

Five reasons why to sell on Walmart

Description

As of 2024, Walmart attracts a significant share of third-party sellers, reinforcing its position as a competitive player in eCommerce.

Picture this, As a fashion and lifestyle brand, you are looking to expand your business and tap new audience as a part of your multi-channel strategy. After a rigorous discussion within your core team, you concluded to explore Walmart and the opportunities the giant offers, i.e., increased exposure and an impressive network. However, you are clueless as from where to start. Vioila, You've come across the accurate guide on why selling on Walmart USA will take your brand's vision to new heights.

The greater the reach and product visibility across platforms, the higher the chances for conversions. With Walmart Marketplace emerging as a powerful eCommerce platform, it's no surprise that sellers are rushing to tap into its potential. Walmart is not just the world's largest retailer; it's also a leader in combining physical and digital commerce, making it a prime marketplace for ambitious sellers. And it is no surprise that sellers are rushing to the Walmart marketplace, and for practical reasons.

The formula is simple: the more reach and visibility your products gain across platforms, the higher the chances of conversions. Walmart Marketplace, with its growing dominance in eCommerce, offers sellers the best of both worlds—brick-and-mortar reach paired with digital innovation.

Walmart isn't just the world's largest retailer; it's a trailblazer in blending physical and digital commerce. No wonder sellers are flocking to the platform to unlock its potential. But why should you consider

What is Walmart Connect?

Walmart Connect (formerly Walmart Media Group) is Walmart's in-house advertising platform. It harnesses Walmart's wide customer base and first-party data to create personalized, highly targeted advertising campaigns. Think of it as your personal marketing genie, offering tools to grow your brand's visibility both online and in-store.

Why Walmart Connect stands out

- First-Party Data Mastery: Leverage Walmart's shopper insights from millions of transactions.
- Omnichannel Magic: Walmart seamlessly blends physical and digital shopping experiences.
- Massive Reach: With over **240 million weekly customers** globally, Walmart Connect helps you connect with audiences that matter.

5 reasons to sell on Walmart Marketplace

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Alongside its high visibility to consumers, Walmart affords sellers several additional advantages, and we've listed the benefits a few:

1. Access to a Massive Customer Base

Walmart Marketplace connects you to millions of loyal customers who trust Walmart for quality and affordability. Walmart U.S.' e-commerce sales reached \$53.4 billion in 2023, reflecting strong momentum. It achieved a record-breaking \$648.13 billion in revenue for 2024, marking a 6.03% increase from the previous year. This robust growth highlights its capability to cater to a wide consumer base and enhance its seller-friendly ecosystem.

Imagine your products gaining visibility among millions of loyal Walmart shoppers. The giant is your gateway to a diverse customer base and helps you reach the right target audience. With the right tools and strategies, your product can gain visibility to a diverse customer base that is actively seeking the product.

2. Free 2-Day Shipping: A Game-Changer

Fast delivery is no longer a luxury—it's an expectation. Walmart's Free 2-Day Shipping enhances your products' visibility and boosts conversion rates. Sellers participating in this program often experience a significant spike in sales.

The Perks:

- Higher visibility in search results.
- Greater chances of winning the Buy Box.
- Customers can filter products by free shipping, giving your listings an exclusive advantage.

While the program has eligibility requirements, such as fulfilling 100+ orders in 30 days, the rewards are worth the effort. Sellers participating in this program often see a noticeable boost in sales and customer satisfaction.

3. Lower Selling Fees

Unlike Amazon, Walmart Marketplace doesn't charge subscription or monthly fees. You only pay a referral fee based on the product category.

For small and midsized businesses, this means fewer upfront costs and higher profitability. This costeffective model allows sellers to reinvest their savings into ad campaigns or product optimization.

4. Competitive Ad Placements

Walmart's Sponsored Products program, based on a pay-per-click (PPC) model, allows you to promote your items directly to interested buyers. Unlike other marketplaces, Walmart doesn't promote its private-label products, meaning less competition for ad placements.

Walmart Connect ensures your products shine in highly strategic locations:

- Search Results: Your Sponsored Products appear at the top of search queries.
- Carousels: Think "Customers Also Viewed" or "More Items to Explore."
- In-Store Ads: Digital screens, kiosks, and in-store radio influence purchasing decisions in real time.

5. Insight-Driven Growth for Walmart Sellers

Data is the cornerstone of success in any eCommerce marketplace, and Walmart is no exception. To thrive, sellers must rely on actionable insights, from understanding customer behavior to analyzing competitor strategies. Walmart provides tools and analytics, but interpreting this data and using it strategically can be overwhelming.

This is where expertise matters. Sellers who combine Walmart's resources with tailored strategies see significant improvements in visibility, conversions, and profitability. Walmart Connect provides detailed analytics to help you track and optimize performance. With these insights, you can:

- Identify customer behavior trends.
- Optimize pricing and inventory strategies.
- Fine-tune your marketing campaigns for maximum ROI.

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What Types of Ads Does Walmart Connect Offer?

Whether you're launching a new product, building brand awareness, or driving sales, Walmart Connect offers a range of ad types tailored to different marketing goals:

1. Sponsored Products

- What They Are: Pay-per-click (PPC) ads that boost product visibility in search results and on product pages.
- Why Use Them: Sponsored products target relevant keywords, increasing your chances of being seen by customers ready to buy.
- Pro Tip: Optimize your listings with high-demand keywords for maximum impact.

2. Sponsored Brands

- What They Are: Prominent banners featuring your brand logo and product selection, displayed at the top of search results.
- Best For: Driving traffic to your Walmart storefront and increasing brand awareness.
- Key Benefit: Showcase multiple products and reinforce brand identity in one powerful ad.

3. Display Ads

- What They Are: Visual ads in the form of banners, images, or videos across Walmart's digital platforms.
- Where They Appear: Walmart.com, Walmart's app, and partner sites.
- Impact: Ideal for engaging customers through visually compelling storytelling.

4. In-Store Ads

- What They Are: Ads displayed on digital screens, in-store radio, and self-checkout kiosks.
- Why Use Them: Influence purchase decisions in real time and boost impulse buys.

Where Do Walmart Connect Ads Appear?

The beauty of Walmart Connect lies in its **omnichannel presence**, allowing your brand to be wherever your customers are. Here's a quick breakdown:

Digital Channels

- Search in Grid: Ads displayed at the top of search results on Walmart.com and the Walmart app.
- Search Carousel: Appears in curated carousels like "More Items to Explore."
- Item Carousel: Features in "Customers Also Viewed" and "Customers Also Bought" sections.
- Item Buy Box: Strategically placed just below competitors' Buy Boxes.

Targeting Options: Walmart's Secret Sauce

Walmart Connect allows advertisers to reach their desired audience through sophisticated targeting options:

- **Keyword Targeting:** Similar to Amazon, Walmart lets you target ads based on keywords relevant to your products.
- **Demographic Targeting:** Tailor your campaigns to specific age groups, income levels, or genders.
- **Geographic Targeting:** Focus on cities, states, or regions where your products perform best.
- **Behavioral Targeting:** Leverage browsing history and purchase data to reach customers most likely to buy.
- Customer Matching: Use your own data to target returning or high-potential customers.

Crafting a Winning Walmart Connect Campaign

A successful campaign starts with a solid plan. Here's how to execute one:

1. Define Your Objectives

Are you looking to boost sales, launch a product, or build brand awareness? Your goals will dictate the type of ads you use.

2. Choose the Right Ad Type

- Sponsored Products: Best for immediate sales.
- Sponsored Brands: Ideal for showcasing multiple products.
- Display Ads: Great for storytelling and engagement.

3. Budget Strategically

Allocate budgets wisely across campaigns and optimize spending based on performance metrics like CTR, ROAS, and conversion rates.

4. Optimize Regularly

Use Walmart Connect's analytics tools to track campaign performance and make data-driven improvements.

Why Sellers Love Walmart Marketplace

Walmart Marketplace combines affordability, omnichannel opportunities, and credibility. Here's why it's a seller's dream:

- 1. **Flexible Fulfillment:** Choose between in-house or third-party fulfillment options to scale efficiently.
- 2. **Brand Trust:** Walmart's reputation as a quality retailer enhances buyer confidence in your products.
- 3. **Advanced Automation:** Tools for inventory management, pricing, and promotion make selling seamless.

Bonus strategies to expedite your Walmart Selling Journey

Third-Party Fulfillment Options

Walmart gives you the flexibility to manage fulfillment either in-house or through third-party services. This is especially valuable during peak seasons like Black Friday and Christmas.

Why It Matters: Efficient fulfillment ensures faster deliveries, fewer delays, and happier customers. By outsourcing this task, you can focus on scaling your business.

Trust and Credibility of Walmart's Brand

Walmart's reputation as a reliable retailer works in your favor. Buyers on the Walmart Marketplace often have higher trust in products listed here than on newer platforms.

A small pet supply company saw a 200% increase in sales within six months of selling on Walmart because buyers associated their products with Walmart's quality standards.

Integration-Friendly Tools and Automation

Selling on Walmart becomes easier with integration tools for inventory management, pricing, and promotions. These digital shelf analytics tools reduce manual effort and help you focus on growth strategies.

Paxcom's <u>advanced eCommerce tools</u> can seamlessly integrate with Walmart, helping you track, optimize, and automate your operations effectively.

4. Omnichannel Opportunities

Walmart's robust <u>omnichannel strategy</u> lets you benefit from in-store pickups, same-day delivery, and seamless online-offline integration. This widens your reach and caters to modern shoppers who demand convenience.

Did You Know? Brands that embrace omnichannel strategies are 91% more likely to retain customers, making Walmart's setup a goldmine for forward-thinking sellers.

Let Paxcom Help You Master Walmart Marketplace

Navigating the Walmart Marketplace can be challenging, but you don't have to do it alone. At Paxcom, we specialize in helping brands and sellers unlock their full potential on platforms like Walmart. At Paxcom, we specialize in helping sellers:

- Optimize product listings.
- Create data-driven advertising strategies.
- Manage Walmart ad campaigns for measurable results.

With years of experience empowering global brands, our team understands the nuances of Walmart Marketplace and proactively addresses the challenges you might face. Whether you're new to Walmart or looking to expand your presence, Paxcom is here to guide you every step of the way.

Ready to transform your Walmart presence and make your Walmart journey a success? Reach out to us at info@paxcom.net or book a consultation call today.

Enquire Now