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## **INSTITUTE STRATEGIST**

## Walmart Designs a New Shopping Experience

No longer just a cost-cutting efficiency machine, Walmart is bringing design to the masses



## By Patrycja Malinowska

Walmart has been increasingly focusing on design as it speeds up its digital evolution to keep up with rising customer expectations for frictionless commerce.

The mass merchant kicked off the year with a symbolic gesture intended to demonstrate how much the word "store" is no longer relevant in today's retail industry. Changing its legal name from Wal-Mart Stores to just Walmart underscored the company's growing emphasis on serving customers seamlessly — whether they want to shop in stores, online or on their mobile device.

Next, Walmart revamped its website with a sleeker design incorporating a new color pallet, fonts and life-

style content such as more relatable images showing products in actual context. Functionally, the company added more local and personalized elements. It also introduced specialty-shopping experiences, such as a dedicated Lord & Taylor storefront.

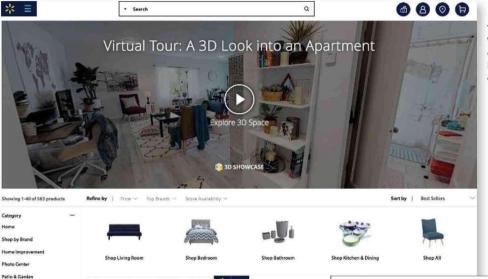
Knowing that it needs to have an endless aisle to compete on assortment, but that a wealth of inventory can create confusion, Walmart is supporting its ever-increasing SKU count by offering more curated assortments.

Targeting back-to-college shoppers, the retailer introduced a virtual tour of a curated apartment showcasing items from both national brands and private labels. Shoppers virtually explore the apartment, clicking on different products to get more info. A new "Buy a Room" tool for the first time lets shoppers add a group of items to a cart with one click to allow them to buy a complete look. Similarly, a new digital shopping experience for baby items offers curated nursery collections grouped by style.

Behind the scenes, Walmart has invested five years and millions of dollars in its own server farms, building out an internal cloud network that houses 80% of its data and lets the retailer create more customized offers, drive sales with tactics such as using cloud data to stock items frequently ordered via voice, and improve in-store operations such as speeding up the process by which customers can return online purchases to their local stores, Reuters reported.

Now, Walmart is doubling down and continuing its cloud journey by partnering with Microsoft to leverage its machine learning and artificial intelligence to innovate even further and faster.

Despite its digital advances, Walmart still sells products in stores that aren't visible at all online.



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> A search for "peanut-free" products on Walmart.com used to return peanut butter as the top result but the system now serves up a soy-based alternative.

Brands need to step up and provide digital content on par with its refreshed ambitions. Providing product attributes beyond the basic data such as UPC and item count, for example, can help inform search results and improve the online shopping experience by automatically populating the right product in a

specific digital shelf and promoting the brand in a frictionless way. A search for "peanut-free" products used to return peanut butter as the top result but now serves up a soy-based alternative.

There is an opening for manufacturers with specific category expertise to partner with Walmart to help the retailer determine the type of data it should be requesting by segment.

"With these changes, brands will have opportunities to better tell their stories on Walmart.com," Marc Lore, president and chief executive officer of Walmart e-commerce U.S., said in a corporate blog post when the redesigned website was announced. That includes approaches to advertising that are integrated more naturally into the new site.

Improving content on Walmart.com is not just impor-

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tant for e-commerce, it also drives in-store conversions – now more than ever. If a shopper is using the Store Assistant mobile app function while walking down an aisle, for example, they are getting content from Walmart.com, so a neglected or missing item would not be visible.

That's why Walmart's new head of design, Valerie Casey, is tasked with ensuring that its products and services, from stores to websites and mobile applications, all work in cohesion and from a singular experience point of view.

Hired in June, Casey's appointment is the first time Walmart has named a design executive at the officer level and underscores the retailer's ambitions at next generation retailing.