

Walmart's leaked documents showcase its plans to take on Amazon

Article

Internal company documents from March 2020 [obtained](#) by Insider reveal the retailer's initiative—dubbed “Project Glass”—to strengthen its business and take on Amazon head-on.

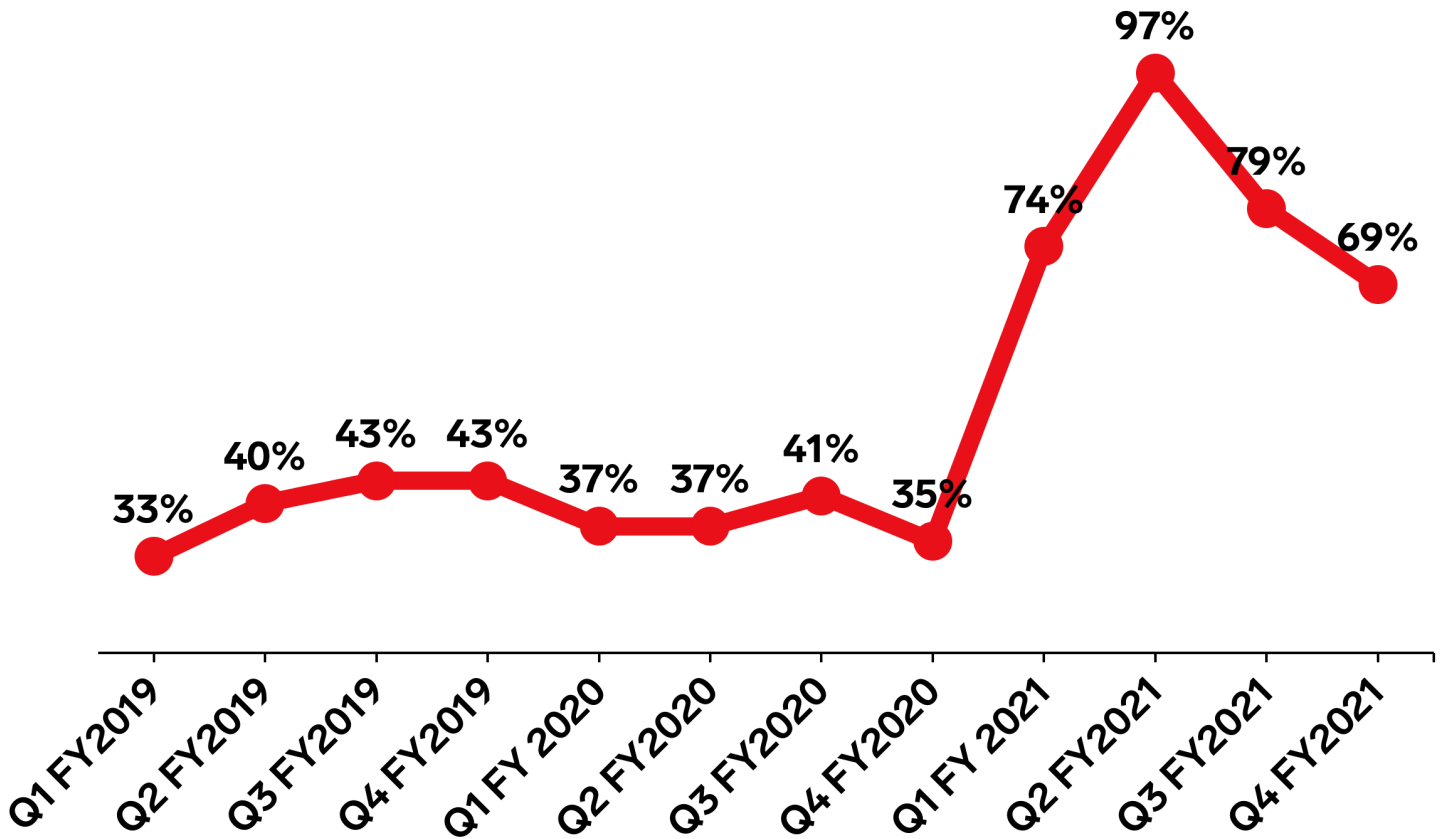
Here's what you need to know:

- **The leaked documents call attention to Walmart's trailing of Amazon.** Although Walmart has an advantage over Amazon when it comes to brick-and-mortar retail, internal company research found that it was falling way behind on meeting online customer expectations related to needs and experience. Shopping for immediate needs and everyday essentials was 25% more common on Amazon than it was on Walmart's site, for instance.
- **Walmart intended to ramp up digital offerings to keep up with Amazon.** Online friction and poor customer shopping frequency were key issues flagged in Walmart's leaked documents. One solution noted by the retailer was building a more unified online shopping experience for customers to consolidate all of its digital capabilities across its app and website, making it easier for customers to find and purchase products.

A year out, Walmart has hit some of the ecommerce goals it outlined in Project Glass. The [launch](#) of Walmart+ in September was one of the retail giant's key moves to take on Amazon. With an annual price tag of \$98, lower than Amazon Prime's \$119, Walmart+ features perks such as unlimited free delivery and fuel discounts. The retailer also enhanced its overall ecommerce shopping experience by [dropping](#) the \$35 delivery minimum it used to require for 2-hour delivery as well as [introducing](#) a convenient online return service. These offerings are likely what enabled Walmart to grow its ecommerce sales 76% year over year in 2020, [per](#) eMarketer forecasts from Insider Intelligence. Improving its ecommerce business also might've helped Walmart compete head-on with Amazon

Going forward, it may lean on its recent tech innovations and initiatives to compete more directly against Amazon. In October 2020, Walmart [unveiled](#) retail labs to test out prototype store layouts and innovations for omnichannel assortment, fulfillment, order pickup processes, and checkout. More recently, it introduced new [customer perks](#) as well as a tech-laced [initiative](#)—which ties in its [system](#) of automated order fulfillment bots—to enhance and ramp up online order fulfillment processes. Combined, these efforts can help Walmart strengthen its entire business to offer customers a more seamless shopping experience online and offline and better compete for overall retail market share with Amazon, which has been gradually [making its way](#) into the brick-and-mortar retail space.

Walmart US Ecommerce Annual Sales Growth



Source: Walmart, 2021

Methodology: Walmart released these figures as part of its fiscal Q4 2021 (ended January 29, 2021) earnings report on February 18, 2021.

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