## Adidas Pharrell Collection



### **Marketing Review**

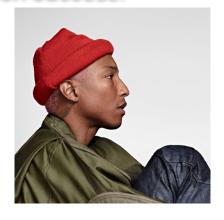
- Global Athletic Footwear Market will reach \$114.8 billion by 2022.
- Rise and popularity can be explained by:
  - Economic growth
  - Increasing number of people who are aware of health benefits
  - Engagement in sports activities
  - Ongoing trend to wear athletic footwear as casual and fashion products
- Global footwear market produces a great range of athletic shoes that vary in design, color, and price that satisfy the growing customers' needs and wants of different target groups.
- The companies that dominate the market are Adidas AG, Nike Inc., New Balance Athletics, Inc., and Skechers USA, Inc.

#### **Adidas**

- The company was founded by Adolf Dassler in a small town in Bayaria,
  Germany in 1924.
- The aim is to manufacture the best products which have the combination of both innovative technology and design for their consumers.
- A great variety of products, from footwear to apparel and accessories, comes in a great number of design, styles, and colors.
- Adidas uses both competitive pricing, for run on the mill products, and skimming pricing, for newly introduced products, uniquely designed or limited edition.
- Strategic partnerships with such designers and celebrities, like Stella McCartney, Pharrell Williams, Stan Smith help Adidas accelerate growth and increase their value.

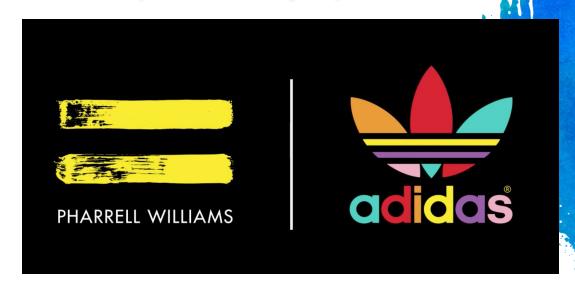
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- Pharrell Williams has had tremendous success in his previous collaborations with other brands (Billionaire boys club, Louis Vuitton, etc.) prior to collaborating with Adidas.
- Adidas inked Pharrell a deal in 2014 due to his originality beliefs and prior collaboration success.





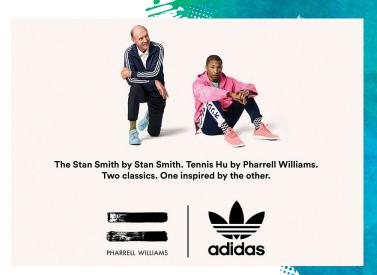
- Pharrell's first collaboration pack with adidas was not advertised on TV.
- Adidas did a 15 sec commercial about Pharrell's being signed.
- Everything sold out despite uncertainty of products in the collection.



× Apart from that TV commercial dedicated to Pharrell in 2014, no TV advertisements on future Pharrell Products.

 Social media, publicity and the Adidas website ad was the main way people knew about upcoming products.







#### Strengths:

- Pharrell Williams is a style icon who has done multiple collaborations in the past that were successful
- The hype for NMD Sneakers boosted the craze for Pharrell Williams' collaboration with Adidas NMD
- Lots of Human Race NMD sneakers sold out instantly upon release date and are re-selling well above their respective retail price

#### Weaknesses:

- Over-saturated in certain collaborations that lead to their decline in popularity
- Premium pricing in NMD and BYW line

#### Opportunities:

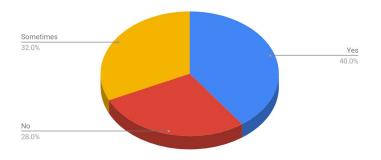
- Collaborating with other successful adidas original models
- Creating other premium exclusive shoes for Pharrell Williams to bring back hype

#### Threats:

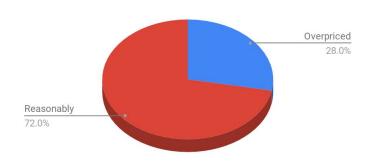
- Triple-A fakes and variants of Pharrell's most hyped shoes
- Other style icons that collaborate with Adidas competitors (Nike, Reebok, Puma, Under Armour etc.)

### Research Foundation

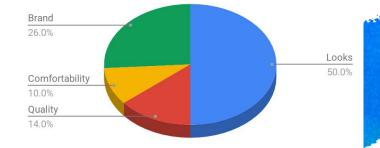
Do you like standing out in the crowd and being original?



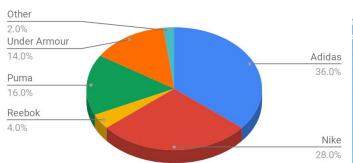
What do you think about Adidas footwear pricing?



What is the most important aspect of your footwear?



Which shoe brand do you see the best advertisement?



# Proposed Target Consumer

#### Ideal Target Consumer:

- × Young single individual between age 15-25
- × High school/College/Higher Education
- × May or may not be financially independent
- Annual Income around 50k or supported by parents/guardians
- Loyal to current trends/PharrellWilliams/Adidas
- Active lifestyle with casual styles that feel comfortable while fashionable



### Media Vehicles

Following Media Vehicles used.

- × Billboards
- × Television Commercials
- × Newspapers
- Celebrities used were Zendaya and Willow Smith
- × Magazines
- Social Media Media Platforms













2,444 posts

33.5M followers

171 following

Follow

adidas Originals 💝

Shopping & Retail

#### Live life in color

Adi Dassler Strasse 1, Herzogenaurach









Human Race

Creator Ca... #ComplexC... #NEVERMA...







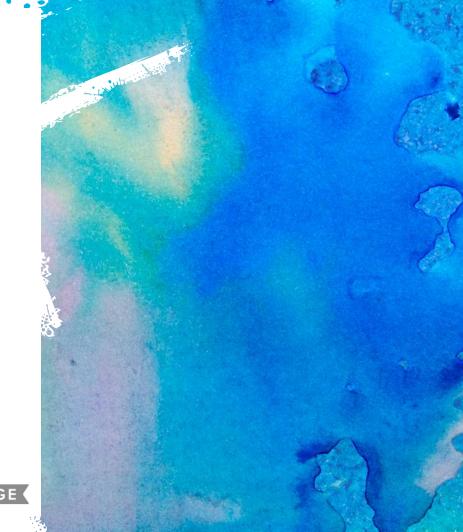


# Budget

Total Media	\$ 44,598,153
Production Cost	\$ 6,689,722
Total Expense	\$ 100,000,000







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