



# DECATHLON: CONSUMER PREFERENCES TOWARDS SPORTSWEAR

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## ABSTRACT

Sport industry is growing every day and is one of the biggest developing industries in the world. Many people are taking part in wide spectrum of activities daily, the demand for sport accessories is increasing over the years. Decathlon is known for their wide variety of products at affordable prices. Consumer satisfaction towards these products offered by Decathlon is very much required for the company as it will know the level of loyalty and the reputation of their brand. Consumer prefer Decathlon for various reasons such as sport equipment, apparels, gym accessories or shoes and many more. They are well known for their service, price and availability of the products at the store.

In this paper, we will see the consumer behaviour towards Decathlon through various research methods. The data which is gathered will have the experience of customers, their opinion and the perception they have for the brand. We can further analyse what are the main factors which drive consumers to a particular brand, and how necessary it is to improve or maintain the brand reputation leading to profitability and success for the company.

## KEYWORDS

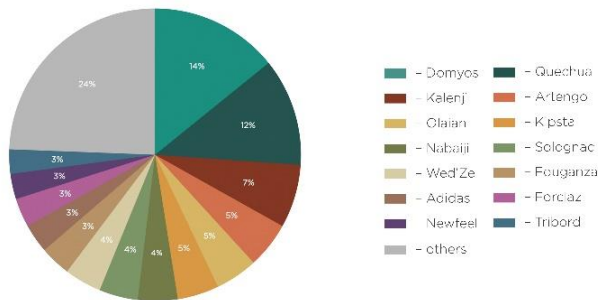
Decathlon, Brand, Consumer perception, Quality, Effectiveness, Sportswear, Staff, Shopping experience, Online, Demographics

## INTRODUCTION

In a country like India, the economic growth which is impacting on the changing preferences of the consumers. Decathlon is a multinational sporting goods brand, which was found in the year 1976 by Michel Leclercq. They are recognised for the designing, manufacturing and pricing its own sports goods within various brands under a house. Making a brand aware is very necessary, it will be helpful for them to differentiate from competitors. Participation in sports and physical activities including football, yoga, cycling, and dancing has increased since greater Indians have become health-conscious. As engagement has expanded, so have spending on sportswear, which has greatly benefited this market segment. Consumers now are preferring to have sportswear not only for their physical activities, but casually too, so the demand for this sportswear is increasing every day and there are many sportswear brands coming up in near future. Consumer behaviour is the mental and physical activity that a customer performs in as they consider, choose, and use a product or service to meet their needs. The middle and upper classes have benefited immensely from expansion. Increasing numbers of working individuals and rising income levels have increased these sectors' purchasing power. Due to their increased purchasing power in the sportswear sector, college students and youths are spending more money on clothing and beauty products. Although the products in Decathlon are known for their quality, durability and price, there are still some concerns and negative word of mouth. They can attract new customers and retain the existing ones by resolving these problems. They being present in more than 57 countries and has many stores across world and net worthy compared to all its competitors. Their brand portfolio includes Domyos, Kalenji, Quecha and many other about to 86 sports in its international stores. Being founded in a parking lot to see the sport items, they have come a long way and are integrating themselves in terms of design, durability and quality of the products.

## Assortment Mix - Decathlon Brands

Retviews, 2020



**RETVIEWS**  
a LECTRA company

These are the various brand that we see in the Decathlon store, they tend to provide house for various price and consumers prefer it because all of them are at affordable prices and they can compare the quality of each one of them.

BESTSELLERS BRANDS FOR SPORTSWEAR AT DECATHLON ARE:

- Quechua.
- Domyos.
- Kalenji.
- Nabaiji.
- Forclaz.
- Inesis.
- Newfeel.
- Kipsta.

## INDUSTRY ANALYSIS

Indian sports retail sector is developing rapidly and many people are taking part in one or the other sport activity to be fit. Improvement in technology, change in government regulations and competition might be the factors for a firm to be transforming over a period of time and increase economies of scale. India has been the hub for manufacturing of goods and services, so as many industries have their home-grown manufacturing. People don't prefer the same kind of clothing for casual wear and sport wear, the fitting and the material used are different in each of them. People are moving towards trend and companies are coming up with unique qualities for satisfying customer in various ways. Not only through offline mode, even on online businesses are becoming so advanced with providing coupons and discount to attract new segment of the market.

There are many companies that are performing extraordinary in sport retail sector, Decathlon being one among them and they have entered into Indian market as faster than expected, people prefer the brand as it provides the same quality of products at a very lower price. Well trained staff who are very attentive and helpful in helping the customers also makes it a delight, when we look at their staff, the hiring is done on the basis of their fitness level, so that they can show the trial of every sport and equipment in the store. There are around 800 stores across the world and are yet expanding more of it. They have the largest reseller market, they also accept all variants of sport brands for them to display at the Decathlon store and make them accessible for the customers at a very lower price.

When we look at Decathlon as an industry, we can say that its

Strengths:

- They have various stores around 800 all around the world, with wide range of products with at a very affordable price
- The design and the manufacture is controlled by them itself
- They focus more on customers and how to enhance their experience

**Weakness:**

- Few segments consider Decathlon as a budget brand, where in they hesitate to buy from here
- Their target segment is very small, as it won't seek to the premium segment of the market

**Opportunities:**

- They can increase to expand their reach on all e-commerce websites and impress customers beyond physical stores.
- Rising demand in health and fitness will lead to more customers demanding sport products, so coming up with something innovative will help them
- Moving towards sustainability as the trend moves towards eco-friendly environment

**Threats:**

- There is increasing competition in the market, and preferences of consumers keep changing which will lead to fluctuations in demand.
- There might be duplicate copies of the products which might affect the brand reputation and trust from the consumer side.

**LITERATURE REVIEW**

(Gomez-Galan J., 2018) Decathlon sport retailer brand, started in the year 1976 by a small store in Lille, France. They are well versed in sportswear and equipment's. Their stores are basically located in a huge square feet area and well-spaced. They have almost 1793 stores across countries with variety of products at the place. They are also vertically integrated, when you enter a Decathlon store you see them developing its own products and marketing under its more than 30 brands. Being a well-known international retailer for sporting goods and equipment's, Decathlon provides a wide range of products for selection of equipment, clothing, and accessories at competitive pricing. (Rao MB, 2018) The company's dedication to provide good quality goods and first-rate customer service has helped it gain a great market position in the sports retail sector. Decathlon must understand the shopping experiences of its customers in order to remain competitive in the growing sports retail market. Insights on the Decathlon retail store's customer experience are the focus of this study. (Huang, 2017) They have both online and offline channels and increasing number of customers through both ways. But buying offline has its own advantage as it allows customers for physical evidence (S.A., 15 May 2015), that they can touch and feel the products and then make decisions about the purchase (Grewal, 2009). Or to sort by size and fitting offline mode is necessary because people can choose by feeling the product. (Lee, 2019) There are many sustainability programs to ensure people are more conscious about their purchase, manufacturing these goods have become very easy now and they are being done at a very low cost. Decathlon stores are basically very huge and well equipped, it has all the amenities inside and their store. Most of the researches are based on how to enhance customer experience and how to retain the existing customers. (Anderson, 1997) Comfort and quality are the main concerns and every competitor wants to excel in it. Although the stores are now in almost every city, people find it easily accessible to go around and buy things from Decathlon. (Chiu, 2015) It becomes easy task for them as they have the in-house manufacturing team who are involved in production of goods at a very lesser cost. This segment of market is growing very rapidly by days and we can see the new brands coming up every now and them to compete in the market. (P, 2017) They have a proper R&D department who are responsible for designing new products and how to develop the existing ones through various models and tests. Their main motive is to make the sport goods accessible for everyone and make them experience the sport, inspire them to get involved and stay active. (Andreff W., 2006) They are establishing new stores in new markets to bring out their presence. Decathlon has started an initiative for sustainable practices, reduction in usage of plastics and reducing the waste, this will attract a lot of eco-friendly customers.

**SCOPE OF THE STUDY**

This research is conducted among all the people who have experienced Decathlon and get a better information about their behaviour towards the brand, shopping experience and the product satisfaction.

**OBJECTIVES**

- To look at the customer expectations and satisfaction for the brand.
- Necessary traits which are responsible for a better shopping experience in the store
- Understand various factors which will influence the customers for the loyalty of the brand.

## HYPOTHESIS

It is basically the assumption that we are trying to prove. In the research we try to look at various factors that will lead to

Null Hypothesis  $H_0$ : All the independent factors have impact on Purchase intention

Alternate Hypothesis  $H_1$ : The independent factors do not have impact on Purchase intention

## RESEARCH METHODOLOGY

### SAMPLE SIZE

The study which was conducted had a population with the age group of 15-45 as these are the target market for Decathlon sportswear. Collecting the information about their experience at the store helps us analyse the purchase intention of the people preferring for the brand. The number of respondents were 105, we will do further analysis based on this sample size.

### TECHNIQUES USED IN THIS STUDY

The data collected was processed in SPSS and various tests were performed to find out the hypothesis is accepted or not.

- Multiple Linear Regression
- Factor analysis
- Discriminant Analysis

### LIMITATIONS OF THE STUDY

There was difficulty to address the people in the age group below 20 as there are sportswear. It is not easy to collect data from the market as the audience for this segment is very large.

People do not tend to fill the form properly.

The questions which were asked are based on these variables:

- Age
- Gender
- Occupation
- Quality
- Purchase Intention
- Affordability
- Variety
- Staff
- Store layout
- Product Information
- Billing and checkout procedure
- Recognition
- Trial option
- Online
- Colour options
- Recommendations by staff
- Specific appealing products
- Performance and Comfort
- Size and Fitting
- Discounts and Coupons
- Return or Exchange
- Overall Shopping Experience

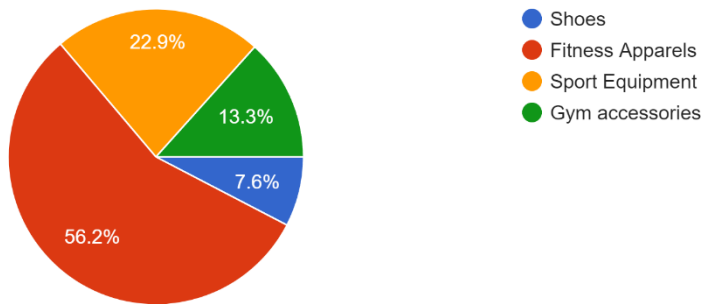
Having 17 independent variables and 1 dependent variable which is Purchase Intention. The research will be based on these variables and the hypothesis and analyse how each of these factors will emphasise on the consumer behaviour towards the company.

Demographics		No. of Respondents	Percentage
Gender	Male	48	45.17
	Female	57	54.28
Occupation	Student	82	78.09
	Employed	23	21.90
Age	20-25 years	87	82.85
	25-30 years	16	15.23
	30 and above	2	1.904

When we look at the responses, most of them find Fitness apparels appealing and most of the buy the same. There are 56.2% of people buy apparels from Decathlon than other products.

What specific products from Decathlon do you find most appealing?

105 responses



We will perform Factor Analysis first to group the similar variables for data reduction. Using these factors, we will perform Regression and determine the hypothesis.

**KMO and Bartlett's Test**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	.781	
Bartlett's Test of Sphericity	Approx. Chi-Square	478.948
	df	171
	Sig.	<.001

KMO is a statistical technique used to look at degree of relationship between the variables. It also helps to analyse if the data is suitable for further analysis and extract common factors or not.

In the above table, KMO is 0.781 which tells the test is acceptable and there exists a relationship among the variables in the study.

When we look at the Significance level which is lesser than 0.05, we can say the we accept the null hypothesis.

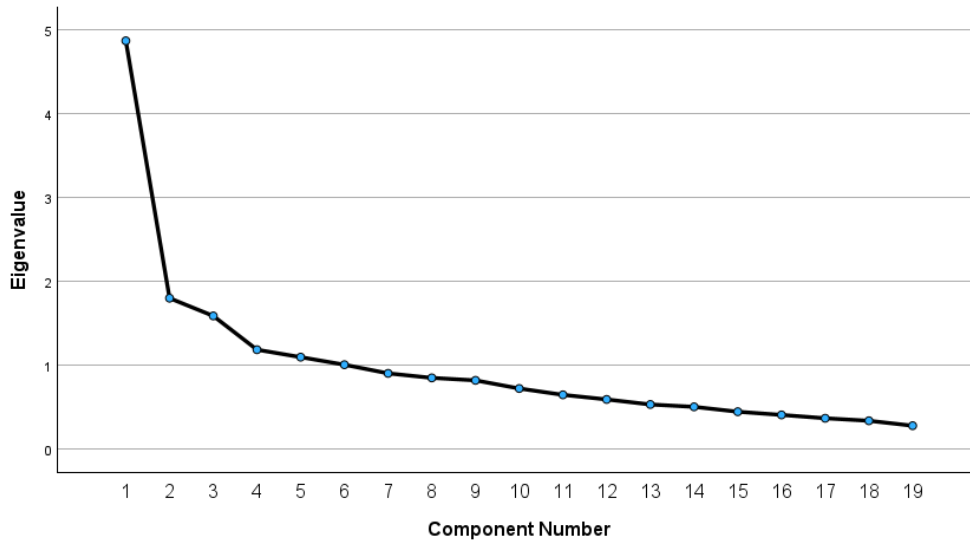
**Total Variance Explained**

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	4.872	25.644	25.644	4.872	25.644	25.644	2.535	13.341	13.341
2	1.803	9.487	35.131	1.803	9.487	35.131	2.041	10.742	24.083
3	1.591	8.373	43.504	1.591	8.373	43.504	2.019	10.628	34.711
4	1.188	6.252	49.756	1.188	6.252	49.756	1.985	10.448	45.160
5	1.099	5.784	55.540	1.099	5.784	55.540	1.654	8.706	53.866
6	1.009	5.309	60.850	1.009	5.309	60.850	1.327	6.984	60.850
7	.906	4.766	65.616						
8	.852	4.483	70.099						
9	.822	4.327	74.426						
10	.725	3.816	78.242						
11	.649	3.418	81.660						
12	.594	3.129	84.789						
13	.534	2.813	87.601						
14	.506	2.665	90.266						
15	.448	2.358	92.624						
16	.410	2.158	94.782						
17	.370	1.948	96.729						
18	.340	1.791	98.520						
19	.281	1.480	100.000						

Extraction Method: Principal Component Analysis.

Total variance explained table shows the variables which are selected among all the 19 variables. We see the top 6 with the Eigen value more than 1 are grouped for further study. When we look at the cumulative loadings, we can tell that 60.85% of variance in all 19 factors is explained by these 6 factors alone. This is the reason why factor analysis is called data reduction technique.

**Scree Plot**



Scree Plot is the graphical representation of Eigen values, where component number is on the X axis. When we look at the graph it is easy to say that the Eigen value of more than 1 is selected, so we select 6 variables for factor analysis.

**Rotated Component Matrix<sup>a</sup>**

	Component					
	1	2	3	4	5	6
Storelayout	.786					
Staff	.744					
Recomendationsbystaff	.696	.426				
Customerreviews	.603					
Colouroptions		.694				
Overallshoppingexperience		.589				
Durability		.534		.439		
Recognition						
Overallquality			.770			
Availability			.704			
Variety			.545			
Affordability			.427			
PerformanceandComfort				.733		
Sizeandfitting				.649		
ReturnorExchange			.436	.539		
Billing					.729	
Productinformation					.716	
Trialoption						.712
Discountsandcoupons					.402	-.595

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization. <sup>a</sup>

a. Rotation converged in 14 iterations.

Rotated Component Matrix table shows the grouping of factors. When we look at the first four variables relating to staff, we can name it as “RETAIL EXPERIENCE” and the other second set of variables with colour options, shopping experience and durability can be termed as “PRODUCT ATTRIBUTES”. The next variables quality, availability, variety and affordability can be termed as “PRODUCT FACTORS”. Performance, size and return or exchange can be grouped as “PRODUCT EVALUATION”. Billing or checkout procedure and product information can be said as “PURCHASE PROCESS FACTOR”. And the last factor will be termed as “PRODUCT PROMOTION”

So, all the six factors which has impact on all other factors are selected and the analysis of them is done.

Further we will perform Regression on these factors to see the significance of the factors and their importance with respect to dependent variable.

When we remove the outliers from the data

**Model Summary<sup>b</sup>**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	Change Statistics			Durbin-Watson	
						F Change	df1	df2		
1	.409 <sup>a</sup>	.167	.114	.971	.167	3.152	6	94	.007	2.323

a. Predictors: (Constant), REGR factor score 6 for analysis 1, REGR factor score 5 for analysis 1, REGR factor score 4 for analysis 1, REGR factor score 3 for analysis 1, REGR factor score 2 for analysis 1, REGR factor score 1 for analysis 1

b. Dependent Variable: Purchaseintention

In the above table of Model Summary, we look at the R Square value which is 0.167 which can be said that all these factors chosen have 16.7% impact on dependent variable. Durbin Watson test says that there is no autocorrelation in the dataset, as the value is closer to 2.

ANOVA<sup>a</sup>

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	17.814	6	2.969	3.152	.007 <sup>b</sup>
	Residual	88.542	94	.942		
	Total	106.356	100			

a. Dependent Variable: Purchaseintention

b. Predictors: (Constant), REGR factor score 6 for analysis 1, REGR factor score 5 for analysis 1, REGR factor score 4 for analysis 1, REGR factor score 3 for analysis 1, REGR factor score 2 for analysis 1, REGR factor score 1 for analysis 1

The model is significant with the F value lesser than 0.05. we accept the null hypothesis.

We can say the although the R Square value is less, we can say that the model is significant, all these variables have an impact in one or the other way for the buying behaviour of consumer. There might be other factors which are required for people to purchase from Decathlon.

Coefficients<sup>a</sup>

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B		Collinearity Statistics	
		B	Std. Error	Beta			Lower Bound	Upper Bound	Tolerance	VIF
1	(Constant)	3.594	.097		37.216	<.001	3.402	3.786		
	REGR factor score 1 for analysis 1	.106	.097	.103	1.095	.276	-.086	.299	1.000	1.000
	REGR factor score 2 for analysis 1	.022	.097	.021	.223	.824	-.171	.214	1.000	1.000
	REGR factor score 3 for analysis 1	.171	.097	.166	1.762	.081	-.022	.364	1.000	1.000
	REGR factor score 4 for analysis 1	.348	.097	.338	3.588	<.001	.156	.541	1.000	1.000
	REGR factor score 5 for analysis 1	.101	.097	.098	1.043	.300	-.091	.294	1.000	1.000
	REGR factor score 6 for analysis 1	-.075	.097	-.073	-.772	.442	-.268	.118	1.000	1.000

a. Dependent Variable: Purchaseintention

From the coefficients table, we can come up with a regression equation  $Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2$ , where Y is dependent variable,  $\beta_0$  is a constant,  $X_1$  and  $X_2$  are independent variables.

From the factors extracted, the equation will be

$$\text{Purchase intention} = 3.594 + 0.106(\text{Retail Experience}) + 0.022(\text{Product attributes}) + 0.171(\text{Product factors}) + 0.348(\text{Product Evaluation}) + 0.101(\text{Purchase process factor}) - 0.075(\text{Product Promotion})$$

We will then perform Discriminant Analysis:

$H_0$ : The Online sportswear of Decathlon is effective

$H_1$ : The Online sportswear of Decathlon is not effective

To determine if Decathlon Online is effective or not.

The factors chosen for considering is Customer Reviews and Coupons.

When we look at the questionnaire, respondents were asked to determine the effectiveness of these two factors.



**Group Statistics**

Online		Mean	Std. Deviation	Valid N (listwise)	
				Unweighted	Weighted
No	Customerreviews	3.38	1.023	68	68.000
	Discountsandcoupons	3.63	1.021	68	68.000
Yes	Customerreviews	3.30	.702	37	37.000
	Discountsandcoupons	3.57	.555	37	37.000
Total	Customerreviews	3.35	.920	105	105.000
	Discountsandcoupons	3.61	.882	105	105.000

This table shows the Mean values distributed along the probability scale and the Standard deviation (which is the actual deviation from mean). We see that these are evenly distributed.

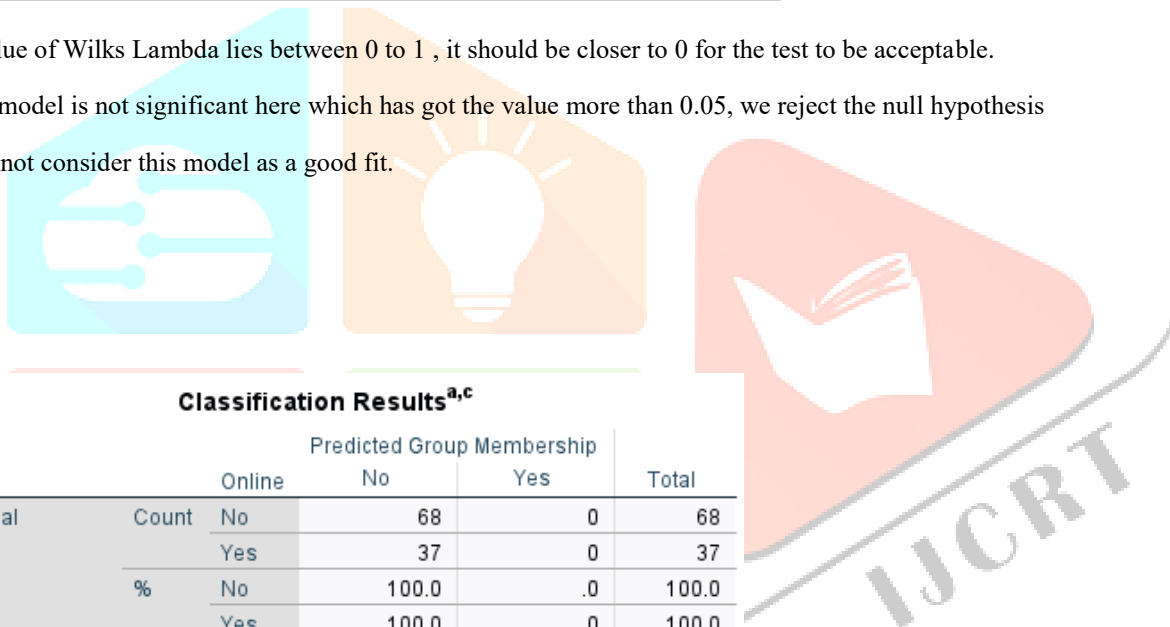
**Wilks' Lambda**

Test of Function(s)	Wilks' Lambda	Chi-square	df	Sig.
1	.997	.266	2	.875

The value of Wilks Lambda lies between 0 to 1 , it should be closer to 0 for the test to be acceptable.

As the model is not significant here which has got the value more than 0.05, we reject the null hypothesis

We cannot consider this model as a good fit.



**Classification Results<sup>a,c</sup>**

Original		Online	Predicted Group Membership		Total
			No	Yes	
Original	Count	No	68	0	68
		Yes	37	0	37
	%	No	100.0	.0	100.0
		Yes	100.0	.0	100.0
Cross-validated <sup>b</sup>	Count	No	68	0	68
		Yes	37	0	37
	%	No	100.0	.0	100.0
		Yes	100.0	.0	100.0

- a. 64.8% of original grouped cases correctly classified.
- b. Cross validation is done only for those cases in the analysis. In cross validation, each case is classified by the functions derived from all cases other than that case.
- c. 64.8% of cross-validated grouped cases correctly classified.

Classification Results shows the prediction variables which are changes. When we look at the (a) below the table it signifies that 64.8% of the data is classified properly. There are changes to be made with respect to other variables.

## FINDINGS

- We can say that the most of the people visiting the Decathlon are between the age group of 20-25 years.
- There are various other factors which can be considered for study, for better analysis.
- Decathlon is frequently used by customers not only for sporting activities but also for leisure activities because to its extensive selection of clothing and footwear.
- Customers set great importance on Decathlon's affordable prices and high-quality goods. They regard the variety of things that are offered, and the brands put their full attention into producing the products.
- They are trying to expand their product line and variants to all the age groups.

## CONCLUSION

Sportswear segment has become very competitive industry, and the demand among the consumer for this has been rapidly increasing over the years. Decathlon has been delighting their customers with innovation and bringing up new brands into their store. Results of the research shows that Quality, Price, Affordability and many other factors have an impact on people buying from Decathlon. Their Experience Instore and the satisfaction will play a major role in order for the Company to excel.

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