

Analysis of Sports Brand Marketing Strategies Driven by Fan Economy — Study of Decathlon

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Abstract. Driven by digitalization and consumption upgrading, fan economy has gradually become the core driving force of sports brand marketing. The involvement of fan economic landscape has had a great impact on sports brands, so the marketing strategies of sports brands are also evolving. Taking Decathlon, a sports brand, as an example, this paper analyses the advantages and disadvantages of the brand's development, the basis and challenges based on SWOT method and analyses Decathlon's marketing strategy by using 4C marketing theory (consumer demand, cost, convenience and communication), which shows that the fan economy has played an important role in promoting the development of the brand. On this basis, suggestions for improvement are put forward, such as marketing with digital means and increasing the participation of fans.

Keywords: Fan Economy, sports brand marketing, SWOT method, 4C marketing theory

1. Introduction

Decathlon is an outdoor sports brand founded in 1976 in France by Michel Leclercq. It has a main concept that makes it easier for more people to get out and exercise, to explain, high performance hiking, camping, and cycling gear without the premium price. Also, Decathlon has been driven by a single mission, that is to make sport accessible to all. Not only can this mission be a slogan, but it is the DNA of the company and affects their daily basis. Plus, Decathlon almost covers all kinds of sports gear, they have nine specialized categories. Especially the Rock rider, this brand basically makes riding products, such as bicycles and helmets. This is significant for Decathlon on the grounds that their first product was a bicycle, and it can be said that without bicycles Decathlon would not be what it is now. The fan economy has emerged as a powerful driver of brand loyalty and brand awareness, and the emotional connection of fans to the sports brand translates to an increase in brand sales.

This text will introduce the role of fan economy in shaping sports brand marketing and will provide valuable insights for marketers seeking to build stronger fan relationships and brand loyalty. Thus, analysing the previous cases of Decathlon first and using the SWOT analysis table to explain it, also, give some suggestions and a customized method combining strengths, weaknesses, opportunities, and threats. Also, first combined with the 4P marketing theories to put forward targeted optimizations to help Decathlon achieve sustainable development under the fan economy. That 4P each represented product, price, place, and promotion. Moreover, the second combined with 4C marketing theories, which indicated consumer, cost, convenience, and communication.

2. The interaction of the fan economy and sports brand marketing

2.1. Basic sports brand strategies

A brand equity is significant for a brand, which means the brand can expand market share and enhance brand value by increasing brand awareness, building a positive association, enhancing perceived quality, and promoting brand loyalty to customers. Firstly, before the rise of the fan economy and digital marketing, sports brands mainly relied on celebrity endorsements, experiential marketing, or event sponsorships. For instance, Decathlon has set up fitting areas in its store in major

cities around the world, which enhances the product experience and purchase intentions. However, with the development of technology, social media has become an important platform for marketing.

Additionally, sports brand marketing is different from others, its main values are social identification, emotional value, and community belonging. For a sport brand, not only do customers purchase products, but also combine the brand image with their own emotional experiences in supporting them. As usual, sports brands enhance the connection between fans by establishing communities to form a special culture.

2.2. Customized marketing in fan economy

Nowadays, the economic feeling has become a new trend since artificial intelligence has a more cognitive mission and shifts human value toward empathy or emotional intelligence. With the increasing number of personal needs, a myriad of traditional products and simple strategies are no longer attractive to people. Also, the fan economy provides a strong user base and plenty of market space to grow for customized marketing. Therefore, this can increase the stickiness of fans and gain higher profits.

3. Analysis of Decathlon

Decathlon has a complete supply chain system and innovative business model, so it has successfully occupied an important position in the global sports market [1]. One key thing is the precise brand positioning, and their market segmentation strategies have attracted consumers from different parts of the market and satisfied diversified needs. It is reflected in their concept of making sports accessible to all and one step stores.

3.1. SWOT analysis table

Next is to analyse Decathlon's competitive advantages and development challenges in the text of the fan economy. A detailed direction in its position and future development can be gained.

3.1.1 Strengths

Elaborating on their strengths through three points. First and foremost, the mature supply chain and cost control. Decathlon adopts a vertical integration business model, covering the entire business chain from design, produce and sale, which can save more profit and market responsiveness. This leads to they can solve problems directly, easily and quickly, and with additional waste of time or money, which is efficient. Next strength is the one-stop-shopping experiences. Various types of products from entry level to professional, creates a differentiated competitive advantage, that this unique point attracts customers to come. This point has built brand recognition and established a strong brand image in the market for consumers' perception of the service of Decathlon. Another strength would be localization and globalization market strategies, the reason is that the consistent product quality is maintained through the global Decathlon. Plus, the example of localized product development for each country, for instance, the Chinese market has a myriad of badminton and table tennis products, which meet local sports preferences, so Decathlon should maintain these strengths and enhance customer engagement with the brand and technology services.

3.1.2 Weakness

First of all, although Decathlon has established a grateful global market, its brand image is mainly focused on the cheap price and extensive market, and it is lacking a brand story and cultural values that can create a deep emotional connection with customers. They could improve the story of what happened in that small town in 1976, and they could organize some membership activities to enhance connections. Another weakness is that Decathlon lacks investment in intelligence products, and technological research compared to its main competitors, especially in the technology innovation areas such as smart devices of sports gear, sports data tracking and functional materials, where it is relatively weak. For instance, they can produce an application to connect all their intelligent products

to them. If the brand culture and emotional connections are strengthened, combined with an improvement of technology, they can consolidate its position in the sports market and increase market equity.

3.1.3 Opportunities

In the rapid development of the global sports industry and the fan economy landscapes, Decathlon can not only benefit from health and fitness trends, digital transformation, and social platform partnerships, but there are also more potential market opportunities. And the main opportunities will be elaborated in three parts. Initially, with the increase in health awareness globally, a myriad of people is focusing on fitness and sports now, driving the growth of the sports rate, equipment, and lifestyle market. And Decathlon can innovate different types of products, such as selling online classes [2]. The second point is digital cooperation by cooperating with smart devices, fitness or e-commerce platforms, many sports brands can expand their brand awareness and sales rapidly. And the last one is collaboration. Decathlon can collaborate with trendy brands or celebrities, and they can get off from the stereotype of an outdated brand and create a more youthful brand image. Collaboration products are scarce, generating attention and discussion in the market and attracting a wider consumer base, especially Generation Z and alpha. In the source of NIWLTENIQ, it is illustrated that Generation Z has the strongest spending power in 2024. Also, not only can collaboration enhance the brand's market awareness, but also stimulates consumers' purchasing ability through limited or unique design and enhances the brand's premium ability. Plus, during the purchase and use of the collaboration products, consumers can establish a deeper emotional connection with Decathlon, which promotes brand identity and loyalty. Also, by launching innovative collaboration products, Decathlon can enter the trendy market while maintaining the original mass market.

3.1.4 Threats

The threats are separated into three parts, which are furious competition, lack of brand loyalty, and macroeconomy. The most significant one is that there is a myriad of sports brands. These brands have advantages in the premium placement market, marketing ability and technological innovation, which Decathlon may not have a clear characteristic [3]. Also, the localization of each country through localized marketing and national culture, it is a threat to Decathlon's market, such as Anta and Lining in the Chinese market. The second threat for Decathlon is a lack of brand loyalty, this brand lacks interactions with the consumers. Decathlon has various consumers, but rarely a devoted fan with stickiness and loyalty. Its brand image and culture have not established a deep emotional connection yet, and consumers choose them based on effectiveness rather than loyalty. Hence, Decathlon can make a membership system, increase exclusive services to enhance stickiness. The last threat is considered to the contemporary macroeconomy, because of the uncertainties of the global economy might lead to a decline in customer purchasing power, for example, inflation. Meanwhile, the labour cost may reduce the profit of the brand, and competing brands may decrease the price as a strategy to intensify market pressure and affect the market performance of the brand.

3.2. Customized marketing in fan economy

3.2.1 Decathlon with the Paris Olympics

A successful collaboration for Decathlon is that it became a partner with the Paris Olympics and Paralympic games in 2024. The Olympic Games is undoubtedly an important international event for the whole world. Also, becoming a partner is a significant opportunity, which is meaningful for Decathlon. This can improve the positive brand image for Decathlon, on the grounds that the Olympic Games are not a sports game but also is communication between all countries. Especially the Paralympic games, many people in society will focus on their players. People will care more about the Paralympic games advertising due to these partners are praiseworthy and there will be more opportunities for brands. In addition, Decathlon issued a special edition sports gear for the Paris

Olympics, which has elements of each national team, this makes the collaboration thing being popular and enhances sales.

3.2.2 Decathlon enters into North America market

This is a relatively unsuccessful case where Decathlon failed to enter the market of the United States. Decathlon made two attempts to enter the market of the United States, but all failed by announcing that it was leaving. The first try is in 1999, left in 2006 because the wrong market positioning, the United States has many local sports brands, which is really a furious competition. The second time Decathlon reopened in San Francisco in California in 2018, but they left after three years. Due to its cultural difference and identity did not fit in the market of the United States. Also, they did not establish a deep emotional connection with local sports events, celebrities, or communities. The insufficient penetration of the brand culture and not adapt to the customer purchasing habits, that the United States market is more focused on brand loyalty and brand associations.

The analysis of these two cases indicated the importance of customized service and brand images. Decathlon needs to strengthen the localization strategy and fan economy to enhance brand competitiveness. Not only can brands meet consumer needs in terms of products but also need to enhance brand awareness.

4. The main challenges and optimization of Decathlon's marketing Strategy

4.1. Recommendations and optimization

In the contemporary market of rapid development of fan economy landscape, there is still space for optimization. Also, by strengthening the interaction and emotional value, Decathlon can further enhance brand loyalty and market competitiveness.

4.1.1 Strategy 4P

Using the 4P strategy to introduce the optimizations of Decathlon, and 4P represented product, price, place, and promotion. From Product, launching a certain customized product to fans will enhance brand loyalty. Also, in the case of Adidas and Kanye West, Decathlon can combine sports trends and fan interests, creating a collaboration series of sports products to increase fan stickiness and purchase desire [4]. For instance, if Decathlon provides an online DIY function, consumers can choose the colour of sportswear and gear, to enhance the sense of belonging of fans to the brand. In addition, the prize, Decathlon is known for its efficient products in the global market and offers exclusive discounts and bonus points for memberships. The priority purchase rights for new products to active fans. Thirdly is place, which means the sales platforms. The important thing for place is integration of online and offline stores and strengthening social media and live e-commerce. For the physical stores, Decathlon can optimize the store experience and enhance the sense of belonging of the fans through the community when releasing the information of the new product, and the brand stories. Also, the plans for promotion. The Decathlon through its membership system and mountaineering activities can enhance the effectiveness of its promotions [5]. Members can enjoy exclusive rewards with higher brand loyalty. Meanwhile, Decathlon can organize members only activities, by providing professional equipment trials and interactive experiences. Plus, Decathlon promotes the sense of identity of fans and participation and forms a virtuous cycle from activity experiences to purchases, which can improve the interaction between the brand and fans.

4.1.2 Strategy 4C

Using the strategy 4C to emphasize the customer needs to market and shift the feeling of the brand to the feeling of the consumers, and 4C represents customer, cost, convenience, and communication [6]. From customer needs, it should satisfy the personalized needs to different members. For example, Decathlon can make consumer choose their own personalized color and different sizes of rackets for each one. Secondly, for cost efficiency, Decathlon adopts a large-scale production and global supply

chain to reduce the cost and maintain the quality or profit. Also, through direct making to consumer, which reduces the intermediate program. This allows consumers to gain high-quality products at cheap prices. Convenience for consumers can be reflected on the provided online ordering and store pickup, and it further increases the satisfaction of consumers through fast delivery and flexible return and exchange policy. Lastly, communication can be reflected on brand storytelling and fan culture creating, also by reinforcing brand values and fan identification, for instance, by sharing the founding story of Decathlon, and their environmental concepts through social media to promote brand loyalty and setting a brand image online through social media platforms [7, 8].

4.2. Recommendations and optimization

For Decathlon to promote the fan economy and stimulate their fan loyalty, they can elaborate certain customized plans. For this brand with a full range of products, making a system to record the health record for each member is advisable, which meets the convenience needs for consumers [9]. To explain, according to the membership system to make family plans, which could lead to cost efficiency, the reason is that the price depends on the number of people join the plan. For older people, they will be convinced and believe in this package because not only that it saves time for them to work, but it is also a safeguard for the family and is devoted to brand loyalty [10]. For children, they choose this package due to the influence of their family elders, because it will become a habit, and they grow up believing in the brand. In this system, their annual growth and activity history will be recorded, including the usual racket size or usual bicycle seat height. Not only can these records be meaningful and a legacy but also boost the brand to go a long way. In addition, Decathlon can launch a service that prints the name of customers on gear free. Decathlon also can invite some local and good quality athletes in different countries as local spokespersons to increase the brand association and invite them to participate in the sports events of premium members as marketing. These enhance the relationship between the brand and the fans and make the brand equity higher. Emotional attachment is the most important thing in the fan economy which promotes the level of consumer spending ability.

5. Conclusion

To summarize, this study focuses on the impact of the fan economy on the marketing strategy of a sports brand Decathlon, which indicates that although Decathlon has achieved profound success in the global sports market by its cost effectiveness, it also acquires improvement. In the future, Decathlon could strengthen its brand culture and improve the digital market to increase the fan interaction. Therefore, Decathlon is expected to further an advisable choice for people and become a global sports brand top driven by the fan economy. As the fan economy became an initial driving force for the growth of the Decathlon, they need to explore the needs of consumers deeply. Also, Decathlon should build a closer brand relationship, which enhanced its market awareness and consumer loyalty to devoted. However, with the overwhelmed by furious competition in market and uncertainty of the economic environment, Decathlon still needs to improve the emotional connection, technological innovation, and increase its fan activities, such as the methods had mentioned in previously. Deep communication of the brand origin and utilizing digital to improve the level of precision marketing are necessary. Hence, it is important for the fan economy to maintain a long-term competitive advantage in the market. In the contemporary, technologically advanced society, using the digital marketing approaches such as collaborating with influences on TikTok has created a more relatable image for the brand. Through the users or fans generated content, partnerships make Decathlon strengthen their fan engagement. Also, not only can consumers be the users of the brand, but also evangelists and collaboration people of the brand, which important too. Because this deeply connects with the feeling of the users to produce the emotional attachments and further expand the brand awareness.

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