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INTRODUCTION

Walmart is a major worldwide retailer that has consistently modified its tactics to successfully traverse a variety of markets in the ever-changing world of international commerce. This project examines Walmart's internationalisation process in great detail, paying special attention to its activities in Chile. Walmart's success may be attributed to its capacity to adapt to change and grasp opportunities, as seen by its modest origins in the United States and its vast global reach. This project attempts to shed light on Walmart's road to internationalisation and its present place in the Chilean market by looking at the company's origins, history, and strategy.

I. BACKGROUND ANALYSIS

BACKGROUND

Sam Walton established Walmart, a retail behemoth, in Bentonville, Arkansas, in 1962 as a modest discount store. Walmart, which is well-known for its dedication to offering Everyday Low Prices (EDLP), began to grow throughout the country in 1988 and introduced the idea of a supercenter. Walmart has adopted technology innovations, established a substantial internet presence, and carried out sustainability programmes throughout time. Walmart has been criticised for its labour practices and market domination, whilst being applauded for its accessibility and product selection. Walmart keeps up with the changes in the retail industry, highlighting its status as one of the biggest and most powerful brands in the world.

HISTORY

Sam Walton opens the first Walmart shop in Rogers, Arkansas, on July 2, 1962. In 1964 the business formally incorporates as Wal-Mart Stores, Inc. In 1971, the first Home Office and distribution centre are opened in Bentonville, Arkansas. Walmart gets listed on the New York Stock Exchange (WMT) after a year. First drugstore opens in 1978. In 1991, Sam's Club opens in Mexico City as part of Walmart's worldwide expansion efforts via a joint venture with Mexican retailer Cifra. In the next years, they went on international to China, Japan, Canada etc. Mike Duke takes over as CEO in 2009. Walmart expands into Chile by acquiring D&S S.A.'s majority share in the same year. Walmart's yearly revenues exceed \$400 billion. Walmart pledges in the 2010s to serve customers in a changing retail environment, and it will do it by using staff and technology. By the 2020s, Walmart will have improved its operations and expanded its customer support ecosystem, allowing customers to purchase anywhere and however they choose.

INTERNATIONAL JOURNEY

When Walmart launched a shop in Mexico in 1991, it started its internationalization adventure. The business made its first international venture with this. The ambition to take advantage of fresh markets and growth potential led to the choice to go worldwide.

Walmart saw an opportunity to expand into other areas by replicating its popular retail strategy, which centered on offering a large selection of items at daily cheap costs.

The foray into Mexico paved the way for more global growth. Walmart modified their techniques to meet the local conditions and customer preferences of every new market it arrived as opposed to taking a one-size-fits-all strategy.

CURRENT OPERATION IN HOME AND HOST COUNTRY

Walmart Chile runs SuperBodega aCuenta, Central Mayorista, Express de Lider, and Lider, among other supermarket styles. Customers can also place online orders at lider.cl for things to be delivered or picked up. It provides a large range of products, such as toys, sports equipment, consumables, electronics, computers, and household goods.

Walmart Chile is the first Walmart market globally to launch a test project utilising AI-powered shopping carts, which will reduce waiting times for consumers and provide a more intelligent and efficient in-store shopping experience.

Walmart Chile establishes Latin America's First Industrial-Use Green Hydrogen Production Facility. This initiative, which was created in partnership with the energy provider Engie, will replace lead-acid batteries at a cost of \$15 million (Aug 15, 2023).

Walmart Chile leads the Chilean supermarket business thanks to its multi-format approach, which best meets the demands of consumers everywhere in the nation while achieving the company's goal of enabling people to live better and save money.

In the United States, they presently run three main shop types, each specifically designed for a particular neighbourhood. With locations in all 50 states as well as Puerto Rico, Walmart offers cheap pricing on the widest range of goods in a number of formats, such as Supercenter, Discount Store, and Neighbourhood Market. Walmart Supercenters provide customers with a one-stop shopping experience by fusing electronics, clothing, toys, and home furnishings with fresh produce, baked goods, deli meats, and dairy items. Walmart Neighbourhood Market selection is primarily limited to groceries. Discount stores include electronics, clothing, toys, home furnishings, cosmetics, hardware, and other items.

Walmart really went all out when it came to extending its InHome delivery service, declaring in January that it was going to cover 30 million U.S. households by the end of 2022, up from 6 million at the beginning of the COVID-19 period home delivery trend (29 Dec 2022)

In the US retail e-commerce market, Walmart holds a 6.3% market share. Walmart is ranked second in the US retail e-commerce sector with a 6.3% market share, according to Statista's latest statistics (7 Nov 2023).

The multinational retail behemoth Walmart has extended its reach into a number of overseas areas. Among the company's notable foreign endeavors are its 1991 entry into Mexico, its 1999 acquisition of Asda in the UK, its 1994 presence in Canada, its 1996 entry into China, its strategic partnership with Flipkart in India for e-commerce, its operations in Brazil since 1995, and its adaptation of strategies to the specifics of the Chilean market.

II. INTERNATIONALIZATION STRATEGIES

Each entry to a foreign market requires the application of an adequate internationalisation strategy, that is, a strategy considering international conditions (e.g. Fletcher, 2001).

Ethnocentrism entails a great affinity for the customs, traditions, and administrative style of one's own nation. Strategic strategies and choices usually take place at home nation headquarters. Standardisation of goods, services, and tactics based on domestic customs is a common tendency. The drawback is a possible cultural insensitivity and a lack of response to regional markets.

Decision-making in polycentric organisations is decentralised, with subsidiaries customising plans to meet regional market demands. It places a strong focus on appreciating and comprehending regional customs and preferences. It is possible to modify goods and services to meet the particular requirements of any market. The key benefits are cultural adaptability and local market response. The disadvantages include possible inefficiencies in information transfer and a lack of worldwide coordination.

Geocentrism aims for a middle ground, emphasising both local and global unification while acknowledging differences across places. Considering both local and global concerns, decision-making is a cooperative process. Regardless of country, a geocentric strategy seeks to leverage the greatest talent available worldwide. The advantages include best use of talent and an equilibrium between local adaptability and global effectiveness. and the drawback is the difficulty in coordinating and the possible difficulties in striking a balance between local and global interests.

Geocentrism and ethnocentrism both have a centralised decision-making system, but ethnocentrism places a greater emphasis on customs from one's own nation. When

compared to other tactics, it tends to support worldwide standardisation based on domestic standards. Although it favors decentralised decision-making more than geocentrism, polycentrism nonetheless acknowledges the significance of regional adaptation. In comparison to geocentrism, it is also less globally interconnected yet more locally focused. While both geocentrism and ethnocentrism emphasise a balance between global and local factors, they both share a global viewpoint. Compared to ethnocentrism, geocentrism aims for a more sophisticated and impartial approach.

IMPLICATIONS FOR GLOBAL EXPANSION

Market adaptability

- Ethnocentric: may find it difficult to adjust to different marketplaces because of a strong concentration on home.
- Polycentric: more suitable for adjusting to the specifics of the local market.
- Geocentric: combines local and global requirements for efficient market adaptation.

Efficiency in making decisions

- Ethnocentric: While centralised decision-making may increase efficiency, it is devoid of local knowledge.
- Polycentric: While decentralised making choices enables responsiveness at the local level, it might not be as efficient altogether.
- Geocentric: Seeks equilibrium, acknowledging the necessity of both worldwide cooperation and regional knowledge.

Cultural susceptibility

- Ethnocentric: may experience difficulties with cultural sensitivity.
- Polycentric: places a high value on cultural sensitivity and permits adaptation to local circumstances.
- Geocentric: strikes a balance between the necessity for global integration and respect for local traditions.

Utilising Skills

- Ethnocentric: may give preference to talent from one's own nation.
- Polycentric: emphasises the employment of local talent.
- Geocentric: highlights the use of regional talents in employment.

ETHNOCENTRIC

- HRM implications

The challenges of developing, retaining and securing highly skilled employees are undoubtedly of great importance for many MNEs (Cooke et al.,2019). Ethnocentrism may result in a bias for hiring nationals of the home country for important posts, which might hinder diversity and local knowledge. Training curricula could be designed to mimic domestic procedures, which could lead to a lack of cultural sensitivity.

- Marketing implications

Based on home tastes, products and marketing tactics are probably going to be standardised, maybe ignoring the subtleties of the local market. The brand can be seen as alien, which could make it difficult to connect with local customers.

- Overall operations

Inadequate adaptation to local conditions might hinder the business's capacity to effectively tap into a variety of foreign markets.

POLYCENTRIC

- HRM implications

It could be necessary to localise HR procedures so they comply with laws and customs in the host nation. It prioritise fostering and advancing local talent, which might limit chances for foreigners.

- Marketing implications

Products and marketing tactics are modified to accommodate regional tastes, encouraging customer acceptance and cultural awareness. The brand may be seen as having greater local relevance, which would increase client relationships and loyalty.

- Overall operations

Positive ties are fostered inside each market by operations that closely correspond with local traditions.

GEOCENTRIC

- HRM implications

Using the greatest talent available worldwide to create a workforce that is both talented and varied. Global viewpoints are included into training programmes to foster a cohesive corporate culture.

- Marketing implications

The brand appears as an international organisation that seeks to establish commonalities in a variety of areas. maintains a balance between regional adaptation and global standardisation to make sure methods and goods work in many cultural contexts.

- Overall operations

Finds an equilibrium between reactivity on a local level and worldwide effectiveness, encouraging efficiency and flexibility.

III. COMPANY'S INTERNATIONALIZATION APPROACH

The internationalization of retailing is considered as an ongoing process (Alexander and Myers, 2000), in which retailers have valuable opportunities to learn about the ways of successfully expanding their operations in foreign markets (Bianchi and Ostale, 2006; Palmer and Quinn, 2005). The choice of overseas markets is impacted by both growth prospects and similarities to features in the home nation.

Multinational retailers are those who operate in several countries, but not a large number of them. Often, these companies utilize an ethnocentric (home market based) approach to business in the new markets and first expand to countries most similar to their home market or a market of personal knowledge of the executive team (Salmon and Tordjman, 1989; Sternquist, 1997; Alexander and Myers, 2000). Walmart is characterised by Nicholas Alexander and Hayley Myers as a "ethnocentric" retailer because they think that the tactics created for the unique American market have worldwide relevance. The company must adjust to the unique tastes of the locals when entering a new market. Walmart must adjust to local cultures because it is unable to provide the identical store layouts everywhere. Kurt Barnard said, " It was a dumb thing for Walmart to do".

Through the purchase of a controlling share in the regional grocery chain Distribución y Servicio D&S S.A., Walmart made its entry into the Chilean market. Merging with a local business enables them to better comprehend and react to the specific dynamics of the local market. Chile had initially favourable conditions. The Chilean economy is steady, and compared to other, pickier buyers like the Chinese, Chilean consumers are more like Americans. It also helps that Wal-Mart acquired a profitable chain that led the market in prices and operated under several labels, including Lider. These elements made it possible for Wal-Mart to quickly implement its "everyday low price" strategy in Chile. The CEO of Wal-Mart's operations in Chile, Horacio Barbeito, stated, "We are obsessed with price leadership." That's something Chile excels at. (The Associated Press, 4 June 2016) However, Wal-Mart adjusts to local preferences in Chile in order to succeed.



Source: The associated press, June 4, 2016

Among the several shop types that Walmart Chile operates are supermarkets (Lider), budget stores (Ekono), and hypermarkets (Walmart Supercenter). This diversity shows that the business has adjusted to the various demands and tastes of the local consumer base. Walmart is renowned for customising its product lineup to accommodate regional tastes. The firm places a strong emphasis on locally relevant product assortments since it understands that consumer tastes, cultural conventions, and purchasing habits might differ greatly between nations. Walmart thinks it's important to recognise and honour

regional cultures. Its attempts to adjust its product offers, marketing tactics, and even shop layouts to fit the cultural setting of each area are clear examples of this. In several instances, Walmart has expanded into foreign countries by purchasing already-established regional shops (such as when it acquired Massmart in South Africa). This method fits nicely with the polycentric policy of granting some degree of autonomy to local subsidiaries.

CRITICAL ANALYSIS AND EVALUATION OF POLYCENTRIC STRATEGY

A high degree of local adaptation is made possible by polycentrism, allowing the business to accommodate the various consumer preferences, cultural quirks, and legal frameworks in each area. This flexibility increases the company's acceptance and competitiveness in regional marketplaces. Through recognising and valuing regional conventions, beliefs, and consumer behaviours, the method promotes cultural sensitivity. This may help foster good links with nearby communities and clients.

Decentralised decision-making may make it difficult for different affiliates to coordinate and communicate with one another. Complex coordination mechanisms are needed to provide worldwide uniformity while permitting local flexibility. Localising the decision-making process can lead to ineffectiveness in the transmission of information, since optimal practises from one market may not be efficiently communicated and used in others.

Impact on international operations

Polycentrism improves responsiveness locally, allowing the company to swiftly adjust to shifts in regional markets and customise its operations to suit particular requirements. This can help the business succeed in a variety of international contexts. Depending on the specifics of the local market, the approach permits a variety of market entrance techniques, including as joint ventures, partnerships, or acquisitions of already-existing local businesses.

Impact on strategic decision making

Local adaptability and global efficacy are balanced by polycentrism. In order to facilitate a more complex and thorough decision-making procedure, it pushes managers to take into account both local and global aspects when designing plans. Local affiliates can react swiftly to changes and problems in the local market since they have a great deal of authority in making decisions. This independence should, therefore, be weighed against adherence to the overarching business plan.

Extent of Localization and Standardization in Polycentric Strategy

Localization

A polycentric strategy places a strong focus on customising goods and services to the unique requirements and tastes of regional customers. Walmart's product offerings in Chile are probably customised to the local market and the specific needs of the country's customers. It is probable that advertising and marketing tactics will be modified to align with regional cultural norms and customer preferences. Walmart Chile may use regional marketing initiatives and outreach strategies to successfully engage its target market.

Standardisation

A polycentric strategy acknowledges the value of upholding a consistent worldwide brand image while permitting localization. It's possible that certain elements of Walmart's branding and fundamental messaging hold true in other foreign countries. Global standardisation of some operational processes and rules may be necessary to preserve consistency in situations when adaptability may not be as important.

Implications of Entry Mode

- Joint ventures/ acquisition
Walmart in Chile can work with local partners or buy out established firms thanks to polycentrism's support for joint ventures and acquisitions. This strategy offers a current local presence and comprehension, enabling speedier adjustment to regional market situations.
- Franchising
Franchising is another way of entrance that can be accommodated by the polycentric model. This makes it possible for regional business owners to run Walmart locations in Chile, combining their local expertise with the power of the worldwide brand.

National Cultural Drivers for Polycentric Strategy

- Consumer preference
A polycentric approach would probably be used by Walmart in Chile to cater to the distinct tastes and purchasing habits of Chilean customers. Success requires modifying product offers and marketing tactics to suit regional preferences.

- Regulatory environment

For operations to be productive, compliance with the local regulatory environment is essential. Walmart's business practices in Chile are able to comply with local laws and regulations by using a polycentric strategy.

- Labour practices

Employment rules and labour practices in Chile may not be the same as those in the United States. Walmart is able to implement HR procedures that comply with Chilean labour regulations and cultural norms by using a polycentric approach.

Factors

Numerous elements impact Walmart's strategic decision-making in Chile under its polycentric approach. A key component of making decisions about product offers and creating customised marketing strategies is comprehending and adjusting to local customer behaviours and preferences. Maintaining the company's continuous and compliant operations requires compliance with Chile's regulatory environment, which includes legislative frameworks and trade laws. Economic conditions have a crucial role in determining decisions about pricing, supply chain management, and more general investment plans. These factors include things like inflation and currency exchange rates. Chile's distinct topography and infrastructure have an impact on supply chain decisions, necessitating the optimisation of distribution efficiency to satisfy local market demands. A fundamental component of the polycentric approach is cultural sensitivity, which directs choices in a way that respects and harmonises with regional traditions, customs, and communication patterns. Respecting Chilean customs is essential for hiring and managing talent in the human resources domain. The degree of technology adoption, adaptability to ecological factors, and cautious care for public opinion and image all further add to Walmart's strategy decisions in the dynamic Chilean market being subtle and flexible.

IV. PESTLE ANALYSIS

Application of the PESTLE model—which examines various political, economic, social, technological, legal, and environmental issues—to investigate the barriers and opportunities in the sector highlights several obstacles to effective and efficient commerce (Nandonde, F.A., 2019). A business interacts with its external environment in its

operations and the external factors are uncontrollable by the business (Cadle d, et al., 2010).

Impact of PESTLE factors and the company response:

➤ POLITICAL FACTORS

Walmart's business in Chile depend heavily on solidity in politics. Political unrest, trade restrictions, or policy changes may have an effect on the company's capacity to carry out its operations and make strategic decisions. Walmart must keep a careful eye on Chile's political events. To guarantee a supportive political climate for its activities, the firm could cooperate with local authorities or participate in political lobbying.

➤ ECONOMIC FACTORS

Pricing tactics, customer purchasing power, and overall corporate success are all directly impacted by economic circumstances, which also include inflation rates and foreign exchange rates. Walmart modifies their pricing policies to take into account regional economic realities. The organisation could take part in currency hedging as a means of reducing the risks related to swings in exchange rates.

➤ SOCIAL FACTORS

Social variables influence product offers and marketing techniques in a big way. These include cultural preferences, demography, and customer behaviours. Walmart adjusts their offerings to better suit the cultural habits of Chileans. Campaigns for marketing are crafted to appeal to local customers and encourage cultural awareness.

➤ TECHNOLOGICAL FACTORS

The rate at which technology is adopted and the construction of infrastructure impact Walmart's capacity to execute digital plans, improve e-commerce capacities, and streamline supply chain management. Walmart makes investments in cutting-edge technology to boost productivity. The business may implement digital advancements in supply chain surveillance and online buying.

➤ LEGAL FACTORS

Walmart's daily operations depend heavily on its adherence to local rules and regulations. Laws pertaining to labour, trade, and safeguarding consumers are

examples of legal considerations. Walmart makes sure that local regulations in Chile are strictly followed. To negotiate complicated regulatory environments and stay out of trouble, the business could spend money on legal assistance.

➤ ENVIRONMENTAL FACTORS

Environmental concerns can impact supply chain management and goodwill, encompassing aspects such as climate-related variables and sustainability practices. In order to meet local and international environmental standards, Walmart could roll out sustainability programmes including energy-saving techniques and packaging that is recyclable.

PESTLE variables have a big impact on Walmart's decision-making process and its overseas operations, especially in Chile. As part of its strategic reaction, the corporation keeps a close eye on and adjusts to a variety of issues, including political, economic, social, technological, legal and environmental. Walmart aims to effectively push internationalisation while negotiating the difficulties of Chile's external circumstances by customising products, marketing tactics, and operational practices to line with local realities. PESTLE factor evaluations on an ongoing basis guarantee that the firm can adapt to the rapid shifts in the company's landscape.

With the goal of promoting internationalisation, Walmart strategically addresses a number of PESTLE elements.

a. POLITICAL FACTORS

- Strategic engagement

Walmart participates in proactive political involvement, cultivating connections with local officials to manage possible policy modifications or political upheavals that might affect its business practises.

- Advocating and Lobbying

In order to positively impact policies and guarantee a politically favourable atmosphere for its global operations, the firm could take part in lobbying activities.

b. ECONOMIC FACTORS

- Adaptable pricing techniques

Walmart offers low prices while retaining profitability by modifying their pricing tactics to take into account regional economic situations.

- Hedging with currency

Walmart may employ hedging techniques in order to reduce risks and guarantee price and financial performance consistency in the context of foreign exchange rate swings.

c. SOCIAL FACTORS

- Adapting to culture

Walmart recognises the importance of social aspects in customer behaviour and adjusts its product offers and marketing techniques to match local cultural preferences.

- Community engagement

The firm recognises the value of social considerations in establishing favourable connections and cultivating commitment to the brand, which is why it actively participates in local communities.

d. TECHNOLOGICAL FACTORS

- Spending on technology

Walmart makes investments in technology to improve business operations. This covers developments in data analytics, supply chain technology, and e-commerce platforms. Best example is the launching of AI powered shopping cart.

- Digital conversion

The organisation experiences a digital metamorphosis in order to satisfy customer technology demands and optimise its worldwide operations.

e. LEGAL FACTORS

- Management of compliance

Walmart prioritises legal compliance, allocating funds for compliance systems of management and legal advice to guarantee conformity with regional laws and ordinances.

- Risk reduction

By conducting extensive evaluations of risk, the business reduces the influence of legal issues on its global operations by identifying and resolving any legal issues.

f. ENVIRONMENTAL FACTORS

- Sustainable projects

In order to solve environmental issues, Walmart carries out sustainability programmes that include eco-friendly procedures, energy-efficient technology, and sustainable sourcing. Walmart Chile To Create First Industrial-Use Green Hydrogen Production Plant in Latin America (SyndiGate Media Inc.) is an ideal instance.



Source: corporate.walmart.com

- Stakeholder participation

To remain up to date with environmental standards and to implement proactive measures to solve sustainability issues, the firm interacts with a range of stakeholders, including regulatory agencies and environmental organisations.

Walmart has demonstrated its dedication to adaptation and pliability in the face of a variety of problems connected with internationalisation through its strategic solutions to PESTLE elements. Walmart makes sure that its worldwide operations are in line with regional circumstances and help the firm achieve an overall successful outcome in foreign markets, including places like Chile, by actively dealing with political, economic, social, technical,

legal, and environmental aspects. Walmart is able to manage the intricacies of the international business environment while yet being adaptable to the changing needs of every regional market thanks to its comprehensive strategy.

V. INTEGRATION OF CONTEXTUAL FACTORS AND INTERNATIONALIZATION STRATEGY

The accomplishment of strategic objectives becomes a complicated endeavor moulded by an ever-changing combination of opportunities and obstacles as Walmart navigates the complexity of foreign marketplaces. The company's operational strategy and decision-making processes are influenced by its commitment to either cost leadership or distinctiveness. In light of this, it is critical to investigate prospects as Walmart looks to leverage advantageous market circumstances, macroeconomic developments, and cultural quirks to advance its global expansion. This section explores the particular possibilities that correspond with Walmart's strategic objectives. It emphasises how the firm uses its worldwide reach and operational prowess to attain cost leadership or distinction, and how these initiatives maximise the value chain as a whole.

This section synthesises the data from the preceding parts and examines the ways in which opportunities and challenges in global markets aid in the accomplishment of Walmart's worldwide strategic objectives, specifically with regard to cost leadership and differentiation.

Opportunities to reach global strategic objectives:

Cost leadership

- Economies of scale: Walmart takes use of economies of scale to lower costs per unit and strengthen its position as the industry leader in terms of cost by leveraging its wide worldwide footprint.
- Functional effectiveness: Walmart's operational improvements and technical investments result in efficiency benefits that allow the corporation to maintain low operating expenses and provide reasonable prices to consumers worldwide.

Differentiation

- Cultural adaptation: Walmart's dedication to cultural sensitivity enables the business to stand out with its product lineup and advertising approaches, meeting the varied tastes of customers in every foreign region.

- Initiatives for sustainability: Practises that promote environmental sustainability help businesses stand out by attracting customers who value corporate responsibility and eco-friendly products. This is consistent with Walmart's strategy of distinction, which includes its dedication to sustainability.

Dangers and Countermeasures(strategies):

Cost leadership

- Risks of foreign exchange: Walmart utilises currency hedging techniques to lessen the effects of variations in exchange rates, maintaining its position as a leader in terms of cost and preserving its margins of profit.
- Supply chain upheavals: Walmart is able to reduce risks like interruptions by doing thorough risk assessments and implementing strong supply chain management, which guarantees a steady flow of goods and preserves cost effectiveness.

Differentiation

- Regional rivalry: Walmart manages neighbourhood rivals by modifying its approaches to set itself apart from competitors' offerings, placing special emphasis on elements like customer involvement, cultural sensitivity, and customised advertising initiatives.
- Regulatory difficulties: By managing compliance, the firm navigates legal environments to be unique while abiding by local regulations and effectively handles regulatory issues.

Optimizing the value chain:

1) Supply chain escalation

Walmart's focus on sustainability practises, data analytics, and technology optimises its supply chain, satisfying environmental standards and improving efficiency to help the company stand out and maintain cost leadership.

2) Technological innovation

Investing in digital shift and technology increases competitiveness as a whole, customer satisfaction, and efficiency in operations, which optimises the value chain.

3) A Customer-first mentality

Walmart's ability to quickly adjust to local cultures improves consumer loyalty and happiness, which optimises the value chain. The company's differentiating approach is bolstered by its dedication to comprehending and satisfying local demands.

4) Effective networks for distribution and logistics

Walmart's extensive transportation and distribution networks support value chain optimisation. Effective supply chain management supports cost leadership and differentiation by minimising stockouts, ensuring on-time delivery, and improving entire operational efficiency.

5) Private label approach

Walmart is able to optimise its value chain by regulating the manufacturing process with its private label items, including Great Value. This helps maintain cost leadership while enabling chances for differentiation with premium, unique products.

6) Eco-friendly methods in purchasing

Walmart is dedicated to long-term viability and this is reflected in its procurement procedures, which optimise the value chain by purchasing items that are morally and environmentally sound. This connects with customers, fostering distinction and promoting more general corporate social responsibility objectives.

Walmart responds quickly to global opportunities and threats in order to achieve its strategic goals of cost leadership and distinctiveness. The company's dedication to operational effectiveness, cultural adaption, and sustainability is indicative of its capacity to optimise its value chain. Walmart keeps strengthening its position as a cost leader by using opportunities and overcoming hurdles in foreign markets, all the while varying its goods to cater to a wide range of customer expectations. This all-encompassing strategy guarantees the company's value chain optimisation and long-term success in the global retail market.

VI. RECOMMENDATIONS

- ✓ Walmart ought to persist in cultivating relationships with local entities in prospective foreign markets such as Chile, considering the significance placed on cultural adaptation and the efficacy of strategic alliances.
- ✓ Given the significance of adopting new technologies, Walmart ought to step up its efforts to undergo a digital transformation. The firm will be more competitive in the changing retail landscape if it invests in cutting-edge e-commerce platforms, data analytics, and customer-facing technology, especially in areas where online channels are important.
- ✓ Walmart should keep improving and allocating resources towards regionalized marketing tactics in order to build on the success of cultural adaptation.
- ✓ Walmart should reaffirm its commitment to ongoing risk assessment in light of possible risks. Consistent assessments of PESTLE aspects will provide anticipatory reactions to obstacles, guaranteeing the organization's adaptability to changing worldwide circumstances.
- ✓ Given the significance of a proficient labour force in maximising the value chain, Walmart need to allocate resources towards improving its staff training initiatives.
- ✓ Walmart should deliberately focus on developing economies where the middle class is expanding and consumer spending is rising.
- ✓ Walmart should make an investment in last-mile delivery options since it understands how important efficient logistics are, especially in markets with complicated geographic regions like Chile.
- ✓ Diverse customer preferences may be satisfied by enhancing online capabilities while preserving a strong brick and store presence.
- ✓ Employ sophisticated algorithms to comprehend user preferences, allowing for customised product suggestions, targeted advertising, and individualized promotions.
- ✓ Investigate potential collaborations outside of conventional retail partnerships such as fintech etc.
- ✓ Improve the organization's crisis management plan to guarantee a prompt and efficient reaction to unanticipated difficulties.
- ✓ Start extensive upskilling programmes to equip staff members with digital skills and improve their capacity to adjust to changing retail technology.

Strategies to enhance global expansion

- ✓ To find high-potential areas that fit Walmart's business model, have a rising customer base, and favourable economic conditions, do in-depth market research.
- ✓ Adapt market entry strategies to the unique circumstances of each market.
- ✓ Make digital shift projects a top priority in order to improve consumer interaction and e-commerce capabilities..
- ✓ Adopt variable pricing methods that take competitive landscapes, buying power, and regional economic situations into account.
- ✓ Maintain a constant state of effectiveness and adaptability in the global supply chain. Leverage economies of scale to save costs, improve distribution channels, and implement technology like blockchain to increase supply chain openness.

Strategies for Handling Possible Obstacles

- ✓ Create a strong framework for risk assessment in order to proactively detect and address any issues.
- ✓ To guarantee compliance with local rules and regulations and lower the risk of legal problems, spend in compliance procedures and legal counsel.
- ✓ Create efficient crisis prevention and backup strategies to deal with unforeseen obstacles like political unrest, natural disasters, or international health emergencies.
- ✓ Boost cybersecurity defenses to safeguard private information and guarantee the accuracy of online transactions.

CONCLUSION

Walmart's successful internationalisation process is evidence of its flexibility, tenacity, and dedication to satisfying the demands of many consumer markets. Important facets of Walmart's operations in Chile have been examined in the report, with a focus on the company's approaches to sustainability, technical innovation, and cultural adaptability. The suggestions made emphasise how strategic changes like digital transformation, eco-friendly retail methods, and a customer-centric approach may lead to sustained success. Walmart's ability to strike a balance between cost leadership, distinctiveness, and local sensitivity positions the company for continuing development and relevance on the world stage as it navigates the always changing global business landscape.

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