

**A
SUMMAR INTERNSHIP PROJECT REPORT
ON
LAYOUT IN RETAIL
AT
DECATHLON
BY PRACHI CHANDRAWAT
(2016BBA013)**



**UNDER SUPERVISION OF
DR. ASHWINI SHARMA
INSTITUTE OF MANAGEMENT
JK LAKSHMIPAT UNIVERSITY**

2018

DECLARATION

I hereby declare that the project work entitled "Layout in retail (Decathlon)" submitted to 'JK Lakshmipat University, Jaipur is a result of my own work. This project work is submitted in partial fulfillment of the requirements for award of the degree of the Bachelor of Business Administration. It is not produced or published anywhere else for award of any degree.

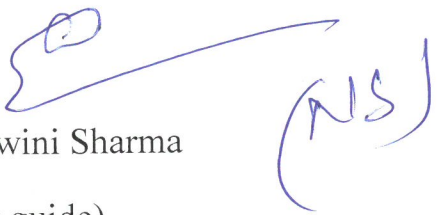


Prachi Chandrawat

BBA

CERTIFICATE

This is to certify that Miss Prachi Chandrawat, student of BBA V semester, Institute of Management, JK Lakshmipat University has undertaken her summer training at Decathlon on the topic titled as “Layout In Retail” under my guidance. .


Dr. Ashwini Sharma

(Faculty guide)

DECATHLON

SPORT FOR ALL - ALL FOR SPORT

Date: 15/06/2018

TO WHOM IT MAY CONCERN

This is to certify that **Miss Prachi Chandrawat**, D/O- **Mr. Vikram Singh Chandrawat**, a student of BBA, **JK Lakshmipat University, Rajasthan**, has successfully completed her 45 days (From 1st May, 2018 to 15th June, 2018) internship at **Decathlon Sports India Pvt Ltd** on the title of **Layout In Retail**. During the period of her internship program with us she was found punctual, hardworking, inquisitive, cooperative and diligent.

Her association with us was very fruitful and wish her all the best in her future endeavors.

For, Decathlon Sports India Pvt. Ltd.



Authorized Signature

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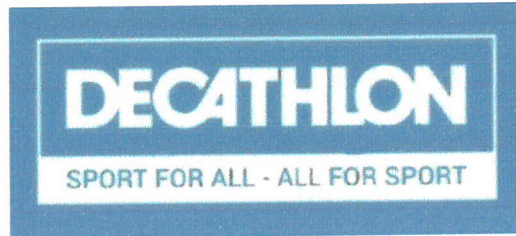
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PROJECT SUMMARY

Store design and layout is an important factor affecting consumer behavior and a critical determinant towards the creation of store image. Well-designed layouts are extremely important because they strongly influence in store traffic patterns, shopping atmosphere, shopping behavior, and operational efficiency. When an inconsistency occurs, some consumers will abandon that establishment in search of another one which offers fast, convenient and better services. Taking a more strategic approach to store layout can reap big rewards by boosting sales, increasing customer loyalty and ultimately increasing turnover.

PROFILE OF COMPANY



Decathlon (Sports For All / All For Sports)

Decathlon 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, Malaysia in 2016 and Southeast Asia in 2012. Today, there are more than 1100 stores in 38 countries. The company employs more than 78,000 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 over 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.

Its success has greatly contributed to the decline of independent retailers in France, while the spread of its own brands has caused great difficulties for traditional manufacturers. 2008 was a record year for the company as the brand Decathlon had beaten all its competitors on three key points: margin, market share, and highest turnover per square meter of retail space. It is arguably the third at a global level. A 2008 survey of 774 catchment areas at the request of the Ministry of Economy and Finance shows that "for sporting goods, Decathlon is dominant in 92.8% of zones" This dominant position has the effect of marginalizing its commercial competitors, including independent retailers.

Competition

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", according to François Neukirsh, Managing Director of Go Sport, in the newspaper *Les Échos*. Otherwise, the company does not have significant competition due to their specific target audience in mass-market retail. Intersport is also a major competitor mainly in European market.

Decathlon Foundation was created in 2005 by Decathlon staff, for Decathlon staff.

Teams and staff at the stores and warehouses can and should be community-minded in the places they live, work and exercise. Through the Foundation, Decathlon staff can build bridges with underprivileged communities through sport. Sport creates a level playing field which helps to combat isolation, build self-confidence, keep fit and put a smile on people's faces!

The ultimate aim is to improve the employment prospects of those who benefit from our projects, through education, training and work opportunities.

Since 2005, more than 240 000 men, women and children have benefited from these projects, wherever they are needed.

Decathlon states an intention to propose and make accessible high-performance, innovative products designed for the well-being of sports people.

The Decathlon research center, the Industrial Division, the brands and the Design department work daily to provide the best solutions for sports people of all abilities. Decathlon keeps this promise on a daily basis by controlling every stage of the product creation process: listening to customers, analyzing the human body in motion and seeking out the best components.

From the day our first researcher was hired in 1990 until today, the significant increase in investment in R&D clearly illustrates its importance to Decathlon. Upstream, Decathlon Sports Lab carries out research programmes into the needs of sports people. Downstream, it also checks the technical balance between the brands' offer and the expectations of users. Decathlon Sports Lab deploys considerable resources in order to properly carry out the 5 steps essential to any

scientific approach (Observe, understand, imagine, experiment and check): more than 50 researchers

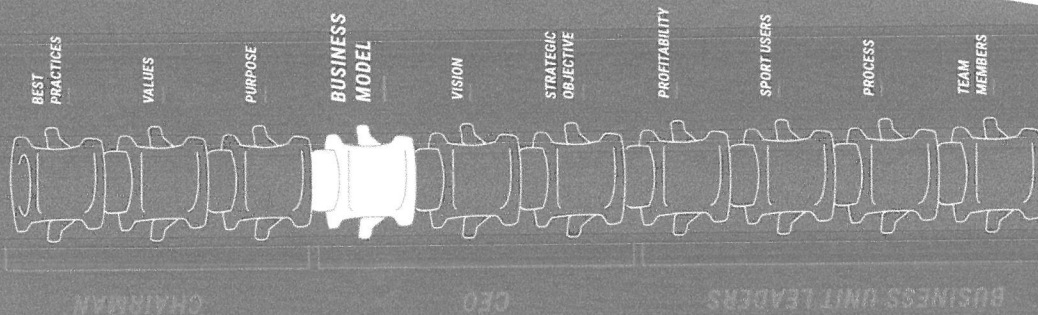
MISSION AND VISION

According to Decathlon's website, the company's vision is "to make the pleasure and benefits of sport accessible to all". Decathlon wants to change the world into a place where everybody has access to sport. Decathlon's way to achieve this democratization of sport is by offering products both at low price and a good quality, or, in the company's own words: "to develop technical, good-looking and simple products, always at the lowest possible prices". And indeed, Decathlon brand is renowned for the value for money of its products. Another key component of Decathlon's mission is "[placing] innovation at the heart of its activities".

BRANDS AND ITS USAGE IN DIFFERENT FIELDS

- APTONIA - Nutrition and healthcare
- ARTENGO - Racket Sports
- B'TWIN - Cycling
- CAPERLAN - Fishing
- DOMYOS - Fitness, Gym, Yoga
- FOUGANZA - Horse riding
- FLX - Cricket
- GEOLOGIC - Target sports
- INESIS - Golf
- KALENJI - Running
- KIPSTA - Team sports
- NABAIJI - Swimming
- NEWFELL - Walking sport
- OXELO - Roller sports
- QUECHUA - Hiking and camping
- SIMOND - Mountaineering
- SOLOGNAC - Hunting
- TRIBORD - Water sports
- Wed'Ze - Skiing and snow boarding

BUSINESS MODEL



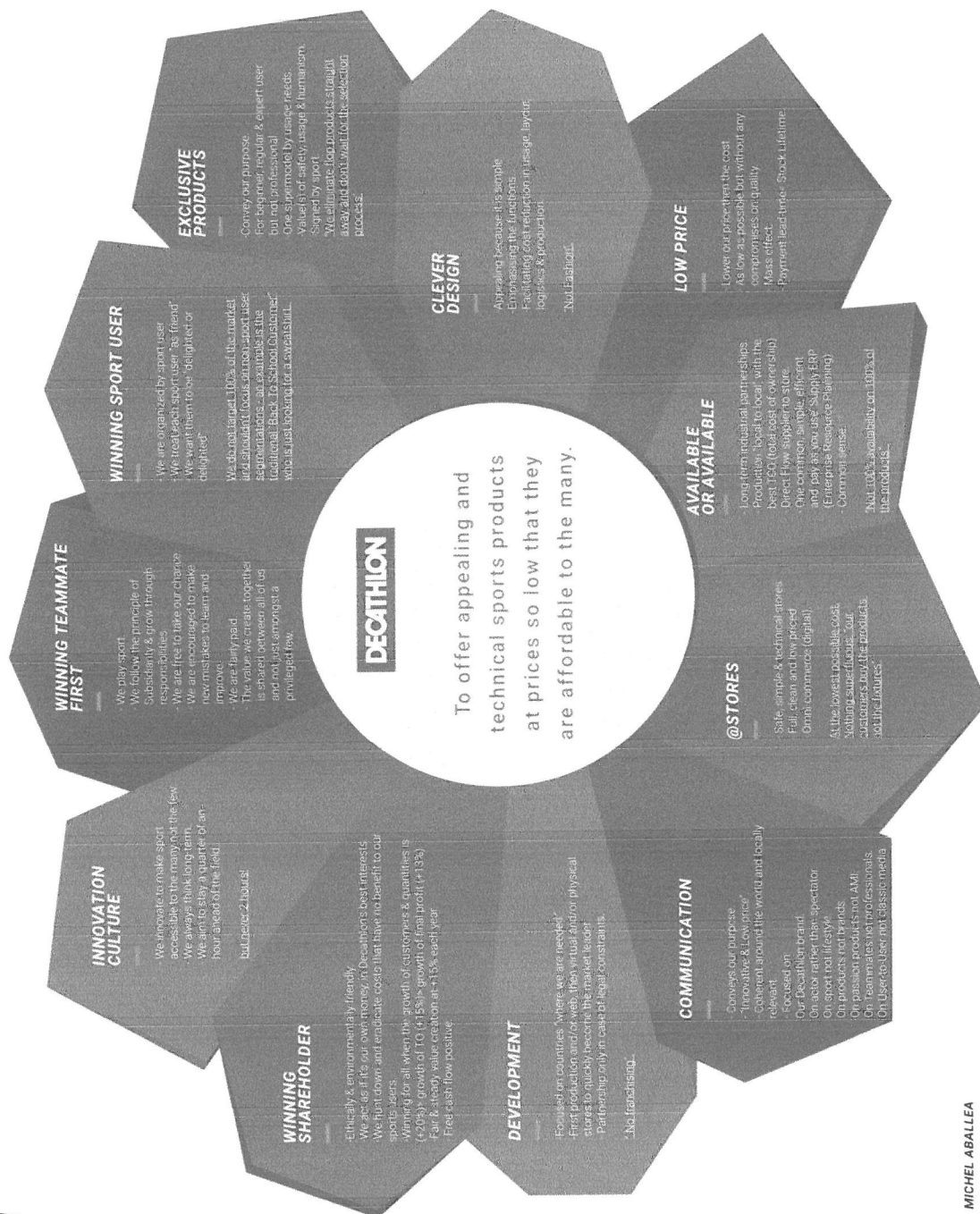
DECATHLON

SEPTEMBER 2016



MICHEL ABALLEA
Decathlon Leader

Ball B. B.



FREE THE GAME
THE GAME
FREETHEGAME.DECATHLON.COM

INTRODUCTION TO THE STUDY

Layout is a critical factor driving consumer elaboration and response in retailing. While considerable attention has focused on store layout in relation to brick and mortar retailing, store layout has been virtually ignored in the study of retailing. The layout of retail store has been found to significantly impact a retailer's overall performance through its influence on information processing, purchase intentions and attitude towards the retail establishment. Retailers store layout results in greater consumer elaboration and more positive consumer outcomes.

The retail environment is changing more than ever before. It is characterized by intensifying competition and more sophisticated and demanding customers who have greater expectations related to their consumption experiences. A retail store experience involves more than a non-retail services experience in terms of customers negotiating their way through a store, finding the merchandise they want, interacting with several store personnel along the way, and returning merchandise, all of which influence customers "evaluations of service quality".

Retail

Retail is the process of selling consumer goods or services to customers through multiple channels of distribution to earn a profit. **Retailers** satisfy demand identified through a supply chain. The term "retailer" is typically applied where a service provider fills the small orders of a large number of individuals, who are end-users, rather than large orders of a small number of wholesale, corporate or government clientele. Shopping generally refers to the act of buying products. Sometimes this is done to obtain final goods, including necessities such as food and clothing; sometimes it takes place as a recreational activity. Recreational shopping often involves window shopping and browsing: it does not always result in a purchase.

Retail markets and shops have a very ancient history, dating back to antiquity. Some of the earliest retailers were itinerant peddlers. Over the centuries, retail shops were transformed from little more than "rude booths" to the sophisticated shopping malls of the modern era.

Retail in India

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.

Market Size

India's retail market is expected to increase by 60 per cent to reach US\$ 1.1 trillion by 2020, on the back of factors like rising incomes and lifestyle changes by middle class and increased digital connectivity. While the overall retail market is expected to grow at 12 per cent per annum, modern trade would expand twice as fast at 20 per cent per annum and traditional trade at 10 per cent#. Indian retail market is divided into "Organised Retail Market contributes 93 per cent of the total sector and "Unorganised Retail Market contributes the rest 7 per cent of the sector.

India's Business to Business (B2B) e-commerce market is expected to reach US\$ 700 billion by 2020##. Online retail is expected to be at par with the physical stores in the next five years and has grown 23 per cent to \$17.8 billion in 2017.

India's total potential of Business to Consumer (B2C) is estimated to be US\$ 26 billion, of which \$3 billion can be achieved in the next three years from 16 product categories, according to a study by Federation of Indian Chambers of Commerce and Industry (FICCI) and Indian Institute of Foreign Trade (IIFT).

Investment

The Indian retail trading has received Foreign Direct Investment (FDI) equity inflows totalling US\$ 1.14 billion during April 2000–December 2017, according to the Department of Industrial Policies and Promotion (DIPP).

With the rising need for consumer goods in different sectors including consumer electronics and home appliances, many companies have invested in the Indian retail space in the past few months.

Government Initiatives

The Government of India has taken various initiatives to improve the retail industry in India. Some of them are listed below:

- The Government of India may change the Foreign Direct Investment (FDI) rules in food processing, in a bid to permit e-commerce companies and foreign retailers to sell Made in India consumer products.

- Government of India has allowed 100 per cent Foreign Direct Investment (FDI) in online retail of goods and services through the automatic route, thereby providing clarity on the existing businesses of e-commerce companies operating in India.

Road Ahead

E-commerce is expanding steadily in the country. Customers have the ever increasing choice of products at the lowest rates. E-commerce is probably creating the biggest revolution in the retail industry, and this trend would continue in the years to come. Retailers should leverage the digital retail channels (e-commerce), which would enable them to spend less money on real estate while reaching out to more customers in tier-2 and tier-3 cities.

Both organised and unorganised retail companies have to work together to ensure better prospects for the overall retail industry, while generating new benefits for their customers.

OBJECTIVES

The overall aim of study is to investigate the impact of layout on customer purchasing behavior in Decathlon.

The following objectives are drawn from the overall aim of the study:

- To determine the essential characteristics of layout in Decathlon.
- To establish if problems are encountered by customers with regard to different store settings while shopping around stores

ANALYSIS

BREIF DETAILS OF LAYOUT

The outside store appearance effects customer's choice of a store. Therefore, stores should pay attention to external appearance, if the external appearance is not attractive, customers will not enter. Both services and merchandise quality exert a significant influence on store performance, measured by sales growth and customer growth, and their impact is mediated by customer satisfaction. The aims of the literature review are much more than a mere survey of the information that results in a list of items representing some literature on the area of study. It is understand that the literature review is more of a "research facilitator", because it influences the study at many stages of its development, from its inception to the conclusion. The literature review provides a conceptual framework to be built in which facts, relationships and findings of this study can be placed and it helps to refine and introduces ideas that are relevant to the scope of study.

CORE CONCEPTS

The explanation of core concepts and terms in the present context is systematically presented and aligned to the logical progression of the thesis. Store layout, consumer purchasing behavior and convenience stores are defined within the context of marketing and retailing.

Store Layout is ease of user movement to the store to provide maximum exposure of goods and attractive display. This includes doors, merchandise placement, shelf orientation, lighting and location of the loading facilities.

Customer Purchasing Behavior is the process by which individual search for, select, purchase, use and dispose of goods and services to satisfy their needs and wants. This process is influenced by social and cultural environment.

Store Floor Space shows how store design and in-store strong departments using better point of sales (POS), personal touches to encourage customer loyalty, graphics, highlighting prices and ranges in busy areas.

Store Traffic and Crowd Density The store layout is the foundation for operations. Therefore, conducting a traffic flow analysis is a good step to take

when the goal is to improve store performance. It is universally accepted that in-store traffic flow plays an important role in the success of a retail facility.

The overall objective of conducting a traffic flow analysis is to determine ways to make shopping and running the store easier, using layout and merchandising techniques to improve sales, enhance the store appeals and make shopping more fun. Generally store atmosphere is defined as designing the retail space to affect consumer emotion and accordingly to appeal to consumer purchasing behavior. This definition includes physical products on display, sales procedures, after sales services, and most importantly the aggregate atmosphere of the space. Elements contributing to the atmosphere could be either tangible or intangible.

Retailers have to slow customers down to get them to see more merchandise, yet not create traffic jams in the store and use them all together. The best strategy is to establish aisles that are narrow enough to force customers to slow down, which gives them enough time to notice the products displayed, but not so narrow that they create a traffic jam. Therefore, the best place for customers to linger is at the rear of the store. To achieve this, lower density fixtures should be positioned at the front of the store, and higher density fixtures in the back – the higher density, the longer a customer is likely to stay to look at merchandise. Increasing merchandise density to the rear of the store encourages customers to stay and browse.

Layout at Decathlon retail store

STORE DESIGN

Beyond just creating a good-looking store with aesthetically pleasing displays, retail store design is a well-thought-out strategy to set up a store in a certain way to optimize space and sales. The way a store is set up can help establish brand identity as well as serve a practical purpose, such as protecting against shoplifting.

Store design at decathlon is done at 'Anubhava' Bangalore.

ANUBHAVA

Decathlon Anubhava is the India Head Office, located at the New Airport Road Bangalore. Making sports accessible to all Indian's is our sole mission. 1 year old in its existence, Decathlon Anubhava has been proudly serving to about 60000 customer database over the year.

Decathlon Anubhava uses its store for experimenting their strategies to understand the consumer behavior.

The store has some Gondolas, which are always kept empty for the experimental purpose and are known as Ghost Gondolas.

Study conducted under Anubhava, gives an insight of store layout according to consumer behavior which are applied in rest of the Decathlon stores. Here are some guidelines been observed by experiments that were conducted regarding Store Layout.

Customer Flow

Customer flow is the number and pattern of customers coming into or passing through a store. There are a few ways a store can monitor its customer flow, including time lapse, closed-circuit television, observation, an analysis of purchase data and or even somewhat controversially through your smartphone. Understanding customer flow gives store owner information on flow patterns, the number of visitors, areas that are highly visited or not visited, as well as other types of customer behavior.

- **Decompression Zone:-**

- Decathlon provides the shopper with a vista view of the store in order to ground them in the overall shopping experience.
- It has a minimum of 10–15 feet space between entry gate and gondolas and scale up based on size of store.

- **Right Turn:-**

- The right-hand side of Decathlon store, especially the waterfront property just beyond the decompression zone, is used best for promotional displays.
- Decathlon has designed their store traffic flow based on a right-to-left pattern as customers are going to naturally drift to the right upon entry.

- **Personal space:-**

The size and placement of aisles and pathways of Decathlon dictate the flow of customer traffic throughout the store. Aisles are wide enough to invite customers to browse, not bump into other shoppers, and — most importantly — pick up and carry items for purchase.

Observation: Decathlon follows same customer flow all over their stores so as to facilitate the ease of shopping to their loyal customers all over India. As being observed by me all of the stores in Decathlon have their front door either on left corner or in center depending upon the store size (vertical and horizontal). The customer flow in the stores is in right direction, which helps Decathlon to make their plans and layout in a strategically mannered way.

OBSTRUCTION

A study of consumer behavior says that the obstruction plays a major role in purchasing behavior of customers. The scale of interest to purchase products decreases to one level because of blockage or obstacle in the path.

Decathlon stores believes in keeping their two LMs empty in Layout so the customers find stores spacious rather than cluttered up or disarranged.

Observation:

As being a sports leader it was my task to keep my layout obstruction free as the obstruction use to clutter up, we were supposed to take in charge of our layout by keeping it obstruction free.

SIGNAGES

Signboard gives all necessary information about the store. The customer can easily come to know about the products kept at the store without actually bothering anyone. Visual Displays put inside the retail store can actually help the customers to easily locate the merchandise.

TYPES OF SINAGE DECATHLON USES:

DIRECTIONAL SIGNAGE

Decathlon place directional signage throughout their space so consumers know where they can find what they need.

DISCOUNT & DEAL SIGNAGE

This kind of signage in Decathlon tell consumers they are getting a deal and persuade them to make a purchase, so it's very important to include these signs throughout store.

PRODUCT SIGNAGE

This is the kind of signage that tells consumers about the product and its specifications.

Observation:

Signage makes the shopping experience much easier for the customers, and ensures they will stick around to get everything on their list, which means more sales for the retailer.

- For first technical products they use big size signage, so that they are eye catchy for the customers.

- Sports signage is visible enough from the central aisle (approx. 20m).
- Decathlon provides its customers a feature to scan the signage and get the reviews about products.

IMPLEMENTATION LOGIC

According to Decathlon, the Implementation Logic says that, a particular sport should represent/display their respective technical product in a manner that the customer directly gets attracted towards that product.

Observation:

I have observed that in all of the sports their technical product is displayed first, for ex. – Football sports layout has displayed football first rather than keeping Studs at first.

QUICK SHOP

When a customer enters store for shopping, the quick shop layouts help them to make their shopping quick, which is done by keeping the signage well updated, products well visible, well arranged facing, etc.

Commercial plan- this plays an important role in quick shop as it says that the seasonal products must be kept in front aisle.

Observation:

I have observed signage plays an important role in quick shopping as the 80% of purchase in store are done without any help of sports leader, if signage is well defined then it will help customers for quick shop.

VERTICALISATION

A product's different variety should be arranged in a vertical manner as customer sight is parallel to their eye view so that each type of variety in a product range is visible.

Apart from variety, size is also taken into consideration in verticalisation because it's difficult for an average size person to get the product which is kept above his height.

Observation:

The layout in which I worked follows the verticalisation and it was customer friendly.

FACING

Facing is a never ending process in Decathlon. It starts when the sport leader enters the store and ends when he leaves the store.

It works on the two basis:

- FIFO method – which means first delivered products should be in front facing in the store.
- Arranged Facing – the products should not be lying on the floor, it must be arranged in the gondolas

Observation:

I personally experienced that facing plays an important role. In Decathlon employees give continuous efforts towards facing.

CONCLUSION

In summary, retailers should seek to sell the products that satisfy the buyer's needs and provide store layouts that entice customers to move around the store to purchase more merchandise than they may have planned originally. In so doing, it should be remembered that the sale is made only when the actual purchase is complete and retailers should continue to reinforce the buyer's positive attitude about their stores at all times, even after the sale.

It also can increase rates of customer retention which leads to increased profitability and store loyalty.

Apart from keeping these things on priority retailers should also focus upon their layouts by making them more customer friendly by using their CAD plans. And if needed they can also adapt CAD PLANS locally, to facilitate their customer in a better way.

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