

SPORTS

Sneakers at forefront of lucrative luxury collaborations: Launchmetrics

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Launchmetrics found that luxury brands are majorly taking advantage of this consumer wave of stylish comfort by making waves in the sneaker world. Image credit: Li-Ning

By ZACH JAMES

Following the pandemic, trends in the fashion sector are surging further and further toward more casual and athletic options, with money surging toward consumers' feet.

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Consumers are consistently choosing comfort and function over everything else, according to a new report. The findings, published by the cloud technology platform Launchmetrics, found that luxury brands are majorly taking advantage of this consumer wave of stylish comfort by making waves in the sneaker world.

For the report, Launchmetrics looked at global statistics of the 70 top-performing sportswear brands drawn from search queries on 14 sites from January 1, 2022, through December 31, 2022, including Tiktok, Youtube, Instagram, Douyin, Wechat_Public, Facebook, and Twitter. Using an algorithm based on Artificial Intelligence Machine Learning and the company's 15 years of experience in that field, Launchmetrics assigned a Media Impact Value (MIV) to the posts and interactions found to determine which marketing efforts were most successful.

Sneaker Culture

The biggest, and most interesting, aspect of the report's findings was that in 2022, 30 percent of the total MIV in luxury sportswear came from sneakers.

The term MIV refers to the impact of media placements and mentions across different Voices in the fashion, luxury, and beauty industries, according to Launchmetrics, who coined it.

The Sneakerhead

Phenomenon

In 2022, 'Sneakers' alone accounted for 43.3% of the total MIV® in Sportswear



Sneakers are proving to be key to the sportswear industry. Image courtesy of Launchmetrics

Sneakers were the biggest product category by total MIV in 2022, taking in 43 percent of the more than \$7 billion in total MIV. Luxury sneaker collaborations and crossovers accounted for 30 percent of sneaker MIV, making the sneaker market a huge avenue for luxury brands going forward.

Sneakerheads have shown to be a massive market, with Nike and Adidas, among others, having specific apps for limited-time finite sneaker drops. Collaborations with luxury brands, designers and intellectual property holders have produced some of the most coveted and valuable sneakers of all time.

For example, the 2008 Kanye West Nike Air Yeezy 1 "Prototype" is the most financially lucrative wearable sneaker in existence, with an ascribed market value of more than \$1.8 million, according to [Luxe Digital](#).

Of course, the initial release of the shoe didn't cost nearly as much. Sneaker culture is built around resale and resellers, who inflate the value of shoes, oftentimes to more than an average person's monthly rent.

The fact that a large part of the dominant sportswear segment is dedicated to luxury brands is a massive opportunity for established names in the industry right now, and likely into the future.

"What it means for the luxury industry is that many brands are taking advantage of this trend, launching new fusion lines or collaborating with sportswear giants to cater to changing consumer preferences," said Alison Bring, chief marketing officer at Launchmetrics, London.

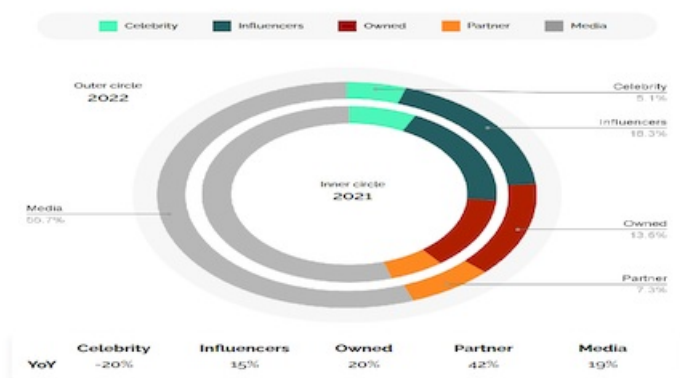
Ms. Bring went on to add that the 30 percent of the sneaker MIV attributed to luxury collaborations shows just how strong the appeal is for the product category globally.

The report singled out the collaboration between Adidas and Gucci ([see story](#)), which generated \$96 million in MIV alone, by far the most of any luxury collaboration in 2022.

Voice changes

Traditionally, in the sportswear industry, celebrity and athlete endorsements have powered the marketing pushes for established brands while cementing up-and-comers as legitimate; this is also changing.

In 2022, celebrity MIV of sportswear products decreased by 20 percent YoY, bringing the total percentage of those partnerships to just over 5 percent of the entire voice share. Influencers saw a 15 percent boost, ending the year with nearly four times the share of celebrity partnerships at 18.3 percent.



Athletes are seeing far fewer endorsements with sportswear companies as the focus shifts toward influencers. Image courtesy of Launchmetrics

"There has been a noticeable shift in recent years, with an increasing number of sportswear brands turning to micro-influencers, who, with smaller but highly engaged social media followings, are gaining traction as effective brand advocates," said Ms. Bring.

"With people watching their marketing spend more carefully, we expect a number of brands to turn to smaller, more niche influencers, who, due to their strong and loyal community, can be more cost-effective than larger, less engaging accounts."

Traditional media had the largest share of MIV at 55.7 percent in 2022, up 19 percent YoY. Despite the medium being seen as on the way out, it maintains its long-held spot as the largest generator for engagement in the industry sector.

Another recent Launchmetrics report revealed that influencers, specifically from TikTok, are responsible for the current boom in luxury beauty products ([see story](#)).

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