

Wal-marts process and location strategy research paper examples

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



Introduction

Wal-Mart is an international organization operating in a highly spirited market, it comprises of strong chains of supply, and its arrangement of logistics is fixed. The large chain of supermarkets is operational in all countries of the world and primarily in the United States of America. On track with the endeavor of making proceeds, Wal-Mart is a non-governmental profit-making institute. It has a wide acknowledgment for running its price cut division stores.

The chain of supermarkets has several strategies inclusive of process and location. Talking of location, it involves the choice of location for stores and most of all headquarter or the distribution centre. When making the above decisions, consultations come in handy and representatives of all branches come together for the hearing of the choice. A successful company like Wal-Mart has to be very careful when making the decisions so that it cannot let down its esteemed customers and employees. (Galloway, 2009)

Process strategy

A process strategy is the process by which decisions come up following a certain pattern and structure to ensure that the competitive priorities meet the company's wish. Wal-Mart makes great decisions to make sure that it remains competitive throughout in the global market. It uses its resources for provision of valuable product. Physical distribution is however, the key to marketing strategy of Wal-Mart. It uses the fair process, which turns execution into strategy. The four strategies are planning, improving,

monitoring and appraising. Among these four, walmart uses improving strategy a lot. This strategy is functional especially when the company wants to improve on its production and distribution. (Housel, 2004)

Improve strategy is very well applicable in the organization and improvements as a result follow giving the company huge profits. Walmart can improve on very many areas including transport, customer care, advertisement and many more. Improve process strategy requires the company to go round the world looking at its outlets and determining the outlets that need improvement. Before walmart realized the importance of this process, there was presence of huge losses and the result was neglect in some areas, which needed improvement.

Location strategy

Being in the right location is Wal-Mart's key ingredient in its success.

Choosing the wrong location would make walmart lack ample access to workers, customers, raw materials, professionals and transportation.

Location has a big role in company's profits and success. Location strategy is therefore the plan to obtain the best location for a company and in this case walmart through identification of its needs and goals. Walmart maximizes on opportunity and at the same time minimizes costs and risks. Wal-Mart's location strategy conforms to its corporate strategy as whole.

Certain factors come into consideration when formulating the location strategy. The factors include facilities where it determines the space needed.

Other factors are feasibility, logistics, labor, site and community, zones of

trade, political risks, regulation of the government and environment as well as incentives. Before walmart makes any choice regarding the location strategy, it has to take into account size, population, total costs, infrastructure, labor and suppliers. (Pine, 1993)

Walmart headquarters and distribution centre is near southwest Florida. It lies in the community of arcadia and it is the most advanced facility in terms of technology in that area. Sitting on 865, 000 square feet, the distribution centre is large and costly. The buildings are magnificent and over 600 people work in there. It is like another gated community. The new distribution centre has cranes and automatic machines, which make the work easier and increase profit margins. The location of the distribution centre is strategic because many considerations have been put in place and most of all it is central. (Kidd, 1994)

Looking at the competitive edge, walmart made a good move taking its distribution centre there because the area has suffered great losses caused by hurricane charley in the recent past. The disaster has been the reason for many to flee the area leaving the economy dormant and walmart is fully maximizing on the opportunity. So far, there is no other facility like the one walmart has. There are challenges with the new distribution centre but walmart believes that it cannot prosper without challenges.

There are very many benefits of the location one being the location itself. It is central and from there it can easily monitor other outlets that belong to its chain. There will be a reduction in transport cost as a result and therefore

more profits and returns. Getting closer to people affected by hurricane charley is also another benefit since they feel appreciated and it does not only look at its advantages but also the advantages and benefits of the esteemed customers and the world as a whole. If I were asked to make a choice of the headquarter location, I would not necessarily make the exact choice but I would use the same criteria used by walmart to get them where they are. With that, I would make a very close choice since I believe it is a good choice. (Womack, 1990)

Conclusion

Walmart is a global corporation that specializes with chain supply and its operations cuts across all classes of social status including the poor, middle class and the rich. With no profits, there could be no continuation and development of walmart. It has good strategies inclusive of process and location that make it remain on the competitive edge having in mind that the organization thrives in a ready for action bazaar. Its nature of operations facilitates its good long-term investments. (Kidd, 1994)

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