



**How Adidas Launched its NFT
Collection Generating \$23M in
Just One Day**

UK Entry Point Consumers

Key Takeaways

In December 2021, Adidas Originals launched its NFT collection which sold out in seconds, generating \$23M in sales in one day:

- **Strategic Partnerships:** Adidas collaborated with well-known pioneers in the NFT space such as Bored Apes and PUNK Comics, and partnered with Gmoney for strategic guidance.
- **Phased out Approach:** Venturing into a new space, Adidas decided to remain agile and leveraged a phased approach. During Phase I, fans could buy NFTs and claim exclusive merch. In May 2022, Adidas announced that now they are in Phase II but hasn't shared any specific details about this stage just yet.
- **Community-Powered Growth:** By collaborating with the Bored Apes Club and PUNK Comics, Adidas was able to tap into their audiences. The brand started its official Discord channel to communicate with its tech-forward fans.
- **Digital + Physical:** To amplify the sense of exclusivity, Adidas launched a limited merchandise collection available only to NFT owners. This way the brand also helps its fans to own physical memorabilia of belonging to this community.
- **Sustainability:** On a strategic level, Adidas sees untapped potential for entering into the digital assets domains. The brand also considers that to be a part of its sustainability agenda.



In December 2021, Adidas launched its first NFT collection on [opensea](https://opensea.io). The brand collaborated with famous creators in the NTF space to produce its digital collection such as Gmoney, Bored Ape Yacht Club, and PUNKS Comic.

Adidas started with 30,000 NFTs available for sale, which sold out in seconds.

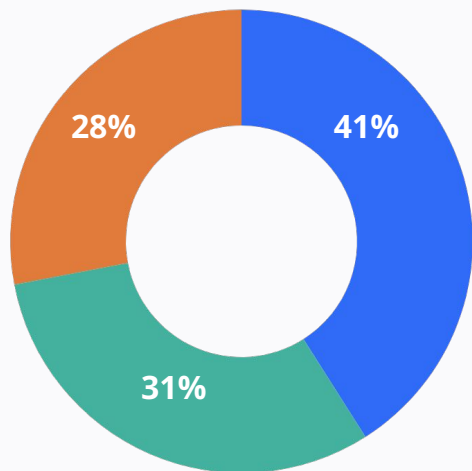
Just in one day Adidas made \$23M on the sale of its digital assets, and in the following months, this amount grew to 44.2K ETH (~\$81M). For comparison, Nike has made ~\$10M in two months.

This case study analyzes the lessons from Adidas's successful NFT collection launch.

[Source](#)

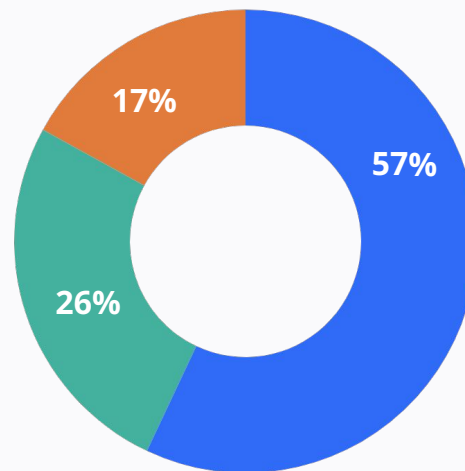
Gen Zs who are interested and aware of the digital assets space consider NFTs a good investment. However, those who aren't interested in buying NFTs say the major hurdle is the fact that they don't understand how they work. Brands that are willing to take on education leadership will have an opportunity to build loyal young audiences.

Gen Zers who *are* interested — Reasons why:



- NFT's are a good investment
- It's a hobby of mine to collect
- I'd like to own a moment that's special for me

Gen Zers who *are not* interested — Reasons why:

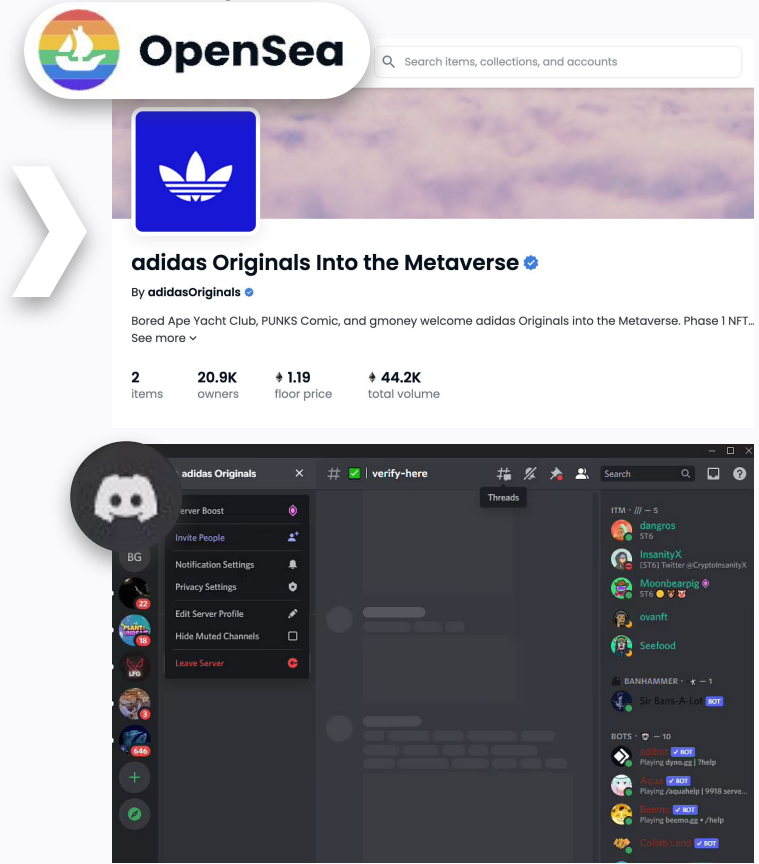
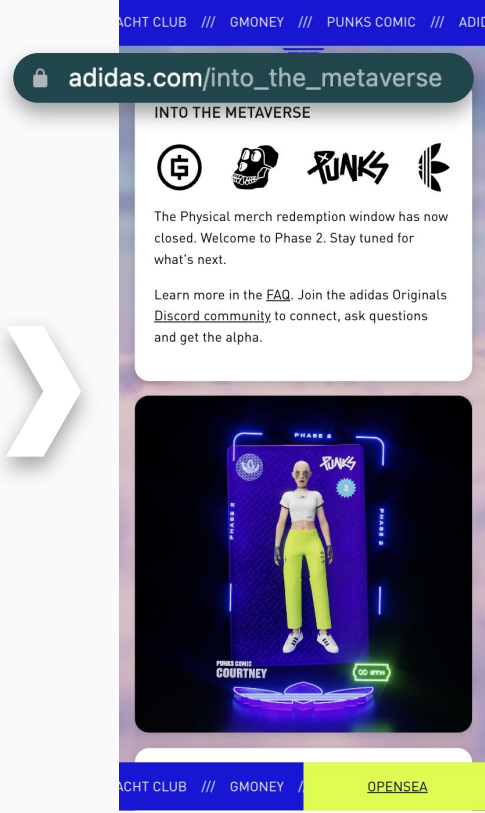
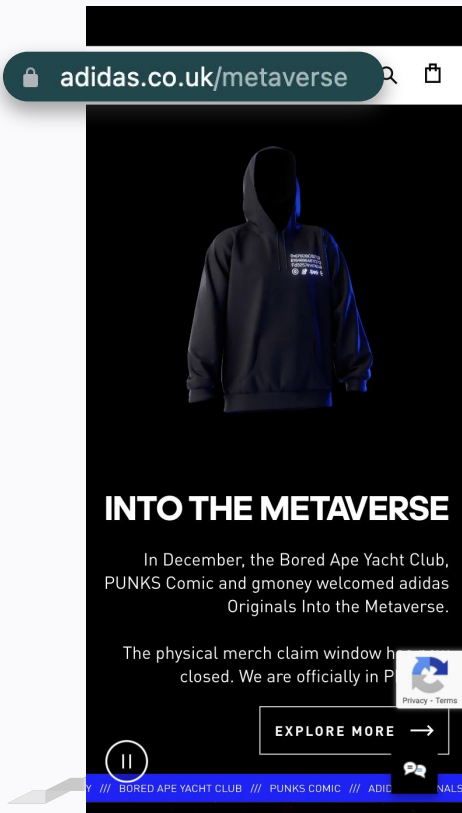


- I don't understand NFTs
- NFTs are too expensive or a waste of money
- Other

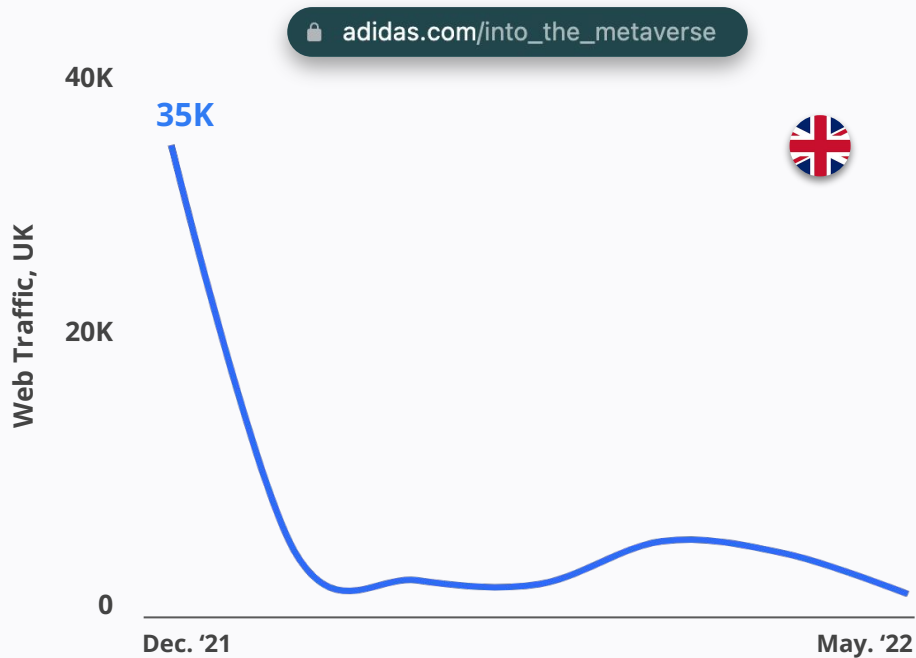
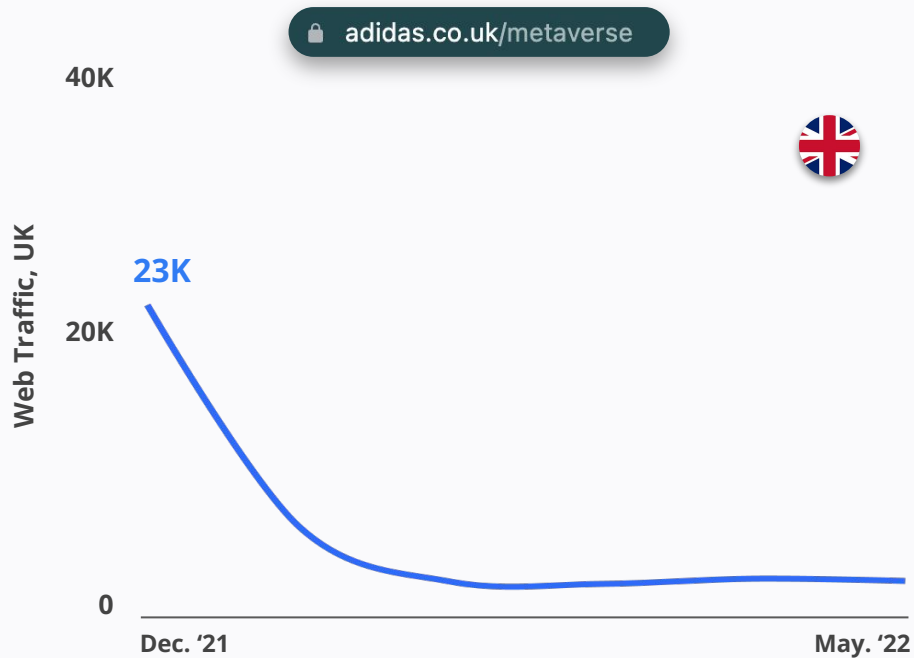
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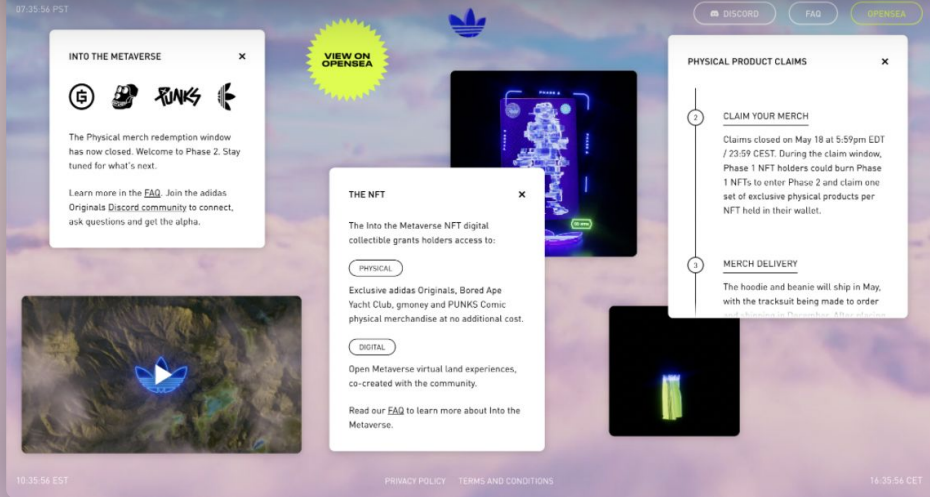
Adidas has localized pages to introduce its [Metaverse](#) project to its audiences that redirect traffic to a global page called “[Into the Metaverse](#)” (available only in English). The brand trades its NFTs through Opensea and moderates the community on Discord.



Both web pages (local and global) saw traffic spikes in December 2022, when the NFT collection was launched. Since then the traffic has declined to ~2K monthly visits. This is explained by the fact that the brand sold all its inventory in just one day and announced the closure of Phase I of the project in May. It's likely that the websites will see more visits once the details of Phase II are announced.



adidas.com/into_the_metaverse



“We want to figure out what would be the dopest thing to do in that space and start involving the communities we’re activating through this [NFT] in how we should manifest in the virtual world.”

Tareq Nazlawy, Adidas’ Senior Director of Digital Growth

Source

1

Phased approach strategy

While Adidas sees a lot of untapped potential in entering the NFT space, the brand took a phased-out approach when venturing into the new domain.

Phase 1

During the first phase, fans could purchase Adidas Original NFTs and claim exclusive physical merch. The first phase lasted for six months from the collection launch (Dec 17th, 2021) until May 18, 2022.

Phase 2

Currently, Adidas is in Stage 2 of the “Into the Metaverse” project. As of June 8th, the brand hasn't yet revealed what Phase 2 will entail.

Such an experimental approach allows Adidas to learn from each step it takes in the new direction, improve and remain agile in such a fast-paced and unpredictable environment.

I don't like everything going digital

... if I buy something like memorabilia I want to be able to hold it and show people.

Source

2

Compliment digital with physical

While Gen Zs are quick adopters of all things digitals, many still cherish physical objects. One of the surveys that studied Gen Z's attitude toward digital assets uncovered a lot of positive sentiment towards physical assets.

Gen Zs explain their unwillingness to invest in NFTs is due to the lack of a physical element to the purchase.

To counter this, Adidas supported its NTF launch with exclusive merchandise — everyone who bought a token could claim a piece of Adidas Originals swag.

3

Sense of exclusivity

A sense of belonging to an exclusive club has been an integral part of the NTF world. Adidas leverages this aspect by making its unique merch available only to the NFT token holders. The brand also hints that more exclusive digital and physical products and experiences will be available to its NFT holders.

The collection included a tracksuit, a hoodie with a blockchain address on it, and an orange beanie. To produce unique merchandise, the brand collaborated with Bored Ape Yacht Club, Punks Comics, and GMoney.





Want to join the community? Head to the official adidas Discord to learn more about Into the Metaverse, get help with customer service, and share top tips.

JOIN THE DISCORD →



You've been invited to join

 **adidas Originals**

 11,966 Online  59,160 Members

Accept Invite

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Community-powered growth

Adidas took an approach to community-powered growth. On January 20, 2022, the brand launched its official [Discord](#) channel, which grew to 59K members by June 2022.

To continue building up the sense of exclusive community, Adidas made its Discord account a closed community.

Adidas has intentions to further build out and invest in this community and it clearly states that it will learn and evolve as the community grows:

“The intent is this thing, this NFT, you belong to a community, and we continue to add value to that over time, and it’s gonna also evolve with what we’re learning about the community and how they’re changing and evolving.” (Erika Wykes-Sneyd, VP of Marketing)



Created by [adidasOriginals](#)

Into the Metaverse is a collaborative NFT project between adidas Originals and NFT pioneers [gmoney](#), [Bored Ape Yacht Club](#) and [PUNKS Comic](#). An NFT co-created with the OG communities, creators and doers. The Phase 1 NFT was the first step of the Into the Metaverse. Phase 1 physical product claims have now closed. The Phase 1 token no longer grants the ability to claim collaborative physical merchandise.

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Collab with the-best-in-class

Entering into uncharted territory, Adidas collaborated with the most prominent players in the domain to effectively tap into their audiences.

Adidas partnered with the following pioneers of the NTF space:

[Bored Ape Yacht Club](#) — 593.7K ETH (~\$1B), as of 06/08/22

[PUNKS Comic](#) — 22.4K ETH (\$41M), as of 06/08/22

[Gmoney](#) — NFT enthusiast who consulted Adidas into the most effective ways to enter the space.

Gen Zer's who don't invest in NFTs — reasons why ([source](#)):

57% – I don't understand NFTs

FAQ

What is an NFT?

What is cryptocurrency?

What blockchain are these NFTs minted on?

Why ETH?

What is a "digital wallet"?

What is Gas/Gwei or minting fees?

How do I purchase ETH (Ethereum)?

What is an NFT marketplace?

[Link](#)

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Explain. Explain. Explain

Adidas realized it was breaking into a new space, and while its NFT collection can uplift brand attributes such as "innovative" and "tech-forward", there are many consumers who don't understand how NFTs work, and what value they hold and why one would invest in them.

In fact, 57% of Gen Zs don't invest in NFTs because they don't understand them.

Adidas put a lot of attention into building out an extensive [FAQ section](#) on its "Into the Metaverse" page. The brand also moderates community discussion in Discord and aims to answer questions, guide discussion and provide educational leadership to its community.

With sustainability in mind

Adidas is currently experimenting with NFTs and the Metaverse and trying to tap into the young and tech-forward community. At the same time, the brand realizes that this game could also become a pillar of its sustainability strategy.

While this notion is not currently a part of Adidas's public story, the brand sees the metaverse sphere as an opportunity for sustainability-minded growth in the medium and long term.

OPPORTUNITIES RELATED TO CONSUMER DEMAND AND PRODUCT OFFERING

Well-executed campaigns and marketing initiatives could increase brand desire and consumer appeal, which may drive full-price sell-through and result in higher-than-expected sales and profit. In addition, outstanding competitive performance of promotion partners such as individual athletes, club teams, or national teams may further increase their popularity among consumers. As a result, adidas may generate higher sales of signature footwear or licensed apparel and accessories. We believe that our continued focus on product innovation and the ability to fully commercialize such innovation through an attractive product offering that resonates with consumers could provide further upside potential both in terms of sales and profit. In that respect, we see untapped potential particularly in sport-inspired apparel, in our women's and basketball business, and in the [metaverse](#) sphere. Furthermore, we are convinced that a continued focus on sustainability represents an opportunity for the company, in particular in the medium to long term. Consumers are increasingly looking for products composed of more sustainable materials and manufactured in an innovative and yet socially and environmentally responsible way. → [SEE SUSTAINABILITY](#)

