

**MEJO 531
Final Exam**

Adidas x Ye Collaborations Come to an End

Blanka Bathory

Part 1: Synopsis

Brand Background –

Adidas is a German manufacturer of athletic shoes, apparel and sporting goods. The founder was Adolf Dassler, who began making shoes after World War I. Adidas has grown into one of the largest athletic brands in the world, only slightly behind its largest competitor Nike.

In the earlier days of the brand, Adidas primarily grew in popularity for soccer. In the 80s it grew more popular as it was featured in movies such as Blade Runner, Police Academy, and even Rocky. Adidas even began to enter the hip-hop scene as it collaborated with Run-D.M.C., a famous hip-hop group (Paz, 2021). Beginning in the 2000s Adidas began to have more collaborations with famous designers such as Stella McCartney. This would open the doors for the brand to collaborate with many more prominent names (Paz, 2021).

In recent years, Adidas has truly solidified its prominence and has become the largest sportswear brand in Europe (Paz, 2021). Adidas now has huge collaborations with famous brands such as Prada, Gucci, Lego, Balenciaga, and more. It can be argued that the brand's presence in not only sports but pop culture and street style is largely thanks to its collaboration with Kanye West, now known as Ye, starting in 2016. The Yeezy collection that Ye created was hugely successful and is Adidas' most popular product. The Yeezy brand has made Adidas nearly \$2 billion a year and accounts for 10% of the brand's revenue (Reid, Golden, 2022).

Ye is a large name in the hip-hop and pop culture world. However, a lot of controversies have surrounded him. These controversies involving Ye have gradually escalated throughout his fame and have become more politicized.

Adidas CEO Kasper Rorsted had discussed in the past how the brand has been affected by Ye's actions. Rorsted stated, "Kanye brings different points of view out. We want creators to have freedom and sometimes have a different point of view, something people could react to in a positive or a negative sense. That is what Kanye brings to the table. If he brought a common position for everybody, I think people would not react the way they do." Rorsted also made it clear that although Adidas is supportive of West, they do not support every statement he makes (Johns, 2022).

Key Events –

- **2013** – Ye officially signs a deal with Adidas.
- **June 2016** – Adidas and Ye announced an extended partnership between Yeezy and Adidas. They called the partnership a, "Yeezy-branded entity creating footwear, apparel and accessories for all genders across street and sport," (Johns, 2022).
- **August 2022** – Ye begins to vent his frustrations with Adidas publicly.
- **September 1** – Ye posts a fake front-page newspaper headline saying that Kasper Rorsted, Adidas CEO, was dead on Instagram (Johns, 2022).
- **September 2022** – Ye posts a series of now-deleted Instagram posts that said Adidas copies his designs, does not give him enough creative control, etc. (Johns, 2022).
- **October 6** – Adidas placed its partnership with Ye under review after the rapper wore a "White Lives Matter" shirt at the Yeezy fashion show during Paris Fashion Week.
- **October 6** – Additionally, in an interview with Fox News's Tucker Carlson, Ye made a series of offensive statements about Jewish people and their identity. He also spoke about conspiracy theories regarding the Jewish community. These claims and statements were continued by Ye throughout October.

- **October 16** – Ye said on a podcast: “I can say anti-Semitic things, and Adidas can’t drop me. Now what?” (Reid, Golden, 2022).
- **October 21** – Balenciaga is the first brand to sever ties with Ye after his recent comments.
- **October 25** – Adidas officially ended its relationship with Ye.
- **October 25** – Hours after Adidas announced the end of its relationship with Ye, both Gap and Foot Locker said they would also remove all Yeezy products from their stores.

Event Summary –

After a six-year relationship and collaboration between Ye (Kanye West) and Adidas, things began to fall apart. Starting in August of 2022, Ye began to express frustration with Adidas online. He claimed that Adidas has picked colors and names, hired people to work for Yeezy, stole his colorways and styles, and hired a general manager all without his consent (Reslen, 2022). At the time, Adidas did not comment on these allegations.

Ye further agitated his relationship with Adidas in September beginning with a post of a fake news article saying that Adidas CEO, Kasper Rorsted, was dead. Later in the month, the rapper posted a series of now-deleted Instagram posts revoicing that Adidas had copied his designs and limited his creative freedom (Johns, 2022). Still, no comments were being made by Adidas.

Adidas finally spoke up on October 6 about its relationship with West after Paris Fashion Week. During the Yeezy show in Paris, Ye wore a “White Lives Matter” shirt and posed for photos for all to see. He added to the outrage by posting on Instagram saying, “Everyone knows that Black Lives Matter was a scam now it’s over you’re welcome,” (page 6, 2022). After the matter, the company released a statement concerning its relationship with Ye saying: “After repeated efforts to privately resolve the situation, we have taken the decision to place the partnership under review. We will continue to co-manage the current product during this period,” (Golden, 2022)

After Adidas made this announcement, Ye joined Fox News’ Tucker Carlson for an interview that same day. The interview was meant to discuss his decision to wear the “White Lives Matter” shirt was discussed. However, during the interview, Ye, “made a series of offensive and conspiratorial claims about Jewish people and Jewish identity,” (ADL, 2022). For the rest of October, Ye continued to make anti-Semitic, conspiratorial, and offensive comments about Jewish people and their community. He posted several of these on his social media accounts and voiced them throughout interviews.

For nearly the entire month of October, Adidas made no additional comments regarding Ye’s anti-Semitic and Jewish conspiratorial comments. Adidas’ silence was not taken well.

Employees began to complain online about the lack of information regarding the situation. One employee posted on her LinkedIn, “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,” (Reid, Golden, 2022). Adidas had not been updating employees on the status of the “review” between the company and Ye’s collaboration.

Externally, Adidas also remained silent. Even after an interview with Ye on October 16 where he stated: “I can say anti-Semitic things, and Adidas can’t drop me. Now what?” no statement was released (Reid, Golden, 2022). The public began to place pressure on Adidas to end relations permanently with the rapper. There was a Change.org petition that received 169,100 signatures. Even organizations such as the Anti-Defamation League, StopAntisemitism,

and the International Legal Forum supported Adidas ending relations with Ye (Reid, Golden, 2022). The hashtag #boycottadidas gained momentum online and people began to take the brand's silence as complicity. (Johns, 2022). At this point brands like Balenciaga, CAA, Vogue and more had already dropped Ye. Finally, on October 25, Adidas announced that it would be ending its partnership with Ye.

Adidas' statement read: "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," (Reid, Golden, 2022). Further, the brand stated it would end the production of any Yeezy-branded products and stop any payment to Ye and his companies.

Key Stakeholders/Publics Involved –

- Ye (formally Kanye West) – Adidas and Ye created one of the largest collaborations in the fashion industry together. Because of this, it was very important to maintain good relations with him. This relationship was a double-edged sword for Adidas. While Yeezy products brought in an immense amount of money for Adidas, Ye's actions also were tied to the brand. In this case, because Ye's actions were inexcusable Adidas had to let him go. Despite it being a difficult decision for Adidas, collaborations with celebrities come with risks that brands need to take into account and be prepared for various scenarios. It is also important for Adidas to be cautious and try to avoid any legal action by Ye and to carefully inspect their contract.
- Existing Consumers – The way Adidas consumers responded in this situation was impactful for the brand. Consumers are the most important publics for brands. It is important to listen to what consumers are saying about your products and your brand overall. Consumers were starting to get upset at Adidas' silence during October in regards to Ye. The hashtag #boycottadidas was started by consumers and online account users. It was important for Adidas to consider their feelings when deciding what action to take. If Adidas has chosen to keep working with Ye, many consumers would likely have stopped purchasing its products. This also could have scared off potential new customers.
- 3rd party groups– This group is referring to the activist organizations that protested Ye and Adidas. The Anti-Defamation League, StopAntisemitism, and the International Legal Forum all were organizations that supported Adidas ending its relations with Ye. Activist organizations can be influential and can reflect the publics' feelings toward a topic. Brands need to keep an eye on these organizations and other protests to stay informed on how people are feeling. Protests organized by these types of organizations can taint the image of a company, or if an organization supports a brand's actions it can help boost good PR.
- Adidas Employees – Employees are essential publics for a brand. Without employees, a brand cannot function. It is also important for employees to be happy with the company that they work for. Adidas employees should have been informed of the ongoing situation with Ye and been given the opportunity to express their feelings about it. Employees can spread rumors if correct information isn't passed down from higher-ups. Employees can also bad-mouth their company if they feel something the brand is doing is wrong. In this case, when Adidas employees remained uninformed about the Ye situation, some turned to social media platforms to voice their frustrations. This can have an impact on a brand's

public image. Therefore, it is important to remember that your employees are also important publics and transparency is crucial to them.

The Outcome of the Event –

The short-term impact of this decision is predicted to cost Adidas up to \$247 million in net income during the rest of 2022. It is also predicted that severing ties with Ye will cost Adidas around \$645 million in total between sales lost in 2022 and about \$400 million in lost revenue for 2023. (Saul, 2022). Adidas executives have acknowledged this predicted loss, but have stated they still stand by their decision.

Since the end of the relationship between Adidas and Ye, Adidas has announced that it plans to reintroduce Yeezy designs in 2023 under a new brand name. This is possible because Adidas is the sole owner of the design rights for all previous Yeezy products except for the Yeezy Slide (Margaritoff, 2022). Adidas CFO, Harm Ohlmeyer, said that the company is “working through all the options,” and that there would be more specifics at a later date in regards to rebranding Yeezy. This was in response to a question asking if consumers would approve of Adidas rebranding Yeezy. (Margaritoff, 2022).

Most recently, a news article has been released stating the employees had previously warned Adidas executives of the risks of partnering with Ye in 2018. At the time several mitigation strategies were presented to executives that included cutting ties with West. The executives had not ended relations with Ye in an attempt to maintain the lucrative \$2 billion-a-year deal (Capoot, 2022).

Part 2: Analysis

***Main point #1 – Brand Relationships**

It is important to consider your brand’s relationships and their nature with affiliated organizations/brands. A company should plan for how affiliates could react to a negative situation surrounding the brand. It is also crucial to know what your brand stands to lose if a relationship with another company goes south.

1a. Plan how an affiliated brand may react if your company does something negative.

By knowing this, a company can plan a course of action in the event a crisis affects a brand relationship. To do this, it is important to understand what types of relationships you have with other brands/organizations. Once the type of relationship is figured out, try to determine different ways these brands could react if your company were to do something bad. Based on the various reactions your team can think of, what are some courses of action that could be taken to mend or maintain these relationships? This may include having to weigh out options. For example: if we do this, company A will unaffiliate with us, but it may strengthen our relationship with company B.

The Komen Foundation was ill-prepared for how Planned Parenthood and other organizations would react when a new policy change took its funding away from the organization. Many people went to Facebook to show their anger toward Komen. Planned Parenthood also released a statement announcing its funding had been withdrawn by the new

policy. Senators and house representatives began withdrawing their support of Komen as well. Other organizations such as LiveStrong, another charitable cancer organization, started giving donations to Planned Parenthood. Planned Parenthood was successful in rallying many important figures and organizations together for help with donations and to speak out against Komen's decisions.

The Komen Foundation had not prepared for such severe backlash. It is likely the foundation did not realize how much Planned Parenthood would fight back and cause an uproar. This should have been something the foundation at least tried to prepare for. Statements released by Komen and the foundation were weak and unsuccessful tactics to try and quell the anger. When deciding to make such a drastic change in funding policy, especially with a politically controversial organization, responses to the media and public should have been much more prepared.

Adidas in this case had a lot of brand affiliations to consider. As a clothing and shoe brand, Adidas has various types of relationships. They have brand deals and resellers. The brand also has collaborations with big-name brands such as Balenciaga and Gucci.

Before dropping Ye, Adidas had a lot to consider. People were angry with Adidas for not dropping Ye for nearly 20 days. Since his fashion show and anti-Semitic comments, Ye has also become extremely unpopular amongst the general public. Considering these factors, Adidas was going to face heavy consequences for either keeping Ye as a partner or dropping him. Many other brands would likely have chosen to unaffiliate with Adidas if they kept Ye as a partner. Adidas also needed to consider how other celebrities, athletes and influencers would have reacted to them keeping Ye.

In this scenario, it was fairly easy to assume how other brands would react to Adidas keeping Ye and Yeezy products. Adidas' best course of action for maintaining good relations with a lot of its affiliated brands was to stop selling Yeezy products and to stop working with Ye.

1b. Prioritize affiliated brands that have more influence on your company.

Sometimes the end of a relationship with an affiliated brand is inevitable. However, by preparing for these circumstances, your company may be able to soften the blow. Strategizing a plan for what to do if a relationship ends, could involve possible press releases, media statements, a backup brand deal, etc.

A good rule of thumb would be to plan more for more important relationships. A small brand relationship that would not hurt your company badly requires less planning than say a relationship that brings in 10% of your annual revenue. The bigger the relationship, the more important it is for your company to know how to handle a situation where the relationship breaks down. The importance of a relationship can be measured by the amount of money it brings in, how much press it brings, or how much influence it has on target publics.

In 2011, when the Komen Foundation made policy changes that had Planned Parenthood removed from funding, the foundation was choosing priorities. Komen faced pressure from many conservative groups because of funding Planned Parenthood. For example, when they started to worry their funding was going toward abortions, many church-affiliated organizations stopped their fundraising effort. By changing its funding policy after this incident, the Komen Foundation revealed its priorities.

Removing funding from Planned Parenthood made the foundation inevitably seem like a conservative group. This turned away more liberal organizations and influential people. As more disapproval of Komen's decision grew, the foundation began to reevaluate its priorities. Based

on how much negative press the foundation was getting, it ultimately decided to reverse its policy change. The Komen Foundation resumed funding to Planned Parenthood to win back important support and donations. The foundation determined that Planned Parenthood and the influential figures who had spoken out against the policy change were more important to the organization than some conservative groups.

The relationship between Ye and Adidas was one of the largest brand deals ever. Yeezy brought in \$2 billion a year for Adidas. This partnership was the brand's most important one, and therefore Adidas should have prepared a lot of material in case it went south. Based on Adidas' reaction to Ye's outrageous commentary, it is likely they were not prepared as much as they should have been for a scenario like this. Although it would have been impossible for Adidas to predict what Ye could do, they should have had a plan for what to do if they needed to end relations with him.

Ending the relationship with Ye was a difficult decision for Adidas. Yeezy had a huge influence on making Adidas relevant in pop culture and was very lucrative for the brand. During October Adidas was likely trying to prioritize this relationship and find ways to maintain it. Ye has said controversial things in the past and things still worked out. However, the public felt this time was different. Although individually Adidas' other relationships were less significant and valuable than Yeezy, collectively they meant more. This reality meant that other relationships became more valuable than the one with Ye. It became Adidas' priority to maintain its relationship with other brands and sacrifice the relationship with Yeezy.

Main point #2 – Crisis Management

Put affected stakeholders before the company. If you focus too much on fixing your brand's image and controlling bad PR, it will make your brand look unauthentic and self-centered. Once a crisis has already happened the best thing for your company to do is be straightforward and vocal about the situation. Focusing on the people directly affected by an event will also show brand authenticity and accountability.

2a. During a crisis do not solely focus on fixing your brand's image.

Prioritize the publics who were directly affected by the event instead. While it is important to try and fix your brand's image during a crisis if that becomes your main focus your brand will seem selfish and ingenuine. Find out who has been affected by the situation the most; then make it your priority to address them first. People will be looking to see what action your brand takes. This means issuing an apology to the affected parties or partnering with organizations that help any affected demographics. After the most affected publics is addressed, your brand should then focus on apologizing to the general public.

In 2010 the Deepwater Horizon BP oil spill occurred. BP made several mistakes in handling the crisis, and one of them was focusing heavily on protecting its brand image instead of taking accountability and focusing on the community affected. Right from the start, BP pushed the blame onto Transocean, the rig owner. BP required cleanup workers and people affected by the spill to sign waivers to reduce BP's liability and confidentiality agreements. Many people accused BP of trying to protect its finances while many Americans were suffering from the spill along with the environment.

Eventually, BP was essentially required by the government to take responsibility and put in large efforts to restore the environment and communities affected. Throughout the incident, BP was continuously working on saving its image and executives came across as money driven

and insensitive to those affected. It was only later that BP worked to help the people directly affected by the oil spill and issued more genuine apologies to them. Caring about saving face and saving money in this circumstance was horrible PR for BP that it caused itself.

Adidas did some things well in terms of this principle and did other things poorly. Adidas did a poor job of directly addressing people affected by this incident. Ye, a person strongly affiliated with Adidas, made outrageous and horrible comments about Jewish people and the community. Although Adidas was not the one making these comments, it was someone affiliated with the brand. It took Adidas almost 20 days to end the relationship. Adidas should have directly addressed the Jewish community with an apology for affiliating with someone like Ye and made a statement that Adidas stands by the Jewish community. Another thing Adidas could have done is work with the organizations that had stood against Ye's comments and had encouraged Adidas to end relations with him. This included The Anti-Defamation League, StopAntisemitism, and the International Legal Forum. Once Adidas had apologized to the Jewish community, an apology to the rest of the public could have been issued.

One thing Adidas did well was ending its relationship with Ye. This decision may seem like it was the only one Adidas could have made, but that isn't necessarily the case. By dropping Ye and all Yeezy products, Adidas stands to lose hundreds of millions of dollars. The brand forfeited its most profitable relationship which has already begun to hurt its stock prices and estimated net income for both 2022 and 2023. However, the decision to drop Ye put the public before stakeholders, investors, money, and partially the brand itself.

2b. Have all of your internal ducks in a row.

During a crisis, your company needs to be as internally sound as possible. Your brand will not be able to present its best if its inner workings of it are in disarray. While working on an external PR strategy, simultaneously work on an internal one. Communicate with your employees. Inform them of the unraveling situation, apologize for mistakes made, and set up a space for them to ask questions or report things. It is important for your employees to feel heard. If your internal publics is not on the same page during a crisis, it could lead to internal dissent which could ruin your external image further.

When it was discovered that Wells Fargo had been creating fraudulent accounts and other types of fraud, it was also revealed that their internal communication was horrible. Wells Fargo set quotas and incentive programs for employees to cross-sell. This led to a widespread problem of making fake accounts, credit cards and more for customers. The problem had been made to appear as much smaller a problem than it was to the board of directors.

Executives and the board were massively underprepared for this large of a crisis. Internally there was little communication with them about how severe this problem was and that employees had been working under such stress. The board and executives seemed clueless and ended up shifting the blame onto the low-level employees. This created internal strife and anger within the company. Communication throughout the crisis was not improved either. No Q&As were set up, nor were apologies issued to employees who had been under stress for so long.

When a new CEO took place, Wells Fargo performed a new investigation and audit. Wells Fargo began making policy changes such as centralizing the risk and HR resource management systems and eliminating the sales quotas. These changes helped to open lines of communication within the company. Policy changes could have been implemented sooner, and even if the crisis had still unraveled it would have been less severe. Wells Fargo had to fix not

only its external image, but it drastically had to change its internal communication making crisis management twice as difficult.

Adidas did a poor job with its internal communication during this incident. Between October 6 and October 25, Adidas was silent to the public and its employees. One employee even posted on her LinkedIn that Adidas had internally remained silent for two weeks since Ye's comments. Employees at Adidas had no idea what executives were discussing or trying to decide. With employees posting about their frustrations and revealing they had no idea what was happening, it made Adidas seem unorganized and not united.

Additionally, by not communicating with employees throughout the company, the higher-ups had no idea how the employees felt about the situation. That could have been valuable information. For example, since deciding to let go of Ye as a partner, employees have come out with stories about Ye's inappropriate office behavior. Had Adidas opened up internal communication, this information would have been revealed sooner, making it an easier decision to let Ye go.

***Main point #3** – Be cautious about working with celebrities and influencers. Their actions can reflect poorly or well on your brand. Therefore, you need to understand the risks of affiliating your brand with someone famous. If your brand chooses to collaborate with a celebrity or influence, plan for any damage control you may encounter. This also includes planning for a scenario if the collaboration falls apart and your brand needs to disassociate from that person.

3a. Understand the risks and benefits of affiliating with a controversial celebrity.

Working with a celebrity can be extremely lucrative for your brand. If a celebrity happens to always be in the headlines and is currently trending, it is likely your brand will make even more money. However, these types of celebrities come with more risks. Weighing the pros and cons of a celebrity collaboration will help your company decide whether the benefits are worth the risks. Possible risks to consider are negative affiliation towards your brand and negative attention instead of positive. This can be caused by political involvement, drugs and alcohol use, history of controversial statements or actions, etc. by collaborators. Benefits could be increased attention for your company, higher brand recognition, reaching a target public, and positive affiliation towards your brand. All of this research can be done by looking at celebrities' social media accounts, their interactions with other celebrities or their fans, other projects they are working on, what people are saying about them, etc.

In early 2022, Kourtney Kardashian was married to Travis Barker in a Dolce & Gabbana wedding. The Kardashian and Jenner families signed a contract with Dolce & Gabbana who then sponsored the entire wedding in Italy. The entire family wore the designer and posted several images wearing Dolce & Gabbana on their social media. The risks in this agreement are two-sided.

Dolce & Gabbana chose to affiliate their brand with the Kardashians. Some of the benefits of this are their enormous social media followings, tons of media coverage and attention, and reaching a young audience who keep up with the Kardashians. Dolce & Gabbana has had a hard time competing with other luxury brands that have become very popular amongst influencers and on social media. The designers assumed working with the Kardashians was worth any risk of them doing something or saying something bad.

The Kardashians took on more risk for partnering with Dolce & Gabbana. Although the pay was probably astronomical, the fashion house has not had the best track record. Dolce &

Gabbana has personally insulted the Kardashian family on social media before and made racist comments and other offensive things. If Dolce & Gabbana were to do something similar again, the Kardashians may take some of the heat for affiliating with them.

Adidas officiated a deal with Ye back in 2016 to sell Yeezy products. Ye was an extremely popular artist and was relevant within pop culture. This added the benefit of large media attention that could be brought to Adidas. He is also a talented creative who has good ideas and was behind the “genius” of Yeezy. At the time Adidas was falling off in relevance outside of the sports arena. Partnering with Ye was a tempting deal to get Adidas back into pop culture and streetwear.

On the other hand, there were high risks associated with Ye as well. He tended to make controversial statements, sometimes act irrationally, and tended to support extreme political ideas. Both sides needed to be considered.

Even after the deal had been struck, concerns about the relationship between Adidas and Ye were brought up by employees. In 2018, more risks of associating with Ye presented themselves. He was acting more volatile, making more outrageous comments, and had politically affiliated with Donald Trump. These heightened risks were brought to the attention of Adidas executives who chose to ignore them because of how high the benefits had been thus far financially. Eventually, in 2022, the risks of associating with Ye became greater than the benefits. This gave Adidas the reason it needed to disassociate from Ye and the Yeezy brand.

3b. Have a plan for damage control if a celebrity you are working with does something bad.

If your brand chooses to collaborate with a celebrity, it means your brand has also taken on the risks of working with that celebrity. Any negative attention around them may turn towards your company. First, try to plan for damage control surrounding things your celebrity has a history of doing. If they tend to make outrageous political comments, what is your company’s reactionary plan? Next, try to plan for things they would be likely to do. Lastly, it is beneficial to plan for a scenario that is so bad your company would potentially end its collaboration with that celebrity. Having statements ready, tweets, Instagram posts, etc. will serve your brand well in the long run. Plan out what you would say to a celebrity in various scenarios to ease tensions and attempt to maintain a collaboration or end it.

In 2017, NFL quarterback Cam Newton was dropped by his sponsor Dannon for making sexist comments to a female reporter. Dannon quickly dropped Newton as a sponsor, removing all advertising campaigns featuring the quarterback. The company also issued a statement declaring Newton’s comments as, “sexist and disparaging to all women. It’s simply not OK to belittle anyone based on gender. We have shared our concerns with Cam and will no longer work with him,” (The Guardian, 2017).

Dannon’s quick response shows its preparedness for a situation like this. Planning likely helped Dannon make a swift decision to end its relations with Newton to disassociate from him. The damage to the brand was practically non-existent because of its actions. Had Dannon not been prepared, it may have taken longer to release a statement, giving the public more time to criticize the brand.

Adidas should have been constantly prepared for any situation Ye would get himself into next. Ye is a celebrity who was known more and more to make outrageous comments, act irrationally, and make controversial political statements. Adidas had taken heat for these things in the past, but this most recent occurrence in October was too far.

Previously, Adidas had a weak strategy of pushing things off that Ye had said or done. The brand was not prepared, however, for a scenario this extreme. It at least translates that way to the public because of Adidas' 19-day period of silence.

Executives had blown off the warning signs, and it left them with no crisis plan. Adidas scrambled to release a statement almost 3 weeks after Ye's initial comments. There is still confusion over copyrights for designs, contract terms, and what Adidas is officially going to do now that the Yeezy deal is off. With even slight preparation for a scenario where the partnership would be called off, Adidas would have ended out in a much better place. It should serve as a future lesson to have more plans in place with other partners.

Main point #4 – Keep your publics informed.

Keeping your publics informed and updated on what is happening within your organization is an important PR principle. This rule especially applies during a crisis. When you are updating your public on a crisis, information should be relayed truthfully, frequently and in a straightforward manner.

4a. Update your publics as much as possible. Silence is rarely good.

When something is happening to your company, you should update your publics often. This is especially true during a crisis. Without any news from your brand, the public tends to assume the worst about a situation and grow angry. This can cause misinformation to spread. Silence also tends to make people think that your company is guilty of something. Updating your public helps a company gain better control of a situation and the spread of information.

One of the best examples of updating your publics is KFC in 2018. When KFC had a chicken outage in nearly two-thirds of its stores, its teams responded to the crisis within 48 hours. They immediately addressed the problem and notified the public that they were working on solving the problem. Two days after the outages started, KFC sent out more information to update the public. This included a link to their website that contained more information about the situation and was constantly updated with new information.

KFC was constantly updating re-opened stores on its website, issuing more updates to its social media followers, and posting Q&As to create a constant stream of information. Continual updates remained until all of KFC's stores were back open and the chicken supply had been fully restored.

By continuously updating the public KFC was able to maintain control of the information surrounding the chicken shortage, and did a fairly good job of keeping people from becoming angry at the company. It showed that KFC cared about what was happening and that it cared about fixing the problem.

Adidas on the other hand did an extremely poor job of updating its publics. Truly only two statements were released by Adidas during this entire crisis. One was the release that Adidas would be putting its relationship with Ye under review, and the other was 19 days later with the announcement that their collaboration had ended.

While Ye was making continuous anti-Semitic comments, Adidas said nothing. This allowed the public to grow angry with the brand and made people speculate that Adidas was not working towards a solution nor was planning to drop Ye. Adidas had lost control of what was being said on social media. Because of Adidas' silence, the hashtag #boycottadidas started trending. The brand got a lot of negative attention for being silent and not giving public updates.

A lot of anger and trouble probably could have been saved had Adidas updated the public more frequently through the month of October.

4b. Vagueness is not appreciated. Be straightforward and honest.

Similarly, vagueness and deceit can make a company lose control of a situation quickly. If your company is vague about a current situation, it leaves your company vulnerable to speculation. Any statement released by your company should be easy to understand. This leaves no space for the public to truly wonder what is happening within your organization. Delivering a solid message to your audience shows that your brand is on top of a situation and that you are taking responsibility. Therefore, when communicating with your publics, be straightforward, tell *all* of the facts, and show that your brand is doing what it can to take accountability and action to fix any problems.

In 2009, Harrington High School had a scandal when it was discovered that school-issued laptops had been taking unauthorized photos from students' laptops. The school's initial response had been relatively vague compared to the reality of the situation. The statement initially did not reveal how many times the photo-taking feature had been enabled, only for what purposes it had been used. However, this statement was not satisfactory for the parents. There was speculation that the feature had been used on many of the students, that administrators had been looking at the photos, and that administrators were able to access the feature anytime.

A second statement became more specific and stated that the feature had only been activated 50 times. It featured a Q&A to put parents at ease and the school attempted to answer as many questions while their investigation unfolded. The more specific the school became, the more control it had over the situation and keeping misinformation from spreading.

However, the school quickly lost control when the investigation revealed that at least 56,000 images had been taken and the feature had been activated 177 times versus 50. The school released a "wishy-washy" statement that made excuses about the new results. Speculation continued to circle and trust in the school was lost. It was only until a full court report was released that all the information was presented straightforwardly and honestly. The school's vagueness and estimates ruined its trust with parents and students and created mass speculation and anger.

Adidas' statement saying it would be putting its relationship with Ye under review was vague. After Ye had gone out and worn a "White Lives Matter" shirt and made anti-Semitic remarks, there should have been more to say. Since there were no updates given to the public for more than two weeks, that statement did not suffice. The brand kept everyone in the dark about their decision process, and it left people to assume all sorts of things. Some believed that Ye would just get a slap on the wrist and the partnership would continue, some even thought there would be no consequences at all. Angry tweets started surfacing because people were left to speculate on their own.

However, when Adidas finally announced the end of its partnership with Ye, it was a very clear statement. Adidas addressed the status of its relationship with Ye, addressed the issue of the anti-Semitic comments and how the brand felt about them, and made it clear that Yeezy products would no longer be sold.

Citations:

- Anti-Defamation League. "Unpacking Kanye West's Antisemitic Remarks." *ADL*, 31 Oct. 2022, <https://www.adl.org/resources/blog/unpacking-kanye-wests-antisemitic-remarks>.
- "Cam Newton Dropped by Sponsor over Sexist Remark to Female Reporter." *The Guardian*, Guardian News and Media, 5 Oct. 2017, <https://www.theguardian.com/sport/2017/oct/05/cam-newton-loses-endorsement-dannon-sexist>.
- Capoot, Ashley. "Adidas Employees Raised Concerns about Ye's Conduct for Years, Report Says." *CNBC*, CNBC, 28 Nov. 2022, <https://www.cnbc.com/2022/11/27/adidas-employees-raised-concerns-about-yes-conduct-for-years-report-says.html>.
- Golden, Jessica, and Jenni Reid. "Adidas Terminates Ye Partnership, Gap Removes Yeezy Items over Rapper's Antisemitic Remarks." *CNBC*, CNBC, 26 Oct. 2022, <https://www.cnbc.com/2022/10/25/adidas-terminates-partnership-with-ye-following-rappers-antisemitic-remarks.html>.
- Golden, Jessica. "Adidas Says Its Relationship with Kanye West Is Under Review." *CNBC*, CNBC, 7 Oct. 2022, <https://www.cnbc.com/2022/10/06/adidas-says-its-relationship-with-kanye-west-is-under-review.html>.
- Johns, Nikara. "The Rise and Fall of Kanye West at Adidas: A Timeline of the Tumultuous Relationship." *Footwear News*, Footwear News, 25 Oct. 2022, <https://footwearnews.com/2022/business/power-players/kanye-west-adidas-timeline-history-1203361157/>.
- Margaritoff, Marco. "Adidas to Keep Selling Yeezy Designs after Dropping Kanye West." *HuffPost*, HuffPost, 10 Nov. 2022, https://www.huffpost.com/entry/adidas-yeezys-new-name_n_636cda0ee4b03438614065cf.
- Paz, Raphael. "The History of Adidas: Moments That Made the Brand." *The Sole Supplier*, The Sole Supplier, 31 May 2022, <https://thesolesupplier.co.uk/news/the-history-of-adidas/>.
- Reslen, Eileen. "Kanye West's Adidas Deal 'under Review' amid 'White Lives Matter' Shirt Scandal." *Page Six*, Page Six, 7 Oct. 2022, <https://pagesix.com/2022/10/06/kanyes-adidas-deal-under-review-amid-white-lives-matter-flap/>.
- Saul, Derek. "Adidas Stands to Lose \$650 Million after Dropping Kanye's Yeezy Line-'Right Decision,' Analyst Says." *Forbes*, Forbes Magazine, 26 Oct. 2022, <https://www.forbes.com/sites/dereksaul/2022/10/25/adidas-stock-drops-6-as-company-takes-247-million-loss-on-kanye/?sh=26854d174768>.