

## EXECUTIVE SUMMARY FEEDBACK

### Clear Purpose, Theme or Frame of the Capstone Paper:

OK

### Company/Industry Background Information which sets the stage for the Strategic Audit:

wish you included more information on sales, profits, financial data and history that tells us exact how they are doing... How are they organized? Incorporated? History of share price/dividends

### Key Issues Identified and Recommended Strategies:

OK, but would like you to be more specific in recommendations. i.e. where exactly should they expand internationally?

### Other Comments:

Made a number of edits/comments in your draft to make it

$$B = 85 \div 50\% = 42.5/50$$

*Need to proof read!*

Executive Summary

James Greene

February 12, 2020

University of Redlands

BUSB-485-SD12

Undergraduate Capstone Paper

Instructor Richard Doyle



### Executive summary

The purpose of this paper is to analyze Under Armour using a SWOT analysis. A SWOT analysis is "A business planning process various aspects of a business situation are analyzed and compared. SWOT is an acronym for Strengths, Weakness, Opportunities, and Threats." (Marakas & O'Brien, 2013, p 701). We will analyze the Under Armour through ~~five~~ <sup>five</sup> lenses of <sup>five</sup> business courses and employing concepts from the following courses listed <sup>below</sup>:

- Managing and Leading Organizations (BUSB 330)
- Principles of Marketing (BUSB 340)
- Sustainable Strategic Management (BUSB 481)
- International Business (BUSB 342)
- Financial Management (BUSB 361)

good!

Under Armour was founded by Kevin Plank in 1996. Kevin Plank is a former football captain of the University of Maryland teams. Under Armour is an American clothing and accessories company. The company focuses on supplying casual apparel and sportswear. The company is known for its ability to design high-quality performance gear for athletes, which are light, fresh, and dry throughout the game, practice or workout. The company has <sup>^</sup>diverse product <sup>^</sup>assortment for women, youths and men. The program of getting the product benefits is comparatively more straightforward: wear ColdGear® when it is cold, HeatGear® when it is hot and AllSeasonGear® between the extremes. The continued success of Under Armour in the

sports and apparel industry will entirely depend on its abilities to institute and execute the strategic game plan.

### Company Mission

Under Armour's mission statement is to promote the athlete's passion by providing technologically advanced products. The four pillars of the company mission are to make great products, provide excellent service, tell a great story, and build a great team. *quoted? Source?*

### External and internal analysis of the company

**Strengths** of Under Armour *include* are innovative technology, product diversity, strong brand recognition, athletics endorsement, and eco-friendly products. With innovation, the company has shown that they are exceptional in this field. Under Armour has continued to strive to meet the changing needs of the current market. The company recently introduced AllSeasonGear, HeatGear, and ColdGear as a means to diversify its products. The company has an advanced market network. To continue *existing what?* existing and become more powerful, the ~~company~~ must continue embracing research and development. The brand name is currently famous in North America. However, the company *needs* has to *continued* to expand *it* on other markets to enable it to grow its global footprint. Under Armour is *a* *leader* leading in selling high-quality eco-friendly products by putting more emphasis on its customer needs. Several sport-related companies have endorsed the company products because of their uniqueness: they are light, fresh, and dry.

*major*  
The **weaknesses** of Under Armour Company include limited technology, stiff competition, limited top sellers, and inadequate footwear line. Under Armour must continue to expand its market area to maintain its plight against Nike and Adidas. The company must continue to grow its brand in many countries while continuing to sell high-quality products. The company must also prepare to address challenges that they are likely to experience in an attempt

*NEED TO ADD  
CORPORATE GOVERNANCE*

to expand its market, which includes limited production facilities, and resources. When the demand for the products increases, there will be a deficit in output facilities or workforce, which might end up affecting the quality of the products.

Under Armour have the following **opportunities** for future expansion. <sup>Such</sup> ~~These~~ **opportunities** include international expansion, expansion of athletic footwear, development of the market to incorporate women campaigns and e-commerce. For the company to continue gaining the trust of potential customers in its quest for international expansion, it must introduce some new and catchy ideas into the business. Under Armour must maintain and make itself a presence market, no matter how the rival competitors are set-up. The company must also consider technological growth in its production for effective competition. Under Armour should also use an online shopping platform to capture the ever-growing population.

The **threats** to the Under Armour Company include high competition and product replacement. The company competitors are Adidas and Nike companies. There is a consistent increase in the cost of inputs required to produce goods that meet the demand, and therefore for Under Armour to remain competitive, it must identify strategic means to offset this increase. There is also a significant risk of substitute products. The use of technology has facilitated duplication of products that affect Under Armour. The company product line is innovative. However, without patents, it can lead to replication.

### Strategic Implications

**Competitive rivalry:** The main company rivals are Nike and Adidas. Adidas and Nike companies are established and control enormous <sup>AND IS NOT OF COMPARE TO</sup> resources ~~than~~ Under Armour, which limits the accessibility of the company ~~into~~ the market. In the future, ~~due to~~ the company's limited portfolio can be because it does not hold process patents.   
~~Not a complete thought?~~

**Bargaining power of suppliers:** <sup>Not having?</sup> a diverse supplier base limits the bargaining power of Under Armour. More than 27 manufactures produced Under Armour products across 12 countries in 2012. Out of this, the top ten accounted for 48% of the items made.

**Bargaining power of customers:** Under Armour, customers constitute wholesalers and end customers. The company wholesalers include Dick's Sporting Goods and the Sports Authority. The two renowned wholesalers occupy a certain degree of bargaining leverage. In some scenarios, they could substitute Under Armour products with <sup>for</sup> other competitors for better profit margins. The company enjoys strong brand recognition, making end customers have low bargaining power.



**Goals and long-term objectives**

Under Armour's market is growing fast but not as those of its counterparts, which control more than 60% of the entire market revenue. For that matter, Under Armour expects its global sales to jump to 27% by 2022 through expanding its markets in North America and other parts of the world.

Widening the market and growing sales globally and becoming a competitor in the world market for performance products, athletic footwear and sports apparel. Ways under which Under Armour should achieve these expansion plans will be through the opening of its retail shops and online store.

