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To Study Expansion and Merchandising Strategies of Decathlon India

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ABSTRACT:

Decathlon India, a subsidiary company owned by Decathlon-from France- transnational sports retailer, has gradually spread its wings across diverse Indian markets since it's incorporation in the year 2009. This research paper will be focused on analyzing Decathlon India's expansion and merchandising strategies, with special consideration of the entry strategies into markets, product diversification, and retail operations. In addition, the research evaluated the competitive environment, target audiences, and marketing strategies of Decathlon India. The growth strategy of Decathlon India was investigated, focusing on technology and electronic commerce. The results of this study provide useful information about the effective strategies used by Decathlon India, which could also be helpful for other retailers in improving their position in the Indian market.

Introduction:

Decathlon India is the subsidiary of Decathlon, a French-based multinational chain store company focused on sporting goods that has over 40 countries around the globe. The company entered the Indian market by opening its first store in Bangalore in the year 2009. Since then, it has increased the number to more than 70 retail stores spread all over the country dealing in various sporting and apparel goods.

The Indian retail market is highly competitive, wherein both Indian and international players continuously try to make an entry into the market for winning a market share. Hence it is very important to analyze the expansion and merchandising strategies implemented by Decathlon India in an effort to understand its success within the Indian market.

Objectives:

- To evaluate expansion strategies of Decathlon
- to analyse Decathlon merchandising strategy
- to identify challenges and opportunities in Decathlon customer experience

Literature Review:

Many studies have explored the expansion strategies deployed by the multinationals' retail corporations in emerging markets.

Kumar et al. (2017) discovered that these multinational retailers frequently employ a phased strategy for expansion, commencing with minimal activities and progressively augmenting their operational scope. Furthermore, Singh et al. (2019) emphasized the significance of comprehending local market trends and adjusting the products and services provided to align with local demands when entering emerging markets.

Within the Indian retail sector, Jain et al. (2018) found that "the retailers undertaking a promise of delivering a unique shopping experience and building strong relationships with customers are more likely to achieve success."

Methodology:

The research methodology adopted was qualitative, which incorporated the case study design with reference to the expansion and merchandising strategies of Decathlon India. Data are drawn from secondary sources that include company reports, industry publications, and academic journals, in addition to the primary data acquired through conducting interviews with the management team of Decathlon India.

Data analysis and interpretation:

Decathlon India's expansion strategy focuses on urban and semi-urban areas, with population density as a primary factor for new store locations. Other significant factors include local income levels and sports culture, which shape the emphasis on product categories such as sports accessories and leisure retail. To further penetrate the market, Decathlon operates pop-up "connect stores" that promote seasonal products and cater to local demand.

In addition to physical retail, Decathlon India has developed a robust omnichannel and e-commerce presence. Through partnerships with platforms like Myntra and Zepto (which also assists with store-to-home delivery), Decathlon has effectively integrated online and offline channels. Services such as "Click and Collect," "Reserve and Collect," and "Ship from Store" enhance customer convenience, while the company's own e-commerce site supports "store-assisted orders," allowing customers to access products even if they're unavailable in a particular store.

Decathlon's store layouts are tailored to regional catchment analysis and seasonal needs, often using a radial design for efficient navigation. The company also offers in-store experience zones for testing technical products like treadmills, bikes, and tents. Marketing efforts are diversified across digital platforms—Google My Business, Facebook, Instagram—and in-person promotions like hoardings, banners, and event-based activities, such as group hikes to showcase hiking gear. Warehousing is centralized in Bangalore, with regional distribution centers ensuring efficient supply chain management across India. Decathlon also prioritizes sustainability, with 90% of its products eco-designed, and has plans to increase local production to 60% by 2026, reinforcing its commitment to environmental and economic sustainability.

Key findings:

Decathlon India expands into urban and semi-urban areas, selecting locations with high population density, income levels, and a strong sports culture to align products with local consumer needs.

- Seasonal pop-up "connect stores" help promote Decathlon's products in high-demand areas.
- The company's omnichannel approach includes partnerships with Myntra and Zepto, plus services like "Click and Collect" and "Ship from Store" for seamless customer experience.
- Radial store layouts and experience zones allow customers to try out products such as bikes and tents.
- Marketing combines digital channels (Google My Business, Facebook, Instagram) with in-store events, such as group hikes for product promotion.
- Decathlon prioritizes sustainability, with 90% eco-designed products, and aims to reach 60% local production by 2026, supported by initiatives like rainwater harvesting and sewage treatment in stores.

Conclusion:

This study can conclude that the expansion and merchandizing strategies of Decathlon India in the Indian Market were effective. Phased expansion was adopted by the company for expansion, which enabled market testing and calibrating to local preferences. Focus on providing an exclusive shopping experience with building healthy relationships with customers helped the company here in differentiating itself from other business competitors. More importantly, investment in technology and e-commerce enabled the company to reach a large audience base and expand market share.

It gives quite useful insights into the successful growth and marketing strategies of Decathlon India. The findings suggest that phased expansion, a focus on providing a different kind of shopping experience, and investment in technology and e-commerce are critical success factors in the Indian retail market. Finally, the research highlights the importance of understanding the local market and adapting to local preferences in emerging markets. The conclusions from this study would be very useful to other retailers who would like to extend their network within the Indian market

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