STRATEGIC ANALYSIS OF WALMART

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Executive Summary

Overview of Walmart

Walmart is global corporation in the retail industry that was founded in the United States. There are thousands of superstores, grocery and department stores under this organisation. As of October 2022, Walmart has over 10,500 centres with a reach of over 27 countries. The superstores are all under operation in over 45 different names.

Known for its cheap, one-stop shopping experience, Walmart rapidly grabbed market share by obtrusively undercutting low-scale supermarkets. By 2001, Walmart overtook Exxon Mobil to become the world's largest company by revenue (Shvartsman, 2022). Walmart has since then seen sky-rocketed rates of success in its businesses in the United States, Canada and the United Kingdom. However, in some other countries, the company has had a combination of successes and failures.

The aim of this study is to critically explore the various factors that impact the strategic direction of Walmart with the aid of various strategic analysis tools and propose more strategic options for personalized customer care.

CHAPTER ONE

INTRODUCTION

1.1 Strategy

A strategy can be defined as the roadmap or blueprint of an organisation. Strategy is what characterises the overarching direction and vision of an organisation.

Michael Porter frames strategy as a combative stance which involves a particular group of activities that result in a unique position. This means that in order to define strategy for a business, there must be a thorough understanding of the market as well as competitors within the same industry (Porter, 1987).

1.2 Levels of Strategy

There are three levels of strategy that can be defined in an organization (Cascade Team, 2022). These are:

1.2.1 Corporate Level Strategy: This level of strategy is very essential as it sets the tone for all other levels of strategy. Corporate level strategy involves giving an overarching vision and direction for an organisation.

1.2.2 Business Level Strategy: This level of strategy involves the activities that need to be defined to achieve the goals set at a corporate level.

1.2.3 Functional Level Strategy: This level of strategy involves strategy at the lowest level and is usually carried out by operational managers.

1.3 Problem Statement

This report explores the strategic management methods used by Walmart using different strategic management tools as a baseline for recommending a more personalised customer experience.

1.4 Aim and Objectives of the study

The aim of this study is to critically evaluate the domain in which Walmart operates using various analytical tools. The objectives of this study are:

- To assess, analyse and give recommendations based on the economic environment that Walmart operates in
- To use strategic analysis tools such as PESTLE, SWOT and Porter's Five Forces to take a critical outlook on various performance indicators with respect to Walmart.

CHAPTER TWO

Strategic Management

Strategic management refers to the continuous organising, tracking and examination of all moving parts of an organisation that are necessary to fulfil set goals and objectives. The strategic management process enables organisations to evaluate various levels of strategies, think through the overarching organisational plan and adjust where required. Effective strategic management is an iterative process. It involves going back to the drawing board, assessing, redefining goals and ensuring that the set objectives are in alignment with the blueprint of the organization (Kenton, 2022).

2.1 Management Theories

2.1.1 Scientific Management Theory

Frederick Taylor pioneered one of the most popular management theories called the scientific management theory. Taylor along with his colleagues conducted several scientific studies on work performance. He was of the school of thought that productivity is directly linked to the simplicity of tasks and not the brutal forcing of employees to keep working harder (Peek, 2022).

He also introduced the standardisation of workplace rules with job security as the incentive. He developed the “fair day’s work, fair day’s wage” concept. This concept has become widely used globally.

2.1.2 Systems Management Theory

Systems Management Theory is defined on the premise that businesses are like the human body with various systems that work together to ensure proper functioning. As each organ plays a crucial part in the human body; each department, workgroup and business unit also play a massive role in the performance of the overall organization (CFI Team, 2022).

This also implies that if one part of the organisation is not operating efficiently, this affects the rest of the organisation. Every part of the organisation’s ecosystem must function at its best for the business to run optimally as a whole.

2.1.3 Contingency Management Theory

Contingency management theory is based on the premise that there is no “one-size-fits-all” approach when it comes to managing an organisation. There are intrinsic and extrinsic elements that will determine the management approach used.

There are various factors that influence an organisation's structure such as the size of the organisation, the level of automation within the organisation and the management leadership style.

Fred Fiedler founded this theory. His theory states that the natural inclinations and traits of a leader are directly correlated to the effectiveness of his/her leadership (CFI Team, 2022). According to the theory founded by Fiedler, there is a unique blend of qualities that is useful and required for every kind of situation. This means that a leader must be flexible enough to evolve and modify their leadership style to suit the environment.

2.1.4 Theory X and Theory Y

Douglas McGregor founded theories of human motivation for work, Theory X and Theory Y. Theory X establishes that humans generally do not like to work, and they need to be forced and controlled in the direction of the organisational goals. The theory also states that workers prefer this style of management to avoid taking responsibility for the mission and vision of the organization (Morse and Lorsch).

Theory Y places an emphasis on the average worker's inclinations to have a passion for his/her work, to seek and take on responsibility and solve problems with creative solutions. Hence, workers do not need to be forced or coerced but need to be in an environment where they can grow and thrive (Morse and Lorsch).

Managers seem to be torn between the two conflicting approaches. Further studies have been carried out and has been concluded that there is not one approach that fits all use cases. There are situations that require either Theory X or Theory Y to achieve the set goals and objectives (CFI Team, 2022).

Theory X is otherwise known as the 'authoritarian' management style and Theory Y is known as the participative management style.

Douglas McGregor is the theorist credited with developing these two contrasting concepts. More specifically, these theories refer to two management styles: the authoritarian (Theory X) and participative (Theory Y).

2.2 Strategic Management Tools

Strategic management tools refer to techniques and methods of establishing the current state of a business, discovering where a business needs to be in the future and deciding what is required in the present to get to the intended future state for the business (Kenton, 2022). A few of these strategic tools are:

2.2.1 Porter's Five Forces

Porter's Five Forces is a framework that that is aimed at determining the competitive factors that influence an industry. This in turn can reveal the industry's strengths and weaknesses. Porter's model was named after a Harvard School professor, Michael E. Porter. The model can be

implemented in various sectors of the economy to better understand competition and position for efficiency and profitability (Jurevicius, 2021). Porter's five forces are:

- **Competition within the industry**

  When there is a high level of competition in an industry with suppliers offering similar products and services, the power a company possesses in that industry is low because consumers have more options and will naturally go for lower prices (Jurevicius, 2021). Conversely, when the level of competition in an industry is low, a company has the power to create a niche and possibly monopolise the market. The company may choose to price their goods and services higher which then leads to higher turnover.

- **Potential for new competitors in the industry**

  The higher the time and effort required to make entry into a new industry, the greater chance there is for an already established business to have a stronger position within that industry. Conversely, an industry with very low barriers to entry will increase the number of competitors within that industry. As a result of this, an already established business within this industry will lose more and more power within that industry.

- **Suppliers' power**

Porter's model takes into consideration the ease with which suppliers can increase the cost of the inputs required to produce a unit of a good or service. The less the number of suppliers available to an industry, the more dependence businesses will have on a supplier. This means that suppliers have more power in this industry and can increase prices and monopolise certain aspects of the market. Similarly, when we have a high number of suppliers available to an industry, costs are lower for businesses as they can get better deals from competing suppliers.

- **Customers' power**

The smaller the number of customers a supplier has, the more powerful each customer becomes. This is because each customer would then have more leverage on the bargaining power they possess (Jurevicius, 2021). Also, when a supplier has many clients, each client has the potential to become 'replaceable' and therefore, has less power to negotiate better deals.

- **Substitute products**

Businesses that offer goods and services that have a lot of close substitutes will have less power or influence in the industry because customers will generally have more options to choose from. Likewise, when businesses offer goods and services that have a low number of

substitutes or no substitutes at all, they have more influence in the industry and possess power to increase their prices.

2.2.2 Porter's Generic Strategies

Michael Porter, Harvard Professor proposed the Porter's Generic Strategies. This study posits that the relative power that a business possesses within an industry has the potential to greatly impact the profitability and competitive advantage of that business (Gordon, 2022).

Low cost and differentiation of products are major factors that can influence a business's competitive advantage. The generic strategies include:

- **Cost Leadership Strategy**

  Cost Leadership involves reducing the cost that result from providing a unit of a good or service to a client. Walmart uses internal economies of scale to drive a cost leadership strategy.

- **Differentiation Strategy**

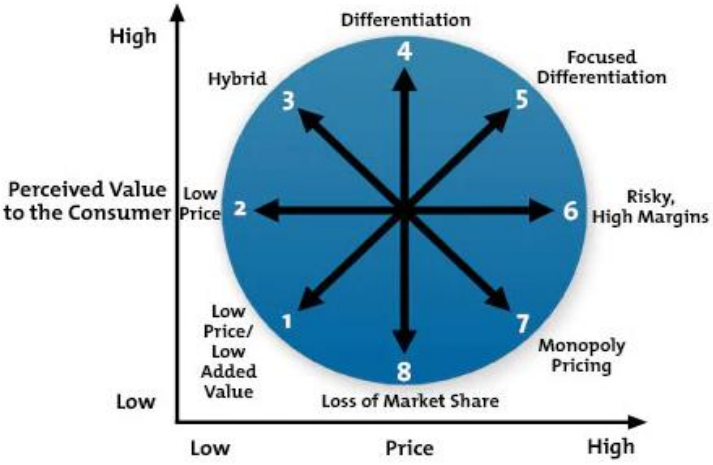
  Cost Leadership involves making a product in such a way that there is a unique advantage from other similar products in the market. Apple uses cutting-edge technology and unique features to differentiate themselves from other technology companies that produce the same products.

- **Focus Strategy**

Focus strategy involves finding a niche in an industry and concentrating on cost leadership or differentiation in that area. A business that uses a focus strategy usually benefits from the devotion of consumers that tend to be attracted to the point of focus.

2.2.3 Bowman's Strategy Clock

Bowman's strategy was developed by Cliff Bowman and David Faulkner. This framework draws from Porter's strategies and expands further to eight different strategies. This model not only identifies the different strategies, but also outlines for each strategy, the probability that a business will prosper when that strategy is used (Bhasin, 2019).



- **Position 1: Low Price and Low Value**

  This position is not one that many businesses find palatable to be in. Businesses usually find themselves in this situation when their products have a very low differentiation factor or there are many substitutes available for the products. The only way to compete and be profitable in this situation is to increase the volume of units of goods sold (Bhasin, 2019).

- **Position 2: Low Price**

  Businesses in this position are low-cost leaders. These businesses reduce their prices to the lowest point possible and balance the margins with very high volume (Bhasin, 2019). An example of this is Aldi that makes low price point deals with suppliers with a guarantee of high volumes.

- **Position 3: Hybrid (Moderate Price and Moderate Differentiation)**

  Businesses that operate with this model offer goods at a relatively low-cost compared to the perceived value of the good. Here, businesses offer products and services at reasonable prices for the quality of the good (Bhasin, 2019).

- **Position 4: Differentiation**

  Businesses that choose to differentiate their products offer goods that have a higher perceived value than their counterparts within the same market. These businesses make profit by either raising the prices to get higher margins or increasing their market share.

Branding becomes an increasingly important concept here as it helps consumers associate a business with quality or the differentiating factor of the good (Bhasin, 2019).

- **Position 5: Focused Differentiation**

  Businesses that choose a focused differentiation strategy usually target a specific sect or class of consumers. The product, good or service may not have any increased value, but the perception of value can allow the businesses to price at a premium. A perfect example is the designer, Gucci. Clothes are necessary for warmth and decency. However, one does not actually need to pay a premium for this except one believes there's a certain value that paying a premium brings (Bhasin, 2019).

- **Position 6: High Price and Standard Product**

  Some businesses choose to charge a premium for a basic product to increase profitability. This strategy may be successful in the short run but in the long run, when consumers discover this, they may shift their demand to other competitors who have reasonable prices for the quality of the product (Bhasin, 2019).

- **Position 7: High Price and Low Value**

  Businesses that usually operate with this model have monopoly of the market. As the only supplier of a good or service, the business could choose to offer very low value at a premium until there are competitors within that market (Bhasin, 2019).

- **Position 8: Low Value and Standard Price**

  Businesses that choose to operate with this model will eventually lose their customers to their competitors as consumers will seek better deals elsewhere (Bhasin, 2019).

2.3.1 Ansoff's Matrix

Igor Ansoff developed the Ansoff Matrix. The matrix helps organisations to determine the path to choose for strategy growth (Hanlon, 2021). Ansoff proposed that there are four growth strategies that organisations can employ in developing the corporate strategy:

- **Market Penetration**

  This strategy involves expanding the business's market share by offering more units of an existing good or service to an already existing market.

- **Market Development**

  This strategy involves discovering new markets for goods and services that already exist.

- **Product Development**

  This strategy involves producing and offering novel goods and services to an existing market that a business already operates in.

- **Diversification**

This strategy has the highest level of risk as it involves offering new goods and services to new markets.

2.3.2 SWOT Analysis

SWOT is an acronym for Strengths, Weaknesses, Opportunities and Threats. SWOT is a framework that is useful for examining intrinsic and extrinsic elements that impact a business organisation.

2.3.3 PEST Analysis

PEST is an acronym for Political, Economic, Social and Technological. PEST is a framework for examining extrinsic factors that impact a business within the political, economic, social and technological space.

2.3.4 Stakeholder Analysis

Stakeholder Analysis is a tool that aids the identification of key players within a project and assessing how those key players may be impacted by the scope of the project. The impact of the project on different key players will in turn determine the means and frequency of communication to each player.

CHAPTER THREE

PESTLE ANALYSIS OF WALMART

The PESTLE analysis for Walmart is presented below:

3.1 Political Factors Impacting Walmart

Walmart is a superstore that caters to over 250 million consumers weekly with operations in many parts of the globe. This means that Walmart is impacted if there are political unrests in any areas of its business operations. This important factor must be considered as Walmart expands its business to other nations (Frue, 2020).

Governments of nations can enact laws that may impact the revenues of businesses adversely. These laws must be obeyed, or Walmart may face a complete shutdown of their operations in that region if they don't comply. For example, in 2019 a bill was passed in the United States to raise the minimum wage to $15 per hour spent working. While this move is a win for worker, it cuts into the profit margin for companies like Walmart (Meyersohn, 2021).

3.2 Economic Factors Impacting Walmart

Walmart is not exempt from economic woes in times of economic instability. Walmart is well-known for its competitive prices. However, in times of recession or downtimes in the economy, the cost of production may increase. If Walmart makes the decision to increase the prices of goods, it may leave customers unsatisfied and looking for alternatives. If Walmart chooses to

keep prices the same, it won't be able to meet the required standards and may not be able to achieve good margins (Frue, 2020).

There are also countries that have higher tax and interest rates that may impact revenues. Walmart must be up to date on the economic conditions in all the regions where it has its operations to ensure that it can redirect strategy as needed.

3.3 Sociocultural Factors Impacting Walmart

Since Walmart is a multinational company, various sociocultural factors must be considered within the regions that the business operates. For example, Walmart tried to expand its business operations to Germany without properly taking into consideration the various sociocultural nuances within the German market. This led to a loss of over $1 billion dollars as the German market did not welcome a lot of the products which were more suited for the American market (Frue, 2020).

Conversely, Walmart noticed that there was a market for people who are conscious about maintaining a healthy lifestyle. A section that caters to customers with organic and healthy produce was then developed and has been thriving ever since.

3.4 Technological Factors Impacting Walmart

For greater effectiveness, Walmart uses a highly automated supply chain system. However, with a brand as large as Walmart, there are even more opportunities to utilise cutting-edge technology to improve various processes and to enhance customer experience. Some of these technologies include enhanced robotics process automation, virtual reality, augmented reality and natural language processing (Singh et al., 2022).

In 2021, Walmart announced that it will be creating a new fintech start-up in collaboration with investment firm Ribbit Capital. Behind the scenes, both successfully launched a start-up that aims to be a super-app rather than a bank of Walmart, per Forbes. Later in 2022, the start-up, called Hazel, acquired two more companies, One Finance and Even. The combined company will be called ONE. The start-up plans to capitalize on Walmart's huge reach: its 1.6 million U.S. employees and more than 100 million weekly shoppers (Frue, 2020).

3.5 Legal Factors Impacting Walmart

There are many legal issues that can arise if due diligence is not carried out. Since Walmart is a global company, the business must abide by the laws of the nations where operations are carried out. Examples of laws that must be taken inro consideration are labour laws, customer protection laws, health and safety standards, etc.

Failure to abide by these laws usually result in lawsuits that may cause the business millions of dollars. For example, in 2018, Walmart had to pay out $65 million to almost 100,000 past and present employees who accused the organisation of violating labour laws by not providing seating while they worked (Frue, 2020).

3.6 Environmental Factors

Walmart has received a lot of criticism from organisations for not properly disposing wastes and placing hazardous compounds into sewage pipes. Walmart has since then been forced to address its brand reputation by caring more about the environment. The company introduced an initiative in April 2017 that aims to reduce greenhouse gas emissions throughout their entire chain of operations.

This will not only help the environment but will also boost their brand reputation globally (Frue, 2020).

CHAPTER FOUR

SWOT ANALYSIS OF WALMART

The SWOT analysis for Walmart can be found below:

4.1 Strengths of Walmart

4.1.1 Global brand recognition

Walmart has managed to capture the hearts of millions of customers daily by being one of the most popular brands in retail with an incomparable scale of operative effectiveness. Walmart has 11,484 stores that operate in 27 countries. This strong market position ensures Walmart has influence over suppliers and competition within the market (Smithson, 2022).

Recently, Walmart bought ASDA, a retail company within the United Kingdom. This has expanded Walmart's global presence and brand reach even further.

4.1.2 Cost leadership strategy

Walmart utilises internal economies of scale to offer competitive prices for millions for products. This makes the superstore one of the most economical places to shop. These prices are often hard to beat by competitors which earns Walmart its top spot for consumers.

4.1.3 Global supply chain and logistics system

Walmart's robust global supply chain mechanism is one of the greatest strengths the organisation possesses. Walmart uses technology to track products and logistics performance globally with an efficient supply chain system.

Delivery is one of the biggest strengths of Walmart. Apart from strengthening the supply chain, Walmart is using cutting-edge technology through automation and machine learning to gather and process large amounts of data through advanced data analytics to make data-driven decisions. Walmart also aims to offer its delivery expertise as a service to other retail merchants (Singh et al., 2022).

4.1.4 Effective adoption of e-commerce

During the pandemic, Walmart's sales sky-rocketed as many consumers were highly dependent on online stores. This motivated Walmart to fortify their e-commerce system which in turn, led to a massive increase in online sales. Walmart's powerful online sales in addition to their physical stores helped strengthen the company's influence in the market and increase sales to a record high.

4.1.5 Cutting-Edge Technology

Walmart has greatly enhanced the customer experience of customers through the development of an augmented reality scanner in its mobile app that reveals information about a product when a camera is focused on that product. Walmart also went ahead and partnered with the augmented-

reality developer Zappar to ensure that customers had this new technology available in retail stores. Customers only need to scan the Zapcodes at retail outlets to trigger the augmented reality technology experiences like Tony the Tiger or Chester the Cheetah, mini-games, 3D animations, and face filters. This is also sponsored by brands like Pepsi and Nickelodeon (Singh et al., 2022).

4.2 Weaknesses of Walmart

4.2.1 Poor employee treatment

Walmart has received a lot of backlashes concerning how their employees are treated. Employees have very low wages, meagre healthcare packages. The poor working conditions that Walmart employees operate in have been heavily criticised (Smithson, 2022).

4.2.2 Overdependence on the United States' market

During the pandemic, Walmart sales globally reached around $120 billion which was less than the sales from the US counterpart which was estimated around $341 billion.

4.2.3 Negative publicity and poor brand reputation

Walmart has had a lot of dents to their reputation in some respects over the years. From bribery and corruption in Mexico, racially discriminatory actions, employee safety concerns, etc. The brand reputation has suffered so many hits and has spent millions of dollars trying to mitigate the effects of these blows.

4.3 Opportunities of Walmart

4.3.1 Expansion of Walmart's global presence

There are untapped markets within the global space that Walmart could potentially establish their presence in (Smithson, 2022). These include China and other countries in the Middle East like Morocco, Qatar, Saudi Arabia and Yemen. This will also help ease the over-reliance on the United States market.

4.3.2 Enhancing employee practices

There is a massive opportunity for Walmart to enhance the human resources practices for employees. Since Walmart is heavily reliant on its workforce, including best practices in the organisation's human resource strategy will be extremely vital in further elevating the brand's reputation and effectiveness.

4.3.3 Expand healthcare services

Walmart has a section of its business that is involved in providing healthcare services in the United States. There is a massive opportunity to expand their healthcare offerings within and outside the United States.

4.4 Threats of Walmart

4.4.1 Trade tensions between countries

Walmart operates in over 27 countries globally. As a multinational organisation, Walmart is susceptible to trade wars between countries. For example, the trade tensions between the United States and China could massively affect the supply chain in that channel of operations.

4.4.2 Presence of other online e-commerce companies

A lot of smaller companies have entered the e-commerce space and offer similar goods and services at competitive prices. This can pose a threat to Walmart's market share in the retail space. Amazon, eBay, Costco and Best Buy are Walmart's biggest competitors. These companies pose a real threat to Walmart as they have a strong and growing customer base.

4.4.3 Political and Legal Issues

Since the political and legal climate of countries vary, this can affect the normal operations of Walmart in very nuanced ways. This could sometimes impact the economic performance of Walmart negatively and leave rippling effects if not handled properly (Smithson, 2022).

Various countries also have different laws that need to be taken into consideration to operate successfully. These laws include labour laws, health and safety standards and customer protection laws. These laws could directly influence the business operations and must be considered carefully.

CHAPTER FIVE

PORTER'S FIVE FORCES ON WALMART

This analysis highlights the forces impacting the organisation with a focus on factors such as the competition within the industry, potential for new competitors in the industry, suppliers' power, customers' power and substitute products (MBA Skool Team, 2022).

5.1 Competition within the industry

Walmart has both a physical and online presence. The organisation also has a very large market share in the superstore sector. Although, there are other competitors within the market such as Amazon and other small-scale stores, they pose a low threat due to the pricing leverage that Walmart has. Walmart also has brand loyalty from millions of customers which makes it more complicated to take the market share they have. Hence, the competition in within section is moderate.

5.2 Potential of new competitors in the industry

The potential for new competitors for Walmart is medium to very low. This is because barriers to entry for the superstore and retail market sector is very high. Also, the complexities of creating a robust supply chain such as that of Walmart, makes is even tougher to enter the industry (MBA Skool Team, 2022).

There is also a huge capital required as Walmart uses cutting-edge technology to reinforce the organisation's business activities. This makes supply efficient even as the organisation uses the leverage it has in terms of economies of scale. These benefits trickle down even to the consumers which is why Walmart has won the hearts of many. In 2022, the net revenue of Walmart was over $600 billion (Macrotrends, 2022).

5.3 Suppliers' power

Walmart has a large amount of control and influence over its suppliers. With Walmart's huge customer base, suppliers would usually rally to be part of Walmart's supply chain so that their goods and services will have a wider reach. The organisation also uses a Vendor Managed Inventory system which gives each supplier the autonomy to manage their own inventory. Suppliers are not usually able to request for large favours or bargain with Walmart. Hence, we can conclude that the suppliers' power here is very low (MBA Skool Team, 2022).

5.4 Customers' power

Walmart being the superstore market leader, enables the organisation to utilise economies of scale to provide goods and services at a very cheap and affordable rate. The power of customers to push the price lower becomes low within this circumstance as the pricing is already very competitive. Customers also have both physical and online options with home delivery at a very

low cost (MBA Skool Team, 2022). This reduces the bargaining power of each customer as there is very little margin for reducing the already low prices.

5.5 Substitutes

With an enviable market share and a large customer base, Walmart is not easy to substitute. Walmart has a very strong online presence, physical presence and efficient online delivery system. Walmart constantly needs retailers, has a robust supply chain mechanism and provides goods reliably at a cheap rate. This combination is hard to match or beat. Hence, the threat of substitutes is very low.

Conclusion

At Walmart, it is very clear that their customers are at the very heart and centre of the business. Walmart is making all efforts to provide consumers with the most comfortable experience using the best and latest technologies. With this initiative, Walmart is not only saving its manual labour on incompetent tasks but also saving its money on power costs by eliminating repetitive tasks and ensuring employees focus on high-value work.

Walmart is doing an excellent job of leveraging the power of innovative start-ups in order to elevate its own hold in the e-commerce business. Their strategy has been to buy companies and pull them into where they can provide all the required backing and get innovative advancements. The organisation is also making efforts to stay competitive with Amazon to control its data-intensive functions smoothly (Singh et al., 2022).

Most technology products that Walmart uses were developed in-house (Singh et al., 2022). The superstore also aims to go back to the drawing board on the customer experiences across computer vision, Artificial Intelligence, Augmented Reality, machine learning, and robotics for the purpose of improvement (Venkatesan, 2021).

Walmart also implements a cost leadership strategy to ensure the business remains competitive within the retail industry. Using this strategy, Walmart offers a wide range of products at lower prices than what competitors charge. The business also takes this a step further by employing

other cost-cutting methods in its operating chain leading to higher volumes of sales and higher revenue.

Even though there are many opportunities for growth within the organisation, Walmart's current strategy ensures that the business retains its top spot for affordable one-stop shopping for millions of consumers.

Recommendations

The recommendations that will be suggested in this study will be geared towards providing suggestions for more personalised care for Walmart's customers.

An area that would be beneficial for Walmart to explore will be Voice-Search Artificial Intelligence. This will ensure that customers are able to shop faster online without having to type or go to a physical location. This can also help with personalising a customer's shopping experience which will in turn boost the volume of sales (McKinsey & Company, 2020).

Another area that Walmart can improve on is making their employees happy with good employment benefits. When employees are happy, they are better motivated to put in more proactive effort at work and behave kindly to customers. This in turn will encourage customers to solidify their loyalty to the brand. Walmart must also continue to train their employees with a 'customer-first' mindset (McKinsey & Company, 2020).

Value also extends to time. Walmart can improve the shopping experience for their customers by enabling rapid methods of payment physically in-store through responsible artificial intelligence, real-time natural language processing and mobile payments technology. This will reduce the waiting lines and improve customer experience in-store. Walmart can also further leverage technology to observe trends in advanced big data analytics to customise each consumer's shopping experience (McKinsey & Company, 2020).

Although implementing the above recommendations will require a huge investment for Walmart, this investment will yield positive results by reducing costs massively for Walmart. In the long run there will be an increase in overall revenue and brand loyalty from customers will be increased.

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