

# The next phase in Walmart marketplace's growth is integrating fulfillment services

Article

Recently, Walmart rolled out a suite of new features at its first-ever seller summit, including enhanced fulfillment and logistics services for merchants. As Walmart attempts to challenge

Amazon's marketplace dominance, integrating fulfillment allows it to take advantage of its physical footprint for a more comprehensive marketplace offering.

**Making gains:** Walmart's marketplace has doubled in size over the past 18 months to reach 100,000 active sellers, according to Marketplace Pulse research.

- Over the past few years, Walmart has opened its marketplace to international merchants from China, Canada, Japan, and the UK, according to our [US Retail Ecommerce Marketplaces Forecast 2023](#) report.
- Now, the marketplace offers around 400 million SKUs from marketplace sellers, up from 75 million pre-pandemic, per our report.

**New and improved:** To keep current sellers loyal and attract new ones to the platform, Walmart announced a slate of new marketplace features at its seller summit.

- With Brand Shops and Brand Shelves, merchants can create their own dedicated storefronts to highlight specific products and differentiate themselves from the competition.
- Merchants with physical stores can now use Walmart's technology to enable in-store pickup and same-day delivery.
- Sellers can also use Walmart Fulfillment Services to ship big and bulky items.

**On the other hand:** Amazon is bulking up its fulfillment services, too.

- The ecommerce giant has relaunched its ground shipping service, Amazon Shipping, and reopened its Seller Fulfilled Prime program, which allows merchants to use logistic services other than Amazon's own to deliver goods.
- Amazon has also launched Supply Chain by Amazon, an end-to-end service that enables merchants to move goods quickly from manufacturers to customers' doorsteps.

**Walmart's secret weapon:** Though Walmart Inc. will generate only a fraction of what Amazon's marketplace ecommerce sales will be this year (\$8.57 billion vs \$277.91 billion, per our forecast), its physical footprint gives it an advantage.

- If Walmart used its stores as marketplace fulfillment centers (like it does with its own merchandise), it could speed up delivery times, potentially in a cheaper way.
- This could also attract more sellers looking for quicker fulfillment options.

“Walmart’s unique strength in online retail comes from retail stores that fulfill 50% of online orders,” wrote Juozas Kaziukėnas, founder of Marketplace Pulse, in a recent post. “[But] the marketplace doesn’t integrate into that ... that’s the critical integration to unlock, more important than the next 100,000 sellers and their 100s of millions of products.”

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