# Walmart.com Primer for Online Entrepreneurs: A Quick Start Guide



hello@marketplaceops.com

# Table of Contents

Fast Facts Walmart vs. Amazon

Walmart Media Group WMG Benefits Walmart vs. Amazon **Sponsored Products** Display Ads How to Apply

WFS Advantages

#### INTRODUCTION

#### **SELLING ON WALMART**

- Setting Up Your Account

#### **ADVERTISING ON WALMART**

07

23

01

02

#### WALMART FULFILLMENT 20

- About Walmart Fulfillment Services

#### **BEST PRACTICES**

28 **ABOUT MARKETPLACEOPS** 

# An Emerging Competitor in the eCommerce World

It's no doubt that Walmart has performed exceptionally well the past few months amidst the COVID-19 pandemic, with online sales peaking at 300% growth last April 2020 following delayed shipments by Amazon. On top of their improved fulfillment services, Walmart leveraging its 11,000+ brick-and-mortar stores by turning them into warehouses and pick-up points for online purchases has positioned them as Amazon's closest competitor in the eCommerce space.

> 90% of Americans live within 10 miles of a Walmart store <u>Kibo reported a 554% surge</u> in Buy Online, Pick-up In Store (BOPIS) purchases last May 2020 Walmart.com has over 100 million unique visitors each month 57% of Amazon shoppers also shop on Walmart.com

# **Fast Facts**

#### Selling on Walmart.com

#### NO SKU MINIMUMS OR MAXIMUMS

You can list your entire catalog as long as they're eligible.

#### ONLY PAY FOR REFERRAL FEES

No setup, subscription, monthly, or hidden fees – just reasonable referral fees once a sale occurs.

#### QUICK & EASY PAYMENTS

#### MULTIPLE TOOLS TO HELP YOU MANAGE

Payments are deposited into your account every 2 weeks.

Get access to multiple tools that can help you manage store operations such as direct API integrations, web-based apps, and 3rd party solution providers.

#### FREE 2-DAY DELIVERY & MORE

Sellers enjoy programs such as free 2-day deliveries, Sponsored Products advertising, and enhanced returns.

# <u>Selling on Walmart vs. Amazon</u>

#### **BUY BOX**

Based on lowest price available (including shipping)

#### APPLICATION

Stricter requirements + must already be an experienced seller to apply

#### COMPETITION

33,000+ sellers and 52+ million products – less competition



Based on seller metrics order defect rate, performance metrics, customer service and latest feedback No application needed, anyone can open an account. Approval only required for specific categories 2.5+ million sellers and350+ million products -more competition

#### 03

#### **FEES**

Referral fee based on category (ranging from 6%-20%) per item

Individual – \$0.99 for each item sold / Professional – \$39.99 monthly + referral per item based on category + selling price (6%–20%) + closing fee for select items at \$1.80

### <u>Getting Started</u>

Setting Up Your Walmart.com Account



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04

### <u>Minimum</u> Qualifications

#### **EXPERIENCED ECOMMERCE SELLER**

- US Business Tax ID (EIN) and Form  $\bullet$ W-9
- History of marketplace or ulleteCommerce success

#### **COMPELLING PRODUCT CATALOG**

- Enhancement to the Walmart.com assortment
- Competitive pricing  $\bullet$ GTIN/UPC GS1 Company Prefix  $\bullet$
- Number

#### **EXCEPTIONAL CUSTOMER SERVICE**

- Fast and reliable fulfillment B2C US warehouse with shipping  $\bullet$ and returns capability or an approved 3PL fulfillment provider Track-record of first-class
- customer service

#### 05

# <u>Application Steps</u>

#### **STEP 1**

Approval – Go to the <u>Request to Sell</u> page and complete the application.

#### STEP 2

**Contract –** Once approved, you will be asked to sign the Retailer Agreement.

#### **STEP 3**

**Registration –** You receive via email an Invitation to Sign U containing the link setting up your sell profile and connect your payment acco

#### **STEP 4**

u will	<b>Onboarding –</b> Choose an		
an	integration method, add		
Jp	your items, and test		
to	orders. You can choose		
ller	to integrate via Walmart's		
cting	Seller Center, API, or via a		
ount.	Solution Provider.		

### Walmart Media Group

**Exploring the Walmart Advertising Platform** 



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The Walmart Media Group (WMG) mission is to enable brands to reach customers at the right time and place – offline and online. With its customer data covering about 90% of US households and 160 million visitors on Walmart and Walmart.com per week, Walmart's advertising platform is an emerging player that's set to rival that of Amazon's. Although there's still a long way to go, advertising on Walmart is a must for sellers on the online marketplace if they want to expand their reach and gain traction from Walmart's unique and most extensive customer database that closely mirrors US demographics.



# ENGAGEthem forInterested customers<br/>click on the ad and are<br/>taken to the product<br/>page.

# **Benefits of Advertising**

#### with Walmart Media Group

### MEASURE ONSITE & OFFSITE SALES

Only Walmart can track the results of your campaign across all Walmart channels using their proprietary Closed-loop Measurement.

Walmart's Performance Dashboards include Brand Performance and Category Performance reports, which gives you real time access to omnichannel results.

#### WIDER REACH, MORE SALES

About 185 searches are conducted per second on Walmart.com and omnichannel customers spend 2x more.

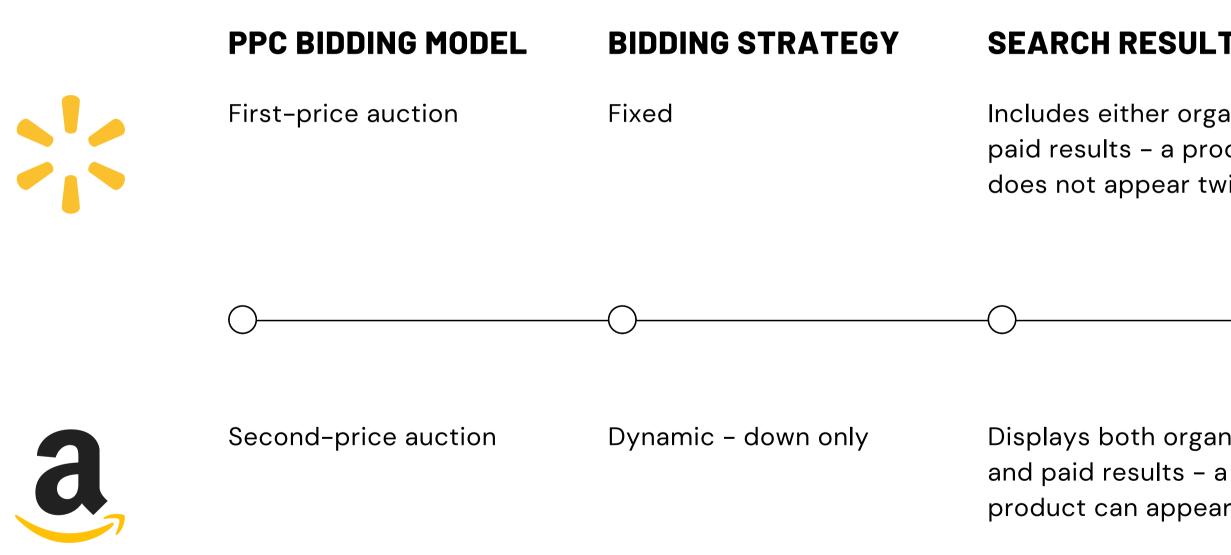
With Walmart Advertising, you can figure out who buys what, when, and where – and that just doesn't include Walmart.com, social media, or across the web, but in-store purchases, pick-up, and deliveries.

#### COST-EFFECTIVE ADVERTISING

Cost-per-click pricing means you pay only when a customer engages with your ad.

Since there's less competition compared to Amazon, sellers can expect low CPC and better conversions.

### Advertising on Walmart vs. Amazon



#### 10

#### **SEARCH RESULTS**

#### Includes either organic or paid results - a product does not appear twice

#### **BUDGET**

Self-serve campaign -\$1,000 min. & \$100 daily cap / Managed campaign - \$25,000 min.

Displays both organic product can appear twice Minimum \$1 daily

#### **SPONSORED PRODUCTS**

- Search In-Grid
- **Brand Amplifier**
- **Product Carousel**
- Buy Box lacksquare

- Automatic
- Manual



- On-Site
- Off-Site

# Walmart Ad Solutions

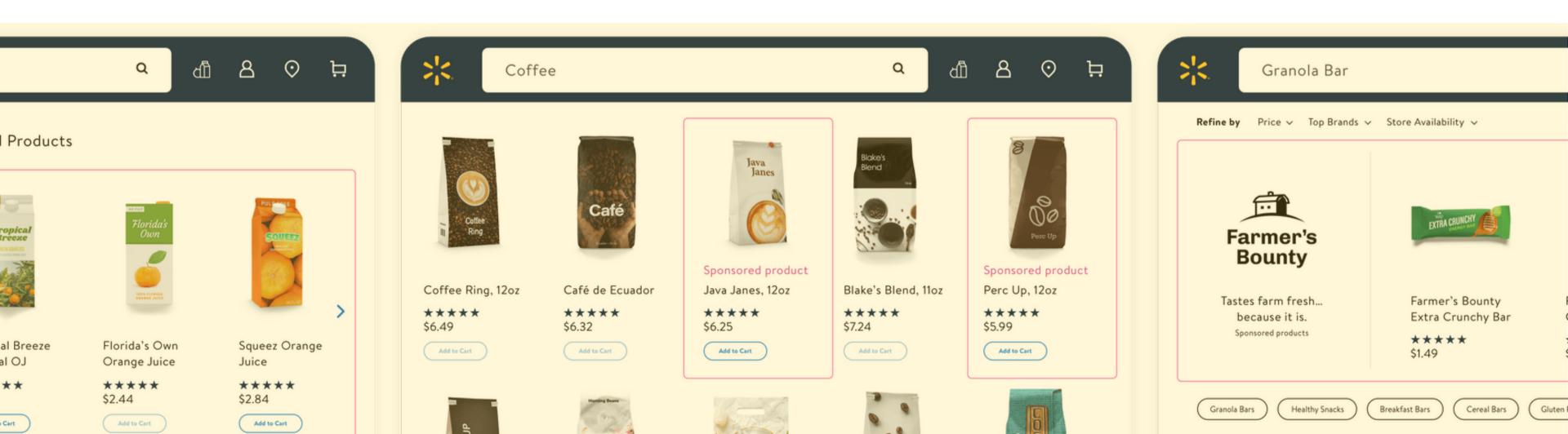
WMG offers a self-serve portal where sellers can directly buy ads. Alternatively, brands can have their ads managed by Walmart, or even a third-party agency such as <u>MarketplaceOps</u>.

#### SPONSORED PRODUCT **CAMPAIGN TYPES**

**DISPLAY ADS** 

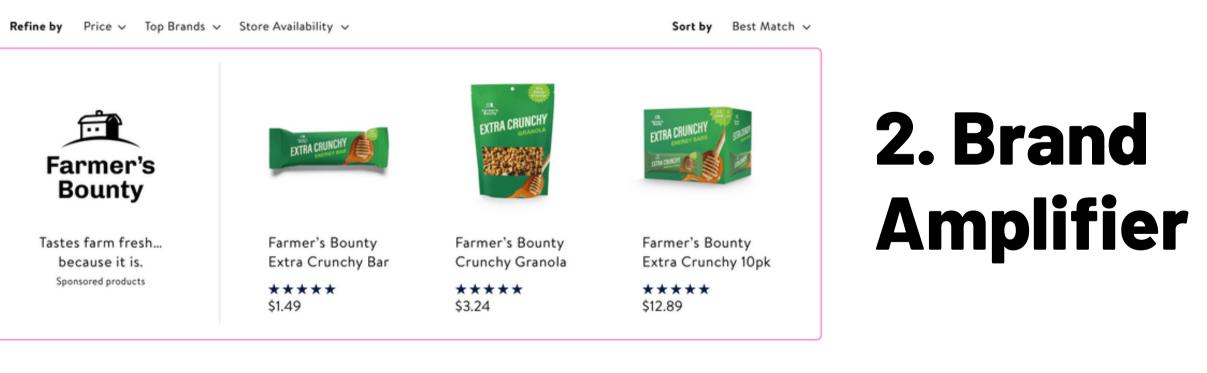
# <u>Sponsored</u> Products

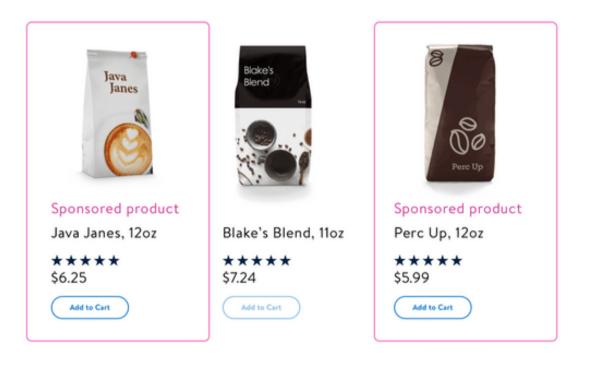
Previously known as Performance Ads, Sponsored Products appear on desktop, mobile, and the Walmart app. It helps your products get in front of customers with hard-to-miss, high-traffic placements including search results, product detail pages (PDPs), and the Buy Box. Sellers bid on keywords based on different match types and the maximum they are willing to pay per click.



### 1. Search In-Grid

Search In-Grid appears on the first page of search results. With 1 in 4 purchases on Walmart.com starting out as a search, this ad type is one of the simplest yet effective ways to reach your target audience.

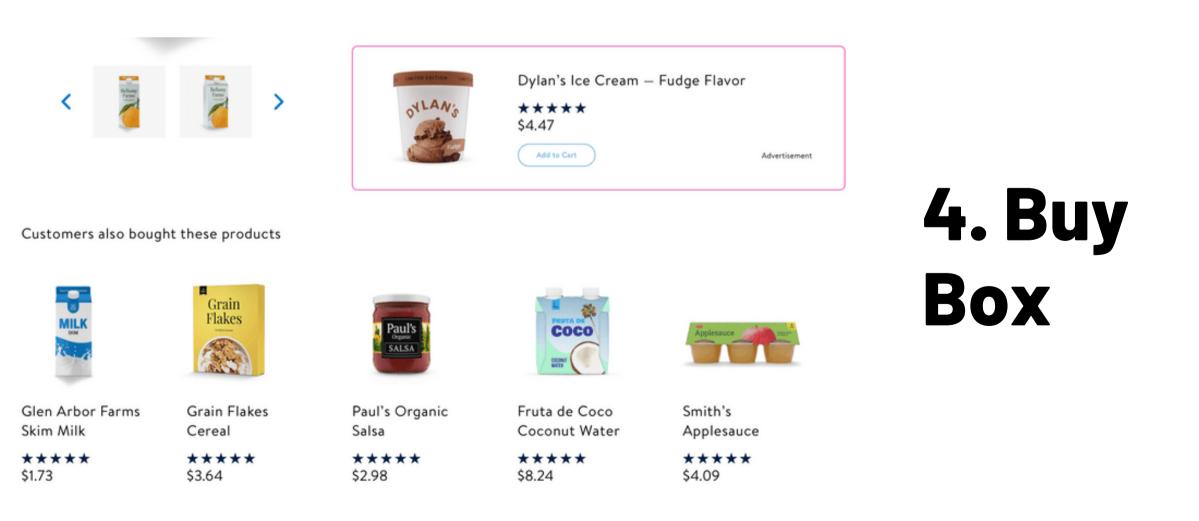




With this ad type, you can include your logo, a custom headline, and up to 3 SKUs at the top of search results. This enables brand recognition and gives you the opportunity to showcase your product portfolio.

### **3. Product Carousel**

With a product carousel, your item appears on the search, category, and item pages as an alternative purchase option alongside other relevant products.



#### Sponsored Products

Bellamy Farms	Citrus Grove Box Just	E Contraction of the second se	Florida's Own
Bellamy Farms Orange Juice	Citrus Grove 100% Orange Juice	Tropical Breeze Natural OJ	Florida's Own Orange Juice
<b>****</b> \$3.79	<b>****</b> \$3.98	<b>★★★★★</b> \$4.29	<b>****</b> \$2.44
Add to Cart	Add to Cart	Add to Cart	Add to Cart
·		• • • •	

Your product appears as the no. 1 most relevant alternative purchase option on product pages, giving your product noticeable placement. Though the WMG team determines who wins the buy box, sellers can win it through an automatic campaign or if theirs is the lowest priced item.

# Automatic <u>Campaign</u>

- launching a new product
- products related to yours
- Maximum exposure
- Bids are set at product level
- Eligible for all ad types

### Manual Campaign

- customers use
- keywords used
- Maximum control
- full campaign control
- results

Best for brands new to advertising with the goal of expanding their existing customer base or are Ads are shown to all customers searching for Benefits include easy set-up, no keyword management, and high impression volume

Best for products with a long history on Walmart or brands that already know the keywords their

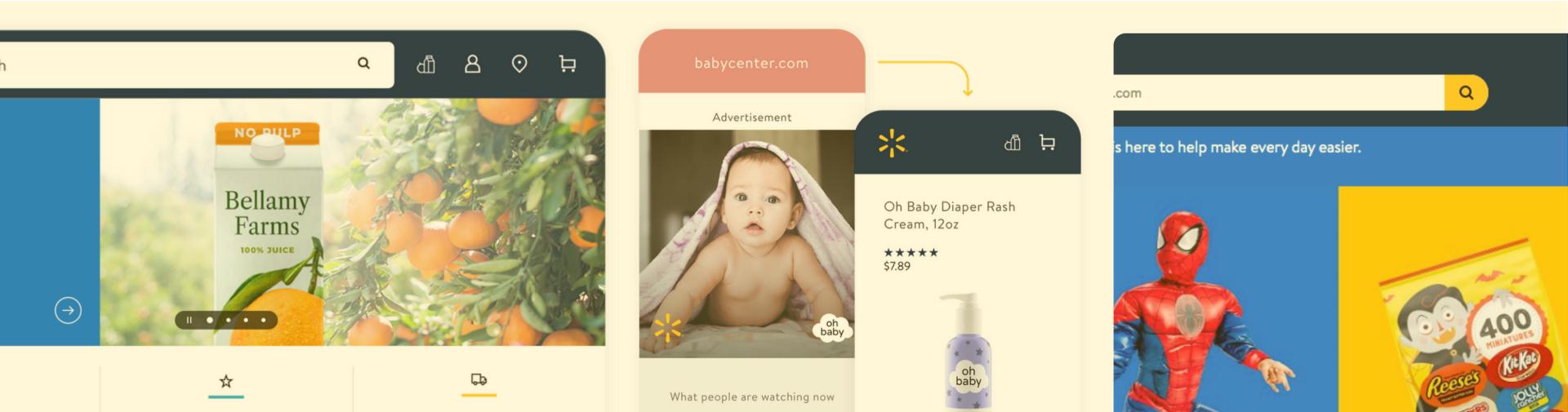
• Ads are shown to select customers based on

Benefits include: access to Walmart's keyword analytics tool, selecting your preferred keywords,

Ads are eligible for search in-grid only for products that organically appear within top 3 pages of search

# **Display Ads**

Display ads appear either onsite or offsite – from Walmart's digital properties to social media channels and across the web for omnichannel sales.



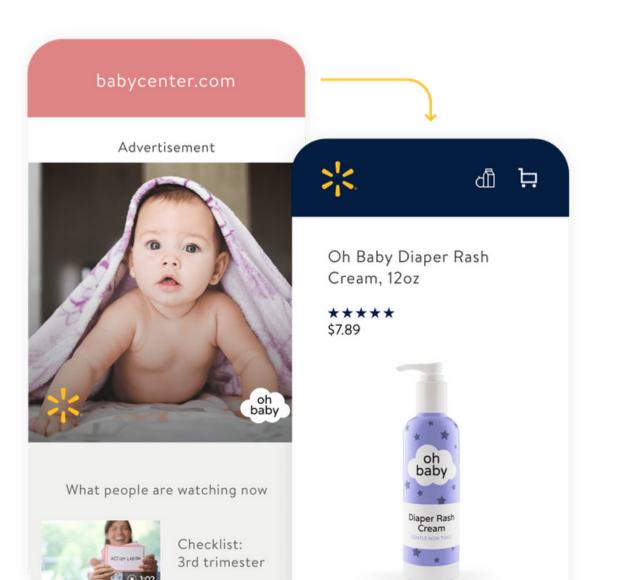
### 1. Onsite Display

With onsite display ads, Walmart allows you to merge eye-catching content and advertising across Walmart.com, pickup and delivery, and Walmart apps plus the ability to track omnichannel sales in their physical stores inspired by your campaign.

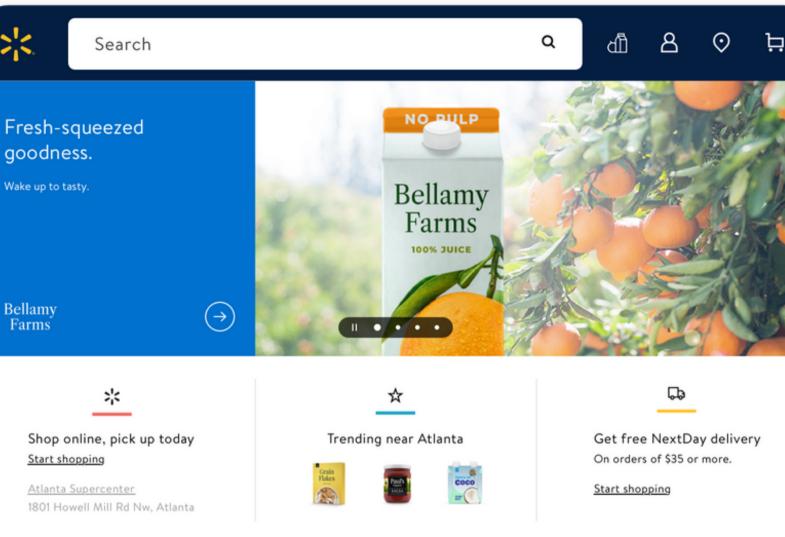


goodness.

Bellamy Farms



### **2. Offsite** Display



Offsite displays your ads across the web and social giants such as Facebook, Instagram, and Pinterest with relevant ads that retarget and re-engage Walmart customers relevant to you.

# <u>Getting Started with</u> <u>Walmart.com Advertising</u>

#### **STEP 1**

**Send a request to WMG –** Similar to applying as a seller, Walmart Media Group thoroughly reviews and approves applications to its advertising platform. You can fill out the form on their <u>contact page</u> to learn more. Note that WMG does not reveal its requirements for a successful application (only that there is a minimum monthly spend of \$1,000). If you are rejected, it may take around 6 months to be able to apply again.

#### **STEP 2**

Attend the webinar – Once approved, you and your company will be notified and required to attend a training webinar that will cover the basics of the platform and how to navigate it. The webinar will also have a live Q&A session so it's a great time for your team to bring up any questions, concerns, or clarifications as this may be well considered a rare time Walmart's team will be very responsive (following reports of their seller support team being less responsive than that of Amazon's).

#### **STEP 3**

Accessing the Ad Platform - Your team will then be given access to the advertising platform which is also accessible using your Walmart seller account credentials. Walmart will be assigning a category specialist should your team have any questions, though the webinar should be enough to help you kickstart your ad campaigns right away.

#### **STEP 4**

Launching Your Campaign - Once you're all set up, you can begin launching your ad campaign. You can either choose self-service ads or to work with Walmart's ad services. Before you begin, here's a quick checklist for setting up your first campaign on Walmart:

- - minimum)
- Budget per SKU ()
- Ad campaign schedule
- - or conversions

First SKUs to advertise based on profitability Daily/monthly budget (adhering to Walmart's

Campaign objectives: awareness, consideration,

### Walmart Fulfillment Services

**Diversifying Your Online Marketplace Presence** 



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20

Walmart's response to FBA is the new and improved Walmart Fulfillment Services (WFS). With this program, sellers are now allowed to store their inventory at Walmart Fulfillment Centers where the Walmart team picks, packs, and ships the items on the seller's behalf. While sellers can edit their listings, promotions, and track performance metrics, WFS also handles all customer support and returns so sellers can diversify their channels and focus more on increasing sales.

Walmart has partnered with leading service providers such as Shopify, Deliverr, and Bazaarvoice to give sellers an efficient marketplace that mirrors Amazon's end-to-end features. WFS gives sellers the chance to distinctly diversify their channels that can complement their presence on Amazon.



Products must ship to fulfillment centers from within the US

No perishable or regulated products

Maximum product weight is 30 lb

Maximum product dimensions are 25" x 20" x 14"

# <u>Advantages</u>

of Joining WFS

#### **INCREASED** VISIBILITY

Gain higher search rankings and Buy Box prominence with Walmart TwoDay tags.

#### **COST-EFFECTIVE SOLUTIONS**

Simpler cost structure vs. Amazon. Only includes a fixed monthly storage fee and fulfillment price based on shipping weight. No hidden fees.

#### FULL **TRANSPARENCY**

Track orders and shipments with an easy to read dashboard and inventory with reports optimized for your business needs.

Optimize returns with omnichannel Free and Easy Returns program and enjoy better control over item page content that can result in more conversions.

#### **OMNICHANNEL SUCCESS**

#### **ENHANCED SUPPORT**

Access to a customer service team that can attend to customer concerns and availability of call center associates for seller assistance.

### **Best Practices**

for Selling and Advertising on Walmart.com





### **Different Platform**, **Unique Strategy**

What works for you on Amazon may not work as well with Walmart, so it's important to create a unique plan and thoughtful strategy for the budding platform. Remember that diversifying your channels isn't just about setting yourself up on a different website, but also involves differentiating your approaches.

Sponsored Products work best when you have multiple SKUs (at least 10) featured. Not only do you get to observe which products and categories perform best, but you also let Walmart's algorithm optimize your placements.



### **Advertise Multiple SKUs**

### **Test and** Review

- Automatic campaigns have a minimum bid of \$0.20 and a maximum of \$20. Try starting at \$0.30-\$0.50 and gradually increase from there. Remember to automated regularly review your campaigns' performance and monitor your spending.
- Use Walmart's suggested keywords for manual campaigns and test out higher bids for closely-related keywords. Manual campaigns have a minimum bid of \$0.30 and also a maximum bid of \$20, where you can start with \$0.50 then use cascading bids by match type.
- Adjust your bids and budget accordingly as you track ad performance. Don't just set it, forget, and hope for the best. Always keep an eye on your CPC, impressions, and clicks.

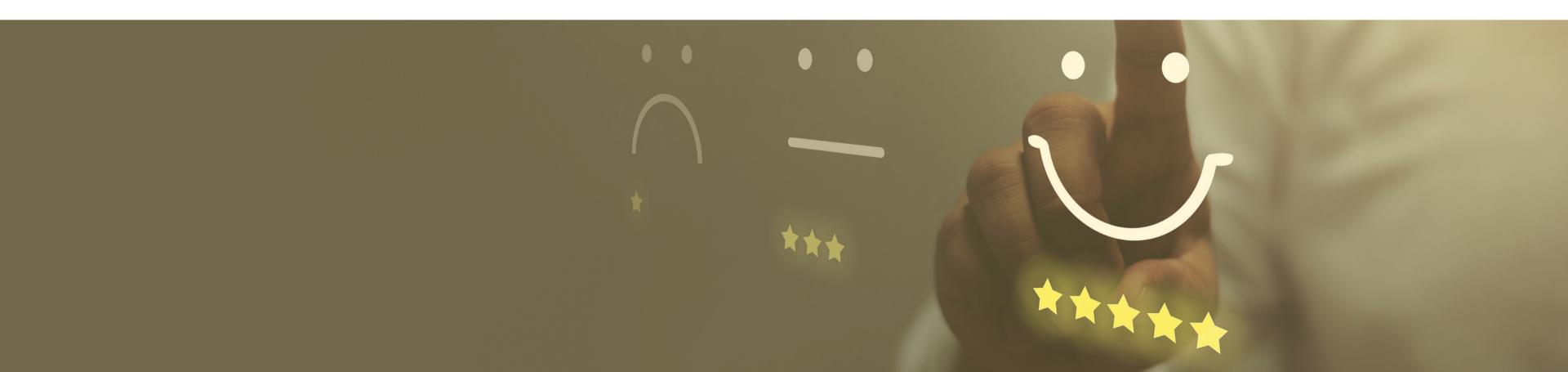
### Optimize **Your Listings**

You may have read time and time again how important it is to optimize your listings, but sellers can easily forget this step amidst the complexities and logistics of joining a new marketplace. Don't forget to optimize your listings on the get-go and once every few months. An optimized listing leads to better customer conversions, increased relevancy, and a higher chance of winning the buy box.

- Short but detailed title (50–75 characters)
- High-quality product images and images showing the product in use
- Key product features and benefits
- Incorporate keywords
- Add product attributes

### Don't Forget About Your <mark>Customers</mark>

With <u>9 out of 10 consumers preferring to read a review online</u> before making a purchase, it's critical to ensure that every aspect of your customer's shopping journey is top notch. Note that constantly pushing product ads isn't the only solution for success. Always post accurate listing information and provide updates on shipment and deliveries. By creating an online shopping experience that's convenient, honest, and attractive, you encourage future customers to leave positive reviews, therefore growing your success on Walmart even more.



# Fast Track Your Brand's Success on Walmart

Considering that Walmart's still in its early stages, managing the platform for the first time and launching your business on it may be a hit or miss. Though there's great opportunity in being one of the retail giant's early online adopters, sellers can only be assured of growth with the right tactics and tools on hand. If you're looking to diversify your online marketplace presence to increase sales and raise brand awareness, consider collaborating with our dedicated team of experts at MarketplaceOps.

Schedule a free consultation with us and receive an evaluation of your product distribution, marketing programs, and profitability metrics, and see how you can fast track and supercharge your growth on Walmart.



MarketplaceOps is a top 150 leading online marketplace management and strategy firm that helps brands supercharge their growth in the competitive world of eCommerce. Contact us for a free consultation today.









### **Brands We've Worked With**