

How Brands Boost Sales & Satisfaction on Walmart.com

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BY AMY

The explosive growth of online shopping has forced brands to re-examine their e-commerce processes to stay competitive and profitable. In particular, out-of-stocks are a common, costly retail challenge, as product shortages frustrate online shoppers – and even prompt them to leave brands.

According to McKinsey & Company, forty-eight percent of consumers switched to a different brand in 2020 because those **products were in stock**. Among these consumers, seventy-three percent plan to keep using the new brands, linking product availability gaps to the erosion of sales and loyalty. Conversely, brands with effective inventory planning and replenishment can keep items in stock, drive sales and improve the customer experience.

Retailers like Walmart, collaborating with these brands to meet customer demand, are still facing inventory challenges but, as noted in 2021 Q3 earnings, inventory was up almost twelve percent year-over-year as they worked to stay ahead of increased holiday demand. They have also adjusted in-store operations to accommodate ever-growing e-commerce demands, especially within grocery-centric categories, as digital grocery buyers now amount to more than half the U.S. population.

Maximizing Conversions with Category Insights

Walmart's dot-com strategy is paying off in spades, considering they surpassed Amazon as the leading U.S. grocery e-commerce retailer in 2020 and grew another forty-one percent in Q3, 2021. Our team has been actively



tracking **digital shelf analytic** KPIs on Walmart.com to identify inventory and promotional performance improvement opportunities at a category level to support brands in capitalizing on these digital growth opportunities.

The latest analysis is summarized below, reviewing average category **availability** and discount trends occurring each week of the month, from May to August 2021, at a category level. A recent report found **the 29th of each month** to be the busiest day for online sales because consumers often get paid at the end of the month, which made DataWeave analysts wonder:

- Which categories are maximizing their growth potential on Walmart.com and where are the greatest opportunities for improvement during periods of increased demand?
- How do increased demand periods (like payday) impact category online availability?
- Are category promotions offered at the right times throughout the month to best support demand?

When Seasonal Demand for Groceries and Payday Merge

Across all Walmart.com food categories tracked, Week 5 – where payday commonly falls for most consumers, had the lowest average product availability, while Week 4 had the highest average product availability for all categories except Deli and Fruits and Vegetables. These findings may inspire Walmart's brand partners to rethink their **inventory and assortment planning**, replenishment and even **pricing** efforts to maintain a healthy stock closer toward the end of the month to match higher demand.

The categories with the greatest difference in average availability during Week 5 versus the rest of the month were Snacks & Candy, Beverages and Alcohol, indicating consumers consistently made these types of purchases closest to payday, when income was highest throughout the month. Seasonality is a secondary factor that influenced demand for these items given events like Memorial Day, Fourth of July, Summer Break, and Back-to-School shopping all took place during our analysis. Additionally, most holidays overlapped payday, which also furthered Week 5 demand.

Category	Availability					
	Week 1	Week 2	Week 3	Week 4	Week 5	Average (Week 1-4)
	Days 1-7	Days 8-14	Days 15-21	Days 22-28	Days 29, 30, 31	
Alcohol	77.1%	78.4%	77.9%	82.5%	74.1%	79.0%
Beverages	80.1%	81.8%	80.5%	82.7%	75.6%	81.3%
Bread & Bakery	76.8%	76.7%	75.3%	77.2%	72.3%	76.5%
Deli	91.8%	91.3%	90.4%	90.0%	88.4%	90.9%
Eggs & Dairy	89.9%	90.6%	89.5%	91.0%	88.2%	90.3%
Frozen	88.4%	87.8%	87.3%	88.9%	86.7%	88.1%
Fruits & Vegetables	81.6%	81.1%	80.2%	80.9%	77.2%	80.9%
Meat	87.9%	87.1%	86.6%	87.5%	84.6%	87.3%
Pantry	89.3%	90.0%	88.8%	89.7%	85.7%	89.5%
Snacks & Candy	79.3%	79.8%	78.0%	80.7%	73.2%	79.4%

Source: DataWeave Digital Shelf Analytics for Brands – Category average availability percentages from May to August 2021 between Week 1 (the 1st to the 7th day of the month) and Week 5 (the 29th, 30th and 31st day of the month).

Coupling availability with discounts allows us to consider whether consumers buy more in Week 5 due to high discounts or increased purchasing power, or both. In reviewing the average category discounts offered within the same grocery-centric categories analyzed above, we found almost every grocery category showed a higher discount in Week 5 compared to the rest of the month, except for Bread & Bakery and Alcohol.

Category	Avg Discount							Diff (week 5 Vs week 1-4)
	Week 1	Week 2	Week 3	Week 4	Week 5	Average (Week 1-4)		
	Days 1-7	Days 8-14	Days 15-21	Days 22-28	Days 29, 30, 31			
Alcohol	12.64%	12.44%	12.32%	11.44%	12.42%	12.2%	-0.2%	
Beverages	14.14%	14.50%	14.50%	14.08%	15.55%	14.3%	-1.3%	
Bread & Bakery	13.97%	14.02%	14.22%	13.85%	13.63%	14.0%	0.4%	
Deli	11.11%	11.22%	11.37%	11.31%	11.41%	11.3%	-0.1%	
Eggs & Dairy	13.21%	13.43%	13.58%	13.36%	14.11%	13.4%	-0.7%	
Frozen	12.96%	13.12%	13.24%	12.97%	13.73%	13.1%	-0.6%	
Fruits & Vegetables	17.16%	17.84%	18.22%	17.85%	19.27%	17.8%	-1.5%	
Meat	10.42%	10.44%	10.72%	10.88%	11.72%	10.6%	-1.1%	
Pantry	14.51%	14.72%	15.13%	14.77%	16.87%	14.8%	-2.1%	
Snacks & Candy	14.89%	15.92%	16.61%	16.15%	19.21%	15.9%	-3.3%	

Source: DataWeave Digital Shelf Analytics for Brands – Category average discount percentages from May to August 2021 between Week 1 (the 1st to the 7th day of the month) and Week 5 (the 29th, 30th and 31st day of the month).

Regarding Alcohol, during Week 4, when average availability was the highest, the average discounts offered were the lowest. This can indicate inventory was primed for payday shoppers (and the holidays of course). Bread & Bakery offers the greatest average discounts when inventory levels are lowest on average, indicating Week 3 is a great time to stock up, while Week 4 might be a great time to buy the freshest inventory.

The greatest average discounts in Week 5 were in Snacks & Candy, Pantry and Fruits & Vegetables. Deeper discounts for Snacks & Candy in Week 5 may have helped brands compete for consumers' disposable income despite being a discretionary category. Pantry brands' discounts may have reflected a need to compete for shoppers' attention. During this period, consumers were out

of the house more and less likely to use these grocery staples compared to earlier lockdown periods and cooler months.

Making Specialty Categories and Health a Priority for Online Shoppers

Interestingly, the only two categories where inventory was higher in Week 5 versus all other weeks each month were ‘Special Diets’ foods and ‘Summer Flavors’, although ‘Special Diets’ foods consistently maintained the lowest level of average availability each week across all food categories analyzed. This consistent lack of inventory could indicate a great opportunity for brands to increase inventory for dietary products sold on Walmart.com.

Category	Availability					
	Week 1	Week 2	Week 3	Week 4	Week 5	Average (Week 1-4)
	Days 1-7	Days 8-14	Days 15-21	Days 22-28	Days 29, 30, 31	
Organic Shop	91.7%	92.7%	91.9%	92.5%	90.7%	92.2%
Special Diets	40.7%	35.2%	33.9%	34.3%	41.2%	36.0%
Summer Flavors	90.0%	88.9%	87.5%	89.6%	91.4%	89.4%

Source: DataWeave Digital Shelf Analytics for Brands – Category average availability percentages from May to August 2021 between Week 1 (the 1st to the 7th day of the month) and Week 5 (the 29th, 30th and 31st day of the month).

The average availability for ‘Summer Flavors’ foods verifies brands are maintaining a solid replenishment strategy for these seasonal items, and a high likelihood consumers will happily find what they need to plan their Summer gatherings on Walmart.com. One alarming factor we found was the change in average discounts offered during Week 5 versus Weeks 1 through 4, indicating promotions surrounding payday may be driving sales volume versus organic demand.

Category	Avg Discount						
	Week 1	Week 2	Week 3	Week 4	Week 5	Average (Week 1-4)	Diff (week 5 Vs week 1-4)
	Days 1-7	Days 8-14	Days 15-21	Days 22-28	Days 29, 30, 31		
Organic Shop	20.47%	20.15%	20.81%	20.11%	22.02%	20.4%	-1.6%
Special Diets	31.08%	33.56%	33.78%	32.26%	32.21%	32.7%	0.5%
Summer Flavors	19.29%	24.84%	25.44%	21.49%	27.00%	22.8%	-4.2%

Source: DataWeave Digital Shelf Analytics for Brands – Category average discount percentages from May to August 2021 between Week 1 (the 1st to the 7th day of the month) and Week 5 (the 29th, 30th and 31st day of the month).

Digital Growth Opportunity in Meal Kits and Kids’ Meals

Two categories primed for growth, according to Statista, are meal kits and kids’ food and beverages. Their research indicates retail sales for kids’ food has grown steadily year-over-year since 2013, and a recent report also indicates meal kit sales are expected to more than double 2017 sales in 2022, reaching \$11.6 billion in the U.S., spurred by pandemic-induced demand. A concerning find in our research indicates both categories, ‘Easy Meal Solutions’ and ‘Kid Friendly Foods’ on Walmart.com, showed great volatility when it comes to in-stock availability. For example, in Week 1, ‘Easy Meal

Solutions' had an average availability nearly half the average of the rest of the month (around nineteen percent versus nearly thirty-eight percent), and in Week 5, payday week, 'Kid Friendly Foods' saw the biggest drop in average availability compared to Weeks 1 through 4 (over sixty-seven percent versus seventy-five percent) indicating supply may not be keeping up with the heightened demand.

Category	Availability					
	Week 1	Week 2	Week 3	Week 4	Week 5	Average (Week 1-4)
	Days 1-7	Days 8-14	Days 15-21	Days 22-28	Days 29, 30, 31	
Baby	81.6%	82.5%	81.4%	82.1%	76.6%	81.9%
Easy Meal Solutions	19.3%	41.9%	45.9%	43.2%	32.4%	37.6%
Kid Friendly Foods	69.2%	74.4%	75.3%	81.0%	67.6%	75.0%
Pets	83.5%	84.4%	83.3%	84.0%	78.5%	83.8%

Source: DataWeave Digital Shelf Analytics for Brands – Category average availability percentages from May to August 2021 between Week 1 (the 1st to the 7th day of the month) and Week 5 (the 29th, 30th and 31st day of the month).

The heightened average discounts offered during Week 5 for 'Baby' and 'Pets' items indicate two categories consumers will most likely stock up on during payday.

Category	Avg Discount						
	Week 1	Week 2	Week 3	Week 4	Week 5	Average (Week 1-4)	Diff (week 5 Vs week 1-4)
	Days 1-7	Days 8-14	Days 15-21	Days 22-28	Days 29, 30, 31		
Baby	17.62%	18.27%	19.21%	19.26%	21.83%	18.6%	-3.2%
Easy Meal Solutions	11.59%	9.57%	9.95%	6.68%	10.57%	9.4%	-1.2%
Kid Friendly Foods	10.07%	8.65%	9.83%	9.20%	9.25%	9.4%	0.2%
Pets	31.57%	31.78%	31.30%	30.53%	32.53%	31.3%	-1.2%

Source: DataWeave Digital Shelf Analytics for Brands – Category average discount percentages from May to August 2021 between Week 1 (the 1st to the 7th day of the month) and Week 5 (the 29th, 30th and 31st day of the month).

Back to School Stock-Outs

U.S. retail sales unexpectedly increased in August, likely boosted by **back-to-school shopping** and child tax credit payments. Meanwhile, **product shortages** and other supply chain issues slowed 2021's back-to-school sales, possibly affecting school supplies' and clothing availability on Walmart.com. According to our analysis, the average product availability in Walmart.com's school supplies category fell from over sixty-two percent during Weeks 1 through 4 to nearly forty-two percent in Week 5.

Warmer weather, seasonal events, reduced lockdowns, and vaccination efforts led more Americans to resume in-person socializing, giving reason to update their spring and summer wardrobes. In July, Forbes shared that **three-quarters of shoppers are purchasing apparel, accessories and shoes the most**. On average, only around sixty-three percent of clothing items were available on Walmart.com during Weeks 1 through 4. However, in Week 5, that

figure plummeted to just over thirty-eight percent, the most significant drop among all categories.

Category	Availability					
	Week 1	Week 2	Week 3	Week 4	Week 5	Average (Week 1-4)
	Days 1-7	Days 8-14	Days 15-21	Days 22-28	Days 29, 30, 31	
Clothing	69.0%	63.2%	58.6%	62.3%	38.7%	63.3%
School Supplies	71.1%	65.4%	68.0%	45.5%	41.7%	62.5%

Source: DataWeave Digital Shelf Analytics for Brands – Category average availability percentages from May to August 2021 between Week 1 (the 1st to the 7th day of the month) and Week 5 (the 29th, 30th and 31st day of the month).

Demand for new fashion remained high throughout this period, seemingly fueled organically, as only moderate additional discounts took place in Week 5, and although the average discount on school supplies was only around twenty-seven percent during Weeks 1 through 4, it surged to just over forty-seven percent in Week 5. Generous additional discounts in Week 5 may have inspired online shoppers to shift spending from clothing to school supplies in late July and August ahead of students' return to the classroom.

Category	Avg Discount						
	Week 1	Week 2	Week 3	Week 4	Week 5	Average (Week 1-4)	Diff (week 5 Vs week 1-4)
	Days 1-7	Days 8-14	Days 15-21	Days 22-28	Days 29, 30, 31		
Clothing	52.36%	54.93%	54.84%	53.27%	56.49%	53.8%	-2.7%
School Supplies	22.52%	25.74%	28.66%	32.78%	47.63%	27.4%	-20.2%

Source: DataWeave Digital Shelf Analytics for Brands – Category average discount percentages from May to August 2021 between Week 1 (the 1st to the 7th day of the month) and Week 5 (the 29th, 30th and 31st day of the month).

Prioritizing Product Availability with Digital Advertising Strategies

Seventy-eight percent of B2C marketers **increased their 2021 digital advertising spend** to fuel online product discoverability (**Share of Search**), and sales and market share, but out-of-stock experiences simultaneously **surged 172%** this year from pre-pandemic levels. Paying for ads that drive traffic to your out-of-stock products can be as detrimental to your brand as a bad user experience. Our review of the 'Featured Products' sold on Walmart.com show consistent, low-levels of product availability each week throughout the months reviewed.

Category	Availability					
	Week 1	Week 2	Week 3	Week 4	Week 5	Average (Week 1-4)
	Days 1-7	Days 8-14	Days 15-21	Days 22-28	Days 29, 30, 31	
Featured Products	24.8%	24.0%	25.4%	29.2%	24.5%	25.9%

Source: DataWeave Digital Shelf Analytics for Brands – Category average availability percentages from May to August 2021 between Week 1 (the 1st to the 7th day of the month) and Week 5 (the 29th, 30th and 31st day of the month).

Additionally, the average discount offered on these products tended to be higher than most other categories reviewed, indicating brands participating in the featured product section of the website were not only investing in digital ads, but also doubling down with promotional activity as well.

Category	Avg Discount						
	Week 1	Week 2	Week 3	Week 4	Week 5	Average (Week 1-4)	Diff (week 5 Vs week 1-4)
	Days 1-7	Days 8-14	Days 15-21	Days 22-28	Days 29, 30, 31		
Featured Products	51.97%	60.30%	58.93%	58.91%	63.82%	57.5%	-6.3%

Source: DataWeave Digital Shelf Analytics for Brands – Category average discount percentages from May to August 2021 between Week 1 (the 1st to the 7th day of the month) and Week 5 (the 29th, 30th and 31st day of the month).

How Brands can Replenish Their Digital Shelf

It is well known just how important it is to have products available during the right time of day, week, month, or season to improve customer satisfaction rates, but with your e-commerce store open 24/7 and omnichannel fulfillment strategies in place, it drastically changes the way in which strategic execution is prioritized for a retailer to reduce basket abandonment and for brands to build loyalty.

Our greatest takeaway from this analysis is realizing how crucial it is for brands to proactively track product availability and competitive pricing insights to stay ahead of the curve and achieve their digital growth goals. Early visibility to stock replenishment could help brands align with heightened cyclical and seasonal demand to avoid out-of-stocks and grow e-commerce sales.

This is why more leading brands now rely on our [Digital Shelf Analytics](#) solutions, including Pricing and Availability insights, to keep eCommerce planning agile, to maximize online conversions, and ultimately maintain shopper satisfaction and loyalty.

- [Amy Fieber](#)

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