

# Walmart Canada Improves Online Experience for Weekly Shoppers

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NEW YORK — Retailers tend to build e-commerce websites according to a traditional structure, but this has to change as more and more purchases of consumables that are shopped weekly transition online, Rick Neuman, chief information officer and executive vice president of e-commerce at **Walmart Canada**, said during a presentation at the National Retailer Federation Retail's Big Show in January.

"We tend to put together a website that has a very traditional experience," Neuman said. "You have your home page, you have your category pages, product pages underneath that. It flows through a traditional checkout, spits you out into an order confirm and some customer service stuff on the other side. It's almost been operationalized to the point where there's not a ton of innovation anymore."

But a weekly consumables shopper who visits a website on a regular basis has different needs than the general merchandise shopper who gave rise to the traditional site structure. "We really need to look at it in the context of both the physical store – which will absolutely be relevant – and that website, and if we don't, the experience will fall flat," Neuman said.

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**Rick Neuman, Walmart Canada**

Over the past 12 years, Walmart Canada added fresh food and a full grocery assortment to 80% of its stores, either by building new supercenters to create that "one stop shop" or by conducting "in-box conversions" that take existing stores and bring in fresh food. In 2015, the division put Walmart.ca through its own in-box conversion, baking food into the website's existing functions.

When the U.S. division introduced fresh food online, it split its e-commerce operations into two websites (one for general merchandise and one for grocery), but the Canadian arm made the decision to build it as one. Its aspiration was to bring more and more product into the weekly shopping experience – starting with core grocery but then adding cleaning supplies, pet supplies and general merchandise items such as light bulbs – so the assortment would eventually become identical on two websites.

Another enhancement the division made included creating a shopping companion mobile application with a built-in favorites component that lets shoppers quickly add the items they buy all the time. In addition to quick repeat orders, the functionality makes building much bigger baskets easier by letting users add multiples of an item with one click. Additional upgrades include a new style of thumbnail that lets visitors shop directly from search results pages, shelf pages, category pages or even the home page.

On the operations side, Neuman also noted that the traditional e-commerce triangle that made traffic, basket and conversion (and in some cases engagement) the holy grails of e-commerce is now irrelevant.

"If you're just transactional, you're not leveraging the power of digital in a sufficient way," said Neuman, indicating that traffic is less important and the goal is no longer to convert every visitor, so those metrics aren't very useful. The division transitioned its store management teams into market management teams who get full credit for

the sales that land within their area and are incentivized based on how well they engage their community and allow them to fully participate in what Walmart has to offer.

"It's a starting point, but it's not sufficient," Neuman said of layering these enhancements onto the preexisting website. "As an industry we're going to have to break it down and build new experiences that have this concept in mind from day one."

He imagines that what comes after a "one stop shop" is a "no stop shop" that offers a

strong assortment of product, unrestricted access (to the point of being able to transact anywhere, whether that is Facebook or WhatsApp), speed, automation (with services such as subscriptions) and personalization.

"As we tear down how the basics of shopping are happening and build it back up, if you leverage e-commerce from the start, then the way that you package it back together will be fundamentally different from the way you're doing it today," Neuman said. SM