

# Recommendation essay

[Business](#), [Company](#)



## **Business External Environment Factors Affecting Walmart**

### Introduction

Walmart is a multinational retail company in America that operates chains of warehouses and large discount stores. The corporation is very successful in its line of business, and it is the second largest public company in the world. Presently, the company has 8, 500 stores in 15 countries worldwide which are operating under 55 different identities. For instance, in United States the company operates under the Walmart name, Walmex in Mexico, Asda in United Kingdom and Best Price in India (Walmart Corporate, 2014).

This paper aims to identify two main business external factors affecting Walmart. These factors include new technology and social/cultural factors. Furthermore, the paper will also identify specific events that if happened could cause these two favorable factors to change, and thus, negatively affect the company. Last but not least, the paper will outline how the company should respond if in case there is a negative impact on it.

#### - Technology Factors

Technological factors include technological and scientific advancement in a country (Campbell & Craig, 2005). New technological improvements have affected Walmart positively. For example, due to the improvement in technology, the company has been able to open its outlets in other countries and thus making it to be the best globally.

#### - Social/Cultural Factors

Social/cultural factors affecting business include values, preferences and perceptions of customers towards a business organization. Walmart has been on the forefront in ensuring that it keeps society's values in areas

where it operates and thus making it to win most of the consumers (Walmart Corporate, 2014).

Some of the events that if happened could cause these two favorable factors to change include negative perceptions of consumers towards Walmart and inappropriate application of the new technology. When consumers developed negative perceptions towards a business entity then most likely the business will lose so many of its customers and, therefore, making the business to be unsuccessful (Sen, 2008).

Inappropriate applications of new technology too can result into a company being unsuccessful in its line of business. For instance, in the case of Walmart, inappropriate use on new technology can result into the company being edged out by other companies in the industry since advancements in technology usually raises the level of competition.

In case there is a negative impact on Walmart due to the occurrences of the above identified events, then the company should respond by taking relevant actions if it has to bounce back to its previous status. For example, it will have to monitor new technologies and social/cultural factors every time to ensure that it is updated and on top of other companies in the industry.

## **References**

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