

**A STUDY ON CONSUMER PROMOTION ACTIVITIES OF  
DECATHLON, TRIVANDRUM  
PROJECT REPORT**

Submitted in partial fulfillment of the requirements  
for the award of the degree of

**MASTER OF BUSINESS ADMINISTRATION**



University of Calicut

By

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## **CERTIFICATE FROM THE PRINCIPAL**

This is to certify that **Ms. Anju A J** of MBA 2022-2024 Batch has successfully completed the 4<sup>th</sup> semester MBA Project work at **DECATHLON** for a duration of 8 weeks from April 1<sup>st</sup>,2024 to June 1<sup>st</sup>,2024.

Place: Koratty East, Thrissur

**Dr. Jacob P.M.**

Date:

**Principal, NBS**

## **CERTIFICATE FROM THE FACULTY GUIDE**

This is to certify the project, entitled “**A study on consumer promotion activities of Decathlon Trivandrum**”, submitted to the Calicut University, in partial fulfilment of the requirements for the award of the Degree of Master of Business Administration is a record of original project work done by **Ms.Anju A J** during the project from April 1<sup>st</sup>, 2024 to June 1<sup>st</sup>, 2024 of her study under my supervision and guidance.

Place: Koratty East, Thrissur

Date:

**Dr. Nijo Varghese**

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## **DECLARATION**

I do hereby declare that the project report entitled “**A STUDY ON CONSUMER PROMOTION ACTIVITIES OF DECATHLON TRIVANDRUM**”, submitted to the University of Calicut in partial fulfillment of the requirement for the award of **Master of Business Administration**, is a record of research done by me under the supervision and guidance of research guide **Dr. Nijo Varghese, Assistant Professor, Naipunnya Business School**.

I also declare that the same has not previously formed as the basic for the award of any Degree, Diploma or fellowship or other similar title to this or any other Universities.

Place: Koratty East, Thrissur

**Anju A J**

Date:

**YPAWMBA010**

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Place: Koratty East, Pongam

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**CHAPTER- I**  
**INTRODUCTION**

## 1.1 INTRODUCTION

In the dynamic landscape of modern business, consumer promotion activities have emerged as a critical component of an organization's marketing strategy. These activities, designed to incentivize and engage customers, play a pivotal role in driving sales, enhancing brand awareness, and fostering loyalty within the target audience.

At the core of effective consumer promotion activities lies a comprehensive understanding of the target market's preferences, behaviors, and motivations. Through in-depth market research and data analysis, organizations are able to identify the most effective channels and techniques to reach and influence their customers. From loyalty programs and discounts to interactive events and targeted advertising campaigns, the array of consumer promotion tools available to businesses today is both diverse and powerful.

Successful implementation of these activities, however, requires a strategic and coordinated approach. By aligning consumer promotion initiatives with the overarching brand identity and marketing objectives, organizations can create a cohesive and impactful consumer experience that resonates with the target audience. This, in turn, can lead to increased customer engagement, elevated brand loyalty, and ultimately, sustained commercial success.

As the competitive landscape continues to evolve, the importance of consumer promotion activities in maintaining a competitive edge cannot be overstated. By consistently adapting to the changing needs and preferences of their customers, businesses can position themselves as trusted partners and industry leaders, ultimately driving long-term growth and profitability.

Consumer promotion activities are strategic initiatives implemented by companies to enhance customer engagement, boost sales, and cultivate brand loyalty. These activities encompass a wide range of tactics, including discounts, coupons, sweepstakes, contests, free samples, and loyalty programs. By offering immediate value or incentives, companies can effectively attract new customers and retain existing ones. For instance, discounts and coupons provide direct savings, making products more attractive to price-sensitive consumers. Sweepstakes and contests, on the other hand, add an element of excitement and engagement, encouraging participation and fostering a deeper connection with

the brand. Free samples allow consumers to experience the product firsthand, reducing perceived risk and increasing the likelihood of purchase. Loyalty programs reward repeat customers, promoting long-term relationships and higher lifetime value. Additionally, limited-time offers and flash sales create a sense of urgency, driving quick decision-making and boosting short-term sales. In today's competitive market, well-executed consumer promotion activities are crucial for differentiating a brand, driving customer acquisition, and achieving sustainable growth.

Decathlon's consumer promotional activities are designed to foster a strong connection with sports enthusiasts and make high-quality sporting goods accessible to a broad audience. The company employs a variety of tactics to engage customers and drive sales, such as seasonal discounts, special offers, and loyalty programs. During key periods like back-to-school, holiday seasons, and major sporting events, Decathlon offers significant discounts on a wide range of products, encouraging customers to purchase necessary equipment and apparel at reduced prices. The brand also leverages digital marketing channels to distribute exclusive online coupons and flash sales, catering to the growing number of online shoppers. Decathlon's loyalty program, which rewards repeat customers with points that can be redeemed for discounts or special perks, encourages long-term engagement and brand loyalty. Additionally, Decathlon hosts contests and challenges, both online and in-store, that invite customers to showcase their sporting skills and win prizes, thereby fostering a community spirit and enhancing the overall shopping experience. Through these diverse promotional activities, Decathlon not only boosts sales but also reinforces its commitment to making sports accessible and enjoyable for all.

Decathlon's success is not only attributed to its extensive product range but also to its strategic consumer promotion activities. These activities are designed to engage customers, enhance brand loyalty, and drive sales. This research study aims to explore the various consumer promotion strategies employed by Decathlon, examining their effectiveness and impact on consumer behavior.

The study will delve into different promotional tactics such as in-store promotions, digital marketing campaigns, loyalty programs, and community engagement initiatives. By analyzing these activities, we seek to understand how Decathlon leverages consumer promotions to maintain its competitive edge in the sports retail market. The findings from this research will provide valuable insights for both academics and practitioners interested in the dynamics of consumer promotions within the retail industry.

## **1.2 STATEMENT OF THE PROBLEM**

In the competitive retail landscape, Decathlon employs a variety of consumer promotion techniques to attract and retain customers. However, the effectiveness of these promotional strategies and their impact on consumer preferences remain underexplored. There is a need to systematically analyze which promotional activities are most effective in driving sales, enhancing customer loyalty, and engaging new customers. This study aims to evaluate the effectiveness of Decathlon's consumer promotion techniques and identify the most preferred promotional methods among its customers. Understanding these dynamics will provide insights into optimizing promotional strategies to maximize their impact and ensure long-term business growth.

## **1.3 OBJECTIVES**

1. To analyse the effectiveness of various consumer promotion techniques of decathlon.
2. To identify the most preferred consumer promotion in decathlon.

## **1.4 SCOPE OF THE STUDY**

This study allows the company to better understand the effectiveness of consumers promotion as well as find the most influential promotion activities at Decathlon. The research was placed over two months, from April to June 2024. It was focused on customers who purchased from Decathlon Trivandrum. The consumers in the locality account for about 30000-50000.

## 1.5 RESEARCH METHODOLOGY

Research methodology is a systematic approach to tackling an exploration problem in a methodical manner. It involves studying how to conduct research in a logical manner, guiding the researcher in describing, evaluating, and predicting phenomena.

Essentially, it serves as a blueprint for conducting research, outlining the plan for data collection, analysis, and interpretation.

In this particular study, quantitative methods will be utilized to collect and analyse data through surveys and questionnaires distributed to Decathlon consumers. These surveys will evaluate the effectiveness of various consumer promotion activities of decathlon. The questionnaires will be distributed to both existing customers and potential customers of Decathlon.

### Research Design

Research design encompasses the comprehensive framework guiding a research endeavor. It systematically outlines the methods, procedures, and strategies employed to collect and analyse data, addressing specific research questions or hypotheses. The design's effectiveness is pivotal, as it influences the validity, reliability, and generalizability of study findings. A well-structured research design ensures alignment between methods and research objectives, facilitating appropriate data analysis.

The research design in this study is **descriptive research**. Descriptive research design is a type of research methodology used to describe and document the characteristics, behaviors, or phenomena of a particular subject without influencing or manipulating it. It aims to provide a detailed and accurate picture of what is happening in a given situation or context.

## **Population**

Population refers to the entire group of individuals, items, or units that share a particular characteristic or set of characteristics and are of interest to the researcher. The population represents the complete set of elements from which a sample is drawn to make inferences or generalizations about the entire group.

The population of the study is the customers of Decathlon Trivandrum

## **Sampling**

The primary aim of sampling is to acquire a representative sample that effectively mirrors the population's attributes, enabling researchers to draw accurate conclusions and generalizations. These strategies vary depending on research goals, available resources, and the desired level of accuracy.

The sampling techniques employed in this study are **convenience sampling**.

## **Sample Unit**

A study was conducted to analyze the consumer promotion activities of Decathlon and their influence on consumer buying behavior. The research examined various promotional strategies employed by Decathlon, such as discounts, coupons, clearance sales, and buy more save more offers. Data was collected to understand how these promotions affect customers' purchasing decisions and their perceptions of value-for-money. The study aimed to uncover whether these promotions contribute to customer loyalty and whether they influence customers to try new products or increase their spending. Insights were gathered through surveys and interviews with Decathlon customers to provide a comprehensive analysis of consumer promotion within the sporting goods retail sector.

## **Sample Size**

Sample size refers to the number of individuals, items, or units selected from

a larger population to be included in a research study or statistical analysis. The sample size is a crucial aspect of research design because it directly impacts the accuracy, precision, and generalizability of the study's findings. Choosing an appropriate sample size is essential to ensure the study has sufficient statistical power to detect meaningful effects and draw valid conclusions.

The sample size of this study is 124

### **Sample Frame**

To effectively analyze the effectiveness of various consumer promotion techniques of Decathlon and identify the most preferred consumer promotion, the sample frame for the research study will consist of a diverse group of Decathlon customers. This sample will include regular and occasional shoppers across different demographics such as age, gender, income levels, and geographic locations. The study will target customers who have made purchases both online and in physical stores within the past six months. Additionally, the sample will encompass members of Decathlon's loyalty program and non-members to ensure a comprehensive understanding of promotion preferences and effectiveness. This approach will help in gathering a representative dataset to draw meaningful insights and conclusions about Decathlon's consumer promotion activities.

### **Sources Of Data**

Sources of data refer to the places or means from which researchers or individuals can obtain information to use in their studies, analyses, or decision-making processes. Data can come from various sources, and they can be broadly categorized into two types: primary data and secondary data.

Primary data is original data collected directly from the source for a specific research purpose. Researchers gather primary data to address their research questions or objectives.

Secondary data refers to information that has been collected by someone

else for a purpose other than the current research project. Researchers access and use secondary data to complement or extend their studies.

This study was conducted by collecting **primary data** from the customers and prospective customers of Decathlon's using questionnaires.

## **Questionnaire Design**

For the research study aimed at analyzing the effectiveness of various consumer promotion techniques at Decathlon and identifying the most preferred consumer promotion, the questionnaire design will focus on gathering comprehensive insights from Decathlon customers. The questionnaire will include sections on demographic information (age, gender, income level, and shopping frequency), awareness and usage of Decathlon's promotions, perceived value and satisfaction with different promotion types (discounts, coupons, loyalty programs, free samples, contests), behavioral responses to promotions (impulse buying, increased purchase quantity, brand loyalty), and a ranking or rating of preferred promotion techniques. Additionally, the goal is to collect quantitative data to provide a holistic view of consumer preferences and the effectiveness of Decathlon's promotional strategies.

## **Tools For Data Analysis**

Data analysis refers to the process of examining, cleaning, transforming, and interpreting raw data to extract meaningful insights, identify patterns, trends, and relationships, and make informed decisions or draw conclusions. It involves applying various statistical, mathematical, and computational techniques to analyze data and derive actionable information that can be used for research, problem-solving, planning, or decision-making purposes.

The tool employed in this study is **percentage analysis**. It is a method of data analysis that involves expressing data as a percentage of a whole or a specific category. It is commonly used to understand the relative contribution or proportion of different components within a dataset. This technique allows researchers or analysts to compare and interpret data in a more meaningful way, especially when dealing with different scales or sizes



of data.

### **Period Of Study**

The study was conducted for a period of 8 weeks from 1<sup>st</sup> April 2024 to June 1<sup>st</sup> 2024.

### **Nature Of the Study**

The nature of this study involves a comprehensive analysis of Decathlon's consumer promotion activities, focusing on evaluating the effectiveness of various promotional techniques employed by the company. This research aims to assess how different promotional strategies impact consumer behavior, sales, and brand loyalty within Decathlon's customer base. By utilizing a quantitative data analysis of sales figures, consumer surveys, the study seeks to identify which consumer promotion techniques are most preferred and effective. The findings will provide valuable insights for optimizing Decathlon's promotional strategies to enhance customer engagement and drive sales growth.

### **1.6 LIMITATIONS OF THE STUDY**

- The information gathered through questionnaires is based on replies from customers. This adds the possibility of bias in responses, as individuals may provide socially desired replies or incorrectly recollect their experiences.
- This study was conducted for a period of two months, and so there existed time barriers.
- The study is limited to Decathlon Trivandrum only; hence the findings cannot be generalized to all decathlon stores.
- The study is limited to consumer promotion techniques offered by Decathlon, Trivandrum, hence other sales or consumer promotion techniques is not considered in the present study.

## **1.7 INDUSTRY PROFILE**

### **Global Scenario**

In 2020, the retail sports goods industry's largest market was anticipated to continue to be the athletic clothing category. Adidas AG, Puma AG, Dick's Sporting Goods Inc., Nike, Inc., Footlocker, Inc. Rudolf Dassler Sports is one of the top manufacturers and providers of athletic products. The sector's leaders are forming strategic alliances and partnerships to create one-of-a-kind solutions and satisfy clients' ever-changing industry expectations. You need current, relevant information to make commercial, investment, and strategic decisions. This market study satisfies this fundamental need and is a crucial source of information for global material suppliers, product manufacturers, investors, executives, distributors, and a host of other market participants. Overview of India's Sports Retail Industry Global retailers and Indian producers are concentrating on the Indian market due to the strong domestic market<sup>16</sup> growth in that country and the recession in other important sports markets like the US and EU. Indian corporations that have recently entered the retail market have expanded into sports retail. The Indian market has changed, and this section explores these developments and the factors contributing to them. Sports retail is a specialized retail area in India, and the industry is still limited. The size of the entire retail market is not officially estimated, and estimates provided by various consulting firms vary. One estimate put the size of the Indian retail market overall at \$372 billion. However, it only made up around 10% of organized retail. <sup>17</sup> SGEPC estimates for the production of sporting goods and equipment reveal that over the past five years, the sector has grown at an average annual rate of about 10–12%. India has been a major source of sporting goods over time, and the manufacturing industry has centered its efforts on exports. Because Indian society is focused on education and views sports as a diversion from it, the home market is minimal. Sports are still seen as a source of amusement rather than a source of income. Low levels of sports involvement are the result of this. Other obstacles include the lack of infrastructure, inability to pay for facilities, and difficulty purchasing sporting goods.

However, Indians have recently increased their spending on sporting items.

Even though they are still considered recreation, sports are becoming more popular in India. It is anticipated to increase from \$1 billion in 2005 to \$6 billion in 2025, growing at an annual rate of 8.9%. Food consumption and other basic requirements have decreased as wages have increased, and if India's strong growth rate is maintained, recreational expenditure will increase. This industry has been indirectly bolstered by metropolitan middle- and high- income residents' increased fitness consciousness. As seen by the rise in the number of health clubs, gyms, and exercise facilities, increased education levels, worldwide travel, and exposure to cable television, the internet, etc., Indian consumers are becoming more health- conscious. The workplace culture is evolving due to global integration; many information technologies (IT) and multinational corporations offer on-site gyms or pay for their staff to participate in fitness activities like yoga, golf, and gyms. Additionally, India is hosting several international sporting events, which should help the sector raise awareness of sports. In addition, the Indian government is increasingly focusing on infrastructure development, sports promotion, training, and exports of sporting items. Other elements have aided in the expansion of the sports retail industry. Before the liberalization of the 1990s, public sector organizations, including the Ministry of Railways, Air India and Indian Airlines, and the Indian Defense Services, were the primary sponsors of Indian sports, especially following the nationalization of the country's industries in the 1960s. Only a few private sponsors, including the Tata Group, were present. These organizations set aside positions for athletes and offered facilities for training. Following deregulation, there has been a surge in private sector involvement in sports promotion, training, and infrastructure. The entrance of the business sector has caused sports to become more commercialized. For team ownership, team and event sponsorship, etc., federations like the Board of Control for Cricket in India (BCCI) have collaborated closely with the commercial sector. The retail market for sports has grown as a result of private participation. For instance, private team owners of the cricket's Indian Premier League (IPL) have partnered with companies like Reebok, Nike, Adidas, and Puma to provide the team uniforms. Retail sales have risen as a result. There are now several sports played in India, which has created

shopping potential. Cricket and golf were once popular among royalty and affluent Indians, but participation among ordinary people was relatively low. The market for sports retail in these areas has grown as a result. India, behind nations like China and Japan, is one of Asia's top sporting goods producers. It is a niche participant in manufacturing even if its contribution to world trade is only about 1%. For example, India has the edge over China in European markets, where hand-stitched balls are favored since their inflated balls are generally hand-sewn and have a better bounce than the balls from China that are machine stitched. Compared to wealthy nations like the US and Italy, the country has a comparative advantage in low-cost, skilled labor, making it possible to make sports items of high international standards at a reduced price. Since 1991, there has been a change in the sale formats for sports. Previously, sportswear was sold by garment merchants, toys by toy stores, toys by family-owned, single-shop businesses, and shoes by shoe businesses. Very few stores offered sports clothing, shoes, equipment, and accessories, all under one roof. Indian retail saw significant changes after 1995, transitioning from family-owned, one-shop shops to corporate retail. It has an impact on sports retail. Numerous Indian corporations, such as the Future Group and Reliance Retail Limited, have entered the sports retail market, while other family-owned companies have expanded from one store to several locations. Foreign brands have entered the Indian market due to the expansion of modern retail. Indian customers are now more likely to purchase branded products due to greater brand awareness brought on by the proliferation of brands. This has given contemporary boutiques even more momentum. FDI is not allowed in multi-brand retailing, although foreign rivals have nonetheless entered the market through many channels, including wholesale cash-and-carry, local production, test marketing, single-brand retail, and franchising. Exclusive branded outlets, department stores, multi-brand sports outlets, factory outlets, and other places carry various foreign brands. Numerous studies have been done on the Indian retail industry, but none exclusively look at sports retail. Additionally, there isn't much research on India's sports industry. Additionally, obtaining secondary data on this industry is very challenging. Since many sports merchants group their products with gifts, toys, and entertainment, it is challenging.

to determine the market's size. Others frequently combine sporting goods with lifestyle goods like casual clothing. Although foreign competitors have nonetheless entered the market through various routes, including wholesale cash-and-carry, local production, test marketing, single- brand retail, and franchising, FDI is not permitted in multi-brand retailing. Customers, retailers, wholesalers, manufacturers, distributors, exporters, importers, foreign brands, business professionals, Indian enterprises, trade associations, and the government were all included (center, state and local). Ten in-depth interviews were conducted to acquire a deeper understanding of the sector and its issues. The poll focused on a variety of retail-related issues. In more detail, it looked at the laws that govern this sector, important clients (such as the government and federations), retail formats, consumer behaviors, retailer sourcing, growth potential, and difficulties that retailers must overcome. The study was carried out in 11 cities: Delhi, Mumbai, Kolkata, Chennai, Pune, Bangalore, Hyderabad, Bhubaneswar, Agra, Meerut, and Surat. It was based on semi-structured questionnaires. The global retail sporting goods industry by product types: Athletic Apparel, Athletic Footwear, Sports Equipment.

In the pursuit of athletic supremacy, the decathlon stands as a testament to the pinnacle of human physical and mental prowess. This arduous test of skill, endurance, and versatility has captivated the global stage, as nations across the world vie to produce the most well-rounded champions. The global scenarios of decathlon, a multi-event discipline that encompasses ten diverse disciplines, are a fascinating and complex tapestry woven with the threads of history, cultural influences, and the relentless drive for greatness.

At the heart of the global decathlon landscape lies a rich and storied tradition. Tracing its origins to the ancient Olympic Games, the decathlon has evolved into a modern spectacle that captivates audiences worldwide. From the inaugural modern Olympic decathlon in 1904 to the present day, the event has seen a remarkable transformation, with advancements in training methodologies, technological innovations, and the emergence of athletic powerhouses on the international stage.

One of the most striking global scenarios in the realm of decathlon is the ebb and flow of dominance among nations. While certain countries have historically dominated the event, such as the United States and the former Soviet Union, the landscape has become increasingly diverse in recent decades. Nations like Germany, Cuba, and even smaller countries have risen to the forefront, showcasing the depth of talent and the truly global nature of the decathlon.

This diversity has led to a captivating and ever-changing narrative, as athletes from different cultural backgrounds bring unique approaches and perspectives to the event. The fusion of training techniques, coaching philosophies, and cultural influences has produced a rich tapestry of decathlon performances, each with its own distinct flair and innovative strategies.

Moreover, the global scenarios of decathlon have been shaped by the ebb and flow of geopolitical events. The Cold War era, for instance, saw the decathlon become a battleground for ideological and political supremacy, with the United States and the Soviet Union engaging in fierce rivalries and employing various tactics to assert their dominance. The fall of the Berlin Wall and the subsequent dissolution of the Soviet Union further altered the global landscape, opening up new opportunities for emerging nations to make their mark on the decathlon stage.

Furthermore, the global scenarios of decathlon have been influenced by the broader trends and challenges facing the world of sports. The ever-evolving landscape of doping regulations, the pursuit of technological advancements, and the ongoing debates surrounding fairness and inclusivity have all left their mark on the decathlon discipline. These issues have not only shaped the competitive landscape but have also forced governing bodies and athletes to grapple with complex ethical and practical considerations.

As we delve deeper into the global scenarios of decathlon, we cannot overlook the profound impact of cultural and societal dynamics. The decathlon, with its diverse array of events, requires a unique set of physical and mental attributes that are often shaped by the cultural and socioeconomic realities of different regions. The representation and participation of athletes from underrepresented

communities, the accessibility of resources and training facilities, and the perception of the decathlon as a viable career path all play crucial roles in shaping the global scenarios of the event.

The global scenarios of decathlon are a rich and multifaceted tapestry that reflects the ever-evolving nature of international sports. From the historical roots to the current landscape of athletic excellence, the decathlon stands as a testament to the human spirit, showcasing the incredible feats of physical and mental prowess that can be achieved through dedication, perseverance, and a deep-rooted passion for the pursuit of greatness. As the global decathlon landscape continues to evolve, it presents a captivating and complex narrative that captivates audiences worldwide, inspiring generations of athletes to push the boundaries of human potential.

### **Indian Scenarios**

Due to rising public interest in sports and fitness activities, the sports retail industry in India has seen significant expansion. The rise of this industry has been aided by India's sizable and youthful population as well as rising disposable incomes. The Indian sports retail sector is valued at several billion dollars and is continuously expanding, according to various estimations. Athletic clothing, footwear, sporting goods, and accessories are all offered from sports retailers in India. This includes anything from yoga mats and cricket bats to running shoes and workout attire. Retailers are consistently diversifying their product lines in response to the rising popularity of a variety of sports and fitness activities.

E-commerce has significantly impacted India's sports retail industry. Consumers may now easily access a wide range of options, compare costs, and shop for sports-related products thanks to online platforms. E-commerce has been embraced by both new and established sports shops as a significant sales channel.

With a focus on developing talent at the grassroots level and promoting diverse sports, India's sports culture has been changing. Interest and knowledge have expanded as a result of the establishment of professional sports leagues in

cricket, football, and other sports. The demand for sports-related goods and apparel has benefited from this.

Sustainability and ethical issues are becoming more prominent in the Indian sports retail sector, following global trends. Customers are becoming more interested in companies and products that support ethical supply chains and the environment.

The Indian government has started programmes to encourage fitness and sports across the nation. Programmes like "Khelo India" are designed to find and develop talent at the local level and improve access to sporting facilities. By encouraging more individuals to participate in sports and fitness activities, these initiatives could benefit the sports retail industry.

Despite the expansion, the Indian sports retail market still faces difficulties like fierce competition, shifting consumer tastes, and supply chain constraints. Economic issues, such as consumer price sensitivity, can also have an impact on buying decision.

In the rapidly evolving landscape of the global sports industry, the rise of comprehensive sports retail brands has been a transformative force, reshaping the way consumers engage with athletic equipment, apparel, and accessories. Among the most prominent players in this dynamic market is Decathlon, a French sporting goods corporation that has made significant inroads into the Indian retail landscape over the past two decades. As India's economy has grown and the cultural appetite for sports and fitness has surged, Decathlon's unique business model and diverse product offerings have positioned the company as a major player in the country's burgeoning sports retail sector.

To fully understand Decathlon's impact and the broader implications for the Indian sports retail industry, it is essential to examine the company's history, its operational strategies, and the market forces that have contributed to its success. Established in 1976 in Lille, France, Decathlon has evolved from a small-scale sporting goods retailer into a global behemoth, with a presence in over 60 countries and a portfolio of over 70 in-house brands catering to a wide range of athletic pursuits. The company's entry into the Indian market in the early 2000s was a strategic move driven by the country's rapidly expanding middle class,



rising disposable incomes, and a growing interest in recreational and competitive sports.

One of the key factors underlying Decathlon's success in India has been its ability to adapt its business model to the unique demands and preferences of the local consumer base. Unlike traditional sports retail chains that rely on a limited selection of branded products, Decathlon has embraced a vertically integrated approach, designing, manufacturing, and retailing its own line of affordable, high-quality sporting goods. This model has resonated with Indian consumers, who have traditionally faced challenges in accessing quality sports equipment at reasonable prices. Decathlon's commitment to providing a diverse range of products, from entry-level to professional-grade, has enabled the company to cater to a broad spectrum of consumers, from casual fitness enthusiasts to dedicated athletes.

Moreover, Decathlon's strategic expansion across India, with a focus on establishing large-format stores in both metropolitan and Tier-2 cities, has been a key driver of its growth. These spacious, warehouse-style retail outlets not only offer an extensive product selection but also provide interactive experiences, allowing customers to test and try out equipment before making a purchase. This hands-on approach has been particularly effective in educating and engaging Indian consumers, many of whom may have had limited exposure to a wide range of sporting goods and accessories.

Alongside its retail strategy, Decathlon has also invested heavily in building a robust supply chain and logistics network within India. By establishing manufacturing and distribution centers across the country, the company has been able to ensure the timely and efficient delivery of its products to its growing network of stores. This localized approach has helped Decathlon mitigate the challenges of India's vast geographical landscape and underdeveloped infrastructure, ultimately enhancing its competitiveness and responsiveness to the needs of its customers.

The rise of Decathlon in the Indian sports retail market has also had a broader impact on the industry, catalyzing a shift in consumer preferences and driving

increased competition among both domestic and international brands. Traditional sports retail players, faced with Decathlon's disruptive businessmodel and its ability to offer high-quality products at affordable prices, have been compelled to reevaluate their strategies and invest in improving their own product offerings and customer experiences.

Furthermore, Decathlon's presence has had a ripple effect on the Indian sports manufacturing sector, as the company's emphasis on local production and sourcing has created new opportunities for domestic suppliers and manufacturers to participate in the global sports supply chain. This integration has not only bolstered the country's manufacturing capabilities but also fostered the growth of a more robust and competitive sports equipment ecosystem.

Despite the considerable success Decathlon has achieved in the Indian market, the company continues to face various challenges and opportunities. As the Indian sports retail landscape becomes increasingly crowded, with the entry of both domestic and international players, Decathlon will need to maintain its innovative edge and responsiveness to evolving consumer preferences. Additionally, the company's ability to navigate the complexities of India's Regulatory Environment, Infrastructure Limitations, And Supply Chain Dynamics will be crucial in sustaining its growth trajectory.

### **Regional Scenarios**

Like the rest of India, Kerala's sports retail sector has experienced substantial expansion and change in recent years. Kerala, a state noted for its love of sports, has a robust market for sports-related goods that supports a wide variety of sporting endeavors. The expansion of sports retail stores, both huge chains and privately owned enterprises, is a result of the state's interest in sports and physical activity. Sports fans in Kerala have a wide range of interests in sports and activities. Numerous aspiring cricketers and fans continue to invest in cricket equipment, demonstrating the sport's enduring popularity. Football has a sizable fan base as well, particularly in the northern parts. All around the state, people participate in traditional sports including

badminton, kabaddi, and athletics. Large sports retail chains, multi-brand stores, and smaller specialty shops all serve the sports retail sector in Kerala. Such stores are widely distributed in cities like Kochi, Thiruvananthapuram, Thrissur and Kozhikode. The Indian Super League (ISL), notably in the case of football, has an important effect on Kerala's sports retail industry. The ISL team from the state, Kerala Blasters FC, is extremely popular, and its supporters, named the "Manjappada," are renowned for their intense support. Football shirts, scarves, and other Kerala Blasters-related product sales increase during the ISL season. Kerala Blasters clothing is frequently stocked at sports shops to meet the huge demand throughout football season.

Despite cricket's enormous popularity in India, the IPL has a special effect on the sports retail sector. Kerala doesn't have a native IPL team, but due to the popularity of the competition, sales of cricket-related goods like bats, jerseys, and accessories increase significantly during the IPL season

Additionally, Kerala has a long history of producing athletes who are well-known both nationally and internationally, which fuels the demand for sportswear and equipment used in track and field competitions. In addition to these popular sports, Kerala culture places a specific emphasis on traditional sports like kabaddi and martial arts like Kalaripayattu. These sports help to fill a specialized equipment and training gear market niche. The state hosts a variety of sporting events all year long, from school-level games to world championships. A few examples include the annual Nehru Trophy Boat Race in Alappuzha, the Kerala Premier League in cricket, and many district-level football competitions. As fans look to outfit and support their favorite teams and players, these events not only increase sports participation but also promote the sports retail industry.

In the vibrant and diverse state of Kerala, the sports retail industry has experienced a remarkable transformation in recent years, with the emergence of Decathlon, a global leader in the domain, as a prominent player. As the region grapples with the evolving dynamics of the sports and leisure market, it is

imperative to delve into the intricate regional scenarios that have shaped the Decathlon retail landscape in Kerala.

Kerala, known for its rich cultural heritage, pristine natural beauty, and a burgeoning middle-class population, has long been a coveted destination for sports enthusiasts and outdoor enthusiasts alike. The state's strategic location, coupled with its well-developed infrastructure and a thriving tourism industry, has presented Decathlon with a unique opportunity to establish a strong foothold in the region.

One of the key factors contributing to Decathlon's success in Kerala has been its ability to cater to the diverse needs and preferences of the local population. The state's residents, known for their active lifestyles and keen interest in sports, have readily embraced the brand's comprehensive range of high-quality sports and fitness equipment, apparel, and accessories. Decathlon's focus on providing affordable yet durable products has resonated well with the region's cost-conscious consumers, further solidifying its position in the market.

Moreover, Decathlon's strategic placement of its retail outlets across Kerala has played a crucial role in its regional expansion. The brand has strategically established stores in prime locations, ensuring easy accessibility and visibility for its target audience. From the bustling urban centers of Kochi and Thiruvananthapuram to the picturesque coastal towns and the serene hill stations, Decathlon's presence has been carefully curated to maximize its reach and cater to the unique demands of each local market.

However, the Decathlon retail scenario in Kerala is not without its challenges. The region's competitive landscape, marked by the presence of established local and national sports retail players, has necessitated Decathlon to adopt innovative strategies to maintain its competitive edge. The brand's ability to adapt to the evolving consumer preferences, technological advancements, and changing market dynamics has been instrumental in its continued success.

One such adaptation has been Decathlon's focus on enhancing the in-store experience for its customers. The brand has invested heavily in creating immersive and engaging retail environments, complete with interactive

displays, product demonstrations, and expert consultations. This approach has not only attracted new customers but also fostered brand loyalty among its existing consumer base.

Furthermore, Decathlon's commitment to sustainability and environmental consciousness has resonated with the eco-aware population of Kerala. The brand's initiatives to promote eco-friendly products, minimize its carbon footprint, and engage in community-based sustainability projects have earned it a positive reputation among the state's consumers, further strengthening its regional positioning.

The Decathlon sports retail landscape in Kerala is a testament to the brand's ability to adapt and thrive in a dynamic and competitive regional market. By catering to the diverse needs of the local population, strategically positioning its retail outlets, enhancing the in-store experience, and embracing sustainability, Decathlon has carved out a significant niche for itself in the Kerala sports retail industry. As the region continues to evolve, Decathlon's unwavering commitment to innovation and customer-centric approach will undoubtedly play a pivotal role in shaping the future of the sports retail industry in Kerala.

## **1.8 COMPANY PROFILE**

Decathlon is a French sporting goods retailer. With over 2,080 stores in 69 countries and regions (2023), it is the largest sporting goods retailer in the world.

Decathlon is a French sporting goods retailer. It is the largest sporting goods retail company in the world. It started with a store in Lille, France in 1976 by Michel Leclercq. Currently it has 1500+ stores in 49 countries. Decathlon offers over 5000 varieties of products under more than 50 sports categories including Hiking, Cycling, Running, Fitness, Swimming, Water sports, Football, Cricket, Badminton, Golf, Horse riding, Roller sports, Tennis, basketball and volleyball. Decathlon owns over 20 brands with research and development facilities to innovate latest designs. Decathlon opened its first cash-and-carry format and wholesale store in 2009. However, it got approval for single brand retailing in 2013 and changed its business from wholesale to retail. It keeps 30% average margin on its products and boost profitability through lower overhead cost. In India Decathlon has all its In-house brands and each Brand represents a particular sport or group of sport. Like- Quechua for Hiking, Domyos for Fitness, kipsta for football. Decathlon targets for mass market with its motto 'Sport for All, All for Sport. The company manages the research, design, production, logistics and distribution of its products in-house; partners with global suppliers; and markets its own brands directly to consumers in Decathlon-branded big-box stores.

### **Mission of the Company**

Decathlon's mission is to make sport accessible to as many as possible. We would like to help, inspire and guide you through your sports experiences. We believe that being active and discovering new sports every day is an important part of a healthy lifestyle. Let's do some sports together, as together is always more fun!

### **Vision of the Company**

To share the benefits of sports with the large number of Indians.

## **Company Values**

Vitality, sincerity, responsibility, generosity: Among the integral components that contribute to a company's enduring legacy are its core values – the guiding principles that shape its culture, decision-making processes, and interactions with stakeholders. For the esteemed organization we are considering, the values of vitality, sincerity, responsibility, and generosity stand as the cornerstones upon which it has established its reputation and achieved remarkable accomplishments.

Vitality, as a primary tenet, speaks to the unwavering energy, enthusiasm, and adaptability that permeates every aspect of the company's operations. In an industry known for its rapid pace of change, this vibrant spirit allows the organization to stay at the forefront of innovation, readily embracing new challenges and seizing opportunities for growth. Employees are imbued with a sense of dynamism, continuously pushing the boundaries of what is possible and driving the organization forward with a relentless commitment to excellence.

Complementing this vitality is the company's steadfast commitment to sincerity. In an era where trust is a precious commodity, this value ensures that the organization's interactions with clients, partners, and the broader community are characterized by honesty, transparency, and genuine care. Through clear and open communication, the company cultivates an environment of mutual understanding and respect, fostering long-lasting relationships built on a foundation of trust and integrity.

The third pillar, responsibility, underscores the organization's unwavering dedication to ethical practices and sustainable operations. Recognizing the far-reaching impact of its decisions and actions, the company consistently strives to uphold the highest standards of corporate governance, environmental stewardship, and social responsibility. By holding itself accountable to both internal and external stakeholders, the organization solidifies its reputation as a responsible corporate citizen, committed to making a positive difference in the communities it serves.

Finally, the value of generosity encapsulates the company's willingness to share its resources, expertise, and successes with others. Through various philanthropic initiatives and community engagement programs, the organization demonstrates a genuine concern for the well-being of its stakeholders and the broader society. This spirit of altruism and compassion not only strengthens the company's bonds with its partners and customers but also inspires a sense of purpose and pride among its employees, further reinforcing the organization's commitment to making a meaningful impact.

Collectively, these four values – vitality, sincerity, responsibility, and generosity form the bedrock upon which the company has built its legacy. By consistently upholding and embodying these principles, the organization has established itself as a beacon of excellence, a trusted partner, and a responsible corporate citizen, poised to continue its journey of growth, innovation, and positive change for generations to come.

## **Products And Brands**

Decathlon is vertically integrated, designing and developing its own products and marketing under its more than 20 brands, with each sport, and often sub-sports and sports groups, having their own. In March 2024, the company launched a simplified brand portfolio consisting of category specialist brands and expert brands.

In the rapidly changing and continuously evolving realm of sports and outdoor recreation one brand has consistently stood out as a beacon of innovation, quality, and accessibility – Decathlon. As a global leader in the industry, Decathlon has carved out a unique niche for itself, offering a vast array of products that cater to the diverse needs and preferences of enthusiasts and casual participants alike.

At the heart of Decathlon's success lies its unwavering commitment to providing its customers with a comprehensive, yet tailored, shopping experience. Through its extensive portfolio of sub-brands, each catering to a specific domain of sports and leisure activities, Decathlon has effectively positioned itself as a one-



stop-shop for individuals seeking to embrace an active and adventurous lifestyle.

One such sub-brand, Antonia, is dedicated to the realm of nutrition and healthcare. Recognizing the crucial role that proper nourishment and wellness play in an individual's overall well-being, Antonia offers a range of high-quality supplements, sports nutrition products, and healthcare solutions to support athletes and fitness enthusiasts in their pursuit of optimal performance and recovery.

Similarly, Artengo caters to the needs of racket sports enthusiasts, providing a diverse selection of equipment, apparel, and accessories for disciplines such as tennis, badminton, and squash. With a keen eye for innovation and a deep understanding of the technical requirements of these sports, Artengo has garnered a reputation for delivering products that combine durability, precision, and enhanced playability.

Cycling enthusiasts, on the other hand, can turn to the B'Twin brand, which has established itself as a premier destination for all things related to the two-wheeled world. From high-performance bicycles and components to cutting-edge accessories and apparel, B'Twin's offerings are designed to meet the demands of both seasoned cyclists and casual commuters, ensuring that every rider can find the perfect gear to complement their cycling journey.

For those who find solace in the tranquility of the great outdoors, Decathlon's Caperlan brand caters to the needs of fishing enthusiasts. Offering a diverse range of rods, reels, lures, and other specialized equipment, Caperlan empowers anglers to venture into the world's waterways with confidence, equipped with the tools and knowledge necessary to reel in their next catch.

Fitness enthusiasts, meanwhile, can explore the expansive offerings of the Domyos brand, which encompasses a wide spectrum of products catering to various disciplines, including gym equipment, yoga mats, dance attire, and martial arts gear. Domyos' commitment to quality, innovation, and accessibility has made it a go-to choice for individuals seeking to cultivate a well-rounded and holistic approach to their fitness journey.

For those with a passion for equine sports, Decathlon's Fouganza brand is a must-explore destination. Fouganza offers a comprehensive range of riding gear, tack, and accessories designed to enhance the experience of both seasoned equestrians and those new to the world of horse riding.

Branching out into the realm of target sports, Decathlon's Geologic brand caters to enthusiasts of archery, darts, and pétanque. With a focus on providing high-quality equipment and accessories, Geologic empowers its customers to hone their skills and enjoy these unique and often underappreciated sports.

The Geonaute brand, on the other hand, caters to the needs of sports electronics enthusiasts, offering a diverse range of cutting-edge devices designed to enhance the performance, tracking, and monitoring capabilities of athletes across various disciplines.

Golf enthusiasts can find solace in the Inesis brand, which has established itself as a premier destination for all things related to the sport of golf. From clubs and balls to apparel and accessories, Inesis' offerings are crafted with meticulous attention to detail, ensuring that golfers of all skill levels can enjoy a seamless and enjoyable golfing experience.

For the running enthusiasts, Decathlon's Kalenji brand is a true standout. Offering a comprehensive range of footwear, apparel, and accessories specifically designed for the demands of running, Kalenji has earned a reputation for delivering high-performance products that cater to the unique needs of runners, whether they are training for a marathon or simply seeking to maintain an active lifestyle.

The Kipsta brand, on the other hand, is dedicated to the world of team sports, providing a diverse selection of equipment, uniforms, and accessories for disciplines such as football, basketball, handball, and volleyball. Kipsta's commitment to quality and innovation has made it a trusted partner for both recreational and professional teams, ensuring that players of all levels can enjoy their chosen sports with confidence and pride.

Swimmers, both recreational and competitive, can find solace in the Nabaiji brand, which offers a comprehensive range of swimwear, equipment, and accessories designed to enhance the aquatic experience. From high-performance swimsuits to innovative goggles and accessories, Nabaiji empowers its customers to dive into the water with confidence and style.

For those who prefer to keep their feet firmly on the ground, Decathlon's Newfeel brand caters to the needs of walkers and urban enthusiasts. Offering a diverse range of footwear, apparel, and accessories, Newfeel is committed to providing its customers with products that prioritize comfort, durability, and style, making it an ideal choice for those seeking to explore the world on foot.

Eyewear and optical accessories enthusiasts can turn to the Orao brand, which offers a diverse selection of sunglasses, prescription glasses, and related accessories designed to enhance the visual experience of its customers, whether they are engaging in sports, outdoor activities, or simply navigating the demands of daily life.

Rollersports enthusiasts, on the other hand, can find solace in Decathlon's Oxelo brand, which offers a comprehensive range of skates, scooters, and related accessories. Oxelo's commitment to quality and innovation has made it a go-to choice for individuals seeking to explore the world on wheels, whether they are commuting, exercising, or simply enjoying the thrill of the ride.

For those who prefer to venture into the great outdoors, Decathlon's Quechua brand is a true standout, offering an extensive range of hiking, camping, and outdoor gear designed to provide its customers with the tools and equipment necessary to safely and comfortably explore the natural world. From high-performance backpacks and tents to specialized outdoor apparel and accessories, Quechua has established itself as a trusted partner for adventurers and outdoor enthusiasts alike.

Mountaineering enthusiasts, on the other hand, can turn to Decathlon's Simond brand, which offers a comprehensive range of equipment and accessories specifically designed for the unique demands of climbing, mountaineering, and other alpine activities. Simond's commitment to safety, quality, and innovation

has made it a preferred choice for both seasoned climbers and those new to the sport.

For those with a passion for hunting, Decathlon's Solognac brand caters to the needs of outdoor enthusiasts, offering a diverse range of equipment, apparel, and accessories designed to enhance the hunting experience. From high-performance firearms and optics to specialized clothing and accessories, Solognac empowers its customers to venture into the wilderness with confidence and success.

Watersports enthusiasts, meanwhile, can find solace in Decathlon's Tribord brand, which offers a comprehensive range of equipment and accessories designed for various aquatic activities, including sailing, kayaking, and other water-based pursuits. Tribord's commitment to quality and innovation has made it a trusted partner for both recreational and professional water enthusiasts.

Finally, for those who seek to conquer the slopes, Decathlon's Wed'Ze brand caters to the needs of skiers and snowboarders, offering a diverse range of equipment, apparel, and accessories designed to enhance the winter sports experience. From high-performance skis and snowboards to specialized outerwear and accessories, Wed'Ze has established itself as a leader in the world of snow sports, empowering its customers to embrace the thrill of the mountains with confidence and style.

Decathlon's extensive portfolio of sub-brands is a testament to the company's unwavering commitment to providing its customers with a comprehensive and tailored shopping experience. Whether one is an avid athlete, a casual enthusiast, or simply seeking to embrace a more active lifestyle, Decathlon's diverse offerings cater to a wide range of interests and needs, making it a true one-stop-shop for all things related to sports, outdoor recreation, and active living. By continuously innovating, improving, and expanding its product lines, Decathlon has solidified its position as a global leader in the industry, ensuring that individuals from all walks of life can find the tools and equipment necessary to pursue their passions and achieve their fitness goals.

1. Antonia - Nutrition and Healthcare
2. Artengo - Racket Sports
3. B'Twin - Cycling
4. Caperlan - Fishing
5. Domyos - Fitness, Gym, Yoga, Dance, Martial Arts
6. Fouganza - Horse Riding
7. Geologic - Target Sports such as Archery, Darts, and Pétanque
8. Geonaute - Sports Electronics
9. Inesis - Golf
10. Kalenji – Running
11. Kipsta - Team Sports
12. Nabaiji - Swimming
13. Newfeel - Walking and Urban Wear
14. Orao - Eyewear and Optical Accessories
15. Oxelo - Rollersports
16. Skating and Kick Scooters
17. Quechua - Hiking, Camping, and Outdoor Gear
18. Simond - Mountaineering
19. Solognac - Hunting
20. Tribord - Watersports
21. Wed'Ze - Skiing and Snowboarding

## **Awards Recognition And Certification**

Retail Week Award (2022): Decathlon UK won the "Employer Initiative of the Year" award from Retail Week Award for their initiatives to foster employee engagement.

Great Place to Work (Multiple Countries): Decathlon has consistently received accolades for being a "Great Place to Work" in a number of nations, including France, Spain, India, and Brazil.

EcoVadis Sustainability Rating: Decathlon obtained a Gold grade from EcoVadis, a sustainability evaluation tool, in recognition of its dedication to ethical and sustainable business practices.

Corporate Knights Global 100: Decathlon is one of the top 100 most sustainable companies in the world, according to the Corporate Knights Global 100.

BrandZ Top 100 Most Valuable Global Brands: The inclusion of decathlon in the BrandZ Top 100 Most Valuable Global Brands highlights the brand's worth and power.

Retail Asia Awards (Asia-Pacific): Recognizing its retail expertise and innovation in the Asia-Pacific region, Decathlon has won a number of Retail Asia Awards in a variety of categories.

Frost & Sullivan Award for Retail Excellence (Singapore, 2021): Decathlon

Singapore won the "2021 Frost & Sullivan Award for Retail Excellence" for its creative retail strategies.

## **Business Performance**

In late-2016, an online-only delivery service was introduced in Tunisia in preparation for the opening in Tunis of its first store. The first store opened in November 2017 in Tunis City commercial center in Tunis. A second location opened in April 2018 in the country situated in La Marsa.

In February 2017, they opened the first store in Bogota, Colombia in the mall Parque La Colina.

In July 2017, Decathlon entered the Philippine market with a location at Festival Mall, Muntinlupa and at Tiendesitas, Pasig. In August 2017, the company announced it would open its first Canadian store in Brossard, Quebec during the spring of 2018. In early-2017, Decathlon stores were opened in both Ghana and South Africa. In November 2017, Decathlon entered the Indonesian market.

Their first Australian store opened in Tempe, Sydney, NSW, in December 2017. After two years in the Australian market, the viability of the Australian business is under question after posting a trading loss of \$19,563,819 (Australian dollars) in two years of trading.

In April 2018, the company announced it would open its first store in Kyiv, Ukraine, in the first months of 2019. In November 2018, Decathlon opened its first store in Greece, Corinthe.

In 2019, the company opened stores in Ireland; Vietnam; Bangladesh; Malta; and Serbia. The company also opened U.S. stores in California, which later closed in 2022. In an earlier attempt to enter the US market, it acquired the 18 Boston, Massachusetts area locations of *MVP Sports Stores* in 1999, rebranded them under the *Decathlon* brand, and subsequently closed those stores by 2006.

In November 2020, the first Decathlon store opened in Riga, Latvia.

Decathlon was supposed to open in Mauritius in April 2021 but due to the lockdown, the grand opening was on 13 May 2021.

In April 2021, the first Decathlon store opened in Saudi Arabia, Jeddah.

Following the 2022 Russian invasion of Ukraine, many international, particularly Western companies, pulled out of Russia. Decathlon has been criticized for not announcing any scaling down of its operations,

unlike most of its Western competitors. On 29 March, Decathlon announced that it has ceased its operations and suspended the operation of all its stores in Russia. However, reports in mid-June indicated that the stores are still in operation and may be temporarily closed by the end of the month until it becomes possible to renew supplies. In May 2023, it became known that the Turkish company FLO Retailing and the Lebanese Azadea Group were negotiating the purchase of the Russian Decathlon. FLO Retailing has previously bought the Russian business of the Reebok chain. As a result, the Russian government approved the sale of Decathlon to the Russian company ARM, which previously acquired the brand of the Spanish retailer Mango on a franchise basis. ARM promised to reopen all 35 Decathlon stores in Russia. In December 2023, Decathlon confirmed that they are supplying a limited quantity of their products to ARM for a limited time period as part of the company's disengagement agreement in Russia in response to a report that the company continued to supply their products to Russia through shell companies.

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companies. In January 2024, Decathlon opened its third store in Dublin, Ireland. Later, in February, Decathlon unveiled its planned four further openings in Swiss city centers: two in Geneva, one in Vevey and one in Winterthur. Indeed, it was announced that a new Decathlon store would open in Agy Centre, Switzerland. Also in early-2024, it was reported that another store in Perpignan would be opening in March and it would be one of Europe's largest Decathlon stores.

Decathlon continued to expand in 2022, with net sales rising to 15.4 billion euros. In comparison to 2021, it indicates an annual rise of +12%.

The Group's revenue from digital sales increased significantly from pre-COVID-19 levels (8% in 2019) to 17% in 2022.

The Group's net profit increased further, reaching € 923 million (up from € 913 million in 2021).

Decathlon increased its dedication to lowering its carbon footprint in 2022 and for the first time experienced a decline in its absolute carbon emissions (-1.5% vs. 2021). Additionally, 23% of sales goods had eco-friendly designs (up from 10% in 2021). With over 105,000 coworkers, Decathlon had a presence through its retail and production operations in 72 different countries worldwide.

### **Strategic Plan Programs and Long-Term Objectives**

Decathlon established its new long-term goal at the end of 2022 with the intention of enabling people all around the world to benefit from the social, emotional, and physical benefits of athletics. It represents the goal of the 105,000 Decathlon teammates around the world and builds on the company's core values of Vitality, Generosity, Responsibility, and Authenticity.

Decathlon seeks to enable anyone to engage in sport on their own terms, regardless of skill level, physical condition, or goals because participation in sport is universal and has numerous advantages.

Aiming to become a leading force for a sustainable future through the emergence of new circular models and the decarbonization of the Group's activities, with a goal to contribute to carbon neutrality by 2050, building a cutting-edge omni value chain, growing products excellence, and accelerating innovation are the five strategic pillars that will support his new

ambition over the next four years.

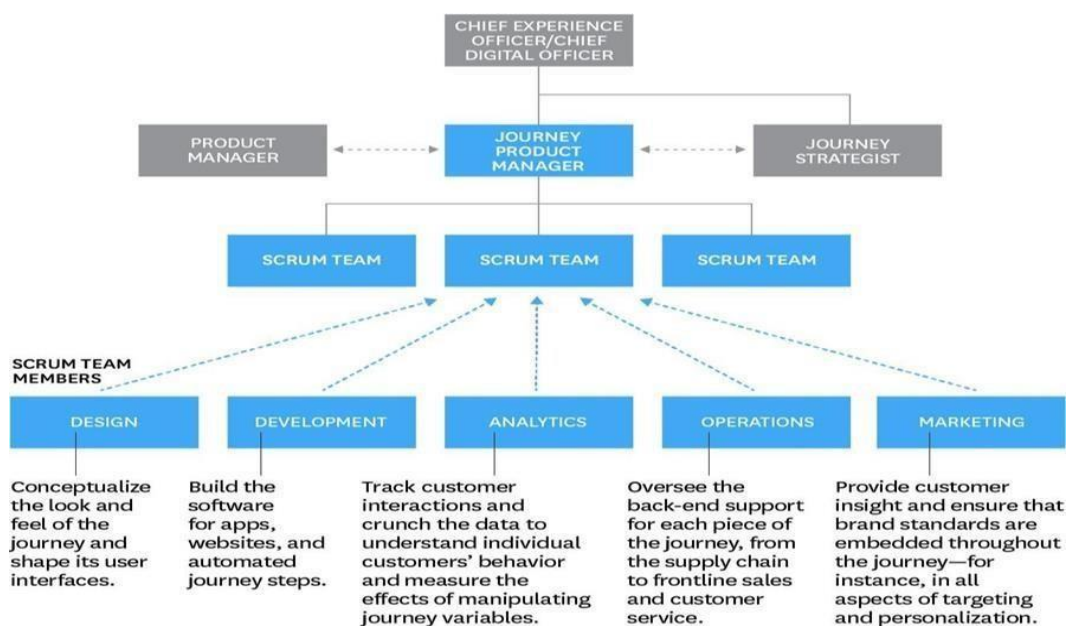
### Corporate Structure



Since its establishment, Decathlon has followed a conventional organizational structure that is characterized by a hierarchy, many levels of management, top-down decision-making, and fixed job descriptions. The company later underwent significant modifications, which led to the modern global organization that exists today. The elimination of the extra levels of management was the fundamental goal of these changes. Businesses like Buurtzorg and Zappos served as inspiration for the ensuing significant change in organizational structure. When undergoing this change, the management of this organization put high considerations on radical decentralization that made the company have four fewer management layers; the store leader, the sports leader, the local CEO, and the overall worldwide CEO.

## Business And Department Structure

The business and departmental structures at Decathlon are typically decentralized. Each of the company's departments is based on one of the company's several sports divisions. The creation, sourcing, and sales of each department's products are their own. Within each sport category, this organizational structure enables specialization and attention. Decathlon also emphasizes a flat organizational hierarchy, which fosters teamwork and communication.



## Operations

Decathlon's Operations Department manages a number of crucial operations that are essential to the company's success. At the centre of its operations is supply chain management, which includes careful production planning, close supplier engagement, and raw material sourcing. With a vertically integrated production process, Decathlon is able to keep control over both the quality and efficiency of their products. To make sure that products are easily accessible throughout their vast network of retail shops and e-commerce platforms, logistics and distribution are carefully managed. The division also focuses on inventory management, employing data-driven

strategies to maximize stock levels, reduce carrying costs, and effectively Satisfy Client Demand. Another Important Factor Is Quality Assurance. Decathlon puts its own brands through rigorous testing and maintenance to make sure they live up to the high expectations of sports enthusiasts. Decathlon is able to provide a wide choice of innovative, high-quality athletic goods at reasonable prices to its broad worldwide client base because to this all-encompassing strategy inside the Operations Department, greatly enhancing its competitive edge in the market.

## **Marketing and Sales**

The Decathlon marketing division is responsible for developing and implementing promotional programmes, using data analytics to target particular customer demographics, and managing advertising across a variety of platforms, including social media, email marketing, and traditional media. They also frequently roll out imaginative marketing efforts, such as their "Decathlon Sports Stories" series, which highlights actual athletes and their interactions with Decathlon products. These advertisements not only promote their goods but also develop a personal relationship with consumers. The sales department of Decathlon is in charge of managing the consumer experience from product discovery to purchase. Sales employees in their stores receive thorough training to give consumers knowledgeable guidance. Employees in the cycling department, for instance, are frequently passionate cyclists themselves, giving them the ability to provide insightful commentary and product recommendations. Decathlon's online store offers comprehensive product descriptions, The Indian government has started programmes to encourage fitness and sports across the nation. Programmes like "Khelo India" are designed to find and develop talent at the local level and improve access to sporting facilities. By encouraging more individuals to participate in sports and fitness activities, these initiatives could benefit the sports retail industry. Despite the expansion, the Indian sports retail market still faces difficulties like fierce competition, shifting consumer tastes, and supply chain constraints. Economic issues, such as consumer price sensitivity, can also

have an impact on buying decision Decathlon's reputation for exceptional customer service is a result of the seamless integration of its online and offline sales platforms.

## **Finance**

Every team in Decathlon is responsible for keeping customers happy and satisfied. This is done by keeping it low cost. A team of strong individuals knows their numbers and keeps a tab on the income, expense, and avenues to cut costs.

## **Human Resource**

The Human Resources department at Decathlon has a significant impact on the success and unique organisational culture of the business. They actively seek out people who share an intense passion for sports and outdoor activities, frequently using sports communities and partnerships for recruitment. This makes their talent acquisition strategy stand out. As soon as they join the Decathlon team, employees benefit of rigorous training and development programmes created to improve their product expertise and customer service abilities, ensuring they can help clients in a professional manner. The HR division places a strong emphasis on performance reviews and uses a merit-based approach for career advancement, which is completely consistent with Decathlon's core principles of enthusiasm and meritocracy. Additionally, they promote a lively workplace culture by planning sporting events, health initiatives, and team- building exercises that improve employee engagement and well-being.

## **Organizational Analysis**

Decathlon's organizational structure can be best described as a hybrid model, incorporating elements of both centralized and decentralized decision-making processes. The company's global headquarters, located in Lille, France, serves as the nerve center, providing strategic direction and overseeing the overall operations of the organization. However, the company also empowers its local subsidiaries and store managers to make decisions that cater to the unique needs and preferences of their respective markets.

This balanced approach to organizational structure allows Decathlon to maintain a high degree of agility and responsiveness, enabling the company to adapt swiftly to changes in consumer preferences and market conditions. Moreover, the company's governance structure is characterized by a strong emphasis on transparency, accountability, and ethical decision-making, ensuring that the interests of all stakeholders, including employees, customers, and shareholders, are well-represented and protected.

### Leadership and Management Approach

Decathlon's leadership team is renowned for its strategic vision, innovative mindset, and unwavering commitment to the company's core values. The CEO, along with the executive team, has played a pivotal role in shaping the organization's culture, which is centered on collaboration, continuous learning, and a relentless pursuit of excellence.

The company's management approach is marked by a decentralized and empowered structure, where store managers and regional leaders are given a significant degree of autonomy in decision-making. This empowerment, coupled with a robust system of accountability and performance evaluation, has fostered a sense of ownership and entrepreneurship among Decathlon's employees, driving them to consistently deliver exceptional results.

Furthermore, the company's leadership has demonstrated a keen understanding of the importance of adapting to changing market dynamics and consumer preferences. Decathlon has consistently invested in research and development, leveraging data-driven insights to inform its product development and marketing strategies, ensuring that it remains at the forefront of industry trends and customer needs.

### Human Resource Management and Talent Development

Decathlon's success can be largely attributed to its exceptional human resource management practices, which have enabled the company to attract, develop, and retain a highly skilled and motivated workforce. The company's recruitment

process is focused on identifying individuals who not only possess the requisite technical skills but also align with the organization's core values and culture.

Once on board, Decathlon employees are provided with comprehensive training and development programs, ranging from product-specific knowledge to leadership and management skills. The company's commitment to ongoing learning and development is further reinforced through its internal mobility and promotion policies, which incentivize employees to continuously expand their skillsets and take on new challenges.

Moreover, Decathlon has implemented a robust performance management system that emphasizes both individual and team-based objectives, ensuring that employees are recognized and rewarded for their contributions to the overall success of the organization. This approach has fostered a highly engaged and productive workforce, further strengthening Decathlon's competitive position in the market.

#### Innovation and Growth Strategies

Decathlon's success can be largely attributed to its unwavering commitment to innovation and its ability to anticipate and respond to evolving market trends. The company's research and development efforts are centered on developing cutting-edge products and technologies that address the diverse needs of its global customer base.

One of the key drivers of Decathlon's innovative prowess is its collaborative approach to product development. The company actively engages with its customers, soliciting their feedback and insights to inform the design and features of its products. This customer-centric approach has enabled Decathlon to consistently deliver products that not only meet but exceed the expectations of its target audience.

In addition to its product innovation efforts, Decathlon has also demonstrated a remarkable ability to expand its global footprint and diversify its business operations. The company has strategically entered new markets, leveraging its brand recognition and operational expertise to capture a significant share of the

local sporting goods and equipment sector. Furthermore, Decathlon has diversified its revenue streams by exploring opportunities in adjacent industries, such as e-commerce and digital services, further strengthening its position as a holistic solutions provider for the active lifestyle market.

Decathlon's organizational success can be attributed to its robust and well-structured approach to managing its operations, human resources, and strategic initiatives. The company's hybrid organizational structure, visionary leadership, and innovative mindset have enabled it to navigate the complexities of the global retail industry and maintain a strong competitive advantage.

As Decathlon continues to expand its global footprint and diversify its product and service offerings, the company's ability to adapt to changing market conditions and customer preferences will be crucial to its long-term success. By maintaining its focus on innovation, talent development, and customer-centricity, Decathlon is well-positioned to solidify its status as a dominant force in the sporting goods and equipment sector for years to come.

**Physical Stores:** Decathlon has a vast network of physical stores with products, furnishings, and retail space throughout the world. These shops are essential locations for displaying and offering their extensive selection of sporting goods, clothing, and accessories. They also give them a physical presence so they can interact with clients.

**Distribution Centers and Warehouses:** Decathlon depends on a network of distribution centers and warehouses that are carefully positioned. These facilities are essential for effectively managing, storing, and distributing inventory, ensuring that goods are available right away to satisfy customer demands.

**In-House Brands:** Decathlon has created a portfolio of in-house brands, each of which focuses on particular sports or activities.

**Online Presence:** A key tool for Decathlon is its e-commerce platform, which includes its website and mobile applications. It offers an extra sales channel, enabling the business to reach a wider audience and improve online transactions.



Customer Base: Sports lovers represent Decathlon's dedicated customers. This loyalty from customers is an essential asset for sustaining revenue and promoting brand loyalty.

Employee Knowledge and Expertise: Sports fans and professionals who work with Decathlon are valuable resources. They help the business succeed overall by offering knowledgeable product suggestions, providing customers with expert guidance, and more.

### **Company Swot Analysis**

#### **Strength**

Wide product range: Decathlon provides a wide selection of sporting goods and equipment to support a number of sports and outdoor activities. Being able to meet the needs of a diverse group of consumers, from amateur athletes to professionals, is one of Decathlon's core strengths. This variety increases the likelihood of sales and consumer loyalty

In-House Brands: Decathlon owns a number of in-house brands that are specialized in particular sports or activities, like Quechua and Kalenji. Decathlon is able to keep control over product quality and cost thanks to these companies. By providing exclusive, well-designed products at reasonable costs, in-house brands provide Decathlon a competitive edge. This tactic helps them stand out from rivals and cultivates client loyalty and trust.

#### **Weaknesses**

Seasonal Sales Fluctuations: Demand varies seasonally in the sports retail sector frequently, and Decathlon is no exception. This seasonality may make it difficult to manage inventory and sustain steady sales throughout the year. Decathlon can have decreased sales and more difficult inventory management during off-peak seasons.

Online Competition and E-commerce Challenges: Despite Decathlon's efforts to increase its online presence, e-commerce giants like Amazon pose a serious threat. It can be difficult to compete with these market giants

because they have enormous customers bases and resource bases. To stay competitive in the online market, Decathlon must constantly enhance its marketing, logistics, and online purchasing experience.

### **Opportunity**

**Health and Fitness Trends:** The increased focus on exercise and health gives Decathlon with potential to broaden its selection of wellness, activewear, and fitness-related products. Decathlon may benefit from the growing emphasis on health and wellbeing by launching and promoting items that target fitness enthusiasts and those leading better lifestyles.

**Sustainability Initiatives:** By diversifying its eco-friendly product offerings, minimizing its environmental impact, and informing customers who care about the environment about these sustainability initiatives, Decathlon may further boost its reputation and appeal. Consumers place an increasing emphasis on sustainability. Decathlon can attract clients that care about the environment and align themselves with global sustainability goals by adopting sustainable practices.

### **Threats**

**Intense Competition:** Sports retail is a fiercely competitive market, with many competitors selling identical goods. Pricing pressure and smaller profit margins might result from fierce rivalry. Both offline and online sports retailers and markets compete with Decathlon. Market share may be lost as a result of this competition, and maintaining pricing power may become difficult.

**Counterfeiting and Brand Imitation:** Popular in-house brands from Decathlon may be subject to imitation or counterfeiting, which could damage the company's reputation and lose customers' trust. Customers' discontent with counterfeit goods can result in legal troubles. The trademark and intellectual property rights of Decathlon must be actively guarded.

## **Pestel Analysis**

### **Political factors**

Decathlon's business is influenced by political factors present in a country

or even globally. Government policies have a serious impact on companies like Decathlon. If a particular government focuses more on sports in the country, then it becomes a golden chance for sports companies like Decathlon to increase their sales by proper marketing. But if the same government imposes heavy taxes over imports over sports material to protect the interests of local industrialists, not only the sports items will become expensive but also the sales will drop, which eventually lead to the loss of trust from the brand. Even government entities can tie up with Decathlon to sponsor their players at international and national levels. This will not only create goodwill for the brand but its sales will also increase if the following players play well. A country's lack of political stability has an impact on corporate tasks. Political stability is especially important for global organizations.

### **Economics factors**

High inflation rates have a serious impact on the sales of sports products. Because in case of inflation people tend to spend more on necessities, but sports items come under luxury items, so their sales will plump and this will affect Decathlon in a bad way.

If a country has high GDP or the country's GDP increasing substantially then it will be beneficial for companies, because higher per capita income will lead to higher spending on products that Decathlon offers. Recently in the Budget by Indian Government, they allotted almost 300 crores more from the last year for the sports, this will lead to the creation of more sports facilities all over India and more children will start playing different sports, ultimately the Decathlon will gain more customers and their sales will increase. The brand's total profitability and revenues will suffer as a result of the high unemployment rate. In a particular Country.

## **Social factors**

Demographics of the country has a serious impact on the business of the company, especially if the firm deals in sports and lifestyle equipment. In countries like the US and European Union where the average age is above 35 Decathlon have to make their products keep in mind the need of such people, while in countries like India, China and Brazil where the portion of young population is very large, they have to focus more on their needs. Before establishing itself in a country, the company have to look at the culture of the population, they can open separate outlets, or stores in malls or even both depending upon where the people in a particular region tend to visit. Decathlon claims to have a stringent employee welfare policy, and that all of its contractors follow the Human Responsibility in Production (HRP) approach in all of their activities. Decathlon's management system and resources for workplace conditions at production locations and with suppliers are referred to as the HRP. Such types of policies create a good image of the brand in the minds of normal people which help in increasing sales.

## **Technological factor**

With the advancement of technology in the field of sports, Athletes now need sports gears more advanced for example shoes with better ergonomics to help marathon runners finish their races in less time than before. Decathlon has a strong product design and development philosophy, together with better marketing will lead to customer retention. For Amazing gender diversity in many countries like India and China, the brand has different products for both genders under different names. With customers moving to the online market, Decathlon has to increase its online operations. By using different Artificial Intelligence (AI) techniques by which customers can try the outfits in the online mode. With the penetration of the Internet, they can now use techniques like E-Wallets, UPI.

They can even set up their virtual reality platform i.e., a metaverse store for Decathlon.

### **Legal factors**

Before entering a market, every firm needs to check the legal aspects of the particular country and geography. The company alleged that some competitors have replicated its registered brand and slogan. It was also reported that some competitors use logo as the same typeface and color as Decathlon's. But this case was fought in a country where the Judicial system is not that powerful then they will have no choice but to let them use it. Also, recently Indian government is reducing tariffs on the import of sports goods this will help the brand to compete with the local brands.

### **Environmental factors**

Subsidies are available in several countries to encourage investment in renewable technologies. Decathlon can take advantage of it and invest in renewable technologies to maintain long-term viability. Due to the improved brand image, this investment will help increase shareholder satisfaction and extend the client base. So, they are making some products like jackets and shoes from plastic wastes and enabling customers to wear and use them in good conscience and help reduce their carbon footprint. This will not only help them in making a good brand image but will also increase their customer base. The company also offers 365 days return policy in which you can return a product to the store if you don't need it anymore, so rather than throwing it, you can just return it.

## **CHAPTER -II**

### **REVIEW OF LITERATURES & THEORITICAL FRAMEWORK**

## **2.1 LITERATURE REVIEW**

A literature review is a crucial element of any research study, thesis, or dissertation. It entails a methodical search and thorough assessment of existing scholarly works, including academic articles, books, conference papers, and other pertinent sources related to the research topic.

Promotions, as a marketing tool, have their origins in the early 20th century, coinciding with the rise of mass production and the need for businesses to differentiate their products in increasingly competitive markets. Initially, promotions were simple price reductions or seasonal sales designed to clear excess inventory. Over time, they evolved to include a variety of techniques such as coupons, contests, samples, and loyalty programs, all aimed at stimulating consumer interest and driving immediate sales. The development of promotional strategies was influenced by economic theories on price sensitivity and consumer behavior, as well as advancements in marketing research that provided insights into the effectiveness of different promotional methods.

Research by Blattberg and Neslin (1990) is foundational in the field of sales promotions, offering comprehensive insights into various promotional techniques and their impacts on consumer behavior and sales. Their work categorizes promotions into different types, such as price discounts, coupons, and loyalty programs, and examines how each type influences purchase decisions and brand loyalty. Another significant study by Chandon, Wansink, and Laurent (2000) introduces the Benefit Congruency Framework, which analyzes the effectiveness of promotions based on how well they align with consumer benefits, distinguishing between hedonic and utilitarian rewards. This framework helps marketers design promotions that better meet consumer expectations and enhance promotional effectiveness.

Chandon, Wansink, and Laurent (2000) explored consumer response to various promotional tactics in their study "A Benefit Congruency Framework of Sales Promotion Effectiveness." They introduced the concept of benefit congruency, which posits that the effectiveness of a promotion depends on the alignment between the promotion's benefits and the consumer's purchase motives. Their

research demonstrated that utilitarian promotions (e.g., discounts and coupons) are more effective for practical, necessity-driven purchases, while hedonic promotions (e.g., contests, sweepstakes) are more effective for discretionary, pleasure-driven purchases. This framework helps marketers tailor their promotional strategies to better match the consumer's mindset, thereby enhancing the promotion's impact. The study highlights the importance of understanding consumer behavior and tailoring promotional tactics to align with different purchase motivations.

Ailawadi, Neslin, and Gedenk (2001) explore the impact of store brands versus national brand promotions on consumer choices, revealing that store brand promotions can significantly influence price-sensitive consumers and drive store loyalty. Their findings highlight the importance of strategic promotion management in competitive retail environments. Pauwels, Hanssens, and Siddarth (2002) investigate the long-term effects of price promotions on brand choice and purchase quantity, demonstrating that while promotions can boost short-term sales, they may also lead to increased price sensitivity and lower brand loyalty over time. This study underscores the need for a balanced approach to promotional strategies to sustain long-term brand health.

Ashley and Tuten (2015) examined the role of social media in promotions in their study "Creative Strategies in Social Media Marketing: An Exploratory Study of Branded Social Content and Consumer Engagement." They found that social media platforms provide a unique avenue for brands to engage with consumers through creative and interactive promotional content. Digital promotions, such as social media contests, influencer partnerships, and targeted ads, have the potential to reach a broad audience and generate significant consumer engagement. The study emphasized the importance of content quality and creativity in capturing consumer interest and driving interaction. It also highlighted the role of data analytics in optimizing promotional strategies, allowing brands to personalize promotions and measure their effectiveness in real time. This research underscores the transformative impact of digital



platforms on promotional practices, offering new opportunities for consumer engagement and brand building.

Price promotions, including discounts, coupons, and rebates, are among the most common promotional strategies used by businesses to attract consumers. A study by Blattberg and Neslin (1990) delves into the dynamics of price promotions, highlighting their short-term effectiveness in boosting sales and market share. Their research shows that price promotions can significantly influence consumer purchasing behavior by lowering the perceived cost of a product, thereby increasing its attractiveness. The study also points out that while price promotions can drive immediate sales spikes, their long-term impact on brand loyalty is mixed. Frequent price promotions may lead to a decrease in perceived product quality and can condition consumers to expect discounts, reducing their willingness to purchase at full price. Moreover, the study emphasizes the importance of strategically timing price promotions to avoid diminishing returns and to maximize their effectiveness.

Blattberg and Neslin's findings underscore the necessity for businesses to balance the immediate benefits of increased sales with the potential long-term drawbacks of eroding brand value. They suggest that price promotions should be used selectively and complemented with other promotional tactics that enhance perceived value without undermining the product's pricing integrity. This nuanced understanding of price promotions helps marketers craft strategies that drive short-term gains while safeguarding long-term brand equity.

In-store promotions, including point-of-purchase displays, in-store coupons, and promotional signage, are critical in influencing consumer decisions at the moment of purchase. A study by Heilman, Lakishyk, and Radas (2011) examines the effectiveness of in-store sampling promotions in driving trial purchases. Their research demonstrates that offering free samples in-store can significantly increase the likelihood of consumers purchasing the sampled product. This promotional technique is particularly effective for new or unfamiliar products, as it reduces perceived risk and allows consumers to

experience the product firsthand before making a purchase decision.

Loyalty programs are designed to reward repeat customers and foster long-term relationships. Bolton, Kannan, and Bramlett (2000) conducted an extensive study on the implications of loyalty program membership on customer retention and value. Their research reveals that loyalty programs can significantly enhance customer retention by creating a sense of exclusivity and rewarding consumers for their repeat purchases. The study indicates that well-designed loyalty programs not only increase the frequency of purchases but also encourage higher spending per transaction. By offering rewards such as points, discounts, and exclusive access to new products or events, businesses can strengthen their relationship with customers and enhance brand loyalty.

Discounts are perhaps the most straightforward and widely used promotional tool. A study by Neslin and Shoemaker (1983) titled "A Model for Evaluating the Profitability of Coupon Promotions" explores the profitability and consumer response to discounts in the form of coupons. They found that coupons effectively drive short-term sales spikes and attract price-sensitive consumers. However, they also noted a potential drawback: excessive use of discounts can lead to price erosion and reduce the perceived value of the product. This study emphasizes the need for careful planning and moderation in the use of discount-based promotions to avoid long-term negative impacts on brand equity.

A study by Bolton, Kannan, and Bramlett (2000) investigates the strategic integration of promotions in retail marketing strategies. The research focuses on how retailers use promotions to attract and retain customers, enhance store traffic, and differentiate themselves in competitive markets. Bolton et al. identify key factors such as promotional timing, pricing strategies, and customer segmentation in maximizing the effectiveness of retail promotions. The study underscores the importance of aligning promotional tactics with broader business goals and market dynamics to achieve sustainable competitive advantage and profitability in the retail sector.

Sales promotion, a fundamental component of the marketing mix, has long been the subject of extensive research and scholarly investigation. The study, conducted by Raghurir and Corfman (1999), examined the impact of reference prices on consumer perceptions of sales promotions. The researchers found that when a reference price was provided, consumers were more likely to perceive a sale as a genuine discount, leading to a higher likelihood of purchase. This underscores the importance of establishing a clear and credible reference point to enhance the perceived value of a sales promotion.

Silberhorn, Unal, and Hildebrandt (2018) explored the role of brand loyalty in moderating the effectiveness of sales promotions. Their findings suggest that while sales promotions can be effective in driving sales, the magnitude of the impact is contingent on the level of brand loyalty. Specifically, they found that sales promotions were more impactful for low-loyalty consumers, as they provided a stronger incentive to switch brands, whereas high-loyalty consumers were less responsive to such promotions.

A study by Lichtenstein, Netemeyer, and Burton (1995) examined the role of perceived value in consumer responses to sales promotions. Their findings suggest that when consumers perceive a sales promotion as providing high value, they are more likely to engage in impulse purchases and exhibit a stronger emotional response, ultimately leading to enhanced purchase intentions.

Shifting focus to the consumer psychology underlying sales promotion effectiveness, Chandon et al. (2000) conducted a meta-analysis examining the relative impact of monetary (e.g., discounts, rebates) and non-monetary (e.g., premiums, contests) promotions on perceived value and purchase intent. Their results suggested that non-monetary promotions tended to be more effective at enhancing perceived product value and generating positive brand attitudes, whereas monetary promotions were superior in terms of driving immediate purchase behavior. The authors attributed these differences to the distinct

psychological mechanisms underlying each promotional type.

Consumer promotion strategies play a pivotal role in shaping the purchasing decisions of individuals and influencing the overall performance of businesses. These strategies encompass a wide range of techniques, from discounts and coupons to loyalty programs and free samples, aimed at incentivizing consumers to engage with a brand or product.

**The Influence of Promotional Framing on Consumer Decision-Making** In their 2018 study published in the *Journal of Retailing*, Chandon, Wansink, and Laurent (2018) investigated the impact of promotional framing on consumer decision-making. The researchers found that the way in which a promotion is framed, whether in terms of gains or losses, can have a significant influence on consumer perceptions and behavior. Specifically, they discovered that consumers were more responsive to promotions framed in terms of gains, such as discounts or bonus offers, compared to those framed in terms of losses, such as surcharges or reduced quantities. This suggests that businesses should carefully consider the presentation of their promotional strategies to maximize their effectiveness.

**The Role of Loyalty Programs in Customer Retention** Berman (2016), in his study published in the *Journal of the Academy of Marketing Science*, explored the role of loyalty programs in customer retention. The findings revealed that well-designed loyalty programs can significantly enhance customer loyalty and reduce churn rates, thereby contributing to the long-term success of a business. The researchers emphasized the importance of tailoring loyalty programs to the specific needs and preferences of the target customer base, as well as integrating them seamlessly into the overall customer experience.

**The Impact of Free Samples on Brand Awareness and Purchase Intention** Dréze and Hussherr (2003), in their study published in the *Journal of Interactive Marketing*, examined the impact of free sample distribution on brand awareness and purchase intention. The researchers found that the distribution of free samples not only increased brand awareness but also positively influenced consumers' intentions to purchase the product. This suggests that the strategic use of free samples can be an effective tool for businesses to introduce new

products, build brand equity, and drive consumer engagement.

The Effectiveness of Coupon Promotions in Driving Sales Ailawadi, Beauchamp, Donthu, Gauri, and Shankar (2009), in their study published in the *Journal of Retailing*, investigated the effectiveness of coupon promotions in driving sales. The researchers found that coupon promotions can significantly increase sales, particularly for products with high brand loyalty and when the coupon offers a substantial discount. However, the study also highlighted the importance of considering the potential drawbacks of coupon promotions, such as the cannibalization of regular sales and the potential for consumer exploitation.

The Impact of Perceived Scarcity on Consumer Behavior Cialdini (1984), in his seminal work "Influence: The Psychology of Persuasion," explored the impact of perceived scarcity on consumer behavior. The researcher found that when consumers perceive a product or promotion as scarce or limited in availability, they are more likely to feel a sense of urgency and desire to acquire the offering. This phenomenon, known as the "scarcity principle," has been widely applied in consumer promotion strategies, such as limited-time offers and limited-quantity deals, to increase the perceived value and desirability of a product or service.

In the dynamic and highly competitive landscape of modern commerce, the strategic deployment of consumer promotional activities has become a critical component of successful business operations. These promotional initiatives aim to stimulate consumer interest, drive sales, and foster brand loyalty, ultimately contributing to the overall success of an organization.

A significant body of literature has explored the ways in which consumer promotional activities can influence the decision-making process and alter consumer behavior. Researchers have drawn on theories from psychology, behavioral economics, and decision science to understand the cognitive, emotional, and situational factors that shape how consumers respond to various promotional stimuli (Chandon et al., 2000; Krishnamurthi & Raj, 1991; Simonson, 1999).

## **2.1 THEORETICAL FRAME WORK**

In the dynamic landscape of today's business world, the concept of consumer promotion has become an increasingly vital component of effective marketing strategies. As the marketplace becomes increasingly saturated with a myriad of products and services vying for the attention and loyalty of consumers, the strategic deployment of consumer promotion techniques has emerged as a critical tool for businesses seeking to differentiate themselves, enhance brand awareness, and ultimately drive sales.

At its core, consumer promotion refers to the various incentives, discounts, and value-added offerings that organizations employ to entice and retain their target customer base. This multifaceted approach encompasses a wide range of tactics, including but not limited to, coupons, loyalty programs, free samples, limited-time sales, and bundled packages. The primary objective of these consumer promotion strategies is to stimulate immediate purchasing behavior, foster long-term brand engagement, and cultivate a sense of perceived value within the minds of the consumers.

One of the primary advantages of effective consumer promotion is its ability to enhance brand visibility and recognition. In an era characterized by intense competition and information overload, businesses must find innovative ways to cut through the clutter and capture the attention of their desired customer segments. Through the strategic deployment of consumer promotion initiatives, organizations can effectively differentiate themselves, communicate their unique value proposition, and forge stronger emotional connections with their audience.

Moreover, consumer promotion plays a pivotal role in driving immediate sales and revenue generation. By offering consumers tangible incentives and discounts, businesses can effectively lower the perceived barriers to purchase, thereby encouraging impulsive and repeat buying behaviour. This, in turn, can

lead to a significant boost in short-term sales, as well as the potential for increased customer lifetime value through the fostering of brand loyalty.

Perhaps one of the most compelling aspects of consumer promotion is its ability to gather valuable customer data and insights. By tracking the redemption rates of coupons, the engagement levels of loyalty programs, and the responsiveness to various promotional campaigns, businesses can gain a deeper understanding of their customer preferences, purchasing habits, and decision-making processes. Armed with this information, organizations can refine their marketing strategies, optimize their product offerings, and better tailor their communication efforts to meet the evolving needs and desires of their target audience.

However, the effective implementation of consumer promotion strategies is not without its challenges. Businesses must strike a delicate balance between offering enticing incentives and maintaining profitability, as well as ensuring that their promotional activities align with their overall brand identity and long-term strategic objectives. Additionally, the ever-changing landscape of consumer behavior and technological advancements requires organizations to continuously adapt and innovate their consumer promotion tactics to remain relevant and competitive.

The role of consumer promotion in modern marketing strategies cannot be overstated. By strategically leveraging a diverse array of incentives and value-added offerings, businesses can effectively capture the attention of their target audience, drive immediate sales, foster long-term brand loyalty, and gather valuable customer insights to inform their future decision-making. As the business environment continues to evolve, the mastery of consumer promotion will undoubtedly remain a critical competency for organizations seeking to thrive and succeed in the dynamic marketplace of the 21st century.

### **Objectives Of Consumer Promotion**

The role of consumer promotion has become increasingly pivotal in driving market success and cultivating brand loyalty. As businesses navigate the ever-evolving needs and preferences of consumers, the strategic implementation of

consumer promotion tactics has emerged as a critical component of comprehensive marketing strategies. This essay will delve into the primary objectives that underpin effective consumer promotion, illuminating the multifaceted ways in which these objectives contribute to the overall growth and sustainability of enterprises.

The first and foremost objective of consumer promotion is to stimulate immediate sales and increase short-term revenue generation. By offering targeted incentives, discounts, or value-added propositions, businesses can entice consumers to make purchases in the near term, thereby driving a tangible and measurable increase in sales figures. This objective is particularly vital for organizations seeking to capitalize on seasonal fluctuations, respond to competitive market pressures, or introduce new products into the marketplace. Through the strategic deployment of consumer promotion tactics, such as limited-time sales, buy-one-get-one-free offers, or bundled product packages, companies can effectively capture the attention of consumers and convert their interest into concrete purchasing behavior.

Alongside the imperative of boosting short-term sales, a key objective of consumer promotion is to cultivate long-term brand loyalty and customer retention. By providing consumers with positive experiences, enhanced value, and a sense of exclusivity or VIP treatment, businesses can foster a deeper emotional connection between their brand and the target audience. This, in turn, can lead to repeat patronage, increased word-of-mouth referrals, and the development of a loyal customer base that serves as a reliable source of revenue over time. Strategies such as loyalty programs, tiered membership benefits, and personalized rewards can all contribute to the achievement of this objective, as they create a sense of belonging and investment in the brand among consumers.

Another critical objective of consumer promotion is to stimulate brand awareness and enhance brand visibility within the market. In an increasingly crowded and competitive landscape, businesses must find innovative ways to differentiate themselves, capture the attention of consumers, and establish a strong, memorable brand presence. Through the strategic deployment of promotional campaigns, contests, sponsorships, or targeted advertising,



companies can effectively raise the profile of their brand, ensuring that it remains top-of-mind among target consumers. This heightened brand awareness can subsequently translate into increased consideration and purchase intent, ultimately driving long-term growth and market share expansion.

Furthermore, the objectives of consumer promotion extend beyond immediate sales and brand building, encompassing the goal of gathering valuable consumer data and insights. By incentivizing consumers to engage with promotional activities, such as completing surveys, providing feedback, or participating in product trials, businesses can acquire a wealth of information regarding consumer preferences, purchasing behaviors, and demographic profiles. This data can then be leveraged to refine and optimize future marketing strategies, product development, and customer engagement initiatives, enabling organizations to better align their offerings with the evolving needs and expectations of their target audience.

Finally, the objectives of consumer promotion may also include the fostering of positive brand associations and the enhancement of a company's overall reputation within the market. By aligning promotional activities with social causes, philanthropic initiatives, or community engagement, businesses can cultivate a perception of corporate social responsibility and ethical business practices. This, in turn, can contribute to the development of a positive brand image and bolster consumer trust, ultimately strengthening the company's position within the competitive landscape.

The objectives of consumer promotion are multifaceted and interconnected, encompassing the drive for immediate sales, long-term customer loyalty, heightened brand awareness, valuable consumer insights, and positive brand associations. By strategically aligning their promotional efforts with these key objectives, businesses can effectively navigate the complexities of the modern marketplace, positioning themselves for sustained growth, enhanced competitiveness, and lasting success.

## **Consumer behaviour theories**

Consumer behavioral theories explore the underlying psychological, social, and economic factors that influence how consumers make purchasing decisions. These theories include the Psychological Model, which examines internal processes like perception, motivation, learning, and attitudes; the Sociocultural Model, which looks at the impact of social groups, culture, and family on consumer behavior; and the Economic Model, which focuses on the rational decision-making processes based on cost-benefit analysis. Additionally, the Behavioral Economics Model, integrates psychological insights into economic decision-making, highlighting how cognitive biases and heuristics impact consumer choices. These theories collectively provide a comprehensive understanding of consumer behavior, helping marketers tailor their strategies to effectively reach and influence their target audiences.

### **Behavioural decision theory**

Behavioral decision theory, a multidisciplinary approach that integrates concepts from psychology, economics, and cognitive science, offers a more comprehensive understanding of the decision-making process. By acknowledging the inherent biases, heuristics, and contextual factors that influence consumer behavior, this theory provides marketers with a robust toolkit for designing more effective strategies and interventions.

At the core of behavioral decision theory lies the recognition that human decision-making is often not the result of a purely rational, utility-maximizing process, as proposed by traditional economic models. Rather, individuals are subject to a range of cognitive biases, heuristics, and contextual influences that can lead to systematic deviations from the "rational" choice.

One of the seminal works in this field is the groundbreaking research by Nobel Laureates Daniel Kahneman and Amos Tversky, who demonstrated the existence of various cognitive biases, such as the framing effect, the availability heuristic, and loss aversion. These biases suggest that the way in which information is presented can significantly impact an individual's decision-making, often leading to choices that deviate from the normative, economically optimal outcome.

The framing effect, for instance, illustrates how the same information can be perceived and evaluated differently depending on whether it is presented in a positive or negative light. Consumers may be more inclined to take risks when faced with a potential loss, rather than a potential gain, even if the underlying outcomes are equivalent.

Similarly, the availability heuristic suggests that individuals tend to rely more heavily on information that is readily available or easily recalled, rather than on a comprehensive assessment of all relevant data. This cognitive shortcut can lead to systematic biases in judgment and decision-making, with important implications for marketing strategies.

The insights derived from behavioral decision theory have had a profound impact on the field of marketing, enabling practitioners to develop more effective and customer-centric strategies. By understanding the psychological and cognitive factors that shape consumer behavior, marketers can design marketing interventions that better align with the way consumers actually make decisions.

One key application of behavioral decision theory in marketing is the design of choice architectures, or the way in which options are presented to consumers. Marketers can strategically frame and structure the decision environment to nudge consumers toward desired outcomes, without necessarily restricting their freedom of choice. For example, the placement of healthier food options at eye level in a supermarket aisle can encourage healthier purchasing decisions, or the use of default options can increase the likelihood of consumers selecting a particular product or service.

Another important application of behavioral decision theory is in the area of customer segmentation and targeting. By understanding the cognitive biases and heuristics that characterize different consumer segments, marketers can tailor their messaging, product offerings, and promotional strategies to better resonate with the specific decision-making patterns of their target audience. This can lead to more effective marketing campaigns and improved customer engagement.

Furthermore, behavioral decision theory has implications for the design of marketing communications and persuasive appeals. Marketers can leverage insights into cognitive biases, such as the framing effect, to craft messages that are more likely to influence consumer attitudes and behaviors. For instance, presenting a product's features in a way that emphasizes its benefits rather than its drawbacks can be more effective in swaying consumer preferences.

As the marketing landscape continues to evolve, the insights provided by behavioral decision theory have become increasingly crucial in addressing contemporary challenges faced by marketers.

One such challenge is the rise of digital and omnichannel marketing, where consumers are bombarded with a vast array of information and choice options. Behavioral decision theory can help marketers navigate this complex environment by understanding how consumers process and evaluate information in digital contexts, and how to design digital interfaces and user experiences that facilitate effective decision-making.

Another pressing challenge is the need for more sustainable and ethical marketing practices. Behavioral decision theory can inform the development of marketing strategies that nudge consumers toward more sustainable choices, without compromising their autonomy or freedom of choice. For example, marketers can leverage the principles of choice architecture to encourage the adoption of eco-friendly products or services, while still respecting consumer preferences.

Finally, the growing emphasis on personalization and targeted marketing strategies has highlighted the importance of understanding individual differences in decision-making patterns. Behavioral decision theory can provide valuable insights into how different consumer segments respond to various marketing interventions, enabling marketers to develop more personalized and effective approaches.

The field of behavioral decision theory has profoundly transformed the way marketers approach the understanding and influence of consumer behavior. By incorporating insights from psychology, cognitive science, and economics, this

multidisciplinary framework has enabled marketers to design more effective and customer-centric strategies that resonate with the complex, often irrational, decision-making processes of consumers.

As the marketing landscape continues to evolve, the principles of behavioral decision theory will continue to play a crucial role in addressing contemporary challenges and shaping the future of effective, ethical, and sustainable marketing practices. By embracing this approach, marketers can gain a deeper understanding of their target audiences, develop more impactful marketing interventions, and ultimately, drive business success in an increasingly dynamic and competitive environment.

**Theory of Planned Behavior:** The theory of planned behavior, developed by social psychologist Icek Ajzen in the 1980s, is a widely-applied and well-researched model that seeks to explain and predict human behavior. This comprehensive theory builds upon the foundational theory of reasoned action, expanding it to better account for behaviors over which individuals may have incomplete volitional control. Through a systematic analysis of the key constructs and their interrelationships, the theory of planned behavior illuminates the cognitive and motivational factors that shape behavioral intention and, ultimately, manifest in observable actions.

At the core of the theory lies the central tenet that the most proximal determinant of behavior is one's intention to engage in that behavior. Behavioral intention, in turn, is jointly determined by three key constructs: attitude toward the behavior, subjective norm, and perceived behavioral control. Attitude toward the behavior reflects an individual's overall evaluation, whether favorable or unfavorable, of performing the behavior in question. Subjective norm refers to the perceived social pressure from significant others to perform or refrain from the behavior. Perceived behavioral control captures the individual's perception of the ease or difficulty of engaging in the behavior, which is influenced by both internal factors, such as skills and abilities, and external factors, such as environmental constraints and facilitating conditions.

Importantly, the theory of planned behavior posits that perceived behavioral control not only influences intention, but can also directly impact behavior

itself. This is a critical distinction from the theory of reasoned action, which assumed that behavior was solely determined by intention. By incorporating perceived behavioral control, the theory of planned behavior acknowledges that an individual's actions may be hindered or facilitated by factors beyond their complete control, such as access to resources, cooperation of others, or the presence of situational obstacles.

A wealth of empirical research has consistently supported the utility and predictive validity of the theory of planned behavior across a diverse range of behavioral domains. Studies have demonstrated the model's applicability in predicting and understanding behaviors as varied as health-related actions (e.g., exercise, healthy eating, smoking cessation), environmental behaviors (e.g., recycling, energy conservation), social behaviors (e.g., volunteering, charitable giving), and organizational behaviors (e.g., job search, work performance).

One of the key strengths of the theory of planned behavior is its flexibility and adaptability. Researchers have successfully integrated additional constructs into the model to enhance its explanatory power, such as moral norms, self-identity, past behavior, and anticipated emotions. Furthermore, the theory has been applied at multiple levels of analysis, from individual decision-making to group and organizational processes.

Despite its widespread application and empirical support, the theory of planned behavior has also been the subject of ongoing debate and refinement. Critics have highlighted the need to further explore the interplay between intention and behavior, the role of unconscious or impulsive processes, and the influence of contextual factors beyond individual perceptions. Ongoing theoretical and methodological advancements continue to enhance our understanding of the complex mechanisms underlying human behavior.

The theory of planned behavior stands as a robust and comprehensive framework for understanding the cognitive and motivational determinants of behavior. By elucidating the pathways through which attitudes, social norms, and perceived control shape behavioral intention and action, the theory provides a valuable tool for researchers, practitioners, and policymakers alike in

predicting, explaining, and, ultimately, influencing human behavior across a diverse array of domains. As the field of behavioral science continues to evolve, the theory of planned behavior remains a cornerstone in the quest to unravel the intricacies of human decision-making and action.

**Consumer utility theory :** This theory posits that consumers make purchasing decisions in an effort to maximize their overall satisfaction or "utility" derived from the consumption of goods and services. The central premise is that consumers have preferences which they aim to fulfill through their consumption choices, and they will rationally select the combination of goods that provides them with the greatest level of utility subject to their budget constraints.

At the heart of consumer utility theory is the notion of the utility function. This mathematical function represents the relationship between the quantities of various goods consumed and the overall satisfaction or wellbeing experienced by the consumer. The utility function captures the diminishing marginal utility principle, which states that as a consumer consumes more of a particular good, the additional satisfaction derived from each successive unit of that good decreases. For instance, the first slice of pizza may be highly enjoyable, but the fourth or fifth slice may provide relatively little additional gratification.

Consumers are assumed to engage in utility maximization - they will choose the bundle of goods that generates the highest possible level of utility given their budget. This is represented graphically through the consumer's indifference curves, which illustrate the different combinations of goods that provide the consumer with an equivalent level of satisfaction. The consumer will select the point on the highest attainable indifference curve, tangent to their budget constraint line.

The insights of consumer utility theory have important applications in the realm of consumer promotion and marketing. Firms seeking to incentivize and influence consumer purchasing behavior can leverage an understanding of how consumers derive utility and make decisions. Several key implications emerge:

**Product Design and Feature Selection:** Firms can design products and services that are optimally tailored to consumer preferences and maximize utility. This

may involve incorporating desirable features, eliminating undesirable attributes, and presenting the product in an appealing manner. Understanding diminishing marginal utility can guide firms in determining the optimal combination and quantity of product features.

**Pricing and Discounting Strategies:** By comprehending how consumers assess the tradeoffs between price and quantity, firms can strategically price their offerings to align with consumer utility maximization. Promotional discounts and sales can be structured to exploit consumer price sensitivity and perceived value. Firms may offer discounts on complementary goods to boost overall utility.

**Bundling and Cross-Selling:** Firms can bundle multiple products together to create higher utility than if the items were purchased separately. This allows consumers to enjoy economies of scope while also potentially increasing the firm's revenues. Cross-selling complementary goods can likewise enhance consumer utility.

**Advertising and Messaging:** Promotional campaigns can be designed to highlight the key features and benefits of products in a manner that resonates with consumer preferences and maximizes perceived utility. Firms may emphasize aspects of the product that provide the greatest utility to target consumers.

**Loyalty Programs and Subscription Models:** By incentivizing repeat purchases and encouraging long-term relationships with consumers, firms can foster a higher level of cumulative utility. Loyalty programs, subscription services, and other retention strategies capitalize on consumer preferences for convenience, reliability, and predictability.

In summary, consumer utility theory provides a powerful framework for understanding and predicting consumer behavior. Its insights have substantial implications for the design and implementation of effective consumer promotion strategies. By aligning their offerings and marketing approaches with the utility-maximizing tendencies of consumers, firms can optimize their



chances of driving sales, building brand loyalty, and cultivating long-term profitability.

### **Theory of Reasoned Action (1975)**

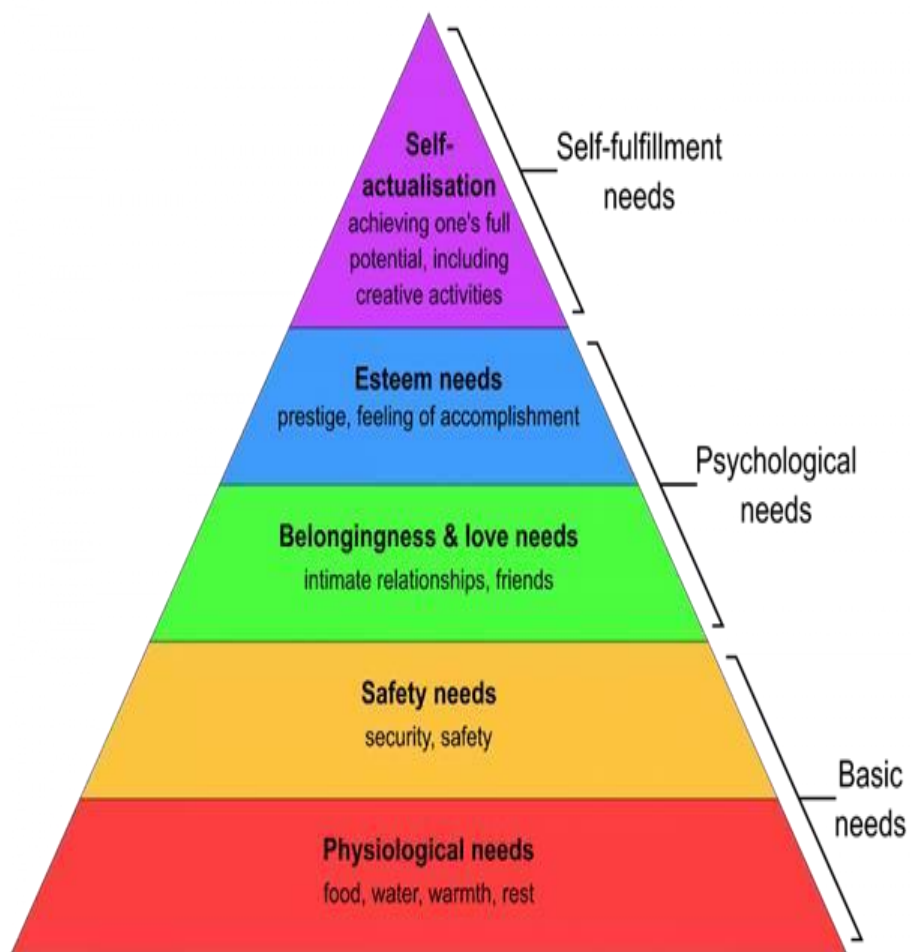
The Theory of Reasoned Action was proposed in 1975 by Martin Fishbone and Ice Janzen. This approach was claimed as being superior than information integration theory. Two key modifications are noticeable. First, Reasoned Actions adds a behavioural intention as an additional component to the concept of conviction. As does Information Integration theory (along with numerous others), Reasoned Action is only focused on behaviour rather than attempting to anticipate attitudes. Additionally, this strategy acknowledges that there are frequently circumstances (or other factors) that restrict the impact of attitude on behaviour.

### **Maslow's Hierarchy of Needs Theory (1943)**

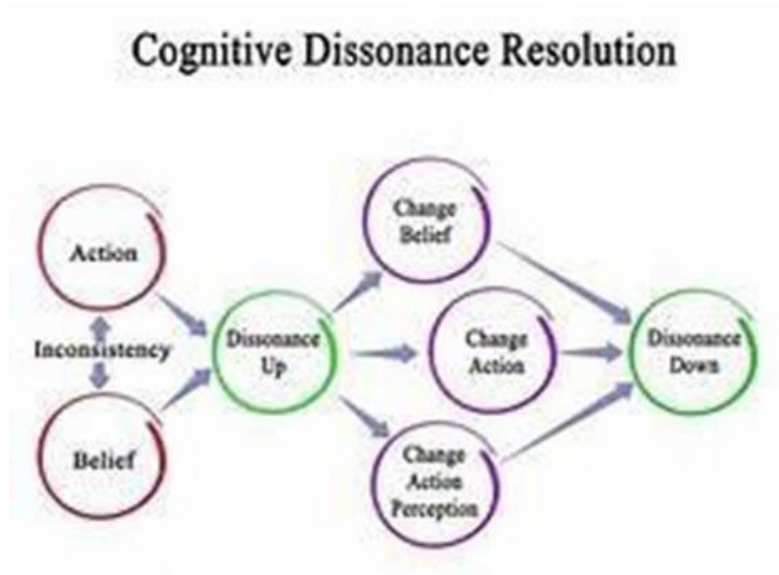
Maslow said that a person's efforts to meet five basic needs—physiological, security, social, and, Regards, self-realization—are what lead to inspiration. According to Maslow, certain wants might result in bodily weights that can affect a man's behaviour. Physiological needs include those that are necessary for human survival, such as air, food, drink, shade, clothes, and rest. Security needs include those that endow an identity with a sense of wealth and security. Security requirements include private protection, healthy finances, excellent health, and insurance against errors, harm, and their negative effects. Social needs are also known as connection, having a place, the desire to perceive an emotion having a place, and recognition. In order for people to not feel alone, friendless, or helpless, human needs are vital.

Relationships, friendships, and kinships all serve to meet social demands. Regard needs relate to the need for respect and dignity, with the former being considerably more important than receiving respect and adulation from others. Self-realization needs relate to a person's need to touch their entire torpid. Anything that is incredibly particular is the necessity to

organize what one is capable of. Maslow was confident that these needs exist in a multi-leveled hierarchy. This movement strategy implies that lower priority demands must be satisfied before higher priority needs in terms of amount. Since it takes effort to satisfy unmet obligations, the lack of legislation mandates that once a need is met, assistance ceases to be provided.



**Cognitive Dissonance Theory:** This theory suggests that individuals strive for consistency between their beliefs, attitudes, and behaviors. When there is a mismatch, it creates a state of cognitive dissonance, leading consumers to seek resolution through various means such as changing their beliefs or justifying their actions.



**Social Learning Theory:** According to this theory, individuals learn by observing and imitating others. Consumers are influenced by the behavior and attitudes of those around them, including family, friends, and opinion leaders. For example, seeing a celebrity endorse a product can influence consumer behavior.

**Reference Group Theory:** This theory emphasizes the influence of reference groups, which are groups that individuals identify with or aspire to be a part of. Consumers often seek validation and conformity within their reference groups, leading to the adoption of certain behaviours, preferences, and consumption patterns.

**Self-Perception Theory:** According to this theory, individuals infer their attitudes and preferences based on their own behaviour. Consumers may form opinions about products or brands based on their previous purchase decisions or experiences.

**Philip Kotler, consumer behaviour model:** Philip Kotler, a renowned

marketing author and professor, has extensively studied consumer behavior and its implications for marketing strategies. His theories on consumer behavior are integrated into his comprehensive marketing frameworks and are particularly influential in understanding how consumers make purchasing decisions.

### **Consumer Psychology Theories**

**Motivation Theories:** Motivational theory explores the psychological processes that drive individuals to initiate, sustain, and direct their behaviors toward achieving specific goals. It encompasses various frameworks and models that explain how internal and external factors influence motivation. Key theories include Maslow's Hierarchy of Needs, which suggests that individuals are motivated by a progression of needs from basic physiological requirements to self-actualization, and Herzberg's Two-Factor Theory, which differentiates between hygiene factors that can cause dissatisfaction and motivators that can drive satisfaction and performance. Other notable theories include McClelland's Theory of Needs, which focuses on achievement, affiliation, and power as primary motivators, and Self-Determination Theory, which emphasizes the roles of autonomy, competence, and relatedness in fostering intrinsic motivation.

**Decision making theories:** Decision-making theories are frameworks and models that seek to understand and explain how individuals and groups select among alternative courses of action. These theories encompass a range of approaches, from rational decision-making models, which assume individuals aim to maximize utility based on available information, to behavioral and psychological models that account for cognitive biases, emotions, and social influences. Key theories include expected utility theory, bounded rationality, prospect theory, and game theory, each providing different perspectives on how decisions are made in uncertain and complex environments. By examining these theories, researchers and practitioners can better understand and predict decision-making behaviors, leading to improved strategies in various fields such as business, economics, psychology, and public policy.

## **Marketing Theories:**

Marketing theories are frameworks and concepts used to understand and predict consumer behavior, market dynamics, and the effectiveness of marketing strategies. These theories encompass various elements such as the 4Ps (Product, Price, Place, Promotion), consumer psychology, segmentation, targeting, positioning, and the marketing mix. They help marketers develop strategies to create value for customers, enhance customer satisfaction, and build strong brand relationships. Marketing theories evolve with changing market conditions and technological advancements, guiding businesses in adapting their approaches to meet consumer needs and achieve competitive advantage.

**Promotion Mix:** The promotion mix, also known as the marketing communications mix, is a blend of various promotional tools and strategies used by a company to communicate its value proposition and persuade customers to purchase its products or services. It typically includes advertising, personal selling, sales promotion, public relations, and direct marketing. Advertising involves paid messages delivered through various media channels, while personal selling focuses on direct interaction between sales representatives and potential customers. Sales promotions are short-term incentives designed to stimulate immediate sales, such as discounts and special offers. Public relations encompass activities aimed at maintaining a positive company image and managing communications with the public. Direct marketing involves targeted communications to elicit a direct response or transaction from specific customer segments. The optimal mix of these elements varies depending on the company's objectives, target audience, and market conditions.

**Consumer Segmentation and Targeting:** Consumer segmentation and targeting are essential strategies in marketing that involve dividing a broad consumer market into smaller, more manageable groups based on shared characteristics. Segmentation identifies distinct groups of consumers with similar needs, preferences, or behaviors, such as demographics (age, gender, income), psychographics (lifestyle, values), geography, or behavior (purchase history, usage rate). Once these segments are defined, targeting involves selecting one or more of these groups to focus marketing efforts on. By tailoring products, services, and marketing messages to the specific needs and

preferences of these targeted segments, companies can enhance customer satisfaction, improve marketing efficiency, and increase competitive advantage. This approach allows businesses to connect more deeply with their audience, driving better engagement and ultimately, higher sales and loyalty.

**Theories of Value Perception:** Theories of value perception focus on how consumers perceive and assess the worth of a product or service. These theories suggest that value is not just an inherent property of a product but is shaped by individual perceptions, which are influenced by factors like price, quality, brand reputation, and personal needs and preferences. Key frameworks include the Expectancy-Value Theory, which posits that consumers evaluate the expected benefits and costs of a purchase, and the Means-End Chain Theory, which links product attributes to personal values through a series of intermediate benefits. Understanding these perceptions helps businesses tailor their offerings to better meet consumer expectations and enhance perceived value.

**ADIA model:** The effective communication and promotion of products and services have become paramount to success. Among the various theoretical frameworks that have emerged to guide marketing and promotional strategies, the AIDA model stands out as a cornerstone in the field. Developed over a century ago, this model continues to be widely adopted and adapted by marketing professionals and scholars alike, serving as a testament to its enduring relevance and utility.

The AIDA model, an acronym for Attention, Interest, Desire, and Action, outlines a sequential process that aims to guide the potential customer or consumer through a series of cognitive and emotional stages, ultimately leading to a desired behavioral outcome. This model, grounded in the principles of psychology and consumer behavior, provides a structured approach to designing and implementing effective marketing and promotional campaigns.

The first stage of the AIDA model, Attention, focuses on capturing the target audience's attention and awareness. In this phase, marketers employ a variety of tactics, such as eye-catching visuals, attention-grabbing headlines, or thought-provoking messaging, to create a compelling initial impression and pique the

interest of the consumer. The goal is to ensure that the product or service stands out amidst the cluttered landscape of marketing communications.

Once the consumer's attention has been secured, the next stage, Interest, becomes crucial. Here, marketers must cultivate and sustain the consumer's interest by providing relevant, informative, and engaging content. This may involve highlighting the unique features, benefits, or value proposition of the product or service, as well as addressing the target audience's specific needs and pain points. By fostering a genuine interest, marketers can effectively transition the consumer to the next stage of the model.

The third stage, Desire, represents a critical juncture in the AIDA model. In this phase, the goal is to transform the consumer's interest into a strong desire to possess or acquire the product or service. Marketers may employ a range of strategies, such as emphasizing the emotional or aspirational aspects of the offering, comparing it to competitors, or leveraging social proof and testimonials to create a sense of urgency and desirability.

Finally, the Action stage represents the culmination of the AIDA model, where the consumer is compelled to take the desired action, such as making a purchase, signing up for a service, or engaging in a specific behavior. At this stage, marketers may employ various techniques, such as clear call-to-action statements, streamlined purchasing processes, or incentives, to ensure that the consumer follows through with the intended action.

The AIDA model has been extensively studied and applied in various marketing contexts, from traditional advertising campaigns to digital marketing strategies. Researchers have explored the model's effectiveness, identified potential limitations, and proposed adaptations and extensions to better suit the evolving marketing landscape.

For instance, scholars have examined the role of emotions and cognitive biases in the AIDA model, highlighting the importance of appealing to both the rational and emotional aspects of consumer decision-making. Additionally, the increasing prominence of digital and social media platforms has led to the

integration of the AIDA model with concepts such as engagement, advocacy, and customer lifetime value.

Moreover, the AIDA model has been adapted and expanded to address the specific needs and dynamics of various industries and market segments. For example, the B2B (Business-to-Business) context has seen the development of the AIDA-B2B model, which incorporates additional stages to account for the more complex and prolonged decision-making process in the organizational buying process.

The AIDA model remains a fundamental and influential framework in the field of marketing and promotional theory. By guiding marketers through the critical stages of attention, interest, desire, and action, the AIDA model provides a structured approach to designing and implementing effective communication strategies that drive consumer engagement and ultimately, desired behavioral outcomes. As the marketing landscape continues to evolve, the AIDA model's adaptability and enduring relevance ensure its ongoing significance in the pursuit of marketing excellence.

**Integrated marketing communication:** Integrated marketing, at its core, refers to the harmonious alignment and coordination of various marketing channels, tactics, and messages to create a cohesive and impactful brand experience for consumers. This holistic approach to marketing has become increasingly critical in an era characterized by fragmented media, evolving consumer behaviors, and the need for seamless brand communication.

At the heart of integrated marketing lies the recognition that consumers engage with brands across multiple touchpoints, from traditional advertising to digital platforms, social media, and direct interactions. By adopting an integrated approach, organizations can ensure that their marketing efforts are strategically aligned, leveraging the synergies between different channels to deliver a consistent and compelling brand narrative. This not only enhances brand recognition and awareness but also fosters stronger consumer engagement, loyalty, and ultimately, business success.



One of the key principles of integrated marketing is the concept of the marketing mix, which encompasses the classic "4Ps" of product, price, place, and promotion. In an integrated marketing framework, these elements are carefully orchestrated to create a harmonious and cohesive brand experience. For instance, the product offering must align with the brand's positioning and the target audience's needs, while the pricing strategy reflects the perceived value and competitiveness of the product or service. The distribution channels, or "place," must be strategically selected to ensure optimal accessibility and availability for the target market. Finally, the promotion mix, which includes advertising, public relations, personal selling, and sales promotion, must be aligned to reinforce the brand's messaging and appeal.

Effective integrated marketing also requires a deep understanding of the target audience and their behavior. By leveraging data-driven insights and customer research, marketers can develop buyer personas, map out the customer journey, and identify the most effective touchpoints for engagement. This knowledge then informs the development of integrated marketing campaigns that resonate with the target audience, address their pain points, and provide value at every stage of the customer lifecycle.

Another crucial aspect of integrated marketing is the seamless integration of digital and traditional marketing channels. In the digital age, consumers expect a cohesive brand experience across both online and offline platforms. Successful integrated marketing strategies leverage the strengths of each channel, whether it's the reach and targeting capabilities of digital advertising, the credibility and influence of earned media, or the tangibility and sensory appeal of traditional print or outdoor advertising. By aligning these channels and leveraging their synergies, marketers can create a powerful and cohesive brand narrative that resonates with their target audience.

Furthermore, integrated marketing emphasizes the importance of consistent, compelling, and distinctive brand messaging. Across all marketing touchpoints, the brand's core values, personality, and unique selling proposition must be consistently communicated to reinforce brand identity and build strong emotional connections with consumers. This consistent brand messaging not

only enhances recognition and recall but also fosters trust, loyalty, and advocacy among the target audience.

The integrated marketing approach represents a strategic and holistic framework for effective marketing and brand communication. By aligning the various elements of the marketing mix, leveraging data-driven insights, and seamlessly integrating digital and traditional channels, organizations can create a cohesive and impactful brand experience that resonates with their target audience. As the marketing landscape continues to evolve, the principles of integrated marketing will remain a critical driver of success for businesses seeking to build strong, enduring, and profitable relationships with their customers.

### **Economic Theories:**

**Price Theory:** Price theory in consumer promotion refers to the economic principles and strategies applied to pricing decisions within promotional activities aimed at consumers. It encompasses various aspects such as pricing strategies, discounting techniques, bundling, and promotional offers designed to influence consumer behavior. The theory considers factors like price elasticity of demand, competitive pricing dynamics, and consumer psychology to determine optimal pricing structures that maximize sales and profitability. Effective price theory in consumer promotion involves balancing between attracting customers with discounted prices or special offers while ensuring sustainable revenue and profitability for the business over the long term.

**Price elasticity of demand :** one fundamental concept that holds significant sway over consumer behavior and market dynamics is the notion of price elasticity of demand. This crucial economic principle delves into the intricate relationship between the price of a good or service and the corresponding changes in the quantity demanded by consumers. Understanding the degree of price elasticity is paramount in formulating effective pricing strategies, anticipating consumer reactions, and making informed decisions within the realm of marketing and business operations.

## The Concept of Price Elasticity of Demand

Price elasticity of demand, denoted as "Ed," is a measure that quantifies the responsiveness of the quantity demanded of a good or service to changes in its price. It is calculated as the percentage change in quantity demanded divided by the percentage change in price. In mathematical terms, the formula for price elasticity of demand is:

$$Ed = (\text{Percentage change in quantity demanded}) / (\text{Percentage change in price})$$

The value of the price elasticity coefficient can range from negative infinity to zero, with the negative sign indicating an inverse relationship between price and quantity demanded. Goods and services can be classified into three broad categories based on their price elasticity:

**Elastic Demand:** When the value of Ed is greater than 1, the demand for the good or service is considered elastic, meaning that a 1% change in price will result in a more than 1% change in quantity demanded.

**Inelastic Demand:** When the value of Ed is less than 1, the demand for the good or service is considered inelastic, meaning that a 1% change in price will result in a less than 1% change in quantity demanded.

**Unitary Elastic Demand:** When the value of Ed is equal to 1, the demand for the good or service is considered unitary elastic, meaning that a 1% change in price will result in a 1% change in quantity demanded.

## The Influence of Price Promotions on Consumer Demand

Price promotions, such as discounts, sales, or temporary price reductions, have a significant impact on consumer demand and the corresponding price elasticity. When a product or service is subjected to a price promotion, the quantity demanded by consumers typically increases, as the lower price makes the offering more attractive and accessible to a wider customer base.

The degree to which consumers respond to a price promotion, however, is heavily influenced by the price elasticity of demand for the good or service.

Goods and services with elastic demand tend to experience a more pronounced increase in quantity demanded in response to a price promotion, as consumers are more sensitive to price changes. Conversely, goods and services with inelastic demand may see a relatively smaller increase in quantity demanded, as consumers are less responsive to price changes.

### Understanding the Sensitivity of Consumers to Price Changes

The sensitivity of consumers to price changes, as reflected in the price elasticity of demand, is influenced by a variety of factors, including:

**Availability of Substitutes:** Goods and services with readily available substitutes tend to have more elastic demand, as consumers can easily switch to alternative options in response to price changes.

**Necessity of the Good or Service:** Goods and services that are considered necessities, such as food, water, or essential utilities, typically have inelastic demand, as consumers are less responsive to price changes for these items.

**Time Horizon:** The price elasticity of demand can vary over time, with demand becoming more elastic in the long run as consumers have more time to adjust their purchasing behavior in response to price changes.

**Income Level:** Consumers with higher income levels may be less price-sensitive, leading to more inelastic demand, while lower-income consumers may be more responsive to price changes, resulting in more elastic demand.

### Implications for Businesses and Policymakers

The understanding of price elasticity of demand and the influence of price promotions on consumer demand hold significant implications for businesses and policymakers alike. Businesses can leverage this knowledge to develop effective pricing strategies, optimize their promotional activities, and tailor their offerings to the specific needs and price sensitivities of their target market. Policymakers, on the other hand, can use this information to design and implement economic policies that account for the price-sensitivity of

consumers, particularly in the context of taxation, subsidies, and regulatory frameworks.

The price elasticity of demand is a crucial economic concept that sheds light on the sensitivity of consumers to price changes and the impact of price promotions on consumer demand. By understanding the degree of price elasticity, businesses and policymakers can make informed decisions, adapt their strategies, and better serve the needs of consumers in an ever-changing economic landscape.

**Game Theory:** Game theory in consumer promotion refers to the strategic analysis of interactions between consumers, competitors, and the firm itself within the context of promotional activities. It applies mathematical models to study decision-making and outcomes where the success of promotional strategies depends not only on the actions taken by the firm but also on the responses of competitors and consumers. Game theory helps in predicting consumer behavior in response to promotions, optimizing pricing and promotional strategies, and understanding competitive dynamics in the marketplace. By modeling various scenarios and outcomes, firms can strategically design promotions to maximize their effectiveness and competitive advantage in attracting and retaining customers.

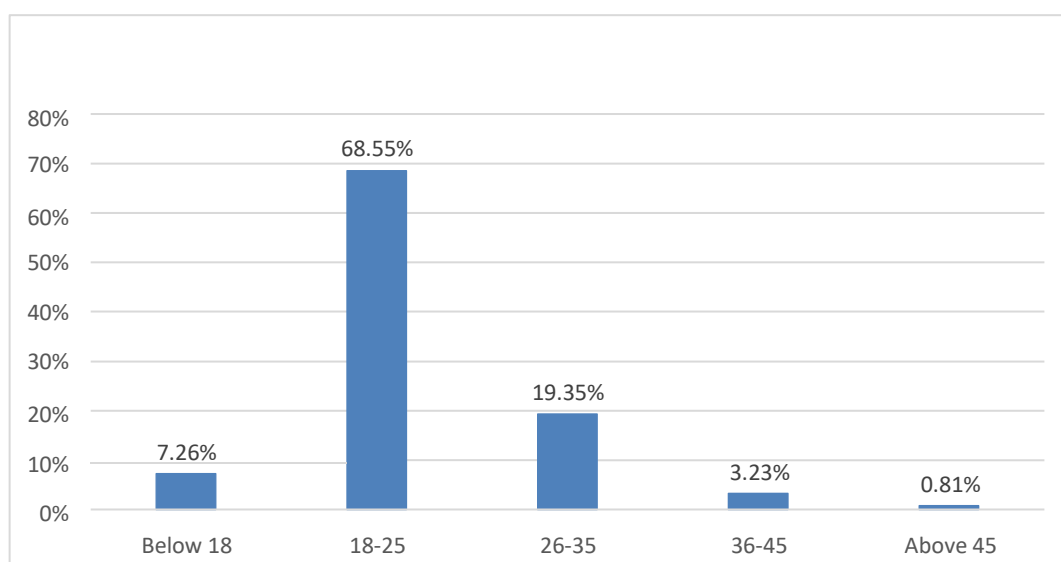
## **CHAPTER-III**

### **DATA ANALYSIS AND INTERPRETATION**

### 3.1 PERCENTAGE ANALYSIS

**Table 3.1: Age Group**

Age	Frequency
Below 18	9
18-25	85
26-35	24
36-45	5
Above 45	1
Total	124

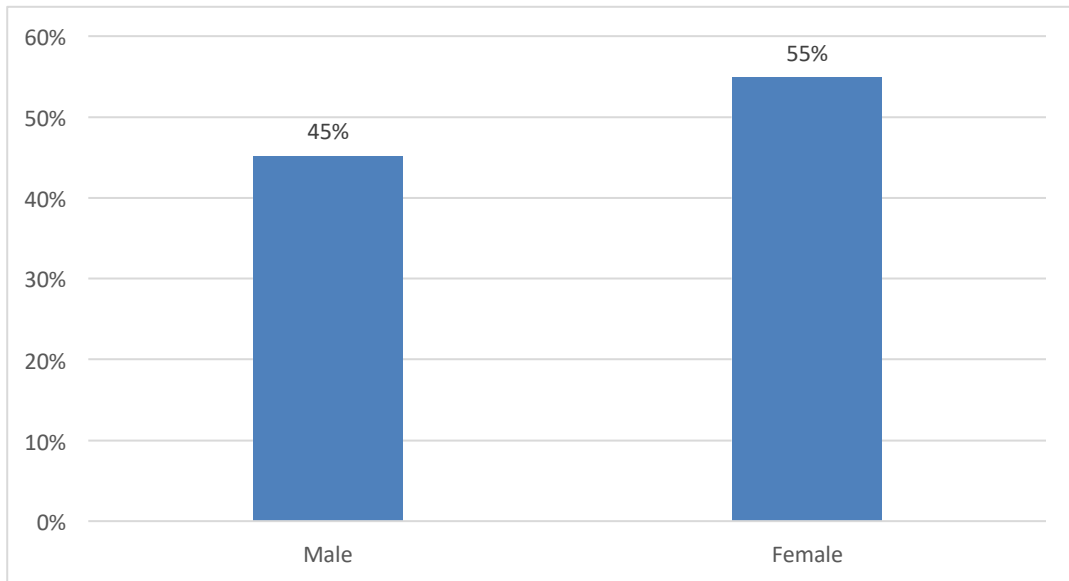


**Figure 3.1: Age Group**

The data reveals the age distribution of the respondents, indicating that the majority, constituting 68.55% of the total, fall within the age range of 18 to 25 years. The age group of below 18 constitute 9 % and the age group of 26-35 constitute 19.35% of the respondents. while the age group of 36-45 represents 3.25% of the respondents. Moreover, the individuals aged 45 years and above constitute a smaller portion of only 0.81%.The dataset consists of a total of 124 respondents, providing insights into the distribution of age groups among them.

**Table 3.2 –Gender Distribution**

Gender	Frequency
Male	56
Female	68
Total	124



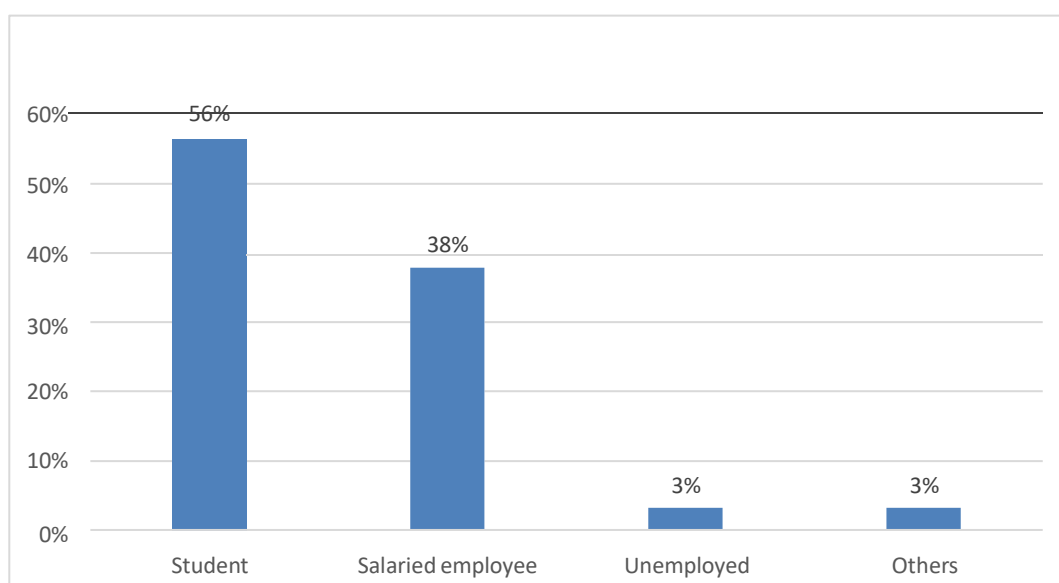
**Figure 3.2: Gender Distribution**

The data provides information on the gender distribution of the respondents, and it appears that the majority (68 individuals accounting to 55% of the respondents identify as female. The proportion of males is smaller (56 individuals accounting to 45%), and there are no individuals who identified as others in this particular data set.



**Table 3.3: Professional Status**

Professional status	Frequency
Student	70
Salaried employee	47
Unemployed	4
Retired	0
Others	4
Total	124

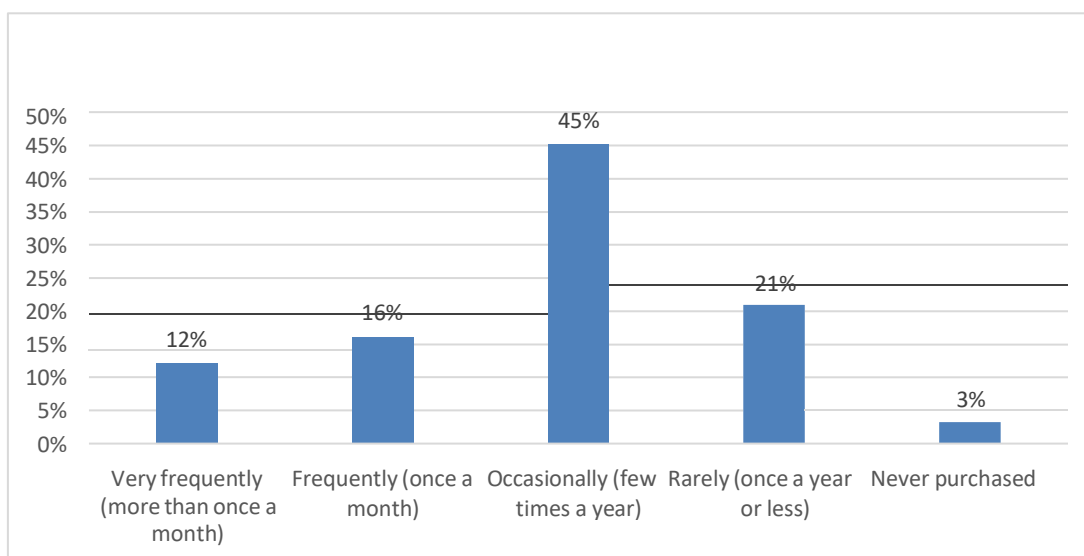


**Figure 3.3: Professional Status**

The data indicates that the majority of respondents are students, comprising 56% of the sample. Salaried employees represent the second-largest group at 38%. Both unemployed individuals and those categorized as "others" each account for 3% of the sample, while no respondents are retired.

**Table 3.4: Purchase Frequency.**

Purchase frequency	Frequency
Very frequently (more than once a month)	15
Frequently (once a month)	20
Occasionally (few times a year)	56
Rarely (once a year or less)	29
Never purchased	4
Total	124

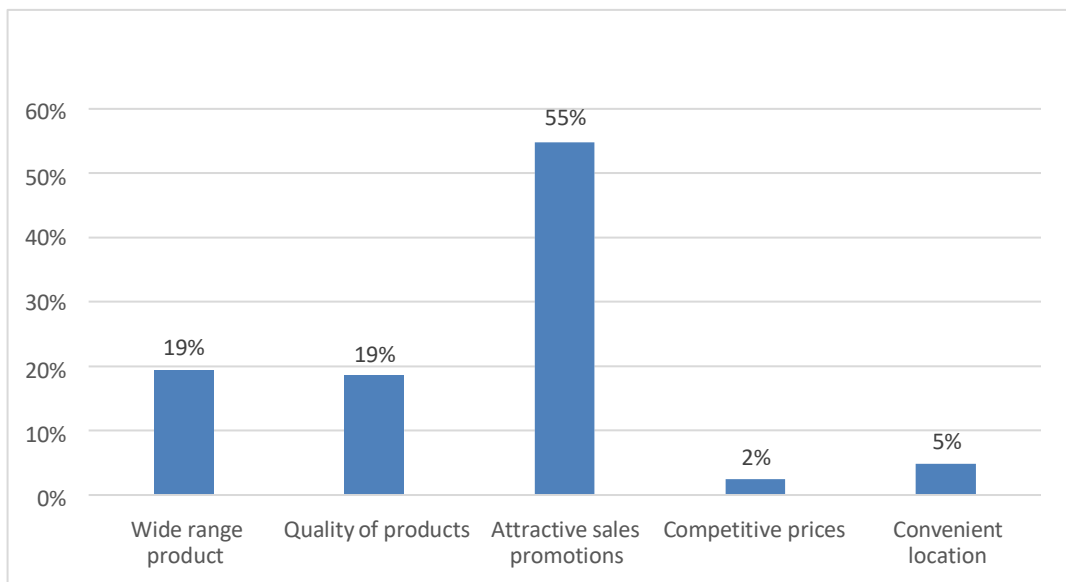


**Figure 3.4: Purchase Frequency**

The data reveals that the majority of respondents, 45%, purchase from Decathlon occasionally, a few times a year. A significant portion, 23%, rarely shop there, doing so once a year or less. Those who purchase frequently, about once a month, make up 16%, while 12% buy from Decathlon very frequently, more than once a month. Only a small fraction, 3%, have never purchased from Decathlon.

**Table 3.5: Factors That Influences to Visit Decathlon.**

	Frequency
Wide range product	24
Quality of products	23
Attractive sales promotions	68
Competitive prices	3
Convenient location	6
Others	0
Total	124

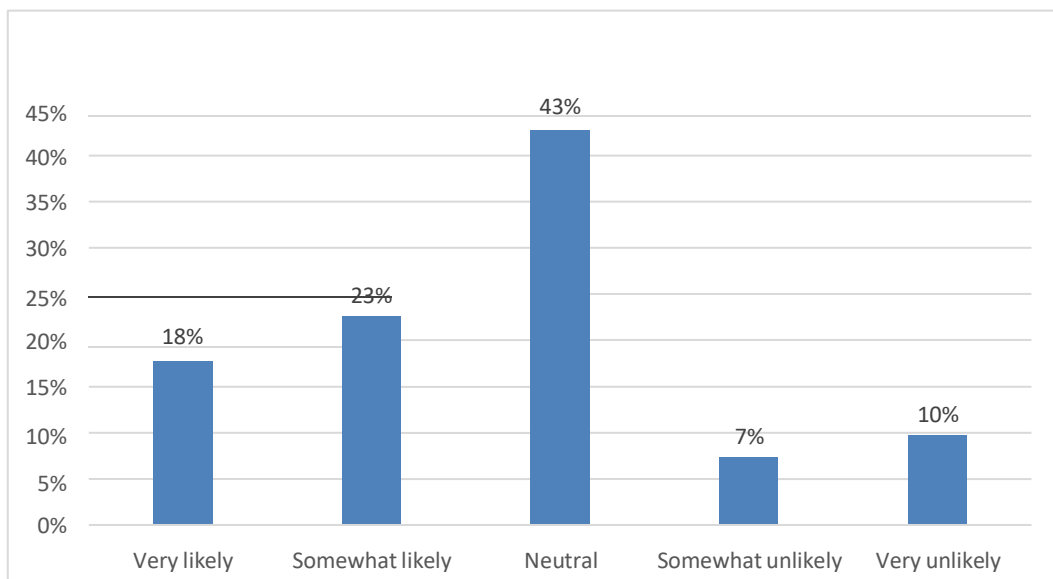


**Figure 3.5: Factors That Influences to Visit Decathlon.**

The data indicates that 55% of the respondents are attracted by sales promotion, 19.4% influenced by wide product range, 19% are influenced by quality of products, 5% are influenced by convenient location and remaining 2% are influenced by competitive prices.

**Table 3.6: Customer Visit During Sales Events.**

	Frequency
Very likely	22
Somewhat likely	28
Neutral	53
Somewhat unlikely	9
Very unlikely	12
Total	124



**Figure 3.6: Customer Visit During Sales Events.**

The data reveals that customer likelihood of visiting Decathlon during sales events is mixed, with the largest group, 43%, feeling neutral about it. Those somewhat likely to visit during sales events make up 23%, while 18% are very likely to do so. On the other hand, 7% are somewhat unlikely, and 10% are very unlikely to visit during sales events.

**Table 3.7: Preferred consumer Promotion in Decathlon.**

	Frequency
Coupons and Vouchers	25
Discounts	56
Buy more Save more	15
Clearance sales	22
Challenges and contests	6
Total	124

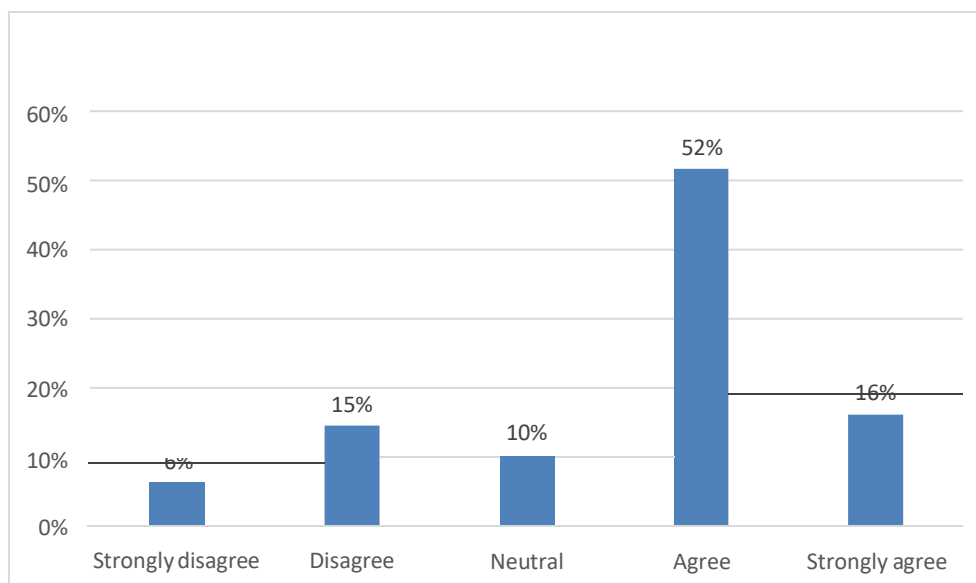


**Figure 3.7: Preferred consumer Promotion in Decathlon.**

The data indicates that discounts are the most preferred sales promotion activity among Decathlon customers, with 45% expressing a preference for this type of promotion. Clearance sales follow with 18%, showing a significant appeal for markdowns on end-of-season items. Coupons and vouchers are preferred by 20% of respondents, while the "Buy more Save more" strategy attracts 12%. Challenges and contests are the least favoured, chosen by only 5% of customers.

**Table 3.8: Influence Of Consumer on Buying Behavior.**

	Frequency
Strongly disagree	8
Disagree	18
Neutral	13
Agree	64
Strongly agree	20
Total	124

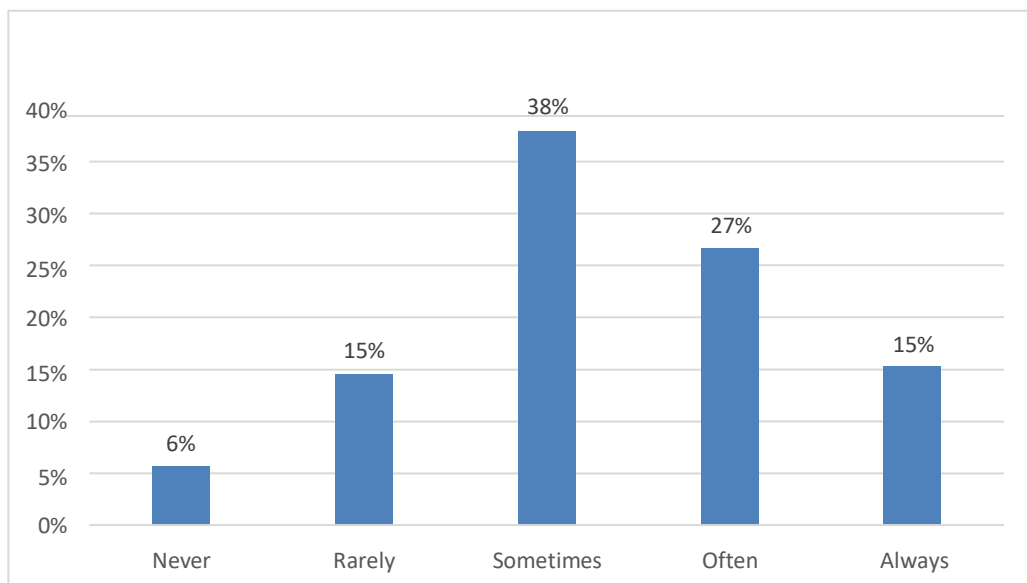


**Figure 3.8: Influence Of Consumer on Buying Behavior**

The data shows a majority of respondent either agree 52% or strongly agree 16% of Decathlon's sales promotions encourage buying behaviors among customers. Meanwhile, a smaller portion 21% either disagree or strongly disagree, and 10% remain neutral on the matter.

**Table 3.9: Value For Money Aspect of Consumer Promotion.**

	Frequency
Never	7
Rarely	18
Sometimes	47
Often	33
Always	19
Total	124

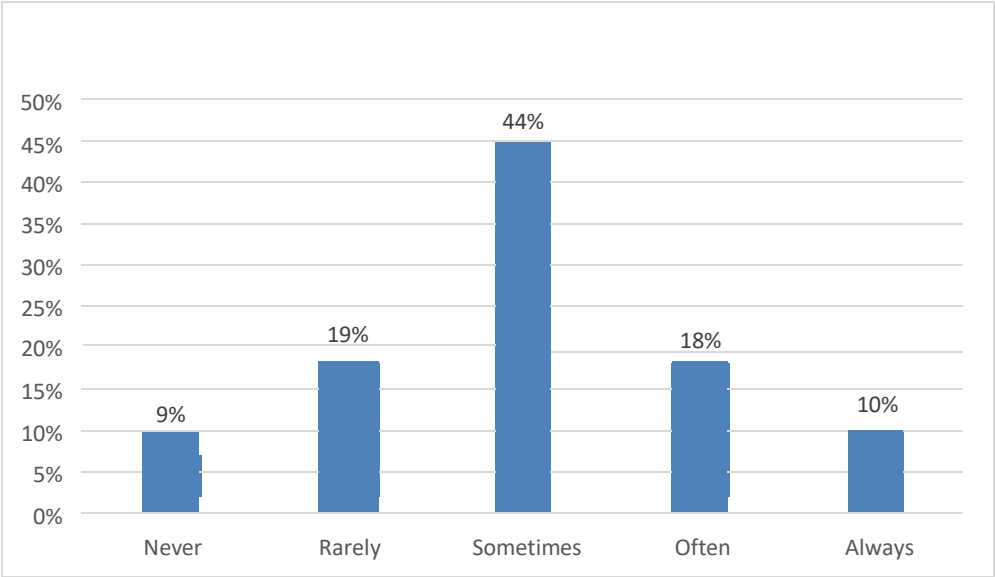


**Figure 3.9: Value For Money Aspect of Consumer Promotion**

The data indicates varied perceptions among customers regarding the value-for-money offered by Decathlon's sales promotions. A significant portion, 38%, feel that these promotions sometimes provide good value, while 27% believe they often do. Meanwhile, 15% are consistently satisfied, feeling that Decathlon's sales promotions always deliver good value. On the other hand, 15% feel they rarely receive good value, and 6% never feel satisfied with the value provided by these promotions.

**Table 3.10: Influence of coupons and vouchers.**

	Frequency
Never	11
Rarely	23
Sometimes	55
Often	22
Always	13
Total	124



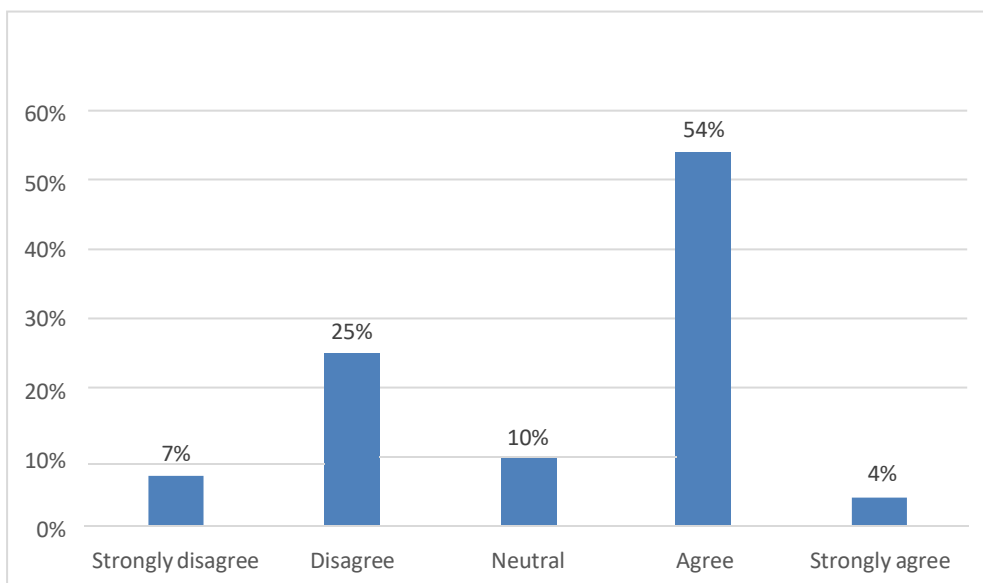
**Figure 3.10: Influence of coupons and vouchers.**

The data shows that a significant portion of customers, 44%, sometimes feel influenced by coupons and vouchers to purchase additional products in order to reach the minimum amount required for redeem the coupon. Additionally, 18% often find themselves influenced in this manner. While, significant portion 19% rarely do so and 10% always do. However, 9% of respondents never engage with the promotions.



**Table 3.11: Influence of Buy More Save More.**

	Frequency
Strongly disagree	9
Disagree	31
Neutral	12
Agree	67
Strongly agree	5
Total	124

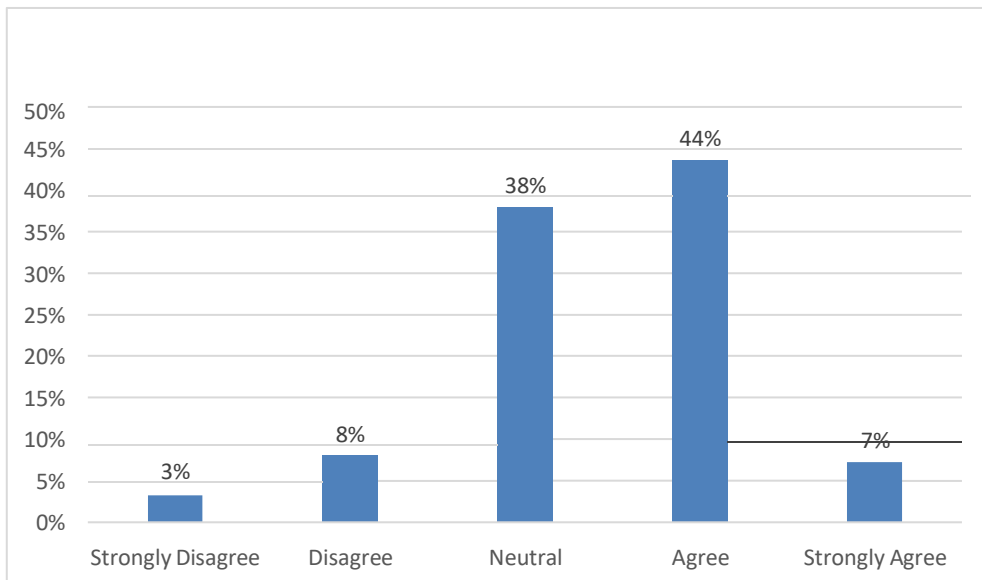


**Figure 3.11: Influence of Buy More Save More.**

The data indicates that the majority of respondents 54% agree that buy more save more influences for unplanned purchase. Moreover, an additional 4% strongly agreeing. A smaller portion disagrees 25% or strongly disagrees 7%, while 10% remain neutral.

**Table 3.12: Trying out of new decathlon products during promotions.**

	Frequency
Strongly Disagree	4
Disagree	10
Neutral	47
Agree	54
Strongly Agree	9
Total	124

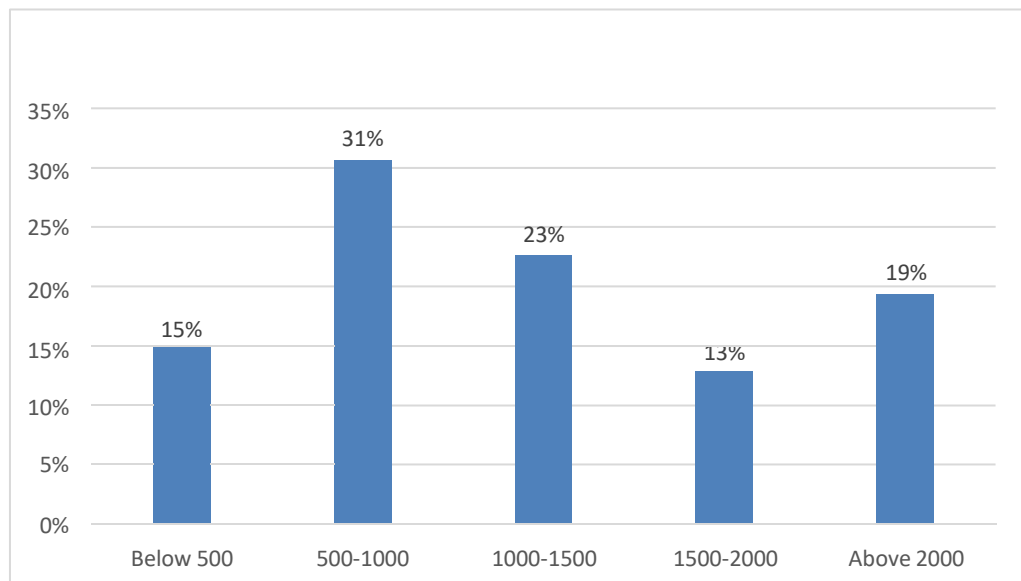


**Figure 3.12: Trying out of new decathlon products during promotions.**

The data indicates that a majority of respondents, 44%, agree that they are try new products from Decathlon when they are on promotion. Additionally, 38% are neutral on this matter, while a smaller percentage 11% disagree or strongly disagree.

**Table 3.13: Amount Spent on Shopping Day with Coupons and Vouchers.**

	Frequency
Below 500	18
500-1000	38
1000-1500	28
1500-2000	16
Above 2000	24
Total	124

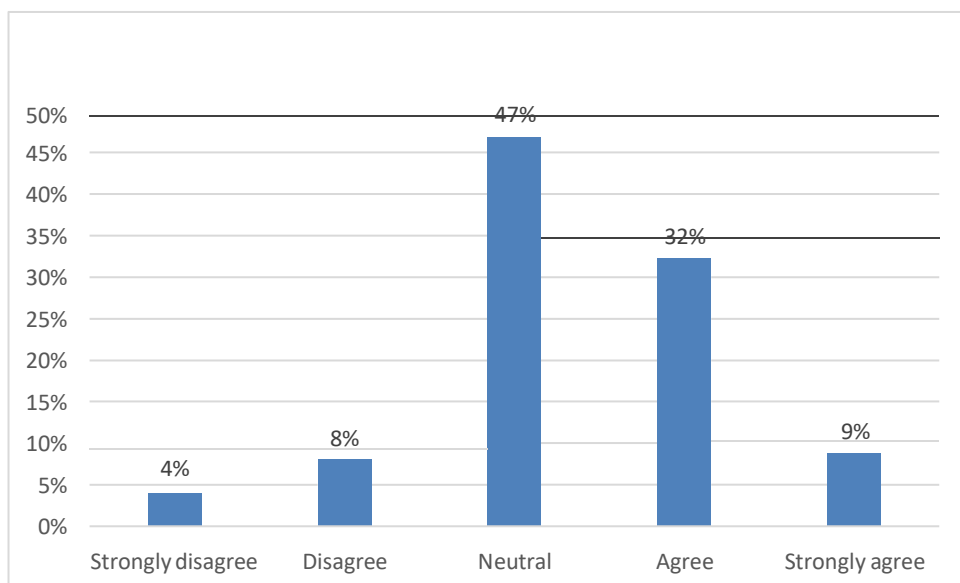


**Figure 3.13: Amount Spent on Shopping Day with Coupons and Vouchers.**

The data reveals that customers' spending at Decathlon on shopping days with coupons and vouchers varies across different expenditure brackets. The most common spending range falls between 500 to 1000 units, with 31% and 23% spend between 1000 to 1500 units, while 19% spend over 2000 units. Meanwhile, 15% spend below 500 units, and 13% spend between 1500 to 2000 units.

**Table 3.14: Shopping on Normal Day Versus Sporty Weekend Day.**

	Frequency
Strongly disagree	5
Disagree	10
Neutral	58
Agree	40
Strongly agree	11
Total	124

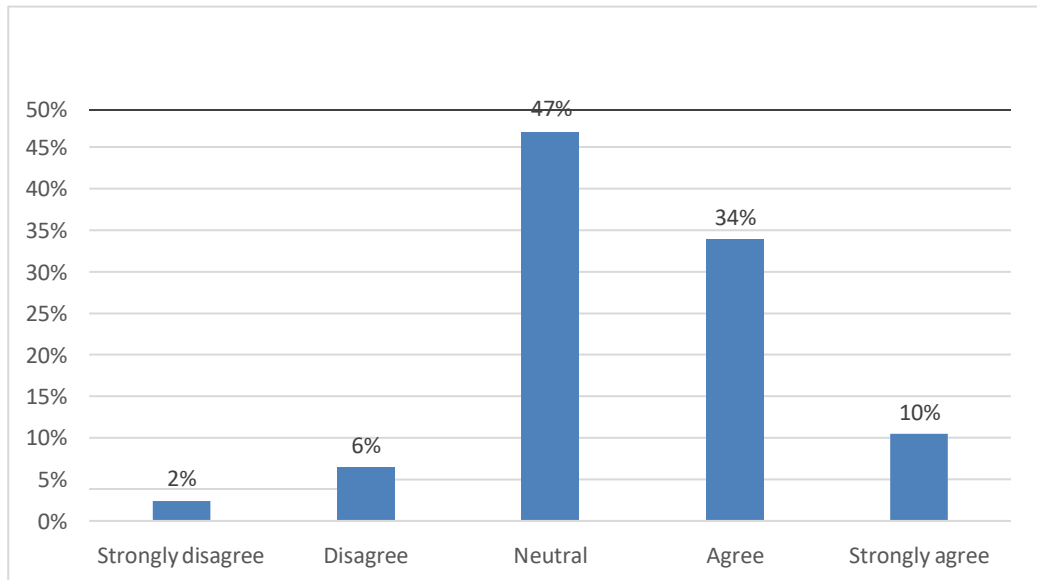


**Figure 3.14: Shopping on Normal Day Versus Sporty Weekend Day.**

This data shows that significant portion, 47%, are neutral on this issue, Meanwhile, 32% agree that they buy more products on sporty weekends, and 9% strongly agree with this statement. On the other hand, 12% either disagree or strongly disagree,

**Table 3.15: Quality of Promotional Product.**

	Frequency
Strongly disagree	3
Disagree	8
Neutral	58
Agree	42
Strongly agree	13
Total	124

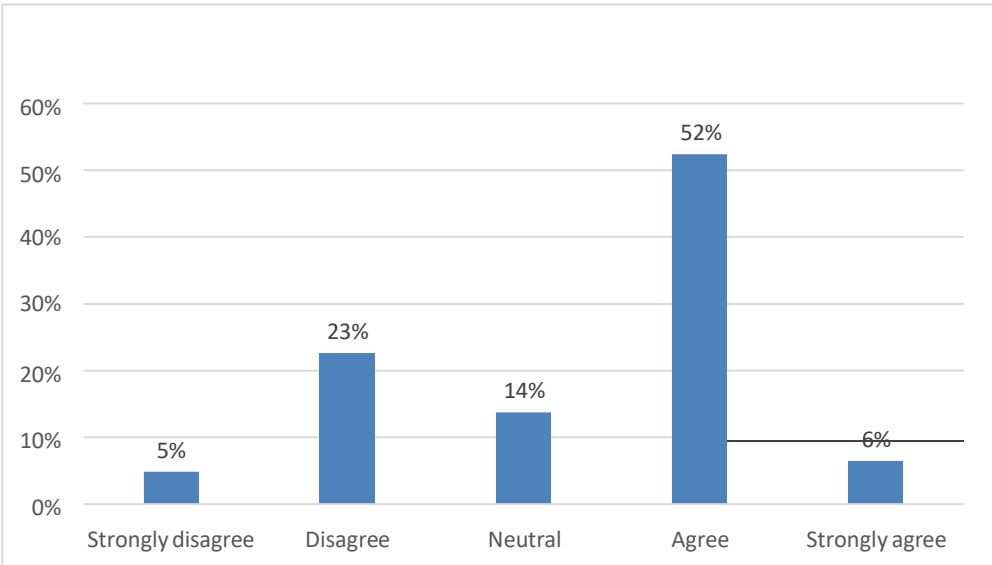


**Figure 3.15: Quality of Promotional Product.**

This data indicates that 47% of respondents hold a neutral stance on this issue, Meanwhile, 34% agree and 10% strongly agree that the quality remains consistent regardless of pricing promotions. Conversely, a smaller percentage, 8% combined between disagree and strongly disagree,

**Table 3.16: Influence of Frequent Promotions on Customer Loyalty.**

	Frequency
Strongly disagree	6
Disagree	28
Neutral	17
Agree	65
Strongly agree	8
Total	124

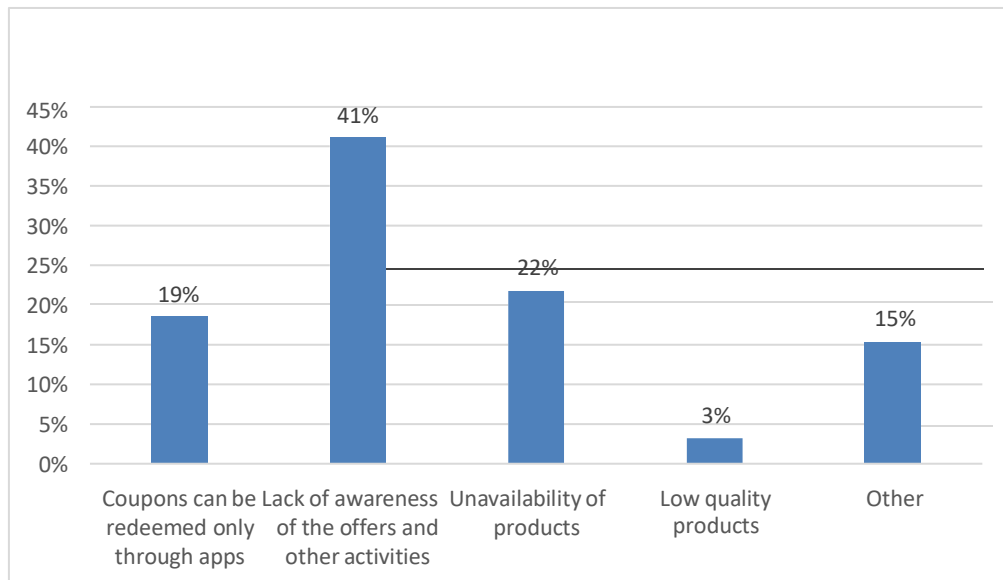


**Figure 3.16: Influence of Frequent Promotions on Customer Loyalty.**

The data indicates that the majority of respondents (52%) agree that frequent promotions by Decathlon contribute to their loyalty, with an additional 6% strongly agreeing. However, 5% strongly disagree and 23% disagree, while 14% remain neutral on the matter.

**Table 3.17: Problems Faced on Promotional Activities**

	Frequency
Coupons can be redeemed only through apps	23
Lack of awareness of the offers and other activities	51
Unavailability of products	27
Low quality products	4
Other	19
Total	124

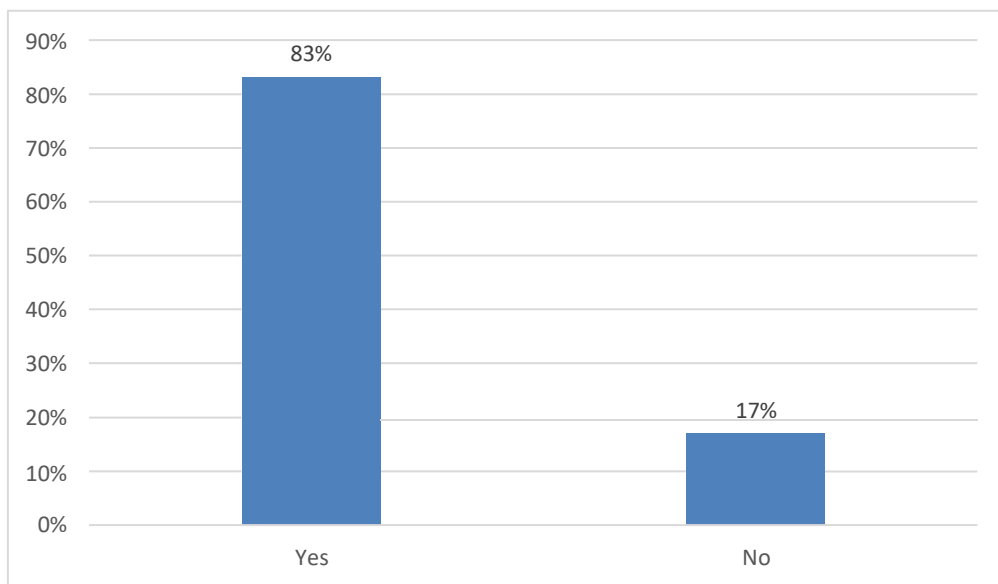


**Figure 3.17: Problems Faced on Promotional Activities**

The most common issue, reported by 41% of respondents, is a lack of awareness about the offers and activities. Unavailability of products is the second major problem, affecting 22% of customers. Additionally, 19% find it inconvenient that coupons can only be redeemed through apps. A smaller percentage, 3%, report concerns about low-quality products, and 15% mention other unspecified issues.

**Table 3.18: Recommendation of decathlon to others.**

	Frequency
Yes	103
No	21
Total	124



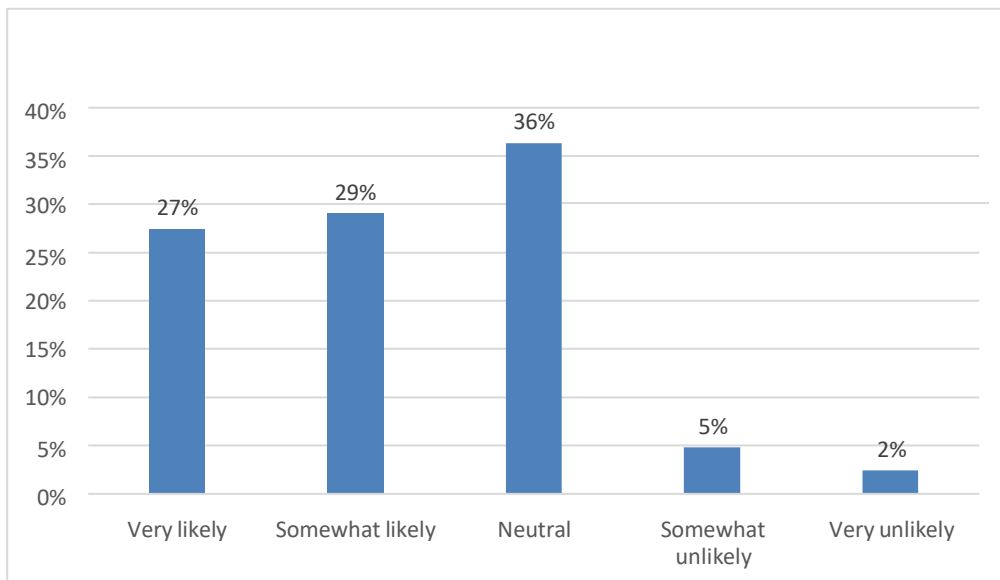
**Figure 3.18: Recommendation of decathlon to others.**

The data shows that a significant majority, 83%, have recommended Decathlon to others because of their sales promotions. Conversely, 17% have not recommended Decathlon based on promotions



**Table 3.19- Repurchase Intention After Experiencing Sales Promotion.**

	Frequency
Very likely	34
Somewhat likely	36
Neutral	45
Somewhat unlikely	6
Very unlikely	3
Total	124

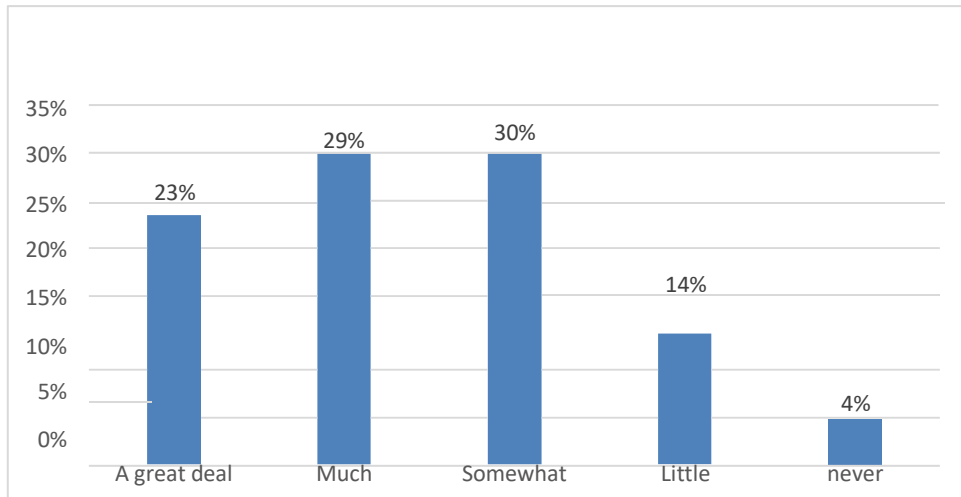


**Figure 3.19- Repurchase Intention After Experiencing Sales Promotion.**

The data indicates that a majority of customers (56%) are likely to become loyal due to frequent promotions by Decathlon, while 36% remain neutral, and a small minority (7%) are unlikely to be influenced.

**Table 3.20: Influence of sales promotion to choose decathlon over other retailers.**

	Frequency
A great deal	29
Much	36
Somewhat	37
Little	17
never	5
Total	124



**Figure 3.20: Influence of sales promotion to choose decathlon over other retailers**

The data shows that a significant majority (82%) of respondents feel that frequent promotions by Decathlon positively impact their loyalty to some extent, with 23% stating it affects their loyalty "a great deal," 29% saying "much," and 30% saying "somewhat." Only a small percentage (18%) feel that promotions have little to no impact on their loyalty.

## **CHAPTER -IV**

### **FINDINGS, RECOMMENDATION &SUMMARY**

## 4.1 FINDINGS

The data reveals key demographic insights about Decathlon's customers. The largest age group among respondents is 18 to 25 years, representing 68.5% of the total. In terms of gender, 54.8% of the respondents identify as female. Professionally, students make up the largest segment, constituting 56.5% of the respondents. Regarding purchasing behavior, 45.2% of the respondents shop at Decathlon occasionally. This information highlights that Decathlon's primary customer base is young, predominantly female, and largely composed of students who tend to make occasional purchases.

The data indicates that consumer promotions are a significant factor influencing visits to Decathlon, with 55% of respondents being attracted by these promotions. During promotional sales events, the majority of respondents (43%) remain neutral about their visits. Discounts emerge as the most preferred consumer promotion, favored by 45.2% of respondents. Moreover, a substantial majority (68%) believe that Decathlon's consumer promotions encourage buying behaviors. However, when it comes to the perceived value of money from these promotions, only 38% of respondents feel that they sometimes provide value for money.

The data also shows insights into consumer behavior influenced by Decathlon's promotional strategies. A significant portion of respondents 44% indicate that coupons and vouchers sometimes motivate them to make additional purchases. Additionally, 44% of respondents agree that they are inclined to try new products from Decathlon when these items are on promotion. In terms of spending patterns, 31% of respondents typically spend between 500 to 1000 units on shopping days when using coupons and vouchers. The data also shows that 47% of respondents are neutral about shopping on a normal

day versus a sporty weekend day, suggesting no strong preference for either scenario. Importantly, 58% of respondents feel that "buy more, save more" promotions frequently lead to unplanned purchases, highlighting the effectiveness of these offers in encouraging spontaneous buying behavior.

Additionally, data indicates that Decathlon's consumer promotions have a notable impact on customer loyalty and recommendations. Despite 47% of respondents maintaining a neutral stance on the quality of promotional products, 59% agree or strongly agree that frequent promotions contribute to their loyalty. However, a significant issue identified is the lack of awareness about offers and events, as noted by 41% of respondents, while 28% highlight product unavailability as a concern. Despite these issues, a remarkable 83% of respondents recommend Decathlon to others due to its consumer promotions. When considering their overall experience at Decathlon after a promotion, 36% show no preference, 29% are somewhat likely, and 27.4% are extremely likely to have a positive experience. Furthermore, consumer promotions influence 30% of respondents moderately, indicating that consumer promotions significantly affect customers' decisions to choose Decathlon over other sports retailers.

In conclusion Decathlon's primary customer base consists of young, predominantly female students who tend to shop occasionally. Consumer promotions play a significant role in attracting these customers, with discounts being the most preferred form of promotion. Although there is a moderate perception of value for money, promotions are effective in encouraging additional purchases and trial of new products. The "buy more, save more" strategy notably drives unplanned purchases, demonstrating its impact on spontaneous buying behavior. Consumer promotions also positively influence customer loyalty and recommendations, despite challenges like lack of awareness about offers and product unavailability. Overall, promotions significantly contribute to Decathlon's appeal and competitive edge,

influencing customers' shopping decisions and enhancing their overall experience at the store.

## **4.2 RECOMMENDATIONS**

- Enhance targeted marketing and communication efforts to improve customer awareness of promotions and offers, ensuring that the target audience is well-informed about Decathlon's current and upcoming promotional activities.
- Optimize product availability by closely monitor inventory and supply chain management during promotional periods to ensure that products are readily available, addressing the issue of product unavailability.
- Explore opportunities to introduce more personalized and experiential promotional programs that resonate with the young, predominantly female student demographic, thereby enhancing the perceived value of Decathlon's offerings.
- Leverage the insights into customer loyalty and recommendations to develop targeted loyalty programs and referral initiatives that capitalize on the positive influence of consumer promotions and foster long-term brand advocacy.
- Continuously gather and act upon customer feedback to refine Decathlon's promotional strategies and address any emerging challenges, fostering a more responsive and customer-centric approach.

### 4.3 SUMMARY

A study focused on analyses the consumer promotion activities of Decathlon and their influence on consumer. The research aimed to examine how various promotional strategies employed by Decathlon, such as discounts, coupons, and special sales events, influence consumers' purchasing decisions. The survey conducted with 124 respondents. Findings from the study revealed that the data on Decathlon's consumer promotions offers important insights into customer behaviour and attitudes. Most customers shop at Decathlon occasionally (45%) or rarely (23%). The main reason for visiting Decathlon is attractive sale promotion, cited by 55% of respondents. Other factors include wide product range (19%) quality of product (19%) and convenient location (5%). This indicates that while promotions are important, the quality of products is the primary driver for customer visits.

Moreover, Customers have mixed likelihoods of visiting Decathlon during sales events, with 48% feeling neutral about it. They show a strong preference for discounts (45%) over other promotions like clearance sales (18%) and coupons and vouchers (20%). Notably, 41% of customers believe these promotions encourage their buying behaviour, highlighting their effectiveness in boosting sales. While many customers find value in Decathlon's consumer promotions, with 38% sometimes feeling satisfied and 27% often receiving good value, a notable 15% feel they rarely get their money's worth. The influence of coupons and vouchers on spending habits is significant, with 44% occasionally feeling compelled to purchase more to meet redemption requirements.

Additionally, Decathlon's promotions also impact customer loyalty, with 83% having recommended the store based on these activities, showcasing their role in generating positive word-of-mouth. Despite this, there's a balanced perspective on whether promotions

make customers more likely to continue shopping at Decathlon (56% neutral or likely). Perceptions of Decathlon's promotions compared to other sports retailers are generally positive, with half of respondents believing Decathlon offers superior promotions (39% agree and 10% strongly agree). Finally, promotions heavily influence customer decisions to choose Decathlon over competitors, with 52% indicating promotions play a significant role.

In conclusion, Decathlon's consumer promotions are effective in attracting and retaining customers through a mix of diverse promotion types, quality products and perceived value. While they contribute positively to customer loyalty and influence purchase decisions, there are areas for improvement, such as addressing perceptions of value and maintaining consistency in product availability and quality during promotional periods.



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# APPENDIX

## Questionnaires

1. Name

2. Age

- a) Below 18
- b) 18-25
- c) 26-35
- d) 36-45
- e) Above 45

3. Gender

- a) Male
- b) Female
- c) Other

4. current professional status

- a) Student
- b) Salaried employee
- c) Unemployed
- d) Retired
- e) Other:

5. How frequently you purchase from decathlon?

- a) Very frequently (more than once a month)
- b) Frequently (once a month)
- c) Occasionally (few times a year)
- d) Rarely (once a year or less)
- e) Never purchased

6. What factors influences your decision to visit decathlon?

- a) Wide product range

- b) Quality of products
- c) Attractive sales promotions
- d) Competitive prices
- e) Convenient location

7. How likely you visit decathlon during sales event (e.g. Black Friday, end of seasonal sales)

- a) Very likely
- b) Somewhat likely
- c) Neutral
- d) Somewhat unlikely
- e) Very unlikely

8. which among the consumer promotion activities of decathlon do you prefer

- a) Coupons and Vouchers
- b) Discounts
- c) Buy more Save more
- d) Clearance sales
- e) Challenges and contests

9. Do you agree that consumer promotion of decathlons products influence the buying behavior ?

- a) Strongly Agree
- b) Agree
- c) Neutral
- d) Disagree
- e) Strongly Disagree

10. Do you feel that decathlons consumer promotion provides good value of money?

- a) Never
- b) Rarely
- c) Sometimes
- d) Often
- e) Always

11. Do you agree that you have been influenced to make an unplanned or impulse purchase due to buy more save more offer?

- a) Strongly agree
- b) Agree
- c) Neutral
- d) Disagree
- e) Strongly disagree

12. Do you agree that you are more likely try new products from decathlon when they are on promotion

- a) Strongly Agree
- b) Agree
- c) Neutral
- d) Disagree
- e) Strongly Disagree

13. How much more money do you spend in Decathlon products on sporty weekend days than a normal shopping day?

- a) Below 500
- b) 500-1000
- c) 1000-1500
- d) 1500-2000
- e) Above 2000

14. Do you agree that you buy more products on sporty weekend days than a normal shopping day?

- a) Strongly Agree
- b) Agree
- c) Neutral
- d) Disagree
- e) Strongly Disagree

15. Do you believe that the quality of products offered on promotion at decathlon is the same as those sold at regular price?

- a) Strongly Agree
- b) Agree
- c) Neutral
- d) Disagree
- e) Strongly Disagree

16. Do you agree that the frequent promotions by decathlon make you a loyal customer?

- a) Strongly Agree
- b) Agree
- c) Neutral
- d) Disagree
- e) Strongly Disagree

17. Do you agree that the frequent promotions by decathlon make you a loyal customer?

- a) Strongly Agree
- b) Agree
- c) Neutral
- d) Disagree
- e) Strongly Disagree

18. What are the major problems faced by you during these activities?

- a) Coupons can be redeemed only through apps
- b) Lack of awareness of the offers and other activities
- c) Unavailability of product
- d) Low quality product
- e) Others

19. Have you ever recommended decathlon to others because of their consumer promotion?

- a) Yes
- b) No

20. how likely are you continue shopping at decathlon after experiencing their consumer promotion?

- a) Very likely
- b) Somewhat likely
- c) Neutral
- d) Somewhat unlikely
- e) Very unlikely

21. Do you think decathlons consumer promotions are better compared to other sports retailers?

- a) Strongly Agree
- b) Agree
- c) Neutral
- d) Disagree
- e) Strongly Disagree

