The 2023 Walmart Marketplace Playbook for Sellers

A step-by-step guide to maximizing your success on Walmart Marketplace.



Walmart > Marketplace

Imagine the possibilities with Walmart Marketplace

Experience the Walmart Marketplace difference.





120 million Walmart.com unique monthly visitors²



Sellers have seen 50% GMV growth, on average, for key items fulfilled by WFS³

85% of Walmart.com shoppers make at least one online purchase per month⁴

2022 showed no signs of slowing down at Walmart, and in 2023, we're looking forward to continuously building a bigger and better online selling platform for sellers just like you.

We want to make sure that scaling your eCommerce business is simple with Walmart. That's why we offer an ecosystem of powerful solutions that can help elevate your brand, attract new customers, streamline operations and ultimately drive sales — because when you start selling on Walmart Marketplace, you unlock the scale of the world's leading retailer and gain instant access to our millions of repeat customers.

This comprehensive guide is here to help facilitate your journey as we discuss and analyze the most effective strategies and programs available at your fingertips for growing your business on Walmart.com.





Manish Joneja

Senior Vice President, Walmart U.S. Marketplace and Walmart Fulfillment Services (WFS)

¹<u>Walmart earnings report</u>, FY23 + ²<u>Comscore</u>, October 2021 - NO ENDORSEMENT OF 3RD PARTY DATA SOURCES + ³ Walmart first-party data, February 2022 + ⁴Attitude & Usage Study, 2022

Let's get started.

Gear up for an improved experience with Walmart Marketplace

The series of enhancements and solutions we launched in 2022 allows sellers to continuously grow.

We're committed to finding innovative ways of helping sellers grow and scale on our platform. That's why last year, we rolled out new programs and optimized existing ones to strive for the gold-standard experience that helps sellers and customers alike.

APR '22

Walmart Marketplace launches Repricer

What it does: Automatically manages your listing prices to stay ahead of the competition — for free

MAY '22

Walmart Fulfillment Services expands service offerings

What's new: Less-Than-Truckload Rates, Item Prep Services & Real-time Reporting Resources

FEB '22

Walmart Fulfillment Services launches the Online Fee Calculator

What it does: Quickly estimates fulfillment and storage fees for any given product

APR '22

Walmart Connect

adds Search-relevancy

Enhancements

What's new: More ads can

qualify to appear in relevant

in-grid results on search and

browse pages

SEPT '22

Walmart Marketplace sellers gain instant access to Walmart Ad Center and Walmart Fulfillment Services

What's new: Lets you start advertising and shipping with Walmart as soon as you complete onboarding





🖌 Biz Mer

OCT '22

AUG '22

Walmart Marketplace

introduces a simple, 3-step

application process

What's new: Streamlined onboarding experience to help you start selling faster

Walmart Marketplace introduces new ways for faster catalog set-up

What's new: Upload a Spreadsheet, Bulk Upload, Set Up by Match & Single Item Setup

NOV '22

Walmart Marketplace launches the Biz Mentor Program

What it does: Gives actionable insights and personalized suggestions to identify new growth opportunities

JAN '23

Walmart Connect launches Variant Bidding

What it does: Allows advertisers to promote any variation of an item including color, size and patterns

JUN '22

Walmart Connect launches Advanced Second-price Auction

What it does: Helps reduce your risk of overpaying for cost-perclick bids We've been busy listening to sellers' feedback and following online consumer behavior. As we continue to gather information and further invest in our proprietary solutions like Walmart Fulfillment Services (WFS) and Walmart Connect, we see boundless possibilities for growth.

Stay top-of-mind with Sponsored Search from Walmart Connect

Connect more meaningfully to customers and accelerate your sales.

Walmart Connect provides advertising solutions to help sellers connect with our customers more often and more meaningfully than ever before. With Sponsored Search advertising, we can help get your brand and products in front of millions of customers actively searching and browsing Walmart's site and app for products like yours. And the best part? You only pay when customers click your ad.

76% of our Top 500 sellers advertise with Walmart Connect*





Turn customer searches into purchases with Sponsored Search advertising

STEP 2.

STEP 1. **Define your** advertising goals

The first step in launching a successful advertising strategy is to **set measurable** goals that support your business objectives. For example, here are a few things to consider.

Are you looking to:

- Increase product awareness and reach new customers?
- Increase sales and drive conversion?

Gather valuable tips from Walmart Connect

Academy Learn all the ways Sponsored Search can help you by **registering** for the Walmart Connect Academy. Once registered, select the "New to Walmart **Connect**" learning path to gain access to our exclusive eCourse content on how to launch and optimize your advertising

STEP 3.

Activate Sponsored Search advertising

For new sellers, we recommend waiting 60-90 days before you begin advertising to help give your items the opportunity to build a higher organic ranking. When you're ready to launch your first campaign, there are two ways you can choose to activate Sponsored Search Advertising:

Why should I advertise with Walmart Connect?

With Sponsored Search, Walmart Connect can help:

Increase awareness & discoverability: When a Walmart customer enters a search term on our website or app, relevant products appear as search results. Sponsored Search ads can help give your products a boost to higher positions within or above those search results.

Increase sales: Reach motivated customers searching for products like yours and advance them to your product's item page.

OPTION #1

Walmart Ad Center

Marketplace sellers are automatically

registered to Walmart Ad Center, our self-serve ad platform. We provide step-

by-step guidance to help make launching

a Sponsored Search campaign easy, even

for first-time advertisers.

Get started today

Sponsored Products ads can appear in premium positions on the homepage and within relevant search results and item pages.



Sponsored Brands sends your brand logo and products to the top of relevant search results. This premium placement is available to Marketplace brand owners registered with the Walmart Brand Portal.



Contact us

Advertising Help Center

OPTION #2 Walmart Platform Partners

Work with one of Walmart Connect's API partners to help scale, automate and optimize your Sponsored Search campaigns.

View our list of partners

Helpful Tip: The most successful advertisers invest in campaigns that address multiple goals!

campaigns.

*Walmart first-party data, 02/01/22 - 01/14/23

Convert more customers with effective listings

Fine-tune your strategies and earn the trust of Walmart customers with our free, personalized tools.

We know that getting your product listings seen and then clicked on requires serious optimization and strategy. But what if there was an easier way?

We created these free tools to help you put your best foot forward so you can build and win customer trust. We recommend structuring your strategy on Walmart.com around these tools to help drive conversion.

Stay ahead of the competition with Repricer

At Walmart, customers can count on everyday low prices. In fact, 82% of Walmart customers¹ stated that price is the most important factor that influences purchases on Walmart.com or the app!

That's why the automated-pricing tool, <u>**Repricer**</u>, helps you stay ahead of the competition in a world where online prices are constantly changing. Best of all, it's free!

Here's how you can get started:

- 1 Define your strategy
- 2 Set pricing thresholds for the items of your choosing
- 3 Let <u>Repricer</u> manage select listings automatically

Stand out with a Pro Seller Badge

The Pro Seller Badge is a mark of excellence given to top-performing Marketplace sellers.

Sellers are recognized for exceptional performance, and customers can take the guesswork out of online shopping—it's a win-win.





• Quality service provider • Consistent on-time delivery • Free online or in-store returns



Build top-performing item pages with the Listing Quality dashboard

Here's how you can best optimize your listing:

- Provide a clean and concise product title
- Highlight the key benefits in the **product description**
- Include high quality images
- Offer competitive price points
- Maintain proper stock availability
- Offer free and 2-day shipping
- **Deliver** your product on time or earlier

Learn more

With the Listing Quality dashboard, learn to make data-driven decisions and turn browsers into shoppers to help drive an organic lift in conversion.



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Pro Seller Badge criteria:

If you're looking to understand

are performing, our free Listing

insightful recommendations to take your optimization strategy

to the next level based on your

Listing Quality score.

Quality dashboard gives specific,

and improve how your items

Seller-accountable on-time delivery: \geq 90% in the last 90 days Seller-accountable cancellations: \leq 2% in the last 90 days Listing Quality score: 70% of a seller's trending catalog must be \geq 60%

Orders: more than 100 in the last 90 days No **Trust & Safety or performance** standards violations Seller is **active** for at least 90 days



Criteria can be monitored in the Listing Quality dashboard.

Defy limits to scaling your business with Walmart Fulfillment Services

Your amazing products. Our world-class supply chain.

Sellers have seen 50% GMV growth, on average, for key items fulfilled by WFS²

Scale your business with WFS in 3 steps

Walmart Fulfillment Services (WFS) is a fuss-free, low-cost end-to-end fulfillment service that helps you take control of your business. As one of the world's largest supply chains with no inventory minimums or maximums and no hidden fees, WFS gives you the freedom to choose how you scale your business. 66% of our Top 500 sellers are enrolled in WFS¹



Why should I leverage WFS?



Deliver your orders in two days across the contiguous U.S. (during non-peak seasons)



contiguous U.S. (during non-peak seasons) Increase product visibility and conversion with

'2-day shipping' and 'Fulfilled by Walmart' tags



Offer seamless customer service, replacements, support and returns



Manage item labeling and poly bagging services for a small fee



Provide phone support and strategic advisory services 7 days a week



All with zero hidden fees so you can focus on growing your business.

Provide billing, returns and contact information

- A. Add a primary **point of contact**
- B. Provide an address for us to send Walmart-fulfilled inventory back to you
- C. Add a U.S. billing method to cover WFS fees (no signup or subscription fees)

Select products that meet WFS requirements

- Can ship to Walmart fulfillment centers within the contiguous U.S.
- An assortment that includes best sellers, premium brands and items not already listed on Walmart.com, or items that meet our guidelines
- No perishable or regulated products
- Max product weight: 150 lb.
- Max product length: 108"
- Max product length + girth: 165"

Send us your inventory

Send your inventory with no minimums or maximums! Plus, all sellers can benefit from reduced inbound shipping rates through our Preferred Carrier Program and enjoy discounted rates for FedEx small parcel and less-than-truckload (LTL) deliveries*.

In addition, we can help ensure your Walmart-fulfilled items are prepared correctly and consistently. Outsource your inventory prep to us for a small fee.

*Early participants in the WFS Preferred Carrier Program reported on average, 50% lower rates than shipping on their own.



Estimate fees

Learn more

Get inspired: the top-performing categories & sellers of 2022

See how our Top 500 sellers successfully leveraged our ecosystem of solutions.

Thousands of new brands from top eCommerce categories like apparel, home and food joined and made a sale on Walmart Marketplace last year. Some notable brands became big success stories on Walmart Marketplace in 2022. Let's look at how they leveraged our ecosystem of solutions to become the leading brands within their category.

Top 5 categories on Walmart Marketplace in FY23



GMV growth YoY

Cameras 2.14x **GMV** growth YoY

Automotive Tires GMV growth YoY

Audio

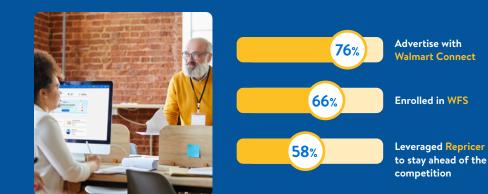
.4x

Wireless Accessories GMV growth YoY

GMV growth YoY



Fun facts about our Top 500 sellers in FY23





Meet Miko

Miko is a DTC brand selling natural wellness products. In 2022, Miko expanded their presence by leveraging Walmart Connect and Walmart Fulfillment Services and became one of the top Marketplace sellers in the Air Purification category.



Increase in traffic 250% to Miko's product page



YoY increase in units sold (2021 - 2022)

Meet Cleancult

Cleancult is a DTC zero-waste, eco-friendly cleaning products company. When Cleancult joined Walmart Marketplace in 2022, the brand instantly tapped into Walmart Fulfillment Services and Walmart Connect and became one of the top Marketplace sellers in the Household Essentials category. And that was just the first step in its journey, ultimately leading to the distribution of Cleancult products in more than 3,000 Walmart stores nationwide.





of orders fulfilled by WFS were delivered within three days

WoW increase 23% in sales during Cyber Week

Listing quality score for a best-in-class Walmart.com catalog

Walmart first-party data, 02/01/22 - 01/14/23

91%

Get started with Walmart Marketplace today



10% Complete the New-Seller Survey and go live

+ **)%** Ship with Walmart Fulfillment Services

Advertise with Sponsored Search

Enroll in Walmart Marketplace Repricer

And, as a bonus, you'll receive a \$500 Sponsored Products ad credit

Learn about New-Seller Savings

Conditions apply. Available for eligible US domestic sellers only

New, Simplified 3-Step Onboarding Process

Start selling on Walmart Marketplace after you...



To fully enjoy the enhancements, optimizations and new programs we provide to our sellers, you'll first need to join Walmart Marketplace. So, do you have one minute? Because that's as long as it takes.

And now, for a limited time, we're offering new sellers up to 25% off referral fees after launching on Walmart.com. Get an initial 10% rate reduction for completing the New-Seller Survey. Then enroll in Walmart's ecosystem of solutions for additional rate reductions and unlock a \$500 Sponsored Products ad credit after you onboard.

Simply click the button below, fill out the required information, review the terms and create your Walmart Marketplace account to get started.







All it takes is 3 simple steps.

Maximize your success each season

Make note of these high-traffic, key seasonal moments and prepare accordingly.



Mark your calendars! Ramp up your inventory and **inbound merchandise** to a Walmart Fulfillment Center by the noted time frames and replenish as needed. Drive conversion while shoppers are looking for products like yours by optimizing your Sponsored Search campaigns.

	Prepare	your game plan	
Season	Key Event(s)	Optimize Sponsored Search campaigns by	Inbound WFS inventory by
X Winter	New Year's January 1	December	Mid-November
	Valentine's Day February 14	January	End of December
Spring	President's Day February 20	End of January	End of December
	Easter April 9	March	Mid-February
	Graduation Season May - June	Early May	Early March
	Mother's Day May 14	End of April	Mid-March
	Memorial Day May 29	Early May	Early April
	Father's Day June 18	End of May	Mid-April
Summer	Independence Day July 4	June	Early May
	Back to school July 15	End of June	Mid-May
Fall	Labor Day September 4	August	Mid-July
	Halloween October 31	Early October	Early September
Holiday Season	Holiday Season October 1 - December 31	September	Early October

2022 In a nutshell on Walmart Marketplace

2021 2022

Hand out

candy at home

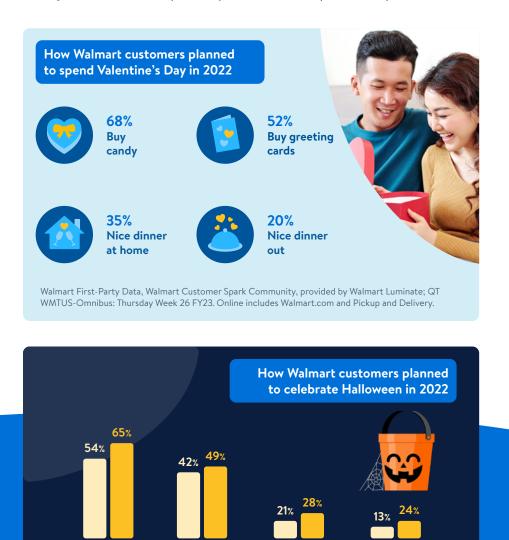
2021 2022

Go out for

trick-or-treating

We can't wait to see what this year holds!

As we bring this playbook to a close, we wanted to share more insights from last year to help inspire this one. Take a closer look at customer habits throughout various holidays to help them make this year extra special.







How the 2022 Holiday season¹ played out on Walmart Marketplace

Top 5 Categories:



Vacuums & Floorcare GMV growth YoY

Health Care GMV growth YoY



Prestige Beauty GMV growth YoY

Audio GMV growth YoY

9+ million orders placed in the top 20 categories

Sellers who advertised with Sponsored Search on Black Friday saw, on average, a 61% increase in ROAS and a 61% increase in conversion²



¹Holiday season from 11/01/22-12/24/22 ²Walmart first-party data, Black Friday 2022 vs. all other days in 2022

Proprietary First-Party Data, February 2022, Walmart Customer Spark Community, provided by Walmart Luminate

2021 2022

Go to

a party

2021 2022

Host

a party



How far will your business have grown by the end of 2023?

Imagine the possibilities with Walmart Marketplace and join us today.



marketplace.walmart.com









Walmart : Marketplace