



SBS-MSC

Strategic Management in HCO

Name: WASSIM HASSAN OUTHMAN
ID number: 13692
Unit code: MSN501

ANSWER

Executive Summary

Dick's is the largest [sporting goods](#) retail company in the United States, with approximately 854 stores, as of 2020. The public company is based in [Coraopolis, Pennsylvania](#), outside [Pittsburgh](#), and has approximately 50,100 employees, as of March 2020. The company's subsidiaries include [Field & Stream](#), Golf Galaxy, and Public Lands, and, previously, Chelsea Collective and True Runner. In 2017, there were 690 Dick's stores, close to 100 Golf Galaxy locations, and approximately 30 Field & Stream stores. The company launched Team Sports HQ, a collection of digital products, following the acquisitions of Affinity Sports, Blue Sombrero, and Gamechanger.

[Edward W. Stack](#) serves as executive chairman. [Lauren Hobart](#) is president and chief executive officer of the company and Lee Belinsky is chief financial officer, as of 2018. Hobart succeeded Edward W. Stack as [CEO](#) on February 1, 2021, becoming the company's first female CEO.

Organization profile:

Dicks Sporting Goods

Country: U.S.

Headquarters: Coraopolis, Pa.

Industry: Specialty Retailers: Other

CEO: Lauren R. Hobart

Company Type: Public

Ticker: DKS

Revenues (\$M): \$9,584

Profits (\$M): \$530.3

Market Value (\$M): \$6,798.8

Employees: 33,450

Introduction

Dicks Sporting Goods, Inc. is an American sporting goods retail company, based in Coraopolis, Pennsylvania. The company was established by Richard "D*ick" Stack in 1948, and has approximately 854 stores and 50,100 employees. Dicks is America's largest sporting goods retailer, and it is listed on the Fortune 500. Dicks Sporting Goods, the country's largest athletics and fitness retailer, moved up 42 spots on the Fortune 500 this year, powered by a solid 9.5% increase in sales in 2020. In the first quarter of 2021, Dicks beat analyst estimates, reporting net income of \$361.8 million compared to a loss of \$143.4 million a year ago.

.

Mission Statement

Our mission to be the #1 choice for athletes and sports enthusiasts like you. If you're passionate and committed to sports, find out why you belong on our team.

Vision Statement

The vision of the store is to build brands that serve and inspire athletes and outdoor enthusiasts also to create value for the shareholders through improvements of everything they do.

Dicks Sporting Goods Strengths (Internal Strategic Factors)

This section of the analysis model works with the inner variables that the organization can use as competencies and strengths to address shortcomings and ensure the business against rivalry. For this situation, Dicks Sporting Goods 'primary qualities are:

Strong brand image

- Dicks Sporting Goods is one of the world's most premium, well known and most famous brands.
- The organization has a developing populace of steadfast clients, which adds to the soundness of the business.

International distribution network

- In the analysis model, the global distribution network through directly owned subsidiaries, or contracts with third-party agents' further strengths Dicks Sporting Goods by supporting activities.
- For instance, the organization has a worldwide system of providers that are deliberately chosen dependent on criteria relating to quality, for example, of raw materials as has been discussed in the value chain - primary and supporting activities.

Strong investment in research and development, and high focus on innovation

- The focus on innovation not only keeps the company apart but also facilitates its industry leadership.
- The internal core strengths and competent variables recognized in this section of the analysis of Dicks Sporting Goods demonstrates that the business has qualities that advance strength through expansion and a worldwide production network.

Focus on market research

- Additionally, the organization steadily expands its business
- This is done through contracts with offshore agents and licenses. Also, the company continues to broaden its portfolio by adding new products based on market research and consumer data.

Dicks Sporting Goods Weaknesses (Internal Strategic Factors)

Business weaknesses or shortcomings are recognized in this part of the analysis. Shortcomings are inward factors that diminish or cut off business capabilities and strengths. Dicks Sporting Goods shortcomings are as per the following:

Premium prices for most portfolio products

- Dicks Sporting Goods has a premium brand image attached, and thus all its products in the portfolio are priced highly
- This expands overall revenues yet decrease the affordability of its items.
- This internal key factor is a shortcoming since it confines the organization's share of the overall industry, particularly in territories with generally lower disposable earnings

Standard and benchmarked regulations and business procedures for all portfolio items - Generalization

- Likewise, this analysis highlights that generalized standards for all portfolio products may be a weakness because it restrains the adaptability of these products and items in the business.

Imitability

- What's more, numerous Dicks Sporting Goods items are imitable.
- Several items in the portfolio have been imitated by completion, and are also being provided by them at different price points.
- Though the quality is unique to Dicks Sporting Goods, the competing players have also developed close enough, and acceptable products.
- This business condition engages competition, as has been highlighted already.

Fighting the challenge of imitation

- The internal factors in this section of the analysis of Dicks Sporting Goods demonstrate that the business must create qualities to diminish the unfavorable impacts of impersonation and the impact of high value focuses on the organization's share of the overall industry in the international and local business.

Porter's Strategic Options

- Leading organizations such as Dicks Sporting Goods have obtained sustainable competitive advantage and have had the option to achieve the strategic position.
- There can be different sources of sustainable competitive advantage for Dicks Sporting Goods. A firm can depend on innovation to decrease its overall production costs and would then be able to pass this advantage on to its clients.
- Dicks Sporting Goods can also concentrate on making a differentiated item or administration to increase its overall share of the pie.

· Dicks Sporting Goods can generate considerable sustainable competitive advantage utilizing these systems. This is done through means of traditional as well as modern procedures embraced by Dicks Sporting Goods to competitive advantage hand and increase its share of the pie.

Differentiation strategy

Organizational Leadership

Dicks Sporting Goods has made use of the differentiation factor to maintain higher leadership and differentiation from industry competition. Differentiation of effective leadership may be achieved through different forms and basis.

Product Quality

Moreover, this differentiation can fluctuate from item to item, market to market and industry to industry. Generally, the essential bases of differentiation are quality, durability, usefulness and in a few consumer loyalties, and brand image. Dicks Sporting Goods has differentiated its items and products dependent on the quality and set a completely different, and engaging consumer experience. Brand image

Brand Image

Aside from these things, it has developed a distinct and distinguished brand image which is additionally a premise of differentiation and encourages Dicks Sporting Goods to advertise, promote and market its products and brand better than the competing players in the local and international markets.

Focus strategy

Overall Quality of product and service

The essential premise of differentiation for Dicks Sporting Goods is quality and premium taste. It serves just premium quality products, which enables it to charge a top notch and a premium cost. It has embraced the most astounding measures as far as the nature of its raw materials used for producing its products. At each progression, Dicks Sporting Goods puts forth an admirable attempt to guarantee that its product fulfils the most noteworthy quality guidelines.

Value addition at each step of the value chain

However, the account of value does not finish at getting incredible quality of raw materials. It goes more remote from that point. A great deal of contrast originates from the readiness. Dicks Sporting Goods prepares its product diligently to draw out the quality.

Human resource management

Rest of the credit goes to the human resource and employees at Dicks Sporting Goods. The brand carefully picks its raw materials - just when they in ideal condition. Products are tested from each cluster in any event thrice before endorsement. This is how Dicks Sporting Goods makes the quality that each client looks forward to, and is excited about.

Leadership and differentiation through cost

Porter's traditional methodologies are methods for increasing and developing a sustainable competitive advantage for Dicks Sporting Goods - as it was, building up the "edge" that will get the company the ideal position and differentiates it from the industry rivals. There are two primary methods for accomplishing this inside a cost leadership methodology:

- Increasing profits by decreasing expenses, while charging industry-average prices and costs from consumers
- Increasing share of the overall industry by charging lower costs, while at the same time making a sensible profit on every trade since Dicks Sporting Goods has controlled and reduced expenses.

The cost-based strategy and system are that – it includes Dicks Sporting Goods being the pioneer regarding cost in the industry and market where it operates. Just being among the most minimal cost producers isn't adequate, as the company leaves itself wide open to aggressive attacks by other producers and players in the industry. These players may undermine Dicks Sporting Goods 's costs and in this way hinder the company's endeavors towards the expansion of its share of the overall market pie.

Achieving cost differentiation

Based on this, Dicks Sporting Goods should be sure that it can accomplish and keep up the leading position before deciding on choosing the cost leadership strategy. Dicks Sporting Goods will be able to become effective in accomplishing cost differentiation by having:

- Access to the capital expected to put resources into innovation that will cut expenses down.
- Very proficient coordination's.
- A minimal effort base (work, materials, offices), and a method for economically cutting expenses beneath those of different competing players.

Achieving cost leadership

However, Dicks Sporting Goods should ensure contingency for imitation by competition, as well as be prepared for competing payers to imitate its cost-effectiveness strategy to decrease and control their costs, and increase the overall share of the pie for their products as well. It is therefore important that Dicks Sporting Goods does not only settle for one means of cost leadership but continually improves. This can be done through several different methods:

- Engaging and applying the Japanese technique of kaizen
- High efficiency
- High limit use
- Use of dealing capacity to arrange the least costs for generation inputs
- Lean production techniques (for example JIT)
- Effective creation process
- Effective dissemination channels

Overall Cost Effectiveness through Cost Leadership and Cost Differentiation

- Cost differentiation and leadership strategy for Dicks Sporting Goods will be based on the nitty-gritty.
- Cost initiative endeavors towards slicing expenses to a base to give clients lower costs and in this manner will help the company of Dicks Sporting Goods to reserve funds.
- Cost leadership strategy requirements regularly identify with high specialized abilities and access to capital
- The company should also resource into innovation and guarantee economies of scale.

EXTERNAL ENVIRONMENT ANALYSIS

The external environment analysis is needed for the Dicks Sporting Goods Case Study to make sure that it actively, and proactively responds to the macro-environment. The macro environment or the external environment for the Dicks Sporting Goods Case includes those factors which are not in control of the business or the company directly. As a result:

- The Dicks Sporting Goods cannot influence these factors in its favor, and in contrast, these factors directly affect the operations and workings of the company.
- As a result, Dicks Sporting Goods must make sure to continually assess and review the external environment to make sure that it responds to external factors, and take them into account, during strategic decisions, and strategy devising.
- Businesses like Dicks Sporting Goods make use of strategic model tools continually to make sure that they are aware of the external environment.
- These include tools like the pestle analysis and Porter's five force model, as well as strategic group analysis and pentagonal analysis, to name a few.
- The external analysis for the Dicks Sporting Goods Case Study will assess and will apply the strategic models and tools to review the business environment for the company.

PESTEL Analysis

Political

Political factors and elements can have a direct and indirect impact on the business. This is seen through the Dicks Sporting Goods Case Study.

Policy Makings

- Policymakers for the Dicks Sporting Goods Case are in all likelihood to intervene in the business surroundings.
- Commercial restrictions and political stability are additionally integral factors that will determine the success or failure of Dicks Sporting Goods.

Taxation

- Tax policy will influence the cost of doing business for Dicks Sporting Goods.
- An increase in organization taxation (on business profits) has a similar impact as an expansion in expenses.
- Organizations can pass a portion of this increase on to shoppers in more expensive rates, yet it will likewise influence the bottom line of the business.

Government Support

- The government helps organizations in two primary ways: monetary help and regulatory.
- Dicks Sporting Goods can use government assistance and grants for purposes of growing the business, advancement, exporting, and innovative work.

- Dicks Sporting Goods can also be impacted by when Governments modify regulations and laws.

Political Stability

- Lack of political stability in a country impacts business task. Political stability is particularly essential for the organizations which work globally, such as Dicks Sporting Goods.
- A forceful takeover could oust a legislature. The takeover could prompt mobs, plundering and general issue in nature. These disturb business tasks for Dicks Sporting Goods.
- Purchasing political risk insurance is a way for Dicks Sporting Goods to oversee political hazard. Organizations that have worldwide activities utilize such as insurance to lessen their risk presentation.
- The soundness of a political framework can influence the attractiveness of a specific nearby market for Dicks Sporting Goods.

Economic

The economic factors are one of the most important of PESTEL factors and can influence Dicks Sporting Goods in several ways.

GDP

- Economic components have the most evident effect on the profitability and overall appeal of Dicks Sporting Goods.
- Even though GDP per capita is a useful economic factor, GDP per capita gives just a fractional perspective on the economic factors that may influence Dicks Sporting Goods.

- Higher GDP leads to higher disposable income and hence higher sales for Dicks Sporting Goods.

Inflation

- Higher inflation will disintegrate the purchasing power of the consumer and the shopper
- Higher inflation will also harm the costs of raw materials and other inputs that are utilized by Dicks Sporting Goods.

Interest Rates

- Fluctuations in interest rates may translate into higher or lower costs for the purchase or sale of items and administrations provided by Dicks Sporting Goods.
- Higher interest rates hurt the disposable cash of consumers.

Unemployment Rate

- A high unemployment rate is also unadvisable as it dissolves dispensable income of consumers, and will harm Dicks Sporting Good's position.
- The high unemployment rate will lead to lower sales for Dicks Sporting Goods and impact its overall profitability and revenues.

How can the Dicks Sporting Goods decrease the risk of economic instability?

- Dicks Sporting Goods can work towards building economies of scale

- Maintaining business costs and controlling the final price of the product can also help Dicks Sporting Goods fight economic instability
- Dicks Sporting Goods can also work towards building a sustainably managed workforce

Social

Social influences will stem from social components of the macro environment. Under the PESTEL Analysis, they can influence Dicks Sporting Goods in several ways:

Social patterns and consumer behavior

- Social patterns affect work trends and patterns and are directly related to the behaviors of consumers.
- Social patterns also have a direct influence on buyer tastes and inclinations, and the specific kind, structure, and volume of interest for an item or service.

Social patterns and changing consumer needs

- The checking of social patterns will enable Dicks Sporting Goods to reposition its items or administrations to meet the changing desires and needs of consumers.

Social trends in education

- Social trends of higher education have allowed firms like Dicks Sporting Goods to have access to a pool of higher skilled talent – but at the same time, also face a more criticizing consumer base.

- Higher education has also made consumers more aware of different product offerings by companies like Dicks Sporting Goods.
- consumers are also more educated and knowledgeable of different substitutes of a product, as well as become more readily available at different touchpoints.

Social patterns make companies more consumer-centric

- Companies like Dicks Sporting Goods are expected to become more consumer-centric than product-centric.
- Similarly, Market segmentation and consumer grouping are dynamically moving towards measures of psychographics and lifestyles to understand the consumer more.

How can Dicks Sporting Goods use social aspects for growth?

- Use consumer-centric means of segmentation and targeting.
- Use consumer-oriented and consumer-based marketing – which use emotional appeals to influence consumers.
- Make products more accessible at different touch points common to target consumers socially.

Technological

The technological factors can influence Dicks Sporting Goods in several ways:

Innovation

- The quick pace of technological change at Dicks Sporting Goods may be driven through innovation.
- Business leadership at Dicks Sporting Goods tries to push the limits of present limitations.

The advent of the internet and online retailing

- The expansion of the Internet and online business has discarded many intermediaries. Dicks Sporting Goods can communicate and retail directly to the consumers now, or through modern intermediaries such as eBay as well, for example.
- Dicks Sporting Goods may also use current social networks to retail and use e-commerce to boost sales.

Social media and business growth

- Dicks Sporting Goods can make use of social media to interact and reach with consumers
- Social media can also be used to reach the target market audience more effectively
- Social media is cost-effective and strategically more influential for Dicks Sporting Goods

Improved value chain network

- For Dicks Sporting Goods, technological innovation can be utilized to build on competitive advantage through several different ways.
- Dicks Sporting Goods can incorporate less expensive production, improved access to clients, improved marketing, improvement in product quality, and increased levels of business intelligence than the competition.

Managing technology and the future for Dicks Sporting Goods

- To flourish in a business world that is quick paced and receptive to innovative change, Dicks Sporting Goods must stay cautious.
- It must be always be updated on any technological developments in the business and industry.
- Dicks Sporting Goods should weary of how the company are probably going to influence its future attractiveness and profitability.

Environmental

For Dicks Sporting Goods, the environmental aspects of the PESTEL analysis may include:

Environmental stability and business standards

- Dicks Sporting Goods may be expected to incorporate maintainability standards into their business methodologies and to help resource allocation choices.

- Dicks Sporting Goods may also be subject to environmental laws – which will impact and guide its operations to become more environmentally friendly.

Environmental stability and budget allocation

- Leadership in the Dicks Sporting Goods must measure the connection between natural activities and budgetary execution.
- Dicks Sporting Goods also strategically decides and assesses if the organization have been estimating the monetary effect of natural and social activities.

Environmental sustainability

- Dicks Sporting Goods also distinguishes and differentiates explicit zones of concern and impediments to the coordination of environmental sustainability into corporate performance and strategy
- Dicks Sporting Goods also gives explicit direction concerning how organizations can push toward a superior reconciliation of ecological and social activities in their basic leadership procedures and tasks.

Environmental sustainability and business growth

- Dicks Sporting Goods may use environmental issues to adjust financial, natural and social performance.
- Concerns towards the environment will enhance the business image for Dicks Sporting Goods.

- Environmental sustainability within business goals and strategy will also reflect corporate responsibility on the part of Dicks Sporting Goods.

Environmental sustainability and improved consumer relations

- Consumers will be more inclined towards the use of environmentally sustainable products.
- Environmental sustainability in operations works towards improving the bottom line and overall profitability for the business of Dicks Sporting Goods.
- Improvement of cost management and operations will be observed in the business as well.

Legal

Legal components can influence Dicks Sporting Goods directly, and can likewise influence the instruments through which an organization buys its stock or connects with the client. The Dicks Sporting Goods should be mindful, for example, of the following legal aspects:

Labour law

- Labour law refers to the guidelines in regulations that set up minimum and benchmark conditions.
- These include identifying with the work of people.
- Labour laws include aspects of minimum working age, least time-based compensation, etc.
- Dicks Sporting Goods must be mindful of these laws in routine business tasks such as hiring, for example.

Discrimination law

- Under the discrimination law, Dicks Sporting Goods must ensure to avoid episodes of unequal or uncalled for treatment based on an individual's age, inability, sex, national source, race, religion, and sexual orientation.
- Dicks Sporting Goods should train its human resource management team in ensuring that there is no:
 - o Unequal hiring
 - o Discrimination in recruitment
 - o Internal discrimination in talent management
 - o Bias in training opportunities
 - o Unfair compensation systems
 - o Prejudiced promotions and succession management

Health and safety laws:

- Under this, Dicks Sporting Goods is required to give a protected work environment to their workers.
- Working environment security and wellbeing laws build up guidelines intended to dispense with individual wounds and injuries from happening in the work environment.
- all operations of Dicks Sporting Goods should be designed to physically and emotionally safeguard and protect the employees and the labor force employed.

Porter's five forces

- The five forces identified in Porter's model can affect Dicks Sporting Goods's ability to serve its clients and make a profit.
- A change in any of the five forces may regularly require a business unit from Dicks Sporting Goods to reassess the market place given the general change in industry data and dynamics. The general industry appeal and attractiveness.
- Dicks Sporting Goods should apply and Centre their skills, plan of action or business models to accomplish profits above the business average. This may be done in multiple ways, each distinguished in their application to the forces individually as is elaborated below:

The threat of new entrants

Market and industry share

- New entrants to an industry bring new potential and a choice to increase the market share and overall share of the pie that puts pressure on price, costs, and the investment price essential to compete.
- For Dicks Sporting Goods, particularly while new entrants are diversifying from different markets into the chief industry, they will be able to leverage existing talents and cash flows to shake up the opposition.

Limitation on earning expectation and capability of firms in an industry

- The threat of entry in the industry, consequently, puts a cap at the earning capacity and profit capability for Dicks Sporting Goods.

- While the threat of new entreaty is high, Dicks Sporting Goods should maintain their prices or increase funding and investment to discourage new competition.

The risk to new entrants because of high entry barriers

- The risk of entry in an industry depends upon on the peak of entry barriers and limitations that are a blessing for players such as Dicks Sporting Goods and on the response that new entrants can count on from existing players.
- If entry barriers are low and novices count on little retaliation from the entrenched competition, the chance of entry is high, and profitability for Dicks Sporting Goods will be moderated.
- It is the danger of entry, not whether the entry of new players takes place that holds down profitability.

Some barriers to entry for new entrants in favour of Dicks Sporting Goods:

- Capital requirements: a strong barrier to entry as new entrants will require strong financial and resource cushioning for operations to take off and be sustained.
- Economies of scale: a strong barrier to entry as existing players in the industry operate with high economies of scale, which new entrants will take time to achieve.
- Product differentiation: the strong barrier of entry if products within the industry have high levels of differentiation on which they operate and approach customers.
- Access to distribution: a standard barrier to entry since new entrants will have equal access to the retailers and distributing agents within the industry.

- Customer loyalty to established brands: a strong barrier to entry since customer loyalties and perceptions are emotionally built and strongly enforced as long as the brand continues to deliver on its core promise and quality.

What can Dicks Sporting Goods do to face this challenge?

- Build and invest in marketing to distinctly establish a point of differentiation in customer perception as well as strengthen customer loyalty.
- Invest in research and development to make sure that it continues to have competitive differentiation from other players at all times.
- Focus on building economies of scale in production and sales.

The threat of substitute products or services

Substitute form

- There are always different alternatives or substitutes for various products that lead an industry.
- These substitutes may be direct or indirect– the direct substitutes are the same category products produced by different players; indirect substitutes are the ones from different product categories that can replace the product for Dicks Sporting Goods.

Switching cost to substitutes for consumers

- Switching costs for direct substitutes is not very high for consumers.
- The per-unit-volume prices may be higher or lower.

- This makes the threat of substitute high.

Substitute and product benefit

- Alternatives to the product or substitutes may not be able to provide the same benefits
- May often lead to additional costs incurred.
- Switching costs towards alternatives becomes higher, and consumers may not switch to substitutes.
- This, in turn, will make the threat of substitutes low.

Substitutes and consumer behaviour

- From the point of view of the consumer, there are some differences between the ways different products of the same or similar category are used, but many consumption decisions are a matter of personal taste - this makes products vulnerable to the threat of other substitutes.
- Overall, the threat of substitutes is assessed to be moderately high.

How can Dicks Sporting Goods combat the threat from substitute products?

- Focus on delivering consistently high quality.
- Focus on maintaining strong consumer relationships.
- Integrate strategic marketing to form an emotional connection with the consumers and strengthen consumer loyalty.

- Invest in pop up stores owned by the company to stock the Dicks Sporting Goods brand exclusively, and integrate it with brand characteristics and personality to attract consumers.

Bargaining Power of Buyers

Who is the buyer?

- The buyer for Dicks Sporting Goods is not necessarily the group that consumes the product – but rather refers to the group of customers that purchases the product from Dicks Sporting Goods to either distribute further, retail it, or even consume it.
- Hypermarkets and supermarkets, as well as independent retailers and distribution agents to end consumers, are the core buyers for Dicks Sporting Goods that make up the market's volume.
- Supermarkets and hypermarkets, along with many food chains that are concentrated, which increases the buyer power.
- Products are stocked with buyers and retailers by Dicks Sporting Goods based on consumer demand.

Buyer power and costs

- Dicks Sporting Goods will not experience switching costs for switching buyers.
- Multiple product offerings by buyers also increase buyer power.

Retail product differentiation

- Products offered by retailers are differentiated based on several characteristics – not only reliant upon product characteristics but also consumer segment characteristics. Because of this, retailers

are expected to offer a wide range of the same product category. This works towards negating and weakening the overall buyer power.

- Buyer power is assessed to be moderate to high.

What can Dicks Sporting Goods do to ensure risks against high buyer power?

- Dicks Sporting Goods can focus on differentiating its product and increasing its demand with the end consumers through different marketing tactics, this will increase the demand of the product with different buyers, and will work towards moderating buyer power.
- Dicks Sporting Goods should employ economies of scale to manage costs of production. If it offers products at moderate prices to buyers, it will again be able to attract a large number of buyers for its product, and in this way, will be able to break off the high bargaining power.

Bargaining Power of Suppliers

Who is the supplier?

- Supplier power refers to the power that is held by the suppliers in terms of pricing of the raw materials and inputs used for the business.

Sources of production for Dicks Sporting Goods

- The main sources for production are the following:
- Supplies from vendors – sourcing from independent suppliers.
- Own manufactured equipment and resources: this model is practiced by companies that are wellintegrated backwards and forwards.

Independent suppliers

- For Dicks Sporting Goods, there are numerous independent suppliers within the industry, and all comprise of a few pretty small operations that lead to weakened overall supplier power.
- Independent sellers and suppliers, however, can locate different opportunities and invest in alternative markets – which can be a challenge for Dicks Sporting Goods.

Supply quality and business dynamics

- Suppliers can integrate forward into the decision making and business dynamics themselves as well.
- Also, to the buyers, the quality of the supplies and the raw materials is of utmost importance.
- However, in an industry with a high number of suppliers, Dicks Sporting Goods can switch to different suppliers at any time without experiencing any costs of the business.
- Overall bargaining power of suppliers is assessed to be moderate.

How can Dicks Sporting Goods deal with the challenge?

- Get contracts with multiple suppliers and get resources and raw materials from them accordingly.
- Invest in manufacturer-controlled production facility to maintain consistency in quality.

Competitive Rivalry among Existing Firms

Nature of fragmentation

- The market is highly fragmented, which makes it more competitive.
- The market is never too concentrated, and as a result, it has players of varying size of operation – from very small to big players.

Brand management

- Producers have begun to make use of brand management techniques and contemporary merchandising by launching bold brands, label designs and marketing campaigns to become more identifiable to the public.

Diversification

- Purchasers and buyers have a wide range of products to choose from, with relatively low switching costs. These factors tend to intensify rivalry.
- Though players in the industry may offer niche or premium products, they also continue to operate in the mass markets at large, which again leads to high competition.

High business costs

- The high fixed cost and the high bargaining power of the buyers, which can lead to the lowering of the prices from manufacturers add to the highly competitive nature of the industry.
- The overall rivalry is assessed to be high.

How can Dicks Sporting Goods combat rivalry and competitive forces of the industry?

- Focus on research and development to identify market niche as well as to be able to add differentiating factors to its products. This will increase its shield against influence from competitive forces and their actions.
- Build a strong and loyal consumer base by focusing on quality and marketing strategies.
- Focus on capturing new markets – in the same region as well as new regions to avoid saturation of resources in one market only.

Opportunities for Dicks Sporting Goods (External Strategic Factors)

This section of the analysis and strategic model focuses on external components that opportunities for business development and advancement. For this situation, the key opportunities accessible to Dicks Sporting Goods are:

Green business products

- With an increased focus and awareness of health and wellness lifestyles by consumers, it is important that Dicks Sporting Goods recognizes this as a viable business opportunity.
- Increased numbers of consumers are shifting to the green lifestyle of consuming environmentally friendly and organic products.
- Dicks Sporting Goods should focus on the expansion of the product portfolio: inclusion of green products and environmentally sustainable services are suggested.

Expansion in emerging markets

- Dicks Sporting Goods can expand its income streams through expansion and developing presence in emerging markets – such as Brazil, China and India.
- This opportunity draws consideration far from the U.S. region, where the majority of the organization's incomes are created.

Business enhancement

- Likewise, noteworthy in this analysis of opportunities is the opportunity of business enhancement and further business development.
- This can help improve the long-term position of Dicks Sporting Goods.
- For instance, through higher diversification of the portfolio and the overall business, the Dicks Sporting Goods organization can diminish its reliance on its present enterprises, and along these lines work towards improving its general income development.

Diversification through Partnerships

- Diversification is right now a minor strategy as can be observed from Dicks Sporting Goods 's competitive strategy and its overall directive strategy as well.
- The business environments likewise display the chance to enhance the organization's competencies and strengths
- This will also increase its share of the overall industry through the association's s with different firms. For example, a partnership with real retailers improves dispersion.

Development of corporate clientele

- The company can also formulate new B2B relations and contracts with other companies and corporate entities.
- The external key factors in this section of the analysis demonstrate that Dicks Sporting Goods can improve its industry position by building up its activities to make use of the opportunities in the international business markets.

Threats facing Dicks Sporting Goods (External Strategic Factors)

Threats against the Dicks Sporting Goods business are distinguished in this piece of the analysis. Threats are external components that decrease or breaking point of business execution. In this case of Dicks Sporting Goods, the following section looks at, and assesses threats that apply to the organization in question:

Price wars by competition

- Dicks Sporting Goods competes with a wide assortment of firms in the local as well as the international market.
- For instance, the organization competes against significant premium companies as well as against cheaper companies that offer cheap priced items and products.
- This external but important factor in the assessment undermines Dicks Sporting Goods because such competing players can lessen the organization's share of the overall industry by competing based on low prices and overall low costs of production.

Increased competition

- Additionally, this assessment also analyses increased competition as a noteworthy threat against the business.
- In light of the organization's shortcomings, the risk of imitation includes firms that attempt to duplicate the taste, look and feel of Dicks Sporting Goods items.
- Saturated marketplace and industry can also lower sales of the organization and shrink its share of the overall pie
- Increased competition can also lead to the increased cost of doing business for the organization if they bring innovative processes, and implement novice systems to control costs

Independent players

- The industry environment and profitability are liable to invite independent developments, and small-scale players.
- These players may not have high levels of integration and may be retailers and marketers for items produced during backward integration.
- Strategic marketing techniques and promotional communications are expected to neutralize the impacts of these patterns.
- This section of the analysis of Dicks Sporting Goods recognizes external key factors that force difficulties to international expansion and growth of the company as well as highlight market infiltration.

TOWS Matrix

TOWS Matrix	Strengths <ul style="list-style-type: none">• Leading premium company that operates internationally• Leading presence across countries• Reasonable control over production and distribution due to backward and forward integration	Weakness <ul style="list-style-type: none">• Major dependence on the market as the country of origin market• Despite being in operation for decades, has standard procedures and regulations for all portfolio items<ul style="list-style-type: none">• Imitability possible by competition
Opportunities <ul style="list-style-type: none">• New South Asian and Asia Pacific regions available for expansion – emerging markets• Acquisition of medium-sized similar companies and shops in developing countries	SO, strategies <ul style="list-style-type: none">• Expanding into Asia Pacific region and stabilizing emerging markets by opening new stores and developing new products	WO Strategies <ul style="list-style-type: none">• Increasing more stores outside the country of origin, and in other parts of the world – especially emerging markets such as India, China and Brazil

Threats	ST strategies	WT strategies
<ul style="list-style-type: none"> Increased marketing from competing players, which might affect sales negatively An increasing number of independent producers and marketers Increased and saturating competition 	<ul style="list-style-type: none"> Improving the ambience of service, focusing on augmented service levels when providing products and adapting to local culture. 	<ul style="list-style-type: none"> Increase budget for marketing communications, and strategic promotions and pursue a moderate expansion strategy

- The TOWS Matrix is a moderately basic strategic tool used by Dicks Sporting Goods for producing key alternatives and identifying key strategic alternatives that may be pursued by Dicks Sporting Goods.
- By utilizing it, Dicks Sporting Goods can take a look towards understanding that it can best exploit the opportunities present, while at the same time also limit the effect of shortcomings and ensure itself against threats.

Market development strategies

Advertising and promotion of products

- One of the most popular means of developing a market is to use marketing strategically.

- By making use of advertising and marketing communications, the company will be able to disseminate information about its product, and the various benefits of consumption to its target market easily.
- Also, the use of social media for marketing will, at the same time allow the company to communicate directly with the consumers, and answer their queries.

Education about product consumption

- The company can make use of widespread marketing campaigns using traditional means as well as means of social media to increase awareness of their product amongst the target market.
- This task of educating the markets will give the company a first-mover advantage, as well as develop important functional appeals for the product.

Market penetration strategies

Geographical expansion

- The company can expand into other markets through its previous experience, as well as through partnerships and contracts with other agents and parties.
- The company can also develop subsidiaries, as well as offer its products through franchising as well as licensing.
- The geographical expansion is suggested into emerging economies because of the favorable income levels of the consumers, as well as the growing infrastructure.

Increased number of retail outlets and retail presence

- The company can penetrate existing markets by offering more shops or making its product more widely available.
- This may be done through increasing the accessibility of the product at places where the target consumers are expected to purchase from, as well as improving the interaction of the product with consumers at different touchpoints.

Online retailing

- Another means of improving market penetration is through online retailing. Dicks Sporting Goods can stock its products on online retailing sites locally and internationally.
- This would help the company improve sales, accessibility, as well as reach higher levels of target consumers. All of this, in turn, would increase market penetration.
- Besides, it would also help the company maintain and control costs for Dicks Sporting Goods, and thereby help it achieve cost leadership in the industry

Product development strategies

Research and development

- To be able to develop new products, the company should have a focused interest and budget sending allocated to new product research and development.
- This research would take a basis in the consumer market and the overall market trends, to identify the gap in consumer demands, and market availability of different products.
- The new product would then generally be aimed towards fulfilling this gap.

New product development labs

- The company should have dedicated incubation labs for the development of new products.
- This means that this development should be a focused and separate entity that should focus on the company's innovation.
- The company should also hire the right talent for business development and innovation to be able to achieve targets and goals accordingly.

Market testing

- New products should follow PD cycles for testing before launching in a market.
- This will ensure that the company can fix any loopholes present in the product, as well as incorporate positive feedback.

Strategic Marketing

- The company should also have a focused and strategic budget for marketing and communications allocated for new product development.
- This is because the company will need to increase the appeal, as well as develop functional and emotional appeals and characteristics of the new product.
- Communicate with the consumers to enhance sales as well as increase likeability and rate of consumption and trial.

Product penetration strategies

Acquiring personally owned retail to strengthen its presence

- One way of increasing product penetration is that the company directly manages and controls sales operation through owned retail.
- This will give the company leverage over communication, as well as product stocking and placement.

Diversification of portfolio

- The company can further expand its portfolio as a means of product penetration.
- The expansion of the portfolio will allow the company to reach a different and diverse target group, thereby increasing the overall share of the pie for the company
- This will also increase Dicks Sporting Goods 's products' accessibility to different consumers.

ANALYSIS OF RESOURCES AND COMPETENCES

- This inner analysis and assessment of Dicks Sporting Goods decide the Centre skills based on the resource-based view (RBV) of the premium company.
- Utilizing its core capabilities and capacities, Dicks Sporting Goods can maintain a competitive distinction, and leadership over other local as well as international players in the industry.
- In the VRIN analysis and assessment, Dicks Sporting Goods makes use of its core capacities to strengthen its worth and the to continue to deliver the promise of consistent quality and taste to consumers – as well as guarantee futuristic and long-term gains in the industry.

The following section presents a brief analysis of the VRIN strategic tool as it is applied to Dicks Sporting Goods and its impact on the strategic direction.

VRIN analysis

Valuable

International distribution network

The company has an international distribution system with agents and contracts in countries across the world. This helps the company in making sure that its products are widely available and easily accessible to all consumers.

Experience in expansion to other countries

The experience of expansion to other countries directly as well as indirectly has allowed the company to gain exposure and experience in international business, culture and trades.

Marketing skills

The company has a unique blend of marketing skills, which allows it to reach consumers directly through various channels, in a creative way. This is a valuable resource for the company as it allows the company to ward off potential competition.

Market research

The company invests in market research regularly, which allows it to stay updated with market trends, consumer needs, demands, as well as the changes that take place in different markets and

consumer groups. This is also valuable as it then allows Dicks Sporting Goods to make changes in product and service offering accordingly.

Rare

Use of progressive technology

The company makes use of progressive technology and invests in new technology to help it make the business more effective and efficient. This is important for maintaining competitive differentiation. The technology used by the company also allows lower chances of human error and increases precision.

Use of progressive harvesting methods

The company makes use of modern as well as new and innovative means of cropping and harvesting as well. The means of production are important for a business to maintain cost efficiency. This allows lower levels of spoilt raw materials and enhances the quality as well as the feel of the final product. Also, it allows the company to maintain the product quality in-house, and maintain consistency in the raw material.

Efficient use of economies of scale in production

The company's effective and efficient use of resources has allowed it to maintain economies of scale. The company uses economies of scale as a rare resource available to maintain costs, enhance production, and increase sales – all the while maintaining a high focus on premium quality and consistency of taste.

The uniqueness of product portfolio

The company has a unique and diversified portfolio. This has allowed it to penetrate different consumer groups. And maintain income from different streams. In turn, that gives a strong financial cushioning to the business.

Inimitable

Human resource management

The company has taken part in exemplified human resource management in all its function – from recruitment to training of talent management. This has allowed the company to develop an inimitable resource that is aligned with the organizational goals, and mission, and which is synonymous to the organization itself.

R&D - New product development

The company's continued investment in r&d allows it to generate ideas for new products, as well as test these new products in limited market settings. This allows the company to assess the viability of new ideas, as well as generate feedback for improvement where needed. This is an inimitable resource for the company because it has become part of the company's system and culture.

Innovation

The innovation at Dicks Sporting Goods is an inimitable resource that allows the company to stay ahead of the competition as well as maintain high leadership in the industry by having the first mover advantage in its product portfolio continuously.

Organizational culture

The organizational culture at Dicks Sporting Goods is supportive and innovative. Employees share information freely. The organizational hierarchy is flatter, which makes leadership and follower relation smooth and easy. This organizational culture and its aspects cannot be imitated by competition.

Cost control

The company has employed progressive means of controlling costs and maintaining economies of scale. In this way, prices of the products are maintained and controlled, and very few cost increases are passed to the consumers. This allows the product to be easily affordable by the company's target audience.

Non-substitutable

Brand recognition

The brand value and brand recognition enjoyed by Dicks Sporting Goods is a non-substitutable resource. The high brand recognition across different consumer groups in different countries allows the brand to enjoy high consumer ship, high sales, and a unique bond with the consumers. This cannot be imitated at all by the competition as the brand recognition and resonance has been built over the years through hard work and quality deliverance.

Brand equity

The Dicks Sporting Goods enjoys high brand equity. This has been developed through the different stages presented by Keller in his model for brand equity. The high brand equity also reflects a high emotional appeal that Dicks Sporting Goods has for the consumers.

Emotional affiliation with consumers

This means that the brand fulfills not only functional but also emotional and psychological needs of the consumers. Again, this is an inimitable resource which the company has developed because of its honest and trusted relationship with the clients over some time.

References

Overview - Laboratory Medicine (B. lab. med.) - college of ... - uqu. (n.d.). Retrieved June 19, 2022, from <https://uqu.edu.sa/en/dlm/AboutUs>

Hospitals / Medical Centers Our Hospitals. (2022). Retrieved 22 June 2022, from <https://www.hmg.com/en/Medical-Facilites/Pages/default.aspx?itemid=19>

HMG. (2022). Retrieved 26 June 2022, from <http://hmg.com/ar/MediaCenter/News/Pages/PCR.aspx>

MOH.gov. (2022). Retrieved 26 June 2022, from <https://www.moh.gov.sa/Ministry/HotTopics/Pages/COVID-19.aspx>