leaves the greater impression on them. The results are in the following table:

Table 1: ranking of Adidas accordingly to how much impact it leaves on the customer

Reason	Grade						
	1	2	3	4	5	6	7
Leaves better impression	1	1	1	3	2	6	14

Source: own questionnaire

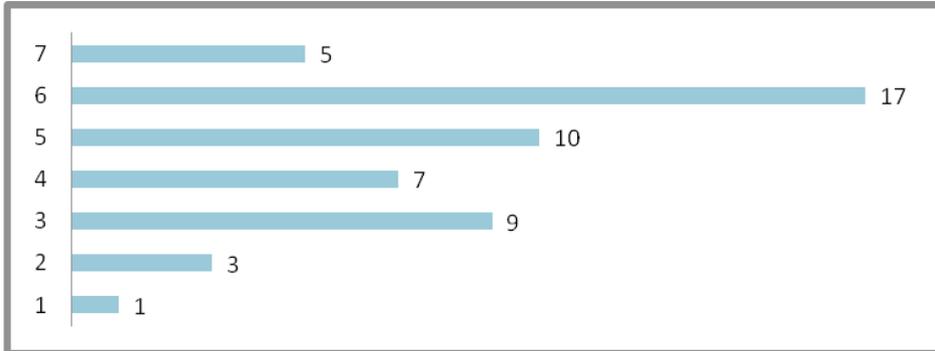
Using the data presented in table 1 leads to the following conclusions:

- -50% of respondents graded 7 the reason to choose Adidas as the brand leaves the biggest impact on them,
- -21.44% of respondents graded 6 the reason to choose Adidas as the brand leaves the biggest impact on them,
- -7.14% of respondents graded 5 the reason to choose Adidas as the brand leaves the biggest impact on them,
- -10.71% of respondents graded 4 the reason to choose Adidas as the brand leaves the biggest impact on them,
- -3.57% of respondents graded 3 the reason to choose Adidas as the brand leaves the biggest impact on them,
- -3.57% of respondents graded 2 the reason to choose Adidas as the brand leaves the biggest impact on them,
- -3.57% of respondents graded 1 the reason to choose Adidas as the brand leaves the biggest impact on them,

- -average grade of the importance of choosing Adidas, based on the impression it leaves, is 5.79.

The third reason which has been the subject of evaluation by respondents that chose Nike over Adidas is the resonance of the brand name. The obtained results are shown in the chart below:

Chart 6: preference of Nike due to the resonance



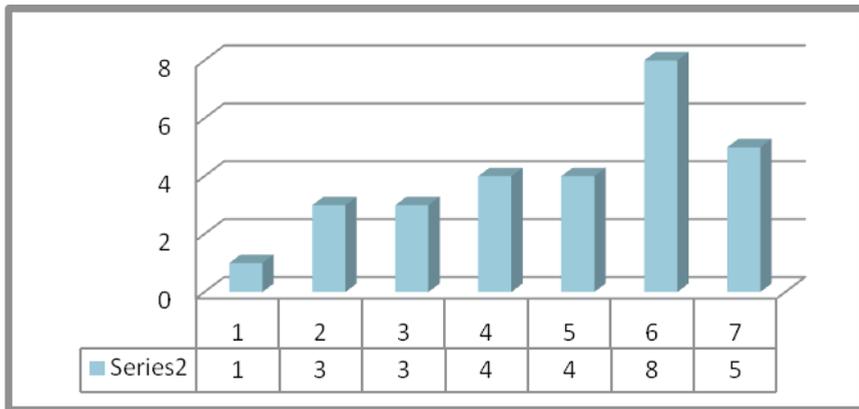
Source: own questionnaire

Data from previous graphs show the following:

- -9.61% of respondents graded 7 the better resonance of the brand name as the reason to choose Nike over Adidas
- -32.69% of respondents graded 6 the better resonance of the brand name as the reason to choose Nike over Adidas
- -19.24% of respondents graded 5 the better resonance of the brand name as the reason to choose Nike over Adidas
- -13.46% of respondents graded 4 the better resonance of the brand name as the reason to choose Nike over Adidas
- -17.31% of respondents graded 3 the better resonance of the brand name as the reason to choose Nike over Adidas
- -5.77% of respondents graded 2 the better resonance of the brand name as the reason to choose Nike over Adidas
- -1.92% of respondents graded 1 the better resonance of the brand name as the reason to choose Nike over Adidas
- -average grade of the importance of choosing Nike, based on the resonance of the brand name, is 4.79.

The third reason which has been the subject of evaluation by respondents that chose Adidas over Nike is the resonance of the brand name. The obtained results are shown in the chart below:

Chart 7: preference of Adidas due to the resonance



Source: own questionnaire

Data from previous graphs show the following:

- -17.86% of respondents graded 7 the better resonance of the brand name as the reason to choose Adidas over Nike
- -28.57% of respondents graded 6 the better resonance of the brand name as the reason to choose Adidas over Nike
- -14.29% of respondents graded 5 the better resonance of the brand name as the reason to choose Adidas over Nike
- -14.29% of respondents graded 4 the better resonance of the brand name as the reason to choose Adidas over Nike
- -10.71% of respondents graded 3 the better resonance of the brand name as the reason to choose Adidas over Nike
- -10.71% of respondents graded 2 the better resonance of the brand name as the reason to choose Adidas over Nike
- -3.57% of respondents graded 1 the better resonance of the brand name as the reason to choose Adidas over Nike
- -average grade of the importance of choosing Adidas, based on the resonance of the brand name, is 4.82.

The fourth reason which has been the subject of evaluation by respondents was if they choose a particular brand because of the recognizable logo, obtained results suggest that Adidas is, with the higher average score of 5.04, more recognizable than Nike with an average grade of 4.27.

The fifth reason which has been the subject of evaluation by respondents was if they choose a particular brand because of the easily remembered slogans, obtained results suggest that Nike has, with the higher average grade of 3.21, more recognizable slogan than Adidas with an average grade of 2.86.

The sixth reason which has been the subject of evaluation by respondents was if they choose a particular brand because of the interesting packaging and brand design, provided the result to brand Adidas, with an average score of 2.57 has a more interesting packaging and design in comparison to Nike with the average grade of 2.19.

The seventh reason which has been the subject of evaluation by the respondents was if they choose a particular brand because of the colour of the brand that is different to their competitors', the survey showed that respondents preferred Adidas to Nike, with the average grade of 1.68 compared to 1.33 in favor of Adidas.

Conclusion

Based on the research conducted, the conclusion is that the branding has a significant influence on the customers when purchasing athletic shoes, apparel and equipment in the municipality of Foča. The decision that respondents make when choosing the brand has proven to be quite significant to them, because the average grade they gave to it was 3.55. The results showed that 2% of respondents considered that a decision on brand isn't important, 14% of the respondents considered that a decision on brand less important, 24 percent of respondents considered it partly important, 46 percent of respondents considered that the decision matters and 14% of respondents considered a decision on which brand very important. The survey showed that the citizens of the municipality of Foča prefer buying Nike products compared to Adidas ones: 52 respondents prefer Nike brand and 28 respondents preferred Adidas. In this way, the major hypothesis of research is proven: „The citizens of the municipality of Foča prefer buying Nike over Adidas products, and brand has a significant impact on them when purchasing athletic shoes, clothing and equipment”.

Respondents opt for a particular brand because it leaves a better impression on them. This testifies to the fact that the respondents who prefer Nike brand gave an average grade of importance of 6.06 to this reason, while those who prefer Adidas consider it important with an average grade of 5.79.

Respondents who prefer Adidas have graded having a powerful slogan as the reason of purchasing a product average score of 2.86, while respondents who prefer Nike brand graded it with an average score of 3.23.

Based on the facts presented, the conclusion is that managements of BiH companies must focus on strengthening the brand and on building strong brands in order to become competitive on the market. Besides from good branding, the strategy of positioning on the market and in the minds of consumers, as well as the product quality depends mostly on successful business management. The importance of research carried out is reflected in showing how much importance they give to the process of branding companies on the international market, shown on a practical example. This research highlights the importance of developing and positioning of brand if one wants to do business in the international market, and achieve good business results.

References

- Ambler, T. and Styles, C. Brand (1997) development versus new product development: toward a process model of extension decisions. *Journal of Product and Brand Management*, 6(4).
- Babić-Hodović V, Domazet A., Kurtović E. (2012) *Osnovi marketinga*, 4. izdanje, Ekonomski fakultet u Sarajevu.
- Banjanin M i sar. (2000) *Upravljanje ljudskim resursima*, Ekonomski fakultet, Podgorica.
- Blackwell, D. R., Miniard, P. W., Engel, J. F., *Consumer Behavior*, Thomson, (2006) / SOUTH-WESTERN, Mason, Ohio.

- Chao, P., G. Wuhrer, T. Werani. (2005). Celebrity and foreign brand name as moderators of country-of-origin effects”, *International Journal of Advertising*, vol. 24, no. 2
- Đokić M. (2013) Brend i inovacije proizvoda kao faktori konkurentske prednosti, Univerzitet Singidunum, Beograd.
- Duncan T.(2005), *Advertising&IMC*, The McGraw-Hill, New York.
- Filipović V.(2008) Brend menadžment, FON, Beograd.
- Gutić, D., Barbir, V. (2009) Ponašanje potrošača, Fortunagraf, Omiš.
- Keser J. (2015) Brend kao deo trgovinskog preduzeća, Univerzitet Singidunum, Beograd.
- Kesić, T. (1999) Ponašanje potrošača, Addeco, Zagreb.
- Kotler, Ph., V. Wong, J. Saunders, G. Armstrong. (2006) *Osnove marketinga*, Mate, Zagreb.
- Kotler Ph. (1989) *Upravljanje Marketingom*, Informator, Zagreb.
- Leone R.P., Rao R.V., Keller K.L., Luo A.M., McAlister L., Srivastava R., *Linking brand Equity to Customer Equity*, *Journal of service Research*, 2006. vol 9.
- Matović V. (2018), Uticaj brendiranja na sklonost potrošača ka kupovini određenih proizvoda: komparativna analiza brendova Nike i Adidas, završni master rad, Univerzitet Sinergija Bijeljina.
- Milić M. (2018) Ponašanje potrošača, PIM Univerzitet, Banja Luka.
- Milislavljević M., Maričić B., Gligorijević M, (2004) *Osnovi marketinga*, Ekonomski fakultet Beograd.
- Milislavljević M. (2001) *Marketing*, Savremena Administracija, Beograd.
- Peter, J. P., Olson, J. C.(2008), *Consumer Behavior and Marketing Strategy*, McGraw Hill International Edition, Boston.
- Petković G., S. Veljković, (2006) Metode merenja različitih pojava u međunarodnom marketingu: fenomen etnocentrizma, Kopaonički biznis forum.
- Pjanić Z. (1975) *Ekonomski leksikon*, Savremena administracija, Beograd.
- Rakita B., Mitrović I., (2007) *Brend menadžment*, Savremena administracija, Beograd.
- Ramaswamy R.V., Alden D. L., Steenkamp J. B. E. M., Ramachander S, (2000) Effects of Brand Local and Nonlocal Origin on Consumer Attitudes in Developing Countries, *Journal of consumer psychology*, vol. 9, no. 2
- Rowley J., (2004) *Online branding*, *Online Information Review*, vol. 28
- Seetharaman A., *A conceptual study of brand valuation*, *Journal of Product and Brand management* 10(4)
- Solomon, M. R. (2011) *Consumer Behavior-Buying, Having and Being*, Pearson/Prentice Hall, Boston,
- Starčević S. (2012), *Kreiranje i razvoj ličnosti brenda kao savremene forme diferenciranja*, Univerzitet Singidunum, Beograd.
- Veljković S., (2009) *Marketing usluga*, Ekonomski fakultet, Beograd.
- Wood, L. (2002) *Brands and brand equity: definition and management*. *Management Decisions*, 38(9).
- Živković, R., (2011) *Ponašanje potrošača*, Univerzitet Singidunum, Beograd.