

Adidas Sales – Market Reaserch

Market Research Report: Adidas Global and US Sales Performance (2021)

Table of content

1. **Introduction**
2. **Key Factors Influencing Adidas's Sales Performance**
 - 2.1 Market Conditions
 - 2.2 Consumer Behavior
 - 2.3 Product and Pricing Strategy
 - 2.4 Sales Channels and Digital Transformation
 - 2.5 Brand Image and Sponsorships
3. **Key Sales Models Used by Adidas**
 - 3.1 Direct-to-Consumer (DTC) Model
 - 3.2 Wholesale Model
 - 3.3 E-Commerce and Digital Sales
 - 3.4 Collaborations and Limited Editions
 - 3.5 Sustainable Product Line Model
4. **Major Challenges Faced by Adidas in 2021**
 - 4.1 Supply Chain Disruptions
 - 4.2 Competition and Pricing Pressure
 - 4.3 Market Volatility in China
 - 4.4 Digital Integration and Data Management
 - 4.5 Shifts in Consumer Expectations
5. **Sales KPIs for Adidas**
6. **SMART KPIs for Adidas (2022-2023)**
7. **Conclusion**



1. Introduction

This report provides a detailed market research analysis of Adidas's global and US sales performance in 2021. Adidas, one of the world's leading sportswear brands, operates in a highly competitive market dominated by innovation, digital transformation, and changing consumer behavior. After the global disruptions of 2020, 2021 marked a period of recovery and repositioning for Adidas, with strong performance in e-commerce, sustainability initiatives, and direct-to-consumer (DTC) sales.

Globally, Adidas generated \$21.2 billion in revenue in 2021, representing a 15% year-over-year increase, driven by robust growth in North America, Greater China, and the EMEA region. The US remained one of Adidas's key markets, with significant sales recovery supported by the Euro 2020 tournament, growing demand for lifestyle footwear, and expanded digital sales channels.

This report explores the key factors influencing Adidas's sales success, examines the sales models it employs, outlines major challenges faced during 2021, and identifies the most relevant KPIs, including SMART KPIs for future performance analysis.

2. Key Factors Influencing Adidas's Sales Performance

Market Conditions

Global economic recovery, coupled with a rise in consumer spending on health, fitness, and fashion, positively impacted Adidas's 2021 sales. The US market benefited from renewed retail activity after pandemic restrictions, though inflation and supply chain pressures created mixed effects.

Consumer Behavior

Adidas capitalized on the post-pandemic fitness boom and the shift toward athleisure wear. Consumers increasingly sought sustainable, stylish, and comfortable products. Adidas's focus on eco-friendly materials (e.g., Primegreen and Primeblue) enhanced brand perception among environmentally conscious buyers.

Product and Pricing Strategy

Product innovation was central to Adidas's 2021 performance. Collections such as Ultraboost, Stan Smith, and collaborations with designers (e.g., Yeezy, Stella McCartney) drove sales in both performance and lifestyle categories. The brand's tiered pricing strategy allowed it to serve diverse segments, from budget-conscious consumers to premium markets.

Sales Channels and Digital Transformation

Digitalization was a major growth driver. E-commerce accounted for over 20% of total sales in 2021. Adidas's digital app ecosystem, improved mobile experience, and membership program (Adidas Creators Club) enhanced engagement and retention. The company also

strengthened its DTC (direct-to-consumer) model by expanding flagship stores and online channels.

Brand Image and Sponsorships

Adidas maintained strong visibility through global sponsorships — including partnerships with major football clubs (Manchester United, Real Madrid) and athletes. Marketing campaigns centered around authenticity, performance, and sustainability reinforced customer trust and emotional connection with the brand.

3. Key Sales Models Used by Adidas

Direct-to-Consumer (DTC) Model

Adidas prioritized DTC channels to improve margins and customer relationships. Online stores, branded retail shops, and mobile applications formed the core of this model, offering seamless purchasing experiences and personalized marketing.

Wholesale Model

Despite the shift to DTC, wholesale remained significant in 2021. Partnerships with key retailers like JD Sports, Foot Locker, and ASOS ensured market reach and accessibility, particularly in the US and Europe.

E-Commerce and Digital Sales

Adidas continued to invest in its digital platforms and data analytics. AI-driven recommendations, personalized promotions, and omnichannel integration enabled smoother shopping experiences and contributed to strong online sales growth.

Collaborations and Limited Editions

Collaborations with influencers and brands (e.g., Kanye West's Yeezy line, Prada, and Beyoncé's Ivy Park) served as powerful sales models. These high-demand releases boosted brand desirability, with many items selling out online within hours.

Sustainable Product Line Model

Adidas's commitment to sustainability evolved from marketing to measurable performance. Its sustainable products generated nearly two-thirds of total revenue in 2021, reflecting consumer preference for eco-conscious choices.

4. Major Challenges Faced by Adidas in 2021

- Factory closures in Asia, shipping delays, and material shortages constrained inventory availability. Adidas reported lost sales opportunities of approximately \$600 million due to supply issues, especially in the second half of 2021.

- Adidas faced strong competition from Nike, Puma, and emerging direct-to-consumer brands. Price competition intensified online, forcing Adidas to differentiate through innovation, sustainability, and premium positioning.

- Sales in China slowed due to geopolitical tensions and consumer boycotts of Western brands. This offset growth in North America and EMEA, highlighting the risks of regional dependency.
- Although Adidas excelled digitally, integrating CRM systems and optimizing data analytics across regions remained a challenge. Ensuring data consistency and actionable insights at scale required continued investment.
- Consumers demanded greater transparency, fast delivery, and ethical production. Adidas responded by enhancing communication around supply chain sustainability and fair labor practices, yet balancing ethics and profitability continued to be a delicate task.

5. Sales KPIs for Adidas

Category	KPI	Description
Revenue Metrics	Total Sales Revenue	\$21.2 billion in 2021, +15% YoY growth.
Revenue Metrics	E-commerce Share	20% of total global sales from online channels.
Revenue Metrics	Gross Margin	50.7% in 2021, up from 49.7% in 2020.
Customer Metrics	Customer Retention Rate	Percentage of repeat purchases across Adidas online and stores.
Customer Metrics	Net Promoter Score (NPS)	Measures customer satisfaction and brand loyalty.
Customer Metrics	Customer Lifetime Value (CLV)	Tracks long-term profitability per customer segment.
Operational Metrics	Sales Cycle Length	Average duration between product release and stock turnover.
Operational Metrics	Inventory Turnover	Measures efficiency of inventory management post-COVID disruptions.
Digital KPIs	Conversion Rate	Share of online visitors completing a purchase.

Digital KPIs	App Engagement Rate	Number of active Adidas app users per month.
Sustainability Metrics	% of Recycled Materials	Share of total products made using sustainable or recycled materials (target: 90% by 2025).

6. SMART KPIs for Adidas (2022–2023)

Objective	SMART KPI	Measurement & Timeframe
Boost Revenue Growth	Achieve a 10% increase in global revenue by Q4 2023 compared to 2021 levels.	Track quarterly sales reports globally.
Expand Digital Sales	Grow e-commerce sales share from 20% to 30% by the end of 2023.	Monitor monthly e-commerce revenue analytics.
Enhance Sustainability	Increase eco-friendly product revenue share from 65% to 75% by mid-2023.	Track sales of Primegreen/Primeblue and recycled collections.
Improve Customer Retention	Raise NPS from 60 to 75 and improve repeat purchase rate by 15% by Q3 2023.	Analyze customer survey data and CRM metrics.
Optimize Inventory Efficiency	Reduce stock turnover cycle from 120 days to 90 days through better forecasting.	Measure quarterly warehouse turnover ratios.
Strengthen DTC Channel Performance	Increase revenue per store by 10% and app engagement by 25% by 2023.	Compare YoY sales and app user data.

7. Conclusion

In 2021, Adidas demonstrated strong resilience and adaptability in the global and US markets. Despite supply chain disruptions and market uncertainty, the company achieved double-digit sales growth through digital innovation, product diversification, and sustainability-led strategies. The US market, bolstered by lifestyle trends and sports events, played a key role in recovery momentum.

Adidas's long-term success will depend on continuous investment in data-driven sales models, improved supply chain resilience, and stronger consumer engagement through personalized, ethical, and digital-first approaches. The outlined SMART KPIs provide a structured framework to monitor these strategic objectives and guide future performance analysis.