

## **OWNED**

### **SITUATION ANALYSIS**

#### ***INTERNAL***

#### **STRENGTHS**

- DSG proudly holds themselves as the leading U.S. sporting goods retailer, commanding nearly 9% of the estimated \$140 billion total addressable market (Porter's Five Force, 2025). This is a strength because their prominence in the market is unmatched domestically, giving them purchasing power and brand leverage that smaller competitors can not replicate.
- DSG partners with the most notable names of the sporting/athletic industry including Nike, Under Armour, Adidas, and many more. The variety of premium brands in one store allows consumers easy access for a multi-brand experience reducing needs to shop each brand independently.
- DSG continues to grow their loyal consumer base by adding an immersive interactive features such as House of Sport. House of Sport attracts shoppers because they offer consumers a place to participate in interactive experiences such as sports cages, climbing walls, field hockey, simulators and more (Reagan, 2025).
- Dick's Sporting Goods continues to "operate a premium omnichannel" with their e-commerce platform and brick and mortar stores allowing them to successfully have a "digital-to-store ecosystem" dominating the market (BCG Matrix, 2026). The all-in app, ScoreCard, where consumers can "make and share lists, unlock app-exclusive offers" encourages users to track and redeem rewards incentivizing them to keep making purchases adding into the omnichannel ecosystem (from the Dick's Sporting Goods website).

#### **WEAKNESSES**

- Dick's dominates primarily in the U.S. market, has limited presence internationally, and has minimal experience marketing to the international consumer. This concentration is a weakness because any domestic economic downturn, tariff pressure, or consumer spending pullback directly threatens the entire revenue base with no international market to absorb the impact. Even though it made its recent acquisition with Foot Locker, strategies have always been focused on the American market and there is no guarantee that Dick's can be successful in applying "its own formula of discipline execution" internationally (Faithfull, 2025).
- For consumers with one specific need, DSG's broad-format store can feel overwhelming versus a specialized retailer. This is a weakness because it creates a perception gap between DSG and category specialists, potentially losing single-category shoppers to Nike or Bass Pro Shop.
- DSG has strong programming for youth and general adult audiences but lacks focused offerings for adults 65 and older. By 2030, one in six people will be 60 or older, and 95% of seniors have at least one health condition (Tandon, 2024). Currently not serving this demographic serves as a weakness because DSG's is ignoring the rapidly growing consumer segment of the actively aging.

## **EXTERNAL**

### **OPPORTUNITIES**

- With the recent \$2.4 billion Foot Locker acquisition, Dick's has the special opportunity to take advantage of the "ready-made platform" internationally, synthesizing brand recognition of both Foot Locker and Dick's Sporting Goods (Faithfull, 2025). This opportunity aligns directly with DSG's international gap, rather than building an international presence from scratch, DSG can leverage Foot Locker's existing infrastructure to test and scale global marketing strategies.
- Though they do have a strong Varsity Team program that is an "influencer program to the public," DSG has significant room to grow (news release from Dick's Sporting Goods). According to PR Newswire, Gen Z shoppers aged 18 to 24 recorded the highest spend-per-shopper growth

throughout most of 2025, and they are most responsive to authentic creator-driven content.

Expanding micro and macro influencer partnerships across health, fitness, families and lifestyle categories would allow DSG to reach new audience segments organically.

- Leaning into their sustainability initiatives for the environment and the community, the brand has an opportunity to sell or re-sale past gear and apparel at a discounted price. These items may be returned or cancellations with further inspection to meet their quality standards. They may even go further as to donate them to the communities they already help out financially. This aligns with both their existing sustainability commitments and the growing consumer appetite for value and circular retail, particularly among budget-conscious middle-income shoppers currently pulling back on full-price discretionary purchases (Sheehan, 2026).

#### THREATS

- U.S. sporting goods spending “declined 9% year-over-year in the three months ended January 2026, as tariffs, inflation and pressure on middle-income consumers weighed on discretionary purchases” (Fawcett, 2026). This is a threat because DSG's consumers spending less may cut out discretionary spending which may include for new apparel, new shoes et, directly impacting transaction volume and average order value. Consumers spending less in general can also affect DSG partnerships and collaborations if the other brands notice a massive decline of spending.
- The Foot Locker acquisition carries \$500–\$750 million in restructuring costs, store closures and inventory losses from Nike's direct-to-consumer shift (Dick's Press Release). According to CNN Business, following the May 2025 acquisition announcement, Dick's shares fell 13%, reflecting investor concern over the \$2.4 billion debt load and the challenge of harmonizing two distinct retail cultures (Valinsky & Delouya, 2025). This is a threat because integration costs may pressure short-term financial performance and stakeholder confidence during this time when the economic environment is already facing these pressuring margins.

- With an increasing competitive industry in sports retail, there are several competitors that the brand faces. Brands/companies such as Big 5 Sporting Goods, Champs Sports, and JD Sports are all brands that have similar reputations when it comes to sporting good chains and overlapping consumer segments. There are also the competitors that sell their outdoor gear/apparel such as Patagonia, Bass Pro Shops, and North Face. This is a threat because DSG's market share gains are not guaranteed and can be disrupted quickly by aggressive local entrants. This is also a threat because competitors may copy DSG's working innovative segments like the House of Sport or the ScoreCard app.

## **STRATEGIC INSIGHTS**

### **Strategic Initiative 1** – Operation Good for the Sole - Pop-Up Activation:

Rationale: Operation Good for the Sole is a pop-up activation in metropolitan cities that invites community members to donate gently used shoes at a branded event combining music, fitness demos, on-site shoe inspection/repair, and partner booths from nonprofits and local vendors. This initiative directly responds to DSG's sustainability opportunity while also addressing potential threat of consumer pullback. DSG will take this opportunity to also resale returned/cancelled gear and apparel at a discounted price to avoid inventory write-offs and needless waste while funding community donations. By turning shoe collection into an experiential moment, the initiative leverages DSG's community trust and CSR positioning to increase brand visibility, drive foot traffic to local stores, and channel quality donations to underserved communities.

### Success Metric:

- Measure total shoes collected and donated per activation event, tracked per city and reported after each pop-up.

- Track total discounted inventory sold at each activation as a percentage of available returned and cancelled gear, reported per event and compared to standard inventory write-off rates pre-initiative.
- Measure earned media coverage by tracking the number of community outlet mentions per activation, benchmarked against a baseline of zero prior to the program launch. Target a minimum of 15 outlet mentions per city.
- Track event foot traffic using on-site attendance at each activation location, reported per event and compared against the target of 2,500 visitors. Monitor social media impressions and user-generated content volume tied to the event hashtag within 72 hours post-activation.

**Strategic Initiative 2 – Still Got Game Community Program** - Senior Community Program:

**Rationale:** Being very proud of their sustainable pillars for community, DSG's should launch an initiative focusing on elderly adults expanding into an older age demographic. This initiative addresses the weakness of the neglecting demographic. *Still Got Game* would mirror the Sports Matter model encouraging adults 65 and older to participate low-impact movement by addressing barriers and creating awareness. With one in six people projected to be 60 or older by 2030, this initiative positions DSG ahead of a demographic wave none of its major competitors are targeting lessening addressing increased competitive threat. Dick's will partner with senior centers, AARP, YMCA, and other groups to sponsor low-impact classes, intergenerational leagues, and community grants. This initiative will create higher demand in apparel and equipment that is tailored to the audience for supportive footwear, low-impact equipment and more.

**Success Metric:**

- Measure participant retention rate at the 6-month and 12-month marks, defined as the percentage of enrolled seniors who remain actively participating in programming. Benchmark against retention rates of comparable DSG community programs such as Sports Matter.

- Track sales of senior-targeted product categories (supportive footwear, low-impact equipment and senior-specific apparel) as a percentage of total category sales per quarter. Compare year-over-year to establish growth trend, with a target of 35-40% increase within the first 12 months of program launch.
- Conduct quarterly surveys among Still Got Game participants and compare results against DSG's broader community program NPS scores and industry benchmarks for senior fitness programming.

**Strategic Initiative 3 – Moolah Move Campaign** - Amplify Digital Presence:

**Rationale:** The Moolah Move Campaign is a digital campaign partnering with influencers and content creators to promote the ScoreCard app amplifying social media presence, while also benefiting increasing awareness of app. The initiative responds directly to DSG's opportunity to expand influencer marketing while leveraging their existing ScoreCard app strength to capitalize on Gen Z's proven spending growth (as mentioned in the SWOT). The campaign will partner with mega-influencers like health and fitness influencer Whitney Simmons (@whitneysimmons) who has 3.1M followers and has consistent engagement and micro content-creators like Kelly (@bigdumbidiotshow) who recently went viral talking about the benefits of the ScoreCard app with over 2.4M views and over 600K impressions across likes, shares, comments and saves. Creators encourage followers (audiences ranging from Gen Z to Millennials) to share what they have redeemed with their points, generating authentic user-generated content that extends DSG's paid reach organically.

**Success Metric:**

- Measure the percentage of ScoreCard members who make a purchase following influencer-driven posted content + engagement including: clicks from creator posts, app store redirects and in-app redemption activity.

- Track social media engagement rate across DSG's owned platforms monthly, defined as total likes, comments, shares and saves divided by total impressions. Compare against pre-campaign baseline.
- Measure in-store foot traffic monthly at locations with the highest ScoreCard store mode usage, comparing pre and post campaign periods to determine whether digital influencer activity translates to physical store visits and redemptions.