

**Adidas-Kanye Crisis Case Study:
Brand-Celebrity Partnership Is More Than An Endorsement**



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Case Overview

Adidas is a historic sportswear brand that famously established a partnership with Kanye West in 2013, creating the brand Adidas Yeezy. Yeezy was a tremendous success, with a reported 18% annual sales increase for Adidas three years after it began and a quick climb to the top of their catalog (Kish & Santana, 2022).

However, the partnership did not come without controversy. Adidas cut ties with West on October 25, 2022, three weeks after he wore a “White Lives Matter” shirt during Paris Fashion Week. The brand took heat because of West as he made more offensive comments on his social media accounts (Kish & Santana, 2022). Adidas came under fire both for taking so long to terminate West’s deal and for their poor management of the crisis afterward. Adidas not only suffered financial losses from this crisis, but reputational losses as well.

This paper will analyze the crisis communication and social media strategy dimensions of the Kanye-Adidas crisis through various tools, such as a timeline, data, and analysis, to objectively evaluate the effectiveness of Adidas’ handling of the crisis.

Company Background

History

Adidas is a German company that manufactures athletic shoes and apparel. They are one of the world’s oldest athletic manufacturers, beginning in Germany in 1924. Although Adidas initially made its mark on sportswear in the football industry, it struggled financially following the death of several founding members in the late 1980s. Adidas attempted various methods to reclaim its status as an industry powerhouse, such as collaborating with hip-hop group D.M.C. – but it was with the leadership of Robert Louis-Dreyfus, then-CEO, that Adidas was able to find success again (Adidas, n.d.).

Corporate Identity

Adidas prides itself in being a “sports company” above all. Their mission is to “be the best sports brand in the world” in every aspect of their company, and their purpose is to “change lives... through sport” (Adidas, n.d.). Their brand identity is as a leader in sportswear with strengths in sustainability and quality. Although Adidas has a generally positive reputation, it cannot be ignored that Adidas was built under Nazism. In fact, the Dassler brothers discontinued their shoe factory activity during World War II to support Nazi war activities. Adidas has tried to distance itself from its problematic history, but its Kanye West crisis has pushed its antisemitic beginnings to resurface in the media (Waxman, 2022).

Partnership with West

Adidas’ partnership with Kanye West began in November 2013, and they unveiled the first Yeezy Adidas sneaker in February 2015. By June 2016, Adidas and West had inked a 10-year partnership deal in what the company described as the “most significant partnership between a non-athlete and a sports brand.” Even in May 2018, when West was under fire for his comments about slavery and the public support of then-President Trump, Adidas CEO Kasper Rørsted spoke to CNBC and defended Adidas' partnership with West.

Situational Analysis

In this section, we will provide an analysis of the Adidas-Kanye crisis, evaluating and understanding the structural and situational factors that influenced Adidas and Kanye and ultimately caused the crisis to happen. In addition, we will also use Situational Crisis Communication Theory (SCCT) as a framework to elucidate how past actions, perceived responsibilities, and crisis type affected public opinions toward this crisis (Coombs, 2007).

Nature of brand-celebrity partnership

Although a celebrity partnership with a brand can be valuable, businesses should carefully assess their particular scenario before becoming involved. Today, celebrity collaborations are both endorsements and a significant source of value, especially for new firms attempting to establish a foothold in a congested marketplace. In the meantime, a crowded market and growing privacy regulations drive businesses to reconsider how they develop, stand out from the competition, and bring in new prospects.

According to BCG research, investors view celebrity brand relationships as relatively low-risk. Celebrities are becoming increasingly conscious that brand alliances can diversify their income and strengthen their relationships with their fans (Foldsey et al., 2022). Several celebrities have better controlled their personal brands in an era when extensive social media provides a consistent and direct connection to fans. For instance, Fenty Beauty's appeal for inclusivity was successful in drawing attention to consumers' unsatisfied demand for a variety of beauty products. While it is easy to ascribe Fenty Beauty's success merely to Rihanna's fame or her emphasis on diversity, the brand's partnership with LVMH has resulted in the brand's disruption of the beauty business. The collaboration with LVMH provided Fenty Beauty with the infrastructure it required to launch the brand on a global scale almost instantly, including access to sales data from Sephora and other LVMH beauty brands to make important decisions, such as which product lines to launch at first. Additionally, Sephora provided Fenty Beauty with outstanding in-store and online merchandising and product placement. Aside from the company's consistent image of inclusivity, one of Rihanna's biggest moves was selecting an appropriate partner to ensure a high level of product quality for the launch announcement while preserving brand image consistency and subsequent expansion (McKinnon, 2023). In general, in a world

where the number of people with influential voices and access to large audiences continues to rise, brands seek strategies to differentiate themselves and remain relevant, thus celebrity involvement can aid in addressing the obstacles facing the consumer products industry.

Collaboration with celebrities implies broadening a brand's reach and appealing to a broader range of consumers, which is a crucial source of competitive advantage (Foldsey et al., 2022).

Adidas has a lengthy history of high-profile collaborations. Johnson (2014) states in *Vogue Moment* that Adidas has been thinking outside the box for decades. Collaboration is in its genes—It has always been a brand that welcomes outside talent, from Run-DMC in the 1980s to Missy Elliott in the 1990s, up to Kanye West and now Pharrell Williams in 2014 (Johnson 2014). Every major brand's expanding customer base has recently been found in the nexus of sports and culture. High-profile partnerships of this nature involve both great risk and significant payoff. When successful, celebrity relationships may greatly improve the popularity and value of a company. However, according to the Harvard Business Review, "Few Celebrities Are Squeaky Clean...Twenty years ago the level of worry was one on a 10-point scale. Today it's eight" (*When Scandal Engulfs a Celebrity Endorser*, 2019). Between 1988 and 2016, the researchers uncovered 128 incidents involving 230 firms in which celebrity endorsers of publicly traded U.S. enterprises produced unfavorable PR while under contract. 70% were males, with 59% being athletes, 24% being television or radio celebrities, and 17% being musicians. Despite spanning 29 years, half of the incidents occurred between 2010 and 2016. The research demonstrating the frequency of celebrity scandals and how they have evolved into the most uncontrollable factor will have the greatest detrimental effect on celebrity-brand alliances (*When Scandal Engulfs a Celebrity Endorser*, 2019).

Yeezy's success has been attributed to a variety of causes. First, West is one of the most popular rappers in the world, and second, his shoes were among the first to utilize Adidas Boost technology. Following the initial aftermath of the crisis in October 2022, it was reported that West exhibited disturbing behaviors while working with Adidas, such as using porn, bullying, and mind games to control workers. Adidas staff came out anonymously to speak on his abusive behavior after the relationship ended, painting the organization in a horrible light. Adidas clearly knew of Kanye's abusive behavior, and anonymous staffers admitted that they let him act the way he did because "Kanye is just Kanye" (Sullivan, 2023). Adidas responded to Rolling Stone's story with this statement: "Adidas will not discuss private conversations, details, or events that lead to our decision to terminate the Adidas Yeezy partnership and decline to comment on any related speculation."

Kanye's Accusation Against Adidas

Before this crisis, there was already tension between Kanye and Adidas. In August 2022, Kanye sent a direct message to the Complex Instagram account complaining about several Adidas misconducts in their partnership. Kanye accused Adidas of making some crucial business decisions, such as greenlighting "Yeezy Day" without his approval and copying his designs in other non-Yeezy shoes. The dispute between Kanye and Adidas planted the seed for a crisis in the near future, as Kanye felt mistreated when he was contributing a large portion of Adidas' online revenue (Deng, 2022).

Trend of Celebrities Making Outrageous Comments to Get Attention

Celebrities are continually making outrageous public statements that capture the attention of the media and the general public (Tirico, 2019). Ye, formerly known as Kanye West, is the epitome of this behavior, especially in recent years. West's erratic comments and strengthening

ties to conservative extremists are the main reasons for public criticism. West previously supported former President Donald Trump by visiting him at the White House and donning his trademark “Make America Great Again” hat. Long before the hat and his “White Lives Matter” T-shirts, West stated that “racism is an antiquated idea” and made incorrect pronouncements about race using painful artifacts in 2018 (Dellatto, 2023). These comments put Adidas under pressure at the time, but they defended their relationship with West and continued to produce the Yeezy line. Even when West began saying erratic things again at the beginning of October 2022, Adidas stalled any action by saying the partnership was “under review” (Tumin, 2022). Thus, the company had an established crisis history with West where it had either defended or downplayed the incident.

Additionally, West has been outspoken about his bipolar disorder diagnosis, even calling it a “superpower.” He has discussed his tough experience of taking medication for the disease, telling the New York Times in 2018 that he was “learning how to be off medicines,” and later that year that he hadn’t taken any in six months. His ex-wife, Kim Kardashian, pleaded for compassion for West in 2020, stating, “He is a brilliant but complicated person who on top of the pressures of being an artist and a black man, who experienced the painful loss of his mother, and has to deal with the pressure and isolation that is heightened by his [mental illness]” (Dellatto, 2023). *Addiction and Attention Seeking Behavior* (2021) indicate that receiving attention for misbehaving can perpetuate undesirable conduct since it can be addictive. Such high engagement and awareness public have toward personal life make it impossible for the celebrity like West to unable to determine the limit to communicate their opinion on social media.

Societal Factor: Black Lives Matter vs. White Lives Matter

The Black Lives Matter (BLM) campaign received tremendous public attention in 2020 following the death of George Floyd. George Floyd died from police brutality and unjust treatment. A white police officer knelt on his neck for more than nine minutes and did not release him even when George said he couldn't breathe. A few minutes later, George lost consciousness and lost signs of life. (Hill et al., 2020). George's death triggered public outrage. People gathered to protest against police brutality across the United States. However, the large-scale protest eventually turned into riots. Some protestors robbed stores and vandalized the city without consequences (Pavlonis, 2022). Similar incidents occurred worldwide and lasted several months.

The BLM movement aims to address racism and systemic inequities toward black Americans. The slogan does not mean that the lives of white or other ethnic groups do not matter – rather, black lives matter as much as other groups. Because the BLM movement received so much attention and has led to some riots, it would inevitably draw misinterpretation, criticism, and counter-voice. The White Lives Matter movement was born under the context of BLM, and its primary purpose was to suppress the BLM movement. Promoters of WLM believe that the BLM movement is giving black people privileges above other ethnic groups, even allowing them to break the law.

In the United States, racial topics have always been controversial, and they became increasingly heated in 2020-2022 due to several highly publicized events of racial violence. The death of George Floyd and the post-protest aftermath have drastically increased the racial tension and the significance of related topics. In this context, Kanye's support for WLM elicited public rage and brought pressure on Adidas to terminate cooperation with him.

Crisis History

Before the Kanye West crisis, Adidas had never faced a situation where its celebrity partner publicly released hateful comments toward a specific ethnic group. With no history of this type of incident, the public will more likely forgive Adidas if the crisis is handled well. Adidas signed West to a deal and released the first Yeezy Boost sneaker in February 2015 (Johns, 2022). Despite some product-related issues, the product line was successful and became iconic. However, Kanye has a long history of publicly releasing controversial statements about sensitive topics. The public had demanded that Adidas terminate its contract with Kanye in the past but received little attention.

Perceived Crisis Responsibility

Perceived crisis responsibility refers to stakeholders' perceptions of the organization's responsibility for the crisis. Here, the main stakeholders are consumers, employees, the general public, and Adidas itself. The company's decision to continue collaborating with West despite his controversial remarks could be viewed as a selfish consideration for the massive growth Yeezy delivers, but the public initially perceived that the company shared little to no burden because the brand is not the distributor of antisemitism. However, West's broad fame meant his comments were presented to a vast audience, and when Adidas unexpectedly did not respond, they began to be perceived as tolerant of the offensive comments (Beer, 2022). This stirred up anger among stakeholders, resurfacing the company's ties with the Nazi regime that the company had worked to leave behind. The World Jewish Congress noted that during World War II, Adidas factories "produced supplies and weapons for the Nazi regime, using slave labor" (Olson, D'Innocenzio, & Press, 2022). Audiences now believed Adidas and West shared crisis responsibility, which dramatically harmed the brand's reputation and led to the hashtag

#boycottadidas trending on social media. Thus, Adidas moved from a perception of low responsibility to high responsibility as the crisis dragged on.

Crisis Type

The crisis could initially be categorized as terrorism – an external, intentional act to hurt the company. Although Kanye did not mention Adidas when he made antisemitic comments, he intentionally brought Adidas into the crisis later by stating that Adidas would do nothing to him. However, the crisis type changed as time progressed. Adidas did not respond to the crisis for a long period while the public demanded punishment for West. This was viewed as a sign of preferring profit over consumer opinion, even supporting antisemitism (Segal, 2022). From there, the crisis was no longer simply terrorism – their lack of action turned terrorism into a transgression, an internal and intentional act by the company (Coombs, 2007).

Timeline

- June 2022: In an Instagram post addressed toward Rørsted, West believes Adidas copied his Yeezy design for the Adilette, a separate Adidas product. West calls the Adilette a “fake Yeezy” and states that he will “not [stand] for this blatant copying no more.”



West uploads various Instagram posts mocking Adidas CEO Kasper Røster, such as this fake mock-up of the New York Times

- September 2022: Tensions rise between Adidas and West. West continues to post complaints about Adidas on his personal Instagram account. West also tells Bloomberg that he plans to cut ties with all his corporate partnerships, including Adidas, once contracts expire.
- Oct. 3, 2022: West wears a shirt with “White Lives Matter” written across its back at his Paris Fashion Week show. West receives massive backlash from fellow public figures and the general public.



Kanye West wears a White Lives Matter shirt at his Paris Fashion Week show, accompanied by conservative political commentator Candace Owens

- Oct. 8, 2022: West loses access to his Instagram and Facebook accounts for violating Meta user policy and begs Mark Zuckerberg to return his account access (Ruiz, 2022). Meanwhile, West returned to Twitter, which he had not posted on for almost two years, in search of a new platform where he could share his beliefs (Peters, 2022).
- Oct. 8, 2022: West receives backlash for his antisemitic statement on Twitter: “I’m a bit sleepy tonight but when I wake up I’m going death con 3 [sic] on JEWISH PEOPLE.” His tweet is removed for violating Twitter user policy. Many people questioned the lack

of a statement from Adidas. “I would have liked a clear stance earlier from a German company that also was entangled with the Nazi regime,” said Josef Schuster, president of the Central Council of Jews in Germany.

- Oct. 9, 2022: West also receives criticism from other public figures and organizations. West’s ex-wife Kim Kardashian said, “Hate speech is never OK or excusable” (Ruiz, 2022). Executives for MRC, the production studio behind West’s upcoming documentary, also stated that the project had been halted: “We cannot support any content that amplifies his platform” (McGahan, 2022).
- Oct. 21, 2022: Balenciaga, another company in the apparel industry known for its partnerships with West, announces that it has cut ties with the rapper. Balenciaga’s parent company Kering released a statement: “Balenciaga has no longer any relationship nor any plans for future projects related to this artist” (Chan, 2022). Adidas still has not commented on the status of its relationship with West.
- Oct. 25, 2022: Adidas finally announces the company will end its partnership with West. “Ye’s recent comments and actions have been unacceptable, hateful, and dangerous, and they violate the company’s values of diversity and inclusion, mutual respect and fairness,” Adidas said. The company notes that cutting ties with West will cost Adidas hundreds of millions in profit.

Responses and Consequences

Media Response

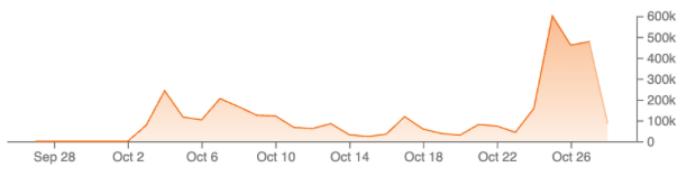
Kanye Scandals

Sep 27, 2022 • 12 AM - Oct 28, 2022 • 12:29 PM

Public Interest

Social media interactions on articles per day

3.68M Total interactions



Media Interest

Number of articles published per day

29.3k Articles published



The Kanye-Adidas crisis was heavily reported and took the media by storm. As seen above, there were 3.68 million social media interactions on articles about the incident. Traditional media outlets heavily covered the topic, as the day Adidas announced the end of its partnership with Kanye, the *New York Times* had already written an article about the event. The article noted Adidas' slow reaction as it stated, "the fact that the company did not move faster to officially sever the ties began to take a toll" (Eddy et al., 2022). Vanity Fair, AP News, CNN, and CNBC wrote about the ending of the partnership and highlighted the time it took for Adidas to act upon Kanye's scandalous actions. A key feature of the articles was not only the time it took for Adidas to respond but also the reaction from neighboring brands and companies affiliated with West. These publications also focused on the reaction of the Anti-Defamation League CEO Jonathan Greenblatt. Greenblatt had been a prominent voice in boycotting the West and Adidas partnership. The articles featured his reaction and thoughts on Adidas finally ending the partnership. CNN stated that Greenblatt had wished the decision had happened sooner but that the company "has made a very strong statement of putting people over profits" (Valinsky, 2022). Overall, the crisis was heavily covered throughout the media and made headlines.

Employee Response

A strong example of the public outcry is the post made on LinkedIn by Sarah Camhi, Director of Trade Marketing at Adidas:



Sarah Camhi • 3rd+
Director, Trade Marketing at adidas
4mo • 

Coming off of the **adidas** global week of inclusion, I am feeling anything but included.

As a member of the Jewish community, I can no longer stay silent on behalf of the brand that employs me. Not saying anything, is saying everything.

It's been 14 days since Kanye started spewing anti-Semitic rhetoric and adidas has remained quiet; both internally to employees as well as externally to our customers.

We have dropped adidas athletes for using steroids and being difficult to work with but are unwilling to denounce hate speech, the perpetuation of dangerous stereotypes and blatant racism by one of our top brand partners.

We need to do better as a brand. We need to do better for our employees and we need to do better for our communities. Until adidas takes a stand, I will not stand with adidas.

#work # #community #brand #inclusion #runawayfromhate

 31,637 1,364 comments • 869 reposts

Camhi, Adidas' own employee, called out the company about its hypocrisy and how their lack of action spoke volumes about its corporate identity. This was one of the first public responses by Adidas employees, as a month after the partnership was officially ended Adidas employees anonymously sent a letter to the company “alleging it turned a blind eye to bullying and inappropriate behavior from the rapper,” (McCoy, 2022). The letter was called *The Truth About Yeezy: A Call to Action for Adidas Leadership* and it focused on Adidas’ lack of accountability during the crisis and the attacks and abuse that employees suffered from the partnership with Kanye. The letter ended by asking for a public apology by Adidas (McCoy, 2022). Adidas didn’t respond to this letter citing that “Adidas will not discuss private conversations, details, or events that lead to our decision to terminate the Adidas Yeezy partnership and decline to comment on any related speculation” (Sullivan, 2023).

Consumer Response

Below are some tweets demonstrating the public's outrage towards Adidas' slow-moving behavior – they quickly saw Adidas' true intentions of profit over everything else.

 **KID VIOIOUS** 
@kirkacevedo

Let's not praise [@adidas](#)

Adidas stock is down 60% in 2022.

They didn't want to drop Kanye West because they needed the \$2 billion his sneakers bring yearly to the company.

Adidas eventually folded under the mounting public pressure.

BUT they were like molasses in doing so! 😦

9:19 AM · Oct 25, 2022

301 Retweets 14 Quote Tweets 1,504 Likes

 **Alexander S. Vindman**  @AVindman · Oct 24, 2022

I'm a little shocked that [@adidas](#) has still made no statement denouncing hate and anti-semitism, let alone firing [@kanyewest](#)'s ass. Adidas seems more than happy to accept being branding a hate supporting company.

 **Alexander S. Vindman**  @AVindman · Oct 21, 2022

This dude Kanye is a clown. [@adidas](#) what do you think about this? He seems to imply you're okay with antisemitism.



0:04 5.5M views

662 1,617 6,683

 **RJ**  @rjdomos

Replying to [@AVindman](#) [@jackiekalmes](#) and 2 others

Adidas might not drop Kanye, but consumers can definitely drop [@adidas](#). And we will.

10:26 AM · Oct 24, 2022

4 Retweets 38 Likes

Not only was the general public angry with Adidas' slow actions regarding the termination of the partnership with Kanye, but they also threatened to stop purchasing Adidas products altogether and put together petitions in order to end the relationship. Looking at Change.org, the petition for Adidas to terminate its relationship with Kanye had over 182,000 supporters. As seen in the images, user @rjdomos stated that they intended to "drop" Adidas and its products. Additionally, the hashtag "BoycottAdidas" had been trending on Twitter for several days during the peak of the crisis (Treisman, 2022). The general public made its sentiments clear through social media but even if some users expressed relief for the partnership being over, the time it took for it to happen incited cynical responses from consumers. Tony Posnanski, a user on Twitter said "Adidas didn't drop Kanye West to stand against anti-semitism. They dropped him because their stock was falling hard and an analyst told them to in order to salvage their stock value they needed to drop him. Nothing heroic about what they did." This sentiment was somewhat common throughout the platform, consumers were pleased to see the right decision taken but they didn't quite believe it came from the right reasons. Analyzing social media it is clear that consumers felt strongly about this crisis and wanted their voices to be heard.

Industry Response

Adidas was not the only company to drop its partnership with West; Balenciaga announced on October 21 that "Balenciaga has no longer any relationship nor any plans for future projects related to this artist" (AP, 2022). The fact that Adidas was not the first one to drop Kanye and took much longer than others to do so is a poor reflection of Adidas in the eyes of all stakeholders. Additionally, Creative Artists Agency and MRC Studios dropped their relationships with Kanye prior to Adidas' announcement on October 25th. MRC Studios was planning a documentary on Kanye before it got canceled because MRC Studios executives

mentioned “We cannot support any content that amplifies his platform” (Italie, 2022). GAP, who had a relationship with Kanye involving his Yeezy Gap products, shut down their partnership with him promptly on October 25th and stated that “Anti-Semitism, racism, and hate in any form are inexcusable and not tolerated in accordance with our values” (Dean, 2022). Vogue Magazine made it official that editor-in-chief Anna Wintour and the publication would no longer work with Kanye again after his hate speech and bullying behavior toward their own fashion editor (Barker, 2022). Companies even outside the fashion industry took action against Kanye’s behaviors, as JPMorgan Chase sent West a letter stating that they would like him to transfer his business to another bank by November 21st (Barker, 2022). Organizations were quick to distance themselves from the PR disaster that Kanye presented as shown by the number of them that spoke out and tried separating themselves from his image.

Adidas’ Response

Adidas took its time to respond to West’s actions. He first made headlines for wearing his “White Lives Matter” shirt at Paris Fashion Week. Then he went even further by taunting Adidas, claiming that “The thing about me and Adidas is like, I can literally say antisemitic s***t, and they can’t drop me. I can say antisemitic things, and Adidas can’t drop me. Now what? Now what?” (Kish & Santana, 2022). This happened on October 3rd, and Adidas only acted on October 25 with the statement below:

“Adidas does not tolerate antisemitism and any other sort of hate speech. Ye’s recent comments and actions have been unacceptable, hateful, and dangerous, and they violate the company’s values of diversity and inclusion, mutual respect, and fairness. After a thorough review, the company has taken the decision to terminate the partnership with West immediately, end production of Yeezy branded products, and stop all payments to West and his companies. Adidas will stop the Adidas Yeezy business with immediate effect...This is expected to have a short-term negative impact of up to €250 million on the company’s net

income in 2022, given the high seasonality of the fourth quarter. Adidas is the sole owner of all design rights to existing products as well as previous and new colorways under the partnership. More information will be given as part of the company's upcoming Q3 earnings announcement on November 9, 2022."

Financial Consequences

In the short term, the crisis negatively affected Adidas' stock price – the price dropped from October 3rd to November 3rd by almost \$13, or 22% (Yahoo Finance, 2023). In the long term, the losses will be larger. In their original statement, Adidas claimed that they were set to lose approximately \$247 million from the crisis, the losses are estimated to be much higher. When the company released its top and bottom line outlook for 2023, it revealed that they expect to lose \$1.3 billion in revenue and \$534 million in operating profit due to the dropped deal (Gentrup, 2023). Adidas' inability to sell existing Yeezy inventory in particular is expected to have a significant adverse effect on the company's financial performance: if they cannot repurpose its existing Yeezy inventory and instead writes it off, the company's operating profit would fall an additional \$534 million (Gentrup, 2023).

Reputational Consequences

Adding on to the serious financial consequences, the termination of Adidas' partnership with West and the controversy surrounding his comments on social media had a negative impact on the sportswear company's reputation. Many customers and stakeholders were disappointed and outraged by West's offensive comments. Some consumers even boycotted Adidas products in response to the controversy as talked about prior. Since this crisis is so recent, it remains to be seen how Adidas' corporate reputation will be impacted in the future, but its corporate image is currently ruined.

Looking Ahead

Celebrity endorsements have always been somewhat risky for big businesses, but Adidas has learned from this crisis just how disastrous that risk can become. It's difficult to think of a worse case of celebrity terrorism in the apparel industry, which then turned into transgression with Adidas' implicit tolerance of such comments. A multitude of factors came together to make this issue a crisis that seriously damaged Adidas' reputation. Given the lackluster response from the company, there are several takeaways that Adidas can keep in mind for the rest of its celebrity endorsements.

Degree of Involvement Between Brand and Celebrity

Kanye West was more than a celebrity endorsement for Adidas products – he created them as well. His Yeezy product line contributed significantly to Adidas' revenue, meaning his termination was a reputational and financial hit. Intertwining the brand image with a personal image at such a high level is always difficult because the celebrity is probably not going to put the company as their first priority. In the future, Adidas should make sure it is only reaching that level of creative involvement with celebrities it has vetted carefully for risk of scandal.

Taking Celebrity History More Seriously

Since his entrance into stardom in the early 2000s, West has always been a mercurial persona and had only become more outspoken and controversial in the recent decade. There were many warning signs for Adidas that their biggest star was also their biggest risk, but by 2022 the company was too dependent on his success to make the difficult decision to terminate the partnership. Only something as extreme as “going death con 3 [sic] on JEWISH PEOPLE,” explicitly flaunted in the company’s face, was enough.

But given West's history of offensive remarks, the company should've predicted this increasingly worse trajectory and communicated with him about their concern. The Adidas deal was a significant portion of West's net worth and status as a billionaire, so the company could've used that as leverage when encouraging him to tone down his statements.

Response Time

The most damning part of Adidas' response was that it took nine days from West's explicit callout of the company to finally cut ties. As the days went on without an official response, the public's anger grew. More damaging was that the lack of Adidas' response allowed others to fill the information void with negative information about the company that further damaged its reputation, such as exposing its ties to Nazi Germany (source). In the future, Adidas must respond immediately and substantially to such massive threats to its reputation – otherwise, critics have more power to shape their corporate image.

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