



WALMART BUSINESS REPORT

Walmart | <http://www.walmart.com>



INTRODUCTION

Walmart is an American global retail firm headquartered in Bentonville, Arkansas, that operates a chain of hypermarkets, cheap department stores, and grocery stores. Sam Walton created the corporation in 1962, and it was incorporated on October 31, 1969. Walmart was the leading grocery retailer in the United States in 2019, with US operations accounting for 65 percent of Walmart's total sales of US\$510.329 billion. In addition, all Walmart outlets in the United States and Canada have designated "greeters" at the entry, a practice started by Sam Walton and later followed by other retailers. Greeters are trained to assist customers in finding what they are looking for and to answer their inquiries.

Walmart According to the Fortune 500 list from 2005, is the world's largest firm, with \$288 billion in annual revenues (more than Switzerland's GDP) and over \$10 billion in profits. It employs approximately 1.6 million people and has over 5,000 locations throughout the world." (2006, Frank) Walmart USA, which includes Walmart Discount Stores, Walmart Supercenters, Walmart Neighborhood Markets, and Market Marketplace, has over 4,300 stores employing over 1.4 million people. Walmart handled 8.8% of all retail sales in the United States in 2004, and that number has since been increased. Meanwhile, Walmart International has over 4,000 stores and 800,000 employees spread across 14 countries. 2007 (Basker)

BUSINESS MODEL

KEY ELEMENTS OF WALMART BUSINESS MODEL

Walmart maintained its worldwide retail leadership by outstripping competitors on price and assortment. Walmart's EDLC (everyday low cost) and EDLP (everyday low pricing) strategies helped the corporation become the largest in the world. Walmart was forced to adapt its business model to include two new strategic levers due to changes in retail environments and changing consumer preferences. The following four strategic pillars guide Walmart's business:

- Lead in terms of cost
- Invest to differentiate on access
- Be competitive on assortment
- Provide a unique experience.

HOW WALMART GENERATES REVENUES?

Revenue stream

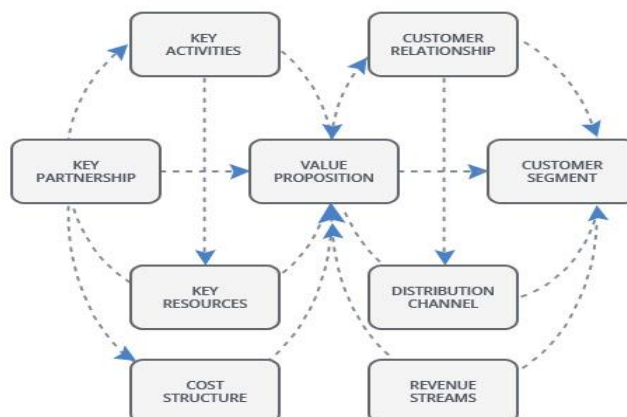
Walmart's revenue streams are primarily derived from retail sales, such as music downloads with fixed menu pricing. Walmart also makes money by selling its own brand, which is made by others to fill a gap left by other providers. Furthermore, it takes advantage of the fact that it can sell goods before paying its suppliers.

Cost Structure

Because it focuses on decreasing costs wherever possible and is characterized by economies of scale, the cost structure is a cost-driven model. Walmart's expansion allows it to profit from economies of scale and lower costs, in addition to its technology allowing it to grow and lower costs; thus, economies of scale at both the chain and store levels bolster Walmart's advantage rather than being the main cause (Basker, 2007). Walmart is well-known for its financial discipline and proclivity for passing on operating expenses to suppliers.

Value Proposition

Walmart's value proposition is built on the idea of a low price every day (EDLP). The remainder of Walmart's business model is oriented to retain the Everyday low price, and this is the basis of Walmart's business model.



CURRENT IT APPLICATIONS

TECHNOLOGICAL EVOLUTION

Walmart's technology is divided into two categories. Walmart Technology, based in Bentonville, is responsible for developing and managing technology for the stores, while Global eCommerce, based in Silicon Valley, is responsible for developing and managing e-commerce technologies and websites.

Savings Catcher, a new app that the company launched and tested in seven locations, is an example of this. More than 65 percent of Walmart consumers (and 80 percent of those under 35) own smartphones, according to the business, and half of Walmart smartphone users have used their devices to help them shop while in the store. After purchasing, a customer goes to a website, enters the receipt number, and Savings Catcher compares the things he or she bought to the prices in local merchants' weekly print ads. If the items are cheaper elsewhere, the purchaser will receive a gift card for the difference.

E-COMMERCE EVOLUTION

when it was named the best company in the world. Walmart's \$3 billion acquisition of Jet in 2016 marked the company's foray into the eCommerce space. Through a collaborative agreement with Adobe, Walmart will connect its Marketplace with Adobe's Commerce Platform, as well as its fulfilment and pickup capabilities. Walmart has collaborated with Shopify, an e-commerce platform utilized by over 1 million merchants. Walmart's Marketplace will turn to Shopify as its exclusive provider.

Walmart made a point of developing proprietary software for its POS system, which should come as no surprise. The proprietary POS is mostly built on SUSE Linux Enterprise Point of Service, but it has additional capabilities to improve scalability and analytics for the organization. The SLEPOS system at Walmart is what most people refer to it as. It's made to help administrators integrate their tools and save data from several branches. To put it another way, data is stored both locally and nationally.





COMPETITIVE ADVANTAGES WITH IT

Walmart achieves a competitive edge by offering products or services that provide greater value to customers than the competition. However, it is not information technology that offers a company a competitive advantage; rather, it is how they use information technology. Businesses must be creative in their application of information technology.

The process of developing new and creative ways to accomplish things is known as innovation. Using information technology to solve a business challenge in the same way as the competition is unlikely to give a company a competitive advantage. The business must conceive or find innovative techniques to create something new that its competitors do not have.

To achieve a competitive advantage, business people must grasp how to leverage information technology. They collaborate with a technical team to attain this goal in this scenario. At least two things are required when designing an information system that provides a competitive edge. To begin, you must have a thorough understanding of the business problem you are attempting to solve. Second, it necessitates familiarity with current technology to devise an innovative solution to the business problem. Studying management information systems is beneficial for business people (MIS). If the need arises, this will allow them to better investigate technological concerns.

TRENDS OF INFORMATION TECHNOLOGY

The importance of having an omnichannel presence and providing support

Cross-channel research, consideration, and purchase are all part of modern purchasing habits. Customers anticipate flawless interactions across numerous channels and devices, according to data, underscoring the need for omnichannel ready for today's organizations. Using the proper technology allows you to give your customers not only what they want when they want it, but also where they want it. That's how Walmart provides the home delivery option and locating the nearest pick-up locations for the customers for easy access.

The need for extensive personalization

Consumers have grown to expect a personalized shopping experience that caters to their specific needs. Understanding clients' tastes and behaviour is the key to effective customization. Almost every online user action is recorded and saved, resulting in a massive amount of data known as big data. Walmart provides additional personalized offers to the customers based on their previous purchase history which makes the customers come back for more.

The mobile revolution

Mobile platforms have grown in prominence to the point where m-commerce has become a distinct category. Failure to deliver a mobile-friendly buying experience will almost surely cost you potential clients who value mobility. Walmart Mobile App provides clients with ongoing engagement with your company as well as the opportunity to learn about new and relevant purchasing options. Walmart mobile app has made shopping very easy.

The significance of image search

Walmart eCommerce businesses are integrating image search technology on their websites and mobile applications so customers can easily photograph products they are interested in and find similar examples on the site that may offer better deals.

