

# Good research paper about generic strategy of walmart

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There are four types of generic strategies. They are cost leadership, differentiation and focus strategy in terms of low cost or differentiation. Good companies usually choose one of these strategies and then build up around it (Griffin and Media).

Walmart is a large retailer practicing and following the strategy of cost leadership. It sells goods at lower prices than any other retailer in the world. That is the focus strategy of Walmart. No other company has been able to come close to Walmart in terms of the prices it offers. Hence, Walmart has a sustainable competitive advantage in cost leadership.

Strengths of a company are a result of its own structures, procedures and operations (Daft). They are internal. Threats to a company are external and exist because of the outside environment in which the company is operating.

Walmart's strength is its cost leadership. The threats that are faced by the company is increasing competition in the industry. There are retailers opening up in every nook and corner. Hence, Walmart faces a tough competition. The good thing that Walmart has and it can use to defeat its competition is by using its lower prices. No one can compete with Walmart in terms of cost. Hence, Walmart can offer lower prices to the customer to lure them from the competitors. Walmart also has great financial health and strength it can further lowers its prices to put the competitors out of business by focusing on its sustainable competitive advantage (Pearce and Robinson)

## **Works Cited:**

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