Introduction:

For years, Wal-Mart has instilled its brand onto the American citizen, as well as worldwide markets. Wal-Mart has been considered by some to be the ideal example of successful business. This case study will examine what has made Wal-Mart the shining example of business that started in rural Arkansas to become a world leading dominate force in department retail stores.

Wal-Mart’s success is based mainly on believing in the core of consumer based businesses. A belief that the customer is not only always right, but to go above and beyond the expectations of any of the wildest dreams that customers will have. A belief that a store can provide mass satisfaction to all of its customer. Rising above racial, spiritual, ethnic, and regional differences, Wal-Mart has opened up in regions which other businesses believed no store can possibly survive in. Wal-Mart didn’t become the leader of the department store world by being like everyone else.

Company Overview:

Wal-Mart is an American based company that has expanded worldwide. It has 1.5 million employees worldwide and is the largest retailer in the world. In the last fiscal
year ending January 31, 2004, the company made 256.3 billion in sales. There are over 3,600 Wal-Mart brand stores in the United States and more then 1,570 in the rest of the world. There are over 138 million customers that enter a Wal-Mart worldwide. These numbers also include Wal-Mart’s chain of supercenters, discount stores, neighborhood markets, and Sam’s club; Wal-Mart’s chain of wholesale department stores.


By 2000, Wal-Mart was named "Retailer of the Century" by Discount Store News, was on Fortune magazine's list of the "100 Best Companies to Work For;" and was ranked on Financial Times' "Most Respected in the World" list. In 2002, Wal-Mart became No. 1 on both the FORTUNE 500 list and FORTUNE magazine's "Most Admired Company in America". In addition, Wal-Mart was presented with the Ron Brown Award for Corporate Leadership, a presidential award that recognizes companies for outstanding achievement in employee relations and community initiatives. Wal-Mart also contributes over 150 million dollars to support communities and local non-profit organizations.
E-Business Goal or Strategy:

Wal-Mart’s goal when it went online was the same goal that Sam Walton, its founder and CEO from 1962 to 1988, used in order to open it’s original stores: to provide everyday low prices and guaranteed customer satisfaction to the world. In order for this, or any business as Sam Walton explained in his book “Made in America” was to follow ten rules to success.

Rule #1: Commit to your business. Believe in your business more than anybody else.

Rule #2: Share your profits with all your Associates, and treat them as partners. In turn, they will treat you as a partner, and together you will all perform beyond your wildest expectations.

Rule #3: Motivate your partners

Rule #4: Communicate everything you possibly can to your partners.

Rule #5: Appreciate everything your Associates do for the business.

Rule #6: Celebrate your successes. Find some humor in your failures.

Rule #7: Listen to everyone in your company and figure out ways to get them talking.

Rule #8: Exceed your customers' expectations. If you do, they'll come back over and over.

Rule #9: Control your expenses better than your competition. This is where you can always find the competitive advantage.

Rule #10: Swim upstream, go the other way, and ignore the conventional wisdom.
Sam Walton’s plan for opening a business was created for brick and mortar, however, the website; www.walmart.com, was created after his death. The company decided to use his technique of business in order to accomplish the same goals.

**Primary Stakeholders:**

The primary stakeholders for Wal-Mart are their customers. They recognize that without customers, their business would be empty and would become a barren wasteland and a nightmare to the capitol investors of Wal-Mart. The Employee’s are also primary stakeholders into the business. Because without the employee’s within the store, the store would not have any business partners, according to Sam Walton, which would make the store crumble as well. The suppliers also carry a stake when it comes to consumer based businesses, such as department stores like Wal-Mart. Wal-Mart is the world’s largest department store, servicing 138 customers a week. Supplier’s good have to be on stock at Wal-Mart and would become a necessity for both Wal-Mart and its supplier’s future capacity to maintain in business.

**Attracting:**

Wal-Mart attracts customers to its online presence with every commercial it institutes on television. With its smiling face mascot running around the store, slashing prices, it not only creates branding within the minds of potential customers, but with children as well. Children who see the cartoon smile are more apt to pay attention to a commercial then one which would showcase flowers, or more adult oriented commercials.
However, several of the Wal-Mart ads are marketed for adults, displaying the generous nature which embodies Wal-Mart, though helping homeless shelters, the boys and girls club, a school which needed additional funds, or hiring elderly citizens who needed additional income in order to pay for their prescription medicine and heating bills.

Within every commercial Wal-Mart incorporates into the market, it places an ad for its online presence, either explicitly stated within the commercial to “check out our website for more great deals, www.walmart.com” or by simply placing the website’s address onto the screen at the end of the commercial.

**Engaging:**

Walmart.com engages the customer with an easy to use, adult friendly, website which can make the experience more enjoyable for the non-internet savvy. Everything that is offered at a Wal-Mart retail store is offered on its website, which immediate notification if a product is discontinued, recalled, or out of stock. The website also offers many things that the store doesn’t offer, such as deals on hotels and travel destinations, and music downloads legally for $.88. Walmart.com also offers internet access where available and a larger selection then what can be offered within its brick and mortar stores. Walmart.com offers a selection of compact disc and cassette tapes of all kinds of music from a selection of 80,000. It’s bookstore maintains 600,000 titles to choose from. Wal-Mart’s online presence is secured by offering the customer a selection that exceeds their wildest dreams, which Sam Walton believes is detrimental in the rate of return for customers. A happily amazed customer is always a return customer.
**Retaining:**

Wal-Mart retains customers though advanced customer service. Customers are offered deals and a selection that can not be obtained at a brick and mortar store. They also have a twenty four hour customer service center for if the customer has problems with the product it has purchased at any Wal-Mart. This helps customers who live near a Wal-Mart that is not a twenty-four hour convenience. Wal-Mart also lives by what Sam Walton has called “The Daylight Rule.” The daylight rules consist of a philosophy of never procrastinating. “Why put off for tomorrow what we can’t do today” is a mantra that the company strives to instill into its workers. If a customer calls up the Customer Service Center with concerns that they have dropped their medication down the drain and are unable to reacquire the medicine, Wal-Mart will dispatch the nearest Wal-Mart pharmacist to open early and give the vital medicine to its customer. Customer Service is the number one goal of Wal-mart, even with its online presence.

**Learning**

Wal-Mart learns from it’s customers by having all customers sign up on the website with a user name and password. Wal-Mart uses this in order to track customer behavior and markets to them accordingly. Upon the customer’s first purchase, Wal-Mart updates the customer on their packages delivery date and tracking number so that the customer can track their package. The check out page for Walmart.com maintains security though data encryption technology. After the customer’s first purchase, the page
is customized for that specific customer and their shopping behavior. Walmart.com also provides a feedback line and the number to a twenty-four hour customer service center for any questions, concerns, or problems the customer has faced with the company. If the customer lost the package, walmart.com will give free express shipping and will cover the shipping and handling for the product. Customer satisfaction is the number one goal of Wal-Mart.

Relate:

Wal-Mart relates to its customers though giving back to its customers. Wal-Mart donates 150 million dollars to non-profit organizations and causes. It also will help out on the recovery efforts of hurricanes, earthquakes, and other natural disasters. Wal-Mart Relates back to it’s customers with a website which allows access to all of its financial and business reports, as well as the companies history and information for it’s shareholders and students who are doing research on the company. This provides the customer with the satisfaction that it is doing business with an establishment which is trustworthy with the modern turbulent times we live in.