

How Walmart took on inflation

Article

Walmart's latest earnings showed inflation is still making an impact but not as big as analysts expected.

\$152.9 billion: [Walmart, Inc.'s total revenues in Q2 2022](#), the company said Tuesday, up **8.4%** over the previous quarter and outpacing analyst expectations. Ecommerce sales increased **12%** year over year (YoY).

75%: Walmart's [food market share gains from customers earning over \\$100,000](#), according to CNBC. Inflation has impacted consumer behavior not only in grocery, which saw double-

digit comparable sales growth, but also in general merchandise, which saw sales drop in apparel, electronics, and home products.

8.9%: Increase in [Sam's Club membership in Q2](#), reaching an all-time high. The warehouse club saw a **9.5%** increase in same-store sales.

\$2.53 billion: Our forecast for [Walmart's ad revenues](#) in 2022, a **58.0%** growth YoY. [Global ad business grew 30% in Q2](#). The retailer recently added four API partners in its Walmart Connect retail media network: **Quartile** (ecommerce cross-channel ad platform), **Sellozo** (ad optimization platform), and ecommerce ad platforms **Perpetua** and **Intentwise**.

30%: The increase in **Colgate-Palmolive's** new customers for its line of dorm necessities after it [used Walmart's retail media network](#). The campaign resulted in an **8%** increase in sales and an **\$11.16** return on ad spend.

11%: The number of [US consumers who subscribe to Walmart+](#), lagging behind **Amazon Prime (62%)**, **Costco Wholesale (28%)**, and **Sam's Club (26%)**. Walmart said Monday [subscribers would receive Paramount+ for free](#), as it hopes to encourage user adoption.

44%: The percentage of US shoppers who said retailers don't have the technological infrastructure to deal with [increased or fast-changing customer demand](#), per Retail Insights. In order to get more insight into merchandising data, [Walmart is acquiring Volt Systems](#). The retailer said the platform will help it forecast and optimize product assortment.

Why we care: After a rocky start, Walmart is outpacing expectations. The retailer's reputation as a low-cost provider is bringing in new customers—and sales—during this inflationary period. Its retail media network is another bright spot: We forecast [US digital retail media ad spending](#) will reach **\$40.81 billion** this year, more than triple its pre-pandemic total.

This was originally featured in in the Retail By the Numbers newsletter. For more retail insights, statistics, and trends, [subscribe here](#).