MINISTRY OF EDUCATION AND SCIENCE OF UKRAINE
KYIV NATIONAL ECONOMIC UNIVERSITY NAMED AFTER VADYM HETMAN

Faculty of International Economics and Management
Department of International Economics

EDUCATIONAL PROGRAM "INTERNATIONAL ECONOMICS"

SUBJECT AREA 05 SOCIAL AND BEHAVIORAL SCIENCES

SPECIALTY 051 "Economics"

Form of education: full–time

BACHELOR'S THESIS

Title "Innovative development of corporations (on the example of the particular company)"

By Bulakh Stefaniia Dmytrivna ____________________
(Student's name, Surname) (Signature)

Academic Supervisor ScD of Economics, Professor
Shvydanenko Oleh Anatoliiovych

____
(Signature)

The work is accepted for defense before the examination commission for the attestation of applicants for higher education

Head of the Department of International Economics
Dr. of science, Professor
Stolyarchuk Y.M.

____
(Signature)

KYIV 2024

MINISTRY OF EDUCATION AND SCIENCE OF UKRAINE
KYIV NATIONAL ECONOMIC UNIVERSITY NAMED AFTER VADYM HETMAN

Faculty of International Economics and Management
Department of International Economics

EDUCATIONAL PROGRAM **"INTERNATIONAL ECONOMICS"**

SUBJECT AREA **05 SOCIAL AND BEHAVIORAL SCIENCES**

SPECIALTY **051 "Economics"**

AGREED
Head of the project group (guarantor) of the educational program "International economics"
_______________ Yaroslava
(Signature)
STOLYARCHUK
«_____ »______________20___

APPROVED
Head of the department of international economics
_______________ Yaroslava
(Signature)
STOLYARCHUK
«_____ »______________20___

INDIVIDUAL TASK

higher education applicant Stefaniia Bulakh.
(Name, Surname)

full-time form of education

Bachelor's Thesis

Title "Innovative development of corporations (on the example of the particular company)"

The title of the Bachelor's thesis has been approved by the Rector's Order 07.12.2023 №2231

The Bachelor's Thesis is based on open foreign sources of scientific knowledge and analytical information, monographs and articles, reports of international organizations and independent analysis of innovative development.

Plan of Bachelor's Thesis and the terms of it submission to the Academic Supervisor

Chapter 1	Theoretical framework for the innovative growth of companies.
Chapter 2	Strategies to enhance innovative development at Walmart.
Object of study:	Development processes of modern corporations in the conditions of globalization.
Subject of study:	Conditions, factors and mechanisms of innovative development of the Walmart corporation.
The purpose of the Thesis:	To substantiate recommendations for enhancing Walmart's innovative development based on the generalization of theoretical foundations of corporate innovation and a comprehensive analysis of Walmart's current innovation strategies. This includes conducting a SWOT–analysis, a comparative analysis with Amazon, and evaluating the effectiveness of Walmart's approaches. The thesis aims to provide insights into the factors, tools, regulation, trends, strategies, challenges, and prospects for the innovative growth and resilience of Walmart in the dynamic global economy.

Specific tasks applicant must accomplish to meet the objective:
In chapter 1:

– to review relevant literature on corporate innovation theories and models;
– to identify key drivers and challenges encountered in companies' pursuit of innovation;
– to assess the impact of companies' innovative initiatives on their business performance and market position;

In chapter 2:

– to analyze Walmart's innovative development strategies for creating a SWOT–analysis;
– to conduct a comparative analysis between Walmart and Amazon, focusing on their innovative approaches;
– to formulate practical recommendations for the future implementation of innovative strategies at Walmart, informed by theoretical insights and empirical findings;
– to substantiate the areas of improvement of the innovative development of the Walmart corporation.

The task has been set
by the Academic Supervisor

____________________ Oleh Shvydanenko
(Signature) *(Name, Surname)*
20.12.2023

The task was received by
the acquirer

____________________ Stefaniia Bulakh
(Signature) *(Name, Surname)*
20.12.2023

Abstract

The Bachelor's thesis comprises 68 pages, 5 tables, 7 figures, the bibliography list consists of 47 names.

"Innovative development of corporations (on the example of the particular company)"

(Title of Bachelor's thesis)

The object of the study is to analyze the development processes of modern corporations in the conditions of globalization.

The subject of the study encompasses conditions, factors and mechanisms of innovative development of the Walmart corporation.

The objective of the Bachelor's Thesis is to analyze and provide recommendations for the innovative development of Walmart. This is based on a comprehensive examination of theoretical frameworks, practical applications, and policy implications of corporate innovation. The study includes a SWOT–analysis of Walmart, a comparative analysis with its main competitor, Amazon, and offers future strategies for enhancing Walmart's innovative capabilities and adaptability in the dynamic business environment.

In accordance with the set objective, the following tasks were defined:

– to review relevant literature on corporate innovation theories and models;

– to identify key drivers and challenges encountered in companies' pursuit of innovation;

– to assess the impact of companies' innovative initiatives on their business performance and market position;

– to analyze Walmart's innovative development strategies for creating a SWOT–analysis;

– to conduct a comparative analysis between Walmart and Amazon, focusing on their innovative approaches;

– to formulate practical recommendations for the future implementation of innovative strategies at Walmart, informed by theoretical insights and empirical findings;

– to substantiate the areas of improvement of the innovative development of the Walmart corporation.

Practical task of the obtained results. According to the research of theoretical perspectives of innovative development of companies, Walmart was observed and analyzed. Based on this comprehensive analysis and a comparative assessment, the thesis provides an evaluation of the effectiveness of Walmart's innovation strategies. Prospects and recommendations regarding the future implementation of innovative strategies for Walmart are presented. These recommendations can be practically applied to enhance Walmart's innovative capabilities and resilience in the dynamic business environment.

The year of completion of the Bachelor's thesis 2024

The year of thesis defence 2024

Keywords: innovation, Walmart, growth, market, retail companies, development, technology, global disruptions, business, competitive, companies.

REVIEW
of the qualification Bachelor's thesis
of the student of the Faculty of International Economics and Management
educational program "International economics"

Stefaniia Bulakh
(Name, Surname)

Title "Innovative development of corporations (on the example of the particular company)"

1. **Relevance of the topic:** In today's world, where the global market environment is in constant flux, businesses have to constantly adapt to new economic, political, legal and social conditions, as well as to rapid scientific and technological progress. This requires improvement in all aspects of their operations. Innovative development is becoming a crucial factor that gives enterprises a competitive advantage in the long term in the context of global competition, which is why this study is relevant.
2. **Positive features of the qualifying Bachelor's thesis:** A comprehensive analysis, based on scientific sources and factual material, of the scale of Walmart's activities in the context of global competition, a thorough assessment of the effectiveness of Walmart's innovative development.
3. **The presence of independent developments of the author:** The research describes the factors that contribute to the efficiency of innovative development of modern corporations. It also substantiates priority directions and offers recommendations for improvement of the innovative process of development of the Walmart corporation in the context of globalization.
4. **The value of theoretical conclusions and practical recommendations:** The theoretical conclusions and recommendations contained in the Bachelor's thesis can be valuable for domestic corporations in the practical sphere of their activities aimed at improving their own innovation development strategies.
5. **The presence of shortcomings:** There are shortcomings in the stylistic presentation of this thesis. It would be desirable for the author to pay more attention to the study of the peculiarities of innovative development of corporations in the context of globalization.
6. **General assessment of the Bachelor's thesis and its admission to the defence examination board**: In general, the qualifying Bachelor's thesis meets all the requirements, is performed at a high theoretical level, is complete and independent, and testifies to the author's ability to research complex scientific issues. The work is recommended for defence before the Attestation Examination Commission with a score of 48 points.

Academic Supervisor:
Doctor of Economics, Professor of
the Department of International Economics ____________ Oleh Shvydanenko
(Signature) *(Name, Surname)*

"_______"_____________ 2024

CONTENTS

INTRODUCTION 3

CHAPTER 1. THEORETICAL FRAMEWORK FOR THE INNOVATIVE GROWTH OF COMPANIES 6

1.1. Theoretical perspectives of corporate innovative growth 6

1.2. Key factors for successful innovative growth in corporations........................... 15

1.3. The impact of globalization on corporate innovative growth 22

CHAPTER 2. STRATEGIES TO ENHANCE INNOVATIVE DEVELOPMENT AT WALMART 33

2.1. Walmart's operational landscape in the global market 33

2.2. Evaluating Walmart corporation's innovative development effectiveness........... 43

2.3. Directions for improving the innovative development of the Walmart corporation 53

CONCLUSION 58

REFERENCES 61

APPENDICES.. 67

INTRODUCTION

The relevance of the research topic extends far beyond the scope of this thesis, encompassing the broader landscape of corporate innovation and resilience in an ever-evolving global economy. In an era characterized by rapid technological advancements, shifting consumer preferences, and unprecedented disruptions like the COVID-19 pandemic, companies across industries are compelled to innovate continuously to maintain their competitive edge and adapt to changing circumstances. Understanding the mechanisms and strategies underlying innovative development is not only crucial for individual companies striving for growth and sustainability but also for policymakers, economists, and society at large.

Moreover, the impact of innovation extends beyond the confines of individual companies, shaping broader socioeconomic dynamics such as job creation, income distribution, and technological advancement. Through an exploration of the mechanisms, drivers, and outcomes of innovative development, this research deepens our understanding of how organizations navigate intricate challenges, seize emerging opportunities, and foster sustainable growth and prosperity. Additionally, by delving into the role of innovation in shaping industry landscapes, fostering entrepreneurship, and catalyzing economic transformation, this thesis illuminates the intricate dynamics of innovation ecosystems, the influence of governmental policies, and the implications for stakeholders across diverse sectors.

Ultimately, the study of corporate innovation transcends academia; it is a pragmatic necessity for tackling contemporary challenges, charting future trajectories, and constructing a more resilient and inclusive global economy. The case of Walmart serves as a compelling exemplar of these advantages of innovative development. Observing the success of such a prominent enterprise offers valuable insights and benchmarks for other organizations aiming to fortify their innovative capabilities and adaptability in the ever-evolving business landscape of today.

The theoretical basis of the study was made up of textbooks and scientific works by domestic and foreign authors, such as: L.M. Horbach, A.L. Kobuk, P. Braunerhjelm, M.

Henrekson, E.V. Bustillo, H.A. Patrions, Bonwoo Koo, Brian Cozzarin, Aivaras Žvinklys, Robert W. Vossen, Shyian H.I., Ashu Goel, Alistair Dieppe, Dalia Marin, Julia Choo, Terry Jeffords, TJ Stallbaumer, Dan Berthiaume.

The objective of the Bachelor Thesis is to delve into the theoretical frameworks, practical applications, and policy implications of innovative development within the context of a corporate enterprise. While the focus lies in examining theoretical perspectives, the main emphasis is placed on analyzing a real-world case study of innovative development, with Walmart serving as the central example. This includes investigating Walmart's strategies for driving growth, enhancing competitiveness, and fostering resilience in today's dynamic business environment, providing valuable insights into the practical implications of theoretical concepts.

In accordance with the set objective, the following tasks were defined:

– to review relevant literature on corporate innovation theories and models;

– to identify key drivers and challenges encountered in companies' pursuit of innovation;

– to assess the impact of companies' innovative initiatives on their business performance and market position;

– to analyze Walmart's innovative development strategies for creating a SWOT–analysis;

– to conduct a comparative analysis between Walmart and Amazon, focusing on their innovative approaches;

– to formulate practical recommendations for the future implementation of innovative strategies at Walmart, informed by theoretical insights and empirical findings;

– to substantiate the areas of improvement of the innovative development of the Walmart corporation.

The object of the study is to analyze innovative development within corporate enterprises, focusing on Walmart as a case study.

The subject of the study encompasses theoretical frameworks, practical applications, and policy implications related to innovative development of Walmart.

Research methodology. During the process of writing my Bachelor's thesis on the innovative development of Walmart, I focused primarily on electronic sources to gather insights into the current trends and state of Walmart's innovative strategies. These electronic sources provided valuable data on Walmart's initiatives, performance metrics, and emerging technologies shaping its innovative landscape. Additionally, I extensively referenced scholarly articles when exploring theoretical perspectives on the general innovative growth of companies, drawing from academic research in business innovation, growth theories, and retail industry dynamics to enrich the theoretical framework of my study.

The structure of the Bachelor's thesis comprises an introduction, two chapters, a conclusion, and a list of bibliographic references for the sources used. The thesis includes 7 figures and 5 tables. The list of sources consists of 47 names on four pages.

CHAPTER 1. THEORETICAL FRAMEWORK FOR THE INNOVATIVE GROWTH OF COMPANIES

1.1. Theoretical perspectives of corporate innovative growth

Innovative development is a broad and complex concept that defies simple definition. Historically, the term "development" dates back to the mid-18th century, while "innovation" has been in use since the 15th century [2, 3]. Innovation refers to something new and original, whereas development signifies the gradual growth or formation of something. When combined, these terms suggest that innovation precedes development, which subsequently enhances the new creation through continuous growth.

Development can be seen as the improvement of a system or entity, aiming to strengthen its viability, expand operational opportunities, and enhance adaptability to both internal and external influences. Some scholars view development as a socio-economic system's ability to transform its structure, while others see it as a natural evolutionary process [1]. Essentially, development translates needs into tangible outcomes, involving design, testing, and refinement to ensure feasibility and maintain innovative ambitions. Innovation managers guide this process, ensuring alignment with specifications and user-driven approaches, with modern innovation heavily prioritizing user needs over mere technological advancements [5].

In terms of the corporate development Oslo Manual 2018 delves into the measurement of business innovation activities, identifying eight main types of activities that firms engage in to innovate. These include research and experimental development, engineering and design work, marketing, intellectual property management, employee training, software development, asset acquisition, and innovation management. These activities can be performed internally or outsourced and might be postponed or abandoned for various reasons. Sometimes, these activities yield knowledge not immediately used for innovation but stored for future use or transferred to others [4, p. 87].

Innovation activities often follow a step-by-step process and may involve both informal and systematic approaches. While some activities directly drive innovation, others aim to improve overall business performance. Collecting qualitative data on these activities helps understand a firm's capabilities and the types of innovation they pursue, with different activities often linked as part of larger innovation projects.

The Oslo Manual outlines methods for collecting qualitative data on innovation activities, emphasizing the importance of internal and external sourcing, and considering the division of labor in innovation when analyzing firm performance [4, p. 92].

There are numerous obstacles to innovative development. These can include financial constraints, as innovation activities require significant investment. To understand spending on innovation, it is crucial to break down investments into specific activities like research and development, marketing, or employee training. Additionally, understanding funding sources, such as internal company funds, bank loans, or government support, helps grasp the broader innovation ecosystem.

Beyond financial aspects, innovation depends on people and projects. Gathering data on the number of employees involved in innovation projects and the nature of these projects sheds light on how innovation occurs within organizations. Furthermore, follow-on activities like marketing, additional training, and customer support are crucial for the success of an innovation. Collecting data on these aspects provides a comprehensive picture of the innovation process [4, p. 100].

Moreover, understanding companies' future plans for innovation, including upcoming projects and expected expenditures, offers insights into the direction of innovation. This comprehensive data collection is valuable for policymakers, researchers, and companies themselves, aiding in fostering innovation and driving economic growth. By combining information on spending, personnel, projects, follow-on activities, and future plans, a thorough understanding of innovation within businesses can be built. This comprehensive view is essential for supporting innovation and promoting sustainable development.

In a wider understanding the development of corporate innovation, it is important to revisit the theoretical and empirical keystones that support an innovation policy framework. Traditional knowledge growth models, which emphasizes that economic growth is driven by internal factors related to knowledge and its accumulation, treating knowledge and its investments as core elements of the growth process, often fall short in addressing the complexities of innovation processes. Instead, the insights provided by Schumpeterian and evolutionary growth theories offer a more comprehensive understanding. These perspectives emphasize the conditions at the micro-level, where firms and individuals, amidst genuine uncertainty, leverage new and existing knowledge to drive innovation [8, p. 34].

Central to this theoretical framework is the concept that knowledge and skills are decentralized across markets, spread among a multitude of firms and individuals. This distribution demands institutions that can harmonize the diverse incentives and capabilities of these actors. Research in this vein highlights the diverse environments in which innovation occurs, underscoring the importance of complementary competencies.

Empirical evidence underscores several critical aspects of corporate innovation. A significant observation is that only a minority of firms engage extensively in innovation activities [8, p. 171]. Many small businesses do not see themselves as entrepreneurial, and research & development expenditure is heavily concentrated among large firms. This pattern reveals that innovation is not uniformly distributed across the corporate landscape but is instead driven by a few key players.

The research "Do Large Firms Pursue More Process Innovation? A Case of Canadian Manufacturing Industries" by Bonwoo Koo and Brian Cozzarin provides insights into why larger companies are typically more innovative. Larger firms have greater access to financial and human resources, enabling them to invest significantly in R&D [12]. This financial strength allows them to engage in more comprehensive innovation activities compared to smaller firms.

One key explanation lies in the cost-spreading advantages posited by the Cohen and Klepper hypothesis. Larger firms can distribute the costs of process innovations across a higher volume of output, making such investments more cost-effective and appealing. This cost advantage allows them to focus on improving efficiency and reducing production costs through process innovations. Moreover, large firms benefit from the complementarities between R&D and other operational functions such as production and marketing. This synergy boosts their ability to innovate by taking advantage of the combined strengths of different departments.

Access to resources, such as cash flow, equity, a high equity-to-debt ratio, and a skilled workforce, is essential for sustaining innovation. The importance of these resources is reflected in the increased rates of patenting and the availability of early-stage financing, which correlate with higher levels of entrepreneurship [12]. Moreover, innovative firms often employ a higher number of individuals with advanced education and are typically involved in international trade. This international dimension not only contributes to the firms' innovation capacities but also facilitates learning and productivity improvements through global interactions.

The cost of adopting new technologies can be substantial, and firms require the capability to import and adapt technology developed elsewhere. The expenses associated with replicating technology can reach significant proportions of the original development costs. Additionally, firms that lack in-house R&D may find it more challenging to absorb new technologies, thereby increasing transfer costs.

Research & development alongside with innovation efforts have a pronounced impact on a firm's productivity and competitiveness. Companies that prioritize innovation tend to exhibit higher productivity levels and growth rates compared to their peers. This positive relationship underscores the strategic value of maintaining a robust innovation agenda.

Additionally, universities play a pivotal role in fostering innovation, particularly through student involvement in entrepreneurial activities. Research indicates that students are more influential in establishing new firms than university-employed researchers [8, p. 172]. This finding underscores the importance of engaging students in innovation initiatives, which also promotes regional development and cluster formation. This benefits all parties by encouraging students to pursue their studies and prompting employers to be more meticulous in hiring due to the higher education standards.

Currently, the U.S. is experiencing a dramatic decline in student enrollment, which negatively impacts the availability of educated professionals, forces tuition-based universities to close, and reduces the pool of educated employees for companies [9].

Overall, the opportunities universities provide for students to pursue their careers are essential not only for the entrepreneurial field but also for the global economy. A more knowledgeable population contributes to a healthier global economy.

Based on these theoretical insights, an effective innovation policy framework should focus on two primary tasks: building and accumulating knowledge, distributing, innovating, and commercializing that knowledge [8]. For sustainable progress and clarity, policy recommendations need to follow basic principles and be divided into concrete laws and statements of intention.

Building and assembling knowledge involves setting quantitative targets for educational performance, adopting effective pedagogical methods in universities, allocating research resources based on quality criteria, and establishing long-term research plans. These measures aim to improve the educational foundation and research capabilities that strengthen innovation.

Spreading, innovating, and commercializing knowledge requires a regulatory framework that balances effective regulation with minimal socio-economic costs. Enhancing labor market mobility, fostering competition, providing digital infrastructure, and structuring tax systems to support entrepreneurship are crucial steps. Additionally, promoting regional development through supportive policies can strengthen innovation clusters and drive economic growth [8].

To ensure the effectiveness of these policies, it is necessary to conduct regular independent evaluations. These evaluations will help refine and adapt policies to changing circumstances, maintaining the framework's relevance and impact, as the innovation is the driving force of progress.

By focusing on both the creation and application of knowledge, this theoretical perspective aims to build a more innovative and entrepreneurial corporate landscape. This approach not only drives economic growth and competitiveness but also fosters a culture of continuous improvement and adaptation in the face of evolving global challenges.

Knowledge is essential for achieving greater results, highlighting the importance of obtaining higher degrees and maintaining continuous education. Universities possess immense potential, making it crucial to encourage students to pursue higher education as a strategy for fostering corporate innovation. New graduates bring fresh ideas and implement initiatives that may not be apparent to those within the organization. Welcoming new entrepreneurs and fresh faces is one of the best ways to drive innovation, as their ideas are fresh and offer diverse perspectives.

Generally, students play a vital role in driving innovation in education, revolutionizing traditional methods, fostering creativity, and addressing contemporary challenges. Their contributions, from technological advancements to inventive teaching methodologies, significantly impact the educational landscape.

Student innovation brings new perspectives and solutions to complex problems, making education more accessible and inclusive. These innovations, which resonate with students' own experiences, can transform education by developing learning apps, creating sustainable initiatives, or reimagining classroom dynamics. Engaging in innovative activities equips students with critical skills for the 21st century [11]. It enhances critical thinking, problem-solving, creativity, collaboration, and communication. Additionally, students develop resilience and adaptability while learning to view failure as part of the innovation process. This does not only positively impact their career ambitions, but also their personalities.

Higher education, particularly at the university level, plays a pivotal role in fostering innovation among students. According to the World Bank, research indicates that education, independent of inherent ability, significantly contributes to technological advancement and economic growth. Universities are critical in this process as they provide the knowledge and skills necessary for students to adopt and develop innovative technologies [10].

Policymakers in countries striving to remain competitive in the global economy need to ensure that their education systems support both the enrollments and quality of higher education determined by the number of Ph.D. graduates [10]. The number of Ph.D. graduates is a strong indicator of a country's capacity for technology and innovation. Long-term investments in Ph.D. programs are particularly effective in producing the kind of innovations that can lead to major breakthroughs in fields like medicine and artificial intelligence.

Furthermore, expanding access to higher education and improving its quality are essential steps in supporting innovation. By investing in universities and ensuring that students from all socioeconomic backgrounds can attend, countries can widen their talent channels and increase the likelihood of producing successful innovators. This approach not only helps individuals who are already inclined towards innovation to achieve their potential but also enables those who might not have had the opportunity to become inventors to reach new heights.

In fact, certain jobs strongly require a degree, while others do not depend as heavily on formal education. It can be observed in the U.S. Census Bureau's 2016 and 2017 American Community Survey, which focuses on unemployment and underemployment rates for college graduates aged 22 to 27 [13]. For instance, fields such as engineering, education, medical technology, and theology had a clear need for degree holders. For example, civil engineering had a low unemployment rate of 1.9% and high median wages, showing strong demand for graduates. Similarly, early childhood, general, and elementary education majors had low unemployment rates between 1.7% and 1.9%, reflecting the necessity of specific educational qualifications. Medical technicians mostly experience a very low unemployment rate of 1.0%, highlighting the importance of specialized degrees.

Conversely, some fields show that a degree might not be as critical for employment. Mass media majors faced an unemployment rate of 7.8% and an underemployment rate of 55.2%, suggesting that experience and skills are more valued in the rapidly evolving media industry. Liberal arts graduates, with an unemployment rate of 6.7% and underemployment of 58.4%, often find their broad education does not directly translate to specific careers, diminishing the importance of a degree. In construction services, the unemployment rate is 6.1% with underemployment at 34.0% [13]. Despite high wages, this field often values practical experience and vocational training over formal education.

Overall, the analysis underscores the significant impact that educational background can have on one's career prospects. It highlights how some professions heavily rely on specific degrees for employment opportunities, while others prioritize practical skills and experience over formal education. This illustrates the importance of strategic decision-making for students in choosing their career paths. Employers value workers who can contribute to the company's growth, making informed decisions about their educational and career paths crucial for both personal success and the success of the company.

Companies need to focus on innovation and strive for sustained growth, which can be determined by their ability to remain competitive and maintain their market position over the long term. Innovation is crucial not only because it opens new opportunities for clients but also because it helps companies stay current with emerging trends. Providing new solutions and maintaining competitiveness are key indicators of a successful business.

McKinsey's research highlights that companies emphasizing aspiration, activation, and execution can outpace their peers in innovation and growth [14]. During times of disruption, innovation is essential for achieving superior shareholder returns. Analyzing approximately 650 large public companies from 2016 to 2021, McKinsey identified 53 "innovative growers" that excel in both growth and innovation across various industries and regions. These companies achieved higher total shareholder returns and demonstrated mastery in essential innovation capabilities.

Innovative growers integrate innovation into their strategic aspirations, pursue multiple growth pathways, and invest in critical innovation capabilities such as R&D, digital tools, and agile operations. They also engage in programmatic M&A to enhance their innovation reach [14]. According to McKinsey's findings, other companies can achieve similar success by implanting innovation into their core strategy, supporting it with the right mindsets and capabilities, and actively seeking growth opportunities.

The Innovation Research Interchange has conducted an annual survey since 1984, gathering insights from R&D and innovation leaders on activities, budgets, and projections [15]. The primary aim is to map out spending expectations for the coming year and analyze trends. In 2023, respondents faced challenges from shifting market conditions, unlike previous years where inflation was a significant concern. The 2024 survey added questions on digitalization spending and sustainability changes, with a focus on R&D spending trends and unforeseen event impacts.

The survey findings this year revealed some significant shifts in R&D spending patterns. About a third of respondents noted an increase, while another third reported a decrease, and the rest saw little to no change. These changes were mostly driven by shifts in business and market conditions, marking a shift from previous worries about inflation. Instead, concerns like shareholder cash demands and energy transitions, such as electrification, were evident in the market. The survey also revealed a trend towards international R&D investment, with many firms allocating a portion of their budgets abroad. Looking ahead to 2024, respondents are generally optimistic about innovation spending, focusing on new business projects and digital technologies like machine learning and the Internet of Things [15].

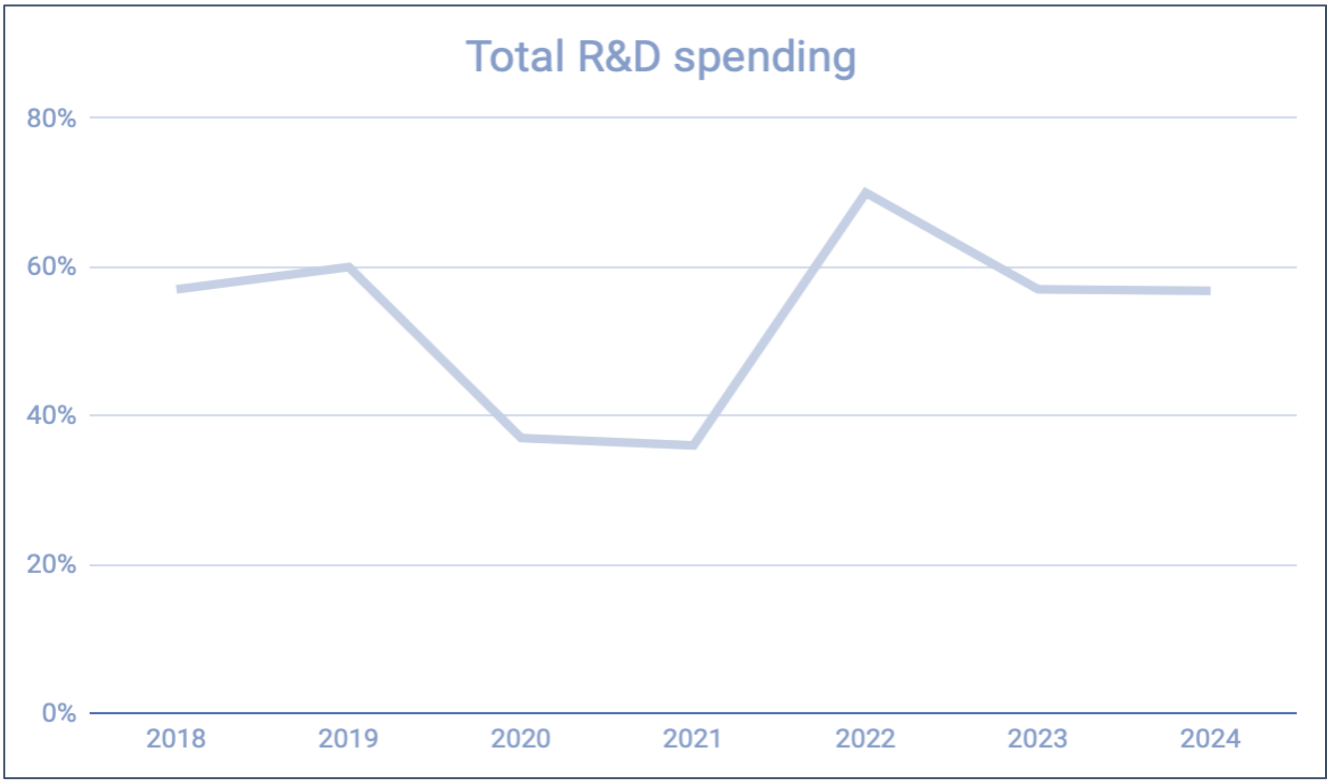


Figure 1.1 – Trend in R&D spending forecasts, 2018–2024

Source: compiled by the author, based on [15]

The total R&D spending trends from 2018 to 2024 show a fluctuating yet generally positive outlook, for example, (Figure 1.1). Spending decreased notably in 2020 and 2021, reflecting the tendency influenced by global events like the war in Ukraine and the

COVID-19 pandemic. However, 2022 saw a significant recover with a 70% increase in R&D spending, signaling renewed investment. While 2023 and 2024 show a slight decline from the 2022 peak, they still maintain higher levels than the lows of 2020 and 2021, showing continued confidence in R&D investments [15, p. 28]. Despite this, companies are currently favoring hiring experienced professionals over recent graduates, with global hiring intentions slightly more positive compared to those specifically in the United States. Overall, this data suggests a resilient and gradually recovering commitment to R&D spending after a period of caution.

To sum up, the importance of innovation is crucial, especially as companies navigate an increasingly fragile and constantly changing world. This underscores the necessity for robust corporate policies and the ability to attract and retain skilled human resources. Companies must remain open to new ideas and be prepared to transform their operations to stay competitive. The positive trends in R&D spending, despite recent global disruptions, reflect a resilient commitment to innovation. By balancing long-term and short-term objectives and aligning technology planning with business strategies, companies can foster sustainable growth and maintain their market position.

1.2. Key factors for successful innovative growth in corporations

Maintaining the position of an innovative company is crucial for staying competitive in the market as the world is changing so rapidly that it is impossible to ignore current trends. Global disruptions, especially crises, provide companies with opportunities to stand out and demonstrate resilience. Furthermore, world development is a strong indicator of how companies can adapt to current events in which companies not only maintain their market position, but also enhance their services despite challenges and by this they show true innovation alongside with adaptability. This encourages a continuous evaluation of what influences companies to grow and improve, even in the face of hardships.

Innovation encompasses a variety of factors within a company, involving the implementation of new methods across different areas. It may not necessarily entail a market revolution but rather the modernization of operations that impact employees or customers. Innovation is the process of adding something unique to its operations so that the company can achieve successful outcomes.

Measuring innovation in a company involves using key performance indicators to track various aspects of innovation activities. This includes metrics such as the number of innovation projects initiated, completed, and their success rates. Effective measurement ensures that innovation efforts align with organizational goals, helping to identify areas that need more resources or improvements. It also holds employees accountable and guides them on where to focus their efforts.

In general innovation metrics fall into three main categories: business and product metrics, culture metrics, and leadership metrics [16]. Business and product metrics, also known as ROI metrics, assess outcomes such as the number of new products released, and revenue generated. Culture metrics gauge the impact of an organization's culture on its innovation capabilities, including employee engagement and training in innovation. Leadership metrics evaluate the strategic decisions made by executives regarding innovation efforts.

The innovation impact model is a useful tool for prioritizing and measuring the impact of innovation projects. It categorizes projects based on their expected investment and impact, helping managers decide which innovations to pursue. Innovation accounting is another crucial aspect, providing a structured set of standards and measures to track innovation activities beyond just financial results. It helps in resource allocation, ensuring that the most promising projects receive the necessary support.

In a recent Inside the Strategy Room podcast, Erik Roth, Guttorm Aase, and Sri Swaminathan discussed how companies can better measure innovation performance using two straightforward metrics [17]. Traditionally, companies have counted patents or ideas, but Roth and his colleagues suggest focusing on outcomes instead.

Roth emphasized that companies often measure R&D activities without assessing their financial impact. The two proposed metrics are: the ratio of R&D spending to new-product sales, and the conversion of new-product sales into gross margin. The first metric, R&D spending to new-product sales, is calculated by dividing new product revenue by R&D expenditure. For example, if $100 million in R&D leads to $500 million in new product sales, the ratio is 5:1, indicating strong R&D efficiency. The second metric, new-product sales to gross margin, is calculated by dividing the gross margin from new products by new-product sales. For instance, if the gross margin is $200 million from $500 million in sales, the ratio is 0.4 or 40%, showing the profitability of new products [17].

Aase noted these metrics' simplicity and availability from public data, facilitating performance comparison with industry peers. Swaminathan highlighted their usefulness for internal assessment and external benchmarking. For example, if a company's conversion ratio is lower than its competitors', it might indicate pricing issues or less innovative products.

To implement these metrics, companies need to track new-product revenues as a percentage of total sales and compare them with industry benchmarks. This helps identify high-return R&D investments and areas needing improvement. In essence, the scholars recommend using these two key metrics to provide a clear, comparable measure of innovation performance, guiding strategic decisions and highlighting areas for enhancement.

To draw conclusions about a company's readiness to sustain innovative development, it is crucial to identify the factors that influence continuous growth. These driving forces can vary significantly depending on the size of the firm. Overall, small firms differ from large firms in several key ways. Smaller companies often have more room to grow because they are not yet fully established in their markets. They can adapt quickly to changes and opportunities, which contributes to their potential for rapid expansion. For example, a small electric vehicle startup like Rivian has more potential to double or triple in size compared to an established giant like Tesla, which is already highly developed and has a significant market share.

On the downside, small companies with a lower market capitalization are more susceptible to insolvency compared to large companies with higher market capitalization.

Large companies like Tesla have significant capital reserves, a robust business model, and a strong brand, making them more resilient and less likely to fail. In contrast, smaller firms, lacking these resources, face greater risks and challenges.

However, innovation is a crucial factor that can significantly impact both small and large firms. Companies, regardless of their size, need to focus on innovation to achieve sustained growth and maintain their competitive edge. McKinsey's research underscores that companies emphasizing aspiration, activation, and execution can excel in innovation and growth [14]. For small firms, this ability to innovate and adapt swiftly is often a key driver of their potential for rapid growth. Meanwhile, large firms can leverage their substantial resources to invest in critical innovation capabilities such as R&D, digital tools, and agile operations. However, both small and large companies must navigate these shifts to remain competitive. Small firms, with their agility, can quickly adapt to new trends and technologies, while large firms can sustain their innovation through substantial investment and strategic planning.

Large and small firms each have distinctive characteristics that contribute differently to their innovation capabilities. For instance, small firms often benefit from greater flexibility, rapid decision-making, and motivated management, allowing them to efficiently develop niche products and adapt to market changes. On the other hand, large firms possess substantial resources, economies of scale, and the ability to spread risk, making them better suited for large-scale, science-based innovations. Additionally, large firms have formal management skills and access to external capital and expertise, whereas small firms excel in tacit knowledge and efficient communication. The table highlights these features, for example, (Table 1.1).

In today's rapidly changing world, innovation is a necessity for survival. The rise of digital technology, characterized by cloud computing, mobile applications, data analytics, and AI, has deepened the need for organizations to innovate. But innovation is not just the responsibility of a select few anymore; it is a collective effort involving every employee.

Technological advancements, often coming in waves like a tsunami, present both opportunities and challenges for enterprises. The abundance of choices can be overwhelming, making it crucial for organizations to focus on what truly matters for their business. This requires a deep understanding of their strengths and a strategic approach to innovation.

Table 1.1 – Comparison of small and large firms in innovative development

Feature	Small Firms	Large Firms
Advantages	Flexibility, motivation, rapid decision-making	Resources, economies of scale, risk spreading
R&D Efficiency	More efficient per unit cost	May have economies of scale in R&D
Innovation Type	Niche products, market adaptations	Large-scale applications, science-based innovations
Bureaucracy	Less bureaucratic	More bureaucratic
Management	More motivated and involved	Formal management skills
Communication	Faster and more efficient communication	May have complex communication channels
Knowledge	Implicit knowledge, unique skills	Access to external capital and expertise

Source: compiled by the author, based on [18]

In this landscape, employees play a pivotal role in driving innovation. Creativity and strategic application of technology are key. Companies need to foster a culture where ideas can come from anyone, regardless of their position in the hierarchy. However, they also need to balance innovation with financial prudence, ensuring short-term growth while positioning themselves for long-term success.

The structure of firms is evolving to adapt to this new reality. Traditional manufacturing-based models are giving way to information-based business models, where data analytics and customer experience are paramount. Technology offers endless possibilities for innovation, from enhancing everyday activities like driving to revolutionizing healthcare through data-driven insights. All of these are integral aspects of innovative development in today's rapidly changing world. However, it is crucial to determine the effectiveness of companies' innovation strategies and understand the different types that can exist.

Depending on the type of strategy implemented, as well as the goals and stages of the product life cycle specialized by the company, the Ukrainian scientist L.R. Ramensky proposed classifying enterprises and companies into four types of innovative behavior: violent enterprises, patient enterprises, explorer enterprises, and commuter enterprises [19, p. 28–30]. Alongside them, venture companies are also considered. Explorers focus on creating new or radically changing old market segments. These companies typically have powerful research and design departments, introducing fundamentally new products to the market. Despite a high failure rate, explorers can achieve significant technical, financial, and moral success. Patient strategy is typical for firms specializing in narrow market segments for a limited consumer base. They cater to consumers dissatisfied with conventional products, meeting needs influenced by fashion, advertising, or other demand-generating means. Commuters mainly operate in local markets, adapting their services to individual customer needs to enhance consumer value. Violents are large companies engaged in traditional businesses, utilizing innovation to reduce production costs while maintaining product quality demanded by the mass market. Venture companies, on the other hand, are small firms specializing in technological industries, focusing on research, development, and innovation with high-risk levels. They often receive state or large corporate support to minimize potential losses associated with developing new technologies.

Firstly, violent enterprises are typically large and entrenched in competitive industries, prioritize continuous innovation to optimize production costs while ensuring product quality for mass consumption, often through substantial investments in R&D. Patient enterprises, on the other hand, carve out niches within less competitive markets, adapting existing products to meet unique needs with moderate R&D investment, focusing more on market adaptation than pioneering innovation. Meanwhile, explorer enterprises are characterized by their pursuit of groundbreaking innovation, aiming to create or disrupt markets with revolutionary products or services, often at the expense of higher R&D costs and failure rates.

Table 1.2 – Comparison of small and large firms in innovative development

Parameter	Violent Enterprises	Patient Enterprises	Explorer Enterprises	Commutant Enterprises
Level of competition	High	Low	Medium	Medium
Novelty of industry	Mature	Mature	New	New & mature
Needs served	Mass & standard	Mass & non-standard	Innovative	Local
Production profile	Mass production	Specialized	Experimental	Universal & small-scale
Company size	Large	Large, medium, small	Medium & small	Small
Company stability	High	High	Low	Low
R&D costs	High	Medium	High	Absent
Innovation focus	Cost reduction & quality	Niche market adaptation	New market creation	Customer value enhancement

Source: compiled by the author, based on [19]

Lastly, commutant enterprises are agile, small businesses serving local markets, prioritizing customer value through tailored offerings and responsiveness to individual needs, without heavy R&D investments. These classifications highlight the varied approaches companies take towards innovation, influenced by factors such as industry dynamics, competition levels, target markets, and risk level, for example, (Table 1.2).

Additionally, global disruptions significantly impact company performance and their responses to challenges throughout their lifespan, showcasing their ability to either survive or succumb. For instance, the COVID-19 pandemic has further accelerated the pace of innovation. Remote work has spurred creativity and collaboration, leading to disruptive changes in how companies operate. Subscription-based models are replacing traditional one-time purchases, reflecting a shift towards agility and flexibility in business practices [20].

Ultimately, innovation creates new opportunities and drives business growth. To thrive in today's competitive landscape, companies must align their business goals with technological advancements, empower their employees to think innovatively, and continuously adapt their processes to stay ahead of the curve.

In conclusion, innovation is crucial for companies to remain competitive and adapt to rapidly changing environments. The ability to measure and strategically implement innovation efforts is essential for sustained growth and success. Companies, regardless of size, must focus on innovation to maintain their competitive edge and navigate the challenges and opportunities presented by technological advancements and global disruptions. By fostering a culture of innovation, leveraging unique strengths, and utilizing effective metrics, companies can enhance their resilience, drive growth, and achieve long-term success.

1.3. The impact of globalization on corporate innovative growth

Global trends shape customer demands, driving the chase for the latest and most cutting-edge products and services. As preferences evolve rapidly, maintaining the status quo becomes increasingly challenging in the dynamic landscape of globalization. Indeed, globalization extends far beyond geographical boundaries, impacting diverse facets of society and business. This rapid development unfolds with unprecedented speed, fueled by the relentless pursuit of innovation and adaptation to ever-changing market dynamics. In this fast-paced environment, businesses must continuously strive to meet evolving customer expectations, pushing the boundaries of technological advancement and customer experience.

Nowadays, technology is advancing at an extraordinary pace, largely fueled by a combination of factors. Firstly, the exponential growth of technology ensures that innovation progresses not linearly, but at an accelerating pace. This phenomenon means that technology becomes both more powerful and more affordable over time, leading to a compounding effect where advancements build upon each other. Additionally, the merging of different technologies further accelerates this progress, as advancements in one area often lead to breakthroughs in others. For instance, the integration of artificial intelligence with robotics enhances their capabilities, creating a cycle of innovation and advancement.

At its core, globalization is propelled by the development of global markets for goods, services, labor, and capital, accompanied by intensified international capital flows towards the most profitable sectors of the global economy [25]. This process also entails rapid advancements in financial markets, with international financial flows serving as a key indicator of globalization. Furthermore, globalization stimulates the activation of financial innovations and the broader innovation process itself – the creation, adoption, and spreading of innovations.

The rapid pace of globalization and the intellectualization of production, markets, and economic activities are driven by unprecedented rates, dynamics, and scales of innovation, fundamentally modifying the socio-economic structure of society and production relations. Consequently, addressing economic challenges requires new approaches and qualitative progressive changes to ensure socio-political development.

The innovation process can be viewed from various perspectives, but consistently involves a sequence of events leading from the maturing process of an innovative idea to its distribution in business practice. As innovation spreads, it becomes more refined, efficient, acquires new consumer properties, and opens up new areas of application, markets, and consequently, new consumers.

Moreover, globalization stimulates investment by fostering the development of communication tools and information technologies, directing investments towards the adoption of innovations, and activating innovative entrepreneurship. This trend is evident in the increasing share of foreign financing of scientific research in most developed and emerging industrial countries and the establishment of a growing number of research units of transnational corporations (TNCs) in regions favorable for such activities [25].

TNCs play a pivotal role in the global economy, leveraging their significant financial capabilities to influence scientific and technological progress and shape the direction of further development. They often act as active adopters of innovations created by smaller enterprises, serving as a powerful channel for direct foreign investment in third countries. Establishing ties between local manufacturers and TNCs promotes extensive exchange of technologies, skills, and knowledge, thereby fostering the development of the entrepreneurial sector.

Furthermore, TNCs have significantly altered the balance of power on the international stage, displacing sovereign states as the main actors in international economic relations. Today, TNCs occupy a central role in the global economy, driving the evolution towards a global economic space and shaping a new type of economy within it.

Furthermore, technological progress brings about significant improvements to human life by providing more time, money, and opportunities for innovation. Automation and efficiency in daily tasks free up time for individuals to focus on creativity and problem-solving. Moreover, advancements in healthcare extend human lifespans, allowing for more time to contribute to technological advancements. Additionally, technological improvements lead to increased wealth and affordability, making sophisticated tools and resources accessible to more people worldwide. However, while these advancements offer immense benefits, they also present challenges such as the need for swift adaptation to change and ethical considerations regarding privacy and data security.

In firms, in-store automation appeared, which is revolutionizing store operations as retailers implement technologies like IoT, AI, and AR to manage inventory and improve customer navigation. These advancements address labor shortages, increase productivity, and enhance customer service. Milky Way AI provides a remote shelf management platform using AI to analyze and manage shelf space, ensuring products are stocked correctly and efficiently. Naviteel offers an indoor navigation system that provides real-time updates on product locations and stock levels, enriching the shopping experience [21].

Smart checkout systems, enabled by technologies such as NFC, blockchain, and biometrics, are enhancing convenience and reducing wait times. Mobile checkouts and self-service kiosks are becoming more prevalent. Zeroqs, for example, has developed a smart shopping cart that allows for faster self-service checkouts and improved inventory management [21]. Leav offers a mobile-based contactless checkout platform that lets shoppers scan and pay for items using their smartphones.

Sustainability is increasingly important as customer awareness of environmental issues grows. Retailers are incorporating sustainable practices such as using biodegradable packaging, sourcing locally, and implementing renewable energy solutions. They are also adopting on-demand manufacturing and circular economy models to minimize waste and environmental impact. Textile Genesis uses blockchain to trace and authenticate textiles, ensuring sustainable sourcing and transparency. Reverse.supply promotes e–commerce by enabling brands to resell second-hand products, extending product lifecycles.

Artificial intelligence is transforming retail by optimizing inventory management, enhancing supply chain efficiency, and providing personalized customer experiences. AI-driven analytics help with demand forecasting, price optimization, and targeted marketing. Puzl uses AI for ad planning in supermarkets, optimizing promotional strategies and improving profitability. Horavision employs AI for customer behavior analysis, providing insights into customer demographics and store performance [21].

Big data and analytics offer insights into store performance, customer behavior, and supply chain efficiency. These technologies enable better demand forecasting, inventory management, and personalized marketing strategies. Belle AI provides demand forecasting solutions that help retailers improve inventory planning and avoid overstocking or understocking. Palexy offers a platform for store health analytics, combining various data sources to provide insights into store layout, product assortment, and workforce performance.

The retail industry is moving swiftly towards a digital future, driven by advancements in AI, blockchain, IoT, and data analytics. These innovations are helping retailers achieve greater efficiency, sustainability, and customer satisfaction. The ongoing digital transformation presents numerous opportunities for retailers to enhance their operations and gain a competitive edge [21].

Overall, the retail industry is experiencing significant digital transformation, propelled by the global pandemic, which disrupted supply chains and prompted retailers worldwide to innovate. To understand and engage a wider customer base, boost sales, and establish distinctive brand values, the industry is embracing several key trends in 2024. These include the integration of artificial intelligence, omnichannel distribution, and store automation.

Startups and established companies are developing solutions to improve supply chain resilience, with technologies playing a pivotal role in creating tailored customer experiences. Additionally, increasing climate concerns and a more informed consumer base are pushing retailers to prioritize sustainably sourced products and efforts to reduce their carbon footprint. Retail fulfillment is a major focus for retailers aiming to improve market penetration by using services that deliver items directly to people's homes quickly, along with small centers that prepare orders fast to meet the demand for same-day or even faster deliveries.

Innovation drives progress in the international market, while the international market impacts innovation, ensuring it spreads and stays up-to-date everywhere. The diffusion of knowledge and technology worldwide in recent decades has significantly transformed the global innovation landscape. However, these changes could be even more profound if countries established more supportive investment environments. Globalization, characterized by freer trade, increased foreign direct investment, and the international use of patents and copyrights, has greatly facilitated the spread of knowledge and technology. This increased international competition fosters innovation and enhances productivity. For instance, in emerging-market economies, foreign knowledge accounted for a significant portion of annual growth in labor productivity, highlighting the broad-based productivity effects of globalization.

Moreover, the global exchange of knowledge and technology creates positive network effects, enabling recipient countries to advance their own research and development. This dynamic has led to substantial increases in R&D expenditures in countries like China and South Korea, which have joined traditional leaders in various high-tech sectors. However, despite these advancements, many frontier economies have faced a slowdown in productivity growth and innovation. The uneven distribution of globalization's gains underscores the need for supportive environments that combine received technologies with local capabilities. Countries that leverage their unique knowledge and resources can maximize technological diffusion and foster local innovation, a strategy that has proven successful in places like South Korea and China.

The global slowdown in labor productivity, which started after the 2007-09 financial crisis, has worsened due to the COVID-19 pandemic, leading to one of the deepest recessions since World War II [22]. This ongoing decline is caused by several factors. Key drivers of productivity, such as the growth of the working-age population and advancements in education, have either slowed down or stagnated. Additionally, the expansion of global value chains, which previously boosted productivity by integrating diverse and complex production processes, has been stuck. Labor reallocation from less productive to more productive sectors has also weakened, further delaying productivity growth. The pandemic has made these issues worse by causing steep income losses, disruptions to education, and mobility restrictions that slow the reallocation of workers to higher-productivity firms.

COVID-19 is just one of the latest in a series of shocks that have reduced productivity over the past decade, including wars, natural disasters, and major economic disruptions. The uncertainty surrounding the duration of the pandemic has also negatively impacted investment, trade, and foreign direct investment. Historically, epidemics have left lasting scars on labor productivity, and COVID-19 is not an exception. The productivity gap between developing and advanced economies remains significant, and the pace of convergence has slowed since the global financial crisis. This slowdown in productivity growth poses a threat to development goals, particularly poverty reduction, as it affects lasting per capita income growth. To address these challenges, a comprehensive approach is needed to facilitate investment in physical and human capital, encourage the reallocation of resources towards more productive sectors, and foster firm to advance in innovation.

The slowdown in productivity growth is a major concern because it affects long-term income growth, which is essential for reducing poverty. Labor productivity growth is crucial for increasing income per person. Therefore, the pandemic has worsened the slowdown, making it harder to achieve development goals. Additionally, the global recession caused by COVID-19 is likely to make these challenges even more difficult to overcome.

Countries that improve productivity more rapidly tend to reduce poverty more effectively, while those with slower productivity growth struggle to alleviate poverty and may even see poverty rates increase, for example, (Figure 1.2). Essentially, higher productivity enables economies to generate more output with the same or fewer inputs, leading to increased incomes and standards of living. When productivity grows rapidly, businesses become more efficient, wages tend to rise, and opportunities for employment expand. As a result, more people are lifted out of poverty, contributing to overall economic development and social progress.

Conversely, when productivity growth stagnates or slows down, it constrains the ability of economies to create wealth and distribute it equitably. This can lead to persistent poverty or even an increase in poverty rates over time, as the economy fails to generate sufficient opportunities for employment and income growth. This trend underscores a fundamental relationship between economic productivity and poverty alleviation across countries.

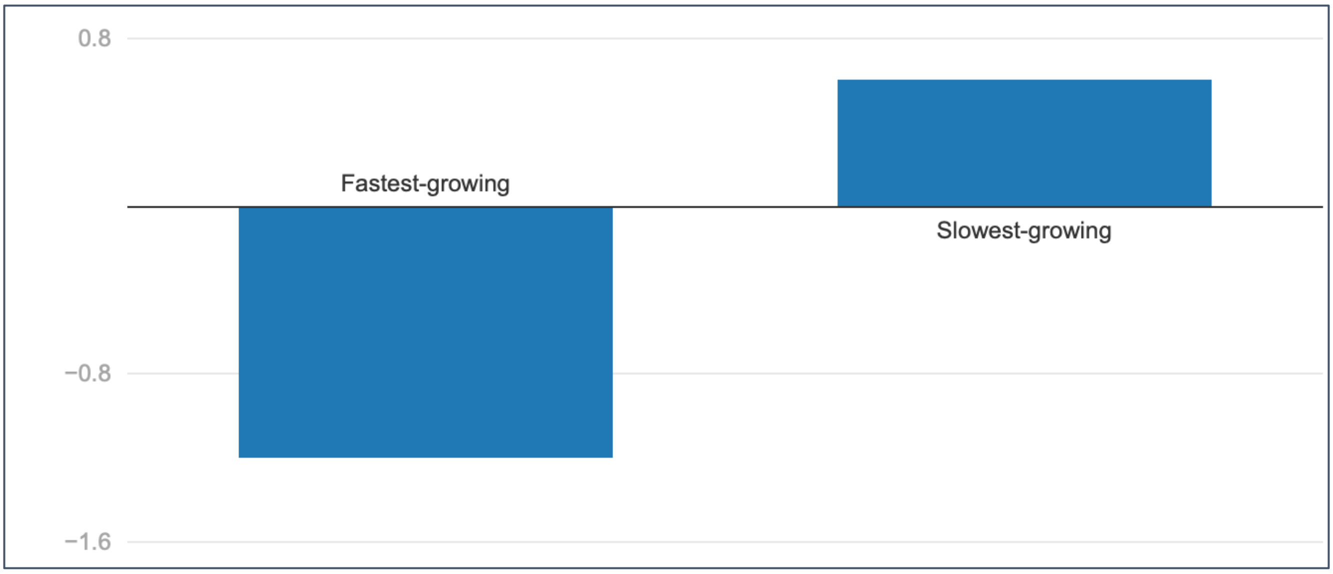


Figure 1.2 – Annual change in the poverty rate in emerging market and developing economies, by productivity growth

Source [22]

Globalization has significantly reshaped business and dynamics in society over the years, driven initially by the outsourcing trend and the widespread adoption of digital technologies. This trend was fueled from the United States by Western companies seeking opportunities in expanding markets. Globalization has impacted such areas as R&D progress, intellectual property protection and talent availability. Moreover, recent years have seen notable changes particularly in China and India.

In China, there has been a strengthening of intellectual property practices to attract foreign R&D investments and safeguard domestic innovations [23]. Despite ongoing concerns about IP enforcement, significant progress has been made to other areas. Meanwhile, India has emerged as a powerhouse for STEM talent, with a outstanding number of STEM degrees conferred annually, surpassing those awarded in the US by a substantial margin. Additionally, many foreign-educated professionals are returning to their home countries, contributing their expertise to local innovation ecosystems.

These shifts highlight a broader evolution in innovation practices, with a growing emphasis on local product design for global markets, a phenomenon known as "reverse innovation." Moreover, Western companies are increasingly embracing innovation methodologies originating from regions like India, such as frugal innovation. While the COVID-19 pandemic has prompted companies to reevaluate their global supply chains and manufacturing strategies, globalization remains crucial for R&D advancement [23]. However, the degree and nature of globalization may undergo further changes, with potential shifts towards multinational R&D approaches.

Globalization is often known for boosting innovation, but recent findings suggest a more complex picture. Traditionally, manufacturing has been a hub for innovation. However, in countries like the US, as firms shift production to lower-wage nations like China, manufacturing declines, potentially dragging down innovation rates. However, the link between manufacturing and innovation hinges on organizational factors. Strong ties between production and innovation, such as face-to-face interaction, necessitate geographical proximity. When this connection weakens, innovation suffers. This is evident in US firms, where subsidiaries located farther away tend to innovate less.

However, effective information sharing between production and innovation teams diminishes the importance of geographical proximity. This implies that even with manufacturing occurring remotely, innovation can thrive in advanced economies. Research on the relocation of manufacturing to Eastern Europe post-communism supports this notion [24]. German and Austrian firms transferred both manufacturing jobs and specialized research to countries like Poland and Hungary. However, their approaches to innovation management differed. German firms maintained tight control over their subsidiaries, ensuring knowledge transfer to the parent company. In contrast, Austrian firms allowed their subsidiaries more autonomy. The outcomes were significant. German firms generally fared well economically, whereas Austria encountered challenges such as slow growth and high unemployment. This disparity might stem from their respective approaches to innovation management with Eastern European subsidiaries.

Nevertheless, this does not diminish the importance of manufacturing. Despite its declining share in innovation, manufacturing remains integral. Ultimately, manufacturing and innovation continue to be intertwined.

Overall, despite an ambiguous criticism over the uneven benefits of globalization, it has positively impacted productivity and innovation. The IMF's April 2018 World Economic Outlook highlights that globalization – through freer trade, increased foreign investment, and international use of patents – has facilitated the diffusion of knowledge and technology [26]. This increases international competition, enhancing incentives for adopting new technologies and fostering innovation.

For example, from 2004 to 2014, foreign knowledge contributed significantly to labor productivity growth in emerging markets, accounting for 40% of observed sectoral productivity growth [26]. Additionally, the spread of knowledge and technology creates positive network effects, enabling countries to advance their own research and development.

In the dynamic landscape of business, larger enterprises often showcase a heightened agility towards innovation, consistently maintaining a leading edge over their smaller counterparts. Nevertheless, the state of competition demands that smaller entities embrace disruptive strategies to shape their niche in the market. Mere adherence to the status quo proves insufficient; instead, a culture of continuous evolution emerges as the cornerstone of success.

In the contemporary sphere, characterized by the omnipresence of cancel culture and the rapid distribution of information via social media platforms, the significance of a company's reputation cannot be overstated. Embracing diversity and fostering inclusivity across all sides of operations emerges as essential not only for upholding a favorable image but also for remaining competitive in the market landscape.

Additionally, companies must adapt to changing consumer preferences and societal expectations. With the increasing emphasis on sustainability and ethical business practices, firms that prioritize environmental responsibility and social impact are gaining a competitive edge. Moreover, technological advancements such as artificial intelligence and data analytics are revolutionizing industries, requiring companies to invest in digital transformation to remain relevant.

Furthermore, global interconnectedness means that companies must navigate complex supply chains and geopolitical challenges. Developing resilience and agility to resist disruptions, whether from natural disasters or political instability, is essential for long-term success. Moreover, fostering a culture of innovation and collaboration within the organization can drive creativity and problem-solving, enabling companies to adapt to evolving market conditions more effectively.

In summary, while staying competitive in today's rapidly changing business landscape requires continuous innovation and adaptation, companies must also prioritize reputation management, sustainability, technological integration, supply chain resilience, and fostering a culture of innovation to thrive in the global marketplace.

CHAPTER 2. STRATEGIES TO ENHANCE INNOVATIVE DEVELOPMENT AT WALMART

2.1. Walmart's operational landscape in the global market

Walmart has become a retail giant through a well-rounded business strategy that mixes a large physical store presence, low pricing, and strong digital growth. A key part of its success is using its many stores to offer Everyday Low Prices, which attracts a steady flow of customers. This physical reach is boosted by a big push into digital transformation, turning Walmart into a fully adaptable marketplace. By smartly placing distribution and fulfillment centers, Walmart ensures quick and efficient order processing and delivery, which keeps customers happy and operations running smoothly. Walmart's stores range from discount outlets to membership-based clubs. This mix of store types meets the needs of a wide range of customers, emphasizing low prices and easy access. Walmart's pricing strategy focuses on keeping prices low through its large-scale operations and advanced technology. The policy the company uses means customers always get low prices, while other tactics like Rollback Pricing and Price Matching add to its competitive advantage. Seasonal sales and bundle deals provide even more savings, strengthening Walmart's value proposition.

Walmart has also moved into services like financial services, auto care, and healthcare clinics, aiming to be a one-stop shop for customers. This approach not only makes shopping more convenient but also builds customer loyalty by offering a wide range of products and services all in one place. An analysis of Walmart shows its strengths in brand recognition, large-scale operations, and a loyal customer base [27]. However, it also faces challenges like labor issues and heavy reliance on the US market. Opportunities include growing its online presence and expanding internationally, while threats come from strong competition and changing regulations.

As of May 2024, Walmart remains the world's largest retailer with 2023 revenues of $611 billion, for example, (Figure 2.1). Operating with 10,500 stores across 19 countries, Walmart is also the largest U.S. retailer, with $500 billion in sales. The 1990s saw rapid international expansion and technological innovation. Walmart's store count doubled, and by 1997, annual sales topped $100 billion. The Neighborhood Market format debuted in 1998, and international stores opened in Mexico, Canada, China, and the UK, the last operated until the first quarter of fiscal year 2022. Expansion continued into the 2000s and 2010s with new markets like Japan and India. Walmart embraced technology early, launching Walmart.com in 2000 and offering services like Site-to-Store and NextDay delivery. In 2018, Walmart rebranded to Walmart Inc. and now serves 240 million customers weekly. Despite reducing its store count, Walmart continues to grow revenue. In the U.S., 90 percent of Americans live within 10 miles of a Walmart, which operates over 5,200 stores across various formats. Grocery pickup and delivery services have been a key growth area, particularly among higher-income households, with Walmart InHome serving 46 markets and 35 million households.

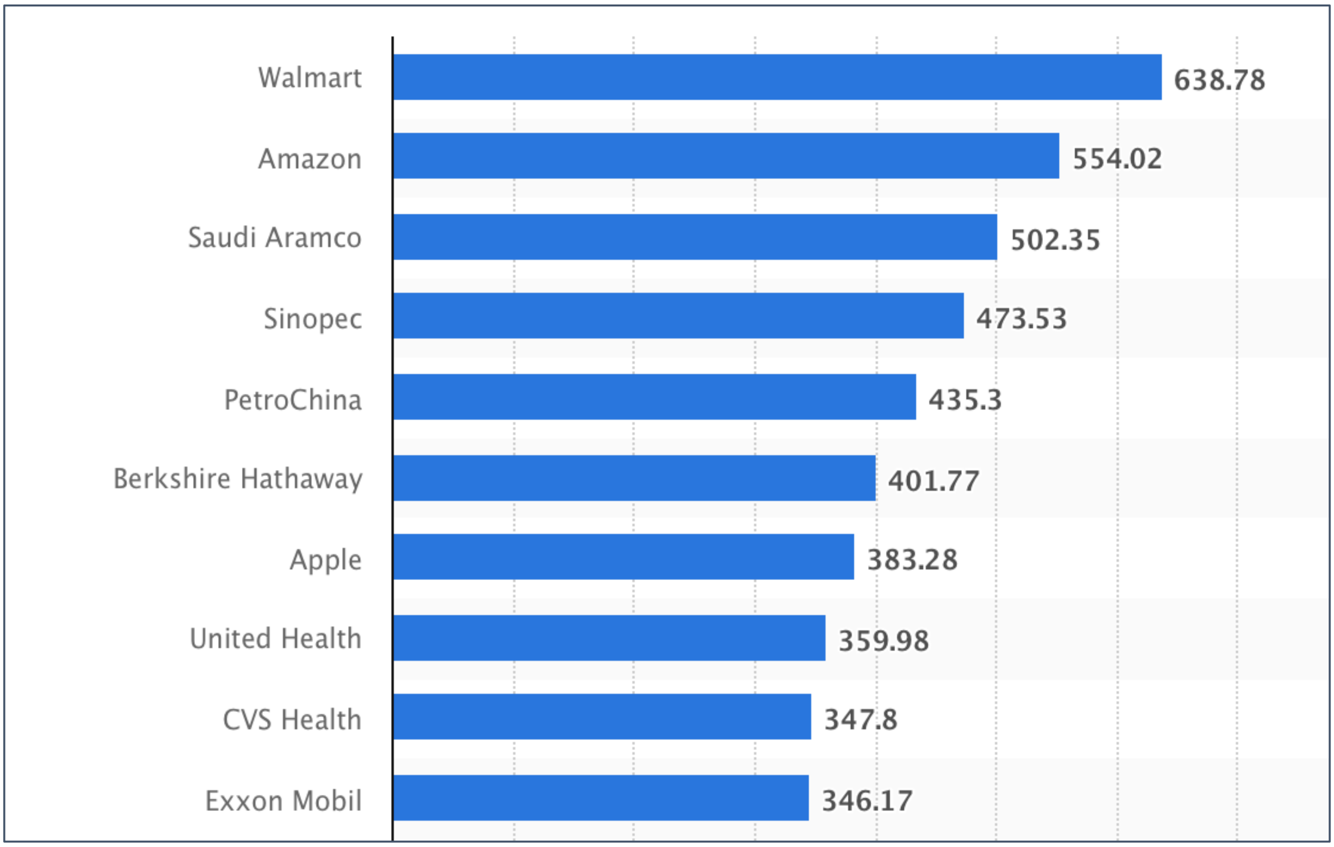


Figure 2.1 – The 10 largest companies in the world ranked by revenue in 2023 (in billion U.S. dollars)

Source [34]

Walmart's business is divided into three segments: Walmart U.S., Walmart International, and Sam's Club. Walmart U.S. is the largest segment, operating nationwide, including Puerto Rico and Washington D.C. It generates the highest gross profit and net sales, contributing 69% of Walmart's consolidated net sales in fiscal 2024, totaling $441.8 billion. This segment includes supercenters, discount stores, and neighborhood markets, and it integrates physical stores with e–commerce through services like pickup and delivery, in-home delivery, and digital pharmacy fulfillment.

Walmart’s online strategy is focused on putting the customer first, using technology to create personalized shopping experiences. Partnerships and investments in AI and data science improve efficiency and customer engagement. Advanced tools like real-time inventory management ensure timely and accurate deliveries, boosting customer satisfaction. Internationally, Walmart’s strategy includes smart acquisitions and partnerships, adapting to local market needs. For example, buying Flipkart in India and adjusting store formats in China show how Walmart effectively handles different economic environments [27].

Walmart, known for pioneering self-checkout technology, is now reducing its number of self-service kiosks in certain locations, including Cleveland, Ohio, and St. Louis, Missouri. This shift is driven primarily by customer feedback indicating dissatisfaction with self-checkout systems. Many shoppers prefer the personalized interaction and efficiency of traditional cashier lanes [28].

Additionally, self-checkout systems have been linked to higher rates of theft and inventory loss compared to cashier-operated registers. Although Walmart has not explicitly stated this as a reason, it is likely that concerns over shoplifting and shrinkage have influenced their decision to revert to staffed checkout lanes.

This move reflects a broader trend in the retail industry where other major retailers like Dollar General and Target are also reassessing their self-checkout strategies. Despite the convenience and operational benefits of self-checkout technology, the need to balance automation with effective theft prevention and customer satisfaction remains critical. Walmart’s adjustment highlights the importance of listening to customer preferences and addressing the challenges associated with self-service technologies [28].

Overall, Walmart stays competitive by keeping up with technology and current trends, enhancing its supply chain efficiency. Early adoption of barcode scanning streamlined inventory management, while cross-docking and vendor-managed inventory reduced costs and improved responsiveness. In recent years, Walmart has leveraged big data for better demand forecasting and utilized drones for faster deliveries. Additionally, sustainability initiatives like renewable energy and sustainable agriculture have optimized their supply chain, setting industry standards and maintaining Walmart's leadership in retail [29].

Walmart's focus on digital innovation has significantly impacted its operations, labor, sales, and customer behavior. Investments in supply chain automation, in-store technology, and store remodels are key drivers of this transformation. Technologies like automated storage systems have made the supply chain more efficient, reducing costs and improving service. In-store tech advancements, such as electronic shelf labels, save labor hours, while store remodels boost sales. Additionally, Walmart's Walmart+ membership program, which caters to affluent and tech-savvy customers, enhances digital engagement and customer loyalty. This continuous innovation helps Walmart stay competitive and meet evolving consumer demands.

Walmart+ stands out through its seamless e-commerce experience, designed to rival Amazon Prime. The program started with efficient contactless pickup using stores as distribution hubs. More recently, Walmart has focused on enhancing returns, a critical aspect of e-commerce [30]. During the 2022 holiday season, they introduced Curbside Returns, enabling customers to hand off items to associates for quick processing. Additionally, Walmart+ members can use the Return from Home service, where employees pick up items directly from their homes. Furthermore, Walmart has been expanding its ultrafast drone delivery, with plans to cover 75% of households in the Dallas-Fort Worth area by the end of 2024. This commitment to innovation has contributed to consistent revenue growth, with notable increases reported in recent fiscal quarters.

Walmart is enhancing its operations by investing in its workforce and developing a cutting-edge, integrated supply chain network. This includes using data, advanced software, and automation to create a more connected and efficient system. By 2026, Walmart aims for 65% of its stores and 55% of its fulfillment center volume to be serviced by automated facilities, which will improve operational efficiency and reduce costs by about 20% [31]. This transformation is designed to support Walmart's goal of providing a seamless omnichannel experience, driving substantial growth, expanding margins, and achieving higher returns on investment.

The operational background is not the only one where Walmart invest in order to get an enhancement, as the staff members are highly valued within the company. For instance, Walmart offers a program called Live Better U, which enables employees to pursue their career goals while pursuing a degree or various certificates through educational enrollment. This program provides employees who are keen on furthering their education with opportunities to obtain degrees in fields such as business supply chain, technology, and health. Moreover, it offers the option to complete high school and assists in finding programs that best suit individuals in terms of time, eligibility, and cost.

Walmart covers 100% of tuition and book costs, ensuring affordability for associates. The program offers degrees and certificates in high-demand fields, and both full-time and part-time associates across various Walmart locations have access to Live Better U from their first day of employment. Associates receive guidance and support from education coaches to help them choose the right degree and navigate academic and career paths.

Since its inception, Live Better U has seen significant participation, with nearly 120,000 associates in the U.S. taking part by May 2023 [32]. Participants have collectively saved almost half a billion dollars in tuition costs. The program offers over 70 programs, including popular options like bachelor's degrees in business, leadership, computer science, and cybersecurity. Over 19,000 associates have graduated from Live Better U programs, which provide access to academic programs from 26 reputable learning partners.

Walmart's commitment to investing $1 billion in career-driven training and development by 2026 underscores the company's dedication to employee growth and advancement. Live Better U plays a crucial role in Walmart's workforce strategy, contributing to talent attraction, enhancing retention rates, and facilitating upward mobility for associates. Studies have shown that participants in Live Better U are more likely to stay with the company and twice as likely to be promoted compared to non-participants, highlighting the program's positive impact on retention and career advancement within Walmart [32].

This initiative reflects Walmart's commitment to its employees' development and enhances innovation by providing them with new skills and knowledge. By investing in education, Walmart not only improves career prospects for associates but also cultivates a more knowledgeable and capable workforce, ultimately driving future success and bringing innovative ideas to the company.

Overall, Walmart prioritizes its workforce of approximately 2.1 million associates worldwide by focusing on belonging, well-being, growth, and digital innovation. The company fosters an inclusive environment where associates feel seen and supported, with 52% of its global workforce being women and 51% of its U.S. associates identifying as people of color [33]. Walmart is committed to fair-pay practices and rewarding performance based on qualifications and experience. The company also offers competitive wages and a wide range of benefits, including 401(k) matching, family-building support, maternity leave, fertility benefits, paid parental leave, life insurance, mental health services, and discounts.

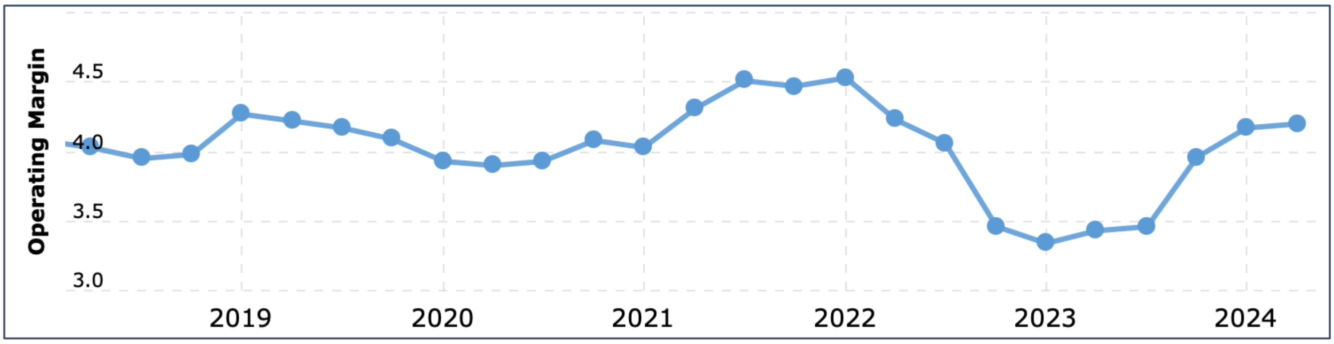


Figure 2.2 – Walmart operating margin 2018–2024 (%)

Source [35]

Examining Walmart's financial performance through both its operating margin trends and Return on Assets (ROA), over the past six years provides a comprehensive view of its operational efficiency and profitability amidst shifting market conditions.

While the operating margin typically hovers around 4%, recent periods, notably from April 2023 to April 2024, have witnessed a gradual decline, indicating potential challenges in maintaining profitability, for example (Figure 2.2). Conversely, Walmart's ROA surged to 7.42% in 2024, showcasing significant improvement in asset utilization and profitability.

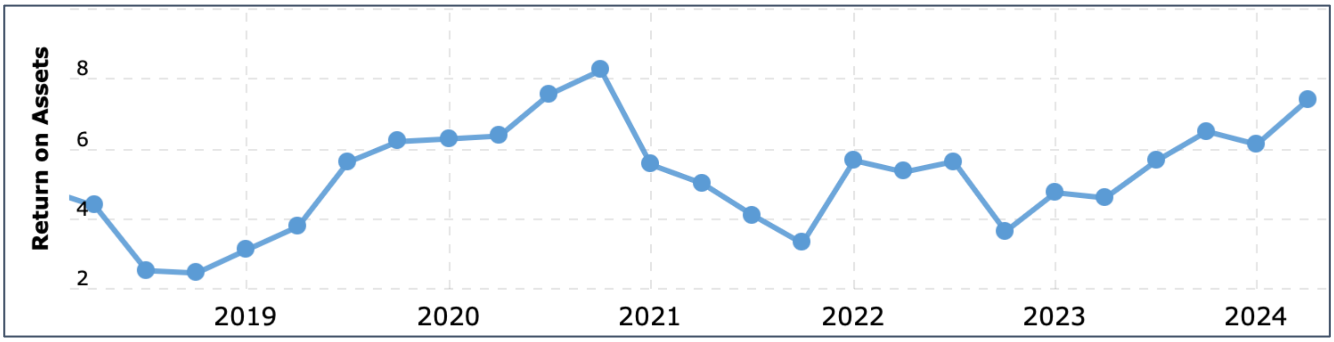


Figure 2.3 – Walmart return on assets 2018–2024 (%)

Source [35]

Despite facing hurdles like the COVID-19 pandemic and strategic market withdrawals in 2022, Walmart has demonstrated resilience, particularly evident in its relatively higher ROA figures during the pandemic in 2020, for example, (Figure 2.3). These insights underscore Walmart's ability to navigate dynamic market landscapes, adapt to challenges, and sustain profitability over time, reflecting its operational efficiency and overall financial health.

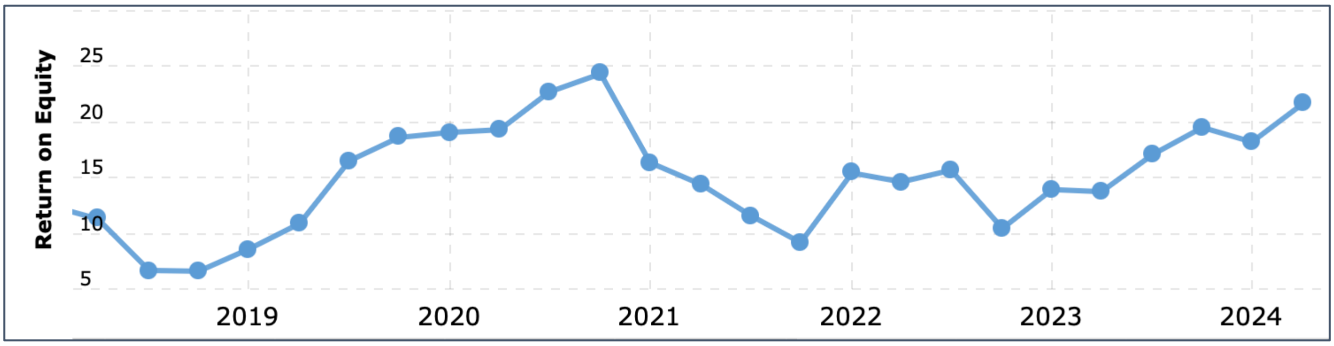


Figure 2.4 – Walmart return on equity 2018–2024 (%)

Source [35]

Looking at Walmart's Return on Equity (ROE) and Return on Investment (ROI) over the past six years reveals a consistent trend of strong financial performance. Walmart's ROE, which measures its ability to generate profit from shareholders' equity, has remained consistently high, reaching peaks of 21.69% in April 2024 and 24.35% in October 2020, for example, (Figure 2.4). Similarly, Walmart's ROI, indicating its efficiency in generating returns from both long-term investments and debt, has consistently stayed above 16%, with peaks around 21% in April 2024 and January 2024, for example, (Table 2.1).

Table 2.1 – Walmart return on investment 2018–2024 (%)

Date	ROI
31.01.2024	21.20%
31.10.2023	20.22%
31.01.2023	16.89%
31.10.2022	16.89%
31.01.2022	19.90%
31.10.2021	19.53%
31.01.2021	17.52%
31.10.2020	16.88%
31.01.2020	16.76%
31.10.2019	16.90%
31.01.2019	16.72%
31.10.2018	16.87%

Source: compiled by the author, based on [35]

To sum up, Walmart's financial performance illustrates its readiness to navigate challenges while maintaining operational efficiency and profitability. Despite fluctuations in operating margin, Walmart's the indicator of Return on Assets in 2024 showcases significant improvement, highlighting its ability to effectively utilize assets. Furthermore, consistent high levels of Return on Equity and Return on Investment underscore Walmart's sustained financial strength and strategic decision-making. These indicators collectively demonstrate Walmart's resilience and solid financial health in the face of evolving market dynamics.

In fact, Walmart practices practical innovation by improving supply chains, logistics channels, and inventory management. In fact, Walmart's logistics network is extensive and highly efficient, linking suppliers directly to their various store locations.

Looking ahead, Walmart remains a confident and forward-thinking company with numerous positive attributes.

Completing the overview of the company, it is worth defining the promising level of the company in the market using a SWOT analysis, for example, (Figure 2.5). This comprehensive evaluation highlights Walmart's strengths, potential weaknesses, opportunities, and threats, providing a balanced perspective on the company's market position.

Figure 2.5 – Walmart's SWOT–analysis

Source: compiled by the author

Walmart boasts countless strengths that have contributed to its formidable position in the global retail landscape. Central to its success is the company's unparalleled brand recognition, cultivated through consistent marketing efforts and a steadfast commitment to excellent customer service. This strong brand presence has transformed Walmart into a trusted household name, resonating with consumers worldwide and fostering a sense of loyalty among its diverse customer bases. Moreover, Walmart's extensive physical footprint, comprising over 10,000 stores across 19 countries, reinforces its market dominance and accessibility, further solidifying its position as a market leader. Complementing its brand strength is Walmart's efficient supply chain management, which leverages advanced technologies and strong supplier relationships to minimize costs and maintain competitive pricing. This operational prowess enables Walmart to streamline its operations, optimize inventory management, and enhance overall efficiency, ultimately driving profitability and reinforcing its competitive advantage.

However, Walmart is not without its weaknesses, which pose challenges to its continued growth and market dominance. Chief among these is the company's overreliance on the US market, which exposes it to economic fluctuations and regulatory changes within the region. This dependency limits Walmart's ability to diversify its revenue streams and mitigates risks associated with localized disruptions. Moreover, Walmart's limited e-commerce presence represents a significant vulnerability in an increasingly digital-centric retail landscape. The company's slower-than-expected progress in capturing online market share raises concerns about its competitiveness and ability to adapt to evolving consumer preferences. Additionally, inconsistent customer service detracts from Walmart's brand reputation, leading to diminished customer satisfaction and loyalty, thereby undermining its long-term success and market position.

Despite its weaknesses, Walmart is poised to capitalize on numerous opportunities for growth and expansion. The company's global expansion potential offers avenues for diversification and tapping into new markets. By strategically entering new regions through partnerships and acquisitions, Walmart can extend its reach and adapt its business model to local demands, thereby enhancing its competitive edge and market relevance. Furthermore, the rise of e-commerce presents a significant growth opportunity for Walmart, with investments in online grocery delivery and membership programs encouraging its digital presence and customer engagement. Addressing consumer demand for sustainable products also presents an opportunity for Walmart to differentiate itself and capture market share. By offering eco-friendly alternatives and investing in sustainable practices throughout its supply chain, Walmart can appeal to environmentally conscious consumers and bolster its corporate social responsibility initiatives, thereby strengthening its brand image and market position.

However, Walmart is not immune to threats that could jeopardize its growth and profitability. Intense competition from retail giants like Amazon and Target poses significant challenges, requiring Walmart to continuously innovate and differentiate itself to maintain its competitive edge. Economic downturns and shifting consumer preferences also pose risks, impacting spending patterns and necessitating flexibility in operations and marketing strategies. Moreover, government regulations add complexity to Walmart's business operations, requiring compliance measures and potentially affecting profitability. Additionally, lawsuits and reputational risks stemming from labor disputes and environmental concerns pose significant threats to Walmart's brand image and consumer trust, highlighting the importance of proactive risk management strategies to safeguard its long-term viability and success in the dynamic retail landscape.

Overall, while Walmart faces challenges such as market dependency and e-commerce competition, it has significant opportunities for growth through global expansion, e-commerce development, and sustainability initiatives. To mitigate threats and leverage opportunities, Walmart must continue to innovate, diversify its revenue streams, and prioritize customer satisfaction and operational efficiency.

In summary, Walmart’s business strategy combines physical and digital retail, competitive pricing, and a focus on customer satisfaction. By continuously adapting and leveraging its core strengths, Walmart stays ahead in the changing retail industry, remaining a strong competitor in both physical and online retail. This comprehensive approach ensures Walmart's ongoing success and relevance in the market.

2.2. Evaluating Walmart corporation's innovative development effectiveness

In today's society, where social media plays a significant role in shaping consumer behavior, companies must stay attuned to current trends and demonstrate creativity in their marketing campaigns. Walmart's innovative approach to marketing, particularly its recent emphasis on social media, exemplifies this need to stand out in a crowded digital landscape.

Utilizing scientific methods to assess marketing campaign effectiveness is crucial in today's landscape. Walmart employs advanced testing techniques, such as Randomized Controlled Trials (RCTs), to evaluate strategies based on data rather than intuition alone. These methods distinguish between correlation and causation, providing insights into whether changes in variables directly influence outcomes. RCTs, along with statistical techniques like Matching and Propensity Score Matching, ensure unbiased measurement of marketing impact. By adopting a data-driven approach, marketers can make informed decisions, enhancing the effectiveness of their campaigns [36].

Walmart's marketing campaign "Welcome to Your Walmart" is innovative in several ways. It engages customers on social media platforms where they already spend their time, using influencers and content creators to reach a broader audience. The campaign focuses on providing valuable information and solutions to customer queries rather than just promoting products, fostering a stronger and more trusting relationship. Additionally, it subtly integrates product suggestions within helpful content, avoiding hard selling tactics. Walmart also combines content marketing with specialists to ensure their content is relevant and easily discoverable online. This personalized and interactive approach sets a new standard for retail advertising [37].

One more notable innovation is the introduction of Alphabot, a robotic system designed specially for Walmart to revolutionize the grocery picking process. Developed in collaboration with Alert Innovation, Alphabot automates the retrieval of items for online orders in select Walmart stores. This cutting-edge technology allows staff to focus on picking fresh items while the robots handle the rest, thereby improving efficiency and maximizing storage space [40].

Alphabot is a game-changer for the company's online grocery operations. By streamlining the order process and reducing dispense times, Alphabot allows associates to focus on service. This shift in focus not only enhances efficiency but also improves the overall customer experience.

Alphabot's benefits extend beyond the warehouse, offering convenience to customers by increasing fulfillment speeds and reducing wait times during pickup. The system's fully autonomous bots operate on multiple axes of motion, providing flexibility and scalability across stores. Additionally, real-time data sharing enables intelligent stocking and more informed substitutions, ensuring a seamless grocery pickup and delivery experience.

In addition to this innovation, Walmart has launched automated grocery kiosks in store parking lots, providing customers with a convenient pickup option for their online orders. These kiosks, equipped with fridges and freezers, ensure that perishable items remain fresh until they are collected by customers, enhancing the overall shopping experience.

Additionally, Walmart delved into personalized shopping with Jetblack, a subscription-based service employing AI and expert buyers to suggest and deliver products via SMS [41]. Geared towards busy consumers seeking convenience and tailored shopping experiences, Jetblack offered a unique solution. Furthermore, Jetblack played a pivotal role in providing valuable insights into customer behavior and preferences, particularly in the realm of text-based ordering. Through its innovative approach, Jetblack enabled to understand how customers interacted with this technology and the types of items they preferred to purchase through texting. This understanding not only informed the development of Jetblack itself but also provided crucial data that could be leveraged to enhance the overall customer experience across Walmart's broader business. In essence, Jetblack's contribution lay in its ability to offer real-world insights and pave the way for the integration of conversational commerce technologies into our retail ecosystem.

In addition to customer-facing advancements, Walmart has been investing in technology to streamline internal operations and enhance employee training. Besides the program Live Better U, one notable initiative involves the utilization of Oculus Go headsets for staff training, enabling practical and scalable learning experiences across its workforce [42]. These immersive scenarios offer firsthand experience in various situations without disrupting store operations. The program's nationwide expansion to over 17,000 headsets underscores Walmart's commitment to empowering its associates with the skills and confidence needed for real-world challenges. Moreover, Walmart is piloting mobile checkout technology for employees in select locations, further boosting efficiency and fostering a culture of continuous learning and development within the organization.

Moreover, Walmart's strategic acquisitions, including Jet.com, Flipkart, Modcloth, Bonobos, and Moosejaw, reflect its commitment to expanding its ecommerce footprint and diversifying its offerings [43]. By leveraging the expertise and resources of these acquired companies, Walmart aims to strengthen its competitive position in the rapidly evolving retail landscape.

Conducting a comparison between Amazon and Walmart is essential for understanding Walmart's strategies, innovations, and its competitiveness in the retail industry, for example, (Table 2.2). As one of the largest and most influential retail companies globally, Walmart's ability to adapt and innovate provides crucial insights into how it competes and evolves in the rapidly changing market landscape. Additionally, comparing Amazon and Walmart offers insights into the current state and future direction of the retail industry as a whole. Their strategies, strengths, and weaknesses provide valuable insights into how the industry is evolving, highlighting the importance of understanding Walmart's competitive positioning relative to its biggest competitor, Amazon. The analysis of the comparison of the companies is based on the survey of over 1,000 adult U.S. consumers regarding their buying preferences and behaviors, along with insights from the annual survey, which includes responses from more than 3,500 Amazon and Walmart sellers [46].

Amazon and Walmart have each demonstrated remarkable adaptability and innovation to stay competitive. Amazon’s primary focus has always been e-commerce, offering an extensive product selection, competitive prices, and speedy delivery. Its strong tech background has allowed it to leverage advanced technologies to enhance operations and customer experience. Amazon’s innovations include its sophisticated logistics network, Prime membership program with benefits like streaming services, and a robust third-party marketplace.

Table 2.2 – E–commerce titans: Amazon and Walmart comparison in 2023

Feature	Amazon	Walmart
Primary business focus	E-commerce	Brick-and-mortar retail with e-commerce growth
E-commerce entry	Online retailer	More recent e-commerce entry
Consumer value proposition	Extensive product selection, fast delivery	Wide product range, grocery strength
Weekly user rate	48%	43%
Gen Z preference	Preferred platform for product search	Less popular platform for initial product search
Seller options	First-party, third-party marketplace	First-party, third-party marketplace, dropshipping
Loyalty program	Amazon Prime membership	Walmart+ membership
Technology focus	Strong tech background	Increasing technological integration

Source: compiled by the author, based on [46]

Walmart, traditionally a brick-and-mortar retailer, has more recently expanded into the e-commerce space, balancing its traditional stores with a growing online presence. Walmart's innovations are evident in its integration of technology into its operations, such as the development of its Walmart+ membership program, which provides benefits similar to Amazon Prime, alongside in-store advantages. Walmart also emphasizes its grocery strength, catering to a different set of consumer needs compared to Amazon.

Both companies cater to sellers through various models, with Amazon supporting both first-party sales and a third-party marketplace, while Walmart includes first-party sales, a third-party marketplace, and dropshipping options. This flexibility in seller options is a significant innovation that helps both companies attract a diverse range of products and sellers.

Weekly user rates reflect Amazon's strong online presence, with 48% of users visiting the site weekly compared to 43% for Walmart. Among Gen Z users, Amazon is the preferred platform for product searches, while Walmart is less popular for initial product discovery. This indicates Amazon's strength in digital engagement and Walmart's ongoing efforts to enhance its online appeal.

Both companies are at the forefront of technological innovation in retail. Amazon's use of advanced technologies, such as artificial intelligence and machine learning, has streamlined its operations and personalized the shopping experience. Walmart, while traditionally less tech-focused, is increasingly integrating technology to improve efficiency and compete better in the digital age. For example, Walmart's use of automation in its supply chain and its focus on enhancing the online shopping experience are significant steps in this direction.

In conclusion, comparing Amazon and Walmart offers a comprehensive view of how two retail giants are innovating to meet the evolving demands of the market. Amazon excels in e-commerce with its extensive product selection and fast delivery, while Walmart bridges the gap between physical and digital shopping experiences with its strong brick-and-mortar presence and grocery dominance. This comparison highlights the distinct value propositions of each company, their technological advancements, and their strategies to attract and retain customers in a rapidly changing retail landscape.

Overall, Walmart's innovative initiatives underscore its proactive approach to adapting to changing consumer preferences and technological advancements. By embracing innovation across its operations, the company seeks to remain at the forefront of the retail industry and drive continued growth in the years to come.

Walmart's response to the COVID-19 pandemic offers valuable insights into shifts in consumer behavior during times of crisis. Amidst widespread disruption to the retail sector, Walmart stood out as a major player that successfully navigated the challenges posed by the pandemic. The onset of the pandemic saw governments prioritizing stringent measures to control the spread of the virus, leading to significant changes in consumer spending patterns. By employing advanced testing techniques, Walmart was able to adapt and understand these changes effectively, contributing to its resilience amidst economic uncertainties. Notably, there were trends towards fewer but larger in-store shopping trips and a significant flow in online sales across the country. These observations underscore the importance of examining temporal variations in sales outcomes, offering crucial insights for retailers, stakeholders, and policymakers in understanding changing consumption trends. Furthermore, the value of data-driven approaches in informing business strategies and resilience planning for the future is shown as crucial. By leveraging scientific methods to evaluate marketing campaign effectiveness, retailers like Walmart can make informed decisions based on real cause-and-effect relationships rather than mere observations. This approach not only enhances the effectiveness of marketing strategies but also fosters greater adaptability in the face of evolving consumer preferences and market dynamics.

The study, which investigated changes in consumer behavior during COVID-19 lockdowns in Walmart, used a multi-level modeling approach to analyze how varying lockdown measures during the COVID-19 pandemic affected transaction counts and total spend for in-store and online sales [38]. They found that in-store transactions declined at the pandemic's onset, while spending remained steady. This was attributed to factors like panic buying and reduced mobility. In contrast, online sales surged after the national emergency declaration, showing a rapid shift to online shopping platforms. The study also highlighted differences in consumer behavior across states, influenced by factors such as COVID-19 case rates and political affiliations. Overall, the findings provide valuable insights into the complex dynamics of consumer behavior during crises.

Following current trends of investing in a sustainable future, Walmart is striving to become a regenerative company, with a focus on sustainability and social responsibility. By 2040, the company aims to achieve zero emissions across its global operations, relying on renewable energy sources and transitioning its vehicle fleet. Collaborating with suppliers, Walmart seeks to avoid a gigaton of greenhouse gas emissions by 2030. The company is committed to protecting natural resources, aiming to manage or restore millions of acres of land and ocean by 2030 [39]. Additionally, Walmart is working towards zero waste in its operations and promoting responsible recruitment practices. Through these initiatives, Walmart aims to make a positive impact on the environment and society while maintaining its business operations.

Moreover, Walmart's commitment to innovation goes beyond traditional research and development (R&D) efforts. One of its innovative initiatives is Store Nº8, an incubation arm focused on developing groundbreaking capabilities to shape the future of retail. Store Nº8 operates as a separate entity within Walmart, with a specific focus on driving commerce forward through radical innovations in physical, digital, and virtual retail experiences. Through partnerships with entrepreneurs, startups, venture capitalists, and academics, Store Nº8 explores cutting-edge technologies such as virtual and augmented reality, machine learning, and artificial intelligence.

Despite Walmart's robust innovation strategy, the company does not always disclose R&D expenditures in its financial reports. This lack of transparency could stem from several factors. Firstly, determining what qualifies as an R&D expense can be complex and subjective. Secondly, companies may have strategic reasons for not disclosing R&D figures, such as protecting sensitive information from competitors or avoiding potential scrutiny from investors.

While Walmart may not provide detailed information on its R&D spending, Store Nº8's activities complement traditional R&D efforts within the company. While traditional R&D focuses on incremental improvements and operational efficiencies, Store Nº8 explores disruptive and transformative innovations. By investing in both traditional R&D and initiatives like Store Nº8, Walmart ensures a comprehensive approach to innovation, positioning itself at the forefront of retail evolution.

Essentially, Walmart is planning to close Store Nº8, its in-house technology and business innovation unit, due to several strategic and operational reasons. The primary factor is that the innovations and capabilities developed by Store Nº8 are now fully integrated into Walmart's broader operations, for example, (Figure 2.6). According to CFO John Rainey, these functions have become an integral part of the company's daily activities, encompassing areas such as warehouse automation, fast delivery, online product search, metaverse commerce, store operations [44].

Another significant reason for the closure is the evolution of generative AI and automation. Generative AI, which can create new content and ideas based on machine learning, is streamlining technology development. By employing generative AI for writing code and other development activities, Walmart can increase efficiency and speed without needing a dedicated innovation center. The rollout of Walmart's GenAI Playground in June 2023 highlights this shift towards more integrated and efficient use of AI in its operations.

Table 2.3 – Pros and cons of the Store Nº8 applied in Walmart

Pros	Cons
Integrated innovations	Closure of innovation hub
Streamlined technology development through generative AI	Loss of key leaders
Access to a broader range of skills	Shift to decentralized innovation
Improved competitive agility	Potential disruption
Reduced operational costs	Uncertain radical innovations

Source: compiled by the author, based on [44]

This closure is also part of Walmart's broader strategic efforts to remain competitive with rivals like Amazon and Target. By distributing the responsibility of innovation across the company, Walmart ensures that all parts of the organization are involved in future advancements. This decentralization reflects a trend in the industry where technological advancements are becoming embedded in everyday business operations.

The closure will also see the departure of key figures who led Store Store Nº8, and Denise Malloy, a senior vice president. This indicates a significant restructuring within the company, with these roles likely being redistributed or redefined to align with Walmart's new strategic direction.

In summary, Walmart is closing Store Nº8 to integrate innovation throughout its organization, leverage advances in AI, utilize a broad pool of tech talent, maintain competitive agility, and manage operational costs effectively.

As a matter of fact, while Store Store Nº8 achieved its goal of integrating innovations into Walmart's core operations, its closure reflects a shift towards a decentralized innovation model. This approach leverages advancements in AI, a broader tech talent pool, and cost-efficiency. However, there are potential disadvantages like the loss of dedicated leadership and the disruption caused by restructuring.

In general, in assessing Walmart's innovative behavior within the retail landscape, the company emerges as a multifaceted entity, embodying characteristics of both a "violent enterprise" and an "explorer enterprise", for example, (Figure 1.3).

Walmart, as a retail giant, operates within a highly competitive industry, marked by its extensive physical store presence and a robust digital growth trajectory. Leveraging its vast network of stores, the company has strategically positioned itself as a provider of Everyday Low Prices, drawing in a steady stream of customers. This expansive physical reach is further complemented by a concerted effort towards digital transformation, enabling Walmart to adapt dynamically to evolving market demands.

A symbol of Walmart's operational strategy lies in its emphasis on mass production, catering to the needs of its broad customer base through efficient and large-scale operations. Despite operating in a mature industry, Walmart continues to innovate, investing significantly in technology, infrastructure, and operational efficiency to optimize production costs while upholding product quality standards demanded by the mass market.

Furthermore, Walmart's commitment to innovation extends beyond traditional retail models. Initiatives like Store Nº8 serve as incubators for pioneering capabilities aimed at reshaping the future of retail. Through strategic partnerships with entrepreneurs, startups, venture capitalists, and academic institutions, Store Nº8 explores cutting-edge technologies such as virtual and augmented reality, machine learning, and artificial intelligence.

These undertakings into disruptive innovation align closely with the characteristics of an "explorer enterprise." By seeking to create and disrupt markets through revolutionary products and services, Walmart demonstrates a willingness to embrace risk and explore new frontiers in the retail landscape. While such endeavors may entail higher R&D costs and carry inherent risks of failure, they also offer the potential for significant technical, financial, and moral success.

However, Walmart's core operations still reflect the traits of a "violent enterprise." The company's persistent focus on optimizing production costs while maintaining product quality for mass consumption underscores its commitment to market dominance and operational efficiency. Walmart's size, stability, and brand recognition position it as a challenging force in the retail arena, capable of enduring market challenges and driving sustained growth.

In essence, Walmart's innovative behavior surpasses conventional classifications, embodying elements of both violent and explorer enterprises. This dual approach enables the company to maintain its market leadership while continuously exploring new avenues for growth and differentiation. As Walmart navigates the ever-changing retail landscape, its strategic mixture of traditional and disruptive innovation ensures its relevance and resilience in an increasingly dynamic market environment.

2.3. Directions for improving the innovative development of the Walmart corporation

Innovative development plays a pivotal role if a company aims to stay competitive and operate successfully over the long term. The ability to survive despite disruptions is a key indicator of well-structured and implemented strategies. Being resilient to changes and challenges is one of the most difficult tasks to execute. Walmart is a great example of adapting technologies and the ability to evolve in order to keep up with current trends and provide the service customers expect.

Overall, Walmart demonstrates a strong financial background, appropriate treatment of employees, technological advancement, and a focus on customer satisfaction. These factors are crucial for the company to stay ahead of its competitors, which Walmart consistently does. A closer look at Walmart's strategic advantages and recommendations for future development is essential due to the constantly progressing market.

According to Nasdaq analysts, investing in Walmart is encouraged due to its high financial performance and dedication to innovation, which promise prosperity and growth. Despite the stock's notable rise of nearly 30% since October and 65% from mid-2022, resulting in a relatively high valuation at 26 times its projected earnings, there are compelling reasons to consider Walmart as high performer on the market [45].

Unlike many of its competitors struggling with economic challenges, Walmart's U.S. same-store sales grew by 3.8% in its first fiscal quarter, with overall revenue increasing by 6% [45]. This growth is mainly due to its focus on groceries and essential consumer goods, which are always in demand, even in tough economic times. Additionally, Walmart has been successfully attracting higher-income households, especially those earning over $100,000 per year, since inflation has made them more conscious of their spending. The company is making its stores more appealing to these customers by updating the shopping experience and promoting its Walmart+ subscription service, similar to Amazon Prime.

Walmart's online sales increased by 21% last quarter, continuing a strong growth trend. With e-commerce contributing about $80 billion annually, Walmart is well-positioned to expand further in this market. New initiatives, like third-party seller advertisements, which offer high-profit margins, are also helping to boost this growth. Furthermore, Walmart's large size provides significant advantages, such as better pricing on inventory and extensive geographical reach. With fulfillment centers enabling fast shipping and 90% of Americans living within 10 miles of a Walmart store, the company benefits greatly from its convenience and scale.

Walmart's size is a significant advantage, with over 10,500 stores worldwide. This extensive presence enables Walmart to offer a wide variety of products and services to its customers, making it a one-stop destination for their needs. Additionally, Walmart's reputation for low prices is well-established, thanks to its vast size and economies of scale. This pricing strategy has positioned Walmart as a preferred choice for budget-conscious shoppers, enhancing its competitiveness in the market. Furthermore, Walmart's product selection is notably diverse, spanning groceries, household items, electronics, apparel, and more. This comprehensive range of offerings caters to a broad spectrum of customer needs and preferences, attracting a wide customer base. The practical store atmosphere of Walmart outlets resonates with value-conscious consumers, who appreciate the emphasis on affordability and accessibility. Overall, Walmart's size, pricing strategy, extensive product selection, and practical store ambiance contribute to its appeal and success in the retail industry.

It is noteworthy that Walmart significantly impacts its workers' rights, with many students working seasonal jobs. The company's diverse workforce benefits from innovative shelf alignments, optimizing both product placement and customer satisfaction. This innovative approach to inventory management not only boosts sales but also creates a more efficient shopping experience for customers. The diversity within Walmart's workforce, including seasonal student workers, reflects the company's commitment to inclusivity and provides a wide range of perspectives that contribute to its success.

Moreover, Walmart needs to focus more on engaging with its employees, as involvement with workers is crucial in the retail environment. By prioritizing worker engagement, Walmart can foster a more motivated and productive workforce. This engagement is particularly important in retail, where employee interactions directly affect customer experiences. Walmart's leadership in the market is bolstered by its commitment to creating a positive work environment, which in turn leads to higher employee retention and better service quality. The company's emphasis on worker involvement highlights its understanding that a satisfied workforce is essential for maintaining its competitive edge.

Leading in a competitive market, Walmart illustrates strong financial performance with the highest revenue among companies. This success is partly due to its investment in human resources, creating opportunities for seasonal workers and enhancing overall workforce morale and productivity. By offering seasonal jobs, Walmart provides valuable employment opportunities for students, contributing to their financial independence and work experience. The company's strategic focus on human capital development underscores its recognition of employees as vital assets. This approach not only strengthens Walmart's market position but also demonstrates its commitment to sustainable growth through continuous investment in its workforce.

Summing up, Walmart's closure of Store No. 8 represents a pivotal moment in the company's innovation journey, signifying a shift from a centralized to a decentralized innovation model. While this transition presents opportunities for cost savings and leveraging a wider talent pool, it also poses challenges such as the risk of losing focus on radical innovations and the need to navigate restructuring effectively.

Moving forward, Walmart should embrace the decentralized model while retaining a focus on transformative ideas. Empowering and training employees across departments to identify and develop innovative solutions within their areas is crucial. This can be achieved by fostering a welcoming culture where employees feel empowered to champion ideas and take ownership of innovation initiatives. Additionally, establishing clear metrics to track the success of the decentralized model, such as increased employee idea generation and cost savings from internal innovation, is essential.

To complement the decentralized model, Walmart should consider establishing a dedicated team tasked with exploring disruptive concepts and partnering with external entities like startups and universities. Innovation sprints and external innovation partnerships can further accelerate Walmart's ability to implement groundbreaking ideas and stay ahead of the curve.

Fostering a culture of innovation is paramount to Walmart's long-term success. Senior leadership must demonstrate a commitment to innovation and provide resources to support employee ideas. Implementing incentive programs and internal recognition initiatives can motivate employees to actively engage in the innovation process and contribute to the company's success.

Furthermore, Walmart should continue to invest in its e-commerce capabilities and online presence. While the company has made significant strides in this area, there is still room for improvement, particularly in capturing online market share and enhancing the digital shopping experience for customers. Emphasizing innovation in online grocery delivery and membership programs can further strengthen Walmart's digital presence and customer engagement.

Additionally, Walmart should focus on leveraging technology to enhance operational efficiency and customer experience. This includes investments in automation, artificial intelligence, and data analytics to streamline operations, optimize inventory management, and personalize the shopping experience for customers. By harnessing the power of technology, Walmart can improve efficiency, drive profitability, and stay competitive in the rapidly evolving retail landscape.

In conclusion, by embracing a decentralized innovation model, maintaining a focus on transformative ideas, fostering a culture of innovation, and leveraging technology to enhance operational efficiency and customer experience, Walmart can continue to drive innovation, stay competitive, and position itself for long-term success in the retail industry. Walmart should continue to focus on employee engagement and development, recognizing that a satisfied and motivated workforce is essential for maintaining a competitive edge. By offering valuable employment opportunities, fostering a positive work environment, and providing incentives for innovation, Walmart can enhance employee retention and productivity, ultimately contributing to its long-term success.

CONCLUSION

To sum up, this bachelor thesis delved into the framework of the innovative development referring to the example of a chosen American company Walmart. Starting with theoretical perspectives, it's clear that innovation goes beyond just generating new ideas—it involves leveraging those ideas to improve businesses, enhance efficiency, and foster adaptability. From research and development to managing intellectual property, innovation plays a vital role in every aspect of corporate growth.

Moreover, policy recommendations aimed at fostering corporate innovation emphasize the need for a balanced approach that focuses on both knowledge creation and application. By investing in education, supporting entrepreneurship, and fostering a conducive regulatory environment, policymakers can promote innovation and drive economic development. Moreover, regular evaluations of innovation policies are essential to refine strategies and adapt to changing circumstances, ensuring their continued relevance and impact.

The classification of enterprises based on their innovative behavior underscores the diverse approaches companies take towards innovation, influenced by factors like industry dynamics and competition levels. Whether it's violent enterprises optimizing production costs, explorer enterprises pioneering groundbreaking innovation, or commuter enterprises prioritizing customer value, each approach reflects a nuanced understanding of market needs and opportunities.

Furthermore, global crises, exemplified by recent disruptions, have accelerated the pace of innovation, highlighting the importance of agility and adaptability in navigating challenges. Remote work and subscription-based models are among the transformative changes reshaping business practices, emphasizing the role of innovation in driving growth and resilience. In this dynamic environment, companies must embrace continuous evolution and disruptive strategies to remain competitive. Reputation management, sustainability, digital transformation, and supply chain flexibility emerge as critical priorities.

Walmart's ability to innovate and adapt has made it a standout example in the retail industry. By continuously evolving its operational strategies and embracing new technologies, Walmart stays ahead of the curve. This adaptability was particularly evident during the COVID-19 pandemic, where Walmart demonstrated resilience and agility in responding to rapidly changing consumer behavior and market conditions. Through initiatives like enhancing online shopping experiences and implementing safety measures in its stores, Walmart effectively navigated the challenges posed by the pandemic while ensuring the continuity of its operations.

Walmart's innovation extends beyond traditional research and development efforts. Despite not disclosing R&D expenditures, the company operates Store Nº8, an in-house innovation hub dedicated to pioneering capabilities that shape the future of retail. Store Nº8 serves as an incubator for groundbreaking ideas, leveraging partnerships with entrepreneurs, startups, and academics to explore cutting-edge technologies like virtual reality, machine learning, and artificial intelligence.

Based on the combination of the theoretical and methodological foundations of innovative development and the analysis of innovative activities of the Walmart corporation in the context of globalization and its impact on the world economic system, the following conclusions were drawn:

– Walmart's innovative activity is based on the constant search for new ideas, technologies and solutions, which allows it to occupy a leading position in the e-commerce market and other industries.
– The corporation actively uses globalization for its development. The company has successfully expanded its activities to different countries of the world, ensuring a global presence of its products and services. This allows the company to use the scale and efficiency of its operations to ensure competitiveness and create significant economic value.
– The corporation's innovative development affects the global economic system. Its business model and solutions in the fields of retail and e-commerce influence market competition and stimulate other companies to innovate. In addition,

Walmart creates a significant number of jobs and contributes to the growth of the economy in the countries where it is present;

In conclusion, Walmart corporation serves as a prime example of the company continually implementing innovative strategies, consistently evolving its operational approaches, and embracing new technologies, even though there is a risk of losing focus on radical innovations, and navigating restructuring effectively is crucial. Therefore, it is recommended that Walmart embraces a decentralized model while retaining a focus on transformative ideas. These recommendations aim to ensure Walmart's sustained success and relevance in the dynamic retail landscape, alongside with an existing success.

REFERENCES

1. L.M. Horbach, A.L. Kobuk. Innovative development in the modern world: main approaches to the stud. Volyn Institute named after V. Lypinsky MAUP (Ukraine). URL: http://www.confcontact.com/2017-ekonomika-i-menedzhment/10_gorbach.htm
2. Merriam–Website. Definition of the word "development". URL: https://www.merriam-webster.com/dictionary/development#h1
3. Collins dictionary. Definition of "innovative development". URL: https://www.collinsdictionary.com/us/dictionary/english/innovative-development
4. OECD/Eurostat (2018), *Oslo Manual 2018: Guidelines for Collecting, Reporting and Using Data on Innovation, 4th Edition*, The Measurement of Scientific, Technological and Innovation Activities, OECD Publishing, Paris/Eurostat, Luxembourg. https://doi.org/10.1787/9789264304604-en
5. Chapitre VII: Développement de l'innovation. Publié le 30 nov. 2017. URL: https://www.e-marketing.fr/Thematique/academie-1078/fiche-outils-10154/Developpement-de-l-innovation-324907.htm
6. Unlocking Business Growth Through Innovative Strategies. The strategy institute. Feb 16, 2023. URL: https://www.thestrategyinstitute.org/insights/unlocking-business-growth-through-innovative-strategies
7. MJV Team. Innovation Strategy: Unleashing Growth through Strategic Ingenuity. Aug 30, 2023. URL: https://www.mjvinnovation.com/blog/innovation-strategy-unleashing-growth-through-strategic-ingenuity/
8. Pontus Braunerhjelm, Magnus Henrekson. Unleashing Society's Innovative Capacity. An Integrated Policy Framework. Volume 55
9. Athena Jones, CNN. Small private colleges are struggling to keep their doors open as declining enrollment leads to financial instability. Apr 13, 2024. URL:

https://www.cnn.com/2024/04/13/us/private-colleges-closing-enrollment-decline/index.html
10. Eduardo Velez Bustillo, Harry A. Patrions. Why is education more important today than ever? *Innovation*. Feb 14, 2023. URL: https://blogs.worldbank.org/en/education/why-education-more-important-today-ever-innovation
11. Empowering Education: The Impact of Student Innovation. The Global College. URL: https://theglobalcollege.com/blog/student-innovation/
12. Bonwoo Koo, Brian Cozzarin. Do Large Firms Pursue More Process Innovation? A Case of Canadian Manufacturing Industries Journal of Technology Management & Innovation vol.16 no.2 Santiago ago. 2021.
13. Bennett O'brien. College majors with the highest & lowest unemployment rates. 2024. URL: https://heytutor.com/resources/blog/college-majors-with-the-highest-lowest-unemployment-rates/
14. Innovative growers: A view from the top. McKinsey Quaterly. Nov 1, 2023. URL: https://www.mckinsey.com/capabilities/strategy-and-corporate-finance/our-insights/innovative-growers-a-view-from-the-top#/
15. Stewart Mehlman and The Innovation Research Interchange. 2024 R&D Trends Forecast. URL: https://www.tandfonline.com/doi/epdf/10.1080/08956308.2024.2280492?needAccess=true
16. Aivaras Žvinklys. How to measure the value of innovation in your company. Aug 15, 2023. URL: https://www.linkedin.com/pulse/how-measure-value-innovation-your-company-aivaras-zvinklys/
17. McKinsey & Company. How to take the measure of innovation. Oct 8, 2018. https://www.mckinsey.com/capabilities/strategy-and-corporate-finance/our-insights/how-to-take-the-measure-of-innovation#/
18. Robert W. Vossen. Combining small and large firm advantages in innovation: theory and examples. URL:

https://pure.rug.nl/ws/portalfiles/portal/3183201/98b21.pdfn#:~:text=Most%20empirical%20findings%20suggest%20that,Audretsch%2C%201990%3B%201991
19. Шиян Н.І. Ш 55 Інноваційний розвиток підприємства: навчальний посібник. Харк. нац. аграр. ун-т ім. В.В. Докучаєва. Харків, 2019. URL: https://repo.btu.kharkov.ua/bitstream/123456789/12582/1/Shyyan_%20Navch.%20posib_2019.pdf
20. Ashu Goel. *Innovation in a world in transition.* Forbes Business Development Council. Dec 6, 2022. URL: https://www.forbes.com/sites/forbesbusinessdevelopmentcouncil/2022/12/06/innovation-in-a-world-in-transition/?sh=d60c9db34870
21. Top 8 Retail industry trends & Innovations in 2024. StartUs insights. URL: https://www.startus-insights.com/innovators-guide/retail-industry-trends-innovation/
22. Alistair Dieppe. The broad–based productivity slowdown, in seven charts. World Bank Blogs. Jul 14, 2020. URL: https://blogs.worldbank.org/en/developmenttalk/broad-based-productivity-slowdown-seven-charts
23. Jim Euchner. Innovation and Globalization. Research–Technology Management. Nov–Dec 2020 – p. 13–14.
24. Dalia Marin. *Is Globalization Harming Innovation?* Project Syndicate. Jun 15, 2021. URL: https://www.project-syndicate.org/commentary/china-shock-globalization-innovation-by-dalia-marin-2021-06
25. Зянько В.В. Глобалізація та інноваційний процес: їх взаємовплив / В. В. Зянько // Економіка України. – №2. – 2006. – С.84-89.
26. Otaviano Canuto. How globalization is changing innovation. World Economic Forum. Aug 17, 2018. URL: https://www.weforum.org/agenda/2018/08/globalisation-has-the-potential-to-nurture-innovation-heres-how/

27. Julie Choo. Walmart Business Strategy: A Comprehensive Analysis. Jan 5, 2024. URL: https://strategyjourney.com/walmart-business-strategy-a-comprehensive-analysis/
28. Oliver. Why Walmart changed its self–checkout strategy: insights and recommendations. Apr 19, 2024. URL: https://www.oliverpos.com/why-walmart-changed-its-self-checkout-strategy-insights-and-recommendations/
29. Terry Jeffords. *Walmart's supply chain: A case study in innovation*. URL: https://www.getamplio.com/post/walmarts-supply-chain-a-case-study-in-innovation#:~:text=The%20innovative%20approach%20to%20Walmart's,commitment%20to%20innovation%20and%20efficiency
30. Press Center. Retailer launches a membership program that helps put more time back in customers' day while continuing to save them money. Sep 1, 2020. URL: https://corporate.walmart.com/news/2020/09/01/walmart-introduces-walmart
31. Walmart Outlines Growth Strategy, Unveils Next Generation Supply Chain at 2023 Investment Community Meeting. Walmart. Apr 4, 2023. URL: https://corporate.walmart.com/news/2023/04/04/walmart-outlines-growth-strategy-unveils-next-generation-supply-chain-at-2023-investment-community-meeting
32. Live Better U: Walmart & Sam's Club Education Program. Walmart. Aug 17, 2023. URL: https://corporate.walmart.com/content/dam/corporate/documents/about/working-at-walmart/live-better-u.pdf
33. Walmart Inc. (2024). Annual report 2024. URL: https://corporate.walmart.com/content/dam/corporate/documents/newsroom/2024/04/25/walmart-releases-2024-annual-report-and-proxy-statement/walmart-inc-2024-annual-report.pdf
34. Statista. Published by Elinar H. Dyvik. The 100 largest companies in the world ranked by revenue in 2023. Feb 13, 2024. URL: https://www.statista.com/statistics/263265/top-companies-in-the-world-by-revenue/

35. Walmart indicators 2010-2024. URL: https://www.macrotrends.net
36. Walmart, Global Tech. Using science to evaluate marketing campaign effectiveness. Oct 25, 2023. URL: https://tech.walmart.com/content/walmart-global-tech/en_us/blog/post/using-science-to-evaluate-marketing-campaign-effectiveness.html
37. Zebracat AI. Walmart's Innovative Ad Campaign: "Welcome to Your Walmart". May 29, 2023. URL: https://www.linkedin.com/pulse/walmarts-innovative-ad-campaign-welcome-your-walmart-zebracat-ai/
38. Appl Geogr. How consumer behaviours changed in response to COVID-19 lockdown stringency measures: A case study of Walmart. 2023 May; 154: 102948. Published online 2023 Mar 29. doi: 10.1016/j.apgeog.2023.102948
39. Walmart Inc. *Sustainability*. Walmart's journey toward regeneration: placing nature and people at the heart of our business. URL: https://corporate.walmart.com/content/corporate/en_us/purpose/sustainability.html/#:~:text=We%20power%20around%2036%25%20of,and%20distribution%20centers%20by%202040
40. TJ Stallbaumer. How Walmart's Alphabot is Helping to Revolutionize Online Grocery Pickup and Delivery. Jan 8, 2020. URL: https://corporate.walmart.com/news/2020/01/08/how-walmarts-alphabot-is-helping-to-revolutionize-online-grocery-pickup-and-delivery
41. Scott Eckert, SVP, Next Generation Retail and Principal, Store Nº8. Moving Jet black from Incubation into our Broader Business. Feb 13, 2020. URL: https://corporate.walmart.com/news/2020/02/13/moving-jet-black-from-incubation-into-our-broader-business
42. Oculus VR. Walmart Expands VR Training with Oculus Go. Meta Quest Blog. Oct 31, 2018. URL: https://www.meta.com/blog/quest/walmart-expands-vr-training-with-oculus-go/
43. Walmart Inc. Walmart Completes Acquisition of Jet.com, Inc. Sep 19, 2016. URL: https://corporate.walmart.com/news/2016/09/19/walmart-completes-acquisition-of-jet-com-inc

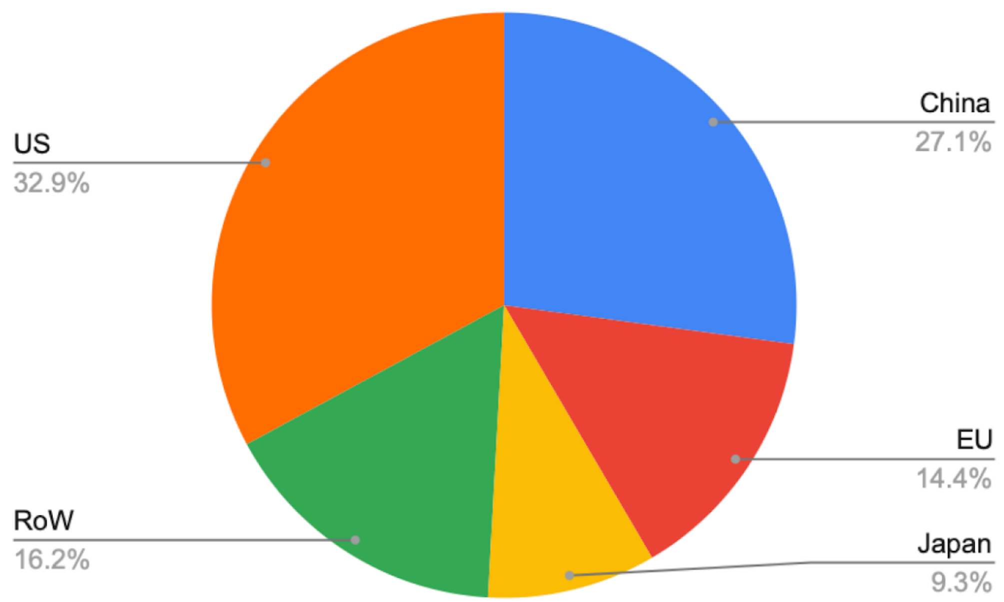
44. Dan Berthiaume. Walmart closes Store Nº8 – what does it mean? CSA. Jan 26, 2024. URL: https://chainstoreage.com/walmart-closes-store-no-8-what-does-it-mean
45. Leo Sun. Walmart Stock: Buy, Sell, or Hold? Motley Fool. Mar 9, 2024. URL: https://www.nasdaq.com/articles/walmart-stock%3A-buy-sell-or-hold
46. JungleScout. Amazon vs. Walmart: The Growth & Future of Ecommerce. URL: https://www.junglescout.com/amazon-vs-walmart-sales/
47. European Commission Industrial report 2022. Research and development spend. URL: https://substackcdn.com/image/fetch/f_auto,q_auto:good,fl_progressive:steep/https%3A%2F%2Fsubstack-post-media.s3.amazonaws.com%2Fpublic%2Fimages%2F97921c5a-cfe8-4351-b6d7-e78f6a89e36e_1600x1270.png

APPENDICES

Appendix A

Figure A.1

Research and development spend. (Top countries by R&D spend)



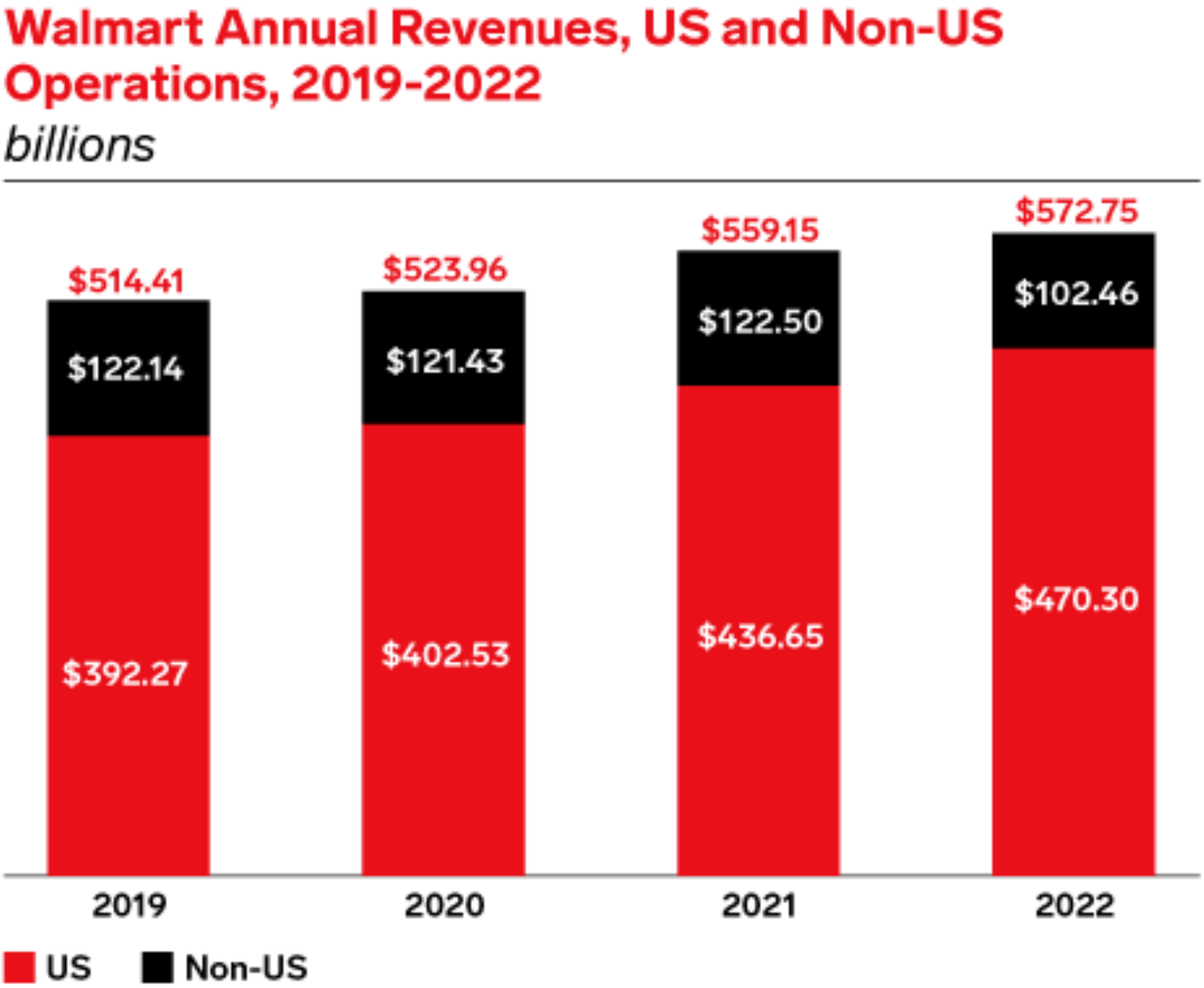


Fig. B.1 Revenue statistics of Walmart corporation for four years

UNICHECK
by Turnitin

Ім'я користувача:
Міжнародної економіки Москалюк Наталія

ID перевірки:
1016329519

Дата перевірки:
06.06.2024 21:59:10 EEST

Тип перевірки:
Doc vs Internet + Library

Дата звіту:
07.06.2024 09:56:09 EEST

ID користувача:
100005722

Назва документа: КБР_Булах С.Д_Innovative development of corporations (on the example of the particular company)

Кількість сторінок: 61 **Кількість слів:** 16488 **Кількість символів:** 118288 **Розмір файлу:** 599.72 KB **ID файлу:** 1016128931

4.08% Схожість

Найбільша схожість: 1.19% з джерелом з Бібліотеки (ID файлу: 1015150156)

2.64% Джерела з Інтернету | 216 .... Сторінка 63

2.18% Джерела з Бібліотеки | 50 .... Сторінка 66

0% Цитат

Вилучення цитат вимкнене

Вилучення списку бібліографічних посилань вимкнене

0% Вилучень

Немає вилучених джерел