

Sears holdings' retail industry

Business



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“ I believe the entire retail industry is headed to where we already are” (Gara, 2014, para. 2). This is how Sears Holdings' Chairman and Chief Executive Officer, Edward S. Lampert, described the direction that Sears is taking with its ongoing business strategy (Gara, 2014, para. 2). While Lampert feels confident that he is taking Sears to the right direction, critics think otherwise, as “ Sears Holdings’ sales have dropped from \$49. 1 billion to \$39. 9 billion, and its stock has sunk 64 percent” (Kimes, 2013, p. 1). The paper assesses the outcomes of Sear’s corporate, business, and functional strategies to determine their success and impact on the achievement of their vision and mission. The vision of Sears is to “ create lifelong relationships built on trust.” Its mission is to “ work for ...families by providing products that are innovative and fashionable, quality that is trusted and affordable, and service that is reliable and instills confidence” (Sears, 2014a). The functional strategy of Sears does not fit its corporate and business strategies because of the disconnection among units that should be collaborating in pursuit of company vision and mission.

Sears has the following corporate, business, and functional strategies, according to company press releases and business articles. The corporate level strategy of Sears is to be an integrated retailer of diverse products and services (Sears, 2014b). Though Sears aims to remain in a diversified business, it is not entirely impossible that it will soon sell its poorly-performing units. Nonetheless, for now, Lampert expressed his dedication in turning Sears around, no matter how slow it might be. The business level strategy of the company is to pursue Lampert’s two platforms, Shop Your
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Way and Integrated Marketing. Lampert emphasizes member-centric shopping that integrates all channels for marketing and distribution, specifically leveraging digital marketing channels. Sears is competing in a broad market through mainly community malls than large shopping malls. It used to cater to the middle-class, but the look of its dilapidated stores indicates that it is serving the lower-class. The functional level strategy is division of the company into more than 30 units that are competing for Lampert's attention and resources.

References

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