

NIKE'S MOVE TO ZERO

A MOVE TOWARDS A SUSTAINABLE FUTURE

Dr. Seema Sambargi, associate professor and HOD, Jain University-CMS, Bangalore.

Dr. Manisha Tripathi, associate professor and HOD, Jain University-CMS, Bangalore.

Sanjeevini I H, Student, Bachelor's in Business Administration, Jain-University-CMS, Bangalore.

Damodar M R, Student, Bachelor's in Business Administration, Jain-University-CMS, Bangalore.

Sharanabasappa, Student, Bachelor's in Business Administration, Jain-University-CMS, Bangalore.

Ronak Dak, Student, Bachelor's in Business Administration, Jain-University-CMS, Bangalore.

Tarun K Babu, Student, Bachelor's in Business Administration, Jain-University-CMS, Bangalore.

ABSTRACT

Since individuals now use plastic to package materials, carry things in supermarkets, and even drink, the usage of plastic in all types of organizations has increased at an alarming rate (straw). Plastic is also extensively utilized in the manufacturing and packaging sectors, particularly for furniture, electrical housing, and other items. To maintain a safe pace of plastic usage, Nike itself must do its share to minimize the rate. The usage of plastic is tremendously unequal, with extremely high and wasteful levels in certain nations and vanishingly low ones in others. It is apparent that in order to reach a low total demand, people must begin to reduce their consumption levels. The corporate responsibility committee of Nike's board of directors and two members of Nike's management team will need to approve any sustainability goals that are proposed to them. The case, which is set in 2012, charts the development of Nike's strategy towards environmental and social issues from its beginnings in student protests against working conditions in the supply chain in the 1990s through the formation of a board-level corporate responsibility (CR) committee in 2001 and the creation of the Sustainable Business & Innovation (SB&I) strategy in 2009. In this regard, Eric Sprunk, VP of Merchandising & Product at Nike, and Hannah Jones, VP of SB&I, are putting the finishing touches on the organization's upcoming set of sustainability targets for the CR committee. Nike's goal-setting procedure becomes more difficult when the firm joins the Roadmap to Zero, a Greenpeace-inspired movement to stop the release of harmful chemicals into the water system. To address the zero toxics challenge, Jones and Sprunk must determine whether to suggest Nike scale back other sustainability targets, change its commitment to zero toxics, or come up with another alternative. Keywords: consumption, waste, industry, environment, and plastic.

INTRODUCTION

ABOUT NIKE

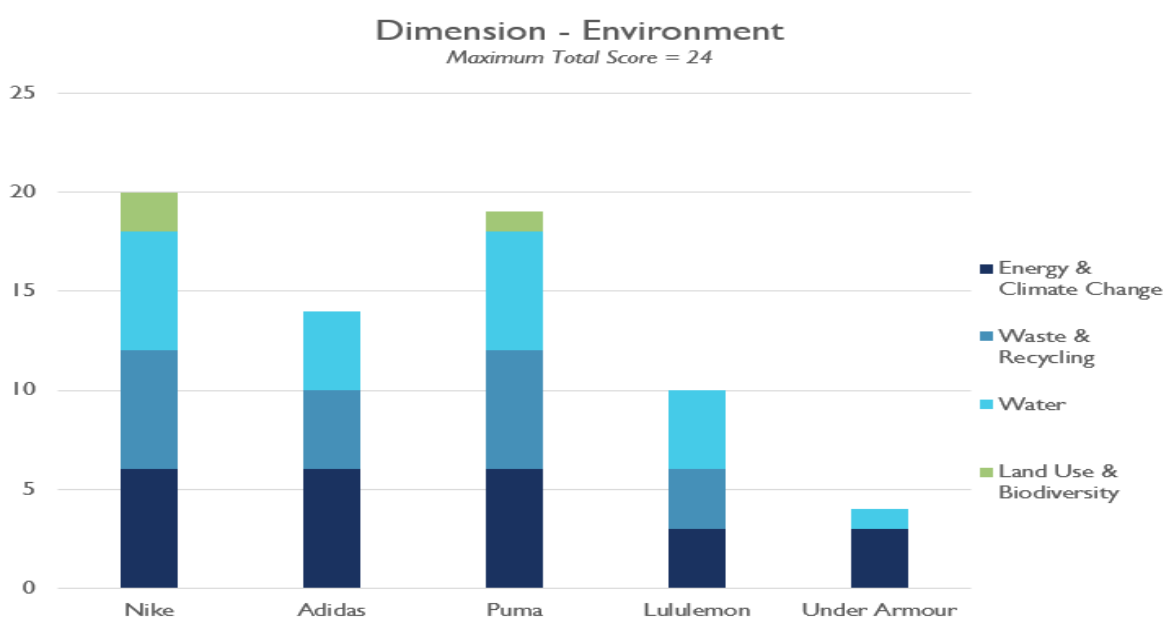
One of the most well-known and prosperous sportswear brands in the world is Nike. It is a worldwide firm that creates, produces, and markets sportswear, accessories, equipment, and footwear. With operations in more than 190 nations, the company has expanded to become one of the major suppliers of athletic clothing and footwear worldwide.

The business was first established as Blue Ribbon Sports in 1964 by Phil Knight and Bill Bowerman. The two were track and field competitors for the University of Oregon who decided to import affordable, premium running shoes from Japan. On January 25, 1964, Bill Bowerman and Phil Knight founded Blue Ribbon Sports. Nike, Inc. became the company's new name on May 30, 1971. After the Greek goddess of triumph, the company was given the name Nike, and by 1971, it was producing its own footwear.

The company's global headquarters are located close to Beaverton, Oregon, in the Portland metro area (USA). It is a sizable producer of sporting goods and one of the major suppliers of athletic footwear and equipment globally.

With sales of more than US\$37.4 billion in 2020, it will not only be a major producer of sporting goods but also the top seller of athletic footwear and apparel worldwide. There will be 76,700 workers worldwide in 2020. It was the most valuable sports company in 2020, with a brand value of around \$32 billion.

Together with its own brand, Nike also sells its goods under the names Nike Golf, Nike Pro, Nike+, Air Jordan, Nike Blazers, Air Force 1, Nike Dunk, Air Max, Foamposite, Nike Skateboarding, and Nike CR7. Jordan Brand and Converse are also among Nike's subsidiaries.



ABOUT SUSTAINABILITY

The goal of sustainability is for people to live in peace and harmony on Earth for the long term. Sustainable development is a topic that is related. According to UNESCO, sustainability is frequently viewed as a long-term objective (i.e., a more sustainable world), whereas sustainable development refers to the various methods and routes taken to get there.

Without any effort or growth, the brand faces the risk of losing customers. Everything from the development of bioplastic packaging to how they get the raw materials for manufacture is affected by this. Additionally, employees want to work for a company they can support and where they believe they can make a difference.

A company's sustainability plan takes into account the ecological, social, and economic environments in which it operates in order to generate long-term value. Sustainability is formed on the basis of the idea that putting such measures in place encourages corporate longevity. The significance of taking into consideration environmental, social, and governance issues is growing for all firms across all industries.

Professional communication and true intentions are no longer sufficient for firms, which are realizing the need to act on sustainability in response to increased demands for corporate responsibility and transparency.

Organizations should coordinate their strategies for sustainability and competitive advantage, prioritize compliance over competitive advantage, take a proactive rather than a reactive approach, quantify transparency as a precondition while considering the business case, engage the ecosystem and the board, and most importantly, involve the entire organization.

INDUSTRY ANALYSIS

During the past 50 years, Nike has strived to clarify and define its purpose while tightening its hold on the fiercely competitive athletic goods market. One thing hasn't changed in the twenty years since it first published its Impact Report: sustainability is important.

Noel Kinder, Nike's chief sustainability officer, claims that as time passed, the corporation realized it needed to change in order to handle the complicated and constantly evolving concerns.

Nike set goals for 2021, one of which was to power all of its owned or operated locations worldwide with 78% renewable energy. Also, 38% of the total amount of polyester used in Nike brand footwear was recovered, and 100% of manufacturing waste was kept out of landfills by expanded recycling efforts at its Tier 1 finished products footwear suppliers.

In October 2021, Nike unveiled the LeBron James Innovation Center, which is LEED Platinum-certified. There are 908 solar panels on the roof, 21,210 pounds of Nike Grind on the floors of the Nike Sport Research Lab, fixtures that use 40% less water, and 100% renewable electricity throughout the building.

The Serena Williams facility, which was also finished in 2021, was certified as LEED Platinum, while the Nike Adapt distribution center in Byhalia, Miss., was certified as LEED Gold.

One of the more notable product-related initiatives in 2021 was Nike Refurbished, which was marketed as a "fully circular consumer offering" and involved fixing worn-out, performance and lifestyle shoes that were gently used, like-new, or only marginally faulty.

Opportunities for Nike include expected sales growth due to high spending, the ubiquity of athletic footwear and clothing, and the security of niche-creating enterprises.

Nike is vulnerable to numerous dangers. Since many large companies have been in operation for a long time, consumers may be looking for new products, which could cause consumer spending to decline as a result of inflation.

The company's efforts continue to be beneficial to Nike Inc.'s main stakeholder groups. Nike Inc. represents the interests of several international stakeholders through its products.

HISTORY AND GROWTH OF NIKE

Throughout the 1970s, Nike focused on creating innovative products and building their brand by endorsing top athletes and teams. The company introduced its first line of sneakers in 1972, including the iconic "swoosh" logo made famous by graphic design student Carolyn Davidson. Nike's well-known trademarks, "Just Do It" and the Swoosh, are used to support numerous well-known athletes and sports teams all over the world.

In 1973, a young basketball star named Michael Jordan secured a contract with Nike, marking the company's first substantial endorsement deal. Jordan went on to become regarded as one of the best athletes of all time and helped Nike become the industry leader in athletic apparel.

Throughout the 1980s, Nike maintained growth in both its product line and market share. The Air Force 1 basketball shoe was introduced by the company in 1982, and its instant classic status helped to cement Nike's dominance in the market. Nike also began competing in other sports, including tennis, soccer, and golf, and it signed sponsorship deals with the top athletes in those sports.

Throughout the 1990s, Nike stayed true to its creative and expanding product lines. In 1991, Nike introduced the Air Huarache, a revolutionary running shoe that helped the company establish its reputation as a leader in footwear innovation. The "Just Do It" campaign, which Nike launched in 1988 and has since become one of the most recognizable catchphrases in commercial history, was another step forward in their marketing efforts.

Nike faced increased rivalry from rivals like Adidas and Under Armour at the start of the new millennium, in addition to growing concerns about the working conditions at its foreign factories. In response, the company increased its emphasis on moral and environmentally friendly production practices and continued to develop new products and technology.

In addition to its product line, Nike is now famous for its marketing prowess and commitment to social and environmental issues. The company has led the way in promoting diversity and

inclusion, and it has received accolades for its efforts to advance sustainability and decrease its influence on the environment.

BACKGROUND

Eliminating Nike's waste production and carbon footprint is the main objective of the company's Move to Zero sustainability project. This approach is vital for Nike as a business, but it also has enormous implications for the whole fashion and clothing industry.

In order to help mitigate the effects of climate change, Nike has pledged to reduce its carbon footprint to zero. The fashion industry is one of the biggest producers of greenhouse gas emissions, so Nike's Move to Zero is essential because it addresses climate change, one of the most urgent problems of our time.

Since it demonstrates the power of corporate responsibility, Nike's Move to Zero initiative is a significant project. We can learn from it how corporations may lead the way in battling climate change and minimizing its environmental impact.

We can learn how businesses can use their power to influence change and have a significant impact on society by looking at Nike's Move to Zero. Since Nike's Move to Zero is a complicated and challenging endeavor, it is worthwhile to study. Nike is one of the largest apparel manufacturers in the world and has a big impact on the market and its customers. Nike is a leader in sustainability and is encouraging other businesses to do the same.

We may learn more about the challenges and opportunities connected with pursuing sustainability targets by taking a closer look at Nike's Move to Zero programme. Nike has set a daunting objective for itself: achieving zero waste and zero carbon emissions.

Because Nike's Move to Zero is a customer-driven programme, we can also learn about Nike's goal-achieving strategies and methodologies, as well as how other firms and industries might employ them.

We may learn from Nike's Move to Zero effort how businesses can adjust to changing consumer tastes and how to include sustainability into a company's brand and marketing strategy. Nike's Move to Zero is a response to consumer demand for more sustainable goods and services.

NIKE'S MOVE TOWARDS A SUSTAINABLE FUTURE

Nike has been attempting to meet customer expectations by implementing sustainable manufacturing techniques as consumers become more conscious of the environmental impact of their purchases in recent years. The company is aware that sustainability is not only advantageous to the environment but also crucial to the survival of its operations.

In order to achieve these goals, Nike is taking a number of actions, including using more environmentally friendly materials in its products, investing in renewable energy sources, reevaluating its supply chain to reduce waste and emissions, as well as exploring new partnerships and technological advancements.

The corporation has a goal to use only renewable energy in all of its owned or operated facilities by 2025; this goal was announced in 2018. Nike has made investments in energy-efficient technologies in its facilities and in renewable energy projects like wind and solar power in order to meet this goal. Both the company's North American headquarters and its global headquarters in China both use renewable energy.

By 2024, Nike has pledged to use recycled polyester in all of its products, and it has started a sustainable leather initiative that uses less water and creates less waste than conventional methods of producing leather. Nike is making efforts to lessen the effects of its materials on the environment. The company participates in the Better Cotton Initiative, which aims to lessen the negative effects of cotton production on the environment.

Nike has implemented a number of waste reduction initiatives, such as recycling programmes and attempts to reduce the amount of packaging used in its products, to achieve its goal of having zero waste in its supply chain by 2025. For example, compared to conventional footwear manufacturing techniques, Nike's Flyknit technology, which is used in many of their footwear items, produces less waste.

Nike has developed a number of training programmes to inform suppliers of its standards and works with independent auditors to monitor compliance with its Code of Conduct. The company is also committed to encouraging ethical labour standards throughout its supply chain. The Code of Conduct lays out strong guidelines for its suppliers, such as demands for reasonable pay, secure working conditions, and the absence of forced labour.

In addition to these programmes, Nike is also investing in cutting-edge technology to reduce its environmental impact. To create new products out of recycled old shoes, the company has partnered with startup company Grind. Nike is also researching the use of 3D printing and other cutting-edge manufacturing technologies to reduce waste and increase the effectiveness of its manufacturing processes.

Last but not least, Nike's commitment to sustainability is evident in both its business practices and its product line. The company is aware that sustainability is not only advantageous to the environment but also crucial to the survival of its operations. Nike is paving the way for other sportswear businesses to follow by making investments in renewable energy, cutting waste, and encouraging ethical labour practices.

NIKE'S MOVE TO ZERO

Nike's Move to Zero programme, which was introduced in September 2020 as part of the company's long-term plan to become a zero-carbon and zero-waste organization, represents a commitment to building a sustainable future through waste elimination and carbon footprint reduction.

As consumers grow more aware of how their decisions influence the environment, there is an increasing demand for sustainable and ethical products. By committing to sustainability, Nike is positioning itself as a market leader and is likely to attract customers who are concerned about the environment.

Nike's Move to Zero project, which aims to achieve zero waste and carbon emissions throughout its supply chain, is a recent and pertinent topic in this context. The need for businesses to take action to lessen their environmental effect has grown in prominence in recent years due to growing consumer and investor demand.

The Move to Zero programme, an ambitious and innovative effort to address Nike's company's environmental footprint, can teach you more about the cutting-edge strategies businesses are using to minimize their environmental impact and support a more sustainable future.

You can learn more about how other companies might work towards a more sustainable future by looking at Nike's sustainability initiatives because Nike is a well-known and respectable corporation, and its efforts to promote sustainability may have a significant impact on the industry as a whole.

Nike can reduce expenses and increase profitability by reducing waste and boosting efficiency. The company may also benefit from an increase in brand loyalty from customers who place a premium on sustainability. Nike's Move to Zero is also most likely to improve the company's bottom line.

The Go to Zero programme from Nike comprises of a number of significant activities.

Nike is investing in sustainable materials, energy efficiency, and renewable energy in order to achieve net-zero carbon emissions throughout their entire supply chain by the year 2050. By 2025, Nike plans to source entirely renewable energy for all of its owned or operated sites.

Nike plans to send zero trash from its owned or operated plants to landfills by 2025. The company works to produce zero waste in all facets of its operations by reducing, reusing, and recycling resources.

Nike is committed to using sustainable materials in all of their goods, with the goal of having 100% recycled polyester and sustainable cotton in every piece of clothing by the year 2025.

Nike is studying new business models including rental and resale while also attempting to design products that are easily deconstructed and reused in an effort to reduce waste and promote circularity.

COMPANY TIMELINE

1964 - William Bowerman and Phil Knight founded Blue Ribbon Sports.

1971 - After severing relations with Onitsuka Tiger (now Asics), Blue Ribbon Sports changes its name to Nike Inc. and pays \$35 for the swoosh emblem designed by Carolyn Davis.

1972 - Ilie Nastase, a tennis player from Romania, signs the first athlete endorsement deal with Nike.

1979 - Nike releases the revolutionary Tailwind shoe with the patented "Air" technology.

1990 - In Portland, Oregon, the first Niketown store debuts.

1996 - Tiger Woods signs with Nike.

2000 - At the 2000 Sydney Olympics, Nike introduced their first product made from recycled polyester, the Stand-Off Singlet, which took two years to design and produce and was worn by athletes from Kenya, Australia, and Portugal during the Olympic marathon.

2001 - One of the first businesses to create a board-level committee for corporate responsibility was Nike, which published its first corporate responsibility report in 2001. Nike used the early global reporting initiative framework and focused on the environment, labour practices, community affairs, employees, and engagement.

2002 - Nike creates a rubber for shoe outsoles that is 96% less toxic by weight than the original formulations and is environmentally preferable.

2004 - The Zvezdochka is likely one of Nike's most underappreciated styles, and in 2004 the company paid \$309 million to buy Converse. Zvezdochka was the first model entirely designed on a computer and featured an interchangeable modular design. Its four interlocking parts could be worn in numerous combinations or even on their own. Not only did its modular design eliminate the need for adhesives, but its individual parts were also recyclable, making it on the list of the world's most environmentally friendly shoes.

2005 - Nike's European distribution center in Laakdal, Belgium, raises the bar for sustainable logistics. six wind turbines and more than 4,000 solar panels supply enough power to run the facility solely off of energy credits, while natural air-conditioning keeps the facility comfortable. 2005 - In a move towards greater industry transparency and collaboration, Nike paves the way as the first company in the industry to voluntarily disclose the names and locations of all contract factories producing Nike products.

2006 - When Air was developed towards the end of the '70s, it was praised for its ingenuity, but little did they know it would also present unexpected challenges. At first, two gases were used to inflate the Air capsules, but a decade later, they switched exclusively to Sulphur hexafluoride (SF₆), which was later discovered to be a greenhouse gas.

2008 - The air Jordan xx3 was released in 2008, and it was Nike's most innovative shoe to date, incorporating sustainability without sacrificing performance. As part of the design process, Nike created a revolutionary water-based bonding method, a first for Nike performance footwear, which allowed the carbonizer plate to be attached without the use of solvent-based cements.

2009 - Nike starts a new coalition of consumer companies called business for innovative climate and energy policy(bicep) to advocate for strong U.S. climate and energy legislation. The move from a cr function to the sb&i team reflects the evolution of Nike's strategy from a risk management, philanthropic, and compliance model to a long-term strategy focused on innovation, collaboration, and transparency.

2010 - For the 2010 World Cup, players of Nike's national teams, including Brazil, Portugal, and The Netherlands, wore jerseys made entirely of recycled polyester. Each jersey contained yarn made from up to eight recovered recycled plastic bottles from Japanese and Taiwanese landfill sites. Manufacturing the jerseys with recycled polyester saved raw materials and required 30% less energy than it would with virgin polyester.

2011 - Nike releases a shared roadmap to achieve zero discharge of hazardous chemicals in the supply chain by 2020 and details steps being done as a company to achieve the goal,

helping to establish a new benchmark for environmental performance for the global apparel and footwear sector.

2012 - Nike becomes the official apparel supplier for the NFL. February 2012 marked a significant milestone for The Swoosh: the launch of Flyknit. The game-changing technology made its debut on the Flyknit Racer and ignited a knitting revolution in footwear. Knitting reduces manufacturing waste by, on average, 60% compared to conventional cut-and-sew methods. When it comes to performance, Flyknit can be micro-engineered.

2013 - In order to catalyze action around the sustainability of materials and how they are made, launch members Nike, Inc., Nasa, the U.S. agency for international development, and the U.S. department of state gathered 150 materials specialists, designers, academics, manufacturers, entrepreneurs, and NGOs in 2013. Nike also launched making, an app that encourages people to design a better, more sustainable future.

2015 - Australian tennis player Nick Kyrgios wore the ColorDry Polo, a 96 percent recycled polyester polo shirt made using no-dye technology. Dyeing a regular t-shirt requires an average of 30 litres of water, whereas the ColorDry polo uses zero water, which also saves energy and eliminates the number of chemicals used in the fabric dyeing process. Nike becomes the official supplier for NBA apparel.

Flyleather was developed by Nike as a way to improve the polluting and wasteful leather manufacturing process. The innovative material is made by fusing recycled natural leather fibres (up to 50%) with synthetic fibres, resulting in a material that is more durable than full-grain leather and produced with a much lower footprint. The Flyleather Tennis Classic was the first event to use Flyleather.

2018 - Nike releases an advertisement depicting athlete and political activist Colin Kaepernick, drawing both support and criticism from the general public.

2019 - The Space Hippiie made history by setting a new standard for sustainability, as stated by Nike's Chief Design Officer John Hoke at the time of the shoe's introduction: "I'd argue Space Hippiie targets the villain of waste. Our perception of materials and the aesthetics of our product have both changed as a result. The Space Hippiie line included four models: 1, 2, 3, and 4. Each model included a Flyknit top produced with 90 percent recycled material by weight, 100 percent recycled foam midsoles, and 15 percent Grind rubber in the soles.

2021 - Repurposed waste from Nike's factories was used in the midsole, plate, and Air units, and the Flyknit upper uses yarn made partially from recycled water bottles. 2021 - Rachel Bull, Senior Footwear Product Director for Nike Running, on the trailblazing silhouette: "We don't want to be about making shiny objects, we wanted to set our concept ca

2022 - Nike released the Mercurial Vapor Next Nature, a high-performance football boot made with 50% recycled material by weight. The boot's chassis, heel counter, midsole plate, and upper are created solely from materials made from recycled manufacturing waste. the majority of Mercurial boots releasing in fall 2022 will incorporate the learnings from the Mercurial Vapor Next Nature.

CONCLUSION

First off, Nike is a well-known and influential company that has pioneered the fashion industry's efforts to promote sustainability. The company's "Move to Zero" project reflects its dedication to lowering its waste and carbon footprint. The lofty goals of this effort include 100% renewable energy sources and 100% trash diversion from landfills.

You can learn how a leading brand is addressing these issues by examining Nike's sustainability efforts, and this information may be useful for future sustainability initiatives. Second, the fashion sector is one of the most polluting in the world, and sustainability is a topic that is becoming more and more essential in today's society.

Last but not least, you might discover how businesses can balance income with sustainability and social responsibility by looking into Nike's sustainability initiatives. Nike's "Move to Zero" campaign serves as an example of how a firm can assist the environment while still making money.

Nike is setting a new standard for the industry and demonstrating that sustainability can be profitable by committing to ambitious targets for waste reduction, carbon reduction, and the use of sustainable materials. In general, Nike's Move to Zero is a significant step towards the apparel industry's transition to a more sustainable future.