

Decathlon's Marketing Strategy Analysis and Market Expansion Means under 4P Marketing Theory

Boyuan Hao^{1,*}, Jianing Miao² and Tianxu Zhao³

¹ High school affiliated to Beijing Normal University, Beijing, China

² Adcote senior high school, Shanghai, China

³ School of Xiamen University of Technology, Business school, Xiamen, China

* Corresponding Author Email: laurie.rao@milliken.com

Abstract. Decathlon, a French sporting goods company, opened its first store in Shanghai in 2003, and has developed rapidly since it opened. As of July 31, 2019, Decathlon has 294 physical stores in China, covering about 112 cities across the country. Decathlon with its unique marketing strategy, among the world's second largest sporting goods chain group, in China so fast, very worthy of domestic sporting goods enterprises to think and learn. Based on the basic status and market positioning of Decathlon, this study is based on the "4P" strategy proposed by McCarthy, an American marketing expert, Respectively from Product, Price, Place, Promotion all of four dimensions to explore and analyze Decathlon. The marketing analysis strategy based on 4P theory is put forward. Decathlon in the marketing strategy of specific performance, product positioning for the low-end sporting goods market, focus on innovation, complete categories, all independent brands. In terms of price, it mainly adopts a low-price strategy, sells itself and combines online and offline sales. The promotion means mainly adopts experience marketing and word-of-mouth marketing, basically does not do any advertising, and the marketing means is relatively simple. However, because Decathlon is a French enterprise, its design style is not in line with the traditional Chinese aesthetic concept, so there are a series of problems such as insufficient localization of products.

Keywords: Sporting goods; 4P theory; Decathlon.

1. Introduction

1.1. Background Introduction

As the economic standard of living continues to rise, individuals are increasingly prioritizing their health, with fitness now an integral part of daily life. People are actively engaging in a diverse range of sports, leading to a corresponding surge in demand for sporting goods. Consequently, the sporting goods market has entered a flourishing phase of development. Within this burgeoning market, consumers are faced with an abundance of sporting goods options, each vying for their attention. Identifying the most desirable and cost-effective sporting goods has become a pivotal decision for consumers. This is where Decathlon, as a prominent player in the industry, assumes a central role. Decathlon specializes in offering a wide array of sports products, meticulously categorized to cater to a diverse clientele. In response to the expansive mass sports market, Decathlon prioritizes providing cost-effective solutions for sports enthusiasts. Their product range spans across various price points, appealing to consumers from different segments of the market.

1.2. The Purpose and Significance of The Study

(1) Theoretical significance: The use of marketing theory to analyze Decathlon's specific marketing strategies reflects the theoretical application of marketing theory in specific companies.

(2) Practical significance: Through the adoption of field investigation and marketing strategy analysis methods, analyze the existing specific problems, and propose practical and feasible solutions according to the problems, so as to enable the company to sustain long-term development. In addition,

Decathlon's unique experience marketing model, supply chain integration sales model and intelligent inventory model can bring certain inspiration and reference for domestic sporting goods enterprises.

1.3. Overview of Research Methods

Through China Journal Network, China National Knowledge Network and Decathlon's official website, books and periodicals related to marketing have been collected to provide theoretical guidance for the subsequent research on the marketing strategy of Decathlon supermarkets.

Meanwhile, this paper takes 4P theory as the research direction. By analyzing the current situation and shortcomings of Decathlon's marketing strategy, this paper puts forward some measures to optimize Decathlon's marketing strategy, and finally plays a guiding role in Decathlon's sales.

1.4. Frame Diagram

This research will be arranged according to Fig. 1:

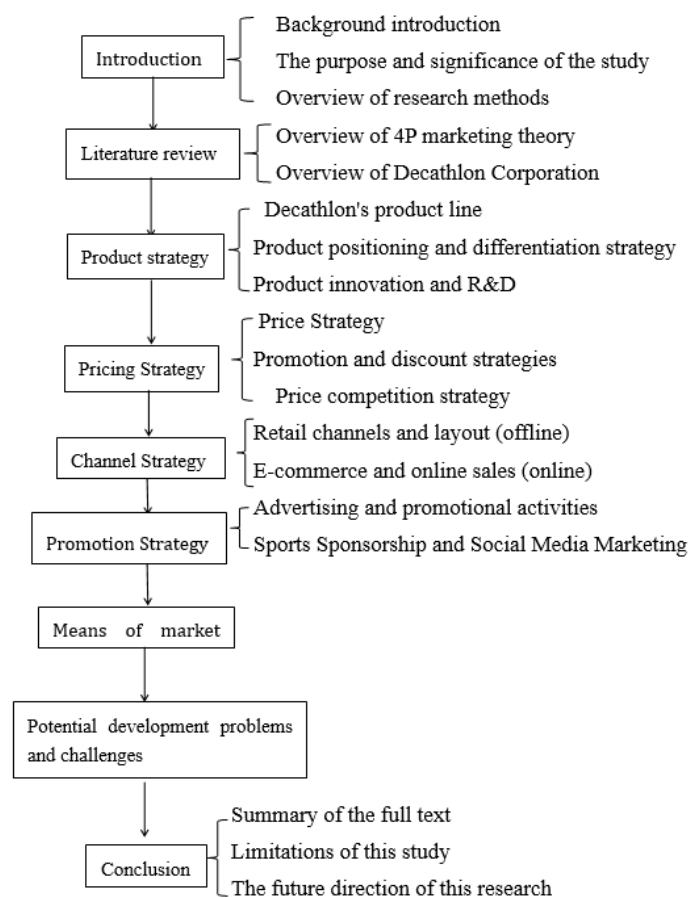


Fig 1. Paper frame diagram.

2. Literature Review

2.1. Overview of 4P Marketing Theory

Marketing is a series of activities, processes and systems that bring economic value to customers, clients, partners and society as a whole in the creation, communication, dissemination and exchange of goods [1].

The "4P" marketing theory conducts marketing research based on the four dimensions of product, price, channel and promotion. First, no matter how the uncertain factors in the field of marketing change, enterprises should first correctly understand the market competitiveness and life cycle of their products, keep up with the changes in market demand, and timely develop new products with unique functional demands through resource integration. Second, the price strategy should be formulated

according to different product costs and market positioning, which is in line with consumers' psychological expectations. Third, we should pay attention to the construction of smooth direct selling and distribution channels, attach importance to the cultivation of dealers and the establishment of sales network; Fourth, we should pay attention to the change of sales behavior and the guidance of publicity and promotion, and constantly stimulate consumers' consumption desire [2].

2.2. Overview of Corporation

Decathlon, a distinguished French sporting goods company, marked its entry into the Chinese market by opening its inaugural store in Shanghai back in 2003. Since its inception, Decathlon has experienced a remarkable and rapid expansion within the Chinese landscape. At present, the company boasts an impressive network of 294 physical stores strategically positioned across approximately 112 cities throughout the country.

The remarkable success and growth trajectory of Decathlon within the Chinese market serve as a testament to its unique and effective marketing strategy. This exceptional journey invites contemplation and offers valuable lessons for domestic sporting goods enterprises operating within China.

Decathlon's ability to thrive and flourish in the diverse and competitive Chinese market underscores the importance of examining the intricacies of its marketing strategy. By dissecting and comprehending the strategies, tactics, and approaches that have propelled Decathlon's growth, domestic sporting goods enterprises can gain insights that may facilitate their own success and development within this dynamic and evolving landscape.

3. Product Strategy of the Marketing of Decathlon

3.1. Decathlon's Product Line

Through a high degree of integration of production, warehousing, logistics and retail terminals in the supply chain, Decathlon provides customers with high performance and products based on its own brands and strong product research and development capabilities. At the heart of Decathlon's success lies its commitment to providing high-quality and affordable sports products. The company's extensive product line encompasses a wide array of sporting categories, including but not limited to, cycling, running, swimming, hiking, team sports, and fitness. This comprehensive assortment is further subdivided into subcategories, ensuring that customers can find precisely what they need for their chosen sport or activity. At the same time, based on the unique shopping experience, through online and offline ways to convey information to customers, creating a good reputation among customers.

3.2. Product Innovation and R&D

At the same time, Decathlon also has the second largest product research and development center in France after Renault Automobile Company (Research and development center), which constantly innovates and brings more convenient sports enjoyment to consumers [3].

For Decathlon, blindly relying on the attraction of price parity is not conducive to the long-term development of the brand, so from the existing development trend and structure of the industry, its operating model and product development need to be further transformation and upgrading. Decathlon should take themed and differentiated product research and development as the core and develop high-quality sports products by creating its own IP image. The IP image created must match the emotional needs and values of the original source market. The personification of IP image gets more recognition of tourists with its vivid and outstanding appearance and originality, so that tourists have emotional resonance. At the same time, creating an interesting and vivid IP image story can attract the attention of potential customers and ensure long-term communication between products and sports enthusiasts.

4. Pricing Strategy of The Marketing of Decathlon

4.1. Price Strategy

Decathlon, whether it is an online mall or a physical store, divides its products according to the frequency of weekly exercise: primary athletes, intermediate athletes and advanced athletes [4]. According to the different product needs of consumers, the product performance-price ratio and the technical content of the product show that the consumer can find the right product in Decathlon. Decathlon saves non-essential links and non-essential human resources in the all-channel business model to minimize costs. It is because Decathlon has its own research and development team, and the same technical content is more affordable than other brands.

4.2. Promotion and Discount Strategy

Before approaching the Chinese market, Decathlon is already a global chain, with considerable market share and word of mouth sports brand. In order to quickly open the domestic market in a short period of time, implement osmotic pricing strategy to ensure product quality, with a relatively low product price to attract other consumers. When the first Decathlon in the northwest opened in Xi'an, the goods on the shelves were almost sold out. It can be seen that Decathlon's osmotic pricing strategy has laid a solid market for it to open up the Chinese market and gain a firm foothold.

One-stop shopping is one of the advantages of Decathlon, which is different from other sports brands [5]. Research shows that offline sales of the main product and the additional product combination will be more attractive. Decathlon launched a reasonable package of clothes, shoes, backpacks, hats and so on for different seasons, and made a certain discount pricing, which brought certain attractiveness to consumers, but also increased the number of sales. Winter is the most popular season for skiing, and Decathlon sells a pair of junior ski jackets and ski pants for 18% less than if they were bought separately.

4.3. Price Competition Strategy

Decathlon contracted sports product design, research and development, and students.

Production, brand, logistics and retail industry chain, so from the source can ensure product quality, and reduce the cost of finding product distribution channels. Decathlon is characterized by a large area of coverage, shopping malls put all the products on the shelves, such as swimming, badminton, bicycles, surfing. To enhance customers' fast, independent purchase of objects.

Test, the surrounding sports goods experience area is also for customers to improve their sense of experience. And Decathlon's online shopping channels are impeccable. Decathlon not only teamed up with Tmall and WeChat to set up official stores, but also set up third-party online malls to further expand online sales. Decathlon in widening sales channels continue to work hard, in 2021, Decathlon and Alipay reached a cooperation, member information can be used, and users in Alipay directly search for "Decathlon" life number to obtain store information near the city, consumer Alipay pay member points directly to the account. In addition, consumers in Alipay's commodity browsing page can jump directly to Taobao's purchase page, after shopping, more than 230 Decathlon stores support self-help services. According to the data, in July 2021, the number of daily visits to commodities during the event was 17 times longer than that in 2020. "At present, the digital economy is developing rapidly all over the world, and the number of Alipay users has exceeded 700 million by 2020, which has become an important digital platform in China and an important part of Alibaba's ecological service system. In the future, Decathlon expects to increase the stickiness with consumers under the trend of high digitization of the Chinese market [6].

4.4. Public Relations Strategy

Decathlon has a special WeChat Mini Programs and a special website. After successfully registering a member, you can not only enjoy the membership price, but also join Decathlon's member club. Decathlon running group, fixed time and place has professionals free fitness guidance, optimize

the user experience, in order to achieve the purpose of promoting product sales [7]. Decathlon attaches great importance to environmental protection, and disposable hangers can be found everywhere in shopping malls.

5. Placing Strategy

5.1. Offline Retail Channels and Layout

In order to help customers quickly find the goods they need, offline stores and online Mini Program have adopted a similar information architecture, using sports and product types as information frames for almost all categories of sports-related goods sold in Decathlon stores.

First of all, Decathlon divides the goods according to the type of movement and instructs them through conspicuous hanging large plates and head-shaped floor stickers. Since then, the goods related to the same sport have once again been subdivided into sportswear, sneakers and sports equipment. Take the football area as an example, where you can find football-related products, such as football, folding goals, football shoes, t-shirts for football, pants for football, and so on. Based on the sports type, the product type is subdivided, which improves the efficiency of looking for goods and achieves the purpose of consumers' "one-stop" purchase. In addition, the football area.

Depending on age, sex and professionalism, the interior is subdivided into many small pieces, allowing consumers to choose goods individually according to their own circumstances. In the details on the shelf, Decathlon put the first star product in the most [8].

Decathlon is not static, isolated display of products, but pay attention to create a sports atmosphere, so that shopping space is pleasing to the eye, stimulate customers' sports enthusiasm. In the outdoor sports area, the grass tree model is placed around the tent commodity experience, as shown, using the model to allow customers to experience the tent for spiritual happiness and psychological satisfaction; in the water sports area, sailing models and swimsuit fake models build the most sea surfing grounds. In addition to the physical model, the floor sticker was also used by Decathlon to create a sense of atmosphere, with plastic runway stickers printed on the track and field area; the swimming area used blue water bellows stickers.

5.2. E-commerce and Online Sales

Decathlon is a collection of sports products design, R & D, production, logistics, brand, retail as one of the whole production chain enterprises. This model allows it to maintain a low-cost advantage; in the new retail context, this also facilitates the design of Decathlon's online and offline experience. Decathlon's WeChat official account provides pre-sales service after-sales service maintenance member benefits throughout the consumer's shopping behavior. The goods purchased on the official website can be returned and exchanged online at the physical store; Distribution methods can also choose the store to pick up the goods or express home, to achieve online and offline interaction. Shadows related to the online service system can be found everywhere in the spatial design of Decathlon stores. Table tennis table large equipment, such as football goals, can be purchased through the code under the scanning sign into the official website, and can enjoy the warehouse direct delivery service. After customers experience in the store, they place orders on the official website, which not only solves the problem of customer carrying difficulties, but also reduces the pressure of storage in the store. In addition to playing a role in the purchase channel, the online platform also promotes the connection between customers and brands. In the bicycle area, there is a picturesque of "recommended bike route" on the wall. The specific content is according to the personalized suggestion of the city where the store is located, attach the member QR code, and invite the customer to register the member, obtain more sports knowledge to exchange sports experience, maintain the long-term favorable interaction. It's evident that QR codes have emerged as the primary bridge between online and offline interactions. Concurrently, the regular posts on its official account inadvertently leave a lasting impression on its customers. Consequently, when a customer encounters a physical advertisement in the future, it rekindles their memory, potentially leading to a purchase.

6. Promotion Strategy

6.1. Advertising and Promotional Activities

Every Decathlon brand has its own website, and Kalenji [9]. In order to effectively promote the "run fast" children's shoes, Decathlon can open up a special page on the website belonging to the product "run fast" children. In the form of a streamlined web page, dynamically display samples of eight different colors of the product, attracting children who like to like objects in sports and like graphic changes: choose warm stimulating avoid excessive color stimulation of children's brains, causing. At the same time, on the web page, the special texture of each part of the product is analyzed from the perspective of science and technology and this texture can bring special comfort, and protection to children's feet; And deepen the description of the shockproof device at the sole of the new product; Highlight new product patents, prevent imitation, and form technical barriers in the market. These are the main online marketing tools for new products to attract the second target group - parents of children. Because 8 to 10 years old children are not attracted to, but parents as the indirect beneficiaries of new products, direct consumers, is the main target group to receive technical information. One of our feasible options for online promotion is to provide a studio online to allow children to express their minds and draw their dream children's shoes; then, children need to print the designed shoe patterns, send them to the Decathlon store, take part in the evaluation; the winners can be qualified to participate in the design of dream children's shoes free of charge, etc. In fact, in this process, on the one can achieve the purpose of understanding customer preferences and needs, on the other hand, he can also achieve the purpose of collecting customer information. And these online promotion incentives, strive to teach in fun, can at the same time on the direct consumer terminal: children and parents at the same time have a role. Because children like to start making what they like, parents think that this process is fun and good for their children's physical and mental health. Then, after the consumer terminal gets the effective stimulation, the network marketing also has made the effect. Online sales.

6.2. Sports Sponsorship and Social Media Marketing

Decathlon, a prominent brand in outdoor and multi-sports, has traditionally been recognized as a haven for male sports enthusiasts. However, over the past couple of years, Decathlon has experienced a surge in popularity among female consumers, igniting a trend on social media platforms like RED (Xiaohongshu). Its products, including skirt pants, yoga attire, fitness bags, and more, have become fashion staples frequently featured and endorsed by numerous internet celebrities and fitness enthusiasts. In fact, Decathlon achieved a remarkable milestone by topping the 2022 "First Caijing" list of preferred sportswear brands, surpassing well-known competitors such as Keep and lululemon.

This newfound appeal can be attributed to several key factors. Firstly, Decathlon leveraged its brand advantage by adopting traditional sports marketing strategies, such as partnering with prestigious sporting events and renowned athletes, including the NBA, the French Football Association, the Paris Olympic Games, and athlete Paul Chellimo. These collaborations enhanced the brand's professional image and bolstered consumer perceptions.

Secondly, Decathlon adopted a more defined brand attitude and positioning. It revamped its brand slogan to "Happy for you to choose" and identified three strategic customer segments: young families, sports enthusiasts, and dynamic modern women. The brand's presence on RED and video-sharing platforms became increasingly prominent, emphasizing its strengths, such as one-stop shopping, convenience, and aesthetically pleasing products, which resonated with consumers seeking an inclusive and engaging shopping experience.

Decathlon's successful shift towards a more diverse consumer base, particularly among women, demonstrates the brand's adaptability and strategic acumen in the dynamic world of sports retail. Decathlon can get hot on little red books, it also benefits from changes and opportunities in the market. With the rise of sports leisure style, more people begin to pay attention to the wearing and comfort of sportswear.

Not just functionality. Decathlon's products happen to be able to meet this demand, and the price advantage is obvious. The impact of the epidemic has led more people to pay attention to health and outdoor sports, as a full range of sports brands, can provide a variety of sports equipment and guidance, so that users can easily get started and enjoy the fun of sports. The platform effect of Little Red Book allows Decathlon's products to be seen and recognized by more people. As a social e-commerce platform with women and white-collar workers as the main user groups, Little Red Book has a strong word-of-mouth dissemination and recommendation effect. Decathlon's products have been recommended by countless internet celebrity and amateur, forming a strong social proof and fission effect.

7. Potential Challenges of Decathlon Market Development

By collecting various reviews of Decathlon's online shopping platform, this study has summarized several of the shortcomings that Decathlon currently faces [10]. Decathlon's current product positioning, which is somewhat awkward. For consumers who know Decathlon, they will consider its products to be relatively low-end. For one thing, there is a widespread belief among consumers that when Decathlon comes out with relatively high-priced products, consumers are not going to want to buy them. Decathlon is not a familiar brand to those who are willing to pay for it. As an international brand, Decathlon spends very little on advertising compared to other brands. Even if Decathlon's products are cheaper, that does not mean giving up on advertising entirely. Compared with other sports brands, Decathlon's products are relatively inexpensive, but that does not mean Decathlon's technology is any more backward-looking. In fact, Decathlon is more than capable of making high-end products to showcase their technology. As a result, Decathlon should roll out more product lines and offer a variety of services to more consumers. At the top end of the product line, Decathlon can put more money into the first because, in fact, those funds will play a bigger role in sales.

8. Conclusion

In this paper, Decathlon's product positioning and marketing strategy in various markets are analyzed. It can be seen that the Decathlon scheme has been very successful, but at the same time they have faced some problems. Decathlon is a brand with a long history, and their growth story is worth studying. Certain assumptions and solutions to these problems have been made in this paper, but in fact, these solutions may only be applicable to the Chinese market. For foreign markets, Decathlon faces a very different situation. At the same time, consumer feedback to Decathlon on e-commerce platforms is not guaranteed to be completely authentic. We cannot rule out a malicious smear campaign against Decathlon by a company affiliated with Decathlon. Moreover, some of the problems that Decathlon has faced in recent years may have been caused by the COVID-19 pandemic. And in the future, we cannot rule out an emergency like COVID-19. In the future, this study can be extended to examine consumers' true impressions of Decathlon and their pricing acceptance of Decathlon products in different markets.

Authors Contribution

All the authors contributed equally and their names were listed in alphabetical order.

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