

Comparative Analysis of Digital Media Strategies for Brand Success:

lululemon vs. Decathlon

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1 Introduction

In today's digital age, brands have to navigate through various digital media platforms to engage with their consumers and achieve success. This is particularly true in the realm of sports apparel. Two brands that have stood out in this space are lululemon and Decathlon. This comparative analysis aims to analyze the digital media strategies employed by these two brands in the Chinese market, a rapidly growing and strategically significant market for both.

In 1997, Chip Wilson discovered there were no yoga apparel brands on the market, so he opened the first retail space lululemon in a local yoga studio in Vancouver, Canada. Due to its popularity among educated and fashionable middle-class women, lululemon has rapidly become a clothing giant in the past decade. Last year, it became the world's second largest sports brand in terms of market value, second only to Nike. As of April 28th, 2024, lululemon has 127 stores in operation in mainland China, ranking second in the world, second only to the United States, with a total of 369 stores(36kr, 2024).

Decathlon was founded in France in 1976, and at that time it pioneered the concept of selling all sports products in one shopping mall. In 2003, Decathlon entered the Chinese market. As of 2019, the brand has 267 physical stores in about 100 cities in China.

Both brands regard Chinese market as a prosperous one, on which this comparative analysis will focus on. Since the first quarter of 2023, Lululemon has opened 26 new stores in China, while the total number of new stores in other parts of the world is only 9(36kr, 2024). For Decathlon, not only is China its first overseas market outside of France with a complete industrial chain, but it is the market that grows fastest. In 2023, the number of new stores in the Chinese market reached 52,

accounting for nearly one-third of Decathlon's new stores. Furthermore, as both brands are born in Western cultures, is a worthy perspective about how brands communicate cross-culturally and globally.

2 Analysis of Digital Media Strategies

Both brands make great efforts in digital marketing localization. For instance, they use common Chinese digital media to sell products, promote brand image and strengthen connections with consumers. This essay chooses three social media platforms, WeChat Public Account, WeChat Mini Program and Xiaohongshu, as they are main platforms of publicity.

2.1 lululemon

WeChat Public Account of lululemon publishes 1-2 articles per week on average, with an average reading volume of about 20,000 (the highest reaching 70,000, and the lowest only about 3,000). The account features new product promotion, social event preview and summary, and recruitment and new store opening information. The titles of articles highlight brand core values, such as ‘Exchange good state with us’ ‘How do we view happiness this year’ ‘Join us with hot sweat’. The typography is simple but colorful, conveying a sense of comfort.

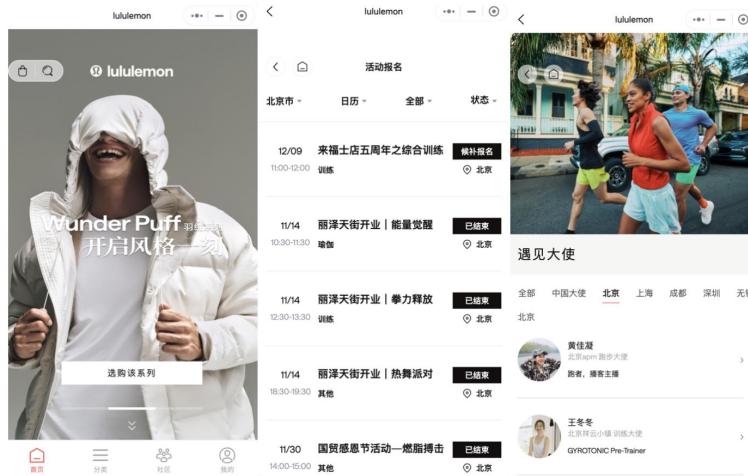


Figure 1. WeChat Mini Program of lululemon

WeChat Mini Program ‘lululemon sweatlife’ is a combined platform of online store and community bond. The online store function looks like the portable version of its website. The community function serves as a hub for online and offline connection. Consumers can not only sign up for offline yoga classes in 43 Chinese

cities, but they can also find introduction of the brand ambassadors(the essay will discuss this concept later).

Lululemon Xiaohongshu is a platform mainly based on pictures and texts with more than 180 thousand followers. In line with the platform's tone, all pictures are published in vertical format with a 4:3 ratio to ensure that they are fully displayed. Bright colors and apparent logos enhance the visual impact. The cover focuses on ordinary people, and the smiles on their faces and stretching body movements not only clearly show the products but convey the positive tone of the brand.

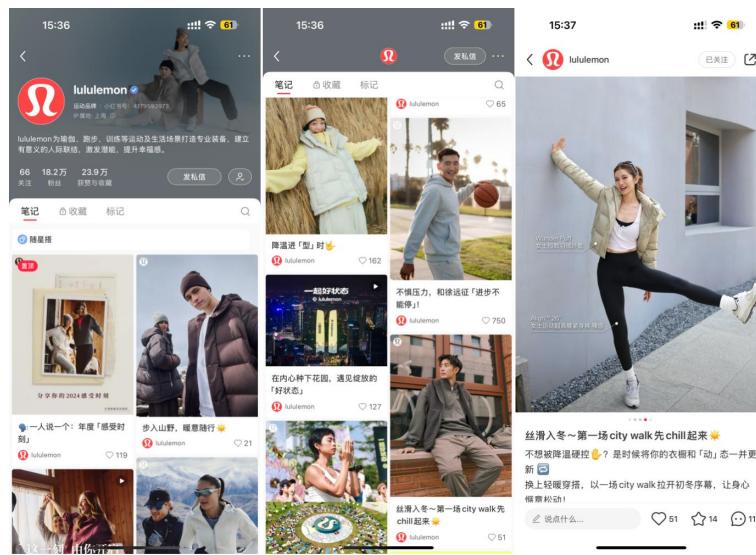


Figure 2. Xiaohongshu of lululemon

2.2 Decathlon

WeChat Public Account of Decathlon publishes on a weekly basis, with four to six articles all together. The content mainly highlights product promotion with a brief but exciting title and well-designed typography. The articles published are almost pictures, with links to jump to their online store, making it convenient for consumers to buy the products they like.

As for WeChat Mini Program, Decathlon use 'Decathlon Members Club'(迪卡侬会员俱乐部) and 'Decathlon Sports Club'(迪卡侬运动连) to bring customers together. The former one is generally a points system: customers can get their points(called '燃值') by shopping, inviting new customers and making comments on their purchases. The points can be used to redeem some sports equipment and sports

food. The latter one is a sports community organised by geographical location, which we will discuss later.

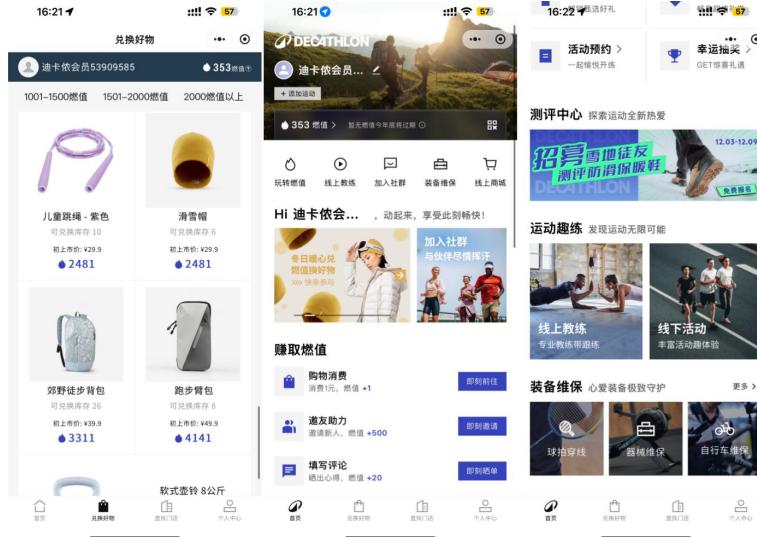


Figure 3. Decathlon Members Club

Decathlon Xiaohongshu account has 140 thousand followers, publishing content on a daily basis themed color blue. The account promotes new product, encourages people to take part in sports activities and introduces how to use the equipment. It is worth mentioning that the brand smartly applies the social attributes of the platform, with sports check-in function and group chats featuring diverse types of sports such as badminton and cycling.



Figure 4. Xiaohongshu of Decathlon

3 Comparison

For the digital marketing strategies, lululemon and Decathlon share some similarities and differences. This essay will discuss their brand image and positioning, ambassador strategies and community strategies.

3.1 Brand image and positioning

Undoubtedly, the main consumer groups of both brands are not the same. Lululemon is generally considered as a women's brand with strong middle-class characteristics and identity labels. Many women who have purchased lululemon states that they like lululemon because it does not have an exaggerated logo, but can be recognized by anyone who knows the brand.

For a sports brand which provides a wide variety of sports products at lower prices, Decathlon is ridiculed as 'the paradise for poor people' ('穷鬼天堂'), free gym and childhood playground. There is a saying in China for sportswear: if you do not know what to buy, then go for Decathlon. Therefore, compared with lululemon, the consumer group of Decathlon is wider, and closer to the grassroots.

Considering their differentiated positioning, the image of both brands presented on digital media is also different. Lululemon describes doing exercise as a healthy, delicate and confident lifestyle; Decathlon expresses their encouragement in a more popular and accessible way.

3.2 Ambassador strategies

Both brands do not hire celebrities as their brand ambassadors. However, they do have distinct strategies for brand promotion.

Lululemon applies Key Opinion Consumer strategy. In 2013, when lululemon first entered the Chinese market, it opened three showrooms. In the following three years, it did not sell clothes, but only opened regularly to sports enthusiasts to experience yoga, pilates and other sports, turning the staff from sales to event organizers(called educators in lululemon). Every time lululemon opens a new store, it sponsors some community yoga classes in the local area and provides free clothing for yoga instructors. Also, it selects yoga instructors and fitness coaches to be brand ambassadors. Their subtle ability to promote goods is estimated equivalent to a KOL with a medium number of fans.

However, though lululemon does not have an official ambassador, it now starts to frequently promote the same style products that some Chinese celebrities pick. This is an effective means to increase brand exposure and demonstrate brand credibility.

Lululemon's global marketing expenses account for only 3% of its turnover, far lower than its peers. Decathlon's data is even more exaggerated: 1%, because it seldom buys advertisements. It spends most money on developing new products and improving quality, to make quality speak for themselves. Therefore, there is a lot of spontaneous consumer outreach on social media, called '自来水'. More over, the brand endeavors to maintain and activate its community(to be explained in 3.3).



Figure 5. Search results of lululemon on Xiaohongshu

Like Decathlon, the staff in Decathlon plays a vital role in advertising products and contacting customers. Experiential consumption is the core logic of Decathlon offline store: 15% of the store area is used as an experience area, where customers can try on shoes, play basketball, ride bicycles and etc. The primary task of sales there is not to sell products, but to help customers experience sports and Decathlon does offer an incentive policy for this. The results turn to be relatively fruitful: according to Decathlon official data, 70% of the 76,500 trial products in the store are finally purchased after consumers' experience.

3.3 Community strategies

Both lululemon and Decathlon are dedicated to community marketing. Community marketing, also called community-based marketing, is a strategy that

aims to create a community where fans and users can interact and connect over their mutual appreciation of the brand's products or services to encourage loyalty and support(Resler, 2024).



Figure 6. lululemon yoga classes at CIIE

As mentioned above, lululemon holds offline yoga classes regularly. In October, it started a campaign called ‘Good State’ in 9 cities in China, encouraging participants to open up their bodies and explore their inner selves with yoga classes in the nature. On November 11th, lululemon even brought Yoga class to CIIE(China International Import Expo) with more than 150 participants.

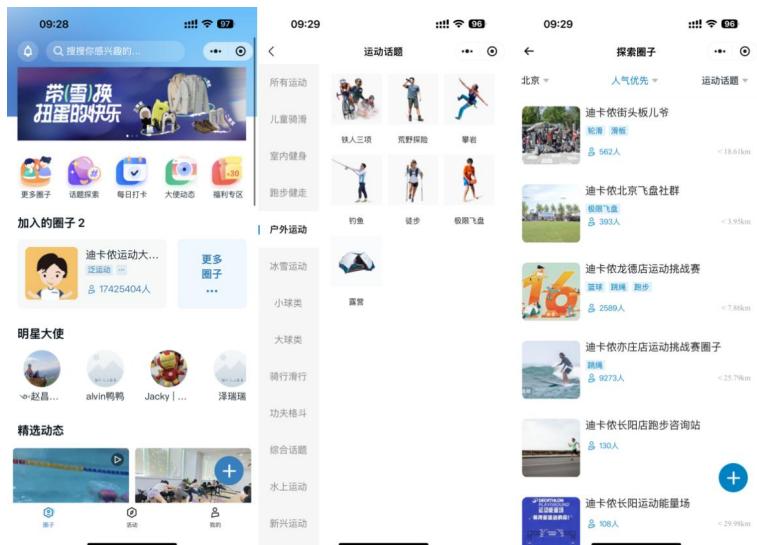


Figure 7. WeChat Mini Program ‘Decathlon Sports Club’

Decathlon’s community is organized on a much larger scale. In the WeChat

Mini Program ‘Decathlon Sports Club’(迪卡侬运动连), consumers can join in circles by sport type and geographic location, where they can find sports partners. Take Beijing for example, circles are organized by sports and stores, some even exceeding 9k members. Staff of Decathlon are responsible for introducing sports techniques and promoting relevant new products.

In a nutshell, through community strategies, both brands build deep emotional connection with their customers, improve the brand loyalty and finally lead sales promotion.

4 Challenges and Opportunities

With the impact of the Covid-19 and the rise of other sports brands, lululemon and Decathlon faces huge and similar threats. As they have already put in enough efforts to strengthen the connection with existing consumer group, they both aim to expand their market: lululemon hopes to attract male consumers and go public; Decathlon develop more high-end products. However, during this process, they encounter two major challenges on digital media due to their immature expansion strategies.

Firstly, they lack unique advantage in Chinese online markets. Chinese e-commerce platforms are developed and extremely competitive: from price, styles to brands, consumers have a variety of options. Thus, it is hard for both lululemon and Decathlon to have their foothold online, so they both need tactics and adjustments. An interesting phenomenon is that lululemon, who never participated in Chinese discount promotions before, has begun to enter outlet stores this year and even participated in shopping festivals such as 618 with a discount of around 50%.



Figure 8. The publicity for lululemon during 618

Secondly, the digital image and reputation of both brands is worsening. Chinese netizens constantly doubt the price–performance ratio of lululemon, as well as the price increase strategy of Decathlon. Some even claim that ‘The middle class is abandoning lululemon’ ‘Decathlon is abandoning grassroots’.

How can lululemon and Decathlon deal with these challenges? I genuinely hold that the biggest and root challenges come from their business strategies rather than digital media strategies. Therefore, I provide the solution in the following two perspectives.

First and foremost, it is inevitable that both brands want to expand their market, but they should not do it at the cost of losing current consumers. This requires a delicate balance between attracting new customers and maintaining the loyalty and satisfaction of those already committed to the brand. As lululemon pays more attention to the sinking market, some middle-class consumers think the brand’s social attribute is disappearing, so how to maintain their loyalty requires the brand’s wisdom. Moving to Decathlon, the dual-track strategy of attracting more consumers of professional sports equipment by launching high-end sub-brands while retaining the advantages of the original customer base may be both safe and far-sighted.

Besides, deepening their understanding of Chinese culture and market is highly suggested. Huang Shanyan, Managing Director of lululemon China said in an interview, ‘with the help of data from Douyin, lululemon gets some inspiration for new store location. Also, we are capable of learning consumers’ shopping and dressing habits, as well as their main focus.’(Li, 2024) Decathlon has also offered sizes designed for Chinese body types.

5 Conclusion

What will lululemon and Decathlon do in next steps? Huang Shanyan claimed, ‘A few years ago, lululemon online channels were only Tmall, and later expanded to JD.com, Douyin, etc. Now there is obviously a trend towards social platforms and e-commerce. The future is difficult to predict, but it is also very important to pay attention to the changes that are happening in the market.’(Li, 2024) The Chinese market is lululemon’s largest international market, and it achieved its goal of \$1

billion in net revenue last year. It is expected that by fiscal year 2026, China will become lululemon's second largest market in the world.

As for Decathlon, on March 12, 2024, Decathlon Group announced its global brand renewal plan and launched a new brand purpose "Move People Through the Wonders of Sport". Celine Del Genes, Decathlon's global chief customer officer, said: "Decathlon endeavors to transform from a retailer to a recognized sports brand. To achieve this goal, we must enrich and enhance our brand image. Our strategy is to strive to create a professional sports brand covering multiple fields."¹

In conclusion, both lululemon and Decathlon have different focuses in their digital media strategies in the Chinese market, which prove to be effective. Lululemon has successfully attracted a large group of loyal fans through precise brand positioning and personalized customer experiences, while Decathlon has become the go-to choice for mass-market sports enthusiasts with its extensive range of sports products and services. Looking ahead, as Chinese consumers' focus on healthy lifestyles continues to grow, it is expected that both brands will continue to optimize their digital marketing strategies. This will help them not only maintain their current advantages but also explore new growth opportunities, further consolidating their positions in the market.

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