



Summer Internship Project 2022



REPORT TITLE

A Study On Store and Operation Management in
Decathlon, DSI Phulnakhara

Submitted by

Gayatri Prusty
I-MBA Batch: 2018-2023
BPUT Redg. No : 1813258015

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A STUDY ON STORE AND OPERATION MANAGEMENT IN DECATHLON, DSI PHULNAKHARA

A Final Report Submitted

To

BIJU PATNAIK UNIVERSITY OF TECHNOLOGY, ODISHA

(In Partial Fulfilment of the Requirement of the Degree of IMBA 2018-23)

Submitted By

GAYATRI PRUSTY

BPUT REGD. NO.: 1813258015

Under the esteemed Guidance of

Internal Guide: - Dr. NEHA GUPTA(Asso. Prof. Marketing)



BIJU PATNAIK INSTITUTE OF IT AND MANAGEMENT STUDIES

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CERTIFICATE FROM INTERNAL GUIDE

This is certified that the project work titled “**A STUDY ON STORE AND OPERATION MANAGEMENT IN DECATHLON, DSI PHULANKHARA**” is a bonafide work of **Gayatri Prusty, Reg. No-1813258015** carried out in partial fulfilment for the award of degree of Master in Business Administration (MBA) 2018-2020 of Biju Patnaik Institute of IT and Management Studies , Odisha under my guidance.

Signature of the Internal Guide

CERTIFICATE FROM COMPANY GUIDE

DECATHLON

SPORT FOR ALL - ALL FOR SPORT

INTERNSHIP CERTIFICATE

This is to certify that Miss Gayatri Prusty, From BIITM College, has worked on a Summer Internship Project, on Employee Satisfaction at Decathlon Sports India Pvt. Ltd. Phulnakhara store from 15/04/2022 to 30/05/2022

During the above period she evinced keen interest in learning and doing her project and we found her to be good.

We wish her all the best in his future endeavors.

DATE: 02nd July 2022

Seal)

Decathlon Sports India Private Limited
Dag Nos. 363, 367 and 368, NH-5,
Beside Aditya Motors,
Bandhchadda, alias Kacharamala,
PO Phulnakhara, District Cuttack

(Company

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Dag Nos. 363, 367 and 368, NH-5,
Beside Aditya Motors,
Bandhchadda, alias Kacharamala,
PO Phulnakhara, District Cuttack

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DECATHLON SPORTS INDIA PVT. LTD.

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DECLARATION

I, **GAYATRI PRUSTY** bearing Registration Number-1813258015 do hereby declare that the project entitled “**A study on store and operation management in Decathlon, DSI Phulankhara**” is the original work done by me and submitted to **Biju Patnaik University of Technology, Odisha** in partial fulfilment of requirement for the award of **Integrated Master in Business Administration** is a record of original work done by me under the supervision of **Asso. Prof. Dr. Neha Gupta**.

(Name of the Student)

Date

ACKNOWLEDGEMENT

I am using this opportunity to express my gratitude to everyone who supported me throughout the course of this Summer Internship.

I am thankful for their aspiring guidance, invaluable constructive criticism and friendly advice during the training period. I am sincerely grateful to them for sharing their truthful and illuminating views on a number of issues related to the project.

I feel it great pleasure to work under the guidance of **Mr. Lokesh A. Vishwakarma, Ms. Priyanka Mukharjee and Mr. Satya Sen** for their support and guidance at Decathlon for their whole-hearted and invaluable guidance throughout my internship, without their sustained and sincere effort, this project would not have taken place.

My deepest gratitude for motivation and knowledge must also be extended to:

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- Mr. Deepak Kumar Sahu
- Ms. Divyakshi Khale
- Mr. Krushna Chandra Dora
- Mr. Lukesh Mahto
- Mr. Nitish Kumar Pradhan
- Ms. Pamli Ganguly
- Mr. Pankaj Kumar Bhagat
- Mr. Pinaki Prasad Nayak
- Mr. Pranjal Sao
- Mr. Prem Kumar Singh
- Ms. Roshni Singh
- Ms. Shalmali Acharya
- Ms. Simran Nayak

- Ms. Srabani Dhal
- Mr. Taran Singh Sidhu
- Ms. Usha Rani Behera

And all the interns, who stood by my side throughout my learning and encouraged my work and became my support system.

I am extending my gratitude towards all the security and house keeping brother and sisters also.

I take this opportunity to specially thank **Dr. Neha Gupta** (Asso. Prof. Marketing, BIITM), and I would like to express my sincere thanks to, **Dr. Mihir Ranjan Nayak** (Principal, BIITM), and **Mr. K Chandrasekhar** (Head Placement and Training, BIITM) whose co-operative guidance has helped me in successfully completion of this report on “**A Study on Store and Operation Management in Decathlon**”.

Thanking You

GAYATRI PRUSTY

ABSTRACT

Without practical training, management education is meaningless so along with the theory, practical training is provided to the management students to get the exposure to the actual working environment of any organization. Such training provides a framework of knowledge relating to the concepts and practices of the assigned topics in the organization.

The summer internship programme is an integral part of the course curriculum of BIITM. In this the student is in a position to analyze the integral working of an organization with mature eyes and understand the dynamics in a much better manner.

An extensive study of the Smart City store at Phulnakhara, Bhubaneswar was carried out for the project entitled "Store and Operations Management in Decathlon". The focus of my study was to examine the role and responsibilities of the operational department for growth, the processes, and their impact on sales. To be more competitive in the sports goods market, brands constantly seek new ways of conquest and strategic positioning. As a result, they put innovation at the core of their development with the Decathlon Group. It is interesting to see how a retailer decided to take the route of "entrepreneurial" expansion, particularly through the creation of independent and autonomous specialized brands. By conducting the project, participants become familiar with the inside and out of the retail store, which serves as the organization's frontline of operations and revenue generator. Therefore, the task of understanding the trade is enhanced by working with Decathlon on a project to develop knowledge of retail store operations.

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LIST OF ABBREVIATIONS

AOA- AVAILABLE OR AVAILABLE

CRM- CUSTOMER RELATIONSHIP MANAGEMENT

SOS- SATISFY OR SATISFY

CSR- CORPORATE SOCIAL RESPONSIBILITY

SLT- STOCK LIFE TIME

B 2 B- BUSINESS TO BUSINESS

B 2 C- BUSINESS TO CONSUMER

LPBV- LOWER PRICE BEST VALUE

BSU- BASIC SAFETY UNIT

MCP- MANUAL CALLING POINT

IDM- INDIVIDUAL DEVELOPMENT MEETING

IC- INTERNAL CONSUMPTION

WD- WRITE DOWN

SOD- STORE OPERATION DIAGNOSTIC

LM- LINEAR METER

SCF- SATISFIED CUSTOMER FAMILY

SFS- SHIP FROM STORE

SIBC- SELF INFORM BEST CHOICE

SD- SUSTAINABILITY DEVELOPMENT

SMART- SIMPLE,MEASURABLE,AMBITIOUS,REALISITIC,TIME BOUND

KPI- KEY PERFORMANCE INDICATOR

CAB- CENTRAL AISLE BASKET

LSP- LOCAL SPORTS PROJECT

CAD- COMPUTER AIDED DESIGN

CSIVF- CIRCULATION,SIGNAGE,IMPLANTATION,VERTICULIZATION,FACING

CHAPTER-1

1.0 INTRODUCTION

The Indian retail industry has emerged as one of the most dynamic and fast-paced industries due to the entry of several new players. It accounts for over 10 per cent of the country's Gross Domestic Product (GDP) and around 8 per cent of the employment. India is the world's fifth-largest global destination in the retail space.

Indian Retail Industry has immense potential as India has the second largest population with affluent middle class, rapid urbanisation and solid growth of internet. Within this retail industry there is also growth of sports industry, which is driven by ever-increasing popularity of involving sports in daily life by major part of population.

Today all premier schools are focussing on training kids in at least one sport in addition to the regular curriculum. Sports academies are also gaining popularity, which is accelerating demand of sports equipment's in India. India's sports goods industry is nearly a century old and has flourished, driven by a skilled workforce. Being labour-intensive in nature, the industry provides employment to more than 500,000 people.

India's sporting goods are popular around the world and have made a mark in the global sports goods market. The domestic industry exports nearly 60 per cent of its total output. Total sports goods exports for the year ended FY 2016-17 is US\$ 227.70 million, as compared to the US\$ 274.50 million during the previous year.

In 2014–15, the UK, the US, the UAE, Australia, South Africa and Germany were the major export markets for Indian sports goods. France, Poland, the Netherlands, Canada, Belgium, New Zealand and Italy, were among other export destinations.

Inflatable balls, cricket bats & leg pads, rugby balls, sports nets and gymnasium & athletics equipment accounted for about 35 per cent share of the total sports good's exports, as of 2014–15. Indian sports products have been exported for global events. India has emerged as the

leading international sourcing destination for inflatable balls and other sports goods for international brands such as Mitre, Lotto, Umbro and Wilson.

Retail Supply Chain Management is the process of managing the entire supply chain of retail organizations. The differentiating factor of retail supply chain management from other supply chain management is in the volume of product movement and the fast moving nature of the products of the retail industry.

Retail supply chain has to be monitored very closely and has to be free from defects as the products are always on the move and the cycle time is very low. Further the continuous movement of materials across the supply chain is crucial to the success of any organization in the retail industry.

Retail operations management refers to the task of managing retailing & logistics and finding out ways to control costs in order to transfer items from the hands of the producers to the customers. The individual concerned with retail operations management is a retail operations manager.

The size of a retail operation management team will mostly depend on the size of a business, with small business managers possibly taking on multiple responsibilities versus a chain store that may hire multiple positions.

1.1 OBJECTIVE OF THE STUDY

1. To learn about handling the emergency situations inside the store
2. To study the store layout and product management
3. To study about the stock flow and inventory management

Effective management is a powerful tool for business transformation and business growth.

- It can dramatically increase a company's profitability while simultaneously improving customer service.
- While today's competitive environments are forcing businesses in this direction, the steps to take are often not evident.
- Problems of Operation management can be complex, and their solution requires special knowledge and experience.

1.2 SCOPE OF THE STUDY

The study will help to know how supply chain management and operational planning are important to any organization. It also describes how to utilize the current capacity of a facility and how to plan to increase or decrease the current capacity. Layout planning under the operational activity will help the management to reduce the loss as well as time during the shopping process. Hence decreasing the cost and increasing the profit.

Operations includes many aspects, such as store design, display placement, customer service, money and credit handling, shoplifting prevention, premises maintenance, staff management, inventory optimization, and dealing with the entire supply chain that leads to having products in the store.

1.3 METHODOLOGY

This report has been prepared on the basis of experience gathered during the period of internship and my own learn and understanding.

The entire process has been made by collecting primary data which played a vital role and easy to write down the report and secondary data was needed for supportive structured build-up to the report. I have designed the methodology or the method in which way the data will be collected in the following way: -

- Primary data sources: -
 - Working in different desks
 - Formal & Informal discussion
 - Organized and planned analysis are the Main resources.
- Secondary data sources: -
 - Official websites
 - Different websites and previous reports
 - Research Papers
 - Books

1.4 LIMITATIONS

1. Time is a big constraint for my study. I have to submit a broader deal in a sorter form of outcome.
2. The data in this study is basically both primary & secondary data which is derived from the already available data from the other sources of internet, previous referral, formal and informal discussion.
3. There has been no fresh collection of data. The available data has been utilized.

1.5 EXPECTED LEARNING OUTCOMES

1. The learning from this research study is to know the details about supply chain and operational planning of Decathlon and its various factors with layout planning, unloading, implementation, facing and handling the inventories.
2. The focus is to know the future strategies of DECATHLON's capacity decision in future. This study is also done to know how Decathlon utilises it's current operational activities and planning.
3. The main point is to know the facility of Decathlon's Phulnakhara store and how it is planning to expand in business growth and how it will become profitable.
4. After all the learnings, how effectively business can run that is also an important part to know.

CHAPTER-2

2.0 COMPANY ANALYSIS

Decathlon is one among the world's largest sporting goods retailers. It started with a store in Lille, France in 1976, founded by Michel Leclercq. It started to expand abroad a decade later, to Germany in 1986, Spain in 1992, Italy in 1998, Portugal, the United Kingdom in 1999, China in 2003, India in 2009 and Southeast Asia in 2012. Today, there are more than 1000 stores in 26 countries. The company employs more than 60,000 staff from 80 different nationalities.

The retailer stocks a wide range of sporting goods, from tennis rackets to advanced scuba diving equipment, usually in large superstores, which are sized at an average of 4,000m². Decathlon Group also owns 20 brands, with research and development facilities all over France to develop the latest innovative designs, registering up to 40 patents per year.

Each brand represents a different sport or group of sports, with a dedicated product development and design team. At Decathlon, 70,000 of them live their common Purpose on a daily basis: **“to make the pleasure and benefits of sport accessible to many”**.

In every country where they are present, they share a strong and unique company culture, reinforced by their two values: **Vitality and Responsibility**.

At Decathlon, they place innovation at the heart of their activities: **from research to retail, including design, production and logistics**. Their twenty Passion Brand team channel all their energy in to developing technical, good-looking and simple products, always at the lowest possible prices. These products are aimed at all sports enthusiasts, from beginners to experts, and are sold exclusively at Decathlon.

There are thousand plus stores which are located globally, in the following countries with more than 50+ stores in India. Online conveyance has been presented in Belgium, France, Netherlands, United Kingdom, Germany, Turkey, India, Japan, Italy, Singapore, Spain, Brazil, Portugal, Romania, Ireland, Mexico, Australia, and as of late, Vietnam.

In India, Decathlon items can be purchased specifically through their stores consequent to change in India's FDI approach and endorsement for Decathlon in February 2013. Furthermore, Decathlon items are additionally accessible online through their online click and collect service as well as online order.

A unique feature of the retail chain is that it designs and manufactures sports equipment under its own brands, which number over a dozen. More than half the products are made in India, which is important to keep prices low. The prices vary with the range from products for beginners and going up to the professional level.

Decathlon is looking towards India to expand its business by riding on this growth wave and increasing demand for sports among new generation.

Decathlon is leading the Indian market with the highest revenue overtaking Adidas, Nike in sports gear retailing. Decathlon has also become India's second-largest single-brand retailer in March 2018.

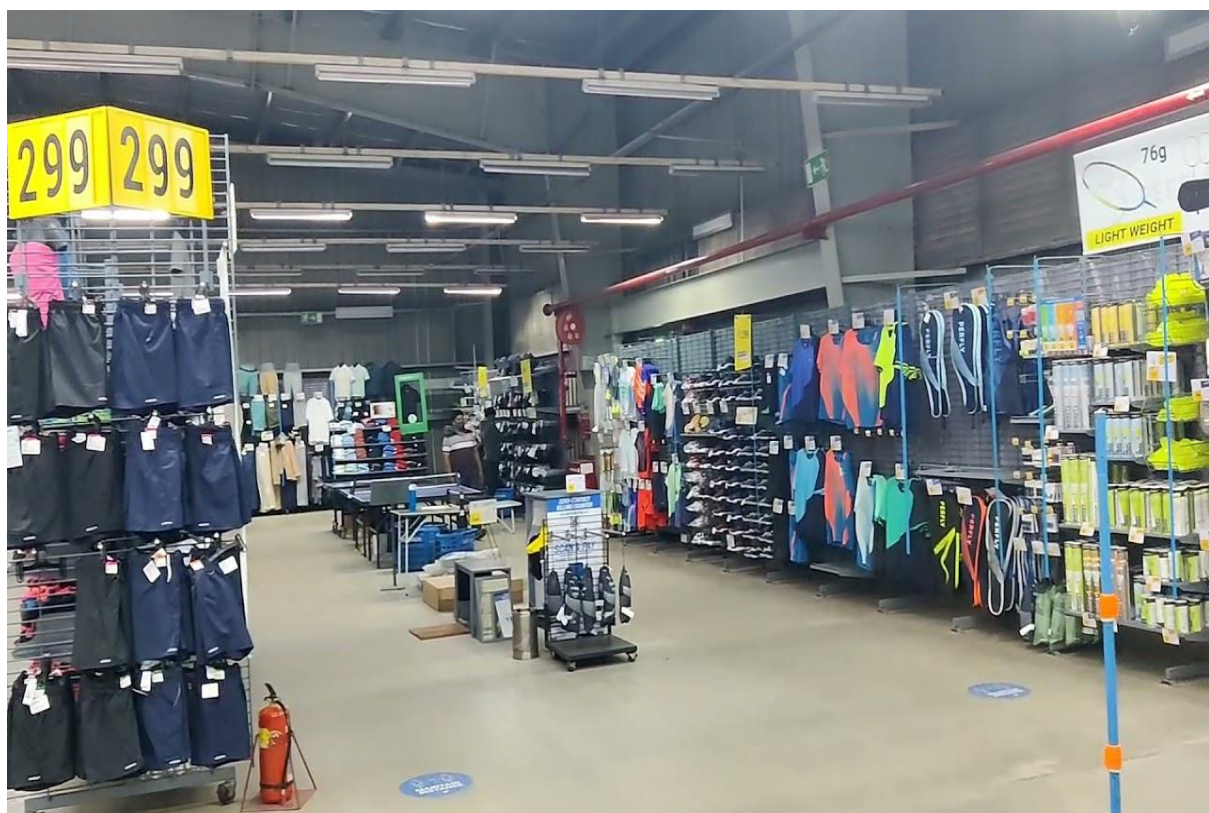


Figure 1: Decathlon prices 30-40% lesser than competing brands products

Parent Company	Decathlon
Category	Sporting goods retail
Sector	Lifestyle and Retail
Tagline	Sports for All, All for sports
USP	Everything in sports at affordable price

2.1 VISION

"Make the pleasure and benefits of sports accessible to all."

Decathlon, a system of creative retail chain and brands giving delight to all games individuals. At Decathlon, 70,000 of us experience our basic Purpose once a day: "to make the delight and advantages of game available to all".

In each nation where we are available, we share a solid and remarkable organization culture, strengthened by our two esteems: **Vitality and Responsibility**.

At Decathlon, we put advancement at the heart of our exercises: from research to retail, including outline, generation and coordination. Our twenty Passion Brand groups direct all their vitality into creating specialized, gorgeous and straightforward items, dependably at the most reduced conceivable costs.

These items are gone for all games devotees, from apprentices to specialists, and are sold solely at Decathlon.

2.2 MISSION

"To encourage the practise of sport by as many people as possible for its pleasure and benefits".

2.3 VALUES

One of Decathlon's most important values is honesty, as there must be complete transparency in everything they do, be it internally or in its dealings with suppliers and customers. There must be a connection between what the company says and what it does.

- Vitality is also a very important factor because every member of staff must be enthusiastic and always looking for ways to innovate and create so as to improve and stimulate evolution.
- Lastly, the combination of responsibility and generosity is another fundamental value which should be reflected in the way work teams are treated. -Commitment Decathlon in Castellon strives to instil two basic points of commitment in its staff:
 - The first is to continuous innovation as it is important to seek the creation of inventive products based on investigation of the human body. The objective here is to long-term client satisfaction based on related sales.
 - And then there is training and development. The objective here is to prepare staff to be able to make their own decisions and to accept responsibility. Internal promotion and career development are fundamental to the company. One of Decathlon's greatest priorities is to achieve employee satisfaction as only a happy employee can make happy customers.

2.4 RESPONSIBILITY

RESPONSIBILITY Being responsible is about making decisions and making sure they are acted upon. Our employees are fully responsible for their decisions, both in terms of their team and their customers. Responsibility is also about anticipating the challenges facing society and orienting our actions towards sustainable development. And it is also our responsibility to guarantee the safety of our customers and employees all over the world.

2.5 DECATHLON BRAND-LOGO

Decathlon is a consolidated occasion in games comprising of 10 Olympic style events occasions. The word “Decathlon” is of Greek source, from deka (déka, signifying "ten") and athhlos (áthlos, or ἄθλον, áthlon, signifying "accomplishment"). Occasions are held more than two back to back days and the victors are dictated by the consolidated execution taking all things together.

Decathlon promote more than fifty sports in different nations. The Blue color is associated with the **sky and the ocean**, which both evoke feelings of tranquility and security.

It has also been proven that people are the most productive when they work in blue rooms. Blue is also known to curb appetites, and although it is not as attention-grabbing as colors like red or yellow, blue is also the most popular favorite color of both men and women.

This means that it is universally well-liked. A blue logo shows that your brand is professional and logical, but not invasive. It can create a sense of security and trust in company where one is working.



2.6 DECATHLON: Facts to know

There have few brands which have come up all around and increased present expectations of games and wellness industry. We see demonstrate organizations like Nike, Puma and so on coming up on a worldwide level and advancing sportsmanship more than their item.

There is one brand which has remained in all parts of games and wellness. Yes, we are discussing the unrivalled Decathlon. It is one of the world's biggest donning products retailers. It begun with a store in Lille, France in 1976, established by Michel Leclercq.

When we discuss India, they have assumed a noteworthy part in developing the way individuals take a gander at games and wellness industry. Beginning from their client administration to their play field to every single item is no not as much as extraordinary.

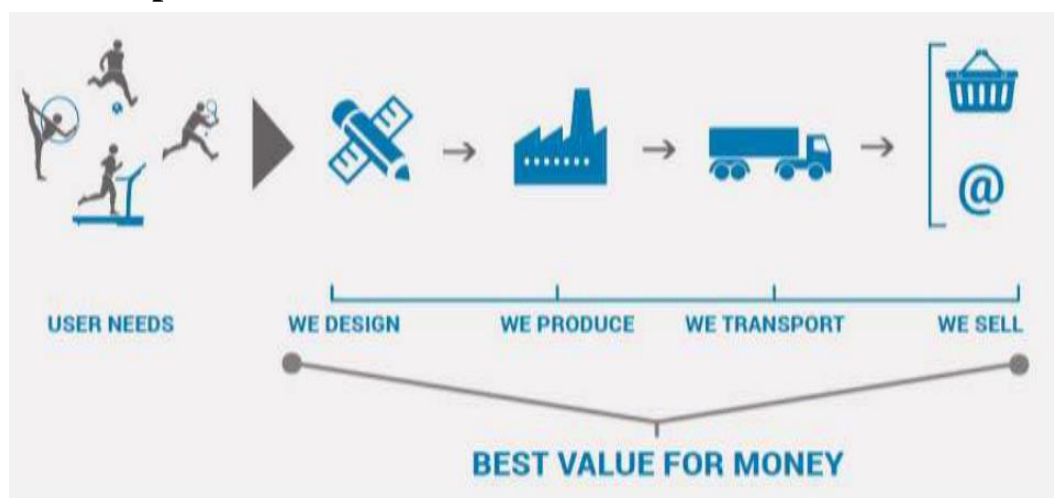
This is a tribute from our end to the ones who have assumed a noteworthy part in Indian games and wellness.

What users love about Decathlon –

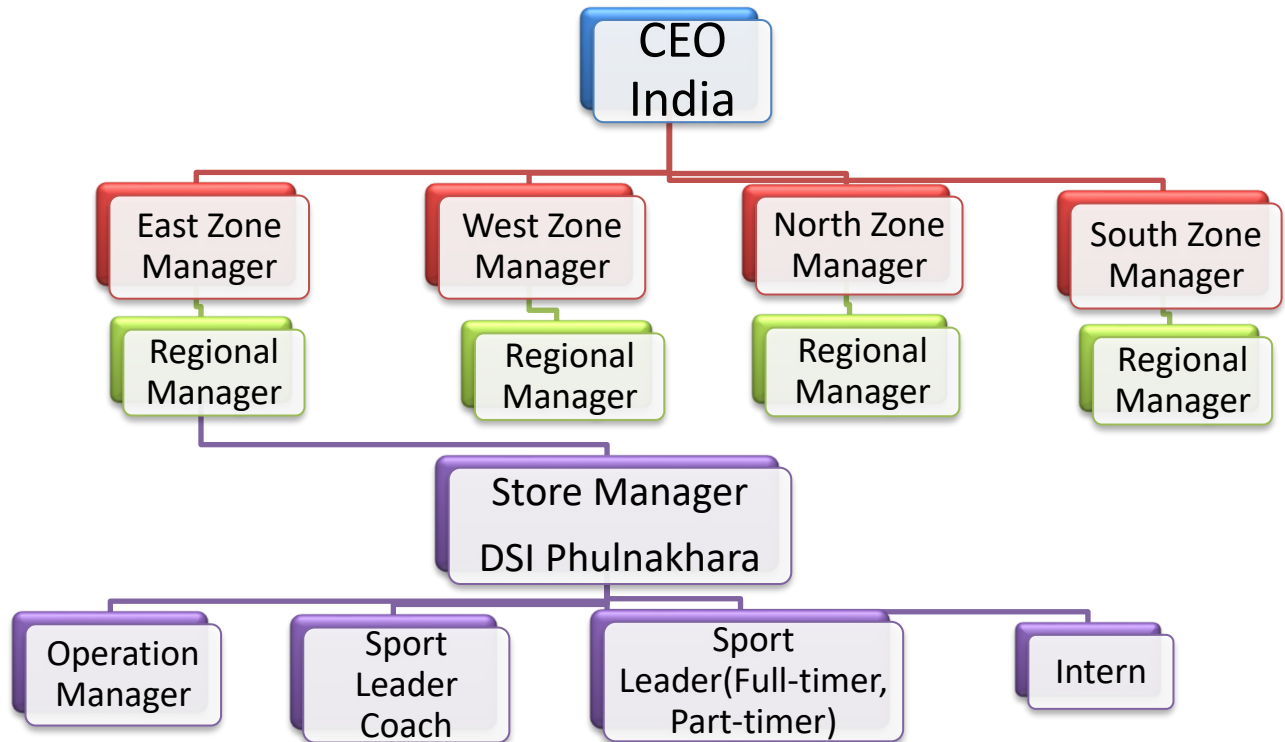
- Will discover nearly everything identified with games and wellness.
- Big space for anyone to try out any equipment.
- Brilliant sports ground facility.
- They are not just selling they are good sportsmen as well.
- Brilliant event organization.
- Amazing customer experience is the only thing they believe in.
- Mantra is to build a community around sports and fitness.
- Best place children to be away from typical video games and PC.
- Best clothing product to make you look just awesome even while playing.

2.7 DECATHLON: Approach

We design, we manufacture & we sell products that are technically superior at affordable prices.



2.8 ORGANIZATION STRUCTURE

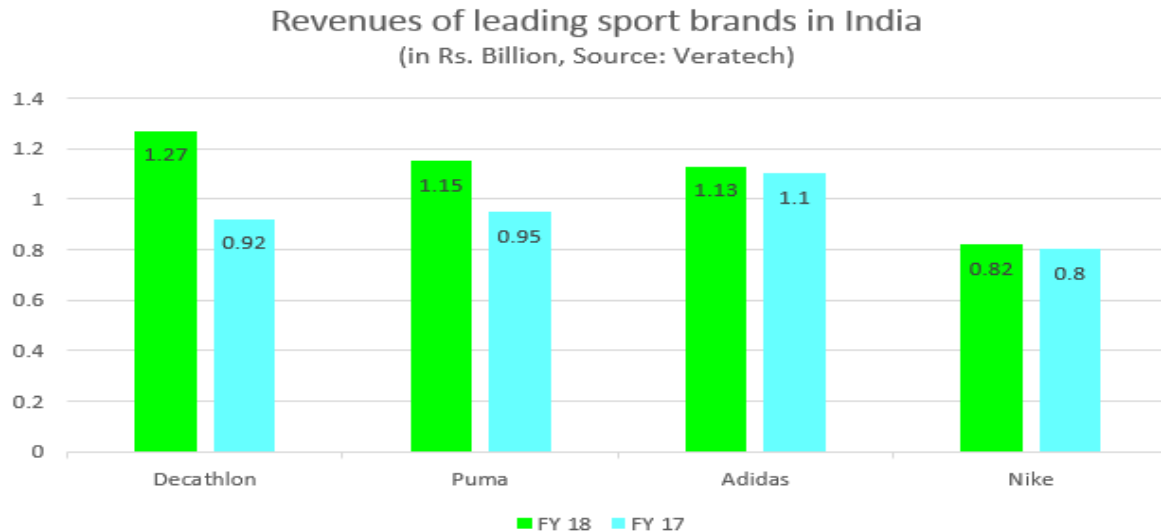


2.9 BUSINESS ANALYSIS

Decathlon opened its first cash-and-carry format and wholesale store in 2009 in India. However, it got approval for single-brand retailing in 2013 and changed its business model from wholesale to retail. The company has expanded its business 10 times since then by adding more than 50 stores.

The brand has emphasized awareness on fitness and it has lower-end price positioning and targets customers who see value-for-money as more important than brand image.

In doing so, one of the leading sports brand Decathlon appeals to a wide range of age groups, and more to participants in sporting and outdoor activities, as opposed to consumers buying sportswear as a fashion statement.



Decathlon prices 30-40% lesser than competing brands products. Decathlon controls almost every bit of operations by selling only private labels, from pricing and design to distribution, and keeps its costs and selling prices low. Decathlon uses a combination of in-house manufacturing and outsourcing to stock its shelves.



Figure 2: Strategies to grab the market

2.10 PRODUCT DETAILS

Decathlon develops and sells its own brands. Each sport or group of sports has a separate brand:-

✚ Name differentiating its use in apparels and accessories:

- APTONIA - Nutrition and Healthcare
- ARTENGO - Racket Sports
- B'TWIN - Cycling

- CAPERLAN - Fishing
- DOMYOS - Fitness, Gym, Yoga, Dance
- FOUGANZA - Horse Riding
- FLX - Cricket
- GEOLOGIC - Target Sports such as Archery, Darts and Pétanque
- GEONAUTE - Sports Electronics
- INESIS - Golf
- KALENJI - Running
- KIPSTA - Team Sports
- NABAIJI - Swimming
- NEWFEEL - Walking and Urban Wear
- ORAO - Eyewear and Optical Accessories
- OUTSHOCK - Combat Sports
- OXELO - Roller sports, Skating and Scooters
- QUECHUA - Hiking, Camping and Outdoor Gear
- SIMOND - Mountaineering
- SOLOGNAC - Hunting
- TRIBORD - Watersports
- WED'ZE - Skiing and Snowboarding



Brands that provides technical support for the products of its passion brands:

- EQUAREA - Clothing designed for the active removal of sweat
- ESSENSOLE - Shoe soles and insoles
- NOVADRY - Waterproof and breathable clothes

- STRATERMIC - Warm and light clothes
- STRENFIT - Light and Robust Synthetic fabrics (non-garment)
- SUPPORTIV - Support and compression

2.11 DECATHLON MARKETING MIX

Marketing Strategy of Decathlon analyses the brand with the marketing mix framework which covers the 4Ps (Product, Price, Place, Promotion). There are several marketing strategies like product innovation, pricing approach, promotion planning etc. These business strategies, based on Decathlon marketing mix, help the brand succeed in the market.

Decathlon marketing strategy helps the brand/company to position itself competitively in the market and achieve its business goals & objectives.

Decathlon Product Strategy:

Decathlon is one of the leading sports apparel and accessories brands in the world. Its marketing mix product portfolio includes sports equipment, accessories, clothing, footwear and much more. There is a wide collection of products for all the sports including football, baseball, basketball, cricket, badminton, etc. Decathlon also has all the items for less popular sports like archery, billiard, darts, field hockey, roller skates, volleyball and even scuba diving. Not just

men, there is a separate and diverse section for women and kids as well. The variety and abundance of products is such that sometimes there is a problem of plenty. Decathlon also offers products from its own brands like Artengo , Domyos, Kalenji, New Feel, Inesis, Oxelo and many more.

Decathlon Pricing Strategy:

Decathlon brand aims to encourage sports all over the world. So, it makes sure every sporting gear is available at affordable prices. It has consistently maintained its low prices by not compromising with quality. This is because of the optimization of internal processes in design and logistics. Cost leadership, along with decent quality is the core competency of this brand. Decathlon keeps its prices around 20 percent lower than its competitors.

Decathlon Place & Distribution Strategy:

Decathlon has over 800 stores worldwide, which speaks volumes of the immensely distributed network it has. It has dedicated expansion team which does the research and come out with places targeted places where sport users are available and it opens its store firstly in suburbs because the size of Decathlon stores are usually larger to provide experience to the users with specialized experience zones for each sport where Users can play and test their sport items. Once they reach at enough popularity then they open other small stores in city centers. Decathlon also delivers products online through its decathlon.in website. For online purchases, these centres are responsible for carrying out transportation and delivery. Due to its efficient logistics and distribution, it has been able to maintain its 72-hour delivery time target.

Decathlon Promotion Strategy:

Decathlon doesn't invest much in promotions because of its low cost structure. However Decathlon gets its main promotion from word-of-mouth marketing by making its users happy and satisfied. Decathlon uses online modes for marketing through adverts. Decathlon engages its Users through events. Decathlon continuously organizes events for particular sports and also believes in community engagement. Decathlon has a dedicated website where one can look for the particular events coming up at their store locations.

2.12 DECATHLON ADVERTISING STRATEGY

Decathlon promotes itself as an innovative brand with a high product-quality relation. It uses its R&D to cater to consumer needs and communicates this to its users. Decathlon group has the third largest Research and Development facility in France. The affordability factor with that quality is the differentiator in Decathlon. All its distinctive features are portrayed through institutional publicity. It also heavily promotes self-owned brand in a way which describe its constant thirst for innovation. These brands are exclusively available at Decathlon stores. The unique customer in-store experience, where people can spend time knowing more about the sport and enjoying their time is the differentiator, the unique selling point of Decathlon. This USP is highlighted in its promotion campaigns.

STP	
SEGMENT	Style and quality
TARGET GROUP	Middle class and upper middle class
POSITIONING	Quality sports good in affordable

2.13 DECATHLON FINANCIAL PERFORMANCE

Decathlon Sports India's **operating revenues range is Over INR 500 cr** for the financial year ending on 31 March, 2021. It's **EBITDA has increased by 87.26 %** over the previous year. At the same time, it's book net worth has increased by 8.76 %. Decathlon, the second largest sportswear retailer, had a **15.7 percent** market share and Nike was third with almost five percent.

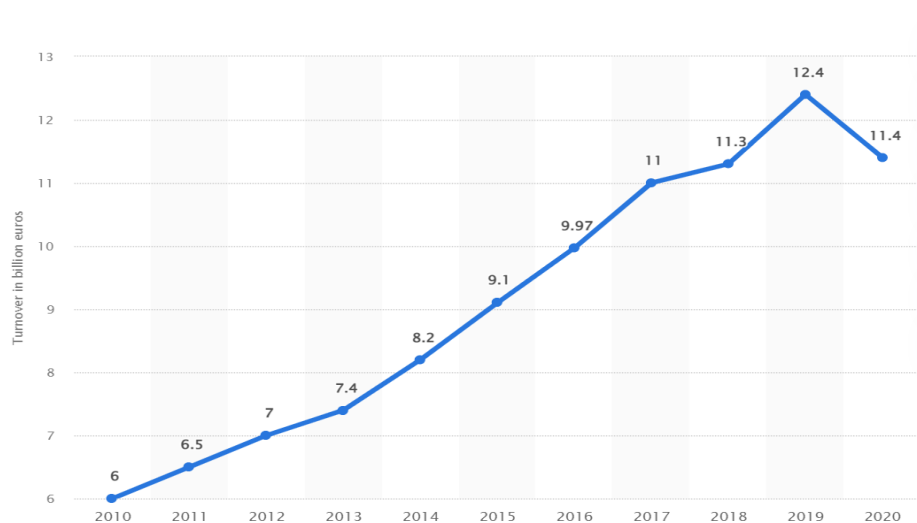
Here is a summary of financial information of DECATHLON SPORTS INDIA PRIVATE LIMITED for the financial year ending on 31 March, 2021.

- Revenue / turnover of DECATHLON SPORTS INDIA PRIVATE LIMITED is Over INR 500 cr
- Net worth of the company has increased by 8.76 %
- EBITDA of the company has increased by 87.26 %
- Total assets of the company has increased by 14.14 %

- Liabilities of the company has increased by 18.20 %

Operating Revenue	Over INR 500 cr
EBITDA	87.26 %
Net worth	8.76 %
Debt/Equity Ratio	0.00
Return on Equity	8.01 %
Total Assets	14.14 %
Fixed Assets	0.86 %
Current Assets	34.79 %
Current Liabilities	18.20 %
Trade Receivables	86.08 %
Trade Payables	6.25 %
Current Ratio	1.25

Revenues of the French company Decathlon between 2010 and 2020 (in billion euros)



Marketing capitalization

Decathlon Sports India Private Limited is an Indian Non-Government Company. It's a private company and is classified as 'company limited by shares. Company's authorized capital stands at **Rs 12500.0 lakhs** and has 75.31652% paid-up capital which is Rs 9414.57 lakhs.

2.14 INDUSTRY ANALYSIS

Sports retail is a niche segment of retail. It generally refers to retail sale of sports goods/equipment, apparel, shoes and accessories (such as sunglasses, watches, headband etc.) Sports retailers can be multi-brand retailers or single-brand retailers, they can sell products for a specific sport or cater to multiple sports.

2.15 WHAT THEY DO

Decathlon sell a wide variety of sports products for almost all sports and have a rich product line-up for various type of equipment.

They have categorized their products into 2 categories:

- Blue: Products of starting range which are cheaper and are focussed on catering amateur athletes.
- Professional: Comparatively higher end products to cater the professional players.

About 70% of the Decathlon products in India are imported. Some products are exclusively delivered from certain countries only to maintain a strict quality.

2.16 WORK SPACE SETUP

The decathlon warehouse had an open workspace wherein people sit in a hall working on the same table. This kind of setup has following benefits:

- Continuous and easy interaction between employees helps develop a better interpersonal skill.
- This lack of immediate physical boundary enables the employees to exchange their ideas

- Since there are no boundaries among the workspaces it also saves a huge cost of Material and cut down the movement time.
- It also saves the cost of electricity as the area which needs cooling or lighting is undivided and compact.
- They hold an internal competition for each working bays where the group of employees compete with each other on grounds of efficiency and cleanliness on their respective bays.

2.17 DISTRIBUTION CHANNEL

Decathlon reaches to their customers through two channels-company owned stores and company's own website. This helps the company in the following ways:

- Since decathlon follows reverse logistics, keeping this type of controlled distribution channel is essential in delivering the value to the customers.
- It also cuts the cost of any middlemen and other overhead costs that comes with it.

2.18 PACKAGING

The company follows two type of packaging in its warehouse for storage:

- Standard packaging: These packages are of standard sizes and are exclusively designed on the basis of fixed dimensions which is prescribed by default depending on the type of products. Adding to this the company opted for standard rack sizes to fit these standard boxes which enabled the maximum utilization of space.
- Non-standard packages: Some products are big and bulky in nature whereas some have very arbitrary dimensions, such products are packed in non-standard boxes which may vary from product to product.

2.19 WAREHOUSE SETUP

All the items in the warehouse are arranged on the basis of sports which allows easy access of all items as each and every rack is labelled with a unique barcode number which gives a precise data of what is where.

The warehouse has three compartments and each compartment has various workspaces.

- The 1st compartment has all the loose pickings and these stored in the standard packages. Since these are the items which are loosely picked they have been thoughtfully arranged at a human reach level. Which means no forklifts are required in this compartment.
- The 2nd compartment has all the blue and professional range of products, these are also stored in the standard packages.
- The 3rd compartment has all the non-standard packages and these are stored on high racks which require the use of forklifts.

2.20 PRODUCT LOADING

The warehouse has a state of the art docking system wherein all the stores of decathlon has a dedicated bay which means only products going to a particular store will come to that bay which removes the possibility of wrong delivery, in fact eradicates any confusion whatsoever.

2.21 SAFETY

Safety has been paid duly notice in the warehouse. There are separate walk ways all throughout the warehouse for easy movement of pedestrians so that do not hamper the work of other employees as well as it ensures that no employees accidentally come in unwanted contact of other heavy machines being operated in warehouse. There are 18 exits in the warehouse which makes sure the employees have enough escape routes in case of any emergency as the warehouse hold a tendency to burn down in 10 minutes in case of a fire mishap. To monitor how many people are present in the warehouse at given point of time they have a dedicated name tag counter where you activate your tag when you are in. This type of monitoring helps in better planning in the warehouse.

2.22 FUTURE OF DECATHLON IN INDIA

“Be where Decathlon is needed, to make the sports an equity, not a privilege.”

Decathlon's main mission is to make sport accessible to as many people as they can. Decathlon helps, inspire and guide user through their sports experiences they 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 in a team.

Being responsible is about making decisions and making sure they are acted upon. Decathlon employees are fully responsible for their decisions, both in terms of their team and their customers. Responsibility is also about anticipating the challenges facing society and orienting our actions towards sustainable development. And it is also their responsibility to guarantee the safety of their customers and employees all over the world. In India e commerce business is growing consistently in the nation. Clients have the always expanding selection of items at the most reduced rates. Web based business is most likely making the greatest upheaval in the retail business, and this pattern would proceed in the years to come. Retailers ought to use the computerized retail channels (internet business), which would empower them to spend less cash on land while connecting with more clients in level 2 and level 3 urban areas both composed and sloppy retail organizations need to cooperate to guarantee better prospects for the general retail industry, while producing new advantages for their clients.

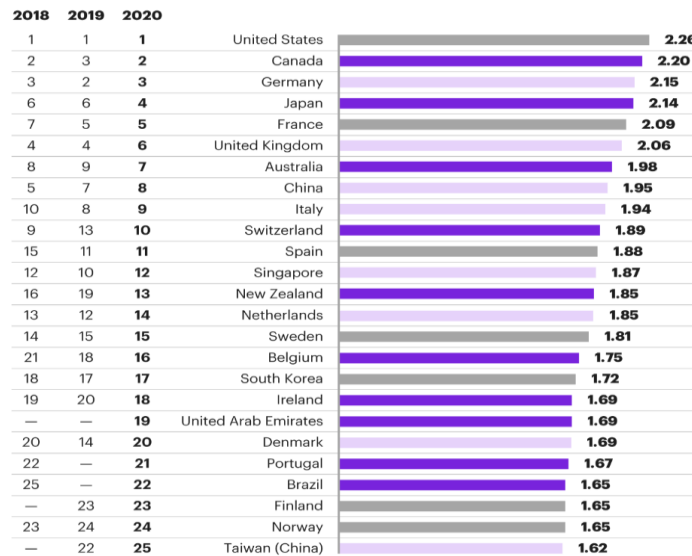
Composed Retail is developing as the new wonder in India and regardless of the droop, the market is developing exponentially. As monetary development brings a greater amount of India's kin into the expending classes and sorted out retail baits increasingly existing customers, by September 2018, more than 300 million customers are probably going to disparege composed retail chains. Buyer advertises in developing business sector economies like India are becoming quickly attributable to powerful financial development. India's cutting-edge utilization level is set to twofold inside five years to US\$ 1.5 trillion from the present level of US\$ 750 billion.

The developing white-collar class is a vital element adding to the development of retail in India. By 2030, it is assessed that 91 million family units will be 'white collar class', up from 21 million today. Likewise, by 2030, 570 million individuals are relied upon to live in urban communities, about double the number of inhabitants in the United States today. In this way, with enormous potential and colossal populace, India is set for high development in customer use with India's vast "youthful" populace and high residential utilization, the large-scale patterns for the part look positive. Bellow tables charts shows the trend of retail sector in India and it's a positive graph another image is showing the various shares growth in the retail sector according to the different consumer goods due to FDI.

Figure 1
The 2020 Kearney Foreign
Direct Investment
Confidence Index®

● Maintained ranking
● Moved up
● Moved down

Source: 2020 Kearney Foreign Direct
Investment Confidence Index



2.23 PORTER'S 5 FORCES MODEL- DECATHLON

Porter's Five Forces Analysis of Decathlon covers the company's competitive landscape as well as the factors affecting its sector. The analysis focuses on measuring the company's position based on forces like threat of new entrants, threat of substitutes, bargaining power of buyers, bargaining power of suppliers and competitive rivalry.

Decathlon Five Forces analysis helps to analyse its current position in the market based on factors like competitors, customers, suppliers, financial strength & alternate solutions.

Threat of New Entrants:

Decathlon is the world's largest sporting goods retailer based in France. The company focuses on the production of sports goods and apparel. The industry in which the company operates is very immune to the threat of new entrants. The companies already existing in the market are established ones and has been operating in the industry for a long. The new entrants will always have difficulty in establishing a production unit and starting their operations. The name and fame of the established firms will be unmatched by the new entrants. They would not be even able to access the distribution networks and logistics as the established firms. There is also a huge requirement for human and financial capital for setting up operations. The quality of products sold by established firms like Decathlon is already high. Thus, the new entrants have to come up with their unique value proposition and adequate marketing techniques to gain market share from the established firms. Thus, the threat of new entrants is a weak force affecting the operations of Decathlon.

Threat of Substitutes:

There are generally no product substitutes for sports products.

But there is an increasing demand for sports items across the world. The products offered by Decathlon are premium priced. So, there is always an option available for brands to target the low-priced segment of the market. This increases the threat of substitution of Decathlon. But there is goodwill attached to the company, which most of the substitutes cannot replicate. The quality of the products of the brand is very high. So, the substitute products have to come up with a unique value proposition to grab the market share of the company, which seems to be a tedious task. This reduces the threat of substitutes. Besides, there is a constant change in the trends and functional capabilities of the products. This can pose a threat to the established firms that would have invested a lot of capital into particular designs. Thus, the threat of substitutes is a moderate force affecting the business of Decathlon.

Bargaining Power of Customers:

The brand focuses on research, design, production and distribution of the products through their stores. They have annual revenue of \$11 billion USD. The products of Decathlon are generally priced high. The competitors of the company have also priced their products in a similar range.

Thus, the price-sensitive customers find the products a bit highly-priced and will go for low priced ones. This increases the bargaining power of the customers. But there is a quality and assurance attached to each brand that these lower-level players would not be able to replicate. Thus, the bargaining power of customers is a bit low here. Moreover, there are only a small fraction of people who usually buy sports apparel and accessories. Thus, the available market is very small. All the players are aiming at this smaller market. Thus, there is an excess supply of sports items which drives up the bargaining power of the customers.

Thus overall, the bargaining power of customers is a moderate external force affecting the all-around operations of Decathlon.

Bargaining Power of Suppliers:

The number of suppliers in the market is greater than the number of buyers. Thus, the bargaining power of suppliers is less. Besides, the companies like Decathlon have a sense of

goodwill attached to them, which all the suppliers will like to attach. This puts the suppliers at the receiving end of negotiations, and hence they are left with little or no control over the prices. Besides, there are chances of suppliers integrating forward and starting selling self-made products in the market. But they might not be able to replicate the success of established brands like Decathlon because of the name and fame it has. But there might be some suppliers who feed more than one company. They will have control over the industry as a whole and thus a higher bargaining power. Thus, bargaining power of suppliers is a moderate force when it comes to the operations of Decathlon.

Competitive Rivalry:

The major competitors of Decathlon are Nike, Puma, Umbro, Sail, Sport Chek, Dunham's Sports etc. All of these brands are well established and are almost similar in terms of their offerings. The companies provide similar products at almost similar prices. They cater to a small segment of the market and hence face intense competition amongst themselves.

The industry is growing, and so is the competition between the firms. Quality is the driving factor in the sports industry, and since all the major players offer similar quality of products, the focus has turned to the marketing and advertising campaigns by firms. The companies are investing lump sum amounts into their marketing campaigns to make a mark in the minds of the customers. Besides, they are also investing a lot into their research and development efforts to make a breakthrough.

2.24 PESTLE ANALYSIS- DECATHLON

PESTLE Analysis of Decathlon analyses the brand on its business tactics. Decathlon PESTLE Analysis examines the various external factors like political, economic, social, technological (PEST) which impacts its business along with legal & environmental factors.

The PESTLE Analysis highlights the different extrinsic scenarios which impact the business of the brand.

PESTLE analysis is a framework which is imperative for companies such as Decathlon, as it helps to understand market dynamics & improve its business continuously. PESTLE analysis is also referred to as 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.

Economic 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 Factors:

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 a 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.

2.25 OPERATIONAL ACTIVITY IN DECATHLON

Decathlon is a French sporting goods retailer. With over 1,697 stores in 60 countries and regions (2020), it is the largest sporting goods retailer in the world.

The company manages the research, design, production, logistics and distribution of its products in house; partners with global suppliers; and markets their own brands directly to consumers in Decathlon-branded **big-box stores**.

(A big-box store (also hyperstore, supercentre, superstore, or megastore) is a physically large retail establishment, usually part of a chain of stores. The term sometimes also refers, by extension, to the company that operates the store.)

Established by French billionaire Michel Leclercq in 1976, the France-based sports retailer has over 1600 stores in more than 50 countries spread across 5 continents. 2019, particularly, has been a busy year for the company. Only 6 months in and they have already opened their first store in Japan & Vietnam, first superstore in the US, a retail park in Poland, and a megastore in Singapore.

For the first 25 years, the retailer focused on growing its business in the European market like Spain, Germany, Italy, and Portugal. As the world entered the 21st century, Decathlon decided to enter the Asian market by opening its first store in China (2003) and India (2009).

Decathlon has a unique business model – they design, test, manufacture, and retail their own brands. Their research and development team employs 700 people that work meticulously on new products and new designs of existing products. Every year, the retailer churns out about 2,800 products on an average.

At present, they have just under 30 private labels – each dedicated to one sport or physical activity. These passion brands have their own identity in the market.

For example, Quechua is their hiking, camping, and outdoor gear brand. The Kalenji range is designed for running and Wed'Ze is for skiing enthusiasts.

While the company localizes its expansion strategy to suit the needs of the country they are setting their foot into, there are a few parameters that they don't compromise on. The store space is one such factor.

When retail spaces are shrinking and the world is moving online, the sports retailer chooses to open outlets that are the size of a warehouse. Case in point: The size of the retailer's flagship store in Emeryville, California is 47,000 square-feet!

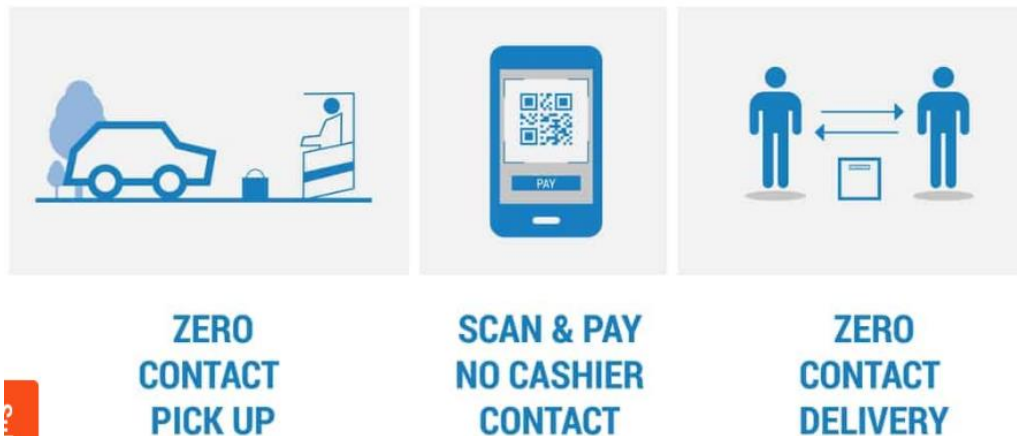
The other parameters are to find a location where the terrain and the people would assist in building an active sports community to test the products. Emeryville, for instance, extends to the shore of San Francisco Bay area where all kinds of sports are practiced, be it cycling, hiking or water sports.

But before the latest innovations reach the product shelves, they undergo rigorous tests and alterations.

2.26 SAFE WAYS TO SHOP AT DECATHLON

Shopping is a game of choices. Choosing from a range of 5000 products is no easy task. With the current situation, safety is another added concern for most sports lovers coming back to Decathlon. So, decathlon made ease access for all the customers to shop and fulfil their needs and wants .

- Scan and pay
- Shop online
- DRIVE-THRU or RESERVE & COLLECT experience
- Contactless deliveries



2.27 TRACKING FACILITY IN DECATHLON

Decathlon made tracking procedure super convenient and easy to use, so that the process will become very easy to handle. When considering to deploy RFID tagging, Decathlon's main goal was to increase product availability in the stores. They wanted to ensure that sales were not being lost because shoppers were not able to find desired products.

The challenge was to deploy the RFID tagging solution for their brands. Decathlon is very innovative and likes using new technologies to improve their customers' shopping experience. Using RFID innovation would also facilitate an accelerated checkout experience, which together with improved product availability convinced them to make the strategic decision to deploy an RFID solution.


Decathlon' RFID solution is integrated in all steps of their supply chain. The factories, more than 40 distribution centres, and more than 900 stores are equipped with and reap the benefits of RFID. Decathlon started the source-tagging of all its own branded products at the manufacturing plants in 2013. RFID labels were placed on items during the manufacturing process, encoded with a unique identification number stored in the retailer's database.

2.28 STOCK FLOWS AT DECATHLON

The overall business at Decathlon is very much planned and process oriented which includes; first analysing the manufacturing requirement, aligning production accordingly and then distribution to the regional store.

Decathlon has one major warehouse called **CAC**, this along with three smaller warehouses called **CAR**, supply goods to all the retail stores across India.

The warehouse facility CAR (which stores stock according to a particular regional requirement) that has three segments; each segment is called cell (there were large racks to stack goods).

 The first cell constituted something called **uniform boxes and blue lines**.

Blue lines enabled staffs to hand pick any number of quantities from these boxes as per requirement. For easy access to the right product, the tracks are named and products are given a unique RF (identification) number. The entire stock records are processed in SAP software. The layout of this facility was well engineered.

 Moving to cell two, the larger boxes of goods with **red lines**.

Red lines indicate that the entire box has to be picked and individual products can't be taken out. This cell was also dedicated to online shipment. The last cell had irregular boxes and infrastructural spare materials. One structure that remained constant was the truck bay in each cell; all goods are loaded here and taken to the retail stores.



FIGURE-1 TRUCK READY FOR UNLOADING



FIGURE-2 TRUCK SEALED WITH CODE

2.29 INVENTORY MANAGEMENT AT DECATHLON

Inventory management is one of the pillars of a successful retail operation. Retail inventory management techniques help stores and ecommerce sellers satisfy customers, reduce costs and increase profits.

Retail inventory management is the process of ensuring you carry merchandise that shoppers want, with neither too little nor too much on hand. By managing inventory, retailers meet customer demand without running out of stock or carrying excess supply. In practice of effective retail inventory management, Decathlon follows the every steps to have the results in lower costs and a better understanding of sales patterns. Using the Retail inventory management tools and methods, it give decathlon more information with which it becomes trouble-free and tranquil to run their businesses.

It includes:-

- Product locations
- Quantities of each product type

- Which stock sells well and which doesn't, by location and sales channel.
- Profit margin by style, model, product line or item
- Ideal amount of inventory to have in back stock and storage
- How many products to reorder and how often
- When to discontinue a product
- How changing seasons affect sales

Decathlon works by creating systems to log products, receive them into inventory, track changes when sales occur, manage the flow of goods from purchasing to final sale and check stock counts.

The information from these systems helps to achieve the benefits of retail inventory management, such as lower costs and higher profit margins.



1. Centralized Record of All Products:

List all the products that carried in one place with these details:

- Product name
- Stock-keeping unit (SKU)
- Brand
- Variables such as size, retail price, product category, lot number, location and expiration date.
- Vendor and vendor SKU
- Wholesale cost
- Minimum reorder amount
- Economic order quantity (EOQ)
- Case quantity amount
- Inventory on hand
- Reorder lead time

Add product images and descriptions to help customers and staffs to identify products. This step is key if you sell by ecommerce. When you add new products, put them into your inventory record. Whenever information such as a vendor or wholesale cost changes, update it. Establish policies for entering inventory, including who is responsible and when to do it. Having rich data helps unlock the power of a retail inventory management system.

2. Identified Stock Location:

In big retail chains with multiple sites and omnichannel sellers might have inventory in warehouses, distribution centres, transit, stockrooms and on store shelves just like decathlon fulfil centres and stores. Within those destinations are more specific locations such as section, shelf and rack. Misplaced and overlooked products represent missed sales and lost revenue. Retail inventory management practices help prevent this. Use radio frequency identification (RFID) tags, bar codes and labels that contain category and department codes to fully or partially automate the mapping of the inventory.

3. Regular and Accurate Stock Counts:

By doing the count of inventory periodically to ensure it is accurate. Take into account shrinkage, damage, defects and returns to avoid errors. A retail inventory management system makes this process easier because it only need to double-check

the data, rather than start from scratch. So, company can primarily focus on deviations. The frequency of counts depends to an extent on the business's complexity, scale. Nonetheless, decathlon recommend counting inventory once a quarter or once a year at absolute minimum. But for better result, counting individual parts of the stock daily, will be more effective . Several counting techniques exist, including physical counting and cycling counting.

4. Combined Sales Data With Inventory Data to Simplify Reporting:

Decathlon's retail inventory management system can integrate sales and inventory data. Then that picture will show which goods are turning over fastest (a metric called sales velocity) and which are lagging. After taking that into consideration use the product data to decide when and how much to reorder and when to offer promotions or discounts.

5. Created Purchasing Process:

Company schedule times to review data and place orders, so that at last moment, it won't get caught behind seasonal trends or risk stock outages. With an electronic system, we can set stock levels for individual products that trigger alerts for reorder. These levels include a buffer that allows sales to continue at normal levels. when the company use the manual system, it reviews which items are sold out or at reorder points, and add them to the purchase list. It helps to prioritize purchases, based on an item's profitability, popularity and lead time. Then, create a purchase order.

6. Established Process for Markdowns and Promotions:

Product sales can fail to live up to expectations for several reasons, such as a cooling trend, obsolescence or seasonal factors.it is known as clearance sale. So when the company offers markdowns(clearance sale), it goes in a disciplined manner about discounting and moving slow sellers, which can generate cash and make room for more profitable products. Additionally, creating a strategy ahead of time for promotions to ensure that the company have enough stock on hand to meet demand.

7. Created Stock Receiving Procedure:

During the receiving process, the team verify incoming orders and enter goods accurately into an inventory system. Without an established procedure, any supplier error or damage in transit can result in problems like unexpected stock outages, overpayment to vendors and dead stock. Checking each delivery against the purchase order to verify the contents match the order. Count cartons and pallets, confirming product type and numbers and noting mistakes, damage or shortfalls. Follow up with vendors on any issues. Then, enter the new products into inventory counts and store the goods.

8. Created Procedure for Returns:

Without an inventory management process for handling customer returns, company faces an increased risk of holding unsellable stock or missing an opportunity to put a sellable item back on display. When a customer makes a return, respective team-mates check to see if the item is damaged or defective, and route it for repair, write-off or return to the vendor as appropriate that is known as back to warehouse, if that was an online delivery. But if the product is sellable and customer had purchased that from the store then that will be back to layout and it will be add to the inventory counts, and will put it in its correct place.

9. Determined Dead Stock Procedure:

Excess inventory ties up capital and weighs on profitability. Dead stock includes damaged items, incorrect deliveries and leftover seasonal products. So, what company does is, in first place team-mates record items that fall into this category and remove them from inventory. Designate a place to hold dead stock, and handle it regularly (weekly, monthly or in a timeframe that's right for your business).

10. Pick Your Inventory KPIs:

To gauge the success of the process, pick and track some key performance indicators (KPIs). Profitability, inventory value, sell-through rate and turnover rate are essential metrics for retailers.

CHAPTER-3

COMPETITORS ANALYSIS

- Decathlon doesn't have significant competition due to the specific target audience in mass marketing retail.
- In 2009, Decathlon's sector rivals, **Go Sport** and **Sport 2000**, joined forces to set up a common purchasing center in Switzerland, intended to "pressurize most of the major international suppliers".
- **Inter sport** is also a competitor mainly in European market.
- Company has monopoly market in numbers of products. That's why less competitors are there.
- Decathlon stores are not franchisee based rather it's their own like structures in all cities.
- Decathlon's competition is only with digital market mediums like Flipkart, Amazon where competitors like Nike, Puma, Adidas gaining more revenues than decathlon.
- But in offline stores decathlon has more growth percentage than all sports retails.

Fair comparison

The figures cited in the report, however, need to be viewed with caution. The former managing director of Puma (south Asia) said a company that operates a franchise model cannot be compared to one that does its own retail.

If Nike is selling a pair of shoes for Rs 4,000, they will book revenue of Rs 2,000 because that's the price they sell it to their franchises. It is typically a 35% margin plus 15% to 18% GST. Decathlon, who do their own retail, will sell Rs 4,000 and book revenue of Rs4,000.

SWOT ANALYSIS- DECATHLON

DECATHLON SWOT Analysis is a tool that provides valuable information to correspond resources and possibility to the environments of competitiveness that the organization operates. This Analysis model can also be used as an effective tool that can be adapted for strategy selection and decision-making situations for the organization.

As the first stage of performing the SWOT analysis it is necessary to identify the organization's Strengths, Weaknesses, Opportunities and Threats where the Strengths and Weaknesses are factors that are important for analysing the internal factors, the Opportunities and Threats to analyse the external factors.

Furthermore, the internal factors are identified as the talent and the asset which increases the values of the company, and the external factors which aren't created because of the company, but affects the company due to the activities performed by the external forces. This mainly involves with the competitors.

STRENGTHS:-

1. Decathlon Stores located throughout the world with 800+ stores all around.
2. Largest sporting goods seller in domestic market dealing over 50+ sports.
3. Varieties of sports goods at an affordable pricing for all classes of consumers in terms of users classified into beginners, intermediate, advanced and athletes.
4. Decathlon deals with its own private label brands to get high brand recall.
5. Strong and innovative marketing since years have created a strong brand retention in the minds of customers.
6. Attractive after sales exchange and return policy for the users, and warranty of 2 years on every product with specific terms and conditions.

WEAKNESSES:-

1. Limited global presence as compared to leading global companies.
2. E- retailing is gaining importance but still company has limited presence on the same.
3. Online orders take more time to get delivered in northern region on India.
4. Shrinkage in retail stores.
5. Less trial space for the sports in most of the stores.

OPPORTUNITY-:

1. Building tie-up with emerging clubs/teams/players to make them opinion leaders.
2. Decathlon has opportunity to innovate on technology front to design new products.
3. Creating high brand awareness by exploring advertising media tactically.
4. Promoting their communities in order to define customer needs and wants.
5. Pricing strategy of mixed bundling can be made in all brands to have more sales.
6. Developing the mobile applications and increasing the accessibility for the users.

THREAT-:

1. Unexpected or high inflation doesn't give opportunity of cost advantage in competitive environment.
2. High competition from global and domestic players like Nike, Adidas, Track, Wildcraft etc.
3. Decathlon faces threats from other brands that provide goods at lower price.

CHAPTER-4

CUSTOMER ANALYSIS

Today the purchasing power of Indian population is increasing gradually and it is the middle class section of the society which shows maximum characteristics and effects of such a growth . We have seen the boom of private taxi services, affordable hotel services and even apparel brands who carefully price their products in order to attract the new economically growing class. The measure societal section they cater to are the amateur athletes or sports lover who either do not wish to or can not afford to purchase high end sports products and equipment . it has created a unique niche market of sports enthusiasts between the cheap and expensive equipment.

Types :-

- Cognitive
- Passive
- Impulsive
- Economic

AIDA MODEL:-

Attention- Available of quality products for all category of people with Affordable price.

Interest- More 50 sports equipment and accessories under one roof

Desire- Trial of all products as many times they want

Action- Starts marketing to motivate customers through special offers

Customer buys:-

- Sports Apparels
- Sports equipment
- Other Accessories
- Both B2C and online services are provide by the company

- There is some products like shoes , apparels etc customers buy everytime, there are no seasonal preferences.
- There is also some seasonal sports happen , so customer prefer according to their needs.
- Mostly customers are choose the quality product according to their needs.
- Customers can call anytime in working hours (10a.m-9 p.m) for information or complaints. This is a basic way to retain existing customers by CRM methods.
- Company provides discount on MRP in every products with 2 years warranty.

The company focuses on beginners, unlike other premium brands who design their products for experts and price it accordingly. Decathlon has been moving from one country to another with an aim to make sports accessible and inclusive for all. Their main target group is the beginners; the ones that can be converted into lifetime customers.

Types of Customers:-

1. Loyal Customers:-

Representing 20% of the customer base, this group can account for more than 50% of the sales. Retaining this group is critical, especially when you consider that a 10% increase in customer retention can result in a 30% increase in revenue.

2. Discount Customers:-

Although they are often frequent shoppers, markdowns drive their decision-making process which can deeply erode margin. However, they are drivers of inventory turnover and can be key to your cash flow strategy.

3. Impulse Customers:-

Without any particular agenda, this group will buy when inspiration strikes. Creating an exciting store experience is key to amplifying their spending.

- Gear merchandising and in-store marketing efforts to this group.
- Capitalize on their spontaneity and design ways for them to share their experience instantly.
- Plan store events and opportunities to excite and drive this group towards loyalty.

4. Wandering Customers:-

They come in the store seeking an experience, as opposed to a specific product or purpose. Store location can make all the difference in attracting this type of customer.

- Provide a friendly, welcoming, and convenient environment for all shoppers.
- Find ways to make this group feel a part of the store with non-product related interactions.
- Know when to just let a customer browse and direct your energy to other customers.

5. Need-Based Customers:-

This is the customer who has a specific purchase in mind and needs prompt, knowledgeable help. Employees should be trained to spot this group quickly and treat them with exceptional care, as they can become loyal customers once they know their needs are met painlessly.

- Product training is key.
- Checkout should be quick, painless and secure, mobile checkout is a plus.
- Enroll this group in an email campaign designed to bring added value to their purchase.
- Decathlon has been using Freshdesk for over four years now and today they are a team of 45 customer support reps using Freshdesk. Freshdesk has thus contributed to the vision of Decathlon to make sports accessible to all.
- Post implementation of Freshdesk, first call response time has reduced to just over an hour. This, combined with the personal touch that an integrated CRM and chat provide, has increased user satisfaction at Decathlon. Though average ticket volume has increased by 1700% in a span of four years, Decathlon's User Happiness team has maintained resolution SLA at over 95%.
- Based on the mutual vision of user happiness which Freshdesk shares with Decathlon, It highly recommends Freshdesk to companies who are looking for an easy-to-use, cost-effective, and integrated solution for ticket management and more effective customer relationship management.

METRICS			BEFORE	AFTER
			FRESHDESK	FRESHDESK
Customer satisfaction			Not measured	82%
First Call Response Time			87 mins	61 mins
Resolution SLA			79%	95%
Average	Monthly	Ticket	326	5647
Volume				

- Decathlon believes that customer satisfaction is the most important thing in business. To run the business and to generate good amount of revenue, company needs to acquire customers insight and with the help of that, requirements, needs and wants can be fulfilled by giving quality products.

CHAPTER-5

ACTUAL WORK DONE

INDUCTION-

In the first day, I went through the induction, where I learnt the following things;

Starting from the name board to exit gate how things are taking places.

- When staffs are entering to the store, they need to flip their name card red to green, if not the DM will suppose they are absent.
- Exit gate should not be blocked by any objects, exit gate should not be locked, while store is opened.
- As there is not one manager available, all the full-timer employees, will do daily manager shifts. So what's the role of daily manager, how they handle the store and human availability for the whole day.
- Like if something happened inside the store, if fire, natural hazards or anything happened, then what's the role and responsibility for all, in terms of fire, how staffs will vacate the place, pressing the manual calling point to opening the exit gate, vacate the nearby customers to assembly point.

LAYOUT TRAINING-

From layout training, What I have learnt are described below;

- By CAD (computer aided design) plan and by the help of communications received from the management, layout planning takes place.
- In positive side of the aisle, more turnover generated products takes place. Mostly in every layout men's section placed in positive side and women's section takes place in negative side.
- All the gondolas should be fixed properly, otherwise accidents may happen in store. So on weekly basis it always get checked by respective teammates.

- Signages need to be placed under each product with the help of holders and linkers. Because of that customer can easily know the product specifications and the price of the product.
- In BSU(Basic Safety Unit), it helps to check if all the fixtures, gondolas, signages, LPBV(Lower Price Best Value) are there or not, if yes then its placed and secured correctly or not.
- Every layout should be always neat and clean to have a good impression of customers for the stores.
- The podiums and the benches and dustbin under the bench need to be empty. No other products should not be lying over there.
- In central aisle all the CAB's need to be full by products which are handy and generate more revenue with proper signages with both side and with A4 size cartridges.

PRODUCT TRAINING-

To have the idea of every products, one product training is there for all, there they teach about products, their specifications and product's technical parts, below I have explained what I learnt from there;

- I was handling the running, walking and urban mobility section. That layout is termed as KNO (kalenji, newfeel, oxelo)
- There I have learnt what are the products, how many quantities are available, how the implantation process is being done after the unloading process from truck.
- In apparels- what are the sizes available, how size wise facing happen, what are the materials used and for what purpose those clothes can be used.
- In shoes- what are the sizes, why verticalization process is important while placing the shoes. What are the technicalities of the product, about the warranty policies for the products, because for every product warranty policies vary.
- For the price, how the signages are being printed. What are the methods and the forms to do that.
- Every night after store closes, facing is compulsory for each department, facing is nothing but, it is basically cleaning and pilling up the stocks again in a correct manner for the next day.

SALES TRAINING-

During sales training, they taught about how to sale products, what type of customers are there, to which customers you need to address, how you can do conversions.

Below I have mentioned what I learnt ;

- First and Foremost thing in sales, always be kind, generous and have a smile on the face, have a good conversation with customers, even if some customers are angry, then also teammates need to have patience and they need to understand as a customer point of view, then only teammates can make them understand company's policy properly.
- There are 5 types of customers come to store:- Loyal Customers, Discount customers, Impulse Customers, Wandering customers and Need-Based Customers.
- In Layman there are Window Shoppers, Confused Customers, Interested Customers and Decided Customers.
- **S-Smile/Greet**
A-Ask
L-Listen/Re-phrase
E-Ensure to sell the right product
S- (S+1) Complimentary products+ Services
- By the help of interaction with customers, how you can make them understand to purchase.
- A good Communication between customer and teammate, is really important, because by that only customer will be satisfied and they will come back to store again and again to have that kind of services.

STOCK FLOWS AND INVENTORY MANAGEMNT-

Here in this training I learnt about how one business manages their inventory system;

- In inventory management one site is provided by decathlon itself to keep the records and to be handy and easy to use for data of all the products, that site is called as CUBIN.
- In CUBIN, one option is there called as INVENTORY FRESHNESS, it helps to know how many products are available in store and in duration of 1 week inventory tracking happens to minimize the shrinkage rate.

- Tracking inventory with the help of electronic tracker is also very easy to use, because of the RFID in every product.
- In CUBIN, it has many more options to show the data of turnovers (daily, weekly, monthly, quarterly, annually)
- It shows the graphs in which walk-ins are more or low.
- Helps to know the product id, item code and size if the tag if it is torn by customers while trying that product.
- With the help of that manual order also can takes place from warehouse.
- It has many more functions which helps to work smoothly.
- The overall business of Decathlon is very much planned and process oriented which includes; first analysing the manufacturing requirement, aligning production accordingly and then distribution to the regional store.
- Decathlon has one major warehouse called **CAC**, this along with three smaller warehouses called **CAR**, supply goods to all the retail stores across India.
- The warehouse facility CAR (which stores stock according to a particular regional requirement) that has three segments; each segment is called cell (there were large racks to stack goods).
- The first cell constituted something called uniform boxes and blue lines.
- Blue lines enabled staffs to hand pick any number of quantities from these boxes as per requirement. For easy access to the right product, the tracks are named and products are given a unique RF (identification) number.
- The entire stock records are processed in SAP software. The layout of this facility was well engineered.
- Moving to cell two, the larger boxes of goods with red lines. Red lines indicate that the entire box has to be picked and individual products can't be taken out. This cell was also dedicated to online shipment. The last cell had irregular boxes and infrastructural spare materials.
- One structure that remained constant was the truck bay in each cell; all goods are loaded here and taken to the retail stores.
- In online purchase, if customer have chosen pick up from store and when customers return the product, then the reverse logistics happen, we process their bill and item and sent it back to the warehouse from which it had come.

- But in another scenario of online purchase, if it is how delivery, then the can return and exchange by own with the help of decathlon app.

During my 45 days internship period, I have learnt my things and got an amazing exposure in practical life.

1. I was assigned in KNO layout which is a running, walking and urban mobility section.
2. In my layout I have done implantation of the products.
3. Micro-facing while store was running and proper detailed-facing before leaving the store I have done.
4. In inventory freshness, I have checked all the families of my section.
5. Cleared negative stocks and worked on shrinkages.
6. Signages printing and proper signages sortation also I have done.
7. Truck unloading and checking the products and quantities of boxes
8. Sales and fulfilled daily ambitions
9. Worked at POS too and helped with CRM
10. Manual Ordering with the help of CUBIN

CHALLENGES

- In first phase I was not able to remember all the brand names provided by decathlon.
- In first 2-3days I was not able to remember which things are where and in which layout.
- Because I was not sure which products are from which department, I had faced a lot of problems while addressing customers.
- Not every customer have same mindset, so while attending customers, some customers were very rude to me.
- While doing inventory management, some products were missing, so I was not sure what to do, then I got to know that, inside store there's a lot theft happen.
- In fixture arrangement, I faced some issues, because I was not sure about which fixture to put where.
- I found difficulties to operate weighing machine and in watches also.
- There are different types of skateboards for different age groups, I had faced difficulties while making understood to the customer about the specifications of skateboards in urban mobility section.

- There are a lot of terms used in the store, at initial days, I couldn't understand what other employees were talking about.
- In CRM(Customer Relationship Management), when I was doing billing for the very first time, I faced problems, because there also customers ask numerous questions about the product, price and specifications, and for that some times wrong billing happens.
- Another problem is, when customers come to buy, they opened up every other product to see which is not a problem but the main issue is they opened up every single size and at last they won't buy that.

FINDINGS

Throughout the internship, I learnt a lot of things from every single person inside the store.

- For growth and increasing sales the operational department carries out their activities and other operational processes according to the schedule.
- The operational process like the merchandising, refilling and pricing helps the store in making the goods available at the shelves at right time, right quantity and at right price.
- Stocks are ordered before time to control the stock volume and segregated into various departments and classified with the help of code assignment. Stocks are maintained in such a way that it helps the staff to replenish the stocks back to the shelves at a rapid pace.
- The stock received follows the concept of Place for everything and everything in its place.
- From inventory management to delivery part, business runs smoothly with the help of RFID, and proper applications provided by Decathlon.
- The proper management of day-to-day activities with zero errors and role of Daily Manager and other teammates support with each other.
- The proper way of implantation of stocks so that customers won't get confused to find the products.
- The reverse logistics procedures for returned products of customers to the layout and also to the warehouse.

CHAPTER-6

SUGGESTIONS

1. Decathlon main research & development happens in France, due to which local sports like kabbadi doesn't have any products. As, my location is in bhubaneswar there were a lot of Kabbadi players and each time they have to go back unsatisfied. So, atleast Brand should have basic products.
2. Decathlon should also introduce more indoor games as right now it has limited indoor games. During my period of internship 20-25 customers asked to me about Chess and every time I have to reply "sorry sir, sorry ma'am".
3. The Customers ought to be instructed with respect to mark and the sub-brands at Decathlon. This will empower the clients to distinguish what the item is and the proposed reason for the item, along these lines decreasing the quantity of profits because of wrong item recognizable proof and determination.
4. According to the item arrangement, those items falling under '5/40' territory ought to be kept in more stock as when contrasted with the items falling under '80/20'. This will guarantee there exists insignificant SLT with respect to the items, along these lines lessening expense to the organization.
5. Hiring of more employees as awareness of Brand is increasing which is leading to more customer walk-ins, therefore more human should be available in layout.
6. As decathlon provides minimum 2year warranty on its products. The terms & conditions should be specified to Users clearly during the purchase.
7. Decathlon believes that all customers comes to its store are sport users and company trusts them, due to which they don't have RFID scanners at exit points and don't even have CCTV cameras in all LAYOUT.

8. People take advantage of it and there has been many cases of theft which is costing company 0.025% of its turnover. There should be proper RFID scanners and CCTV cameras to monitor and reduce thefts from the store.
9. In Odisha, only one decathlon store is present, and it has customers from all over the Odisha. In summer time the heat waves go on and even the temperature lies above 40°C. So to give the comfort zone and to satisfy the customers the company should install AC inside the store. Because of the AC the passers-by will also come to visit the store and the walk-ins will increase which will lead to more turnover.

CONCLUSIONS

It was a very comprehensive and learning experience in a very compact session. All the various concepts that we observed being applied in the warehouse helped me to connect my theoretical knowledge with the practical world's operations and comprehend a better understanding of it.

This internship facilitated me with the opportunity to interact with industry professionals who were actually responsible for making things happen. This type of industrial exposure not only connect the practice with theory but also help think of newer more efficient ideas on how to deliver maximum value to its customer. Apart from this, this exposure shall play crucial while joining any such process in the future as it will act as a base ground to start with where every student have some knowledge about how things take place in actual scenario.

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