

Under Armour's Marketing Strategy of New Audience

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ABSTRACT

To acquire new customer groups while applying and expanding the brand's strategy, Under Armour researched the brand's customer engagement. Both qualitative and quantitative methods are used to support the data in this research report. The difference between these two research methods is also obvious. Quantitative research is mainly based on the actual data obtained from the survey, while qualitative research is based on a large number of historical facts and life experience materials. Based on various research conclusions on customer engagement in the previous period, the problems and theories that can be used for the brand are summarized. Through the use of online and offline customer engagement questionnaire surveys, data feedback is collected and analysed with SPSS and SWOT. If Under Armour wants to expand a new customer base, it must increase customer satisfaction. The skill to improve customer engagement is an inseparable marketing strategy for acquiring the market.

Keywords: Customer Engagement, Under Armour, Blogger, Swot

1. INTRODUCTION

1.1 Background

Under Armour's surveys in the US and China markets (before COVID19 and COVID19) used new methods and sales strategies to change the problems of the brand, such as changes in online sales models and offline store business methods, respectively, for the United States and China. Conduct investigations and discussions. Under Armour, as an essential sports brand in the United States, has been facing the problem of sales far below expectations in recent years. In response to these problems, Under Armour also did some market research. They found a big gap between the needs of consumers and their expectations. Their products are more tailored to the needs of athletes than consumers expect. However, their problem in communicating with users is the root cause, and they tend to understand user feedback from sales data. However, this does not allow them to truly understand consumer demand for the product and hope for product improvement. Under Armour needs to improve and continue to advance in communication with consumers. The article will analyse the existing market problems of Under Armour and put forward methods to promote each problem.

Under Armour, they have been providing a variety of clothing to consumers with clothes tailored to different

needs in different environments. Due to the coronavirus pandemic, Under Armour has closed some offline stores. It is a big challenge for consumers to buy suitable products online. The delivery time of goods has also been affected by the epidemic. Under Armour has been trying to tap new target user groups as new development goals. Under different opportunities, the brand has extended many new marketing branches. However, a single marketing method has produced a huge obstacle to Under Armour in achieving its goals.

1.2 Research Gap

Although the brand has a high sales volume, Under Armour still faces many problems, especially consumer positioning. The brand has always targeted North American consumers as its targets; however, sales have not only not been the same as before but have also declined slightly [1]. Compared with other competitors, the brand's main products have a sweat-wicking performance. It lacks an appeal for shoppers other than athletes. Brands understand that consumers have a high degree of acceptance of new products such as HOVR and Project Rock by analysing the reviews of Google Trends [1]. However, it is not a good understanding of the demand for the overall consumer. Under Armour did not make good use of the brand communication strategy. It is a technique that can help brands understand their

audience and get the correct information. Better communication can leave the audience with a stronger and more memorable brand experience. It could lead to many sales. For Under Armour, the company needs more objective and reasonable communication methods and continuous in-depth communication to ensure that brands understand the essential needs of their consumers.

1.3 Structure of the Paper

The article will analyse the research on some adjustment methods that Under Armour has made to face the marketing situation. By studying the development of customer engagement in the overall marketing, people understand the advantages and vulnerabilities of the brand in the market. By summarizing the problems and necessary factors exposed in these vulnerabilities, Under Armour analyses the main factors that constitute these factors. In order to ensure the reliability of the research, the research will combine market feedback data and user research models to analyse and summarize the direction and marketing strategy that Under Armour needs to adjust. Combining the conclusions that are most in line with the Under Armour situation helps brands build new marketing possibilities and provide new marketing ideas.

2. LITERATURE REVIEW

2.1 Definition

In recent years, Brand has been facing a problem. The competition between various brands in the market has become extremely fierce. The brand will focus on the brand communication strategy to acquire consumers to achieve their sales goals. Brand communication strategy is the process by which a brand realizes brand communication in various ways. No matter what kind of company it is, excellent communication methods are essential for any organization and are also the key to successful business operations. When customers like the way the brand communicates with them, they are more likely to buy its products or services. Brand communication strategy is also a necessary channel for companies to understand and acquire user groups.

2.2 The Relationship Between Brand Communication Strategy and Customer Engagement

After disassembling the brand communication strategy into different aspects, consumer engagement is one of the essential factors. In previous studies, the definition of consumer engagement is also slightly different. The concept of this term can be traced back to Vivek's attempt to explain the strength of the connection between products and activities initiated by consumers or organizations [2]. After that, Hollbeck is more inclined to associate consumer engagement with certain specific

consumer motivations in brand activities [3]. The word extends from the surface connection between things to the psychological state.

2.3 Development

A lot of research has been speculating about how the relationship between consumer engagement and brand influences each other. Vivek has researched this research direction. Research has realized that by defining the term consumer engagement to understand this concept is in many cases incomplete and very different. Most definitions fail to realize that it is not clear that many potential customers participate in online conversations or the exchange of opinions and ideas [4]. Existing research has shown that brands can benefit from consumer engagement. The recent research discusses the values that consumers may derive from their relationship with the company. By expanding the scope of consumer engagement, customer engagement, and various activity modes, consumers can obtain more internal and external value [4]. Because consumers are more likely to concentrate on the product or participate in the event. The past research methods are conducted in online environments, so there are few systematic and empirical exploration structures. Most work on customer involvement is descriptive. Research on different cases found that customer engagement can help promote collaborative innovation [4]. And the interaction of consumer engagement and employee engagement can lead to better sales performance [4]. Brands need more knowledge exchange with customers to attract customers. New technology can provide a better platform and opportunity for brands to interact and exchange knowledge with customers.

Brodie et al. conducted a deeper study based on previous theories [5]. Research emphasizes that consumer engagement is an interactive experience based on consumer engagement in a particular brand or organization. Over time, it may appear at different levels of intensity and reflect different states of engagement. Consumer engagement is a multi-dimensional concept including behaviour, cognition, and other dimensions [5]. The emergence of consumer engagement stems from consumer demand for information. They will learn, share, socialize, and other behaviours from the process. For consumers, personal experience sharing also has the effect of influencing others to advocate brands [5]. The idea of what the brand brings is the impact on the exchange value and use-value of the product or idea. Research shows the importance and consequences of understanding how consumers participate in specific brand communities. Consumer engagement can increase loyalty, satisfaction, empowerment, connection, emotional bonds, trust, and commitment [5]. Consumer engagement and brand creation influence each other and are based on the influence of online communities. Brands

need to listen and feedback to consumers in their communities and participate in consumer brand communication because consumers' understanding of this model is non-commercial. There are some limitations to the research. The direction of future research can be more multi-dimensional and based on enough experimental base.

With the development of technology, consumers have become more rapid and mature in obtaining information and are no longer easily controlled and manipulated by organizations [6]. They have a brand-new perception of their power, so now consumers are no longer just passive message receivers. They prefer to communicate and understand the brand through engagement. Consumers can see more information, so they are more willing to accept and trust people who have similar opinions and ideas to themselves than packaged brand information [6]. So how the brand chooses and utilizes these points is crucial to the development of the brand. The research uses a brand-new experimental model to study consumer engagement in a more detailed interpretation of consumer psychology [6]. The research analysed the method by using intermediate bloggers as a channel for the brand to communicate with consumers. Research shows that information flows through one or more individuals who are considered influential opinion leaders. Geographical environment and face-to-face communication are the main factors for consumer interaction [6]. In the digital environment, geographic space is no longer an influencing factor. Bloggers are essential opinion leaders, so their authority and confidence are important reference points for consumers [6]. The facial conversational style of blogs makes them suitable platforms for informal influence preferred by opinion leaders [6]. The blogger's settings meet most of the consumers' needs for consumer engagement. They can send comments to bloggers and get some feedback. Blog readers can also share or like to pass information to friends. The research further clarified the composition mode of the influencing factors of consumer engagement.

Research on consumer engagement uses many different brand communication strategies. These two concepts interact and coexist. Consumer engagement has a profound impact on the brand's position and consumers' minds. With the development of technology, consumers have a variety of ways to participate in all aspects of the brand, from products to activities. Because consumers have a faster and more convenient environment for obtaining information. Brands need to grasp the new direction of consumers in the new era. The research found that for consumers to obtain "real, non-commercial" feedback is the basis for them to participate in and believe in a brand. Brands need to truly interact more with consumers to understand feedback and have a better development direction. It is also proven. Whether a brand can have a better sales effect is linked to the feedback from consumers.

2.4 Summary

Based on previous research results, consumer engagement has a positive impact on brand development. Because of the new era background, consumers have new characteristics. Future research will focus on the characteristics of consumer engagement. Some experimental limitations and defects were also mentioned in the previous research. Most of the research is based on the online interactive environment. The research environment is single and limited. Some research institutes can conduct experiments, and data recovery bases are limited. Lead to the incompleteness of the results of the research. Future research will be aimed at improving the above-mentioned shortcomings. In addition to the research on the specific brand, a large amount of data will be collected on the feedback of consumer engagement to ensure the validity and reliability of the resulting output. For the research model, this research adopts a model test combining online and offline systems to determine other factors for consumer engagement.

3. METHODOLOGY

3.1 Research Design

In exploratory research, research issues related to consumer participation are studied through quantitative investigations. One of the main characteristics of the quantitative method is to emphasize the accumulation of a large amount of data, so it is very suitable to understand the frequency and way consumers participate in the interaction with the brand. Through the recovery of a large amount of questionnaire data, in-depth research is carried out to increase the understanding of consumer participation from the perspectives of the researcher, which is to obtain more extensive and in-depth knowledge. Because most of the research is less about offline. For collecting the research feedback comprehensively, the research design will be compared with the research directions both online and offline. Under Armour lacks a survey of consumer participation in its brand in the overall data collection. As an essential part of the brand communication strategy, this research method can accurately and concretely describe the behaviour of many subjects to produce quantitatively meaningful results.

3.2 Data Collection

In terms of recovering data, age and frequency will be taken into consideration. Compared with other questionnaires, most of the questions in this study will be designed for consumer engagement in online and offline channels. Subjects can fill in the questionnaire through two modes: single-item selection and fill-in-the-blank. The form of the questionnaire will be in the form of an

online questionnaire. Most groups of research objects are based on fixed group objects. However, this will have limitations on the overall experimental subjects. Online questionnaire surveys can ensure the privacy of participants' information. Participants will not be disturbed by the external environment when answering questions. The survey scope of the online questionnaire is wider and more technical. Participants are required to answer the following questions: When buying Under Armour products on the web, will people refer to product reviews for purchase? Will people be willing to participate in Under Armour's online/offline activities? Will people buy Under Armour products by asking a clerk or online service staff? Is the feedback of Under Armour sales staff important to people? What is an important reference when people make a decision when buying products? Why did people choose to buy Under Armour products? What is the age of the consumer? People can study the defective part before. The research results can also give specific feedback on the specific parts of the brand communication strategy that can indeed help the brand and consumers better interact. Due to the open-ended fill-in-the-blank questions in the experiment, samples of the results of this part of the

experiment will be extracted and analysed based on high-frequency vocabulary. The data will use SPSS for data analysis. According to the fact, there are fewer product reviews viewed on the Under Armour official website. To stimulate testers to participate, coupons will be given to consumers who participate in the questionnaire survey. As a tester, people need to ensure that people have indeed purchased Under Armour products in any way. The experiment will be studied within a short time limit. While conducting the questionnaire survey, group chat and forums will be opened for the same topic. Participants can also discuss the issues or experiences of the brand.

3.3 Data Analysis

The overall data is divided into three parts for analysis after recovery. The icon below shows the data recovery status of every single issue. The questions involved in the four questions are all about consumers' feedback on online and offline participation. As the data all include the target group when recovering the results, all feedback results will be considered (Table 1).

Table 1. The Results of Under Armour customer feedback survey

When buying Under Armour products on the web, will people refer to product reviews for purchase?	Options	Frequency	Percentage (%)	Cumulative percentage (%)
	In most cases	100	29.412	29.412
	Basically not	90	26.471	55.882
	In few cases	90	26.471	82.353
	Always	60	17.647	100
Total		340	100	100
Will people be willing to participate in Under Armour's online/offline activities?	Options	Frequency	Percentage (%)	Cumulative percentage (%)
	Basically not	220	64.706	64.706
	In most cases	60	17.647	82.353
	In few cases	50	14.706	97.059
	Always	10	2.941	100
Total		340	100	100
Will people buy Under Armour products by asking a clerk or online service staff?	Options	Frequency	Percentage (%)	Cumulative percentage (%)
	In most cases	120	35.294	35.294
	Basically not	110	32.353	67.647
	In few cases	90	26.471	94.118
	Always	20	5.882	100
Total		340	100	100
Is the feedback of Under Armour sales	Options	Frequency	Percentage (%)	Cumulative percentage (%)

staff important to people?	In most cases	140	41.176	41.176
	In few cases	130	38.235	79.412
	Basically not	60	17.647	97.059
	Always	10	2.941	100
Total		340	100	100
	Options	Frequency	Percentage (%)	Cumulative percentage (%)
What is an important reference when people make a decision when buying products?	Product information/advertisement	130	38.235	38.235
	Blogger recommendation	90	26.471	64.706
	Comments from others	70	20.588	85.294
	Social media posts	50	14.706	100
Total		340	100	100

According to the feedback from the above questionnaire, most consumers tend to be highly engaged in customer engagement. However, the degree of interest of the participants in the offline and online activities organized by the brand is much lower than the brand's expectations. There is a gap between the actual feedback and the forecast of the overall data. Because the data collected is limited to the disagreement on whether to refer to other people's reviews of the brand. Most of the participants do not regard other people's product reviews as an important purchase factor. However, according to the feedback of the first question, other people's comments will influence and promote consumers to achieve consumption.

In the data collection for age, most of the test subjects are concentrated in the age group of 18-25 years old. The overall information feedback only reflects the overall views of consumers in this interval. The test question is a multi-platform open questionnaire, so there is already a potential to tap into the group that did not participate in the test. However, there are also cases where the group does not meet the brand mining goals.

Combined with the open platform feedback on the questions contained in the questionnaire, several high-frequency words appearing in the blanks are comfort, professionalism, brand awareness, co-branding, fitness, etc. Most of the participants who participated in the reviews were long-term consumers of the brand. They focus on the design of the brand for fitness needs. Some students encountered the brand because the brand cooperated with several universities, which touched some potential users. A few participants specifically mentioned the sneakers of the brand's propaganda Curry. The advertising made by the brand is also part of the factor that affects consumers.

Through the application of the SPSS data analysis method, the collected questionnaire data was sorted by

frequency. The experimental data can more clearly see the changes in consumers' participation in different forms of engagement based on a ranking of cumulative percentages from low to high. The wording of the four frequency-related options that appeared in the questionnaire showed consumers' bipolar tendency toward the overall situation. "In few cases" and "In most cases" are two frequency terms that appear in pairs. The answer data to several questions showed that the number of choices was not ranked second. This phenomenon presents a problem. Consumer groups' choices for this customer engagement are very polarized. Therefore, it proved that the brand could reach a limited number of users in the specific form of customer engagement. There are also individual problems where the pairable words are ranked high. Therefore, it proved that most consumers are partly interested in this type of engagement. Brands still have a higher probability of reaching these users whose interest is not high. What the brand needs to do is to export different strategies to make diversified adjustments in the form of this engagement. In response to the last question of the questionnaire, the cumulative percentage also provides a percentage ranking. Brands can make more adjustments to future customer engagements based on the distribution of their proportions. The data results provide the brand with more realistic data and how to distribute the later research energy.

3.4 SWOT Analysis

3.4.1. Strength

Because Under Armour is a brand with the concept of creating professional sports products, it has a great advantage over other brands in terms of overall product professionalism. The brand has strengthened its position by leveraging on a broad product portfolio. Brands do not

rely on a specific product when selling products. Its products involve footwear, apparel, sports equipment, etc [7]. A wide range of product categories and business lines ensure the company's high sales rate and continuous growth in sales. In marketing, the brand's operating strategy through multiple network distribution enables the brand to grow rapidly. The brand has sales licenses in some countries [7]. At the same time, the brand is also exploring more countries where it can conduct sales operations so that it can expand globally. In the summer of 2020, North America launched a new e-commerce website [7]. Brands will accelerate the digitization of their sales channels by improving their own online sales model. Under Armour also uses digital applications to help them find potential sales opportunities. It has developed MapMyFitness, MyFitnessPal, and other apps [7]. These apps will be more professional to help users record their exercise data tracking. This can increase their brand awareness in terms of professionalism and increase consumers' impression of their brand.

3.4.2. Weaknesses

Under Armour also has many disadvantages. Compared with other brands, Under Armour is still an emerging force. Therefore, sales in the international market are limited. Because the brand has always regarded the United States as its main sales market, it has not yet produced a sales market as large as North America in the international market. The expansion of the single market has made brands vulnerable to uncertainties [7]. This is also the reason for the extreme decline in brand net income in 2020 [7]. In addition to the development of its own market, Under Armour is also investing in other objective opportunities. These high investment expenditures need to bear certain risks. These investments require a lot of expenses to follow up. Although positive investment may generate more revenue, it also limits the brand's own ability to make new acquisitions. The use of Under Armour's e-commerce is very slow [7]. Most core consumers have become accustomed to buying in-store. This will make it difficult for brands to switch to e-sales. In the brand's sales strategy, Under Armour also has many loopholes. The brand focuses on offline sales as its long-term sales model and growth opportunities. So, it missed the opportunity to sell online. The brand invested in new storefronts but then stopped. This shows that in addition to the low effectiveness of the brand's strategy.

3.4.3. Opportunities

Brands still have many opportunities to pursue new development opportunities. Under Armour's innovative ideas make its products technologically advanced. It also enables brands to continue to provide better products. The expansion of the brand product line can attract more consumers. In the long run, this is very beneficial to the

company's development. Brands are also seeking cooperation with many brand stores. In 2017, Under Armour began to cooperate with Kohl's [7]. At the same time, Under Armour is also expanding sales opportunities in more established department stores. However, many retailers do not sell their branded products. Brands should consider cooperating with more brands to reach partnerships. It is more helpful for brands to enter more markets in the future to achieve greater sales. The international market still leaves a lot of room for Under Armour to acquire new customers. The Asia Pacific and Latin America have brought brand new growth opportunities [7]. In the past two years, sales in these two regions have continued to grow. Women's clothing is still the direction in which the brand can continue to develop. The sales of UA women's sportswear in North America in 2020 increased by 77% compared to 2019 [7]. The overall online sales of women's clothing have a large span of growth. Growths are gradually showing the potential of women's clothing for brand development.

3.4.4. Threatens

For Under Armour, the threat in the market is not small. Nike and Adidas have higher brand awareness and operating experience overseas [8]. It will allow the brand to capture a large customer base. It is a big threat to brands exploring new markets. Some products have also been reported some negative news. Any kind of damage caused by these products will damage the reputation of the brand. In the past one or two years, the brand has been reported various negative news involving various fields [9]. These events have weakened the brand's revenue. If the uncertain event persists, the loss to Under Armour will be even greater and lasting.

3.4.5. SWOT Results

According to the survey on the Under Armour brand, when people buy something from this brand, they will basically listen to other people's opinions, as well as some advertising and sales recommendations, because when people first buy this brand, people will understand what they need from all aspects. Then company need to improve the brand's customer satisfaction because the results of the research make people believe some reviews and other people's dictations, so once the brand does this well, there will be a lot of improvement.

4. DISCUSSION

New methods and sales strategies should be used to change the problems of the brand. It is completely feasible because, in this research, they have targeted different groups of people and different problems. People can see that the current brand problems and the strategy company want to achieve, because the current crowd may not look at how famous the brand is but learn about the

product from the scope of the internet that people can know, and the population who has used the product next to it. Therefore, improving the sales model and customer satisfaction is more important. Customer satisfaction is the key to the discussion. It is very important for the customer's return rate and the source of new customers. This article is universal. Regardless of the brand, customers are an important source of the brand's success. It is important to improve comments and promote online promotion [10].

5. CONCLUSION

Under Armour is now lower than expected due to the epidemic, and has done some research on these Under Armour, the purpose is to change the current situation, they cannot really understand the needs of customers, there is no way to carry out existing and future products In line with the improvement of customers, because the current market is fierce, Under Armour needs to study and use more different communication methods. For their assumptions, the changes in online sales models and the business methods of offline stores are more similar. Because according to the survey of the Under Armour brand, when people buy something from this brand, they basically listen to other people's opinions, as well as some advertising and sales suggestions. If the customer buys this brand for the first time, customers need to know the brand is good, they need to improve the brand's customer satisfaction because the results of the research make people believe in some comments and other people's dictations, so once the brand is done well, it will be greatly improved. However, due to the coronavirus pandemic, Under Armour closed some offline stores. It is a big challenge for consumers to buy the right products online. The delivery time of the goods has also been affected by the epidemic. Under Armour has been trying to tap new target user groups as new development goals. Under different opportunities, the brand has expanded many new marketing branches. However, a single marketing method has brought huge obstacles to Under Armour to achieve its goals. Especially consumer positioning. The brand has always targeted North American consumers, but sales have not only not been the same as before but have also declined slightly. Therefore next, Under Armour should change sales because of the problem of using new methods and sales strategies to change the brand. This is completely feasible, and the research shows that target different groups of people and different problems. Under Armour can see current brand issues and research strategies it wants to achieve.

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