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Will a Strategy of Exclusivity Be the Path to Success for Dick's Sporting Goods

AUDIT, RETAIL
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About a month ago, Dick's Sporting Goods (Dick's) announced it was dropping 20% of its brand offerings. One wonders if this strategy shift was in response to challenges faced by other brick and mortar retailers such as limited selection compared to online or the consumer's desire for a more customized shopping experience. Dick's strategy will be centered on two very important aspects: a few strategic brand partners and increasing its private label relationships. Sure they will still maintain their more traditional offerings, but their focus now has shifted to being strategic and thoughtful in building its relationship with the consumer. With a heavy focus of strategic partnerships and private label, Dick's clearly is implementing some measure of a plan to better market its product and improve the customer experience.

Exclusivity of product from well-known brands and private labels provides an opportunity to make the Dick's consumer feel like they are being catered to by having access to certain product that they can only get at Dick's. Providing more floor space for variety within a brand or a private label focus seems to be a strategy that enhances the customer experience.

In order to succeed, it is imperative for Dick's to quickly disassociate from slower-moving brands and products and keep cutting edge products from well-known and reputable brands on the floor. This strategy also has the potential to turn Dick's into the go-to destination for the newest and most exciting products to come from these top-performing brands.

Dick's efforts to focus on highlighting its private brands is novel for the sporting goods industry, but has been implemented at department stores with some success.

Whether consumers notice right away is subject to debate. A narrow selection of brands could cause consumers to shop elsewhere unless the right brands are promoted. Additionally, Dick's will need to stay on top of new, emerging brands to continue to be relevant to its consumers. Consumer boredom has been known to set in when new products aren't introduced.

One way that Dick's can stay on top of the latest and greatest brands and products is to really listen to its consumers, assess the feedback they receive through social channels as well as in stores to know how to stay relevant.

Will Dick's strategy work? Who knows? But, it seems ever increasingly that the one who remains stagnant is going to lose the race. Implementing this strategy may be

one answer to remain competitive and attract the discerning consumer.

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