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V M K S R VASTRAD ARTS SCIENCE
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Project report entitled

**" A PROJECT REPORT ON PUMA
COMPANY LIMITED"**

UNDER GRADUATION OF BACHELOR OF COMMERCE

Submitted by

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B.Com-II Semester

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DECLARATION

I declare that this project report entitled "**A PROJECT REPORT ON PUMA COMPANY LIMITED**" independent project carried out by me in partial fulfilment of the requirements for the award of the degree of Bachelor of Commerce by the **Rani Channamma University**. The project report has been prepared under the guidance of **.Mr. SHREESHAIL BOMMASAGAR** Co-ordinator Department of in Commerce, **Rani Channamma University, V M K S R VASTRAD ARTS SCIENCE & VS BELLIHAI COMMERCIAL COLLEGE HUNGUND.**

I have not submitted his project previously to this university or any other university for the award of any degree.

Date :
Place : **HUNGUND**

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CERTIFICATE

This is to certify that **Mr. Vinay Palled** is a bonafide student of the Department of Commerce, bearing **REG NO : U15IY22C0012** during the academic year 2022-23 has satisfactorily completed the project work entitled "**A PROJECT REPORT ON PUMA COMPANY LIMITED**" submitted in partial fulfillment of the requirements for the award of the Degree of Commerce by **RANI CHANNAMMA UNIVERSITY** under guidance and supervision by **Mr. SHREESHAIL BOMMASAGAR** And **Prof. B A KANTHI** Head of the Department in Commerce.



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CHAPTER 1: INTRODUCTION

Marketing strategy is the fundamental goal of increasing sales and achieving sustainable competitive advantage. Marketing strategy includes all basic, short-term, and long-term activities in the field of marketing that deal with the analysis of the strategic initial situation of a company and the formulation, evaluation and selection of market-oriented strategies and therefore contribute to the goals of the company and its marketing objectives

A good marketing strategy should be drawn from market research and focus on the right product mix in order to achieve the maximum profit potential and sustain the business. The marketing strategy is the foundation of a marketing plan.

The sports lifestyle trend came around in the late 19th century and since then there has been a constant growth & massive expansion in the sports industry. Sporty environment is developed to enhance body in order to live long and stay away from diseases.

The Sports sector is witnessing a tremendous growth due to people being involved with fitness and sports. This as a result has led to an increase in the sales of sports brands and new brands entering in the market. As the main focus of this industry is to please the customers by fulfilling their fitness needs, it has become an utmost requirement for these sports brands to keep up with the constant competition with the products that other brands offer. Also, this increase in demand drives these brands to stay in constant touch with their customers and their target audience in order to achieve their goal.

1.1 ABOUT

1.1.1 Sports brands historical background

One of the most famous sportswear stories begins in 1920 with the two Dassler enemy brothers Adolf and Rudolf who thanks to their want to beat each other became the founders of two brands Adidas and Puma (Forbes, 2013). Forty-four years later, the Nike success story started with Bill Bowerman and Phil Knight and their Waffle Nike Shoes that led them to be the biggest sportswear brand nowadays. Fortified by technological patents, sports brands have become iconic products to ensure performance and comfort while practicing sports. (Market Watch, 2014)

1.1.2 From playgrounds to runaway shows

To increase their impact on the audience, sponsoring the biggest athletes in the world had to be done. Indeed, Michael Jordan with Nike or Usain Bolt with Puma (Forbes, 2015) have comforted sports brands to their status of performance guarantor. However, in order to conquer a larger target than those interesting in sports, brands have understood that they need to associate themselves to other persons of influence. Fictional character like Forrest Gump brought some of Nike product to the top as for example the Cortez (Hypebeast, 2015). Also, non-related to sport celebrity have been strongly associated with sportswear brands as the famous singer Rihanna became the Artistic Director of Puma in 2014 (Challenges, 2014). With this new decision, the brand emphasize its want to larger its target to non-sportsmen since Rihanna represent a fashion icon. This example shows how big sports brands gets closer and closer to the fashion world. Regarding the distribution, here again, Nike Products find their place elsewhere than in sports equipment retailers such as Decathlon or Stadium but in athletically inspired apparel and shoes (Forbes, 2015).

1.1.3 Sportswear retailing evolvement and expansion

Whereas retailing activities have been through tough times this last decade, the sportswear segment has known constant growth over the same period of time (Forbes, 2015). Foot Locker is the perfect example. Founded in 1988, this American "athletically inspired shoes" (Foot Locker) retailer operates in 3 243 stores (Foot Locker's website) located in 23 countries. Worldwide leader on the segment, Foot Locker offers sportswear for a target who most of the time doesn't practice sports. JD Sports, the English biggest competitor with its £20 million sales (The guardian) and its foreign expansion in Germany, Spain, France and Italy also proof how successful the sportswear business is. Those two experiences testify of the appetite customers have for athletic inspired apparel and footwear. Thus, consumption behaviours may have evolved too since their consumers are from two types: the sportsmen and the non-sportsmen.

1.2 COMPANY PROFILE

Puma SE



Industry	Clothing and consumer goods manufacture
Founded	1924 as Gebrüder Dassler Schuhfabrik (registered in 1948) Founder Rudolf Dassler
Headquarters	Herzogenaurach, Germany Area served Worldwide
Key people	Jochen Zeitz (Chairman) Bjørn Gulden(CEO) Klaus Bauer(COO)
Products	Footwear, sportswear, sports goods, fashion accessories Revenue €2.972 billion (2014)
Number of Employees	10,830 (average, 2014)[2] Parent Kering
Website	www.puma.com

Puma SE, officially branded as **PUMA**, is a major German multinational company that produces athletic shoes, footwear, and other sportswear. The company was formed in 1924 as *Gebrüder Dassler Schuhfabrik* by Adolf and Rudolf Dassler. The relationship between the two brothers deteriorated until the two agreed to split in 1948, forming two separate entities, Adidas and *Puma*. Both companies are currently based in Herzogenaurach, Germany.

Puma is known for its football shoes and has sponsored acclaimed footballers, including Pelé, Eusébio, Johan Cruyff, Enzo Francescoli, Diego Maradona, Lothar Matthäus, Kenny Dalglish

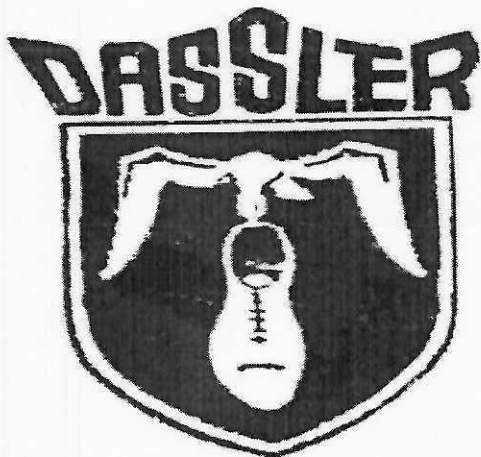
The company offers lines of shoes and sports clothing designed by Lamine Kouyate, Amy Garbers, and others. Since 1996 Puma has intensified its activities in the United States. Puma owns 25% of American brand sports clothing maker Logo Athletic, which is licensed by American professional basketball and association football leagues. Since 2007 Puma SE has been part of the French luxury group PPR.

Outstanding performances of PUMA athletes and teams have strongly influenced international sports through innovative PUMA products and creative marketing initiatives for more than 60 years.

Milestones in PUMA's sports history were the development of the first football boot with screw-in studs in 1952 by the company's founder Rudolf Dassler, the legendary "two-stripe" jersey of Johan Cruyff at the world championship in 1974, the PUMA contact lenses of Linford Christie in 1996, the skin-tight Catsuit tennis dress of Serena Williams at the US Open 2002, the revolutionary one-piece Cameroon football shirt in 2004, the Italian national team winning the Football World Cup in 2006, Ferrari with its seven-times world champion, most successful Formula 1 pilot and PUMA partner Michael Schumacher, who dominated the sports for years, the world records of sprint hero Usain Bolt as well as the Volvo Ocean Race, "the Everest of Sailing" that PUMA's eye-catching sailing yacht *il mostro* finished in second place in 2009.

Through creativity and innovative products PUMA has always set standards in sports and style. Partnerships with federations such as Jamaica, Italy and in Africa provided the brand with the opportunity to lead the way in creative and innovative global sports marketing. PUMA was not only able to strengthen its positioning as a sports lifestyle brand, but created a whole new market by establishing the segment sports lifestyle.

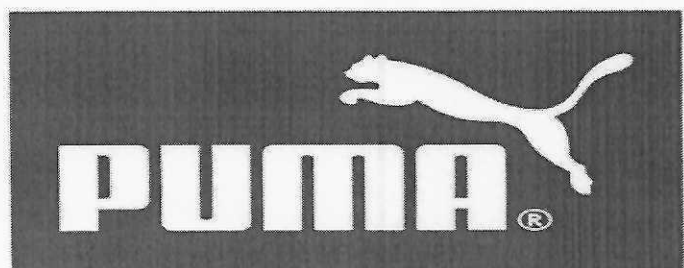
1.2.1 Evolution Of Logo

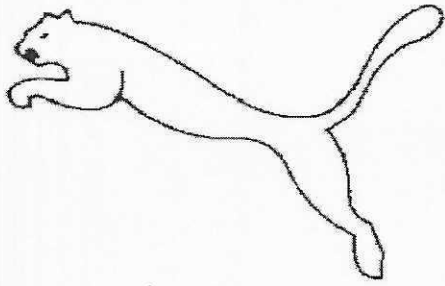


1924: Gebrüder Dassler Schuhfabrik



1948: patented logo PUMA





The logo with the jumping cat as the product range is extended to include not only shoes but also sportswear.

1.2.2 History

In 1924, Rudolf Dassler and his brother Adolf founded the shoe factory “Gebrüder Dassler Schuhfabrik” in Herzogenaurach, Germany.

1924

First successes: At the Olympic Summer Games in Amsterdam in 1928, a majority of the German athletes wear Dassler spikes. In 1936, Jesse Owens wins four gold medals at the Olympic Games in Berlin sporting Dassler spikes.

Overall, seven gold medals and five bronze medals are won by world class athletes in Dassler shoes and two World and five Olympic records are smashed. This represents the international breakthrough for the Dassler brothers.



1948

Rudolf Dassler founds the PUMA Schuhfabrik Rudolf Dassler. The company is officially registered on October 1, 1948. The existing business assets of the “Gebrüder Dassler Schuhfabrik” are divided up between the brothers. In the same year, PUMA’s first football boot, the “ATOM”, is launched.

1950

Rudolf Dassler successfully develops a football boot with screw-in studs in collaboration with experts, such as West Germany’s national coach Sepp Herberger. The launch of the “SUPER ATOM” in 1952, the world’s first boot with screw-in studs.

In 1953, The successor of the screw-in football boot “SUPER ATOM” is coming to the market: the enhanced version “BRASIL” is being developed and tested. In 1957, Rudolf Dassler introduces a sans-serif PUMA typeface, designing a word and picture logo at the same time. One year later, the second brand logo is patented.

1960s

In 1966, at the World Cup in England, the new and now legendary PUMA KING football boots are sported by Portuguese superstar Eusebio. The logo with the jumping cat, today one of the most famous trademarks worldwide, is created by Lutz Backes,

Pelé, for the second time in a row, wins the World Cup in Chile with his team in PUMA boots and is named “Best Player of the Tournament”. The “Sacramento” brush spike amazes with its innovative brush soles.

1970s

In 1970, Brazilian football star Pelé helped Brazil to win WorldCup in Mexico wearing Puma football boots. The next major success came in 1985 when Germany's Boris Becker won Wimbledon using Puma products.

The company goes public as "PUMA AG" and the PUMA stock is traded on the Munich and Frankfurt stock exchanges. By the end of the eighties, Puma was an "economic basket case" sold in big department stores for very little money. Puma had lost itself in the mass market and was still producing in Germany.

1993

Jochen Zeitz is appointed CEO at the age of 30, becoming the youngest Chairman in German history to head a public company. Zeitz spearheads the restructuring of PUMA, in financial difficulties at the time, and manages to turn it from a low price brand into a premium Sportlifestyle company and one of the top three brands in the sporting goods industry.

2007

The PPR group (named Kering as of 2013) – a world leader in apparel and accessories – acquires over 60% of PUMA's shares. The consolidation strengthens PUMA's position and creates a perfect platform for the continued global expansion of the company.

2011

PUMA transforms into a European Corporation and trades under the name of PUMA SE. With the completion of the transformation, Franz Koch becomes Chief Executive Officer and succeeds Jochen Zeitz after 18 years as Chairman and CEO of PUMA AG.

2013

The Administrative Board of PUMA SE appoints Norwegian Bjørn Gulden as new Chief Executive Officer (CEO), effective 1 July 2013. PUMA signs International Icon Mario Balotelli, sporting sensation, to join PUMA's family of star players and athletes that includes Usain Bolt, Sergio Agüero, Cesc Fàbregas, Marco Reus, Radamel Falcao and Rickie Fowler.

1.2.3 Innovative Promotion Strategies

At the World Cup in Germany, Johan Cruyff refuses to play in a different outfit as he feels closely connected to the brand. So a custom-made design is made for him, featuring only two stripes. A legend is born. At the Olympic Games in Atlanta, PUMA causes a stir with a creative contact lens campaign: at a press conference prior to the Games, Linford Christie appears with a white PUMA cat on top of his pupils in 1996.



In 2002, PUMA and Serena Williams unveil the “Serena Williams Tennis Collection”. In the same year, she causes a stir worldwide in her skintight “Catsuit” and wins at Wimbledon

In 2004, the “Indomitable Lions” follow up with their



equally controversial one-piece PUMA UniQT, which removed unnecessary bulk and limited shirt-grabs by opponents. FIFA punishes the team by revoking six points in the qualification for the 2006 World Cup and imposes a fine.



PUMA sets sail for the first time by entering its own sailing yacht “il mostro” into one of the longest and most difficult sailing races in the world – the Volvo Ocean Race in 2008.

1.2.4 Current Marketing Strategy

In 2013, PUMA's CEO Bjørn Gulden introduced PUMA's new mission statement: To be the Fastest Sports Brand in the world. The company's mission not only reflects PUMA's new brand positioning of being Forever Faster, it also serves as the guiding principle for the

PUMA'S 5 KEY STRATEGIC PRIORITIES

FOR 2014 AND BEYOND

- ▶ *Reposition PUMA as the Fastest Sports Brand in the world and create brand heat*
- ▶ *Improve the product engine*
- ▶ *Optimize the distribution quality*
- ▶ *Increase the speed of PUMA's organization*
- ▶ *Renew the IT infrastructure*

company expressed through all of its actions and decisions. Our objective is to be fast in reacting to new trends, fast in bringing new innovations to the market, fast in decision making and fast in solving problems for our partners.

Our strategy encompasses five strategic priorities: the **repositioning** of PUMA as the World's Fastest Sports Brand, the improvement of our **product engine**, the optimization of our **distribution quality**, increasing the speed within our **organization and infrastructure**, and renewing our **IT infrastructure**.

1.2.5 Marketing Strategy In India

Puma is one of the biggest international shoe brands in the world in the leagues of Nike, Reebok and Adidas. Puma India was set up in 2005 and this was an advantage for it as the German brand became one of the first international shoe brands in the country.

Puma has always gone for a subtle branding and communication strategy to target its customers in the age groups 16-25 years – the ones who use their products the highest. Rather than go overboard with TV, Billboard or print advertising, Puma has always concentrated on digital as well as in – store branding and retailing. Positive word of mouth from satisfied customers is what Puma has always tried to achieve as its main communication strategy as this purchase is a high involvement category.

Puma's strategy is built on left brained communication as it explains the concept of the brand at a level from which one can form opinions and conclusions. This gives an option for

CHAPTER 2: LITERATURE REVIEW

2.1 The consumer behaviour

The consumer behaviour is here the main part of the studied theory since it is the heart of this thesis' subject. Hoyer & McInnis (2001, p.4) define consumer behaviour as "Totality of consumers' decisions with respect to the acquisition, consumption, and disposition of goods, services, time and ideas by (human) decision making units (over time)". In other words, the analysis of the consumer behaviour aims at answering the six major questions that are: What, Where, When, Why, How do they buy (Schiffman and Kanuk, 2000). Of course, this analysis will deal with the six major questions to bring a general and complete overview of the consumption behaviour in the very particular industry which is the sportswear one. Another point of view in the study of the consumer behaviour may be to focus "on how individuals make decisions to spend their available resources on consumption-related items" (Schiffman and Kanuk, 2000, p.5). The dedication to available resources is interesting since it takes into account the many possibility people have to consume and in which way it will influence their consumption. In their book, Schiffman and Kanuk (2000, p.317) agrees that lower middleclass people are more likely to consume products that provide them an "external point of identification". Kotler (2008) have proposed a basic model of consumer behaviour that can be divided in two main points: what usually influences the buyer, which are the stimuli and the buyer's characteristics, and the buyer responses. For him, Stimuli can be from two different types. They can be internal, which means triggered by the product itself. They correspond to the marketing mix of the product: the product itself and its attributes but also the price, the place and the promotion. And stimuli can be external, which means linked to the external environment (economic, technological, political and cultural). This basic and universal model of Kotler (2008) does not win unanimous support. Consumer behaviour study is a complex one first because each and every word of Hoyer and McInnis's definition embraces multiple aspects of consumption (Hoyer & McInnis, 2001) but also because consumers are, themselves, considered as very "complex individuals" (Schiffman & Kanuk, 2000, p.5). This complexity gives different consumer behaviour options according to Schiffman and Kanuk (2000) who explicitly explain that The study of consumer behaviour often takes as principals that every consumer sort of behaves the same way according to marketing theories. However, many of them wants to take different ways in their consumption habits and prefer differentiated products to match their different needs. This is

definitely one of the most important aspects of nowadays consumption with the apex of personalization for instance illustrated by the Nike ID service (Nike). To increase their profitability, more and more companies choose the consumer-oriented marketing (Schiffman & Kanuk, 2000). This term means that rather creating needs or wants, companies study what consumers want and create products that will surely match their expectations without taking any risks (Schiffman and Kanuk, 2000). Researchers spend huge amounts of money on the study of consumers to target their expectations and try to fulfil them in the best way (Hawkins et al., 2003). The biggest part of the study is in the influence of the consumption. Despite Hawkins et al. (2003), agree on the fact the consumer behaviour is a conceptual model and cannot be universalized, they even study what are the different sources of the consumption. For Hawkins et al. (2003) culture is the most important factor. It is actually considered as the only external factor whether it deals with socio-demographic factors or family groups since "it includes almost everything that influences individual's thought process and behaviours." (Hawkins et al., 2003, p.28). The main reason why culture defines the consumption behaviour is more the knowing that norms and sanctions exist. Norms will define roles for people and as Hoyer and McInnis (2001) explain, consumer behaviour will for example depends on the role people have (user, decider...). It includes many of them at the same time or just one person (2001). On the other hand, internal factors are mainly known as the motivation, exposure, attention and perception (Hoyer & McInnis, 2001; Hawkins et al. 2003). These steps in influencing consumer behaviour are crucial since they call on knowledge, understanding and memory which are used during the first step of the buying decision process (Hoyer & McInnis, 2001; Hawkins et al. 2003).

2.2 The buyer decision process

One of the components of the consumer behaviour is the buying decision process (Hawkins et al., 2003). The consumer decision process is the study of how consumers make and take decisions before, while and after buying (Kotler, 2008). In most of minds, consumer behaviour can make reference to the action of taking a decision that is "carefully" evaluated most of a time regarding attributes (Hawkins et al., 2003). Engel names this statement the "rational decision making process" (Engel et al., 1995). However, Engel also defines another type of decision-making based on the search of pleasure or aesthetics. That is called the hedonic (emotion-driven) benefits (Engel et al., 1995). Schiffman and Kanuk (2000) distinguish three stages in the decision-making process embracing the classical buyer decision process. When most of the model will directly start with the problem recognition,

here, the "input stage" is the first of the three. Before recognizing a need, Schiffman and Kanuk (2000) take into account the external influence that either firm's marketing strategy and the consumer's environment will provide him/her knowledge on product. There is no question of buying anything special to fulfil a need there. They only make references to the fact consumers are constantly in contact with products or services. Then, the "process" stage, mainly analyses the influence of diverse factors on the decisionmaking like the psychological factors or the experience (Schiffman and Kanuk, 2000). Above all, this stage gathers Kotler's steps in the decision making process before the purchase that is to say, need recognition, pre-purchase search and the evaluation of alternatives (Kotler, 2008). The need recognition and aims at evaluating a problem or a need to which the consumer will find a solution by consuming. The need recognition is influenced by internal or external stimuli as seen in the previous part. This step is crucial for the consumer because he/she identifies the needs, the best the choice to fulfil it. Also if the need is well expressed, it will be easier for marketers to develop a corresponding product to what consumers look for (Kotler, 2008). The information research is when consumers will seek information about products that are willing to match his/her need (Kotler, 2008). Here, the degree of involvement is very important. The degree of involvement in a product or a service will determine how far and how precise the consumer will look for information concerning this product or service (Engel et al., 1995). The level of involvement will also make a consumer decision complex or no. The higher the involvement, the more complex the decision to take (Hawkins et al. 2003). The evaluation of alternatives (the last step of the process stage) is the most complex one because it is a decisive one for both companies and consumers. This is where comes the choice between brands or between attributes. In case the consumer is still not decided about the brand he/she will choose, he/she should draw the expectancy value model to compare all of the remaining offers and each of their attributes. By rating them, and making an average score for each of the brand, he/she will know which one to choose (Kotler, 2008). The last stage identified by Schiffman and Kanuk (2000) is the "output stage" with the purchase behaviour and the post-purchase evaluation. The purchase decision is the final deliberation to choose a product from another one. Finally, the Post Purchase Behaviour, known as the fifth and last step will determine whether or not the product has fulfilled the need (the expectations), whether or not the marketing strategy made this product compatible with the communication around it (the perceived performance): "the larger the gap between the expectations and the performance, the greater the consumer's dissatisfaction" (Kotler, 2008, p.271). Then, if a consumer buys many times a product he has been previously used, it means he/she had adopted it and the

level of satisfaction is high (Schiffman and Kanuk, 2000). But the post-purchase behaviour does not only concern about the matching with the expectations. Schiffman and Kanuk (2000) emphasized the importance to focus how/if products are used, stored, or thrown for a second time if the life cycle allows it. In 1995, Engel had added another step in this decision making process that seems to be forgotten: the consumption which is right between the purchase and the post-purchase behaviour. According to consumers' individual differences, (motivation, resources, knowledge, attitudes, values and lifestyle) the product will be consumed differently. To conclude, the analysis of this buyer decision process is a key factor for companies to build a loyal relationship with their customers. The more corresponding the offer, the more satisfied the client.

2.3 The relative importance of communication towards the purchase behaviour

For approximately more than a decade now, there has been a revolution in the information and communication technologies. Many things are now possible since the coming of Internet, the largest and virtual tool of information and sources, the progress in the digitalization and the launch of specific products that come with it (Castells, 2001). There are "extraordinary advances in computing and telecommunications made possible by the micro-electronics revolution » (Castells, 2001, p.2). As he said in his speech at the Holberg Prize award ceremony in 2012, "the on-going transformation of communication technology in the digital age extends the reach of communication media to all domains of social life". Thus, if communication technologies have an impact on social life, it should have at least one on the consumer behaviour. So, this ICT revolution could directly affect the consumer behaviour. Many studies were made to try to evaluate and determine the link between promotion and the consumption in the aim to understand in which way and how the purchase could be impacted. As the marketing mix suggests it, the promotion is an internal stimulus identified by Kotler (2008), as important as the price, the place and the product characteristics in the buyer decision-making process. Indeed, according to Huang (2012), people are not only sensitive to price in the evaluation of alternatives, but also to advertising. A report was published in the International Journal of Management Research and Business Strategy about this specific question which is the relationship between advertising and consumer behaviour. In this report, they come to the following conclusion: "advertisement worldwide influence the behaviour and attitude formation of consumers."(Rai, 2013, p.78). In this report, they also use

mass media programming as a synonym of advertising. Advertisement enables to create symbols, expectations, dreams and can tell a story about products. On TV, it requires a scenario, a setting and actors: it is like a short movie. The promotion mix is not only advertising but also events, public relations... This promotion tools are not advertising but medium to give information of the products to customers. "Public relations can contribute to sales in many ways" (Cripps, 2005, p.3) Thus, this is really important because the image of the brand and the product has a direct impact on consumption and purchase decision. According to the previous reference, Public relations influence, among other things, perception about the product. That is means their role is to control the information but also to control the image of the product in people's mind. Public relations have to avoid bad press but also to transform or respond to it quickly to pay attention to the customer and make them feel understood (Cripps, 2005). Moreover, coming back to new technologies, and according to Gartner's report (2015), offering a digital experience to clients is really essential to touch customers now. Indeed, an article from the newspapers Forbes highlights this idea: "Given the importance of digital in driving customer experience, and the impact it can have on company growth, pursuing a path to digital mastery is critical." (Calhoon, 2015). Any company should not avoid the digitalisation of the world and, on the contrary, it should take to its own advantage to attract new clients and to carry weight on its market. And the article also underlines that the product also needs "digital operational excellence" (Calhoon, April 2015), which means it has to be an innovative product in that the products itself has to be conceived by new (digital) performing technics. According to a report made by Ernst & Young (2011), digitalisation and the virtual capabilities mean dreams and passions for many people of the Y generation -the digital generation- because it represents the idea that everything is now possible. Their expectations are numerous and they are the "incubators" of change in consumer and corporate environments (Ernst & Young report, 2011, p.5). The digitalisation era means a lot of changes for the companies' strategy. As the report suggests, "the companies need to develop a comprehensive digital strategy and rethink their business and operating models to deliver the right response to this new demand". (Ernst & Young report, 2011, p.1)

2.4 Brands and their role in the consumer behaviour

The buying decision process model shows how various aspects of the environment or the products can influence the customers when buying. Brand is one of them and surely one of the most important when talking about the sportswear industry. Everyone has heard about

Nike or Adidas, but what makes those brands so popular apart from the product attributes? According to Aaker (1991, p.7), "A brand is a distinguishing name and/or symbol (such as a logo, trademark, or package design) intended to identify the goods or services of either one seller or a group of sellers, to differentiate those goods or services from those competitors". Indeed, Brands allow consumers to identify the maker of goods or the provider of the service and will assign a responsibility to it. Brands create a link between the consumer behaviour and the buying decision process. Indeed, brands can provide knowledge when a consumer buys a certain product and remembers it. However, in case this consumer feels a need that can be fulfilled with this product, he/she will wonder if this brand was a good experience or no. This is the information search step of the buying decision process (Keller et al, 2008). In the case of the information search, an important aspect of branding plays a major role: the brand equity. The brand equity is defined by Aaker as the value added to the brand and perceived by the customers. In other words, what a red t-shirt Lacoste will have more than a private label red t-shirt. Is the brand sufficient to provide a value added to the product? Does a brand always provide what it promises? These questions should come to consumers' mind while buying because both perceived quality and brand associations can contribute to customer's satisfaction (or dissatisfaction) after the experience of using it (Aaker, 1991). Actually, The best consumers a company can have are people who already consume those company's products. Strengthen the relation between companies and firms is one of the major stakes of marketing and brands are a very good way to make this work (LePla & Parker, 2002). Finally, the last point company should not forget when building a brand is that it must be composed of three elements that will be perceived by the customers: its communication and strategy, its association and principle but also its mission and values the Integrated Brand Model) (LePla & Parker, 2008). But most important, the more people can reach the third step, the most efficient the brand.

2.5 Retailing

According to Mason & Burns (1998, p.6), "retailing consists of all activities involved in the sale of goods and services to the ultimate consumer." Thus, it is the channels by which products are delivered to the final consumers. As a matter of fact, Decathlon is known as one of the world's biggest sports retailers, the second one after Intersport, according to an article in EUROSPORT official website (A. Mattei, April 2015). Their aim is to provide sportswear products to many people to give them an easy access to practice. Indeed, the positioning of Decathlons is "To encourage participation in sport and make the pleasures and benefits of

sport available to the many." (T. Peeters). Sportswear products can be also found in stores that could be called specialized retailers. These stores are stores like Foot Locker or JD Sports. They mainly sell sneakers and some outfits. As JD Sports describes itself in its corporate website, the company is "the leading retailer and distributor of branded sportswear and fashionwear". And then, sportswear products are presented in casual prêt-à-porter stores which develop a sporty collection as it is the case of H&M, Zara or Gina Tricot. As an article of Daily News published in December 2013 mentions it, there is an "expanded line, which will be branded 'H&M Sport,' features a range of activewear and accessories for men, women and children". So, sportswear is everywhere and the choice is really large, between branded products and non-branded ones. Moreover, as graphs found in the Decathlon official website show, the number of their stores has consequently increased for years now. Between 2000 and 2015, the number of stores has more than tripled: from 200 stores to 650 nowadays. This illustrates the fact that retailers are getting more and more numerous. That huge number of retailers can be a real asset for sportswear companies because, according to Mason & Burns (1998, p.247) "consumers purchasing shopping goods prefer to compare the offerings of several stores before deciding what to buy." Thus, consumers not only have many places to find what they want, but they may have better choice in specialized retailer stores such as JD Sports. As Durieu wrote (2003), "Retailers' main role is to respond to consumer demand and to offer a range of products". Thus, thanks to this kind of stores, they can compare the different shoes for example from different brands and see the advantages and disadvantages of each product, and also the material used or the technology. "Speciality goods: items for which consumers will make a special effort to purchase a particular brand."(Mason & Burns, 1998, p.247): that means the customers are ready to make a particular effort to buy products they like from a specific brand. Some sportswear customers are really keen on this kind of products and they do lots of researches to find the specific product they want. Last, but not least, sportswear customers also get used to buy their products on the Internet. In fact, Internet can give them a "virtual experience" (Rowley, 1996, p.26). The Internet also provides to the consumer the chance to have access to products that are not retailed in every store. As Little said (2015, p.2) in the Auckland retail report "Consumers now have more choice than ever before". They have the opportunity to find what they want in shops or online. "Consumers' increased access to information, on the go, means shoppers are making more informed decisions, and have greater expectations of the service and offerings retailers can provide." (Little, 2015, p.2) Thus, the importance of the Internet in the buying decision

CHAPTER 3: RESEARCH METHADODOLOGY

3.1 Research Design

Research design is an overall plan or scheme prepared by the researcher for executing the research study. It is an important stage in the process of conducting research as it facilitates systematic work on the research project. It is necessary as it facilitates the smooth conduct of research. Research design may be designed as the sequence of steps taken ahead of time to ensure that relevant data will be collected in a way that permits objective analysis of different hypothesis formulated with respect to the research problem. Research Design is a blue print for collection, measurement and analysis of data. Descriptive research is used in this projects report in order to understand the perceptions of different consumers towards Puma products and their behaviour patterns.

3.2 Objectives Of The Study

- To study Puma's share in world and Indian market.
- To analyze consumer preferences regarding Puma products.
- To study the innovative marketing strategies of the company.
- To understand the strengths and weaknesses of the company. (SWOT Analysis)

3.3 Sample Selection Process For The Study

Due to time constraint, the sample space is limited to 255 respondents. The criteria for participant selection is random.

3.4 Data Collection

Data Collection helps to assess the health of your process. To do so, you must identify the key quality characteristics you will measure, how you will measure them, and what you will do with the data you collect. Data Collection is nothing more than planning for and obtaining useful information on key quality characteristics produced by your process. However, simply collecting data does not ensure that you will obtain relevant or specific enough data to tell you what is occurring in the process.

3.5 Source Of Data Collection

PRIMARY DATA:

The primary data is the data in which the researcher collects data through various methods like interviews, surveys and questionnaires. Primary data in this project was collected with the help of a structured questionnaire. The sample size was of 100 respondents from Delhi NCR region.

SECONDARY DATA:

Secondary data is used to mainly support the primary data. Secondary data was collected through books, annual reports, previous reports, and magazines and literature available on Internet regarding the topic of study.

✓ I HAVE USED PRIMARY DATA FOR MY RESEARCH PROJECT

CHAPTER 3: FINDINGS AND ANALYSIS

A questionnaire was formed consisting of 14 main questions. The questionnaire was circulated to 250 people out of which 210 were received. 10 of them were considered invalid due to incorrect data entry or missing values. A pilot survey was done for the first 20 responses to check the reliability of the data collected.

I) QUESTIONNAIRE ANALYSIS

3.1 Age Group of the Respondents

Age group	Number of Respondents	Percentage
Less than 15	2	1
15-25	167	83.6
25-35	27	13.4
35-45	2	1
45- above	2	1
Total	200	100%



It was found that among 250 forms that were circulated, the most to show up interest in sports lifestyle brands was the age group being 83.6% being the age where in the youth is highly motivated towards sports and fitness. And the second one being the age group 25-35 where studies prove that people loosen some interest in sports and fitness which keeps on reducing with growing age as we can see in the respondents sheet.

3.2 Occupation of Respondents

Occupation	Number of Respondents	Percentage
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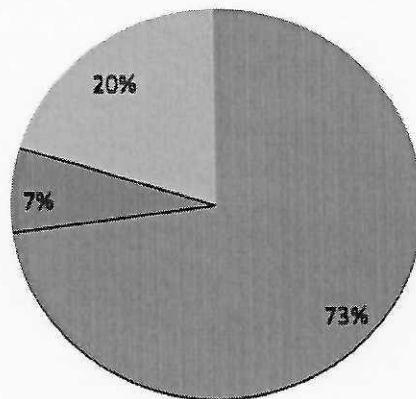
Students	146	73%
Business	14	7%
Professionals	40	20%
Total	200	100%

Interpretation:

- ✓ 73% , that is , 146 out of 200 respondents are students
- ✓ 20% of the Respondents are working professionals.
- ✓ 7% , that is , the least number of respondents are businessmen

Occupation of Respondents

Students Business Professionals



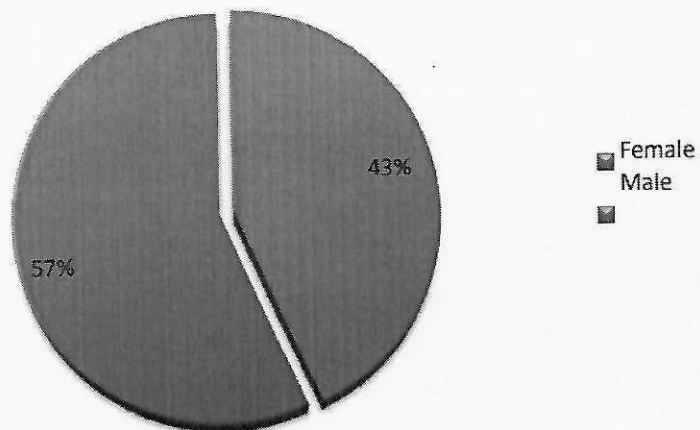
3.3 Gender of the Respondent

Gender of Respondents	Female	Male	Total
Number	86	114	200
Percentage	43%	57%	100%

Interpretation:

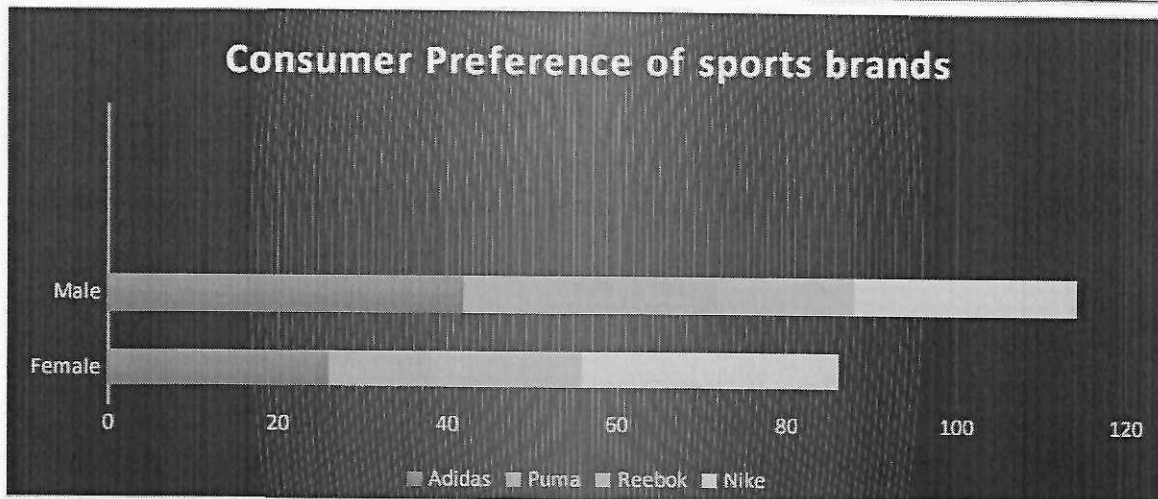
- ✓ 57% of the respondents are male. More respondents are male.
- ✓ 43% of the respondents are female, that is , only 86

Gender of Respondents



3.4 Consumer preference of Sports brands

Brands	Adidas	Puma	Reebok	Nike	Others	Total
Female	26	12	18	30	0	86
Male	42	30	16	26	0	114
Total	68	42	34	56	0	200

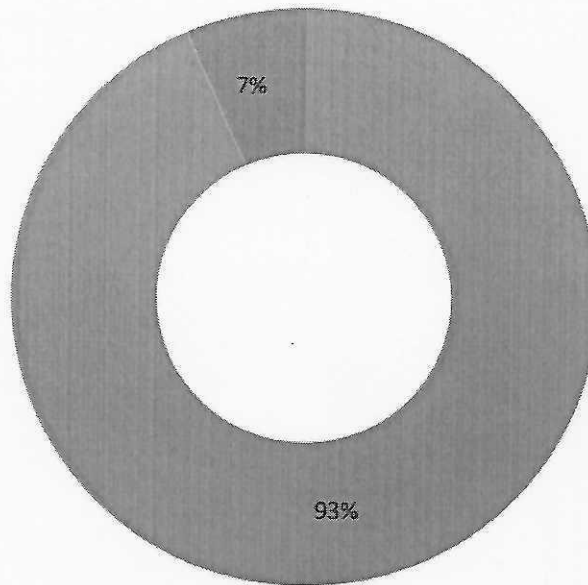


Interpretation:

- ✓ Among females, 12 out of 86 prefer PUMA to its competitors.
- ✓ Among females, 30 out of 86 prefer Nike which makes it Puma's biggest competitor
- ✓ Among males, 30 out of 114 prefer PUMA over its competitors
- ✓ Among males, 42 out of 114 prefer Adidas which makes it Puma's biggest competitor for the male target market.

3.5 Popularity of Puma products among Respondents

	Yes	No
No. of Respondents	186	14
Percentage	93%	7%

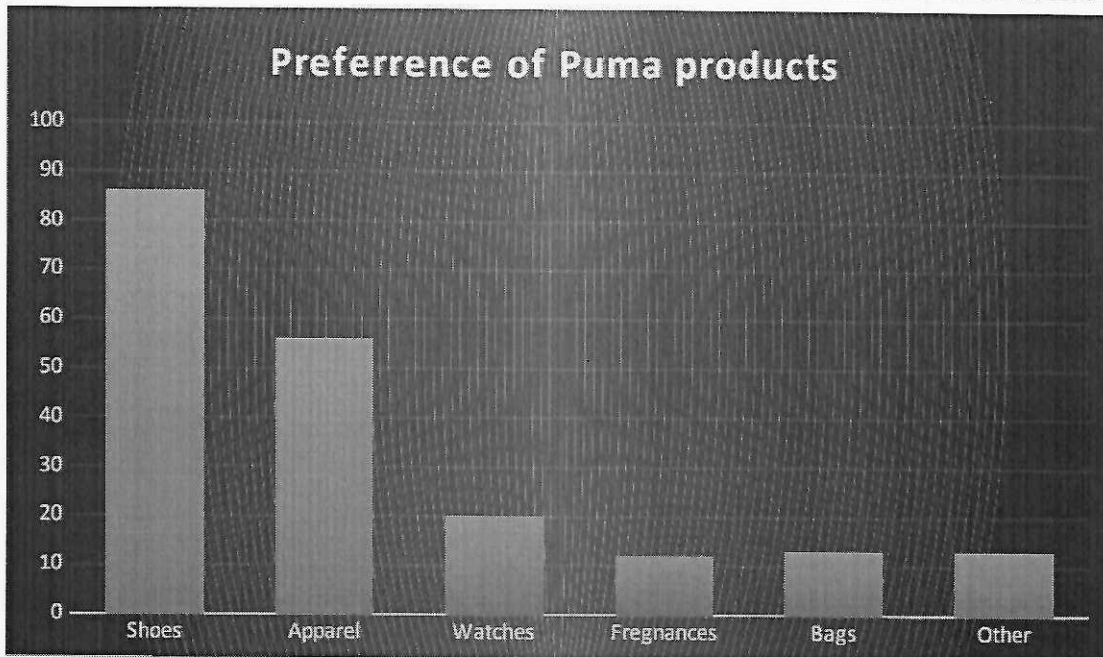


Interpretation:

- ✓ 93% of the respondents have used products manufactured by Puma including shoes, fragrances, watches etc. which means that it is a popular product.
- ✓ Only 7% of the respondents, that is only 14 out of 200 have not used any of the products manufactured by Puma.

3.6 Range of Puma products preferred by the Respondents

Products	Shoes	Apparel	Watches	Fregrances	Bags	Other equipment
Popularity	86	56	20	12	13	13
Percentage	43%	28%	10%	6%	13%	13%



Interpretation:

- ✓ 86 out of 200 respondents preferred to buy shoes the most from Puma, accounting to almost 43% of them
- ✓ 56 out of 200 preferred to buy apparel and 20% of them were fond of watches
- ✓ While there was very less competition between fragrances and bags sold by Puma

3.7 Quality rating of Puma products by the Respondents

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Rating	5-Not at all Satisfied	4-Poor	3-Good	2-Very Good	1-Very Satisfied
No. of Respondents	0	6	68	106	20
Percentage	0%	3%	34%	53%	10%

✓ **Interpretation:**

- ✓ 53% of the respondents think that the quality of Puma products is very good.
- ✓ 34% of the respondents have rated the quality Puma products at 3 which is good.
- ✓ 10% of the respondents have rated the quality as very satisfying.
- ✓ 3% of the respondents feel that the quality of Puma products is poor.
- ✓ No respondents have rated it as not at all satisfied.

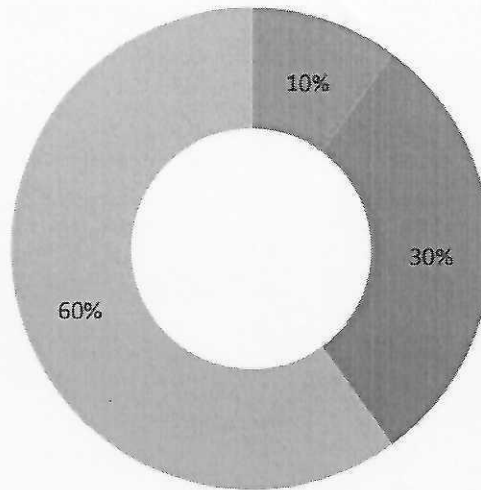


3.8 Pricing reviews of Puma products by the Respondents

Pricing	Cheap	Fairly Priced	Expensive
No. of Respondents	20	60	120
Percentage	10%	30%	60%

Interpretation:

- ✓ 60% of the respondents think that the products are expensive.
- ✓ 30% of the respondents think that the products are fairly priced.
- ✓ Only 10% of the respondents consider the products cheap.



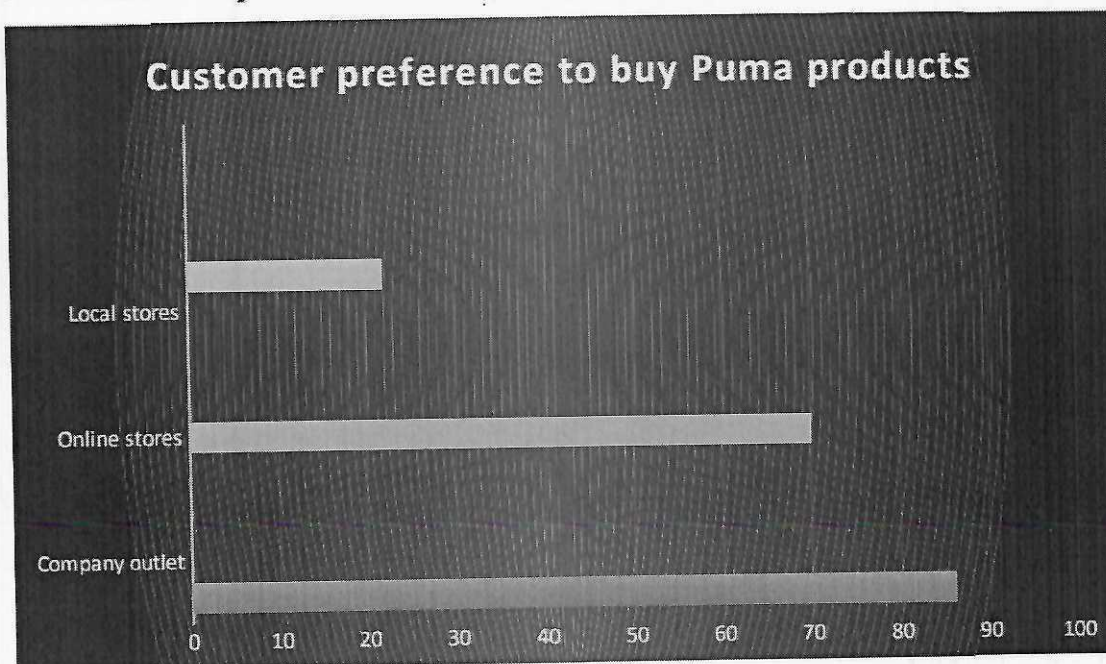
3.9 Easy Availability of Puma product



Interpretation:

- ✓ 89.6% people believed that the products are easily available whereas only 10% thought that it was difficult to find them.

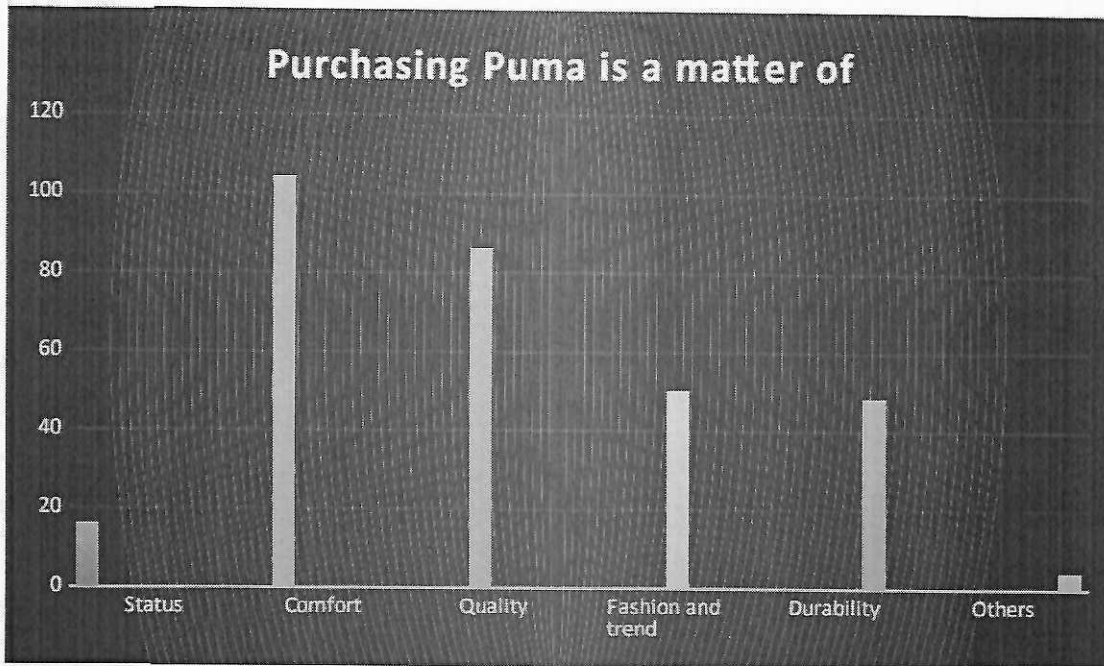
3.10 Customer preference to buy Puma products



Interpretation:

- ✓ Majority of the respondents prefer to buy puma products from company outlet whereas there were only 11% of them who like to buy the products from local stores

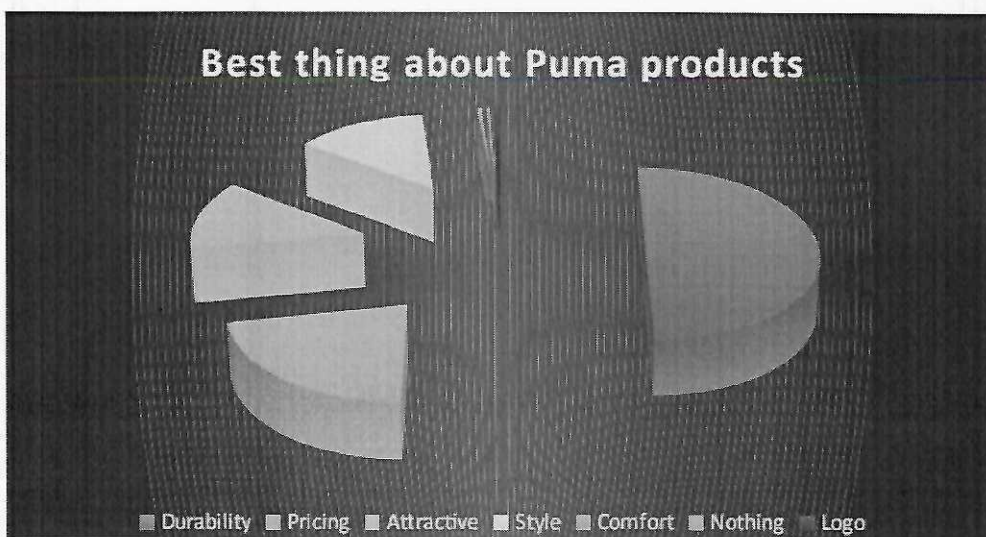
3.11 For respondents, buying Puma is a matter of



Interpretation:

- ✓ There were around like no respondents who chose Puma for its price and for a change kind of stuff.
- ✓ But the positive side was most of them buy Puma for its quality and comfort.
- ✓ While there were few people to vote for fashion and durability of Puma products and a very few who chose them as a status symbol.

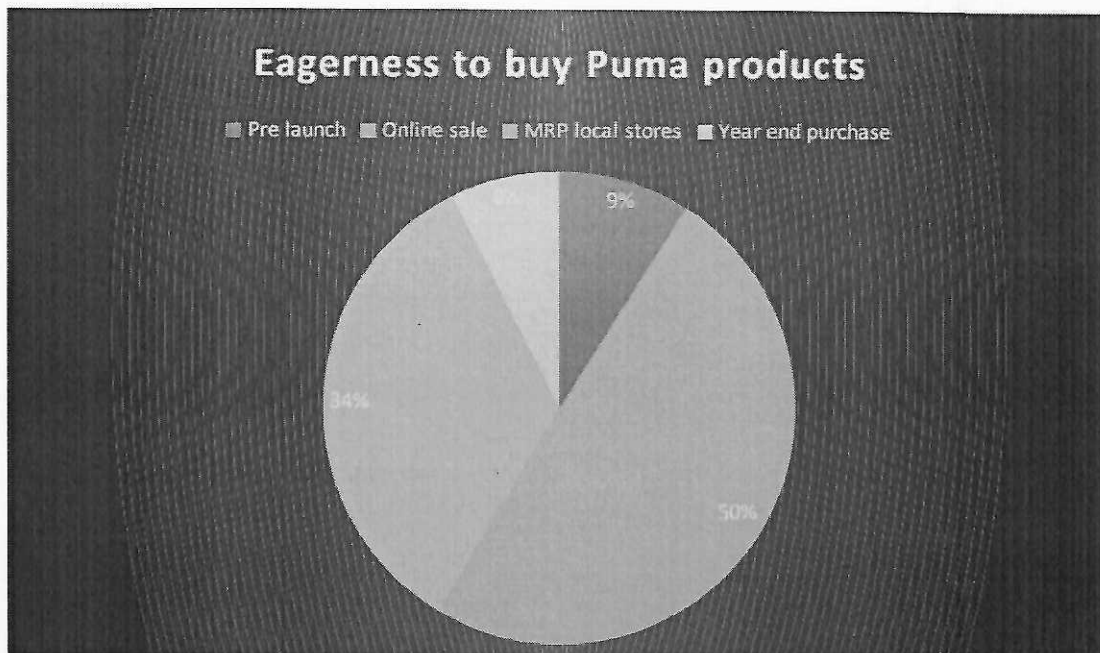
3.12 Best things Respondents like about Puma



Interpretation:

- ✓ The best things that the respondents liked about Puma was its Price, Durability, Attractiveness and Style
- ✓ Whereas there were very few of them who like its comfort and logo or nothing about Puma.

3.13 Eagerness of Respondents to buy Puma products



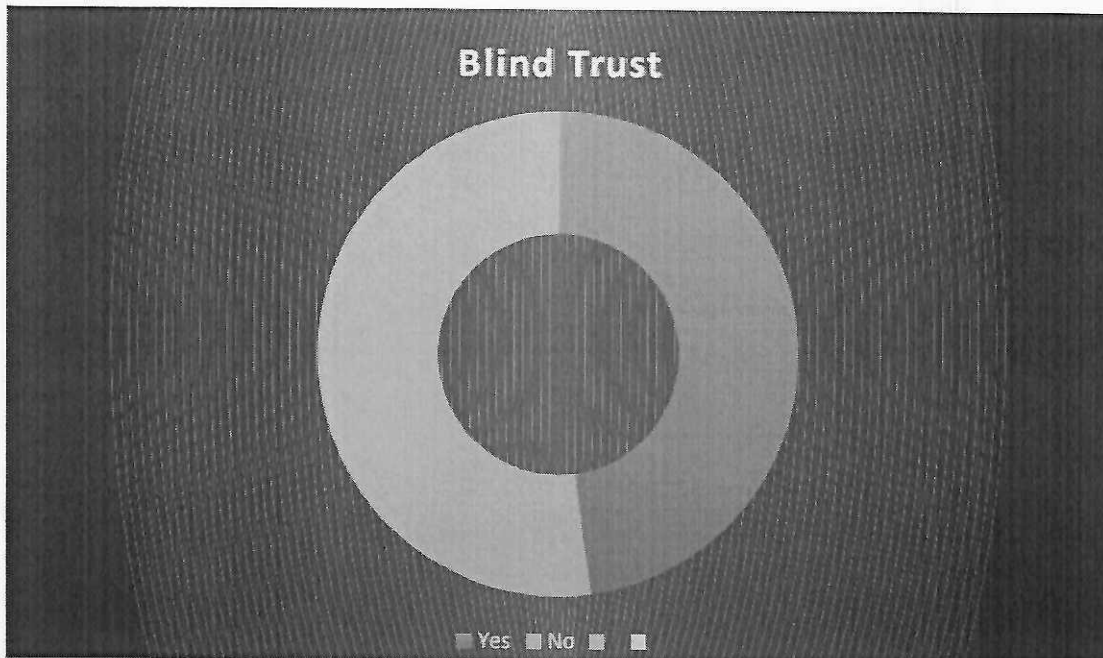
Interpretation:

- ✓ The findings show that most of the respondents prefer to buy puma products in an online sale that makes the puma products less eager among the respondents.
- ✓ While there were still 34% of them who like to buy the new products at MRP price from the local stores after the launch.
- ✓ There were a very few of them who ordered it in a pre launch advertisement.

3.14 Trust of Puma products among Respondents

Interpretation:

- ✓ There was not much difference between blindly choosing Puma products and not choosing them so its difficult to tell.



II) SWOT ANALYSIS

Strengths:

- ✓ PUMA is very innovative and has a very rich Research and Development team. The Company produced the first screw boots for football and "Mexico 68" with the innovative brush soles, which were the most comfortable running shoes
- ✓ Strengths of PUMA are that it is an established brand in over 90 countries, and is a very popular, well-known brand throughout the world. This means that they have a huge target audience. Their famous logo with the jumping cat is today one of the most famous trademarks worldwide. Their extensive product range, from world class football

Income Statement	Q1/2023 € million	Q1/2022 € million	Devi- ation
Sales	2,187.7	1,912.2	14.4%
Cost of sales	-1,170.7	-1,010.0	15.9%
Gross profit	1,016.9	902.2	12.7%
- in % of sales	46.5%	47.2%	-0.7 pp
Royalty and commission income	6.9	6.7	3.3%
Other operating income and expenses	-848.3	-712.8	19.0%
Operating result (EBIT)	175.5	196.0	-10.5%
- in % of sales	8.0%	10.3%	-2.2 pp
Financial result	-7.8	-13.0	-40.0%
Earnings before taxes (EBT)	167.7	183.0	-8.4%
- in % of sales	7.7%	9.6%	-1.9 pp
Taxes on income	-41.9	-46.7	-10.2%
- Tax rate	25.0%	25.5%	-0.5 pp
Net income attributable to non-controlling interests	-8.5	-15.0	-43.2%
Net income	117.3	121.4	-3.4%
- in % of sales	5.4%	6.3%	-1.0 pp
Earnings per share (€)	0.78	0.81	-3.5%
Earnings per share (€) - diluted	0.78	0.81	-3.5%
Weighted average shares outstanding (million)	149.79	149.61	0.1%
Weighted average shares outstanding - diluted (million)	149.80	149.61	0.1%

Rounding differences may be observed in the percentage and numerical values expressed in millions of Euro since the underlying calculations are always based on thousands of Euro.

Balance Sheet	Mar. 31, '23 € million	Mar. 31, '22 € million	Deviation	Dec. 31, '22 € million
ASSETS				
Cash and cash equivalents	288.8	537.2	-46.2%	463.1
Inventories *	2,147.3	1,618.3	32.7%	2,245.1
Trade receivables *	1,276.9	1,128.5	13.2%	1,064.9
Other current assets *	348.5	257.8	35.2%	304.1
Other current assets	83.2	141.5	-41.2%	123.2
Current assets	4,144.7	3,683.2	12.5%	4,200.4
Deferred taxes	317.0	289.5	9.5%	295.0
Right-of-use assets	1,095.0	948.5	15.4%	1,111.3
Other non-current assets	1,209.3	1,032.4	17.1%	1,166.0
Non-current assets	2,621.3	2,270.4	15.5%	2,572.3
Total Assets	6,766.0	5,953.6	13.6%	6,772.7
LIABILITIES AND EQUITY				
Current financial liabilities	635.4	0.3	-	75.9
Trade payables *	1,282.7	1,275.0	0.6%	1,734.9
Other current liabilities *	738.5	724.8	1.9%	792.3
Current lease liabilities	199.1	178.6	11.4%	200.2
Other current liabilities	62.8	59.4	5.7%	39.7
Current liabilities	2,918.4	2,238.1	30.4%	2,843.0
Deferred taxes	41.4	49.8	-16.8%	42.0
Pension provisions	21.9	32.5	-32.6%	22.4
Non-current lease liabilities	1,015.0	857.9	18.3%	1,030.3
Other non-current liabilities	161.6	344.9	-53.2%	296.2
Non-current liabilities	1,239.9	1,285.1	-3.5%	1,390.9
Equity	2,607.6	2,430.4	7.3%	2,538.8
Total Liabilities and Equity	6,766.0	5,953.6	13.6%	6,772.7

* included in working capital.

Rounding differences may be observed in the percentage and numerical values expressed in millions of Euro since the underlying calculations are always based on thousands of Euro.