

# Wal-mart entry into india and its effect on indian retail environment

[Countries](#), [India](#)



{draw: rect} Introduction: Wal- Mart is the world's largest corporation and it is one among the biggest private employer of America. Wal- Mart retail store was established in the year 1962 by Sam Walton Wal-Mart also has doing international operation in United Kingdom, Mexico, Canada and many countries throughout the world. In 1970, a Wal-Mart has listed in New York stock exchange. The first Sam club membership warehouse opened in 1983. Wal-Mart has different types super stores, super markets, and Wal-Mart discount stores. In the year, 2009 the sale of Wal-Mart employs is \$401 billion. The Wal-Mart is world first retail store in the world. www.

walmartstores. com) Effects of the Wal-Mart Entry: Negative effect on the Indian small scale industry Since many of the small scale department stores in India are the major contributors to the Indian economy, the entry of Wal-Mart into Indian market creates a lot of negative effect on the Indian small scale industry. This may lead to loose the business to many of the middle and small scale people. Local traders: Local traders from the major of the cities were opposed the entry of retail giant Wal-Mart especially in Delhi because it will affect the local traders or business man and also for small retail shop.

They have the issue of domestic traders will be totally neglected. Low price products Wal- Mart in order to capture the Indian market is trying to introduce low price strategy on their products which inturn affect the other local businesses. Local traders later also should implement this pricing strategy which may affect their profit margin. But in return the consumers may benefit a lot from this. Creates excess competition Due to the entry of Wal -Mart into the Indian market the competition may increase between

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local retailing businesses like Pantaloon, Reliance etc. e can see a tough competition between these business units in future . Supplier's benefit:  
Conclusion: From the analysis there is advantages and disadvantages for Wal-Mart to enter in the Indian retailing system. From the arrival of the Wal-Mart to India FDI will be increased in India and most of the retail stores will have the subsidiaries in many of the places to increase the availability of the customers. Most of the foreign retail outlets is already survive our country. So Wal-Mart can also survive in India if it sets a good strategy for shine and also should be beneficial for the customers and suppliers in the country.

Bibliography