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FORMATION OF STRATEGY THROUGH INNOVATIONS AND TECHNOLOGY  
IN FITNESS & SPORTS

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*Abstract*

*The main aim of the paper is to understand the strategies focused upon by companies producing products related to physical fitness and sports. The reason to analyse the business strategies of these types of companies or the innovations of such companies is that health is an important part of every individual's lifestyle. At some times or the other every individual concentrates on improving one's health and then they start focusing on organizations which are well known in this field. So the process of exercise has to be incorporated in modern lifestyle such that it become fun, entertaining, community based (bring togetherness). This can be done by continuous improvement of the tools and machines that are needed in order to make them more ergonomically compatible and by increasing social involvement by fashioning new form of exercise and training. These are the two points that this paper is going to focus upon. First it will present a case study of Nike. It will show that how Nike captured the market by making staff for common man through continuous innovation. Secondly case study of some newly formed companies will be produced which design newer forms of trainings and exercises through games and social involvements.*

*Keywords: Business Strategy, Supporting Technology, Sports Marketing, Innovative Practices, Fitness Industry*

**I. INTRODUCTION**

Nike, Inc. is an associate degree ranked International Corporation that's engaged within the style, development, producing and worldwide selling and merchandising of footwear, apparel, equipment, accessories and services. It's one in every of the world's largest suppliers of athletic shoes and attire and a significant manufacturer of equipment, with revenue in way over US\$24.1 billion in its year 2012 (ending could thirty one, 2012). As of 2012, it utilized over forty four, individuals worldwide. The whole alone is valued at \$10.7 billion, creating it the foremost valuable whole among sports business.



## II. HISTORY OF THE COMPANY

Nike, originally called cordon bleu Sports (BRS), was supported by University of OR track jock Phillip Knight and his coach Bill Bowerman in January twenty five, 1964. the corporate at the start operated as a distributor for Japanese shoe maker Ouitsuka Tiger (now ASICS), creating most sales at track meets. By 1980, Nike had earned a five hundredth market share within the U.S. athletic shoe market, and also the company went public in Dec of the year.

## III. PRODUCTS

Nike produces a wide range of sports equipments. Their first products were track running shoes. They currently also make shoes, jerseys, shorts, cleats, base-layers, etc. for a wide range of sports, including track and field, baseball, ice hockey, tennis, association football (soccer), lacrosse, basketball, and cricket. Nike Air Max is a line of shoes first released by Nike, Inc. in 1987. Additional product line were introduced later, such as Air Huarache, which debuted in 1992. The most recent additions to their line are the Nike 6.0, Nike NYX, and Nike SB shoes, designed for skateboarding. Nike has recently introduced cricket shoes referred to as Air Zoom Yorker, designed to be half-hour lighter than their competitors'. In 2008, Greek deity introduced the Air Jordan XX3, a superior basketball shoe designed with atmosphere within the mind.

## IV. BUSINESS STRATEGY

Nike was mostly into sports good making. But keeping in mind the high demand for fitness tools it started manufacturing goods for common people. In that case there are following issues that had to be kept in mind.

- **Price:** Products have to be affordable. These are not meant for specific purpose. Hence price and quality needs to be optimized.
- **Comfort-ability over Performance:** These products must not be performance based. Rather they need to be comfortable and durable.
- **Age-group:** Common man falls on a wide range of age group. So designs needs to be age-appropriate.

## V. INNOVATIVE PRODUCTS AND SUPPORTING TECHNOLOGY

**Blue -finder:** With blue-finder, a provider will access prescreened and a lot of property textile preparations (dye systems, detergents and alternative method chemicals utilized in the producing process). A supplier can access pre-screened and more sustainable textile preparations (dye systems, detergents and other process chemicals used in the manufacturing process). The blue-finder enables suppliers to effectively manage restricted substance and provides the opportunity to increase water and energy efficiency. The blue guide gives Nike access to 30,000+ materials.



**Nike Flyknit Technology:** Micro-level engineering process where computer-controlled "knitting" technology shapes the shoe upper by combining strands of polyester yarn. The shoe excelled in terms of both performance and sustainable design. One of the key point to be noted in all the products is to make it light weight. The reason to focus on light weight is that the fewer burden you have to carry in terms of your footwear, the more you will be able to retain your energy. This immense investment in technology and innovation make Nike global brand today. It has opened several branches and is a leading company in Sports products. The other strategy which Nike has used and become a global face is the investment on its brand ambassadors. Currently the golfer Rory Mcilroy, is Nike's brand ambassador. When celebrities associate themselves with various brands, the sales of the products naturally soar up. However the rule of the game is that if an organization invests on its products, then even without a celebrity, it is bound to be a global brand.

## VI. CASE STUDY OF FITNESS COMPANIES

### Soul Cycle

For spinning a studio concept into a lifestyle brand; renowned for turning stationary cycling into a whole new workout --think yoga breathing, hand weights, and candlelight and rock and roll --Soul Cycle has been busy expanding the reach of its boutique empire. After conquering New York and the Hamptons, it opened on the West Coast, with more than 60 locations planned before 2015. But Soul Cycle is thinking way beyond the studio: It recently introduced \$2,000 retail bike (Gaga travels with one while on tour) and opened its first retail shop, where it sells Leggings, candles, and crystal-encrusted iPhone cases. Up next are streaming classes.





When you think of a gym, you probably picture a large open room filled with exercise equipment lining the walls. While some members lie prone on the bench presses, others are plugged into their iPods as they run on treadmills and stair-climbers. While this is what we've come to expect the gym experience to be, Elizabeth Cutler and Julie Rice saw the opportunity to take exercise to the next level when they founded Soul Cycle in 2006. Combining several different fitness routines into one session, Soul Cycle classes provide participants with a mind/body workout synced to a carefully arranged mix of music in a communal setting. Part exercise, part entertainment, the classes have attracted massive attention within the fitness community and continue to grow in popularity today.

As Cutler and Rice expanded their unique workout centers up and down the East Coast, they began building their brand outward through high-end retail items sold right in the gym. Sweatpants, water bottles, iPhone cases and jewelry are among just some of the products you could grab off the shelf after an intense workout session.

On a typical day, most of them will pay upward of \$34 for one class.

To grow its following while keeping loyal customers coming back for pricier spin sessions. For the reason, the target Soul Cycle customer is not just someone who wants a workout, but someone who yearns to take part in a not communal experience that is at once trendy, energized, and health. To go to SoulCycle is to be young and hip.

It is, undoubtedly, a fair question. Soul Cycle is many things, but cheap is not one of them. The regular single-class price is \$34. Add in the \$3 shoe rentals (you need special cycling equipment or participate) and a \$2 water bottle, and you've hit \$39 a session. By comparison, plenty of spinning class in New York can be found for closer to \$25 apiece.

Soul Cycle advertises itself as a full-body workout that has "revolutionized indoor cycling and taken the world of fitness by storm." The company presently has nineteen locations in and around the big apple and 7 in CA and is coming up with studios in Massachusetts and Washington D.C. and Bryan Sat down at a restaurant in Solana Beach, sketched out a thought drawing on a newspaper, and cash hands. A partnership was born. It boasts an 85% retention rate among riders, and revenue has risen 60% each year since 2010. Its social media metrics are similarly impressive. Soul Cycle has nearly thirty,000 followers on Facebook, another 25,000 followers on Twitter, and a few twenty three,000 followers on Instagram. Its digital strategy is a simple extension of its feel-good branding. Online, the corporate posts stories and responds to tweets with a cheerful, upbeat persona and a liberal dose of exclamation points and emoticon faces. It conjointly recently launched "Soul Tunes" to compile the most popular hits from the studio and share them through a Spotify profile. Soul Cycle plans to sell their signature stationary bikes for at-home use. Behind Soul Cycle's decision is a unique strategy. At-home fitness bikes are nothing new to the market. But their product is not simply a soul-alone bike. Its launch will coincide with a home content system designed to bring the intense workout experience out of the classroom and into your home. While just what this media program will include remains to be seen, the company's experience-driven strategy will be one of the first to effectively work backwards from the experience to the product rather than the other way around.





### ElliptiGO

Designed a hybrid machine that's easy on the joint. Elliptigo spent five years perfecting an outdoor running-cycling hybrid machine with zero impact, which required lengthening the stride to simulate running while keeping the bike light and maneuverable. The time paid off: the machine, which nine Americans used for cross-training in the run-up to the Olympics, hit \$10 million in sales in 2012.

Brent and Bryan got the idea to build the ElliptiGo really out of necessity. In 2005, Bryan lost the ability to run for fitness because of hip and knee injuries. Basically, a lifespan of contact sports and endurance athletics had held with him and by the age of thirty two he was forced to interact in low-impact exercise. As a former bicyclist and adult male triathlete, he seriously thought-about returning to athletics to remain match. However, he had continually found the bicycle saddle and riding position to be extremely uncomfortable and sport workouts to need an excessive amount of time. As a result, he started sing the indoor elliptical trainer. Although he liked the exercise, he hated being locked ina gym. To solve this drawback, he set to shop for a low-impact running device he may ride on the road. What he didn't realize was that there was no such device at the time. Frustrated, he called up Brent to see if he could possibly build such a device. As a degree mechanical engineer, former Ironman triathlete and competitive ultra marathoner, Brent brought together not only the engineering skill and talent required to build an elliptical bicycle, but, more importantly a deep understanding of how such a device would need to perform to satisfy current and former runners. In Gregorian calendar month 2005, goose and Bryan Sabbatum down at a coffeehouse in Solana Beach, sketched out an idea drawing on a newspaper, and barrel hands. A partnership was born. After about six months of squeezing in time before and after work, Brent had finsihed designing Alfa - initial prototype. We were ready to cut metal. Once he had the pieces cut, Brent set up a table on a couple of sawhorses in his patio and starred to braze in pieces cut, Brent set up a table on a couple of sawhorses in his patio and starred to braze this pieces together. After a few weeks, he had the frame together. Cromoly steel tubing, some skateboard wheel boards for pedals, Alfa wasn't much of a lookers but it worked. The first time Bryan jumped on it, he took it for about 20 miles and was sold.

When Bryan conceived of the elliptical cycle, he thought it was going to be really fast and really unstable. As it turned out, Alfa was really stable, but not as fast as he expected because of the increased brag caused by the standing position. Most importantly, however, Alfa was really fun to ride and the experience felt more like running than anything else he'd done. Because the goal had always been to recreate running without the impact, the Alfa prototype was a huge success.



Brent with Charlie inside the garage where Charlie was born

At about the same time, Brent and Bryan discovered that they weren't first people to think of the elliptical bicycle. Larry Miller, the inventor of the elliptical trainer, had actually thought of it several years earlier and obtained a patent on the invention. Fortunately, Brent and Bryan were able to secure a license to Miller's patents, which enabled them to continue working on the project.

What a day in our company's history that was. Charlie performed Flawlessly and Bryan finished the race in 3 hours and 16 minutes of ride time, for an average speed of just over 15 miles per hour. Importantly, he finished right in the middle of the peak with the cyclists, proving that this new elliptical bicycle was a viable alternative to the conventional bicycle for transportation and a fantastic subscription for low-impact running.





Of course, at the time we both had full-time jobs. Now that we had proven the concept was viable, the question became – "Now what?" After talking with several cycling and elliptical trainer manufacturers and showing them our Charlie design, it was clear that most of them were interested in the concept, but none wanted to take the idea and run with it. At the same time, we were getting thousands of hits on the ElliptiGO website and numerous emails from people who were asking how they could buy one. We realized that we were facing a kind of moment of truth. There appeared to be a lot of people interested in an elliptical bicycle and we seemed to have developed the very first one, but we were just a couple of guys without any connection to the cycling or fitness industries who had no dear idea of how we would develop a product and take it to market. Fortunately, we decided to take a leap into the unknown and see whether we could turn this functional concept into a product. In the spring of 2008, we both quit our jobs and began working on "the project" full time.

Brent finished designing Delta, the next prototype, in the early summer of 2008. Delta was our first foray into an aluminum frame. Brent had taught himself how to braze steel when constructing Alfa, but the complexities of welding aluminum led him to seek out support from his good friend Neil. Neil did a fantastic job fabricating and welding Delta and the aluminum frame proved to be a much more manufacturable solution than Charlie's steel truss system. Neil and Brent finished building up Delta just in time for Inter-bike - the big cycling show in Las Vegas – and we took both Charlie and Delta to Vegas in search of a manufacturer.

The Delta design was a huge leap forward in terms of making the entire system smaller and easier to ride. Delta was also a lot faster than Charlie and much easier to manufacture' although we got a lot of interest and had some good discussions, again no one was on to take the ball and run with it. At this point, we realized that we needed raise some money if we were going to get this product to market, turn this project into a real business, and still feed ourselves.







As you can imagine, in the fall of 2008 there was not a lot of investment going on, but the continued interest we received wherever we took Delta and Charlie carried us through and kept our hopes up. In January 2009, we were able to put together enough money from friends and family to get the real business going. Shortly thereafter, things really started to go our way. We got connected with several great mentors, including Tony Ellsworth, a premier mountain bike builder. Brent finished designing our next generation prototype and we started working on getting a manufacturer onboard.

By the end of January we had our first "Echo" cycle delivered. We ended up having five frames built by Tony's professional fabricators who are located outside of Portland, Oregon. By March we had a manufacturer linked up and a production design almost finished. It was at that point that we decided to really make a statement about the capabilities of the elliptical bicycle. We already knew that the best thing our elliptical bikes do is climb, so we sought out the most challenging cycling event in California that included as much climbing as possible. When we came across "The Death Ride" - a 129-mile course in the Sierras, all of it at altitudes ranging from 5,500 to 9,000' that includes more than 15,000' of climbing -we knew we'd found our event. Read about our Death Ride experience on our Epic Rides page. Without spoiling too much of the story, it was a fantastic day for us and really solidified the elliptical bicycle as a legitimate fitness and traveling system.

It's been full speed ahead even since the 2009 Death Ride. That year we rented a research and development space in Solana Beach, California. We could think of no better place to launch a new sport than from San Diego, the home of triathlon and the locus of the action sports industry.

In late February of 2010, we delivered our first product to our first customer in San Diego. We're now delivering ElliptiGOs through retailers across the U.S. Canada, Australia.

New Zealand, Chile, the UK, Belgium, the Netherlands, and Switzerland and throughout Europe. We are building up a fantastic global customer base and expanding our availability to other countries.

## **VII. GREEN REVOLUTION**

For letting gym rats pedal their way to environmental bliss. Green Revolution has designed, and manufactures, a generator for stationary bikes in sports clubs that turns human exertion into electricity. Already installed in more than 100 fitness centres across the U.S. Green Revolution enlarged its footprint when it introduced the technology to Europe last year. The generators, which smartly work with existing bikes, cost just \$200 to install, and most facilities earn back that investment inside of two years.

More fitness and athletic clubs in the USA are using workouts to produce energy by converting the movement of people using exercise equipment into energy. The Green Revolution is a patent-pending invention that converts human effort generated during aerobic activity into clean, renewable energy.





According to the Green Revolution, a typical group cycling class with 20 bikes will create about 3 kilowatts (KW) per session. A group cycling room that runs four classes a day has the potential to create close to 300KW a month. A cyclist pedaling alone for an hour produces enough energy to power two laptop computers. This energy created through exercise is connected to the electrical power grid through a grid-tying inverter.

All electrical parts on the energy harvesting stationary cycles are protected by a non-conductive plastic that seals the product and protects the user. The electricity created by exercising is transferred to a storage cabinet as soon as it is created so the equipment attached to the exercise cycle does not store the electricity. The cost to adapt most brands of stationary bike with the technology is about US\$750.

The higher the cadence or resistance, the more electricity generated. In the future health clubs will be able to track the actual energy produced through exercise on The Green Revolution website or via screens located in the fitness clubs. The company also plans to provide an interactive carbon calculator that will help those exercising to calculate their carbon footprint and to measure their impact on the environment and possibly to institute a green points system that the clients can exchange for discounts or free classes. The technology used with indoor cycling fitness equipment is designed to work with most cardio equipment, including, elliptical, cross-trainers, and stepping machines, stationary and recumbent bikes. Although the technology works on a single bike in a home, as well as 20 bikes in a group indoor cycling class, the cost of connection to the power grid for a single bike is not presently economical.

Columbia Athletic Club in Washington has 28 of Green Revolution's stationary bicycles. The Green Microgym in Portland, Oregon is also using the energy generating equipment and although the gym isn't capable of generating enough electricity to be carbon-neutral, if all the equipment gets used at one time, it can produce 10 the amount of electricity needed to run the facility at any given moment.

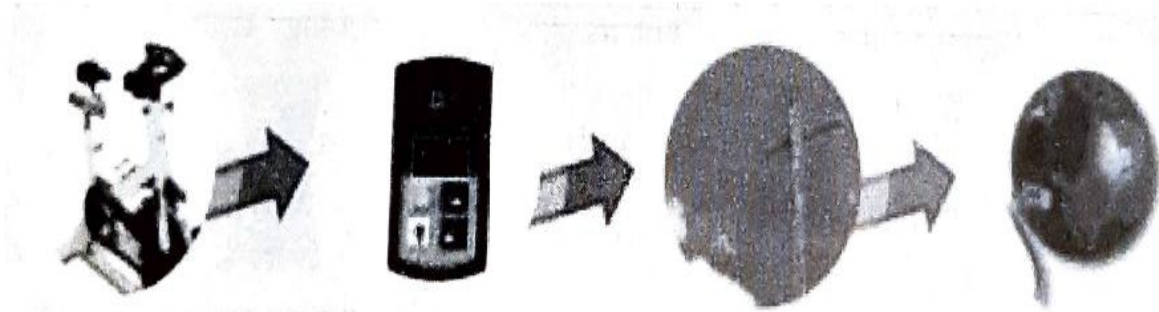
Pedal power that creates electricity is creating quite a buzz at GO GREEN FITNESS!

Using new patent-pending technology developed by a Connecticut company called The Green Revolution; it is the first program of its kind to convert people's energy from cycling workouts into clean and renewable energy.

### **How the Technology Works**

This entire group cycling studio's indoor cycles are connected to the GO GREEN FITNESS electrical grid, so that fitness energy can be used to power all aspects of the facility. A performance monitor is fitted to each bike's handlebar allowing the rider to control resistance level during a workout.

This innovative technology harnesses electricity from your workout and helps to reduce carbon emissions and lowers the community's demand for fossil fuel-based energy. Any excess electricity generated from GO GREEN FITNESS has the potential to return to the power grid for others in the community to use. Each participant will be able to control their individual renewable energy output. GO GREEN FITNESS will be able to track the total energy that is produced through exercise on the GO GREEN FITNESS web site: [www.gogreenfitness.com](http://www.gogreenfitness.com)



A 3.6 megawatts (3, 600,000 watts) of renewable energy a year. This is equivalent to the amount of power needed to light 72 homes for a month while also carbon emissions by over 5,000 pound.

WAATS CREATED	POWER PRODUCED	CARBON REDUCTION
<b>SINGLE WORKOUT'S IMPACT</b>		
Average Person 26.65 watt hour (WH)		2 of CO <sub>2</sub> reduced
<b>GROUP CYCLING GLASS'S IPACT</b>		
<b>OVER A MONTH 300 KILOWATES HOUR (KWH)</b>	Light 6 hours for a month	420 the of CO <sub>2</sub> reduced
<b>OVER A YEAR 3600 KILOWATT HOUR (KWH)</b>	Light 72 hours for a month	5000 the of CO <sub>2</sub> reduced

### CROSSFI

Cross Fit, Inc. is a fitness company founded by Greg Glassman in 2000. Cross Fit's exercise program is practiced by members of approximately 7,000 affiliated gyms, most of which are located in the United States, and by individuals who complete daily workouts posted on the company's (or an affiliated gam's) website.

Cross Fit, a trademark of Cross Fit Inc., is strength and conditioning program with the aim of improving, among other things, muscular strength, cardio-respiratory endurance, and flexibility. It advocates a perpetually changing mix of aerobic exercise, gymnastics (body weight exercises), and Olympic weight lifting. CrossFit Inc. describes its strength and conditioning program as 'constantly varied functional movements executed at high intensity across broad modal and time domains,' with the stated goal of improving fitness, which it defines as "work capacity across broad time and modal domains." Hour-long classes at affiliated gyms, or "boxes" typically include a warm-up, a skill development segment, the high-intensity "workout of the day" (or WOD), and a period of individual or group stretching. Some boxes also often



have a strength focused movement (s) prior to the WOD. Performance on each WOD is often scored and/or ranked to encourage competition and to track individual progress. Some affiliates offer additional classes, such as Olympic weightlifting, which are not centered on a WOD.

Cross Fit programming is decentralized but its general methodology is used by thousands of private affiliated gyms and by many fire departments, law enforcement agencies, and military organizations including the Royal Danish Life Guards, as well as by some U.S. and Canadian high school physical education teachers, high school and college sports teams, and Miami Marlins. The "CrossFit Games" have been held every summer since 2007. Participation and sponsorship have grown rapidly; the prize money awarded to each first place male and female increased from \$500 at the inaugural Games to \$250,000 in 2011-2013. Winning the 2013 Reebok Cross Fit Games now nets \$275,000.[http://en.wikipedia.org/wiki/Cross\\_Fit-cite\\_note-28](http://en.wikipedia.org/wiki/Cross_Fit-cite_note-28) Athletes at the Games compete in workouts they learn about only hours beforehand, sometimes including surprise elements that are not part of the typical Cross Fit regimen; past examples include a rough-water swim and a softball throw. The Games are styled as a venue for determining the "Fittest on Earth," where competitors should be "ready for anything."

In 2011, the Games adopted an online format for the sectional event, facilitating participation by athletes worldwide. During the "Cross Fit Open", a new workout is released each week, Athletes have several days to complete the workout and submit their scores online, with either a video or validation by a Cross Fit affiliate. The top Cross Fit Open performers in each region advance to the regional events held over the following two months. As of 2013 there are 17 regional divisions, including 12 in North America (North West, Canada West Canada East, North Central, Central East, North East, Mid Atlantic, South East, South Central, South West, Southern California, and Northern California), and five in the rest of the world (Europe, Asia, Africa, Latin America and Australia). The top athletes (up to 3 of each gender) from each region are eligible to compete in the Cross Fit Games.

The Games include divisions for individuals of each gender and for a number of Masters age groups : 40-44 (new in 2013), 45-49, 50-54, 55-59, and 60+ as well as for co-ed teams comprising 3 men and 3 women. Masters competitors qualify for the Games based on performance in the Cross Fit Open-there is no Masters regional events. Ties are broken by the best individual event by the competitor, followed by second best, etc until the tie is broken. This was needed to declare Craig Howard the winner in the Men's 50-54 division in 2013. Cross Fit communities organize local, regional and even international events, workouts and competitions.





Innovative Events by Cross Fit (photos from Cross Fit Website)



135 pound Thruster, 15 reps

135 pound Sumo deadlift high-pull, 21 reps

135 pound Thruster, 12 reps

135 pound Sumo deadlift high-pull, 15 reps

135 pound Thruster, 9 reps

135 pound Sumo deadlift high-pull, 9 reps

Warm-up, ramp-up and rest between efforts as needed of :

1 RAM Overhead squat

1,000 meter Row

Ring Dips





Warm-up, ramp-up, and rest  
between efforts as needed of :

1 RAM Deadlift

1,000 meter Row

Pull-ups



Rest day



Baby's Day out



Murph

1 mile Run

100 Pull-ups

200 Push-ups

300 Squats

1 mile Run

## VIII. CONCLUSION

From the above case studies it is clear that there is a big market in "fitness" sector. There is a constant high demand for ergonomic fitness equipment's and styles. Newer companies are being founded almost every day to match the level of demand that is created. As the cost of medicines rise day by day people are looking to keep fit through fitness practice.

Companies are coming up with innovative ideas. New technologies both in manufacturing and





software sectors are coming up. Esteemed companies (sports goods manufacturers) also leaning toward fitness market in order to capture the booming market. They have large dynamic R&Ds to back their ideas with newer innovations and technologies. Newer technologies are being invented day by day not only helping in development of newer and smarter sports goods; but, also make benchmark innovation that can be used in other aspects like healthcare, textile, electrical, mechanical industries etc.

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