INSTITUTE STRATEGIST

Walmart's In-Store Mobile Play Evolves

While Mobile Express Scan & Go flounders, retailer touts benefits of its app throughout store

By Patrycja Malinowska

The majority of **Walmart's** sales still occur in physical stores, but digital advances are changing shoppers' expectations even as they are walking down a physical aisle. To keep up, Walmart has been innovating to deliver new solutions that use mobile technology differently in stores. Some tests have gone better than others, but the retailer is determined to make the intersection of physical and digital an advantage.

The mass merchant aimed to deliver time-saving convenience with its Mobile Express Scan & Go program – which let shoppers scan items with their mobile phones as they shop and bypass traditional checkout lines to pay directly via phone – but shoppers weren't buying it.

Walmart has refined the pilot program since as early as 2013, and it appeared that the latest iteration was gaining traction when the retailer in January announced it would expand to additional stores. The progress seemed to unravel by April, when Walmart announced on its blog that it was shutting the door on the effort yet again.

According to reports, Scan & Go wasn't popular with shoppers. Though Walmart did not explain the reasons behind its low adoption rate, experts suggest it may have placed too much of an extra burden on the shopper. Another theory is that Walmart shoppers prefer face-to-face interaction as they check out.

"We'll use what we've learned to improve this and other services in the future," Walmart said on its blog, making it unclear if the program was scrapped altogether or would be tweaked and revived yet again. (The program will remain at sister-chain Sam's Club, where it has been successful.)

Walmart is still banking on mobile devices to connect its brick-and-mortar and digital operations for an improved shopper experience, and has put its marketing muscle firmly behind its flagship mobile application.

The mass merchant recently staged an in-store marketing campaign encouraging downloads of the app by dangling $5 off a user's first $35 in-app purchase. The incentive was heavily promoted in the aisles with Smart Network spots and a variety of multicolored P-O-P materials including shopping cart wraps, standees and table displays.

The retailer also has blanketed stores with a separate signage package deployed in virtually every department to highlight benefits of using the app. For example:

- Side panels in the pharmacy department announce that it's faster to "refill your Rx via mobile."
- Shelf talkers in the auto department invite shoppers to "get more product info" by scanning a bar code with the app. The search bar and product scanner were both elevated within the app so that they are easier to find.
- Security shrouds at store entrances and side panels
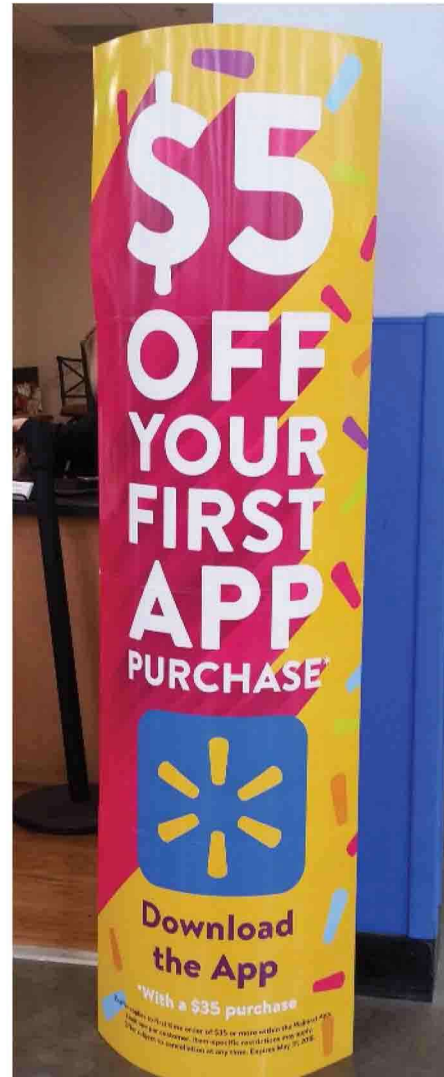
throughout aisles invite shoppers to "shop millions more items" via the app while touting free shipping to any store for pickup.

- Other side panels suggest shoppers can "find your item faster" by searching the store using individual store maps that have been added to the app.
- At registers, checkout signs remind shoppers they can "pay from your phone" using Walmart Pay, which has been expanded to accept more payment options.
- Standees and Smart Network ads invite shoppers to download the app to explore how they can save time using features such as pickup check-in or for services such as bill pay, money transfers (now including global services) and returns in tangent with dedicated Mobile Express lanes.

All of the conveniences promoted in stores have been introduced in recent years as part of continuous updates to the app that also include a personalized Easy Reorder function that registers both in-store and online purchases and saves them to a shopper's history, and a

calculator that keeps track of the cost of a basket as users make their shopping list.

Additional updates coming to the flagship app in the future include the ability to drop pins on a store map to tie to the location of items on a list, plan a route through the store, and book services such as oil changes in advance. The retailer also is considering smart lists that help build themselves.

Among its latest mobile-based innovations, the retailer also is testing a program dubbed "Check Out With Me" (see So-Lo-Mo on page 25) in select lawn and garden departments that lets shoppers bypass registers by letting employees scan shoppers' items, swipe their credit card and provide a printed or e-receipt on the spot.

Walmart also is testing an online personal shopping service called "Jetblack," designed to give product recommendations and let users make purchases through text messages.

Note: See the Activation Gallery on page 30 for how brands are leveraging mobile in Walmart stores. **SM**