

Berkeley Center for Law and Business

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Walmart Crushed the Holidays By: Hilarie Bellis, J.D. Candidate 2019 | February 20, 2019

While many stores struggle to keep up sales against online retailers, especially Amazon, Walmart posted <u>impressive sales numbers</u> during the 2018 holiday season. Walmart saw an increase in both in-store sales as well as online sales, seeing a 4.2% rise in in-store sales compared to last holiday season. Even more impressive, digital sales increased by 43%, likely due to online pickup and delivery options as well as Walmart's new grocery pickup feature. In 2019, Walmart's total revenue rose by <u>2.8%</u>. Walmart will continue to expand its pickup, delivery, and grocery options to stores across the United States throughout 2020. This will likely help the company continue its impressive growth.

It is worth noting that this was the first holiday season in recent years without Toys 'R' Us. Walmart made a strategic decision to stock up on toys for holiday shoppers, which helped the company grow holiday sales.

Rather than focusing on opening new stores, Walmart will focus on expanding its online platform. Walmart plans to open only ten new stores in 2019. The company is instead focused on expanding its delivery and pickup options at its current locations. While the company predicts growth in its online profile, Walmart says that online sales growth will likely slow to 35%.

To further boost its online profile, Walmart has made <u>aggressive acquisitions</u> of companies like Bonobos, Bare Necessities, and Modcloth. These acquisitions—specifically Bonobos and Modcloth—are are an effort to gain affluent and millennial customers that favor online shopping. Walmart also acquired Jet.com, an online retailer, back in 2016 in an apparent effort to compete more directly with Amazon.

Though Walmart may claim a victorious holiday season, Amazon also claimed record-breaking numbers. The online retailer said it <u>sold more items than ever before</u> on Amazon.com over the holidays, and <u>one billion items</u> were shipped with Amazon Prime during the holiday season.

