

NETACEA

REPORT

Netacea Quarterly Index Q2 2023

Introduction

Netacea's Threat Research Team investigated the top five items targeted by scalper bots between April and June 2023.

So far in 2023, we have identified that scalper bots have reverted to primarily targeting sneakers. Scalpers are seeking a range of items, from wardrobe staples and affordable, yet profitable releases, to ultra-high demand collaborations with huge markup potential. And as any sneaker-head will have predicted, the sneaker story of the quarter was the return of the Yeezy.

Yeezy footwear was a hugely popular collaboration between adidas and rapper Kanye West. The line was a common target for scalper bots, and consistently featured in the Quarterly Index. However, in October 2022, following the rapper's racist comments, adidas terminated the relationship and production of Yeezys, forcing scalpers to find replacement targets. After deliberation on how to best offload the remaining Yeezy inventory, adidas announced that it would sell some of the stock this quarter, with a proportion of proceeds going to anti-discrimination charities. As expected, scalper bots jumped at the chance to take their own slice of the pie.

In this report, we reveal the top five items targeted by scalper bots in Q2 2023, highlight some notable non-sneaker targets that didn't make the top five and revisit the top five items from Q1 2023.

1. adidas Yeezy Slide Onyx



RRP: \$70



**Aftermarket Range:
\$126 - 241**



**Aftermarket
Average: \$188**



**Markup Average:
168%**

Yeezy footwear has long been the epitome of a 'hype' product. It featured in every edition of our Quarterly Index until adidas abruptly terminated their relationship with rapper Kanye West in October 2022, and ceased Yeezy production. However, demand for Yeezys has remained high and, with supply now limited to preexisting inventory, so has resale value and appeal to scalpers.

When adidas announced that it would release part of its remaining inventory, Yeezy resellers jumped at the chance for another payday and used bots to purchase thousands of pairs. The adidas Yeezy Slide Onyx was the most targeted shoe earning it the top spot in this quarter's Index. The Onyx Slide is no stranger to our series, also taking the top spot in the Q2 2022 Index. Its combination of affordability and popularity provided resellers with plenty of markup potential, making them more profitable than other models.

2. Air Jordan 1 Low Travis Scott Olive



RRP: \$150



Aftermarket Range: \$
574 - \$748



Aftermarket
Average: \$646



Markup Average:
331%

Continuing the theme of rapper collaboration sneakers, the second most targeted item by scalper bots this quarter was the Jordan 1 Low Travis Scott Olive. The collaborative sneaker features the distinctive reverse Nike Swoosh, that has become a signature of Travis Scott releases, in olive green. As with previous Travis Scott releases, this sneaker generated a lot of demand and was highly sought after.

The Jordan 1 Low Travis Scott Olive was released for \$150 in April 2023. Scalper bots were able to purchase thousands of pairs to resell, despite the shoes being released through raffle draws and limited stock being available. Each pair could fetch more than quadruple their RRP on the resale market, one of the highest average markups we've seen throughout our Quarterly Index series.

3. adidas Gazelle Bold Pink Glow



RRP: \$120



Aftermarket Range:
\$141 - \$334



Aftermarket
Average: \$268



Markup Average:
123%

In third place this quarter is the adidas Gazelle Bold Pink Glow. The Gazelle, which has been a wardrobe staple since the 1970s has experienced a resurgence in recent years, buoyed by luxury fashion collaborations and celebrity endorsements. The Bold version adds a triple stacked rubber outsole to the classic trainer.

The adidas Gazelle Bold Pink Glow was first released in December 2022. It maintained a high resale value through most of the quarter, peaking at nearly 3 times RRP. However, following a large restock in June 2023, during which one bot claimed to have purchased over 25,000 pairs, the resale value plummeted.

4. Air Jordan 4 Retro Thunder



RRP:
\$210



Aftermarket Range:
\$249 - \$273



Aftermarket Average: **\$275**



Markup Average:
22%

The Jordan 4 is proving to be very popular with scalper bots and this quarter makes its third consecutive appearance in our Index. This time, it's with the rerelease of the popular Jordan 4 Thunder colourway which first appeared in 2006.

Due to high demand, the Jordan 4 Retro Thunder was stocked by more retailers than any other item in this quarter's Index. This gave scalper bots plenty of avenues to attack and increase the number of bots that were able to successfully make purchases. However, at the same time, the wider stock availability limited the resale value.

5. adidas Yeezy Foam RNNR MX Cinder



RRP: \$90



Aftermarket Range:
\$140 - \$168



Aftermarket
Average: \$146



Markup Average:
62%

The final item in this quarter's index is the adidas Yeezy Foam RNNR MX Cinder. It was a previously unreleased colourway of the popular Foam RNNR shoe, which made it very appealing to collectors, resellers, and normal consumers alike. The Yeezy Foam RNNR MX Cinder was the second most heavily targeted shoe from the Yeezy preexisting inventory release in May, beaten only by the Onyx Slides. Whilst it did not have the resale profit potential of the Onyx Slides, resellers could expect \$50 profit per pair throughout the quarter.

Sneaking past the sneaker bots... again

For the second Index running, sneakers were by far the most popular purchases for scalper bots this quarter and took up all five spots in our Index. However, sneakers weren't the only targets for scalper bots this quarter.

Collectibles such as Funko POP figurines, Mattel Hot Wheel models and trading cards from animes such as Pokémon, One Piece and Yu-Gi-Oh were popular. So were designer clothing releases from streetwear brands such as Broken Planet. Stanley Quencher Tumblers, which trended on social media in 2022, were also targeted with bots purchasing thousands this quarter.

Freebie bots continued to purchase an eclectic mix of heavily discounted, mispriced, or free items. These included fashion items such as t-shirts, sunglasses and sandals, beauty products such as moisturiser and makeup brushes, fitness tracking watches, and even projectors at low to no cost.

Where are they now? A look back at our top five from Q1 2023

1

Nike Dunk Low Panda

After three consecutive appearances, Panda Dunks narrowly missed the cut for this quarter's Index. More available stock caused their resale value to drop by 16% compared to last quarter. Despite this, Pandas remained hugely popular with scalpers throughout this quarter, with bots purchasing thousands of pairs.

2

Nike Air Force 1 x Tiffany & Co. 1837

As expected, the Nike and Tiffany & Co collaboration Air Force 1 increased its resale value this quarter, albeit only slightly. Pairs of the coveted shoe were resold for between 2.5 and 3 times its RRP, however many reseller communities advised their members to hold on to pairs to sell in the future, forecasting an even greater rise in resale value.

3

Nike Dunk Low Grey Fog

The Nike Dunk Low Grey Fog maintained its resale value this quarter. With the Panda Dunk's resale value in decline, the gap continues to grow between the resale profitability of the two most widely targeted dunk colourways.

4

Jordan 4 Retro Seafoam

The Jordan 4 Retro Seafoam maintained its resale value this quarter despite being restocked and competing with multiple 2023 Jordan 4 releases. With an average markup of 33%, it provided a decent return for scalpers.

5

Jordan 3 White Cement Reimagined

The Jordan 3 White Cement Reimagined did not garner as much resale demand as expected when released last quarter. This quarter, the resale value continued to drop, with resellers receiving \$40 profit per pair on average.

Pricing Data

Top 5 Scalped Items – Q1 2023

Rank	Name	RRP	Price Low	Price High	Price Avg.	Markup Low	Markup High	Markup Avg.
1	adidas Yeezy Slide Onyx	\$70	\$126	\$241	\$188	80%	244%	168%
2	Nike Air Jordan 1 Low Travis Scott Olive	\$150	\$574	\$748	\$646	283%	399%	331%
3	adidas Gazelle Bold Pink Glow	\$120	\$141	\$334	\$268	18%	178%	123%
4	Nike Air Jordan 4 Retro Thunder	\$210	\$249	\$273	\$257	19%	30%	22%
5	adidas Yeezy Foam RNNR MX Cinder	\$90	\$140	\$168	\$146	56%	87%	62%

Where Are They Now? – Q3 2022 in Q4 2022

Rank	Name	RRP	Price Low	Price High	Price Avg.	Markup Low	Markup High	Markup Avg.	Vs. Previous Q
1	Nike Dunk Low Panda	\$110	\$123	\$146	\$136	12%	33%	23%	-16%
2	Nike Air Force 1 x Tiffany & Co. 1837	\$400	\$997	\$1,223	\$1,129	149%	206%	182%	5%
3	Nike Dunk Low Grey Fog	\$100	\$169	\$201	\$188	69%	101%	88%	1%
4	Jordan 4 Seafoam	\$210	\$270	\$293	\$279	29%	40%	33%	2%
5	Jordan 3 White Cement Reimagined	\$210	\$245	\$269	\$254	17%	28%	21%	-8%