



## Future Stores

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### **Mobile Marketing & Customer Experience**

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It's a great honor to be here today and I'm excited to talk to you a little bit about what Walmart is doing in mobile and how we're serving our customers. So I'm going to go through a few slides and get going. So our strategy is to serve our customer anytime, anywhere, provide them complete access, it really has to be a seamless experience. We are a multichannel retailer and our customer shops with us through a variety of channels, but they don't really think that way right. When a customer comes to Walmart they don't think I'm shopping with stores today or I'm shopping with dotcom tomorrow, they know they're shopping with Walmart and when they talk to their friends, they talk to them about their experiences with Walmart and so we really want to serve our customers in a channel agnostic way, give them the holistic experience to Walmart and that's a cornerstone of our strategy.

And so, what does it mean to have a seamless experience? Well we talk about, we kind of break our seamless, the seamless experiences into three buckets. We talk about mobilizing dotcom and then mobilizing stores and accelerating multichannel. So mobilizing.com is really about bringing that great online experience that you have to customers through smartphones and tablets in an optimized fashion, that's really table stakes you have to do that today. Customers are engaging with us through those devices and they expect that to be a great experience. Mobilizing stores, because we're a multichannel retailer it's something that's really important to us, it's about creating indispensable shopping tools for our customers in stores, helping them to save money, save time and serve them in a better way. And when you combine mobilizing dotcom and mobilizing stores you naturally accelerate multichannel, you naturally provide the customer that seamless experience. We do this across platform so we today have served our customers across Android, iPad, iPhone and MWeb and then also SMS.

Our team is responsible for this globally. Today, we are delivering platforms in a variety of different countries and we're also evaluating what other countries we want to go with the goal of

eventually having all of Walmart's banners up and running and mobile. When we build we think about leverage, especially, on the technology side. If we build for example shopping lists we want to make sure it can apply to multiple banners and multiple customers and so it's a little bit of the 80/20 while we're building it we want to create that leverage, but we also want to have that local component, so shopping list may be slightly different in the US than what we might take to the UK based on some customer behaviors and that's something that we're trying to build so we have scale, but also local flexibility.

Our biggest, so when you think of those three buckets mobilizing dotcom, mobilizing stores, accelerating multichannel the biggest opportunity is mobilizing stores. And Deloitte did a study last summer where they looked at mobile influenced in store sales and as of last year 5% of in store retail or about \$158 billion dollars was influenced by mobile. By 2016 that's going to be 20% of in store retail almost \$700 billion dollars, and so we are very focused on this opportunity, customers are making their decisions. They have a lot of relevant information in their hands with their smartphones as they walk into our stores. And so, what have we done to date from a stores perspective since it is the big opportunity. We're thinking about serving the customer across the shopping frontal from a pre-planning decision making and checkout experience. So one of the things we launched a while back was shopping list. We know 90% of our customers create a shopping list before they come to the store. They may scribble it on a piece of paper, however they do it. We wanted to make that experience easier for them, so we created a mobile shopping list where customers can add items to the list either by typing them in, speaking them or barcodes getting them. When the items are added the customer can see the local price in that store, they can also, you know, if they click into it they can see nutritional information other rich part of content and they can also access specific national manufacture coupons that maybe relevant for their shopping experience.

Once the customer gets to the store, we wanted to make sure they had easy access to relevant features you would want to use in the store. So we were the first retailer to launch something called in-store mode and basically what this is, is when a customer enters a Walmart Store based on Geofencing we know the customer is under the store, we'll trigger their app to literally change the UI of the home screen so it serves up relevant in-store tools. So you can see here what that looks like. We showed interactive local ad where the customer can see our local ad, flip through it and engage with it. You can also flip through what's new in that local store, you can see what's on rollback and it gives a barcodes scanner and you also have access to your shopping list. And then from a checkout experience we heard from our customers that they wanted more checkout options. So we recently launched a beta of scan and go in December. And scan and go is basically the ability for customers to scan items while they're shopping and when they're done they can transfer their items from their mobile phone wirelessly to the self checkout register and pay as they normally would at the self checkout register.

It's still early, we're still testing and seeing how customers are responding to this, but it's one way that Walmart's kind of evolving and meeting our customers' needs. So one of the things

that we do is how do we gauge ourselves, like is our strategy working and we look at a variety of different things, I'll talk about two today. One is customer reviews and ratings of our apps. About two years ago our current ranking of our apps was about three stars and that just wasn't good enough for us and we said "hey, we really want to be like 4.5 or higher," it's out of five stars. And so, the team spent a lot of time looking at, what are our customers saying in the app stores, what do they like, what do they don't like, we did a lot of usability testing. We went out and we really identified what were pinpoints and we went and addressed them and it became a huge part of our road map and now in both Walmart US and in ASDA, which is our UK business, all of our apps are 4+ star ratings, so that tells us "hey, we're serving the customer, they're responding. Again I love the quote, on the US side it says "great shopping app, very helpful inside and outside of the store," which is almost like.

This customer is basically quoting our strategy so it's great, but they're getting how we're trying to serve them in that seamless way. The other way we look at our success is from industry recognition, and this year has been a great year for us. In 2012 we won a handful of awards. We most recently won from mobile commerce daily, mobile retail of the year and mobile app of the year for the iPhone work that we've done. We also got a best in retail from Acquity Group and we're number one in commerce at the mobile excellence awards. And then in the UK we recently won a Mumsnet Award, a Mumsnet is the largest social network for parents in the UK so it's really our customer is giving us recognition for serving them well. So we feel like this has been a good year for us, we're still at the beginning of a long journey in mobile so there are still a lot to do, but it's nice to know that our customers industry are responding. So how do we do this? You know what; I have to say that it's really a whole company fight, like you can't just have a mobile team and expect them to do all of this on their own, it takes the online business, the mobile team, the stores business to have cross functional alignment and similar goals and clear accountability. And so, you look at what I've got here, you've got marketing store operations, mobile talent store systems, online services all coming together, we're talking on a regular basis, we have similar goals, we're working towards a common place and that's really important.

From a mobile talent perspective, you know, Walmart decided to invest in building that talent in-house, so we have dedicated mobile product and Engineers that we've invested in. The mobile team is based in Silicon Valley, so we have a pool of talent to pull from, that may or may not be the right decision for every company that's what people have to go through that journey and figure out what's right. For us mobile was such a key piece of that, delivering that seamless experience and having anytime anywhere access that we wanted to make that decision. And so, our plan is basically, we want to create products that people love, we want to be the mobile retail leader, we want to innovate without reinventing the wheel, so that's really around creating that leverage, making sure that we're not reproducing something in each country that we go to and we happen to be a global company and then make smart market choices so address the local market where we need to and make sure we're addressing customers needs also making sure that

as we test things that everything will work. We're going to evolve and learn, but the most important thing is to iterate and see where the customer is going. Mobile is still a new behavior and we need to, we need to figure it out and so that's one of the key things we're doing is making sure we could move fast and narrate quickly.

It wouldn't be appropriate if I didn't and with a quote from Sam Walton, he really set the culture for Walmart and what he said a long time ago was something that's still relevant today. I'll read it, it says, "I have always been driven to buck the system, to innovate, to take things beyond where they've been" and I think that's how we're thinking about mobile, we really think about it as innovation, taking it beyond where we are today, it is somewhat disruptive for the retail experience and we want to make sure that we're leading that disruption and we're helping drive the customer to new places, helping them save more time, more money with us". And that's my last slide. So I think I'm going to pass it off to the next speaker.



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