

Case study: Decathlon

Omnichannel warehousing for 3,000 online orders and 55,000 offline products

Country: United Kingdom



Decathlon has chosen Mecalux's shelving for picking once again to manage its omnichannel logistics. After equipping its warehouses in France, Germany, Italy and Poland, it is Northampton's (UK) turn. With 35,000 SKUs, the warehouse preps and ships out 3,000 orders a day for online users and around 55,000 items for all Decathlon physical storefronts in the UK.

Omnichannel warehouse in the United Kingdom

Founded in 1976 in France and present in more than 35 countries globally, Decathlon sells goods for sports enthusiasts. It has more than 1,350 points of sale where it markets products for practicing any kind of sport: swimming, soccer, tennis and cycling, among others. The company opened its first warehouse in the UK at the end of 2013.

Logistics is central to ensuring the delivery of Decathlon's products — from best-known market brands to the more than twenty in-company brands (known as Pasión)—to its customers.

One of the biggest challenges facing Decathlon is to meet rising customer demand as fast as possible. In recent years, it has implemented an omnichannel business model to achieve this goal. In other words, it is committed to providing an all-around shopping experience for consumers.

From a logistics point of view, the word omnichannel implies taking care of online orders, physical outlets and other potential channels all at the same time. To deal with this volume of work, it is essential to have optimum storage capacity and, of course, quick and flexible operations.

Decathlon has relied on Mecalux solutions on many occasions. Some of its warehouses in France, Germany, Italy and Poland have Mecalux shelving for picking because they provide direct access to smaller goods, which is crucial for preparing numerous daily orders.

Decathlon opted for Mecalux's collaboration once again for its new logistics center in Northampton (United Kingdom). *"We have worked with these guys before, so we knew Mecalux would come up with the right solution to meet our needs,"* explains Zsolt Kabai, project manager at Decathlon UK. In this British town, Decathlon has relocated to a new logistics

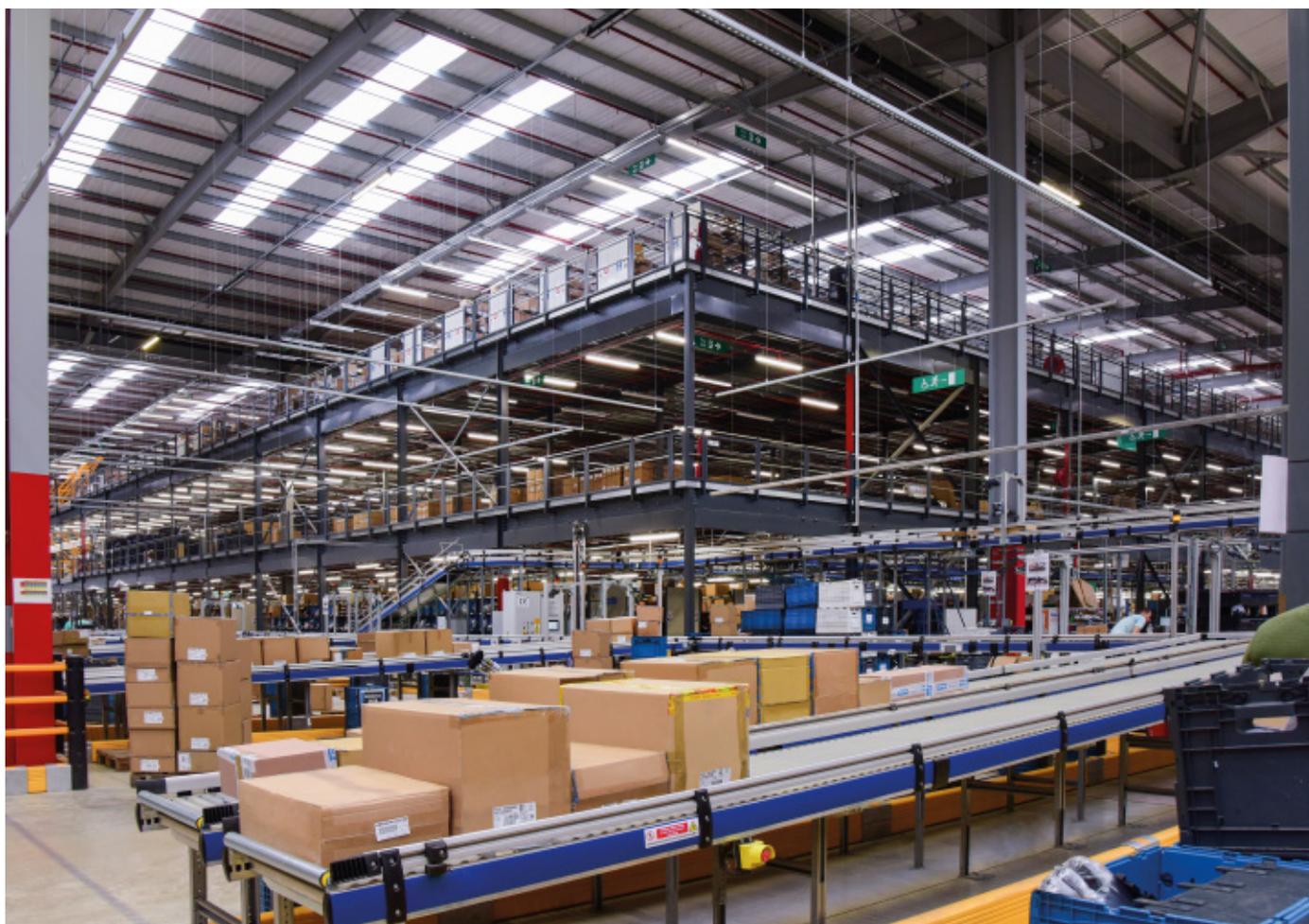
center to tackle the increase in shop-based sales nationally, as well as online sales: *"our market presence has expanded lately, so we also needed to broaden and improve our logistics,"* says Kabai.

The warehouse's location cannot be beat, with excellent transportation ties: just 68 miles from London, an hour's drive from Birmingham Airport and well-connected to Bristol, Manchester, Nottingham, Sheffield and Leeds.

Warehouse features

With this warehouse, Decathlon has made gains not only in space (8 acres), but also in efficiency. In addition to this lies well-organized work, which is essential for arranging the more than 35,000 different SKUs managed at these facilities. *"On average, we receive 250 pallets a day with products from Decathlon's central warehouses in France and Spain,"* comments Kabai. The manager adds, *"The only pallets that do not come from*

This direct access to products is an indispensable feature of the shelves so that thousands of daily orders can be prepared more quickly





those sites are ones with bicycles and certain specific products, which come directly from the manufacturing plants." Upon receipt of the goods, operators verify the loads and store them in the appropriate locations based on their dimensions and demand level.

Picking is the core operation. Therefore, both operations and goods distribution are designed to "facilitate and accelerate the processing of up to 3,000 orders per day, which are sent to customers shopping online from the United Kingdom and Ireland," says Kabai. As this involves operations in an omnichannel warehouse, not only do users buy through the website, but "each day, we also dispatch between 50,000 and 60,000 items among all the different shops Decathlon owns in the UK."

The warehouse comprises a three-story mezzanine (94,722 ft²/level) where Mecalux has installed 1,939 shelving units, each 8.2' high. This solution is designed to store multiple SKUs of varied rotations and small sizes (shoes, swimming caps, clothing, etc.). These direct-access picking shelves make it easier to handle the



Zsolt Kabai
Project Manager, Decathlon UK

"The shelving's high quality and distribution have meant a serious increase in our picking productivity. Now, we can cater to online shoppers and all the Decathlon retail shops in the UK more rapidly."

Order picking follows the "person-to-product" principle, i.e., operators go around the warehouse locating SKUs to fulfill each order

product. In short, this accelerates storage work.

Ready for the omnichannel challenge
Decathlon has opened a warehouse in Northampton set up to face the omnichannel challenge. The company focuses its operations on preparing many orders (each with few lines) with a single objec-

tive: to guarantee deliveries in the shortest possible time.

The shelving for picking enabled by Mecalux has greatly improved order prep and provided more efficient service. Direct access helps the company process products inside the boxes and ensures fast picking.



Advantages for Decathlon

- **Storage capacity:** shelving for picking optimizes the available surface to accommodate more products of different rotations and dimensions.
- **Omnichannel logistics:** Decathlon's warehouse is engineered to boost the day-to-day fulfillment of 3,000 online orders and to supply the company's UK retail shops with 55,000 products.
- **Growth in the UK:** Decathlon has relocated to a new, larger warehouse in Northampton, illustrating the company's strong and growing momentum in the country.

