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Wall-Mart has an abundance of strengths which is obvious due to its incredible success. Wall-Mart is the largest employer in the United States and the company is one of the few places left for people to get a decent Job without a collegeeducation. Wall-Mart also has the second largest net sales in the world. This incredible number of sales is due significantly to Wall-Mart's aggressive growth strategy. In 2003 alone they added 425 new stores all over the world. An increase in customer demand for Superstructures encouraged the company to add 4, 000 more.

Overall they added 48 million square feet of retail space (" Wall-Mart Company Profile" 6). They can also attribute their large amount of sales to the fact that they have stores all over the world. Their truly global presence is apparent in their operation of " around 1, 350 Wall-Mart Discount Stores, 1, 700 Superstructures, 85 Neighborhood Markets and 550 Cam's Clubs in the United States, with numbers continuing to grow... And about 1, 300 locations in Canada, Mexico, the I-J, Germany, Asia and South America" (" Wall-Mart Company Profile" 5). One of Wall-Mart's competitive advantages is their remarkable logistics system.

They are able to ship merchandise from any of their numerous distribution centers in order to provide the cheapest and most efficient route. They even have their own distribution center for their online orders. The invention of sharing sales data with suppliers through computer programs has allowed Wall-Mart to consistently keep their shelves stocked with popular items. Technologyin general is an unbelievable strength that Wall-Mart is able to invest in to improve their company. Having a website has allowed for increased sales all over the world.

This not only provides convenience for customers, but with a logistics system like the one Wall-Mart has in place, online orders have become a breeze to fill. Even though Wall-Mart has been criticized for their low wages, they are actually doing a lot of good for lower income people. They can save afamilyabout $1, 000 a year with their low prices (" Wall-Mart Storm" 3). Wall-Mart can beat out many competitors with their aggressive pricing strategy. They have the ability to cut prices on some products, such as toys, by thirty percent in order to stimulate more sales.

Wall-Mart has even been able to lure in higher-income customers when they open store in more urban areas. Since Wall-Mart has become the nation's largestfoodretailer, people from all income levels are shopping there for their necessity items. They have even been working on a more upscale appearance of their stores to attract these customers. The service that Wall-Mart offers to its customers is a great advantage as well. They have a strong image that it is a friendly and helpful place to shop where people are always willing to make your experience a good one.

The added incentives are the constant price rollback, as well as the store-within-a-store. A great deal of Wall-Mart's success can be attributed to the fact that the company was based on identifying, knowing, and understanding what exactly customers want from a retailer. Wall-Mart SOOT Analysis By Casper's facing. They are paying particular close attention to environmental issues and have " vowed to increase use of renewable energy, reduce waste and carry environmentally sensitive products...

Wall-Mart will soon be selling baby clothes made using organically grown cotton and has plans to improve its truck fleet efficiency by twenty- five percent in the next three years" (" Two Public Relations" 3). Wall-Mart has also recently been pushing for a higherminimum wage, a step that is surprising to many there retailers in the industry. Weaknesses the eyes of some of the general public, Wall-Mart has weaknesses that affect not only their image, but the lives of other people. Some view Wall-Mart as a retailing giant that has taken over the retail industry.

Because of Wall-Mart's low prices and well-known name, they have been able to capture the sales of an unbelievable number of consumers, and have therefore made it extremely difficult for small retailers to survive. Ethical shoppers, those who are concerned with the well-being of small retailers, are angry at the monopolizing power Wall-Mart has been bled to gain in the past few decades. Most small shops have been forced to close due to lack of sales. Some people refuse to shop at Wall-Mart because of these issues. This poor image that Wall-Mart has in some people's eyes has taken a toll on its stock price as well.

Many environmentalists are concerned with the large scale buildings that are not sensitive to theenvironment. These buildings also cause a problem of trafficpollutionand congestion which can damage small communities. The employees of Wall-Mart can suffer a great deal as well. Many receive onlypoverty-level wages and horriblehealthcare benefits. Problems with these healthcare benefits lead to employees applying for public aid, which in turn means that taxpayers are the ones paying for Wall-Mart employee's healthcare costs (" Wall-Mart Storm" 2).

Wall-Mart has been accused of discriminating against female employees and violating child labor laws. Because of these criticisms, employee morale has been decreased as well. Wall-Mart sometimes has a disadvantage in the location of their stores. Although Wall- Mart has grown and expanded a great deal into the international market, they still do not have a large part of the European market. They are only present in the UK and heir competitors are gaining in the other surrounding countries. Wall-Mart also needs to consider the consequences of placing their stores too close together.

Instead of increasing the volume of products per store, they open another one. Wall- Mart has already been facing a problem with a decrease in Saturday store sales. A lack of products, as well as a decrease in the quality of them, may be attributed to this loss of sales. They have also been said to have poor presentation and marketing of products on the floor. Price deflation is a serious dilemma that Wall-Mart and many discount stores are facing as well. They often buy too much of one product and then have to put it on sale or clearance in order to turnover the merchandise.

Instead of increasing sales buy so much of a particular product, even if it is priced low. Wall-Mart has a tendency to overstock and therefore reduce gross margins when they sell products for reduced prices. Also, after seeing disappointing numbers, Wall-Mart has repeatedly said that their company would have increased earnings in the following quarter. Unfortunately, they have not been able to keep this promise. Wall-Mart has a weakness in that they promise unrealistic earnings, and then do not meet their expectations. This causes their stock to constantly waiver.

Even as the economy is rising, Wall-Mart's stock is not necessarily seeing an increase. Finally, Wall-Mart can have problems with their flexibility. " Since Wall-Mart sells products across many sectors, such as clothing, food, or stationary, it may not have the flexibility of some of its more focused competitors" (" SOOT Analysis" 1). These competitors have the ability to make changes and improve on a certain product lines when the needs of their customers change. Wall-Mart, however, may have too much merchandise and not be able to focus in on sectors that need to be improved.

They also might not have the available information, resources and know-how to make any changes. Opportunistically Wall-Mart is the largest retailer in the United States, it has a very good opportunity to become the largest retailer in the world. They do not always carry a diverse selection of products, so they could expand stores and merchandise to attract more customers. An area that could especially be increased is their musical products. Wall-Mart does not carry a large quantity or mixture of musical products such as instruments, and these can be high profit items.

Their image could be improved if they focused on having certain products, such as CDC and DVD's available on their release dates. Along the same lines, Wall-Mart could diversify their store types. They have been successful with implementing Neighborhood Markets, and have even tried a mall store recently. By focusing on a specific target market in a specific area, Wall-Mart could be the number one retailer for everyone. They already have the available resources to try new store types in new segments. It is also a logical step to increase and expand their current Superstructures, which are expected to increase sales aromatically in the future. The reason it is expected to drive growth so affectively is Superstructures are considered extremely high growth stores, more productive than supermarkets and expecting to produce $500 in sales per square foot" (" Wall-Mart Company Profile" 8). Wall-Mart " has yet to penetrate to many East and West Coast food markets that occupy the top 50 (food retailing markets)" (" New Competitors" 1). Another great opportunity is to improve on the areas which they have been criticized. Wall-Mart has already announced a new health care plan which would increase benefits to employees. They are very concerned with child labor laws, so they have labor practices.

Also, Wall-Mart has the opportunity to work on improving the environment. They have such a large image that any programs they support have the ability to produce tremendous results. By working on solutions to these concerns they can help improve their image and increase their market share. Wall-Mart is such a major player in the retail industry that its decisions can have an effect on the global economy, the environment and society. They have the ability to slightly decrease the price of inflation because of their low prices. Also, due to their low prices, there is an increase in wages in developing countries.

For the United States, wages may be low, but in other places where manufacturing goods is cheaper, wages can actually be considered high. By offering Jobs and increasing the wealth in other countries, it is possible for a substantial middle class to exist there and also increase Wall-Mart sales by having stores in those areas (" Wall-Mart Storm" 4. Continued international expansion is a huge strategic opportunity for Wall-Mart. There is actually more opportunity for growth in developing countries and Asian arrests than there is in the United States (" Variety Stores" 8).

Creating alliances and licensing agreements are ways to move into these market segments. Other growth opportunities include the Internet and improved supply chain management through radio-frequency identification (RIFF). Threatens order to keep prices low, Wall-Mart has had to cut costs in other areas. This includes squeezing suppliers to offering their products at much lower prices. This has driven competitors to do the same, which is causing profits to plunge downward drastically. A threat to Wall-Mart's image is the fact that for the few years after they pen up a new store, the wages of that county fall by three to five percent.

Another threat is the rapidly growing chain of Dollar General discount stores. These stores are able to open in smaller areas where there are not enough customers to support Wall- Mart. The deep discount that is offered at Dollar stores competes greatly with Wall- Mart. The economy has a slight effect on Wall-Mart's customers. They have an advantage because the do offer cheap products that appeal to people in the time of a recession. However, most of Wall-Mart's customers do not directly experience most of the overpayment's attempts to stimulate the economy.

Wall-Mart must work very hard to compete in times of uncertainty. Another threat that Wall-Mart faces is brand-name recognition. Although they carry and have increased their assortment of name brand products, most consumers searching for name brand products will not look at Wall- Mart to find them. Wall-Mart lacks a direct sales force to increase sales, whereas smaller retailers are focusing more and more on this aspect therefore increasing their competition. A major threat to Wall-Mart is the areas that they are expanding into may not be easily attainable.

It will be difficult for them to gain a good part of the market share of competition and Wall-Mart does not have a clear cost advantage. International expansion may also create slow or rough short-term growth. The international market is predicted to have excellent long-term growth success, but these earnings may not be seen in the near future. Also, Wall-Mart has huge expansion plans that are very public. " If these stores do not open on time, or are subject to delays and build issues, then analysts' predictions will not be met and share price may suffer" (" Wall-Mart Company Profile" 9).

On the contrary, if Wall-Mart successfully meets all of its deadlines, investors may still be hesitant to invest in their company. In the past, when retailers meet their expectations, and the economy is doing well, they tend to under perform. Also, two of Wall-Mart's main product lines, apparel and food, are very slow growth sectors, and Wall-Mart's dominating position in the industry may make investors believe there is little room for the company to grow. Wall-Mart's image has been seriously threatened by the numerous accusations of being " bad for the country" (" Two Public Relations" 1).

The documentary movies that re being produced could seriously hurt the company's sales, especially since they are being premiered right as the holiday shopping season is starting. The shopping experience some customers have at their store is also a threat to Wall-Mart. Customers are often complaining about the long checkout lines and the insufficient quality of the products that are offered. Once this idea is spread throughout a community, it is difficult to change the publics opinion. Also, RIFF could possibly be a threat to Wall-Mart by ruining relationships with suppliers.

This system promises to do a great deal for supply-chain management. However, there is always the possibility that technology promises more than it can actually offer. Some manufacturers of low-cost consumer products may not see the advantages of implementing such a system and not want to comply with Wall-Mart's mandate for the new system. Recommendations-Mart has been extremely successful in the past, and has a very promising future ahead of them. Unfortunately, there is always a negative side to success. For Wall-Mart, they are faced with opposition from people who are concerned with the " little guy. The fact that Wall-Mart has the ability and resources o be such a major competitor in the retail industry scares some people. Small stores in small communities, as well as employees, target Wall-Mart because they know it is a large company with the resources to defend itself. In order to improve its image in the eyes of these people, Wall-Mart may want to address these issues head on. Wall-Mart has already taken giant strides to be seen as a more environmentally friendly organization, as well as to increase the benefits of its employees. They should continue this approach, possibly even more publicly than other retailers in the industry.

Wall-Mart could even start a campaign to help the " little guy. " Since they have such a global impact, any issue they raise will undeniably get a great deal of attention. In a campaign of this sort, Wall-Mart could focus on advertise for local shops that do not sell competing products, but complimentary ones. Instead of taking sales away from themselves, Wall-Mart could change their image to one of a company that cares about the community. Along with this, Wall-Mart should focus on their employees. Publicly giving employee benefits or rewards will increase morale as well as their image.