

ADIDAS AND ITS UNCOMFORTABLY LONG SILENCE TO YE'S RACIST REMARKS

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OVERVIEW

Ye, also known as Kanye West, has been on a downward spiral for quite some time. But just recently, he took it to a deeper, much more offensive level when he spread lies about the death of George Floyd and made several antisemitic remarks publicly (Pahwa, 2022). With this severe turn, agencies and brands began dropping Ye as a client, but there was one company that dug in their heels: Adidas. Though the brand did announce it was reviewing the terms with Yeezy, it did not touch on his actual behavior and even went as far as saying,

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"The Adidas Yeezy partnership is one of the most successful collaborations in our industry's history. We are proud of our team that has worked tirelessly throughout our collaboration with Ye and the iconic products that were born from it" (Jones, 2022).

In this report, we will explore the details of this situation, the public scrutiny that followed, how the company responded, the evidence of crisis preparation, what worked and what didn't, the evidence of short- and long-term impact, and what we can learn from this as a future professional communicator and as a consumer.



WHAT HAPPENED?

In early October 2022, Ye had various public appearances and interviews where he made horrific, antisemitic comments and conspiracy theories, and criticized the Black Lives Matter movement. The first occurred on October 3 when he donned a shirt with "White Lives Matter" on the front (Dellato and Porterfield, 2023).

On October 6, Ye complained about his contract with Adidas spewing profanity on his Instagram. This is also when Adidas put his contract under review. On this same day, he appeared on an Fox interview where he said, Lizzo is "genocide of the Black race" (Dellato and Porterfield, 2023).

On October 10, he published a documentary to YouTube showing him harassing and insulting Adidas' employees and showing them porn on his phone (Dellato and Porterfield, 2023). Over the following days, though his comments seemed to get worse, and other brands and organizations responded by reprimanding him and dropping him as a client, Adidas remained quiet. Ye even went as far as to make a claim that George Floyd died because of fentanyl and not because the former officer knelt on his neck for nine minutes on October 15 on a since-deleted episode of Drink Champs (Dellato and Porterfield, 2023). He also uttered the comment, "I like Hitler [and] I love Jewish people, but I also love Nazis" (Paybarah, 2022).

On October 25, 20 days after it put things on hold, Adidas finally issued a press release that it was terminating its contract with Ye effective immediately. In four, short paragraphs Adidas denounced Ye's behavior and said it violated "the company's values of diversity and inclusion, mutual, and fairness" (Adidas, 2022). The brand didn't, however, release an apology.



ADIDAS' FIRST COMMENT DURING THIS CRISIS

It's the response of Adidas, its initial reactions, the comments that were made, the time that was taken before ultimately the proper decision was made that we're discussing in this report.

As Ye began to make progressively more inappropriate comments and drag Adidas' name through the mud, the brand spent 20 days reviewing the long running, lucrative relationship with the artist and the Yeezy brand, and only had the following to say on Oct 6 when they initially put the contract under review:



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HOW DID PEOPLE RESPOND?

Simply put, members of the public were outraged, anger that was further fueled when a antisemitic hate group hung a banner reading "Kanye is right about the Jews" over a freeway in LA (Sung, 2022). Adidas was also trending on Monday, October 22 given their silence amidst Ye saying, "I can say antisemitic things and Adidas can't drop me" (Jones, 2022). Celebrities even got involved spreading anti-adidas/anti-Ye messages to their massive audiences. Actor Josh Charles, for example, shared, "Morning @adidas, this isn't all that hard or complicated and your continued silence speaks volumes" (see picture below) (Charles, 2022).



Morning @adidas, this isn't all that hard or complicated and your continued silence speaks volumes.



7:27 AM · Oct 23, 2022

Alexander Vindman Tweeted, "This dude Kanye is a clown. @adidas what do you think about this? He seems to be implying you're okay with antisemitism (see pictured below) (Vindman, 2022).



An Instagram account with 1.3 million followers, mattxiv, posted a powerful carousal with a simple caption, "@adidas?" (Bernstein, 2022). Bernstein's post went beyond calling Adidas and Ye out, it explored the possible implications of this powerful celebrity spewing such hatred. "You might not take him seriously, but other people, especially those who are already engaging with antisemitism and white supremacy, love turning a celebrity into a mascot" (Bernstein, 2022).



To the announcement that the contract was up for review, Ye, unshockingly, took to his social profile and uttered profanity saying, "I AM ADIDAS" (Mellow, 2022).

EVIDENCE OF CRISIS PREPARATION

When referencing the crisis communication plan checklist, before a crisis happens, an organization needs to determine who will speak with the media, what the chain of command for communication is, how the communication will be handled, identify key audiences, designate a spokesperson, and anticipate the difficult questions (CDC, 2014). Then, during a crisis, organizations must be right, be first, be credible, express empathy, take prompt action, and show respect (CDC, 2014). Regardless of what occurred internally, Adidas didn't appear to have a spokesperson ready and didn't seem like the brand was ready for the difficult questions given the silence. Adidas wasn't first, it didn't express empathy, it didn't take prompt action, and it didn't show respect. I also want to highlight one of the seven deadly sins as outlined in PRNews "The Crisis Plan", "Detachment, lacking empathy or failing to express empathy toward a community's outrage" (PRNews, 2015) is one of the worst things a company can do in a crisis. Even with the eventual dismissal of Ye and the press release, Adidas never actually took accountability or apologized for the delay.

WHAT WAS EFFECTIVE?

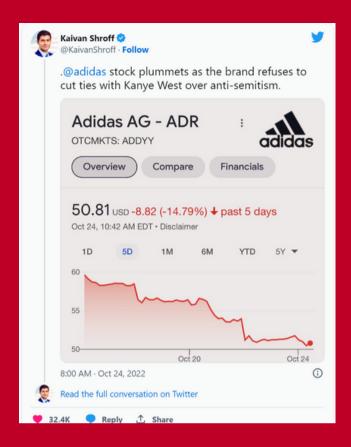
What was effective was that the brand put its contract under review and did issue some statements. The brand also ultimately decided to end the contract which was a big revenue source.



WHAT WAS INEFFECTIVE?

Most of the decisions made by Adidas were wrong. Given its early ties to Nazism – with its predecessor creating Germany's version of the bazooka (Kuhn and Thiel, 2009), it would've looked much better on the brand had it instantly denounced Ye and ended the contract rather than "reviewing" it for so long. The first press release it sent out was also ineffective in that it didn't mention any of the behavior and also didn't reflect its stance on the manner leaving many fans of the brand to question where it actually stood.

WHAT'S THE IMPACT?



SHORT-TERM

The short-term impact was the stock price plummeting 14.79% in five days. "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, 2022).

LONG-TERM

The long-term impact is this is likely to cause distrust among customers and it lost a massive contract – one that was worth between \$3.2 and \$4.7 billion according to an article in Bloomberg (Bhasin, 2022).

CONCLUSION AND TAKEAWAYS

Ye's comments and actions were and are incomprehensible, but when an organization with so many years of experience (starting in 1949) and so much depth, when an organization with roots in nazi Germany doesn't instantly denounce one of its biggest, most influential partnerships for saying antisemitic comments, it's unforgivable, it'll lead to a great distrust among consumers, and it will ultimately lead to a plummet in profit.

With regards to Adidas and its response to Ye and his racist comments, I learned what not to do. As hard as it is to admit wrongdoing, it's the most important step an organization can take amidst a crisis. From my time at WSU, in Crisis Communications, from all the readings we've done, and the plan we created in class, if I had been in the shoes of Adidas as part of its response team, I would've instantly denounced Ye's action and, seeing that there was no alternate solution, would encourage leaders to end the partnership with Ye as soon as possible. And during the time leadership was working through their thoughts, I would ensure we were open and honest with our customers with our thoughts on the situation.

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