

Walmart Is an Ecommerce Winner During Pandemic

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Walmart's US ecommerce sales are expected to rise 44.2% to \$41.01 billion this year, a significant bump from 2019's stellar 36.8% growth—and an increase from our January 2020 estimate of 27.0%.



With this increase, Walmart will solidify its No. 2 spot on our top 10 ecommerce companies list, still far behind Amazon but pulling further

ahead of eBay, which is expected to grow just 2.7% this year.

Thanks to Walmart's prior investments in online grocery delivery and pickup services, the retailer appears to be in a strong position as consumers have increasingly turned to ecommerce amid the pandemic.

In the company's fiscal 2021 Q1 results, Walmart's digital sales surged 74%, nearly double the 37% growth rate during the same period last year. In Walmart's earnings call, company president Doug McMillon noted, "The number of new customers using pickup and delivery had increased fourfold since mid-March," which was around when shelter-at-home orders began in the US.

A March survey by [Gordon Haskett Research Advisors](#) also supports this finding. Among US online grocery shoppers who have made their first online grocery order in the past week, Walmart was the most popular destination, cited by 58% of respondents.

And while other ecommerce retailers struggle to keep up with increased demand, Walmart has quickly ramped up its operations by utilizing its vast physical footprint to fulfill online orders. The company has temporarily started using 2,500 stores to fulfill orders and address the backlog in its online operations. The company also recently launched Express Delivery at 1,000 stores, which promises to deliver online orders in less than 2 hours.

In an interview with The Wall Street Journal, Walmart CFO Brett Briggs said, "It is a big advantage being an omnichannel retailer and I think that is showing right now. We were able to quickly use stores to fill online orders."

We forecast that the big-box retailer will grow its share of total US retail ecommerce sales to 5.8% this year, up from 4.7% in 2019.