Walmart is determined to make SMS shopping happen

Article

The news: Walmart is testing an SMS-assisted ecommerce tool called "**Walmart Text to Shop**," in an expansion of its conversational commerce functionality, the company announced last Thursday.

Why it could backfire: Walmart has tried—and failed—to launch text shopping before. It launched a shopping service called **Jetblack** in 2018, a $50-a-month subscription that let

customers text in orders to be fulfilled same- or next-day.

- However, Jetblack was far more luxurious than the new Text to Shop, as it employed professional buyers and offered extra services, like gift wrapping and handwritten notes.

- Plus, it shut down in February 2020, right before the big pandemic ecommerce boom.
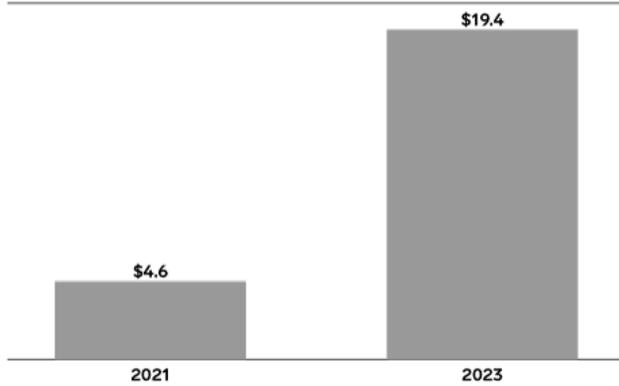
    Why it could succeed: Text to Shop is free and more broadly applicable than Jetblack.

- Instead of using professionals to parse customers' orders, it will likely use AI and customer data.

- That's how Walmart parses orders for its voice shopping tool, **Walmart Voice Order.** The tool launched in 2019 in partnership with **Google** and **Apple**. It uses natural language processing and data to make sense of orders; for example, if a customer adds milk to their cart, it uses past orders to figure out which brand of milk they probably want.

More broadly, voice shopping is rapidly gaining popularity. **Juniper Research** estimates that worldwide voice-assisted ecommerce sales will hit $4.6 billion this year—and then more than quadruple to $19.4 billion by 2023.

Voice Assistant Ecommerce Sales Worldwide, 2021 & 2023
billions

2021	$4.6
2023	$19.4

Note: transaction value via voice assistant
Source: Juniper Research, "Voice Assistant Markets: Monetization Strategies, Competitive Landscape & Market Forecasts 2021-2026" as cited in press release, Aug 3, 2021

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Like voice shopping, shopping via SMS and other forms of messaging is conversational—customers don't feel like they're interacting with a machine. Given how well voice shopping is doing, messaging makes sense as the next frontier.

- 83% of consumers worldwide said they would browse or buy products in messaging conversations, according to **LivePerson**'s Consumer Preferences for Conversational Commerce and AI report.

  Why it matters: Text to Shop, like Voice Order, could open up a treasure trove of consented, first-party data.

- With conversational commerce, it's beneficial for customers to share data with Walmart and access Walmart across multiple devices so that the company can remember their past orders and create the most streamlined experience possible.

- Walmart can then use that data to send more relevant, personalized offers to those customers and understand broader shopping habits.

- Ultimately, that could help grow its retail media ad platform, **Walmart Connect.** Walmart's ad revenues will grow a massive 53.5% this year to $1.55 billion, per our latest estimates.