

Wal-mart's business strategies

Business



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As a merchandiser, Wal-Mart clearly understands their wide consumer network, and to ensure satisfaction it has recently take a modern strategy to ensure complete coverage of their increasing affluent shoppers (Gene 2001).

Their wide customer network has been enhanced because of its business site and preference of their products, these has influenced more affluent consumers to purchase their products, making it as their number one choice in the retail industry (Gene 2001). Competition, targeting and segmentationWal-Mart sells their products at low prices and this has made it to defeat other major competitors in the industry like Kmart, Kohl's corporation, Federated Department store and others; their strategy targets medium and low income earners between \$100, 000 and \$50, 000 which is actually slightly less than US medium income (U. S. Business Reporter 2000). According to Wal-Mart CEO Lee Scott, " Consumers with less income shop a greater percentage of the store.

As income goes up, the percentage of the store shopped decreases. This is Wal-Mart's focus for growth with better goods." It's currently developing new stores which are meant to provide a higher end shopper, by emphasizing more tailoring stores to reach more shoppers. This current layout would run from foreign stores to its main Wal-Mart shopper; consequently all its departments are being optimized to align with their consumers in the affluent piano, Texas shopping areas (U. S.

Business Reporter 2000). Wal-Mart's lifestyle is dominantly rural, this is not surprising given its well known reach out to low income earners strategy, [1]recent analysis reveals that its locations range from affluent country living

to mid-scale fringe towns to moderate Blue collar towns to Backroad living, all of these are located in rural areas (Gene 2001). Conclusion[2]Wal-Mart is advancing steadily; it won't be a surprise to you to find yourself in near the future too making an order for a gourmet coffee while enjoying a spicy Tuna Roll at Wal-Mart, because, it has introduced Wal-Mart Plano, Texas, which is an affluent super center and therefore making a bold step to ensure coverage to all their well-heeled consumers and new customers (U. S. Business Reporter 2000).

And with its new focus, it is bound to get new opportunities for manufacturers because their products will appeal to all their consumers from medium to-upscale consumers (U. S. Business Reporter 2000).