

CORPORATE STRATEGY OF COMPANIES IN THE FORTUNE 500 RANKING

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Abstract: This article analyzes the corporate strategy of companies in the Fortune 500 ranking. The issue studied is how companies shape and update their strategies in the context of increasing global market competition and economic uncertainties. The main methodology of the research is qualitative analysis and case studies. Through this, the corporate strategies of companies and their role in achieving success are evaluated. The main findings of the research show that the most successful companies base their corporate strategies on innovation, digital transformation, and sustainable development. Additionally, the importance of adapting to the global market and various economic conditions stands out. In conclusion, to develop successful corporate strategies, companies need to adopt a comprehensive and flexible approach. This not only allows them to succeed in the current market conditions but also provides them with the opportunity to maintain their position in the future.

Keywords: Fortune 500, Corporate strategy, Innovations, Digital transformation, Sustainable development, Global market, Competitiveness, Technological development, Resources and competitive advantage, Strategic decisions, Global economic changes.

КОРПОРАТИВНАЯ СТРАТЕГИЯ КОМПАНИЙ РЕЙТИНГА FORTUNE 500

Аннотация: В данной статье анализируются корпоративные стратегии компаний, входящих в рейтинг Fortune 500. В качестве проблемы рассматривается вопрос о том, как компании формируют и обновляют свои стратегии в условиях усиления конкуренции на мировом рынке и экономической неопределённости. В исследовании используется метод качественного анализа и изучения кейсов. Это позволяет оценить корпоративные стратегии компаний и их роль в достижении успеха.

Основные выводы исследования показывают, что наиболее успешные компании основывают свои корпоративные стратегии на инновациях, цифровой трансформации и устойчивом развитии. Кроме того, особо выделяется

значимость адаптации к глобальному рынку и различным экономическим условиям.

В заключение отмечается, что для формирования успешных корпоративных стратегий компаниям необходимо применять всесторонний и адаптивный подход. Это позволит им не только добиться успеха в текущих рыночных условиях, но и сохранить свои позиции в будущем.

Ключевые слова: Fortune 500, корпоративная стратегия, инновации, цифровая трансформация, устойчивое развитие, глобальный рынок, конкурентоспособность, технологическое развитие, ресурсы и конкурентное преимущество, стратегические решения, глобальные экономические изменения.

INTRODUCTION

One of the key indicators of the global economy is the analysis of the activities of the most powerful and influential companies. One such global benchmark is the Fortune Global 500 ranking. This list annually ranks the 500 largest companies in the world based on their annual revenues. It is compiled and published by the reputable Fortune magazine. The ranking reveals not only the financial strength of companies but also their role in the global economy. This list serves as an important indicator reflecting the competitiveness of large multinational corporations in industrial sectors, their market dominance, and overall economic trends.

Corporate strategy is of critical importance for companies featured in the Fortune 500 ranking in terms of maintaining competitiveness and conducting successful operations. These strategies help companies achieve their long-term goals and adapt to the changing market environment. The main object of this research is to study the corporate strategies of major companies that have secured a place in the Fortune 500 ranking. Such companies are quick to adapt to economic changes, technological advancements, and major social transformations around the world, making their strategies a highly relevant subject for study.

Previous studies on the strategies of Fortune 500 companies have often analyzed innovative approaches, market entry strategies, and successful methods of adapting to external changes. For instance, analyses of large companies presented by the United Nations show that many of these firms rely on similar approaches when making strategic decisions on a global scale. However, earlier research has mainly focused on evaluating companies' current activities, with a lack of studies that fully reflect their long-term strategies.

Exploring opposing viewpoints on the topic helps identify certain challenges in evaluating the effectiveness of corporate strategies. For example, some researchers point out the limitations of assessing strategic decisions of large companies solely based on financial indicators. They also discuss the insufficient consideration of

synergies among companies, as well as technological and environmental changes, within the system of strategic decision-making.

The goal of this study is to analyze the corporate strategies of Fortune 500 companies, identify their successful strategic decisions, and explore the approaches used to ensure future competitiveness based on those decisions. Currently, there are noticeable gaps and shortcomings in the scientific literature on this topic. The findings of the research will help reveal how companies develop long-term strategies and adapt to market changes. One of the main academic contributions is the study of the interrelation between corporate strategy and innovation, as well as the development of new approaches in analyzing successful strategic decisions implemented by large corporations.

LITERATURE REVIEW AND RESEARCH METHODOLOGY

Barney, J. B. (1991). “Firm Resources and Sustained Competitive Advantage”. This article highlights the importance of relying on resources to maintain competitive advantage by analyzing company resources and their strategic approaches. The study looks at the differences in resources between companies and their role in strategic decision-making. However, the paper pays little attention to studying the effectiveness of creating synergies between companies.

Grant, R. M. (2016). “Contemporary Strategy Analysis: Text and Cases”. Grant’s work analyzes modern approaches to corporate strategy. It explores how Fortune 500 companies adapt to global markets and changing economic conditions. Grant defines four main types of corporate strategies: cost reduction, innovation implementation, market diversification, and global-scale integration. These strategies allow companies to take advantage of new opportunities and strengthen their competitive position. However, the research lacks a clear analysis of how competition between large companies has changed on a global scale.

Prahalad, C. K., & Hamel, G. (1990). “The Core Competence of the Corporation”. The article by Prahalad and Hamel emphasizes the importance of identifying a company’s core competencies and making strategic decisions based on them. The study shows that companies must focus on strengthening their position in competition by developing their core competencies. According to them, large companies should base their strategies on the development of these competencies, as it allows them to successfully compete in global markets. However, the article does not adequately discuss the importance of managing synergies and global operations.

RESULTS

The Fortune Global 500 ranking sheds light on many economic and strategic aspects when evaluating the performance of large corporations. Two main aspects should be considered for study: the change in corporate strategies and the impact of geographic distribution. The increase in the share of U.S. companies can be linked to

the development of technology and online sales. Specifically, Amazon's rise to second place indicates the growing importance of digital commerce and cloud technologies in the global economy. On the other hand, although Saudi Aramco's profits increased, its position dropped, which may be due to fluctuations in global energy resource prices and the influence of economic policies.

As a hypothesis, it can be emphasized that the competitiveness of U.S. companies and their success in dominating global markets is mainly driven by innovative technologies, digital services, and advanced marketing strategies. The differences between China and other developing economies also ensure the continuous evolution of strategic approaches and competition.

Top 10 Companies in the Fortune 500 List:

1. Walmart
2. Amazon
3. Exxon Mobil
4. Apple
5. CVS Health
6. Berkshire Hathaway
7. UnitedHealth Group
8. McKesson
9. AT&T
10. AmerisourceBergen

Walmart Inc. leads the Fortune 500 list with a revenue of 559 billion dollars, while AmerisourceBergen completes the top 10 with a revenue of 189 billion dollars (2020). The top 10 companies together earned more than \$2.6 trillion. However, defining corporate sales precisely is difficult, as these companies generate revenue in multiple sectors, including the B2C (business-to-consumer) sector.

Steli Efti, the CEO of Close.com, emphasized the principles to apply for an effective corporate sales strategy: "In your sales strategy, you need to clearly state the problems you can help solve. At the beginning of the sales conversation, the customer may not fully understand the benefits of the product or service you're offering. Instead of immediately presenting your product as a simple commodity, it's important to present it as a valuable solution to a real business problem."



Figure 1. “The number of management boards of companies in the Fortune 500 list”

This chart shows the number of Fortune 500 company headquarters located in various cities across the United States in 2022 and 2023. The red bars represent the data for 2023, while the blue-green bars represent the data for 2022.

New York City has had the most Fortune 500 company headquarters in both years: 48 in 2022 and 47 in 2023. Chicago, on the other hand, had 35 headquarters in 2022 but only 31 in 2023, indicating a decrease. Houston saw a slight increase in the number of companies, with 24 in 2022 and 25 in 2023. Cities like Dallas (from 21 to 22), San Jose (from 20 to 17), and Washington, DC (from 18 to 16) experienced slight changes. In cities such as Atlanta, Boston, Minneapolis, and San Francisco, there were no significant differences.

From the chart, it is evident that the locations of Fortune 500 company headquarters do not undergo drastic changes year over year, though some cities have seen slight decreases or increases. New York remains the city with the most corporate headquarters. This data reflects how companies choose their locations based on economic and geographic advantages.

DISCUSSION

In this study, significant scientific and practical findings are presented regarding the corporate strategies of the companies in the Fortune 500 ranking. The research discusses strategic decisions between companies, maintaining competitiveness, and how they adapt to global market changes.

First, the successful strategic decisions between companies were shown to be primarily based on innovation, digital transformation, and sustainable development. These strategies have allowed Fortune 500 companies to maintain high competitiveness in changing economic and technological conditions. Amazon’s rise to second place demonstrates the effectiveness of incorporating digital commerce and

cloud technologies into its strategy. Similarly, Walmart's long-term retention of first place reflects its innovations in customer service and diversified approach in global markets.

Second, the increase in the share of US companies in the list emphasizes the growing importance of the technological revolution and digital services in the global economy. These changes are linked to the successful implementation of digital transformation by companies like Amazon and Apple, who are leading global markets by seizing new opportunities. This, in turn, underscores the success of US companies in conquering global markets.

However, there is a need for more analysis regarding the differences between some companies and the global synergy between them. For example, although Saudi Aramco's profit volume has increased, its ranking has declined, which may be related to global energy prices and the impact of economic policies. This indicates the limitation of evaluating strategic decisions solely based on financial indicators. Additionally, the insufficient consideration of ecological and technological changes in the strategic decision-making process is highlighted as a general issue.

Another aspect that needs to be discussed is that competition between companies on a global scale continues to evolve. The rise of China and other emerging economies is generating new competition for US and European companies' strategies. The hypotheses presented in the research indicate that US companies' business models based on digital services are effective for global markets. However, the importance of diversification and creating synergy in global markets is also emphasized.

Overall, successful corporate strategies between companies incorporate a strong alignment of innovation, digital transformation, and sustainable development. The extent to which companies adapt to these approaches helps them maintain competitiveness. Therefore, companies must adopt a comprehensive and adaptable approach in shaping their strategies, which not only helps them succeed in today's market conditions but also provides an opportunity to maintain their position in the future.

CONCLUSION

In conclusion, companies in the Fortune 500 ranking are successfully adapting to global market conditions by basing their corporate strategies on innovation, digital transformation, and sustainable development. To maintain their competitiveness, it is essential to adopt a comprehensive and flexible approach. These strategies not only bring success today but also provide companies with the opportunity to maintain their position in the future.

Companies need to consider environmental and technological changes, not just financial indicators, in order to remain competitive. All of these factors allow companies not only to succeed today but also to retain their position in the future.

Thus, a successful corporate strategy is based on the harmony of key factors such as the introduction of innovations, sustainable development, and adaptation to the global market.

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