

Walmart's Sustainability Strategy (C):
Inventory Management in the
Seafood Supply Chain

TheCaseSolutions.com



Why is Sustainability a major opportunity for Walmart?

- Differentiating from the competition
- Maintaining a license to grow
- Remaining consistent to commitment of every day low-prices

TheCaseSolutions.com

Direct value creating goals :

- Increasing energy efficiency
- Transitioning to renewable energy
- Optimizing the efficiency of the supply-chain through more environmental-friendly operations

Example : goal of doubling efficiency of Walmart fleet in 10 years

Realisation : Between 2005 and 2006, improved efficiency by 25% :
75 million dol in annual savings and 400000 tons of CO2
per year economised

TheCaseSolutions.com

Indirect Value-Creating goals :

- Providing more sustainable products
- 90% of the opportunity according to Tyler Elm

TheCaseSolutions.com

ised savings and 400000 tons of CO2 they by 25% :

TheCaseSolutions.com

How to reach these goals?

- Walmart develops an ongoing collaborative approach to discover new sources of sustainable value-creation "pulling -sustainability ideas-from everywhere" : consultants, NGOs, suppliers eco-friendly competitors, academics, critics
 - Selection criteria : genuing commitment of members to future outcomes
- Allows to be more connected to reality and develop new ideas

TheCaseSolutions.com

How to reach these goals? Creating value through the China network

- Walmart worked with 50000 Chinese suppliers
- Walmart is China's 7th largest trading partner
- Walmart has interest helping China avoiding environmental crisis that would slow down trade

Example : China network put an NGO in contact with a supplier to help it become more sustainable, else would have had to close

Value-creation : Walmart can continue doing business with this supplier

TheCaseSolutions.com

How to reach these goals?

3 step approach for the Sustainability Value Networks

Step 1 : Engagement : identify and work with broader community of participants for information and expertise for Walmart to achieve environmental goal

Step 2 : Exploration : analysing life-cycle of particular products and services and considering environmental issues

Step 3 : Expand : assessing if business needs to be done? can be done differently? or by someone else?, Is there opportunity for more value creation?

TheCaseSolutions.com