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1. Introduction

Introduction of Nike UK

Nike is a well-known and reputable brand in the UK that offers high-quality athletic wear and footwear. The company has a long-standing history of providing innovative products that cater to the needs of athletes and fitness enthusiasts alike. Nike UK is committed to providing its customers with the best possible shopping experience, with a focus on quality, affordability, and customer service. Whether you're a seasoned athlete or just starting out on your fitness journey, Nike UK has something for everyone. From running shoes and workout gear to casual wear and accessories, Nike UK has its customers all covered.

2. Purpose of the report

The main purpose of this report is to analyse digital assets and how companies represent themselves on online platforms as well as in-store and make use of the digital marketing strategy on social media. Moreover, the ability of machine learning in terms of digital marketing is also examined on how they can save their time, money and their return on investment (ROI) by applying machine learning methods in marketing strategy.

3. Literature review

3.1 Digital Marketing

Digital marketing is the process of advertising goods and services to a target audience by using digital channels like search engines, social media, email, mobile apps, and websites. Through the delivery of helpful content, the development of trust, and the promotion of conversions, digital marketing aims to establish a relationship between a brand as well as its potential customers.

Search engine optimisation (SEO), pay-per-click (PPC) advertising, social media marketing, content marketing, email marketing, and mobile marketing are just a few of the strategies that fall under the umbrella of digital marketing. To be successful, each of these tactics calls for a unique set of abilities and methods.

Digital marketing has the advantage over traditional marketing in that campaigns can be measured and tracked in real-time. Due of this, companies can modify their strategies and approaches.

Reaching a highly targeted audience is one of the main benefits of digital marketing. Businesses can develop highly personalised and pertinent campaigns that are more likely to be well received by their target audience by analysing data on consumer behaviour and demographics.

The capacity to track and measure results is yet another crucial component of digital marketing. Utilising analytics tools, companies can learn which strategies are effective and change their approach accordingly.

In general, digital marketing is playing a bigger and bigger role in today's commercial world. Businesses must create a solid digital marketing plan if they want to remain competitive given that more and more consumers are using the internet to explore and buy goods and services.

3.2 Digital marketing of in retail businesses

Digital marketing in the retail sector refers to the use of digital platforms and advertising strategies to advertise and sell goods and services there. (Udayangani Rathnayaka2018) Digital marketing is becoming a crucial part of the marketing strategy for the retail sector due to the rising trend of online buying. Enhanced brand recognition: Digital marketing offers retail businesses a platform to enhance their brand awareness and visibility. Businesses can reach a larger audience and establish a strong brand presence by producing online content and distributing it via many channels, including social media, email marketing, and search engine optimisation Digital marketing enables retailers to target particular customers based on demographics, interests, and behaviours for better targeting. This facilitates reaching the appropriate audience with the appropriate message, increasing engagement and conversion rates. Cost-effectiveness: Digital marketing is

typically more economical than traditional marketing strategies. This is so that it does not require the printing and distribution expenses linked to print advertisements and other conventional types of marketing.

3.3. Enterprise Resource Planning

ERP (Enterprise Resource Planning) is created to integrate and manage a variety of corporate operations and processes throughout the entire organisation. Medium-sized to large-sized businesses frequently utilise ERP systems to organise their processes and boost productivity. (Botta-Genoulaz, Millet and Grabot, 2005). An ERP system can offer better visibility and control over corporate processes by combining data from several departments and functions into a single system. This can help to lower costs and boost productivity.

Benefits of ERP System:

- Improved efficiency - By automating repetitive tasks and streamlining corporate processes, increased visibility-This can help to discover areas for improvement and help to make better decisions.
- Improved data accuracy-ERP system can help to decrease errors and inconsistencies in data.

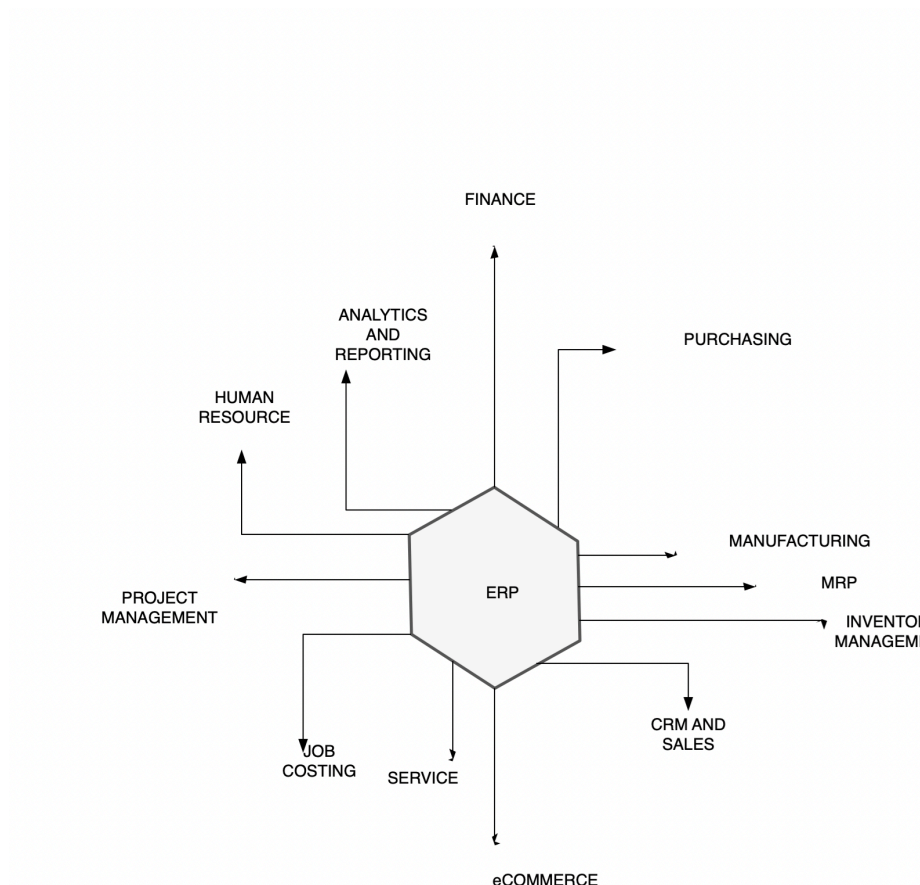


Figure 3.3 ERP System
(Source: Self-created)

4. Background of the company

In Beaverton, Oregon, in the United States, Nike has its global headquarters. On January 25th, 1964, Bill Bowerman and Phil Knight founded Blue Ribbon Sports. In 1971, the company changed its name to Nike in commemoration of the Greek goddess of victory.

Nike initially focused on supplying shoes to other companies, but in the 1970s company began to produce its own footwear, starting with the "Nike Cortez." The business soon gained notoriety, especially among runners, because to its cutting-edge designs and top-notch products.

Nike gained popularity in the 1980s as a result of their collaborations with well-known athletes like Michael Jordan, Nike is well known for its strong brand identity and successful marketing strategies.

4.1 Nike UK famous product categories

- Shoes
- Apparels
- Accessories

4.2 NIKE UK Revenue

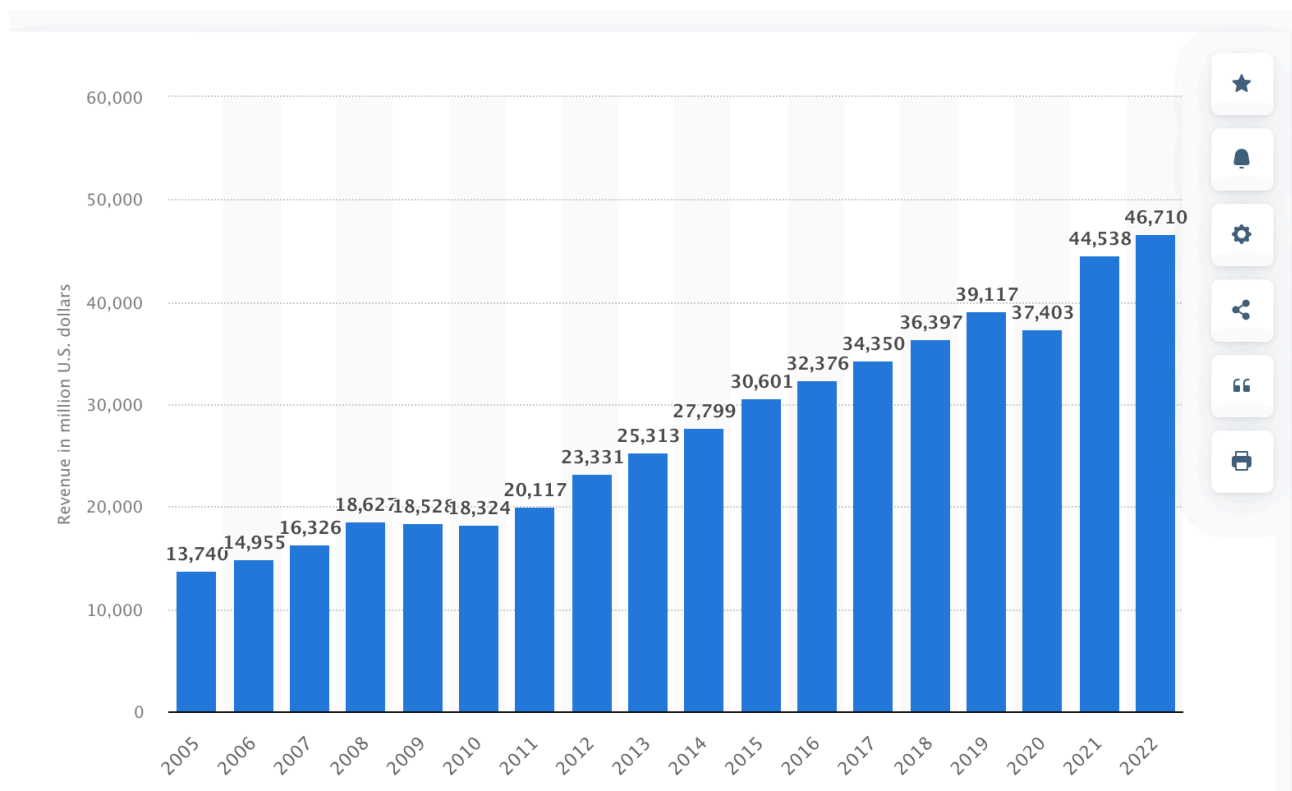


Figure 4.2 Nike UK revenue in 2023
(Source: Tighe, 2022)

5. Digital Assets analysis

5.1 MARKETING INFORMATION SYSTEM

A corporation uses a collection of procedures and methods known as a marketing information system (MIS) to gather, arrange, analyse, and disseminate information that is pertinent to its marketing efforts. By giving fast and reliable information on clients, rivals, and market trends, a MIS aids a business in making better marketing choices. (Leonidou and Theodosiou, 2004)

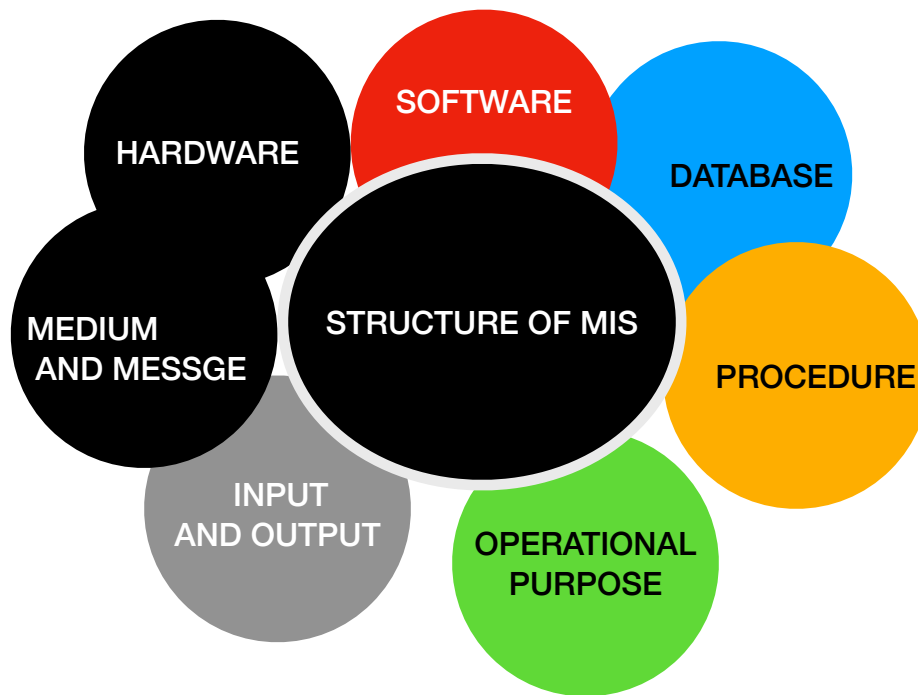


Figure 5.1 Marketing Information System
(Source: Self-Created)

Components of MIS include-

- Internal company data.
- Marketing intelligence.
- Market research.
- Data analysis and reporting.

BENEFITS OF MIS include:

- Improved decision-making.
- Increased efficiency.
- Better understanding of the customer.
- Competitive advantage.

In order to improve its presence on the internet and attract more consumers, Nike has also increased its digital assets. Here are a few of Nike's most important digital assets:

(b)Website: The official Nike website is a vital digital resource that enables customers to shop collections, learn more about the brand's principles, and make purchases online. The website is multilingual and has a responsive design, making it accessible on a variety of devices.

Here are some key reasons why there is a need for a good website for big brands:

- **ONLINE PRESENCE-** In the current digital era, any brand must have a strong online presence. The key online centre for Nike is its website, where shoppers can discover more about the brand, its goods, and its principles.

- **E-COMMERCE**-The company's website for Nike serves as a crucial sales platform. Nike can reach clients worldwide and make large profits thanks to the ability of customers to explore and buy things directly from the company's website.
- **BRAND IMAGE**- The website for Nike is a key factor in determining the company's brand image. Customers' opinions of the Nike brand are influenced by the site's layout, messaging, and user experience.
- **CUSTOMER ENGAGEMENT**- A crucial resource for connecting with clients is Nike's website. Nike may forge deeper connections with its clients and increase the number of devoted ones by implementing features like customer feedback, social media integration, and personalised recommendations.

1) **Nike App**: The Nike App is a mobile application that lets users customise their footwear, log their workouts, shop for Nike products, and receive personalised recommendations based on their preferences and activity

2) **Social Media**: Nike is well-represented on social media sites like Instagram, Twitter, Facebook, and YouTube.

3) **Nike Training Club**: A online service that offers access to free exercises, expert guidance, and training schedules for various fitness levels and objectives is called Nike Training Club.

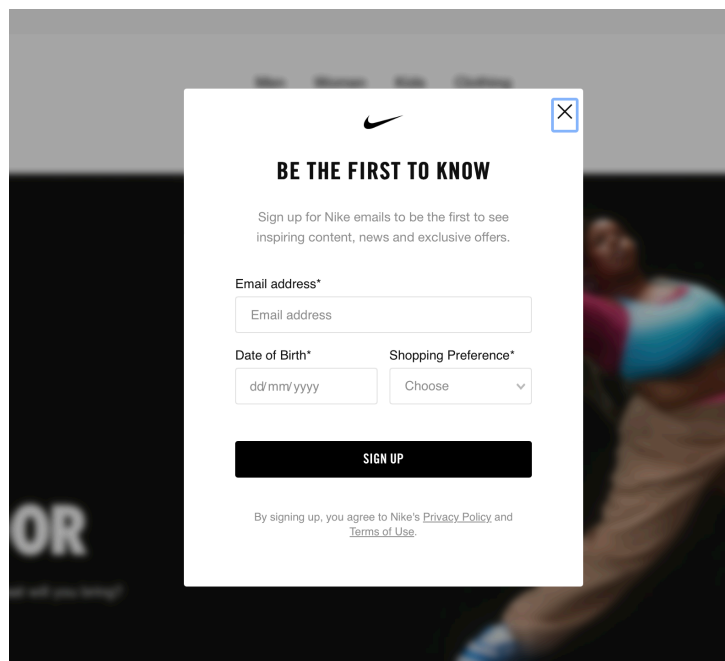
4) **Nike Run Club**: Nike Run Club is a digital platform that supports runners of all abilities in terms of performance enhancement, tracking of advancement, and involvement in the community. The platform has a website, a mobile app, and social media profiles.

5) **Nike SNKRS**: Based on the user's tastes and history, Nike SNKRS is a digital platform that grants users unique access to limited-edition sneakers, early launches, and personalised suggestions. The platform has both a website and a mobile app.

Nike can reach a larger audience, interact with customers in fresh ways, and maintain an edge over the competition in the digital age by utilising these resources.

5.2 Digital Marketing Assets

NIKE'S WEBSITE: Here is the official Nike website is a vital digital resource that enables customers to shop collections, learn more about the brand's principles, and make purchases online. The website is multilingual and has a responsive design, making it accessible on a variety of devices.



The image shows a sign-up form on the Nike website. The form is titled "BE THE FIRST TO KNOW" and includes the Nike logo. It prompts users to "Sign up for Nike emails to be the first to see inspiring content, news and exclusive offers." The form fields include "Email address*", "Date of Birth*" (with a placeholder "dd/mm/yyyy"), and "Shopping Preference*" (with a dropdown menu showing "Choose"). A black "SIGN UP" button is at the bottom. Below the button, it states "By signing up, you agree to Nike's [Privacy Policy](#) and [Terms of Use](#)." The form is overlaid on a blurred background of a person in athletic wear.

Figure 5.2 Nike's Website
Source:(Nike.com, 2023)

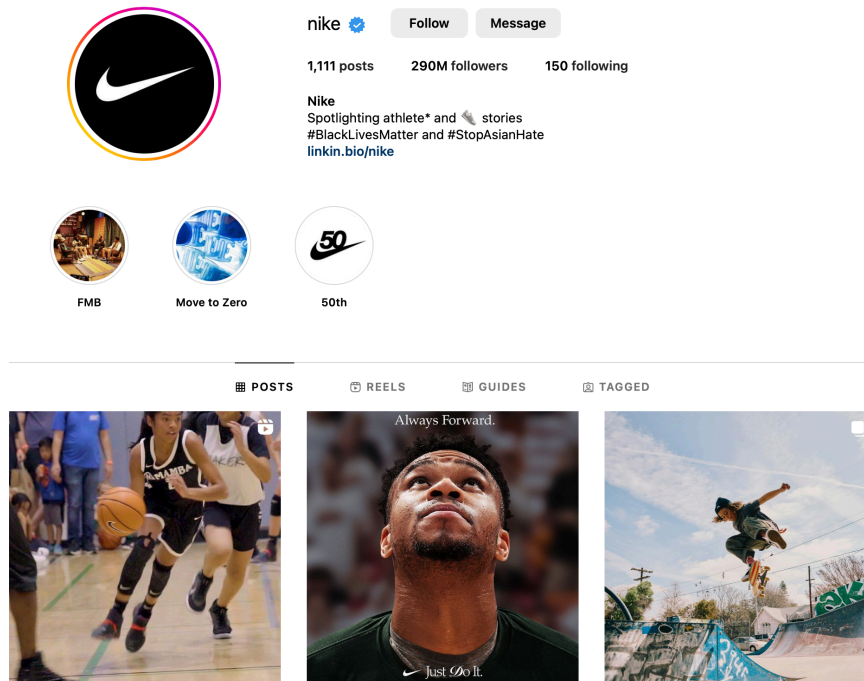


Figure 5.3 Nike's Instagram
(Source: Instagram, 2022)

5.3 NIKE CRM DATABASE

Nike tracks consumer information and manages customer interactions using a customer relationship management (CRM) system. (Winer, 2001) Nike's CRM system is intended to enhance customer pleasure, loyalty, and retention by assisting the company in better understanding its customers.

NIKE CRM DATA BASE FEATURES:

Management of customer data: Nike's CRM system aids in the collection, archiving, and analysis of customer data, including purchase history, preferences, and behaviour. To better understand clients and develop personalised marketing messages and experiences, this data is utilised.

Management of loyalty programmes: Nike has a CRM system that is integrated with its loyalty programme, NikePlus. The programme provides members with exclusive advantages including free shipping and early access to product launches.

Management of customer support contacts across several platforms, including social media, email, and the phone, is made possible by Nike's CRM system. This makes it possible to guarantee that clients get quick and reliable support.

Marketing automation: Nike's CRM system enables the corporation to develop specialised advertising campaigns based on information about its clients' buying patterns. Customers can receive personalised messages from the system automatically based on their purchase history, interests, and preferences.

ONLINE PAYMENT GATEWAYS

Nike makes it simple for customers to make purchases on their website by providing a number of online payment options. (Nike.com, n.d.)

Depending on the nation and location of the customer, the specific payment alternatives may vary, but some typical payment gateways utilised by Nike include:

- CREDIT CARD
- DEBIT CARD
- PAYPAL

- APPLE PAY (MY favourite)
- KRANA
- GIFT CARDS
-

SEO TOOLS AND REPORTS

To increase the exposure and ranking of its website in search engine results pages, Nike probably use a number of SEO (Search Engine Optimisation) technologies.(Research gate 2023.)

SEO tools

Google Analytics: A free tool provided by Google, Google Analytics enables website owners to monitor website traffic, user behaviour, and conversion rates. This tool may be used by Nike to track user behaviour on their website and spot areas for development.

Google Search Console: Google Search Console is an additional free tool that Google offers website owners to track the visibility of their website in Google search results. Nike may make use of this tool to track how well their website performs in search results, find any technical problems that can harm their SEO, and make adjustments to their website to make it more search engine friendly.

Tools for keyword research: Organisations like Nike can use tools for keyword research to find the words and phrases that their target market is searching for, such as Ahrefs, SEMrush, and Moz. Additionally, these tools can offer information on search volume, rivalry, and potential traffic opportunities.

Backlink analysis tools: Ahrefs and Majestic are two backlink analysis tools that can assist businesses like Nike in evaluating the quantity and quality of backlinks pointing to their website. Nike can find possibilities to raise the authority and search engine rankings of their website by examining their backlink profile.

Companies like Nike can track their progress and find areas for improvement in their SEO approach with the use of SEO reports. Data about website traffic, keyword rankings, backlink profiles, and other topics may be included in these reports.

Affiliate marketing platforms

The affiliate network company Rakuten Advertising (formerly known as Linkshare) oversees Nike's affiliate marketing programme, known as the Nike Affiliate Programme. Through the Nike Affiliate Programme, people or organisations can sign up to promote Nike products on their website, blog, or social media channels and get paid for each sale made using their special affiliate links.(Reddy, 2016)

Affiliates can access a variety of Nike goods through the Nike Affiliate Programme, including footwear, apparel, accessories, and more. On their websites or social media pages, affiliates can promote Nike products using unique links and banners, and they can also get money from any purchases made by visitors who use their affiliate links.

To advertise their products and reach a larger audience, Nike may also collaborate with other affiliate marketing programmes, such as ShareASale, CJ Affiliate, or Impact, in addition to the Nike Affiliate Programme.

In general, Nike's affiliate marketing strategy aims to raise brand recognition, improve website traffic, and boost sales through collaborations with affiliates and affiliate marketing networks.

Online review platforms

Customers can provide feedback and reviews on Nike's goods and services on a number of online review platforms. Among these platforms are:

On the product pages of Nike's official website, Nike.com, buyers can submit reviews. Customers can review goods and leave written comments, which are accessible to other users of the website.

Customers may also write product reviews and ratings on the Nike app. The Nike app allows users to view product pages and write comments that are visible to other users.

Third-Party Review Platforms: Nike products are also offered on independent e-commerce platforms like Amazon and Zappos, each of which has its own review platform. These platforms allow customers who buy Nike products to post reviews and ratings that are viewable by other users.

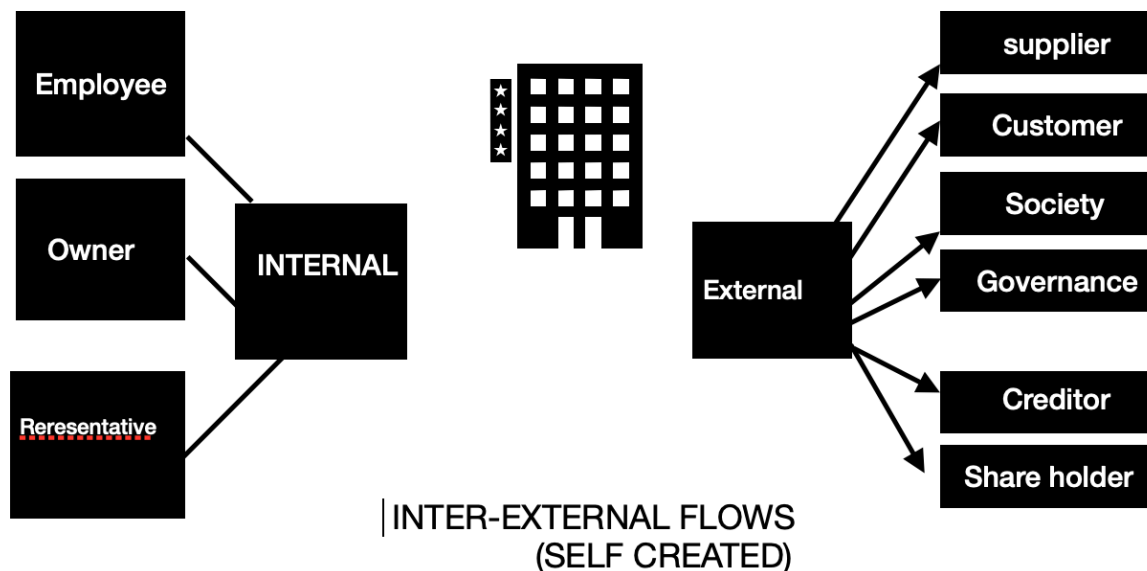


Figure 5.3 Inter-external flows

Facebook, Twitter, and Instagram are just a few of the social media channels via which Nike interacts with its clients. Customers can make comments and criticism on Nike's posts, and Nike's social media team can monitor them and reply as necessary.

Social In general, Nike's online review platforms give customers a way to voice their thoughts about Nike goods and services, which benefits other customers by enabling them to make well-informed selections. Nike may use these channels to collect comments and insights that will help them develop better products and services.

Employee intranet portal

Employees at Nike have access to a variety of resources and information about their jobs through an employee intranet and portal. Employee connectivity and information sharing, as well as increased productivity and teamwork, are all goals of the intranet and portal.

The following are only a few of the features of Nike's employee intranet and portal:

News and Updates: The intranet and portal allow Nike workers to stay up to speed on business news and updates. This covers details about brand-new product introductions, business initiatives, and other recent company-wide news.

HR Services: A variety of HR services, including as time-off requests, benefits enrollment, and other HR-related duties, are accessible through the intranet and portal.

Training and Development: Through the intranet and portal, Nike workers have access to training and development materials. For employees to learn new skills and grow in their jobs, this includes online courses, training materials, and other tools.

Collaboration Tools: Employees have access to collaboration tools including shared calendars, file sharing, and messaging through the intranet and portal. Employee collaboration becomes more productive and efficient as a result.

corporate Directory: The intranet and portal both feature a corporate directory that enables employees to look up and get in touch with coworkers from all throughout the business.

In general, Nike's employee intranet and portal are crucial resources for assisting staff members in remaining informed, engaged, and productive at work.

6. Digital marketing structure flows

(a) Internal Structure: The internal marketing structure flows of Nike are designed to make sure that the business's marketing initiatives are integrated, effective, and efficient. Some of the main elements of Nike's internal marketing structure flow are listed below:

Nike's marketing department is set up according to its major business divisions and geographical regions. This ensures that teams are effectively collaborating and that marketing efforts are in line with the company's overall strategy.

Nike uses a variety of communication platforms to keep teams informed and coordinated. Regular meetings, email updates, and internal messaging systems fall within this category.

(b) External- The processes and methods used by Nike to cultivate enduring relationships with external stakeholders like clients, partners, and suppliers are referred to as the company's external structure flows. Some of the essential elements of Nike's external structure flows are listed below:

Nike employs a variety of customer relationship management (CRM) systems to organise their communications with clients. This entails gathering client information, monitoring their behaviour and preferences, and utilising this data to create specialised marketing campaigns and promotions. Nike has close relationships with a variety of partners, including distributors, suppliers, and retailers. To manage these partnerships, the organisation employs a variety of partner relationship management (PRM) solutions, such as web portals, training and development programmes, and collaborative planning tools.

7. Digital marketing plan

(A) SOSTAC



Figure 7 SOSTAC Marketing Planning Model

SOURCE (SlideBazaar, n.d.)

SOSTAC, which stands for Situation analysis, Objectives, Strategy, Tactics, Action, and Control, is a framework for marketing planning. It is a helpful tool for companies like Nike to create a thorough marketing strategy. Nike can use the SOSTAC framework in the following ways:

- 1. SITUATION ANALYSIS**-In order to comprehend the market environment, including trends, rivalry, and consumer behaviour, Nike needs to do a situation study. They will be able to use or mitigate opportunities and obstacles as a result of this.
- 2. OBJECTIVES**; Nike should establish SMART (specific, measurable, achievable, relevant, and time-bound) marketing goals based on the situation analysis. These goals ought to be in line with the organization's overarching business plan.
- 3. STRATEGY**; Nike needs to create a marketing plan that explains how it will accomplish its goals. This should comprise the value proposition, positioning, target audience, and essential message.
- 4. TACTICS**; Nike needs to decide the exact strategies and actions it will use to carry out its marketing plan. Advertising, promotions, public relations, events, and other activities may fall under this category.

5. ACTIONS; The strategies and initiatives listed in Nike's marketing plan should be put into action. This could entail planning with internal teams and outside partners, producing marketing materials, and starting campaigns

6. CONTROLS; Nike needs to keep track of and evaluate the success of their marketing initiatives in relation to their goals. This could entail gathering information, examining metrics, and revising their plan as necessary.

8. Marketing Mix 8Ps



Figure 8: 8P of the marketing mix
Source;(www.sketchbubble.com, 2023)

People: The team members, workers, and professionals responsible for providing the good or service to clients. This comprises their knowledge, outlook, and level of clientele service.

Process: This word refers to the steps, gear, and techniques utilised to offer the good or service. This covers the ordering procedure, customer support, and post-purchase assistance.

Physical evidence: This term refers to the visible or touchable components, such as product packaging, retail layout, and look. Any intangible components, such as a brand's reputation and customer testimonials, are also included.

Performance: This term refers to a product's or service's ability to satisfy the needs and expectations of customers as well as its overall quality.

Positioning: This term refers to how the good or service is positioned in the market, including its USP, target market, and other factors.

Packaging: This term refers to the product's appearance and design, including the type of materials employed and the product's dimensions.

Partnerships: These are agreements and connections between a corporation and other companies, like vendors, distributors, and retailers.

Profit: Refers to a product or service's financial performance and profitability, including revenue, costs, and margins.

9. SWEETSPOT: A "sweet spot" in marketing is the best arrangement of marketing components that enables a business to reach and engage its target audience as effectively as possible.

According to my research the thing which become the sweetspot is the nike customisation.

Here is some unique feature of nike customisation that attract customers.

Nike customization offers a distinctive and personalised experience that enables customers to build their own one-of-a-kind product, making it a highly successful method of attracting buyers.

Customization: Nike can capitalise on the rising desire for personalised goods by providing this service.

Customers can pick from a wide range of options to design a shoe that is specially suited to their tastes and sense of style.

Nike customising is another illustration of the company's dedication to innovation and originality.

Overall, Nike customisation is a highly effective technique for attracting clients by offering a unique, exciting, and personalised experience that meets the rising desire for distinctive, cutting-edge goods.

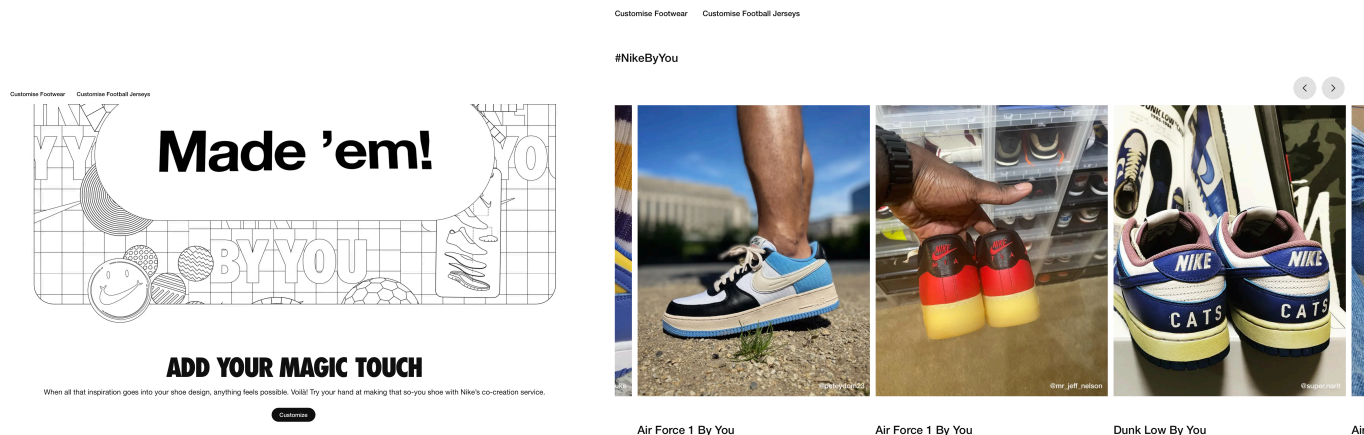


Figure 8 SweetSpot

Source (nike.com)

10. Digital Marketing Implementation

Nike has successfully utilised a number of digital marketing methods to interact with consumers and raise brand recognition. Here are some instances of Nike using digital marketing

Nike has a significant online presence on social media sites like Instagram, Twitter, and Facebook. The company uses these platforms to advertise its goods, highlight athletes and their accomplishments, and engage with consumers through user-generated content and campaigns.

Nike uses influencer marketing to promote their products and campaigns by working with athletes and other social media influencers. Nike is able to raise brand recognition and engagement by collaborating with influencers who share the same values as the company and its intended audience.

Nike uses content marketing to create high-caliber content that promotes its goods and brand values. This content includes podcasts, articles, and videos. Additionally, Nike Training Club offers free training plans and workout videos to customers, strengthening their bond with the brand.

Nike uses email marketing to connect with customers, advertise products, and support marketing initiatives. To increase sales and engagement, the company uses targeted messaging and sends clients personalised emails based on their prior purchases and interests.

Search Engine Optimisation (SEO): Nike's website is effective and search engine optimised. High-quality product photos, thorough product descriptions, and user reviews on the website help the site rank higher in search results and increase visitors.

In order to engage customers and raise brand awareness, Nike has implemented a complete digital marketing plan that integrates social media marketing, influencer marketing, content marketing, email marketing, and SEO.

10.1 Goals and Objectives

Nike's goals and objectives for implementing digital marketing can be divided into a number of areas, such as brand awareness, engagement, and sales.

Consumer interaction: A key component of Nike's digital marketing strategy is consumer interaction and relationship building. The brand wants to employ campaigns, user-generated content, and influencer partnerships to boost engagement on its social media platforms.

Nike's primary objective in using digital marketing is to boost sales. Through targeted messaging, individualised email marketing, and optimised product pages, the brand hopes to increase website traffic and conversion rates.

Nike's digital marketing strategy places a strong emphasis on innovation and staying on top of current trends. The brand's goal is to continuously fine-tune its digital marketing approach through testing and experimentation and to keep up with new platforms and technology.

In general, Nike's goals and objectives for implementing digital marketing are consistent with its overarching corporate goals of enhancing brand recognition, fostering engagement, and boosting revenue. Nike has been able to stay ahead of the curve and keep its position as a top worldwide brand by using a number of digital marketing platforms and always innovate.

11. Channels for implementation of Digital marketing

Nike uses a range of digital marketing platforms to connect with its target market and accomplish its marketing. Nike employs the following primary channels to implement their digital marketing strategy:

Nike uses content marketing to create high-caliber content that promotes its goods and brand values. This content includes podcasts, articles, and videos. Customers may also get free training plans and workout videos through the company's Nike Training Club app, which contributes to a closer relationship between the brand and its users.

Mobile Apps: Nike has created mobile applications like the Nike Training Club app and the Nike Run Club app, which provide users free exercise videos, training schedules, and running challenges. Targeted users of Nike's apps are more engaged and devoted to the company.

The overall goal of Nike's digital marketing implementation channels is to connect with customers and forge close bonds with them via a variety of channels. Using a combination of influencer marketing, email marketing, and social media,

PART B

12. MACHINE LEARNING

Businesses have access to a vast amount of information on their clients and their behaviour in the modern digital era. But the sheer amount of data can be overwhelming, and it's not always obvious how to turn it into insights that can be put to use. (Where are these books? How to reserve these books? How to suggest the book?, 2016) Machine learning (ML) enters the picture here. The practise of creating algorithms that can learn from data and make predictions or decisions based on that data is known as machine learning, which is a subset of artificial intelligence. Machine learning can be applied to digital marketing to analyse customer data, spot trends, and make data-driven decisions that enhance targeting, engagement, and ROI. Businesses may use machine learning to improve their marketing efforts, better understand their customers, and ultimately drive growth and success in todays digital world.(Where are these books? How to reserve these books? How to suggest the book?, 2016)

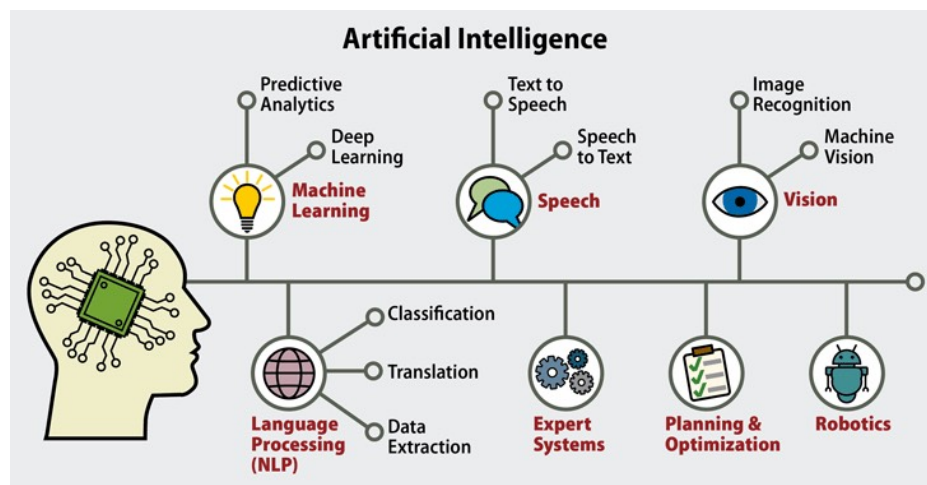


Figure 12 Artificial Intelligence
Source: (Shewan, 2017)

13. ARTIFICIAL intelligence

Businesses in the digital age have access to a vast amount of information on their clients and how they behave. It might be difficult to interpret this data into insights that can be put to use because it can be so overwhelming. The field of computer science known as artificial intelligence (AI) is concerned with creating intelligent machines that are capable of learning, solving problems, and making decisions—tasks that would ordinarily need human intelligence. AI can be used to analyse customer data in the context of digital marketing, spot trends, and make data-driven decisions that enhance targeting, engagement, and ROI. (Vlačić et al., 2021) Businesses may use AI to better understand their customers, enhance marketing initiatives, and ultimately spur growth and success in the competitive digital environment of today. Businesses who adopt AI will be better prepared to thrive in the fiercely competitive digital market since it is a game-changer for digital marketing.

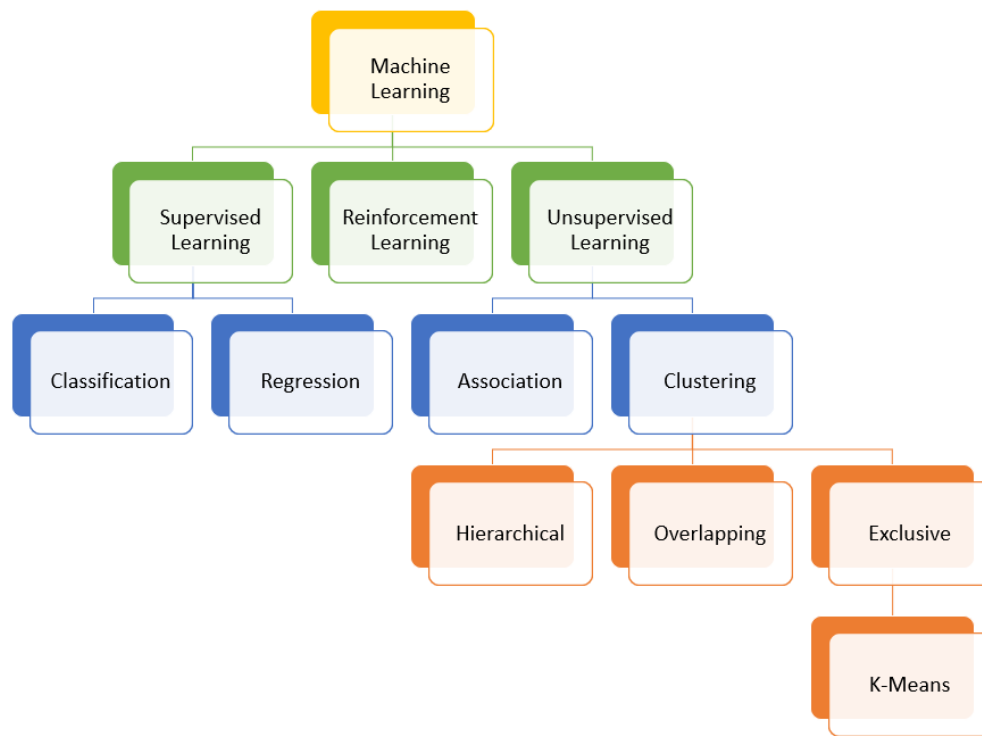


Figure 13 Machine Learning

(Source: SwissCognitive - The Global AI Hub, n.d.)

14. APPLICATION OF MACHINE LEARNING AND ARTIFICIAL INTELLIGENCE IN DIGITAL MARKETING

Wide-ranging uses of artificial intelligence (AI) and machine learning (ML) in digital marketing can save costs and increase return on investment (ROI) for firms. (Vlačić et al., 2021) Several important uses of AI and ML in digital marketing (Makridakis, Spiliotis and Assimakopoulos, 2018)

Predictive Analytics: Using AI and ML, it is possible to analyse vast amounts of data to find trends and forecast future customer behaviour. Businesses may maximise ROI by forecasting customer behaviour, such as buying patterns, client lifetime value, and churn rates. Costs can be cut with ML by making predictions that are more accurate, which can aid in reducing wasteful ad spending.

Personalization: By examining client preferences and behaviour, AI and ML may be utilised to provide customers with personalised experiences. This can involve customised website content, customised email marketing, and customised product suggestions. Businesses may increase engagement and loyalty while increasing ROI by giving customers relevant and personalised experiences. By automating the customising process and enabling more precise recommendations, ML can lower costs. (Where are these books? How to reserve these books? How to suggest the book?, 2016)

Optimisation: By examining information like click-through rates, conversion rates, and engagement indicators, AI and ML may be utilised to optimise marketing strategies. Businesses can increase their ROI and reduce ad spend waste by using this data to make real-time adjustments to campaigns. By automating the optimisation process and enabling more precise decisions, ML can lower expenses. (Makridakis, Spiliotis and Assimakopoulos, 2018)

Fraud detection in digital marketing initiatives is possible with the help of AI and ML. Artificial intelligence (AI) and machine learning (ML) algorithms can spot fraudulent activity and stop it from lowering the ROI of marketing efforts by analysing data like IP addresses, click patterns, and user behaviour. By enabling more precise fraud detection, ML can lower expenses by assisting in the prevention of fraud-related losses.

Consumer segmentation: AI and ML algorithms may examine consumer information like demographics, browsing habits, and purchase histories to spot trends and divide customers into segments according to their traits and behaviours. (Vlačić et al., 2021) This aids companies in better targeting and segmenting their

marketing efforts, which raises conversion rates and returns on investment. By automating segmentation and enabling more precise targeting, ML can lower expenses.

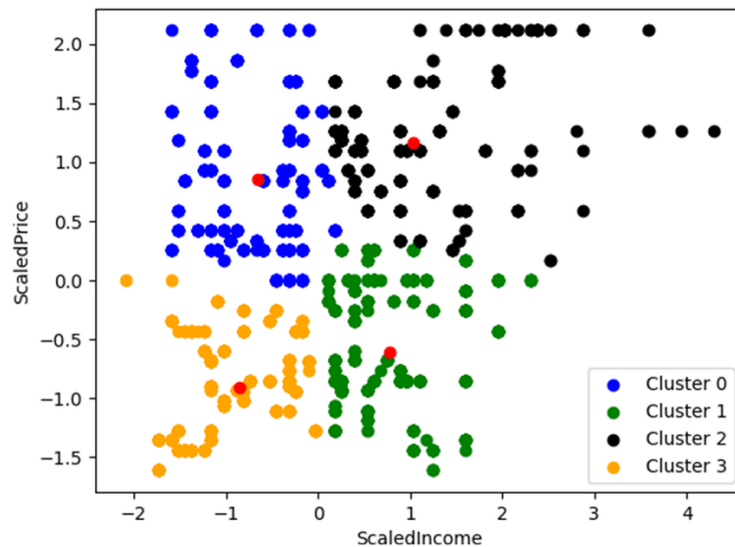


Figure 14 Customer Segmentation
(Source: Muzammil24, 2021)

K - Means Clustering is an example of Exclusive Clustering and belongs to the category of Unsupervised Machine Learning Algorithm. The number of specified clusters represented by "K" in K-Means.

There are two ways to specify the K-Means number of clusters.

elbow technique goal-based

Looking at the elbow technique example below, we can see that the graph changes exponentially at k=2 and that the value for the clusters is taken at that time.

15. CHATBOTS

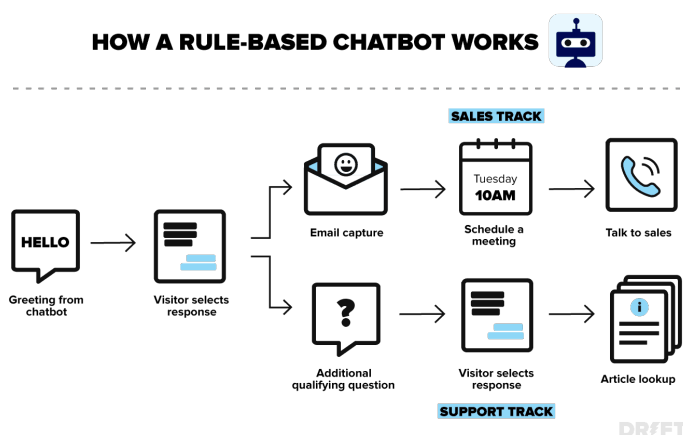


Figure 15 ChatBot working
(Source: Drift, 2019)

Artificial intelligence (AI) and machine learning (ML) are frequently used in digital marketing (Drift, 2019) through chatbots. With the aid of machine learning and natural language processing (NLP), chatbots may mimic conversations with human users. Websites, mobile apps, and social media platforms can all incorporate chatbots to help with customer service, question-answering, and purchase recommendations.

In digital marketing, chatbots can bring about a number of advantages, such as increased consumer engagement, round-the-clock customer service, and cost savings. Chatbots can analyse client chats using ML algorithms to learn from prior interactions and deliver future responses that are more precise and pertinent. (Drift, 2019) Additionally, chatbots can use NLP algorithms to decipher the purpose of customer messages and offer tailored responses based on the circumstances of the conversation. (Makridakis, Spiliotis and Assimakopoulos, 2018).

By offering individualised recommendations and offers, assisting with product selection and purchasing decisions, and responding to frequently asked queries, chatbots can be used in digital marketing to enhance the customer experience. By interacting with clients and gathering contact information, chatbots can also be utilised to create leads.

Businesses can cut expenses by automating customer service and allocating human resources to more difficult duties by utilising chatbots in digital marketing. (Drift, 2019) Additionally, chatbots can offer useful information and insights into customer behaviour, preferences, and pain points that can be used to improve customer satisfaction and inform marketing strategies.

16. Application of machine learning and artificial intelligence in NIKE:

For many firms, AI and ML have emerged as crucial elements of digital marketing and client engagement. These are:

- Inventory management.
- Product Design.
- User experience.
- Supply chain optimisation.
- Customer service.

16.1 FORECASTING WITH MACHINE LEARNING

Machine learning (ML) is frequently used in forecasting, which entails making predictions about the future based on past data. Numerous industries, including finance, weather, transportation, and manufacturing, use forecasting.

In ML, forecasting often entails the use of algorithms that can learn from past data and use that learning to create predictions about events that will happen in the future. These algorithms can be used to evaluate patterns, spot trends, and forecast outcomes depending on the data at hand.

Known for its application in time-series forecasting, the **ARIMA (Autoregressive Integrated Moving Average)** technique can be used to identify trends, seasonality, and other patterns in data.

Prophet: Facebook created this algorithm, which is intended for time-series forecasting with seasonality and other outside elements. (Makridakis, Spiliotis and Assimakopoulos, 2018)

Long Short-Term Memory (LSTM): This algorithm can be used to analyse sequences of data, such as stock prices or weather patterns, and is utilised for time-series forecasting.

By forecasting the value of a variable based on previous data, the Random Forest technique, which is frequently used for regression analysis, may be utilised for forecasting.

Numerous uses for forecasting exist, including estimating demand for a product, predicting future sales, predicting weather patterns, predicting traffic jams, and more. Businesses and organisations can more confidently plan and make choices by utilising ML for forecasting to create more accurate predictions about future events.

17. Conclusion

The report broadly discusses and analyses Nike UK's current performance in the digital world. Being a sustainable brand, Nike has been utilising artificial intelligence and positioning itself quite well in the digital world. Moreover, the theoretical aspects of digital assets are analysed to connect with the brand strategical implementation of the same in the real world. Machine learning and artificial intelligence are applied by Nike UK to engage with its customer base. Some managerial recommendations are also provided for the brand to boost its digital presence and maximise Return on investment.

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