The Development Of Walmart And Unilever

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BACKGROUND

The following is the background of Wal-Mart:

Wal-Mart Stores Co., Ltd. was established in Arkansas in 1962 by the American retail legend Sam Walton. After more than 50 years of development, Wal-Mart has become the largest company that has private employers in the United States and the largest retail chain in the world. (Walmart Inc., 2025)

In 1991, Wal-Mart became one of the world's largest retailers. Wal-Mart is the greatest in the ranks of the US retail industry. Wal-Mart sales continued to grow in 1995 and created a record of the world for the retail industry. In fact, Wal-Mart's annual sales are equivalent to the sum of all department stores in the United States, and it still maintains a strong momentum of development. So far, Wal-Mart has 2,133 Wal-Mart stores, 469 Sam's Club stores and 248 Wal-Mart shopping malls in the United States, China, Mexico, Canada, the United Kingdom, Puerto Rico, Brazil, Argentina, South Africa, Costa Rica, Guatemala, Honduras, and El Salvador. Also, There are 14 countries including Nicaragua. It has developed so rapidly in just a few decades, and it has to be said that it is a miracle of the retail industry (*Business Model Evaluation: Quantifying Walmart's Sources of Advantage Humberto Brea-9, Issue 1 First published: 17 December 2011*).

- As a retail giant, Walmart has its own development strategy: (1) The customer is always right (2) If the customer is wrong, please refer to Article 1.

The following is the background of Unilever:

- The Unilever Group was formed by the merger of the Dutch Margarine Unie Margarine Company and the British Lever Brothers Inc. in 1929. Headquartered in Rotterdam, the Netherlands, and London, England, they are responsible for the operations of food and lotion products.
- The centralization strategy was fully demonstrated at Unilever: First, the centralization of the company. In 1999, 14 independent joint ventures were merged into four companies controlled by Unilever, resulting in a 20% reduction in operating costs and foreign management. The number of personnel was reduced by 3/4; the second was product centralization, decisively withdrawing from non-core business, specializing in family and personal care products, food and beverages, ice cream, and other three major advantages, and achieved major success; third, brand concentration, although There are more than 2,000 brands, but less than 20 are promoted in China, and all are first-line brands. Fourth, the site is centralized. From May to August this year, through adjustments and mergers, 3 production addresses have been

reduced, and 30% of operations have been saved (*Unilever's strategic response to sustainable development and its implications for public affairs professionals 12, Issue First published: 04 June 2012*).

THE DIFFERENCE OF BACKGROUND

Wal-Mart has a wide selection of products and a large proportion of brand-name products. Using good after-sales services has created a low-cost marketing image.	Unilever seeks to balance regional adjustments, centralized manufacturing and product development activities in marketing and sales with cross-border strategies to achieve economies of scale and implement strategies to put products into the market at the same time throughout the region.

Sustainable development strategy:

- Wal-Mart and Unilever, as world retail giants, have different development strategies. Wal-Mart's sustainable development strategy focuses on inventory management in the seafood supply chain, while Unilever's new global strategy is through sustainable competition.

Wal-Mart:

In Walmart's seafood supply chain, inventory management focuses on the characteristics of seafood. There are problems with seafood: it is fresh and perishable, and the transportation cost of water-storage products will cause certain water pollution and environmental deterioration. (Unilever PLC, 2025)

Wal-Mart focuses on making costs more rational and promoting sustainable development in the seafood product supply chain.

- Supply continuity is the longest problem for seafood nets
- Wal-Mart's goal is to get its suppliers to adopt the MSC's certification.
- Certification standards were developed with input from retailers, fishermen, government, NGOs,

and other stakeholders.
- The direct cost of MSc certification ranged from $50,000 to $500,000 and was paid for by boat operators and processing plants. On average, certification took one to two years to complete.
- Wal-Mart increases the number of fisheries factories, and processing plants in the MSC certification program.
- The procedure increases its complexity without increasing recent profits.
- According to the change in the length of the season, a management plan is made for fish spawning. If the cycle is insufficient, the cycle can be expanded accordingly.
- Fish prices will also float as the season changes.
- The cost of freezing and transportation technology is high, and costs are reduced by freezing
- The fish was moved from the port to a frozen storage facility in the U.S
- Disadvantages:
- Higher average labor rate
- Different types of seafood products come from different places but use the same processor.

Unilever’s New Global Strategy: Through Sustainable Competition

- Unilever’s problems:
- Reducing financial conditions to the lowest level ever achieved by reducing emerging market demand
- Challenges were encountered in the mid-transition era, and the situation was complicated.
- Making some effort, Unilever still deviated from the two key indicators of its business: increased greenhouse gas emissions and decreased use of water resources.
- Unilever’s new global strategy takes full account of its historical background. After P&G was ahead of Unilever, Unilever’s board of directors decided to allow outsiders to manage the company.
- Unilever’s strategic development has undergone several changes:
- New CEO New Directions: challenge the culture and change the team.
- Implementing USLP: from aspiration to action; deliver results, confront shortfalls.
- Reinforce the mission new leaders, new initiatives; refreshing USLP’s mandate; link brand to purpose; broaden USLP’s ambition.
- Adapting and adjusting: transformational partnerships; collaborate for change; lead systemwide transformational change.
- Looking back to look ahead: next steps; measure the impact; achievements and challenges.

Unilever has three goals:

- Helping billions of people improve their health and well-being
- Reducing the environmental pollution caused by the production and use of Unilever products

- Unilever Improves Employees’ Income in the Value Chain
- Unilever’s core strategy
- Stimulate growth
- reduce costs
- attract consumers
- mobilize employees

SUGGESTION:

In my personal opinion, Wal-Mart’s strategic development strategy is more mature

As a retail giant, Wal-Mart considers its cost-effectiveness even more. However, there should be more consideration. For example, it can carry out strategic sustainable development strategies, cultural sustainable development strategies, and innovation sustainable development on the issue of corporate development strategy. Strategy, institutional sustainable development strategy, core competitiveness sustainable development strategy. (Reuters, 2024)

Seafood products can also be managed using the VMI model:

- The so-called VMI (Vendor Managed Inventory) is a method in which the user and the supplier both acquire the lowest cost. Under a common agreement, the supplier manages inventory continuously, supervises the execution of the agreement and revises the agreement so that the inventory management can be managed. Continuously improved cooperative strategies. This inventory management strategy breaks the traditional individualized inventory management model. It embodies the idea of integrated management of the supply chain and adapts to the requirements of market changes. It is a new and representative inventory management idea. At present, the role of VMI in the distribution chain is very important. Therefore, more and more people are paying attention to it.
- For Vendor Managed Inventory (VMI), on-time delivery can be measured by relative inventory levels because there are minimum and maximum inventory points. For example, if the inventory is zero, the risk is high; the inventory is lower than the lowest point, the risk is quite high; the inventory is higher than the highest point, and the risk of being out of stock is small, but the risk of overdue inventory increases. In this way, statistics on the above situations can measure the delivery performance of suppliers. According to future material requirements and suppliers’ supply plans, it is also possible to predict the future trend of inventory points.
- The VMI management model is based on the QR (Quick Response) and ECR (Efficient Customer Response). The core idea is that the supplier shares the current inventory and actual consumption data of the user’s enterprise. Actual consumption models, consumption trends, and replenishment strategies carry the actual basis for replenishment. As a result, both sides of the transaction have changed the traditional independent forecasting model to minimize the waste of business flow, logistics, and information flow caused by the uncertainty of independent

forecasting and reduce the total cost of the supply chain.

How to do:

- Combine the characteristics that seafood products are easily spoiled and the inventory cycle is short. It is found that suppliers should follow the principle of multiple times and fewer batches before each replenishment because different seafood products have different life spans, storage conditions, and storage conditions. In the inventory management of the seafood food supply chain, the temperature environment should be monitored in real-time.
- After analyzing the VMI model, obtain the data through the POS system, update the corresponding amount records, and make predictions. In the case of a common agreement, the VMI model manages inventory by suppliers, constantly supervises and modifies them, minimizes inventory levels, achieves greater profits while satisfying user needs, and accelerates product turnover.

MEASURE:

- Instead of considering the logistics system as the cost center of the company, Wal-Mart does its best to reduce costs. Instead, it regards it as a profit center and adopts the most comprehensive and advanced electronic system and the corresponding supplier's standard requirements to realize the supply chain. High-efficiency operation
- Honest management is the core of the corporate culture developed by Wal-Mart and the cornerstone of success. To comply with individuals, serve customers, and pursue excellence, Wal-Mart China attaches great importance to its responsibilities to customers. What is the business philosophy? Provide customers with good services. By reducing operating costs and procurement costs, the profits saved will benefit customers as much as possible. Not only that, Wal-Mart guarantees consumer safety and strives to provide customers with high-quality products at higher prices.
- Everyone will pay attention to product quality and food safety. Food safety is the most important aspect of quality goods and services, and it is also our top priority in serving customers with integrity. Ensuring food safety is one of the right things that we must do, and it is Wal-Mart's values and the responsibility of each of us to do the right thing. To ensure food safety, in addition to having excellent hardware and equipment, it is necessary to identify with ideology and must be pursued in the implementation. In ensuring the safety of food, Wal-Mart established the company's standards, collected and analyzed national laws and regulations, investigated the different requirements of localities, and also understood the various licenses and government regulations for various commodities so that it can provide the company with operational decisions in accordance with them.
- The food safety system in the operation of shopping malls in terms of the purchase of goods. Wal-Mart has a questionnaire for the preparation of commodity regulations. Purchasing department will ask the supplier to collect all kinds of valid licenses and documents as required, and check the labeling labels. All the products can be purchased after being qualified. We

classify them into domestic, imported, packaged foods, health food, liquor and other categories. The last set of scientific systems must include a strict verification system. Wal-Mart also appointed the general manager of the mall management day, the day of the deputy general manager; in the process, detailed provisions of the verification work that each level of management must complete every day in order to ensure that the lady gradually checks the team focused on checking the price tag, Make the department's process work, etc., and formulate a monthly verification system, which is cross-checked monthly by various departments.

- Wal-Mart places great emphasis on the food supply chain. In the supplier selection and product review process, the purchaser will use food safety as a prerequisite. After a preliminary assessment of the procurement, the quality inspection department or a third-party professional company that we have commissioned will review the place of production. In order to ensure the long-term stability of product quality, we periodically review the rating based on the last review, and if the review fails, we will formulate an improvement plan or terminate the cooperation plan. Walmart's first food quality and safety rapid testing center was implemented in Shenzhen in 2011, and has established four food safety testing centers in Shenzhen, Guangzhou, Chengdu and Beijing to strictly control quality and safety. In November 2011, the Jiangxi Provincial Joint Industry and Commerce Bureau of Nanchang jointly launched a food safety firewall. More than 300 food suppliers attended such training.
- Customer service is also reflected in what? Also reflected in every small part of our shopping mall work. For example, a standard of Wal-Mart called the worry-free return service, clothing and cosmetics can also enjoy return service. These policies embody a high degree of trust in customers, and they also win customers' recognition. In addition, "One Kilometer Free Shipping", "Love Umbrella" and so on, there is also a "Self-letter", we will give the president, and reply one by one.
- "There is no best, only better." In order to reflect our better level, we have recently established a professional and dedicated management team to raise new heights. With the establishment of a new compliance department, we have penetrated into the cities of Wal-Mart and The region is responsible for the oversight role of third parties within the company and the management and supervision of professional teams. At the company-level management level, an integrity monitoring system was implemented.
- In addition to earnestly serving customers and using more honest services to win the trust of customers, there is also a very important aspect that is about pursuing excellence and making customers more happy. Enterprises that are highly profitable and socially responsible are corporate citizens that complement each other. As a retailer, Wal-Mart's mission is to help customers save money and make their lives better. In this context, the sustainable development business model will promote the up-and-down upgrade of the industry chain and achieve multi-supply and better service. As a long-term strategic mission of the company's business, it integrates into all aspects of the supply chain to reduce waste, improve efficiency, and promote the growth of the company's business.

CONCLUSION

In short, the sustainable development strategies of Wal-Mart and Unilever all have their own characteristics. As the leaders of the world's retail enterprises, the two companies' sustainable development strategies are based on their historical background, social environment, retailers, and competitors. As a result, Wal-Mart focuses on inventory management in the supply chain of seafood products. Unilever is a global strategy for sustainable competition. We should analyze the respective advantages of the two companies from an objective perspective and apply the theory to practice. (Magnani et al., 2024)

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