

# Globalization of Mass Retailing: Strategies for Regional Companies to Compete

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## Abstract

**Note to reviewers:** *The research for this project is completed and currently exists as a PP presentation that was part of specific marketing project for a specific firm in Southeast Asia (Singapore). The paper will generalize the results from the presentation and be written in a form/format consistent with academic standards. These results have not been published in any venue.*

Over past 10 years global mega-retailers such as Wal-Mart, Carrefour, and Ahold have moved from their national base to aggressively open stores throughout the world. While it is not the objective of this paper to opine on whether the proliferation of mega retailers has had a positive or negative impact on the regional economies, it is clear that many regional retailers have suffered. Yet some have not only survived but flourished in the environment of mega-mass retailers.

The objective of this paper is to identify the marketing strategies that have been successfully used to compete against the mega-mass retailer. The research method is secondary research/case study identifying where and which companies have competed successfully against Wal-Mart and the others and outline the strategies used to compete.

The paper is broken into 5 parts. The first part outlines the growth of the mega-mass retailers with special interest to their Asian and Southeast Asian development. It has been definitively demonstrated that understanding the competition is a prerequisite to developing a competitive strategy. Part 2 examines changes in the market structure for products associated with mass retailers. This data is gathered from AC Nielsen and other that provide information on channel of distribution sales and covers changes in the market structure in North America, Europe and Asia. Part 3 examines the major mega-mass retailers in terms of their strengths and weaknesses. Finally part 4 show cases of a number of food changes that has “increased” share in the face of Wal-mart and some non-food chains that have done so. The common key success factors are identified.

The last part or conclusion will hypothesize why so few have changed their operations to compete and why the old paradigms keep the world’s retailers from changing.