Walmart ????????????

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???Rishi Kumar



Walmart's "Save Money. Live Better" tagline defines the global retailer's brand promise everywhere you find Walmart – in stores, online, and on the ubiquitous Walmart trucks crisscrossing the United States. These days, Walmart is doubling down on the "Live Better" part. And, in a sense, so are many other retailers as they sense and respond to how the COVID-19 pandemic has made people more conscious of their health. And the shift in consumer attitudes and behaviors will likely shape retail forever.

The Impact of COVID-19

By now, it is clear that the pandemic has altered how people shop in many profound ways. Consider these realities:

- **People have embraced eCommerce**. COVID-19 has accelerated the shift away from physical stores to digital shopping by roughly five years, **according to an IBM study**. eCommerce is expected to grow by 20 percent in 2020. (For Walmart, eCommerce grew by 97 percent year over year in its most recent quarter.)
- **The brick-and-mortar shopping experience has changed**. Shoppers have returned to stores after state-government-mandated lockdowns triggered a historic drop in sales for retailers. But people are not shopping the way they used to. They're not lingering in stores and casually browsing for products; instead, shopping means quickly moving through the store and avoiding other shoppers. Many shoppers are not bothering to enter the store, as evidenced by the rise of curbside pickup services.

In light of these changes, we've seen some retailers flourish and others struggle:

- Retail chains such as JCPenney, Neiman Marcus, and Stein Mart have declared bankruptcy . Others, such as the Gap, have shuttered scores stores.
- But retailers that had already established strong omnichannel operations, such as Target and Walmart, have flourished. Not only have these two businesses mastered the online-to-offline experience, they've also developed direct-to-consumer conveniences such as curbside pickup. As my colleague Mike Edmonds recently blogged, Target and Walmart have built nearly unassailable moats to protect their businesses.

In addition, Walmart has positioned itself well for long-term growth by doing something else: acting like a health and wellness brand.

How Walmart Has Evolved

Walmart has successfully sensed and responded to a heightened shopper interest in health and safety in a few notable ways:

- **Making the in-store experience more safe**. Early on, as the pandemic spread, Walmart quickly adopted new protocols to make the shopping experience more comfortable and safer. Those changes included, among other measures, using prominent floor decals to help people be mindful of standing six feet apart; setting aside special hours for higher-risk individuals such as seniors to shop; and mandating that customers wear face masks. In addition, Walmart partnered with Instacart to launch same-day delivery, complementing its already-strong curbside delivery services. All of these changes made it possible for Walmart to nimbly adapt to the shift in consumer behavior.
- **Expanded its health and wellness services**. This was a change that preceded the pandemic, but Walmart set itself up well by developing health-related services. Those services include opening outpatient treatment clinics, partnering with Capital Rx to make prescription drugs more accessible and affordable. In addition, in March, **The Wall Street Journal** reported that Walmart was working with Verizon to offer 5G services that would improve telehealth availability in Walmart stores.

As a recent Fast Company article noted, "every brand needs to behave like a health and wellness brand." Because of Walmart's ability to sense and respond, the company is already doing that.

Lessons Learned from Walmart

Walmart did not specifically anticipate the outbreak of a pandemic in building these services. Rather, Walmart's ace in the hole is an ability to:

- Understand bigger consumer trends such as the aging of the population and an attendant need for more affordable health services.
- Apply technology, process improvements, and even a willingness to transform its business to act respond.
- In the short-term, act nimbly to adapt, such as the incorporation of new protocols to respond to the new in-store shopping experience.

The key for retailers at this point is to act with agility. Walmart needed to be agile in order to make both longer-term changes to its operations (to accommodate services such as healthcare) and to enact rapid changes such as making the in-store shopping experience safer and more comfortable in the era of social distancing. To act with agility, a business needs:

- Organizational alignment around common goals and objectives in order to change as customer behavior changes.
- Alignment of informational technology with operational changes. For instance, incorporating curbside pickup and same-day delivery requires aligning AI-powered inventory forecasting and fulfillment to manage well. Especially at a time when the pandemic is triggering rapid and dramatic changes in behavior, businesses need the right tools to provide visibility into the supply chain.

Centific can help retailers act with agility as consumer behavior continues to evolve and businesses require stronger alignment between people, processes, and technology. We are a transformation partner for clients in areas ranging from enterprise AI solutions to cloud enablement. We apply a human-centric approach to innovation, which ensures that modern enterprises build meaningful customer experiences that deliver measurable outcomes. Contact us to learn how we can be a transformation partner with you.

About the Author:

Rishi Kumar is Associate Vice President with Centific. He is a thought leader, transformation strategist with 15+ years of industry experience focusing on business transformation, digital transformation, and enterprise agile transformation. With his thought leadership and commitment to customer centricity, he helped multiple fortune 100 companies in their Digital Transformation journey. He is focused on making strategic client relationships and solving their problems as a strategic partner. He played various roles like Portfolio manager, Practice Lead, Enterprise Agile Coach, Digital Engagement Director etc. He is an exceptionally involved people person and inclusive leader.Rishi resides with his family in Bentonville, Arkansas.

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