

Walmart enhances 'branches' by reviving US- Mexico fund transfers

Article

The news: Walmart will revive the remittance product it retired in 2018 so customers can send money from stores in the US to locations in Mexico.

- The new **Walmart2Walmart Mexico** is designed with affordability at the forefront: Per-transaction fees will be as low as \$2.50.

- Walmart said the offering is part of its approach to provide financial services for unbanked and underbanked people.

The bigger picture: Restoring US-Mexico remittances is Walmart's latest step toward broadening its stateside financial services lineup.

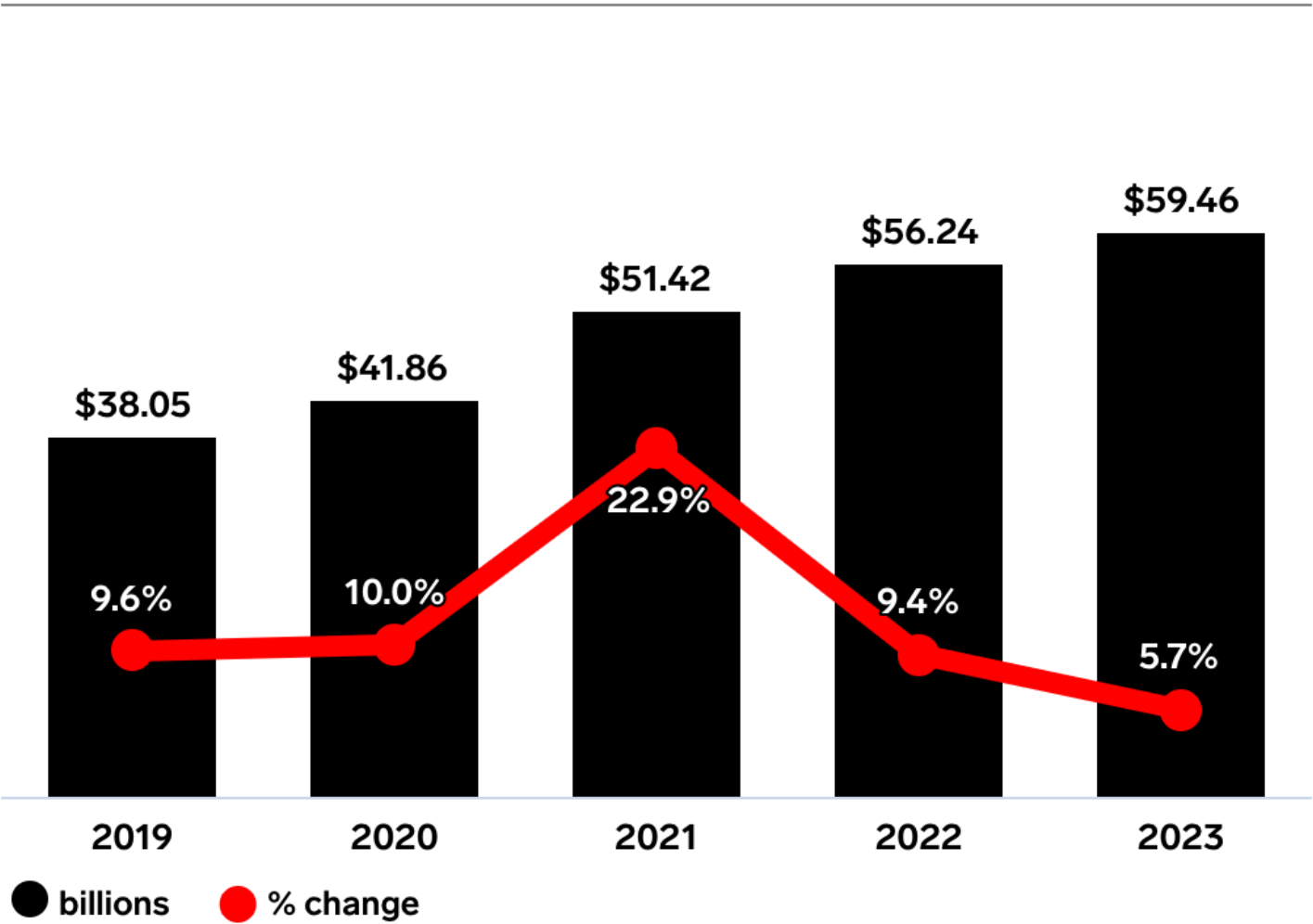
- **Neobanking.** When **Hazel** came out of stealth mode in January, Walmart, which launched the fintech with Ribbit Capital, said it would get into neobanking. Hazel will be renamed **ONE** after a neobank that it's acquiring and will offer products through an app and in Walmart stores. Services will also be available through collaborations with other merchants and employers.
- **Deposit accounts.** Walmart rolled out a demand deposit account (DDA) version of its prepaid debit card, Walmart MoneyCard, in June 2021. The DDA is accessible both online and in Walmart's stores.

The big takeaway: Walmart is making an omnichannel play that is effectively its own version of branch banking. Its mass-market approach is a continuation of how it serves its customer base and stands in contrast to branch strategies that incumbent banking players are trying out in the US.

- Hybrid branches offered by banks like **PNC** and **U.S. Bank** emphasize hands-on customer service for complex needs while pushing self-service for transactional tasks.
- **TD Bank's** New York City flagship branch, a version of the hybrid model, has an open floor plan designed to reflect how consumer habits have shifted since the pandemic started.
- **M&T Bank** revamped its branches to serve people from different backgrounds: They can use banking services in their preferred languages, and there are staff who understand cultural nuances.

Remittance Inflow

Mexico, 2019-2023



Source: eMarketer, December 2021

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