

Organization complacency



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The promotional strategy of the business is also important for attracting consumers. It must both create and address the needs of customers. In areas like retailing, certain demographic segments are driven by the impact of advertising (Soberman 2003). To date, Wal-Mart has shown that it can address these areas, and thus maintain its competitive advantage.

Result The continuance of globalization, e-commerce and technology development present a major challenge to the retailing industries.

The way in which a corporation reacts to and utilizes these developments is of paramount importance to its future success (M. Schilling 2003). The second challenge comes from the changes in the environment in which such businesses operate. Those who can preempt such changes, recognizing which parts of the business will be affected and how these can be addressed (Comerford and Callaghan, 2003), will achieve a significant competitive advantage over its competitors.

As has been discovered within this study, Wal-Mart is continually striving to react positively within all of these areas. From the supplier to distribution IT advances are incorporated as they become available. In store and human resources strategies are designed, to react to changes in customer needs and buying decisions and the marketing and promotional programs are constantly revised. Conclusion Perhaps the biggest danger to sustainability in any organization is complacency.

The larger the business becomes, and the greater its market share, the more likely is the tendency towards becoming complacent.

Wal-Mart, and its CEO Leo Scott, understands that size and share does not guarantee the future (Robert Grant 2004). This core issue drives the business in its continued review of strategy, introduction of new and improving systems and trailing of new technology. It is also reacting positively to the changing consumer buying habits, adapting its marketing strategy to reflect this and consolidating its on-line presence.

In our view, as long as Wal-Mart continues to be aware that the industry is highly dependable upon the flexibility of strategies, and responds to changing demands in the future as well as it has in the past, there is no reason to question its ability to retain the competitive advantage that it has built up to date.

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