

SWOT ANALYSIS

Strengths Internal to the Brand:

- Dick's Sporting Goods has established itself as a leading sporting goods retailer within the United States, with over 25 million active ScoreCard members, thereby building strong brand recognition and a national presence. This level of familiarity is a key strength because it builds consumer trust and encourages further repeat purchases, making it easier for the brand to launch new campaigns and initiatives successfully.
- Dick's Sporting Goods' involvement in youth sports and community-based initiatives strengthens the brand image. This involvement positions Dicks as more than a retailer; it creates a sense of community and belonging, thereby fostering emotional connections with consumers and long-term loyalty, especially amongst families.
- Dick's Sporting Goods offers a wide range of products across multiple categories, including athletic apparel, footwear, sports equipment, and outdoor gear. This is significant because it positions Dicks to reach multiple consumer segments simultaneously, increasing overall market share while encouraging customers to buy items across categories.
- Dick's Sporting Goods has invested in experiential retail through interactive features such as turf fields, rock-climbing walls, golf hitting bays, and various equipment services. This helps differentiate the brand from online competitors in a way that's difficult to replicate. These features also encourage in-store visits and increase customer engagement, ultimately leading to higher conversion rates and reinforcing the value of its physical presence.

Weaknesses Internal to the Brand:

- Although Dick's Sporting Goods has become a respected and leading sporting retailer, the brand relies heavily on physical retail locations, which results in high operational cost including staffing and inventory management. Unlike competitors who rely mainly on digital interactions, this approach can be challenging when in-store traffic declines.
- While Dick's Sporting Goods offers an array of products, many are from luxury and higher-end brands with higher price points. This limits accessibility for price-sensitive,

budget-conscious consumers and further increases vulnerability during economic downturns when consumers are more likely to seek cost-efficient alternatives from direct competitors.

- Despite Dick's Sporting Goods having an e-commerce presence, it doesn't match the speed, convenience, and easy-to-navigate layout of major online retailers that attract shoppers. Modern consumers look for a seamless, fast digital experience; anything less can lead to cart abandonment and lost sales.

External to the Brand:

Opportunities:

- Culturally, there's a growing emphasis on health, wellness, and active lifestyles. While Dick's is already in the athletic space, there is an opportunity for them to expand to a wider audience, including lifestyle. If Dick's expands its positioning and offerings beyond the traditional athlete, it'll be able to capture a new lifestyle-oriented consumer base.
- Strengthening Dick's digital and social media presence would enable better engagement with younger audiences (Gen Z and Gen Alpha). Expanding their social media presence on platforms such as Instagram and TikTok allows the brand to increase brand relevance and strengthen its relationships with consumers.
- With women's sports on the rise, Dick's has the opportunity to increase investment in their female department. While they already carry women's athletic apparel and equipment, they can further expand their offerings, marketing, and partnerships to better serve the audience. This would drive sales and brand differentiation, ultimately positioning Dicks as a brand that cares about uplifting underrepresented individuals.

Threats:

- There is an increasing consumer demand for sustainability and ethical sourcing. This is vital because if Dick's doesn't meet these expectations, consumers can look elsewhere for

their needs, which can negatively affect brand perception among young consumers who are more likely to prioritize their beliefs over the brand.

- Consumers are shifting towards resale, thrifting, and overall secondhand marketplaces. This is a growing threat because it reduces demand for new products amongst younger consumers, thus reducing overall sales volume.
- Culturally, there is a growing expectation for brands to take clear stances on social and political issues. This can increase Dick's risk because while taking a stance can strengthen loyalty among some consumers, it can also alienate others. Whether the brand takes a clear stance or not, brand positioning is complex and will impact overall perception and sales.

Strategic Insights

- Having Dicks Sporting Goods expand its investment in women's sports allows it to better support an audience that is still growing. While the brand already carries women's products, expanding the assortment and placing greater emphasis on marketing and partnerships would increase visibility, drive sales, and strengthen its brand image as inclusive and supportive. The success metrics we'd keep a close eye on would be sales growth in the women's category, new female customer acquisitions, and overall engagement on women-focused campaigns.
- By expanding and improving their existing trade-in program to all locations and introducing a resale program, Dick's Sporting Goods addresses the growing shift towards resale and secondhand shopping. Dick's can expand its own trade-in system for used gear and apparel, which would keep customers within the brand while appealing to consumers who value price and sustainability. These programs can be applied as store credit or as a different voucher of interest to the consumer. Some ways we'd track our success include trade-in participation rates, revenue from resale products, and increases in store traffic tied to the program.
- Improving the e-commerce experience would directly address Dick's weakness of having an un-navigable website. It would also simplify the checkout process, and would reduce cart abandonment, and would prevent customers from looking at other competitors. We

would track success by measuring decreases in cart abandonment and website conversion rates.

- Reposition the brand around everyday wellness, not just sports. Dick's is strongly associated with athletes, but many consumers are engaging in everyday wellness habits such as walking, stretching, and casual fitness. By shifting the message, in-store displays, and content to reflect normal everyday routines, Dick's can reach a broader audience. We would track success through engagement with wellness-focused campaigns, increased new customer segments, and sales growth in lifestyle-related categories.