

Walmart strategy

Business



His strategy of purchasing in high volume while selling low and still gain a mark up made it more popular than that made it enviable to competition. Secret to his concept is high volume purchases, efficient logistics, and advanced supply chain technology, which significantly reduced cost and maximize economies of scale. From its first store in Arkansas to supercomputer in '88, to great expansion in '95, spread in 15 countries in '05, and global reach for 50th anniversary in 2012. Under new leadership of CEO Mike Duke, the ambitious plan of expansion comes to play given the greatest challenges in legal, economic and political issues. II.

Statement of the Problem While Walmart made a tremendous success in the retail stores, how can they support and carry out the plan of global expansion given the political and economic challenges. III. Case Objective To suggest tangible strategic plans towards the realization of the dream of having a global reach in 2012. IV.

Case Analysis SWOT Analysis External Factors Opportunities | Threats | *
 Global Expansion * Newly Opened Stores in US * Strong per capita Income *
 Big money spending of consumers * Larger market reach thru online access |
 Competition * Political issues and global positions * Global regulations * Market
 saturation * Economic recession | Strengths | Weakness | * Big/ large
 discount offers * International advantage * Interstate reach * Leverage on
 suppliers * Brand Loyalty and name recall * Wide variety of choices: house
 brands and signature brands * Extensive choices of goods | * No tankard
 store layout * No big parking spaces to accommodate multitudes especially
 over the weekends * V.

Alternative Courses of Action Alternative no.

L- To intensify store operations of existing stores, improve on costs and enjoy the large margins Like Mr.. Sam Walton days. Alternative no. 2- To expand in territories that is within the acceptable profitability 1 OFF Alternative no. 3- To go all the way to global expansions support the humanitarian thrust of Walter of “ Save Money.

Live Better” creating additional Jobs, create industry benchmarks, improve working conditions of workers, and strengthen competitive prices that will be enjoyed by global consumers VI. Decision Criteria Criteria Quantitative a. Sales: The impact of alternative in the sales performance of the business b.

Productivity: The effect of alternative to employee’s sales performance Qualitative: a. Corporate Image b.

Competitive Advantage c. Goodwill d. Employee Morale e. Ease of implementation Analysis/ Evaluation of Criteria Decision Criteria I Alternative 1 | Alternative 2 | Alternative 3 | Quantitative- Cost- ROI-Business Risk- productiveness’s Rate I Logarithmically I weightlifting’s I weightlifting’s I Qualitative-corporate Image- Competitive -Advantage-Goodwill-cultural Sensitivity I HighHighHighHighHighHigh I HighHighHighHighHighHigh I HighLowLowHighLowHigh I VI’. Recommendation Walter can push for global expansion provided all the political, social and economic forces are addressed.

Given the company’s business volume would put forward to a global reach; however margins must be given due importance so as not to suffer given a

ray period. Expansion would definitely improve lives of the families nearby the store locations, improve the economy, strengthen the buying power of consumers, and would stir competition. Knowing Walter's prestige of selling low at its best would surely make competition roll. Walter has to innovative introduce new plans to capture a buying market (consumers) and specifically target the segment with the highest expenditure. Walter can also leverage on the burst of online shopping where their products can easily be reached even to those home based or with limited access t their stores.