



Prifysgol Cymru
Y Drindod Dewi Sant
University of Wales
Trinity Saint David

Programme: Master of Business Administration

Module Code: LCMB7003

Module Title: Strategic Management

Assignment Title: Individual Report

A Comprehensive Strategic Management practices in
JD Sports Fashion plc

Student Name: Anicha Taslim Kana

Student ID: 2434291

Tutor Name: Amare Desta

Word Count: 5497

AI Use Acknowledgement

I confirm that I have not presented any AI generated text as my own work. I confirm I have copies of my drafts, notes, and other resources I used before, and after the use of AI tools which I may be asked to provide in evidence.

Table of Contents

Introduction	4
Section 1: Organisational Overview	5
1.1 Overview of JD Sports History, Mission, Vision and Business Model	5
1.2 History, Mission, Vision and Business Model	5
Section 2: External and Internal Environment	7
2.1 PESTLE Analysis	7
2.2 Competitive Strategic challenges and Elements of Critical Success.	9
2.3 Internal Environment Assessment	10
2.4 VRIO Framework Analysis	11
2.5 Internal Strengths and Competitive Advantage	14
Section 3: CSR Analysis and Strategy	14
Section 4: Assessment of the Balanced Scorecard	15
Section 5: Strategic Choices and Implementation	18
5.1 Business-Level Strategy	18
5.2 Corporate-Level Strategy	18
5.3 Change Management: Lewin's Framework	19
Section 6: Conclusions and Recommendations	20
6.1 Ansoff's Growth Matrix	20
6.2 BCG Growth–Share Matrix	20
6.3 Strategic Recommendations	21
Conclusion	23
Reflective Account: Reflective Cycle (Gibbs)	24
References	26
Appendix	29
Appendix A: Ansoff Matrix	29
Appendix B: BCG Growth-Share Matrix	29
Appendix C: Lewin's Change Model Applied to JD Sports	29

Introduction

Strategic management refers to the discipline that involves the development, implementation and review of cross-functional decisions within organisations in a manner that attains and maintains organisational competitive advantage in dynamic environments (Johnson et al., 2023). With the world becoming more unstable due to technological earthquakes, the response to evolving consumer behaviour and increasing competition, the ability to conduct a harsh strategic analysis has become a hallmark organisational capability (Grant, 2019). This report implements multi-framework strategic analysis to JD Sports Fashion plc, a FTSE 100 multi-brand sports fashion retailer, trading in 38 countries, with the aim of critically assessing its current strategic stance and future. The toolkit that was used in the analysis includes the PESTLE (enhanced with the Cultural Dimensions Theory developed by Hofstede) and the VRIO, the Balanced Scorecard, the Change Model developed by Lewin, the Ansoff Matrix, and the Growth-Share Matrix created by the BCG. This report is organised in the following way: Section One gives an overview of the organisation, Section Two looks at the micro environment and macro environment, Section Three looks at the CSR strategy, Section four looks at strategy performance, Section five looks at strategic decisions and section six gives some conclusions and recommendations, together with an account of the Gibbs Reflective Cycle.

Section 1: Organisational Overview

1.1 Overview of JD Sports

JD Sports Fashion plc is a United Kingdom based multinationals sports fashion retailer, which has its headquarters in Bury, Greater Manchester. Founded in 1981, the company has become one of the most recognisable sports fashion groups in the world and became a FTSE 100 constituent and has over 3,400 stores in 38 countries spread across Europe, North America, Asia-Pacific, and the Middle East (JD Sports Fashion plc, 2024). Globally, the group employs about 90,000 individuals and annual consolidated revenues topped at over £10.4 billion during the financial year up to February 2024, one of the best revenues performances in the European sports retail market (JD Sports Fashion plc, 2024).

1.2 History, Mission, Vision and Business Model

JD Sports Fashion plc was founded in the year 2023 by John Wardle and David Makin as a single sportswear store, but over time it grew with multiple planned acquisitions such as Finish Line Inc. (USA, 2018, 558 million) and DTLR/Villa creating a diversified portfolio of international stores (JD Sports Fashion plc, 2023). In 2022, the new Chief Executive Officer of the company was appointed as the Chief Executive Officer Régis Schultz, which prompted a fresh strategic emphasis on post-acquisition integration and a rapid-accelerated global growth (JD Sports Fashion plc, 2024).

Its corporate mission is to be the most global multi-brand omni-channel retailer of sports fashion and outdoor brands (JD Sports Fashion plc, 2024, p.6) and backed by a vision of making better sport fashion accessible to the largest number of consumers possible. JD Sports operates as a business that functions as an important distributor between large sportswear makers, all predominantly Nike, Adidas, and New Balance, and end consumers in terms of operations; this generates revenues in physical in-store retail (76%) and digital e-commerce (24%) (Johnson et al., 2023).

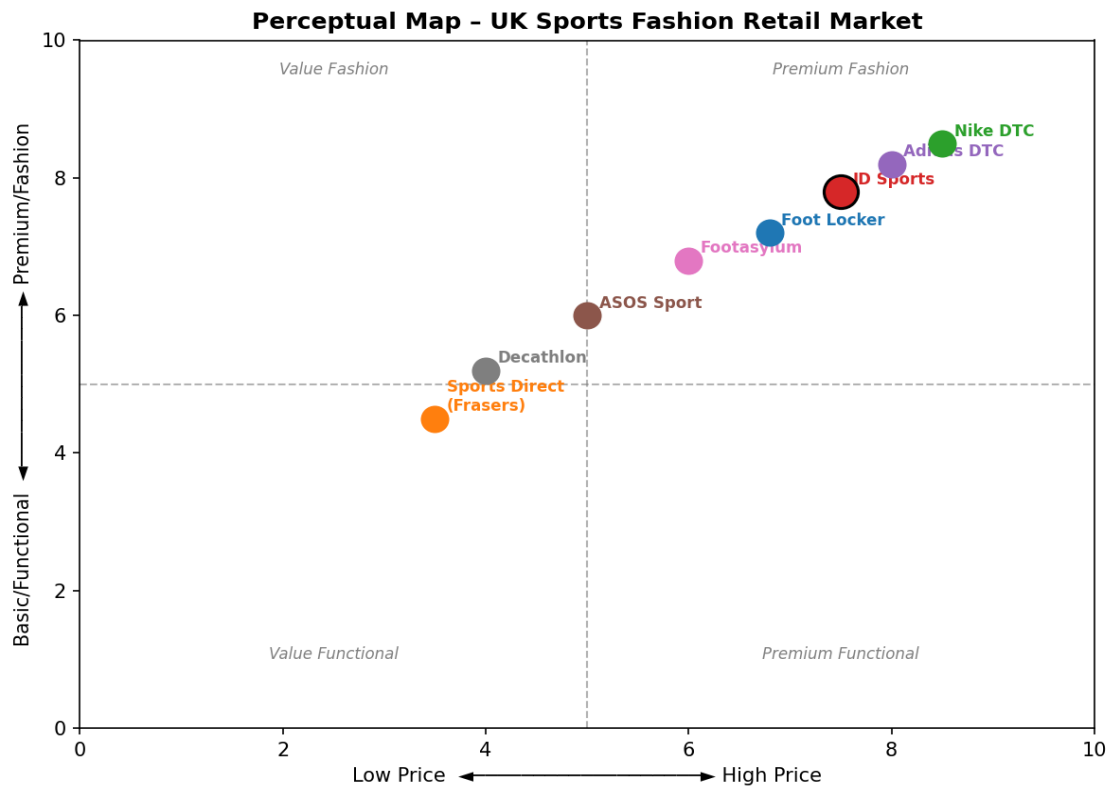


Figure 1: Perceptual Map

Source: Author's own analysis, informed by Mintel (2023) and JD Sports Fashion plc (2024))

Section 2: External and Internal Environment

2.1 PESTLE Analysis

The PESTLE framework allows one to identify external macro-environmental forces in a systematic manner that can presuppose the role in strategic decision-making (Grant, 2019). The analysis of each dimension has been conducted using primary corporate disclosures and secondary evidence in the industry of JD Sports, and independent analysis based on the company's geographical presence of operation (38 countries).



Figure 2: PESTLE Analysis

Source: (<https://www.ibisworld.com/blog/3-step-pestle-analysis/99/1127/>)

Political: The fact that the US is escalating tariff actions is an immediate threat to the margin as about 40 percent of merchandise is imported through Asian markets (JD Sports Fashion plc, 2024). The UK trade systems after the brexit are still creating compliance cost in the UK-EU supply chain (HM Government, 2024), and the decision by Competition and Markets Authority (CMA) on the full integration of Footasylum inhibits acquisition strategy in the domestic market to the international one (CMA, 2021).

Economic: On the inflation front, the UK Consumer Price Inflation reached the highest point of 11.1% in 2022, which strained disposable income and posed risk of trade-down within the higher-

end markets (ONS, 2024). However, in spite of the fact that athleisure has proved to be a strong lifestyle segment that has been resilient against affordability pressures in the middle- and lower-income groups, JD Sports high end positioning is still exposed to a long-term affordability burden within its main target market (Intel, 2023). The group is also vulnerable to macroeconomic trends in the US due to its substantial North American revenues (JD Sports Fashion plc, 2024).

Social: The athleisure has been normalized as an everyday garment and this has widened the number of consumers that can be addressed significantly (Intel, 2023). Using Hofstede National Cultural Dimensions framework (Hofstede Insights, 2024) the US consumers (Individualism score: 91) would answer a limited-edition, identity-signalling release which will be actively utilised by the JD Sports Confirmed-app (JD Sports Fashion plc, 2024) and the market entry plan would go on based on market responsiveness to aspirational

Technological: E-commerce is already around 32% of sportswear sales in the UK, and JD Sports app has over 10 million downloads (Intel, 2023; JD Sports Fashion plc, 2024). Projects that require long-term commitment to personalisation based on AI and integration across multiple channels are a competitive requirement rather than a differentiator (Johnson et al., 2023).

Environmental: SECR requirements and Gen Z sustainability anticipation are reputational risk due to the lack of a plausible Scope 3 net-zero trajectory (JD Sports Fashion plc, 2024; Crane and Matten, 2019).

Legal: The CMA divestiture directive, a rise in the National Living Wage, and multi-jurisdictional compliance demands across 38 markets are complex operational and strategic limits (CMA, 2021; Lynch, 2021; JD Sports Fashion plc, 2024).

The socio-cultural aspect should be elaborated more specifically. Using the Hofstede Theory of Cultural Dimensions (Hofstede Insights, 2024), JD Sports will have to tune up its international retail offer to the level of cultural variation which is fundamental in other cultures. The US has a high Individualism of 91 which is a welcome sign of consumer preference to personalised product release of limited edition that hints at individual identity, an aspect the JD Sports has capitalised on with its Confirmed app feature (JD Sports Fashion plc, 2024). In contrast, markets with high Power Distance, including India (with a score of 77), react to aspirational luxury positioning because products help to consolidate social statuses in the market, which, again, can be applied directly to the JD Sports planned market entry strategy in India (Hofstede Insights,

2024). To a great extent, this cultural intelligence framework forms localisation choices on product assortment, marketing communication and store experience design.

2.2 Competitive Strategic challenges and Elements of Critical Success.

Critical success factors (CSFs) refer to the abilities and strategies that an organisation ought to execute to the best imminent in order to achieve competitive advantage in its industry (Johnson et al., 2023). Strategic challenges are the major challenges that pose a threat to a stable competitive position (Lynch, 2021).

According to many publications in the academic and industry community, the critical success factors of sport fashion retail industry are as follows:

Brand equity and exclusive bargaining with providers (Nike, Adidas) - the primary contributor of competitive strengths is the strategic alliance with the sales-people of the sportswear of high quality, exclusive products that are released rarely allow the consumers to walk to stores in a manner that is impossible to get by using any of the other leverages (MarketLine, 2023a; JD Sports Fashion plc, 202

Omni-channel retail potential - due to the convergence of in-store experience and digital commerce becoming an industry requirement that is negotiable on no grounds, study has found that at least one digital touchpoint exists in all 60 percent of purchase activities in sports fashion (Mintel, 2023; Johnson et al., 2023).

Supply chain responsiveness and trends responsiveness - since the demand and supply of sports fashions turns very fast, there is a need to quickly supply the inventory and procurement flexibility because of the quick demand and supply cycle (Grant, 2019; MarketLine, 2023b).

The strategic issues of the industry are:

- **Disintermediation through brand DTC expansion:** Nike and Adidas have expanded to their breadth of direct-to-consumer and reduced their reliance on wholesalers such as JD Sports Fashion plc and reduced their product exclusive abilities (MarketLine, 2023a; JD Sports Fashion plc, 2024).
- **Regulatory and merger pressures:** This involves a lot of regulatory and operational resources to meet the multi-jurisdiction regulation and the CMA control has seriously curtailed the domestic method of acquiring JD Sports (CMA, 2021; Lynch, 2021).

2.3 Internal Environment Assessment

Organisational resources, capabilities, and core competencies are included in the inner environment, and they contradict strategic capacity (Johnson et al., 2023). The resources may be tangible (physical assets and monetary assets) or intangible (brand, knowledge, relationships) and are to be analysed differently (Barney, 2018).

Key Resources

Tangible Resource 1 - Global Store Network: 38 countries - The global network of physical retail stores has been over 3,400 physical retail stores, and physical space that JD Sports Fashion plc is already enjoying with respect to over 38 countries, can be a significant tangible resource, and can offer similar levels of geographic diversification, scale effects, as well as the tangible brand presence that digitally-native new entr It generates first-party consumer behaviour data as volume of direct footfall, which may be used by the organisation in its international business to enact data-driven personalisation strategies, demand forecasting, as well as inventory optimisation strategies (JD Sports Fashion plc, 2024).

Physical Resource 2 - Financial Capital: JD Sports has immense financial capability to invest in internationalisation, business acquisition and digitalisation and invest in brand with reported revenues of 10.4 billion pounds and a market capitalisation of more than 4 billion pounds in FY2024 (JD Sports Fashion plc, 2024). The terms of investment grade credit profile of this organisation provide the organisation with a significant strategic optionality in comparison with its smaller competitors (MarketLine, 2023a).

Intangible Resource 1 - Exclusive Brand Partnerships: Nike and Adidas have given JD Sports preferred, exclusive distribution rights on their premium, limited edition merchandise and this may be considered its most strategically significant intangible resource which has access to premium products that cannot be found in other competitive retail outlets (JD Sports Fashion plc, 2023). According to 2024 Annual Report, these relations are one of the most strategic valuable assets of the portfolio of the organisation.

Intangible Resources 2 - Youth Brand Reputation: The JD Sports brand already has an iconic image established among 16-24 age group in the UK and is on momentum in this region and North America and Europe because of a long history of investment in music-driven, sport and culture-driven marketing communications (Mintel, 2023). This brand loyalty generates a degree of consumer faith which is extremely difficult and expensive to annihilate by rivalry.

Key Capabilities

Capability 1 Omni-Channel Customer Experience: JD Sports has developed the opportunity to integrate digital and physical shopping experiences through rollout of its own proprietary app, click-and-collect systems and data-driven personalisation systems, and may roll them out across its estate (JD Sports Fashion plc, 2024). This enables customer journey management in a far improved manner and drawing of higher lifetime value than other rivals that lacked a well-integrated digital infrastructure.

Capability 2 Global Retail and Acquisition Implementation: The organisation has been successful in identifying, acquiring and operationally integrating retail business within the global and culturally diverse and varied markets (UK, North America, Continental Europe, Asia Pacific) (JD Sports Fashion plc, 2023). It is a path-dependent organisational competency that is difficult to replicate and is not common, developed over decades and facilitating this growth opportunity (Teece, 2018).

Core Competencies

Core Competency 1 - Curated Premium Brand Portfolio: The capacity of JD Sports to organize and retain an exclusive, high-imbued product offering, grounded in its profound supplier insight, experience in its category and its trend forecast mightinesses is its most defensible core competency (Johnson et al., 2023). It is in this tacit and complex capacity that resides in the ancient relationship of institutions and the purchasing skills that are duly acquired after 40 years (JD Sports Fashion plc, 2024).

Core Competency 2 - Authentic Youth Cultural Connections: JD Sports has the capability of being authentically a part of the youth culture (music, sports, street fashions, and online community), which provides a brand connection that cannot be quantitatively compared with conventional retail marketing (Intel, 2023). It is a sustainable competitive differentiator that has not been simple to replicate over decades, and appeared in the ambassador relationship, editorial material, and the design of its store environment, which expresses in a profound way (Lynch, 2021).

2.4 VRIO Framework Analysis

Strategic capabilities can be defined as the resources and competencies with the help of which an organisation can sustain the competitive advantage in the long-term (Barney, 2018). Under the VRIO framework, which measures Value, lies Rarity, Inimitability, Organisation by which

the four core strategic capabilities are gauged as they appear in Section 2.3 with Table 2 and Table 3 as reference.

Strategic Capability	Value	Rarity	Inimitability	Organisation
Exclusive Nike & Adidas Partnerships	HIGH – drives traffic; reduces price competition	HIGH – very few retailers hold dual exclusivity	VERY HIGH – decades of trust; path-dependent	YES – dedicated buying & brand management teams
Global Omni-Channel Capability	HIGH – seamless consumer journeys; higher conversion	MODERATE – common among large retailers; youth-focus differentiates	MODERATE – tech replicable; cultural alignment less so	PARTIAL – digital & store not fully integrated
Youth Culture Brand Connection	HIGH – loyalty; organic reach; pricing power	HIGH – authentic credibility extremely rare at scale	VERY HIGH – imitation causes reputational damage	YES – marketing, ambassador, editorial content teams aligned
Global Store Network (3,400+ locations)	HIGH – scale; first-mover visibility	MODERATE – replicable but capital intensive	MODERATE – requires significant capital & time	YES – property management & international ops teams

Table 2: VRIO Analysis – JD Sports Fashion plc (Sources: Barney, 2018; JD Sports Fashion plc, 2024; MarketLine, 2023a; Mintel, 2023)

Capability	VRIO Outcome	Competitive Position
Nike & Adidas Partnerships	V ✓ R ✓ I ✓ O ✓	Sustained Competitive Advantage
Omni-Channel Capability	V ✓ R ~ I ~ O ~	Temporary Competitive Advantage – improving
Youth Culture Brand Connection	V ✓ R ✓ I ✓ O ✓	Sustained Competitive Advantage
Global Store Network	V ✓ R ~ I ~ O ✓	Competitive Parity – defensible

Table 3: VRIO Competitive Position Summary – JD Sports Fashion plc

Value: Each of the four created capabilities creates strategic value that can be demonstrated. Nike and Adidas exclusivity leads to increased customer traffic and significant price-based competition is minimized since customers can only find those products in the two companies (JD Sports Fashion plc, 2024). The international omni-channel strength boosts the quality of consumer journeys and conversion rates, and youth culture brand correlation ensures organic loyalty and pricing strength, which is pivotal to a stylistic sensitive category (Mintel, 2023). The 3,400-store international portfolio provides scale economies and first-mover brand familiarity in the new markets (JD Sports Fashion plc, 2024).

Rarity: The alliances with suppliers and the cultural plausibility of youths are highly uncommon potentials. The number of retailers in the world with dual exclusivity to Nike and Adidas at the same time are extremely small, and the sincere cultural connection at the level, which JD Sports occupies, is extremely hard to create (MarketLine, 2023a). Omni-channel capacity and store chain are not only appreciable but they are also more easily duplicated in big box retailers and are thus evaluated as being somewhat rare.

Inimitability: The Nike and Adidas relationships and the youth brand relationship are highly imitable, as path-dependence capacity achieved through forty years of relationship investment, cultural engagement, and brand-keeping (Barney, 2018). The technology supporting the omni-channel offer is easier to copy by competitor firms with adequate capital base, but the aspect of

culture of digital interaction is more difficult to do. Physical store network cannot be easily duplicated as it requires huge capital and time, yet cannot be overcome by dedicated competitors.

Organisation: JD Sports is systematically structured to leverage its supplier relationships and its cultural brand positioning through dedicated buying teams, ambassador schemes and editorial content architecture that are correlated to these competencies (JD Sports Fashion plc, 2024). Omni-channel ability is not well-coordinated yet, digital and physical integration of channels is yet to be matured - the main field of structural investment needed to turn temporary advantage into differentiation that can be sustained (Teece, 2018).

2.5 Internal Strengths and Competitive Advantage

Internal strengths are organisational attributes resources, capabilities and competencies that place the firm at an advantaged position in comparison with its rivals in the competitive environment (Johnson et al., 2023). Based on the discussions in the preceding Sections 2.1-2.4, three major internal sources of strength are found to be the base of the competitive advantage of JD Sports.

First, the Nike and Adidas exclusive supplier collective is an all-but-unsolvable competitive moat - providing a level of product differentiation that has never been matched by any competitor on the same level and scale of intensity (JD Sports Fashion plc, 2024). Second, the truthful cultural positioning of youth, built by 40 years of consistent brand investment and cultural participation, creates in JD Sports the organic brand equity, which supports the power of premium prices and consumer loyalty within a category with inherently short-lived trends (Mintel, 2023). Third, the international expansion experience of the organisation enables first-mover advantage in the emerging sports fashion markets where rivals do not have the same operational infrastructure (JD Sports Fashion plc, 2023; Lynch, 2021).

Section 3: CSR Analysis and Strategy

Corporate Social Responsibility (CSR) is the voluntary way of considering social and environmental issues in a business company and its relationship with stakeholders, in addition to the minimum of regulatory requirements (Carroll and Buchholtz, 2018). Sustainability is the expansion of CSR over the long-term viability of business activities within ecological and social limits of the planet, which are becoming operationalised in Environmental, Social, and Governance (ESG) frameworks (Crane and Matten, 2019).

JD Sports Current CSR Strategy The 2024 Annual Report JD Sports Fashion plc bases the CSR commitments on four pillars that are (1) People, (2) Planet, (3) Product, and (4) Community. (JD

Sports Fashion plc, 2024). These pillars are an incremental CSR orientation and not a transformational one.

Business Objectives: The main strategic goals of JD Sports are the achievement of the structure at the level of the revenue of £15 billion until 2028, the maintenance of the partnerships with premium brands, and the domination in the sphere of the omni-channel sports fashion (JD Sports Fashion plc, 2024). Secondary goals include diversity targets in the workforce and science-based emissions reduction commitments but have no detail to recent publishings among Scope 3 targets (JD Sports Fashion plc, 2024).

Alignment Evaluation: there is a mixed alignment between the strategies of the CSR of JD Sports and its business goals. The pillar of people resonates well with the imperative of talent retention that is urgent in a high-turnover retail setting (Carroll and Buchholtz, 2018). Community pillar provides a direct support of premium youth brand positioning that is also clear with regard to strategic coherence. But Planet pillar lacks sophistication in comparison to industry best practice - the lack of a plausible science-based net-zero pathway with binding Scope 3 emissions commitments is a material strategic risk in the face of Generation Z consumer demands (Crane and Matten, 2019).

Section 4: Assessment of the Balanced Scorecard.

Balanced Scorecard (BSC) is a strategic management performance tool that was developed by Kaplan and Norton (2001) that translates the organisational strategy into measurable objectives along four perspectives of perspective; Financial, Customer, Internal Business Processes, and Learning and Growth. It is helpful in providing a multidimensional performance prism without overrelying on financial measures (Hitt et al., 2020). The BSC below is applied to the case of JD Sports: Table 4 correlates the data.

BSC Perspective	Strategic Objective	Key Performance Indicator	Target	Initiative
Financial	Revenue growth of 8% p.a. to £15bn by 2028 (JD Sports, 2024)	Revenue growth rate; EBITDA margin; ROIC	8% p.a. growth; >8% EBITDA margin	N. America integration; cost

				efficiency programme
Customer	Expand active digital customer base; deepen loyalty	NPS; repeat purchase rate; app engagement; market share	Digital penetration >35% by 2026	JD app evolution; loyalty programme launches
Internal Processes	Supply chain agility; store excellence; omni-channel fulfilment accuracy	Inventory turnover; lead times; store conversion rate	< 6 weeks lead time; >70% omni-channel fulfilment	Supply chain digitalisation; store operations standard
Learning & Growth	Digital capability; leadership pipeline; post-acquisition culture alignment	Employee engagement; internal promotion rate; digital training completion	>75% engagement; 60% internal promotions	Leadership academy; cultural integration programme

Table 4: Balanced Scorecard – JD Sports Fashion plc (Sources: JD Sports Fashion plc, 2024; Kaplan and Norton, 2001; Hitt et al., 2020)

Financial Perspective: JD Sports failed to reach its strategic goals in the financial outcome in FY2024 as it increased revenue by approximately 4.7 percent, whereas it was intended to grow revenue by 8 percent per annum (JD Sports Fashion plc, 2024). This lack of efficiency is largely to do with operational inefficiency at the North American operation, particularly the challenge of integrating Finish Line and DTLR/Villa in the aftermath of the acquisition.

Customer Perspective: Customer dimension is a promising trend. Digital penetration - out of 35% in 2026 target - digital penetration at the year's end stood at 24 per cent with an excess of 10 million JD app downloads, and the Net Promoter Scores continued to grow above reference year-on-year (Mintel, 2023; JD Sports Fashion plc, 2024). Considering the rises in consumer

interest and preference shown in the signals, this will offer a good platform to reiterate the ideas of digital penetration targets.

International Business Processes Perspective: Supply chain performance, particularly the North American division, has been the greatest obstacle as far as operation is concerned. The post-merger integration has given rise to fulfilment inefficiencies, longer lead times, that have hurt the requirement of agility required by a trend-driven retail category (JD Sports Fashion plc, 2023).

Learning and Growth Perspective: There is massive investment in digital capabilities and development of leadership, but no blatant cultural assimilation with regards to the recently acquired companies (Footasylum and DTLR/Villa included) has been realized yet (JD Sports Fashion plc, 2024). Sustainable performance improvement in any other BSC dimension is a prerequisite of the processes of improving cultural unity and accelerating internal talent pipelines (Hitt et al., 2020).

Section 5: Strategic Choices and Implementation

5.1 Business-Level Strategy

The generic strategy framework of Porters indicates three options: cost leadership, differentiation and focus (Porter, 2008 as cited in Johnson et al., 2023). JD Sports cannot afford to rest on its laurels of high-end brand presence and cost leadership cannot be affordable because its competitive advantage is rooted in high-end brand positioning and not in price competitiveness - watering down brands and losing client loyalty would result (Hitt et al., 2020). The most appropriate strategy that requires long-term increase in prices on a sustainable basis is differentiation that requires exclusive brands alliances, edited range of products, and youth-culture inspirational brand (JD Sports Fashion plc, 2024). To further segment JD Sports should accelerate exclusive product collaborations and should invest in high-degree level of store design experience (storytelling high-quality) to establish the high-quality brand story (Rothaermel, 2021). Focus variant of differentiation is recommended to such new Asian markets - a team of high-income young urban credibility with a culturally localised product to build market share ahead of entry by the mass market (Mintel, 2023).

5.2 Corporate-Level Strategy

Organic international growth into related diversification is the most urgently required strategic alternative at a corporate level - to be more specific, building upon the notion of JD Sports Fashion in the under-penetrated markets of Southeast Asia, India, and the Middle East, using proven international expansion risks. It is expressly not advisable to become conglomerate and diversified into areas outside the sports industry, because the competitive advantages of JD Sports essentially are market-specific and may not be easily utilized when it comes to other sectors beyond the sports fashion retail (Grant, 2019). Although historical record shows that horizontal acquisition is a growth driver in the past, the regulatory challenge witnessed with Footasylum and the integration issues of DTLR/Villa show that the organisation needs to focus on organic growth in the medium term as opposed to through M&A (CMA, 2021).

5.3 Change Management: Lewin's Framework

Unfreeze Change Refreeze model by Lewin is a highly useful and a frequently referenced model of organisational change readiness and implementation (Cummings et al., 2016). The model includes three phases: Unfreezing (making the current situation unstable to achieve openness to change), Changing (introducing new processes, structures, and behaviours), and Refreezing (inculcating the changed behaviours in organisational culture) (Kotter and Rathgeber, 2021).

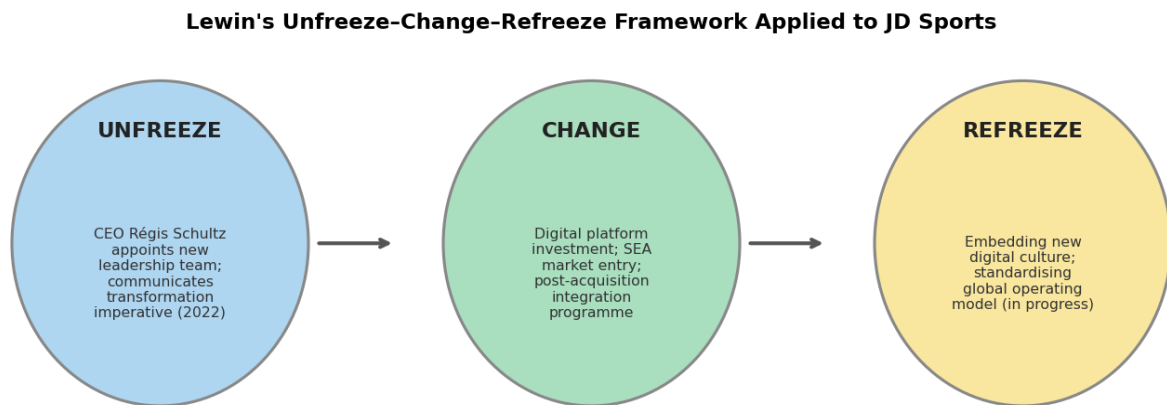


Figure 3: Lewin's Framework

Source: (Anderson and Anderson, 2019)

At JD Sports, the Unfreezing phase is semi-completed, with the arrival of the new CEO, Régis Schultz, in 2022, and the reorganisation of leadership, sending a message of a change imperative to the organisation (JD Sports Fashion plc, 2023). The Change stage is in progress currently as it is reflected in investing in digital platforms, the Southeast Asia expansion programme and post-acquisition standardisation of operations (JD Sports Fashion plc, 2024). Yet, the Refreeze phase the internalisation of new digitally-focused, culturally-mediated behaviours into the organisational DNA are still unfinished, especially in the North American operations where the cultural integration issues are still present (Anderson and Anderson, 2019). This half-baked change cycle brings an implementation risk: the organisation has proven change capacity but still needs stronger post-merger governing structures and post-merger leadership formation policies to entrench strategic change permanently (Kotter and Rathgeber, 2021).

Section 6: Conclusions and Recommendations

6.1 Ansoff's Growth Matrix

The Matrix created by Ansoff offers four possible strategic growth choices, namely: Market Penetration, Market Development, Product Development, and Diversification (Ansoff, 1965 as cited in Johnson et al., 2023). Section 2.1 has found opportunities in Southeast Asia, India, and the Middle East, whereas Section 2.3 has established core competencies in expansion and brand management at the international level. These can be mapped on to the framework of the Ansoff to be sure that Market Development - expanding into new geographic markets using the current product proposition - is the highest-priority growth channel and thereafter, Market Penetration in North America as the expansion of the existing product offer into deepening an organic store network (Rothaermel, 2021). Product Development - a medium-term opportunity to decrease the dependency on suppliers is development of own-brand sportswear lines, but brand positioning should be accomplished carefully (Grant, 2019). Diversification is not recommended considering the integration requirements at the moment and the competitive capabilities uniqueness of JD Sports.

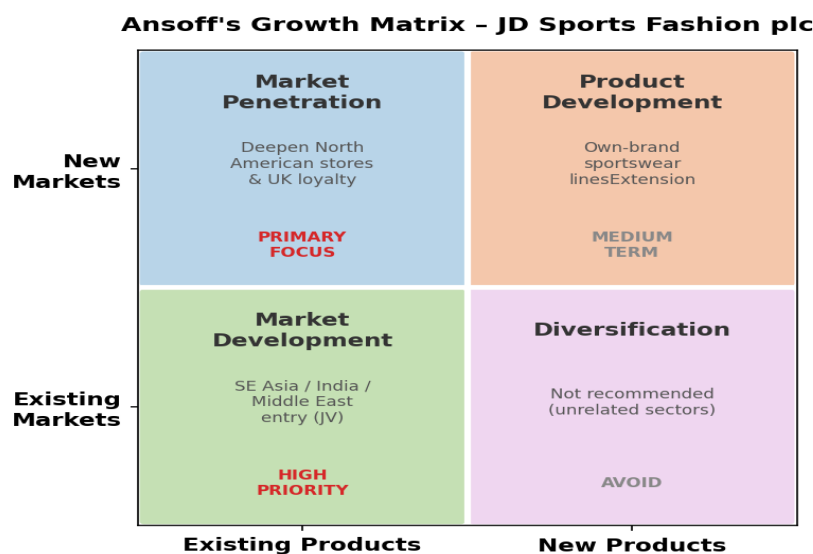


Figure 4: Ansoff's Growth Matrix

Source: (Kotter and Rathgeber, 2021)

6.2 BCG Growth–Share Matrix

The BCG Matrix determines four quadrants in which business units can be categorized according to the market growth rate and market share (Hitt et al., 2020). This can be applied to the geographic portfolio of JD Sports: the United Kingdom is a Cash Cow - a source of steady and high-margin revenues that can be used to expansion internationally (JD Sports Fashion plc,

2024); North America is a Star - with high growth potential but at the cost of massive investment to secure dominant market share (JD Sports Fashion plc, 2024).

BCG Growth-Share Matrix - JD Sports Geographic Portfolio

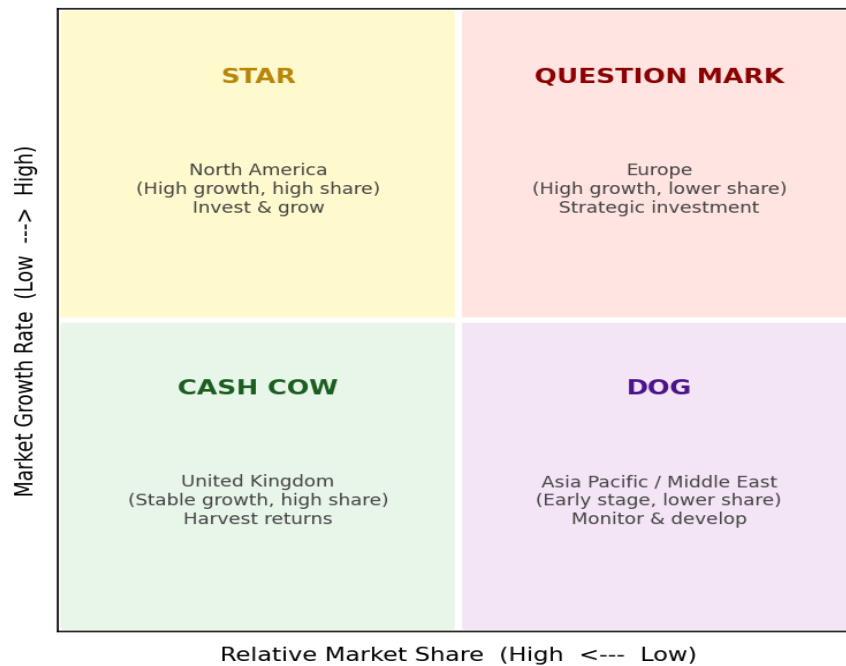


Figure 5: BCG Growth Share Matrix

Source: (JD Sports Fashion plc, 2024)

6.3 Strategic Recommendations

Deepen North American Integration: JD Sports needs to eliminate operational inefficiencies within the Finish Line and DTLR/Villa networks before making any additional acquisitions in order to transform the North America Star division into a Cash Cow that will provide the company with a stable margin to finance international growth (JD Sports Fashion plc, 2024; Johnson et al., 2023). This agrees with the BSC by Kaplan and Norton (2001), that insists on internal process excellence as a precondition to sustainable financial performance.

Joint Venture Market Entry in Southeast Asia and India: JD Sports ought to hasten market entry in Southeast Asia and India by utilizing a joint venture model, minimizing regulatory and cultural risk and leverage local market intelligence and distribution channels (Mintel, 2023). This strategy reflects a successful model of localisation implemented by IKEA in China - changing product mix and range of service delivery without altering the basic brand values (Whittington et al., 2020). The cultural dimensions analysis provided by Hofstede (2024) ought to directly be used in setting market entry sequencing and proposition localisation.

Develop a Science Based Targets Initiative (SBTi)-Congruent Net-Zero Pathway: JD Sports needs to release a net-zero pathway that aligns with the Science Based Targets initiative (SBTi), including binding Scope 3 emissions pledges throughout the entire supply chain, to safeguard brand equity amidst the cohort of sustainability-advocating Generation Z consumers (Cr Lack thereof is an increasing reputational and commercial risk, especially as ESG credentials become important brand loyalty factors to customers in the target audience (JD Sports Fashion plc, 2024)).

Conclusion

This report has carried out a multi-framework strategic analysis of JD Sports Fashion plc which has identified an organisation that has strong competitive grounds and faces great implementation challenges. The partnerships with unique suppliers, culturally inauthentic positioning of youth culture and the track record of successful international expansions are structural competitive advantages that competitors find structurally hard to emulate (Barney, 2018). Nonetheless, missed financial performance, unrealized post-acquisition integration and lack of a plausible environmental sustainability route are material strategic weaknesses that must be addressed by the managers on urgent basis (JD Sports Fashion plc, 2024). Balanced Scorecard analysis verifies the presence of half-baked strategic performance, wherein brand equity and customer engagement performances fairly compensate the weaknesses in operational processes. The three strategic recommendations, such as further embedding its North American integration, increasing its market penetration in Southeast Asia through joint ventures, and releasing a plausible SBTi-focused net-zero pathway provide a theoretically sound, evidence-based guide to achieve long-term competitive advantage (Johnson et al., 2023). The ability of JD Sports to meet its ambitions of growing to celebrate its 15 billion revenue targets by the year 2028 will finally rely on its capability to apply the same level of operational discipline as it has toward created a strong brand.

Reflective Account: Reflective Cycle (Gibbs).

The Reflective Cycle (Gibbs, 1988) offers a six-step framework, albeit systematized (Description, Feelings, Evaluation, Analysis, Conclusion, and Action Plan), of academic reflection on research and learning experiences (Gibbs, 1988 as cited in Finlay, 2022).

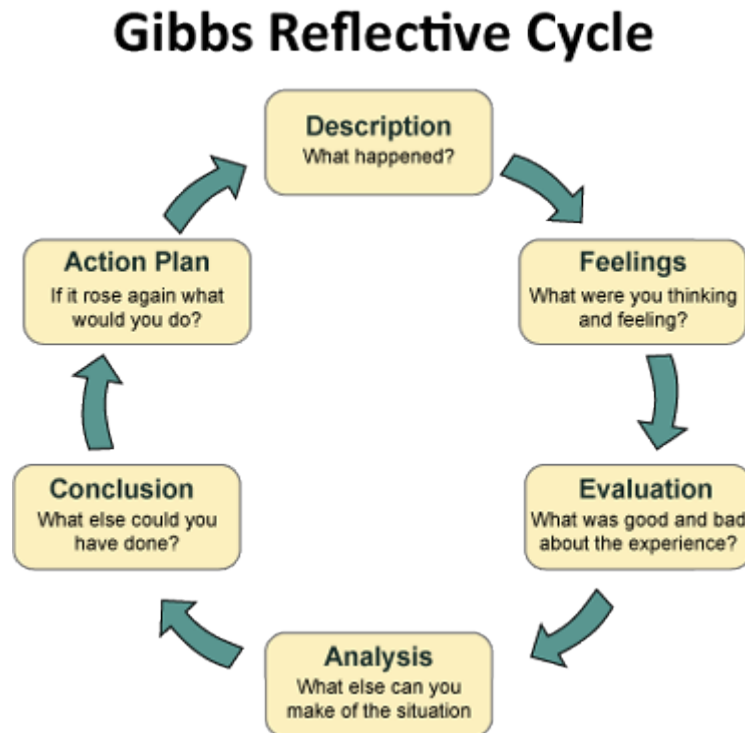


Figure 6: Gibbs Reflective Model

Source: (<https://www.crowe-associates.co.uk/coaching-tools/gibbs-reflective-cycle/>)

Description: In this assessment, research was carried out on the synthesis of an overall strategic analysis of JD Sports Fashion plc, utilising primary corporate disclosures, secondary analysis of academic literature and secondary sources of information in the industry.

Feelings: At first, the magnitude and the inclusion need of the task caused a notable degree of confusion, specifically, what the level of depth of the VRIO and Balanced Scorecard parts should be. Step by step analysis of the Annual Reports of JD Sports and the allocated scholarly literature increased analytical confidence (Johnson et al., 2023). Halfway into the analysis, the interdependence of the frameworks, namely how the results of the PESTLE analysis directly influenced VRIO conclusions, which in turn affected BSC assessments turned out to be a thought-provoking finding.

Evaluation: overall, the research was very fruitful. There was an abundance of empirical data to base evidence-based analysis on in JD Sports Annual Reports, and the CMA inquiry

documentation that was publicly available (CMA, 2021). There was a challenge on access to some peer-reviewed journal databases that had some very pertinent academic literature on sportswear retail strategy, but would have needed institutional access and were not accessible at the time of this assignment (Lynch, 2021).

Analysis: Rationally, it became visible that the strategic frameworks of PESTLE and VRIO are the most analytical when used in a cyclic manner, i.e., by going back to the previous sections as the future results of analysis yield new information, and not as serial tools (Johnson et al., 2023). Interpretation of the Hofstede Cultural Dimensions Theory as the part of the socio-cultural aspect of PESTLE was a highly productive methodological decision that made an important contribution to the analysis of the international strategy and, in particular, informed the recommendations concerning the market entry (Hofstede Insights, 2024).

Conclusion: The assignment has demonstrated that strong strategic analysis involves both theoretical fluency and empirical grounding that is extremely thorough. The greatest individual learning that came out of Balanced Scorecard section - to be precise that the BSC is not just a performance measurement tool but rather a strategic work of coherence tool that discloses distortion between the financial ambitions and operational capacity (Kaplan and Norton, 2001). The ultimate judgment of JD Sports - limited success of the strategy with certain aspects of improvement - surfaced as a truly subtle ending as opposed to a predetermined story.

Action Plan: Next time I engage in strategic analysis, I would be more systematic in conducting primary sources research - such as company annual reports, analyst briefings, and regulations documents - at the very beginning, before starting to apply the framework. I will also introduce a cross-referencing procedure between analytical segments to establish the argumentative clarity and avoid contradicting various components of the analysis (Finlay, 2022). I will also build on my acquaintance with the quantitative financial analysis tools to augment the qualitative strategic frames used in this report (Grant, 2019).

References

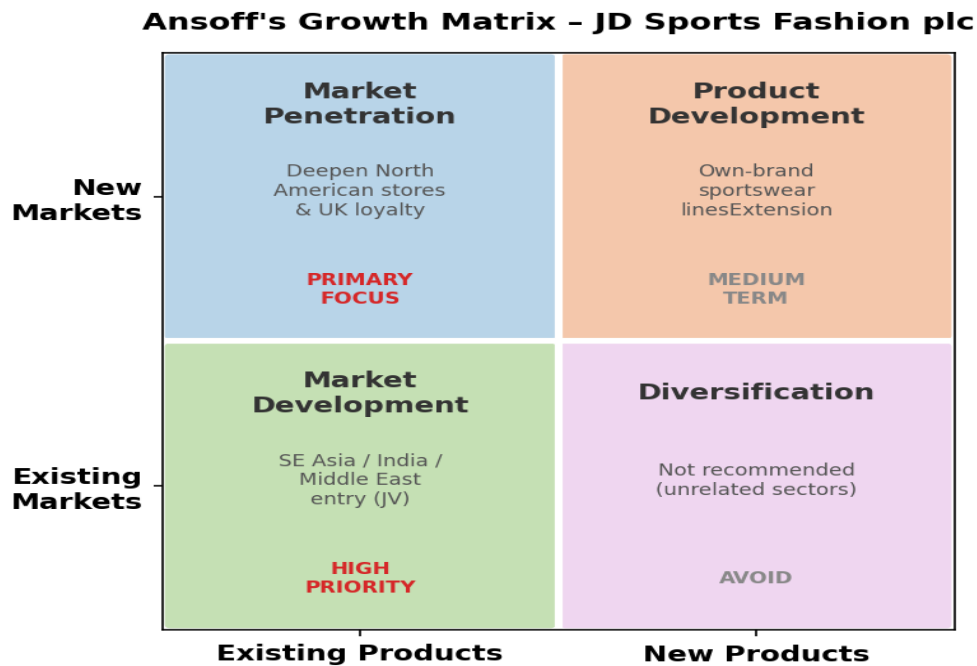
- Anderson, D. and Anderson, L.A. (2019) *Beyond Change Management: How to Achieve Breakthrough Results Through Conscious Change Leadership*. 3rd edn. San Francisco: Pfeiffer/Wiley.
- Ansoff, H.I., Kipley, D., Lewis, A.O., Helm-Stevens, R. and Ansoff, R. (2019) *Implanting Strategic Management*. 3rd edn. Cham: Palgrave Macmillan.
- Barney, J.B. (2018) 'Why resource-based theory's model of profit appropriation must incorporate a stakeholder perspective', *Strategic Management Journal*, 39(13), pp. 3305–3325.
- Carroll, A.B. and Buchholtz, A.K. (2018) *Business and Society: Ethics, Sustainability and Stakeholder Management*. 10th edn. Mason: Cengage Learning.
- Competition and Markets Authority (CMA) (2021) *JD Sports Fashion plc and Footasylum plc: Final Report*. London: Competition and Markets Authority. Available at: <https://www.gov.uk/cma-cases/jd-sports-footasylum-merger-inquiry> (Accessed: 10 March 2024).
- Crane, A. and Matten, D. (2019) *Business Ethics: Managing Corporate Citizenship and Sustainability in the Age of Globalisation*. 4th edn. Oxford: Oxford University Press.
- Deloitte (2023) *Global Powers of Retailing 2023: Resilience Despite Disruption*. London: Deloitte Touche Tohmatsu Limited.
- Dess, G.G., McNamara, G., Eisner, A.B. and Lee, S.H. (2021) *Strategic Management: Text and Cases*. 10th edn. New York: McGraw-Hill Education.
- Euromonitor International (2023) *Sportswear in the United Kingdom*. London: Euromonitor International.
- Finlay, L. (2022) *Preparing for Reflective Practice in Health and Social Care*. London: Routledge.
- Grant, R.M. (2019) *Contemporary Strategy Analysis: Text and Cases*. 10th edn. Chichester: John Wiley & Sons.
- Hill, C.W.L., Jones, G.R. and Schilling, M.A. (2019) *Strategic Management: Theory and Cases: An Integrated Approach*. 13th edn. Mason: Cengage Learning.
- Hitt, M.A., Ireland, R.D. and Hoskisson, R.E. (2020) *Strategic Management: Competitiveness and Globalisation: Concepts and Cases*. 13th edn. Mason: Cengage Learning.
- HM Government (2024) *UK Global Trade Tariff*. Available at: <https://www.gov.uk/trade-tariff> (Accessed: 20 March 2024).

- Hofstede Insights (2024) Country Comparison Tool. Available at: <https://www.hofstede-insights.com/country-comparison/> (Accessed: 15 March 2024).
- JD Sports Fashion plc (2022) Annual Report and Accounts 2022. Bury: JD Sports Fashion plc. Available at: <https://www.jdplc.com/investors/results-reports-and-presentations>
- JD Sports Fashion plc (2023) Annual Report and Accounts 2023. Bury: JD Sports Fashion plc. Available at: <https://www.jdplc.com/investors/results-reports-and-presentations>
- JD Sports Fashion plc (2024) Annual Report and Accounts 2024. Bury: JD Sports Fashion plc. Available at: <https://www.jdplc.com/investors/results-reports-and-presentations>
- Johnson, G., Whittington, R., Scholes, K., Regnér, P. and Angwin, D. (2023) Exploring Strategy: Text and Cases. 13th edn. Harlow: Pearson Education.
- Kaplan, R.S. and Norton, D.P. (2001) The Strategy-Focused Organization: How Balanced Scorecard Companies Thrive in the New Business Environment. Boston: Harvard Business School Press.
- Kotler, P., Keller, K.L. and Chernev, A. (2022) Marketing Management. 16th edn. Harlow: Pearson Education.
- Kotter, J.P. and Rathgeber, H. (2021) Our Iceberg Is Melting: Changing and Succeeding Under Any Conditions. Updated edn. New York: Portfolio/Penguin.
- Lynch, R. (2021) Strategic Management. 8th edn. Harlow: Pearson Education.
- MarketLine (2023a) JD Sports Fashion plc: Company Profile, December 2023. London: MarketLine.
- MarketLine (2023b) Sports and Outdoor Retail – United Kingdom, 2023. London: MarketLine.
- Mintel (2023) Sports Clothing and Footwear – UK, March 2023. London: Mintel Group Ltd.
- ONS – Office for National Statistics (2024) Consumer Price Inflation, UK: March 2024. Newport: Office for National Statistics. Available at: <https://www.ons.gov.uk/economy/inflationandpriceindices/bulletins/consumerpriceinflation/march2024>
- Porter, M.E. (2008) On Competition. Updated and Expanded Edition. Boston: Harvard Business Review Press.
- PwC (2023) Total Retail 2023: Reconnecting with Consumers. London: PricewaterhouseCoopers LLP.
- Rothaermel, F.T. (2021) Strategic Management. 5th edn. New York: McGraw-Hill Education.
- Statista (2024) Sports Footwear – United Kingdom: Market Forecast. Hamburg: Statista GmbH. Available at: <https://www.statista.com/outlook/cmo/footwear/sport-footwear/united-kingdom>

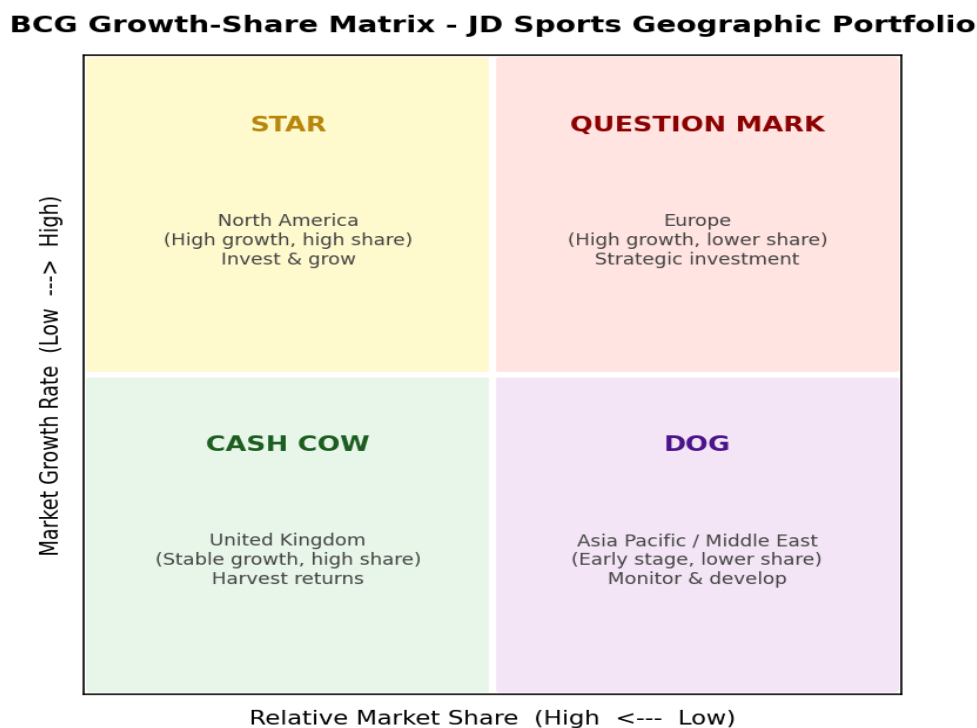
- Teece, D.J. (2018) 'Business models and dynamic capabilities', *Long Range Planning*, 51(1), pp. 40–49.
- Wheelen, T.L., Hunger, J.D., Hoffman, A.N. and Bamford, C.E. (2018) *Strategic Management and Business Policy: Globalization, Innovation and Sustainability*. 15th edn. Harlow: Pearson Education.
- Whittington, R., Regnér, P., Angwin, D., Johnson, G. and Scholes, K. (2020) *Exploring Strategy: Text and Cases*. 12th edn. Harlow: Pearson Education.
- Woodruff, R.B. and Flint, D.J. (2020) 'Customer value and sustainability', *European Journal of Marketing*, 54(2), pp. 367–395.

Appendix

Appendix A: Ansoff Matrix



Appendix B: BCG Growth-Share Matrix



Appendix C: Lewin's Change Model Applied to JD Sports

Lewin's Unfreeze-Change-Refreeze Framework Applied to JD Sports

