

Dillard's

COMPETITOR ANALYSIS

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INTRO

Dillard's is one of the nation's largest fashion retailers. The Company focuses on delivering style, service and value to its customers by offering apparel, cosmetics and home selections complemented by exceptional customer care.

TARGET MARKET

1. Middle to Upper Class
2. Ages from 25-54 yrs old
3. Annual income around \$50,000 or more
4. Both male and female

COMPETITOR ADVANTAGE

- Wide and deep assortment of formal wear
- A wide variety of price ranges that tailors to the different socioeconomic statuses of middle to upper class
 - Market category range from moderate, better, contemporary, and bridge
- Sections designated for each designer and category
- Sizes offered: petite, junior, misses, menswear, womens, plus size and maternity
 - Shoes, fashion/fine jewelry, and more accessories



PRICING & PRODUCTS

Cost-Based Pricing

Prices based on the cost of distribution, development, research, marketing and manufacturing. The average price of products ranges from \$20-\$200 depending on the brand.

Value-Based Pricing

Dillard's considers quality and customer expectations when setting prices. From this, Dillard's offers luxury or higher end products that have prices ranging from \$100-\$1000. This targets customers that want more value quality.

Pricing Strategies

Offers promotional pricing during sales and discounts on selected products to attract more price sensitive customers.

Products

- Formal wear
- Business wear
- Footwear
- Jewelry
- Accessories
- Everyday wear: shorts, pants, t-shirts, etc.
- Beauty

MARKETING STRATEGIES

Promotion

- The company regularly has sales, clearance events and promotions. Their total promotional revenue was \$2.5 billion USD as of last year.

Advertising Themes

- They use persuasion and likeability in their advertisements. Dillard's is a very customer loyal retailer and is well-known by consumers.

Online/Socia Media

- Instagram: posts daily of styled models of their products. They also post their promotions and new collections
- Website: This is their top source of social. media. The website allows the customer to shop, browse and read more about what Dillard's are

SUSTAINABLE BUSINESS

Their sustainable rating is ranked very low. They have not made any dramatic changes that contributes to a more sustainable business. Some of their products sold are eco-friendly, but the mass majority is not. According to the Dillard's investor website, they have reduced its electricity energy consumption 20%.

In their social report Dillard's stated, "Dillard's considers its vendors to be its partners. We build our sourcing guidelines based on a partnership strategy motivated by a common commitment to maintain the integrity of our standards, whether they are production, legal or ethical".



STRENGTHS & WEAKNESSES

Strengths

- Diverse portfolio of products
- Wide set of options for the customer to choose from
- Highly skilled workforce through successful training and learning programs.
- Strong supply chain that provides efficient storage and distribution
- International shipping
- High level of customer satisfaction
- Diverse sales channels that allow Dillard's to broaden its customer base while increasing overall profitability

Weaknesses

- Liabilities due to leasing and ownership of real estate
- Limited success outside core business – Even though Dillard's is one of the leading organizations in its industry it has faced challenges in moving to other product segments with its present culture.
- The marketing of the products left a lot to be desired. Even though the product is a success in terms of sale but its positioning and unique selling proposition is not clearly defined which can lead to the attacks in this segment from the competitors.
- Investment in Research and Development is below the fastest growing players in the industry.

REFERENCE LIST

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