

Retail VS Manufacturing

Student's Name

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## 2-1 Discussion: Retail VS Manufacturing

For this analysis, I have selected Apple Inc. as the manufacturing company and Walmart as the retail company. Both are leaders in their sectors, with Apple known for its innovative consumer electronics (Chen et al., 2021) and Walmart as a major global retailer (Toma et al., 2022). Their prominence enables a detailed examination of their distinct supply chain strategies, highlighting differences in customer engagement, stakeholder management, and operational approaches due to their respective industry demands. This selection aids in understanding how sector-specific challenges influence supply chain management.

Apple's customer base predominantly consists of high-income individuals, tech enthusiasts, and young professionals globally (Theophilus, 2022). This diversity necessitates a robust, responsive supply chain to manage customized demands and rapid product deliveries. Key stakeholders, including global suppliers, investors, and employees, play pivotal roles. Suppliers ensure timely material provision aligning with Apple's strict quality standards, while investors support operational and technological advancements. Employees, particularly in R&D and logistics, drive innovation and efficiency (Foster & Gardner, 2022). Apple's business operations encompass meticulous product design, strategic material sourcing, precision manufacturing, and extensive logistic networks to maintain market leadership and meet consumer expectations effectively. This integrated approach allows Apple to adapt swiftly to changing market demands and maintain its competitive edge.

Walmart caters to a broad customer base, including low-to-middle-income households across urban and rural areas. This diverse demographic shapes their stocking and distribution strategies, emphasizing affordability and accessibility. Key stakeholders in Walmart's supply chain include a vast network of local and international suppliers, logistic partners for efficient goods movement, and government entities that regulate operations (Vadakkepatt et al., 2021). Walmart's business operations are centered around streamlined procurement and sophisticated inventory management systems. Their distribution centers are strategically located to facilitate quick turnover and lower transportation costs,

ensuring timely delivery to stores nationwide. This efficient logistics framework supports Walmart's commitment to offering low prices and availability, aligning with consumer needs and expectations.

Apple's supply chain is tightly controlled, focusing on high-quality product design and premium customer experiences, which demands precision in manufacturing and delivery (Budiono & Ellitan, 2024). They engage with a select group of suppliers to maintain quality and innovate efficiently. Conversely, Walmart emphasizes cost efficiency and broad accessibility, relying on an extensive network of suppliers and a robust distribution system to ensure low prices and high availability. Walmart's approach involves aggressive inventory management and streamlined logistics tailored to serve a diverse customer base efficiently. These contrasting strategies highlight Apple's emphasis on quality and exclusivity versus Walmart's focus on accessibility and cost management, each optimizing their supply chain to cater to distinct market needs and operational goals.

### **Peer Responses**

When responding to at least two of your peers, be sure to analyze their post. Do you see any other differences that were not addressed?

#### **Response 01**

Nice analysis on Apple's global supplier network! You highlighted important points about stakeholder roles. Adding to your points, it might also be useful to consider how Walmart manages its supplier relationships differently, especially in terms of local versus global sourcing strategies.

## References

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