

Walmart swot analysis

Business



SWOT analysis

Internal factors: “ S”= potential resource strengths and competitive capabilities

- Is operating in 14 countries with 2, 980 stores.
- It sells 40% of private brands which are produced through contracts with manufactures.
- High customer satisfaction.
- Offers non-stop shopping for their customers.
- Satisfaction guaranteed programs promoting customer goodwill
- Buy from local merchants when possible
- Stock ownership and profit-sharing with employees Marketing is in its Every Day Low Price (EDLP) campaign. “ W”= potential resources weaknesses and competitive deficiencies
- The Corporation is huge but still has presence in 14 countries.
- Customers sometimes are curious about the quality of products.
- Keep poor performance employees on hand.
- The market share is low outside the US market.
- Supplier profit margin is very low.
- In the management area does not have a formal mission statement. Few females in top management and there are few minorities employed.
- Undifferentiated products and services.
- Slowing speed of checkout service. External factors: “ O”= potential market opportunities

- Most of the International Market are available specially the Asian Countries.
- Cooperative ventures to increase market share in international market.
- The inflation in US market diverts the customer from buying expensive products towards cheap products. A lot of retail organizations are leaving out of business due to the drop in disposable incomes.

This can help Wal-Mart by growing its customer base due to the bargains that it can provide its customers.

- Due to the cheap rate that the organization is able to buy its products from suppliers, it is able to provide customers with even better bargains to give confidence them to shop at Wal-Mart. “ T”= potential external threats to a company’s future prospects
- Regulation of Wal-Mart pharmacies Small towns do not want entry of Wal-Mart
- Bad media exposure for Kathie Lee Brand
- Variety of competition nationally, regionally and locally
- Substitute products more easily because of intense competition
- Wal-Mart is criticized several times by community groups.
- The competitors are gaining control over International Market.
- Being a worldwide retailer means that you are uncovered to political troubles in the countries that you operate in.
- The industry is not following consumer taste.