Walmart 🚬

Headquarters: Bentonville, AR Founded: 1962 Industry: Retail / Ecommerce

The challenge

Testing program was succeeding at lifting site conversion rates, but lacked alignment towards desired customer experience and loyalty goals

The solution

Qualitative customer feedback to focus teams on the most impactful digital improvements

The outcome

Streamlined decision-making, making site improvements based on customer preferences that yield more conversions and higher revenue

Walmart.ca increases on-site conversions by tailoring experiences to customer needs

Fulfills commitment to founding principle, taking a customer-focused approach to digital

The challenge

walmarc

Since its beginnings, Walmart has always been focused on the needs of its customers. Founder Sam Walton built and ran his business on this philosophy, insisting, "Customers are not cold statistics. They are flesh and blood human beings with emotions and feelings just like our own."

Yet, in order to improve the customer experience for the more than 600,000 daily visits to Walmart.ca—to increase traffic to the website as well as drive on-site conversions—the Walmart Canada Site Optimization team was largely relying on quantitative data, such as transactional data from analytics and A/B testing.

"For some departments, user research was seen as inferior to 'real data,'" noted David Raine, Manager, Site Optimization, Walmart.ca. "It was tough to paint a story that, even without numbers behind your insights, user research is still data and valuable towards driving a business decision."

By focusing on quantitative data, the team found that it was running lots of tests, but in a scattershot manner. Lacking an overlying framework or strategy, they just kept moving from test to test according to perceived areas of opportunity and pushing out incremental site enhancements without a sense of where to go to next.

As a result, the team was burning out, perplexed as to why all of their efforts were failing to yield longer term outcomes. And with more tests being run and more results to sift through, there were more opinions and conflicting expectations. There wasn't a clear answer to the question, "What should we do next?" and—more importantly—no context as to why.

User Testing

୧୧

We were looking at our tests individually and independently and we didn't have a North Star to figure out, as a whole, 'Is this still the experience we want to drive for our customers?'

David Raine, Manager, Site Optimization, Walmart.ca

The solution

ubmalu

The Site Optimization team turned to UserTesting, using the platform to more frequently gather qualitative customer insights. In addition to the transactional data and analytics they had previously focused on, they relied on this human data to better understand and secure more meaningful information about their customers.

The outcome

By pairing the quantitative data (what was happening) with qualitative data (why, as spoken from the mouths of their customers), the team was able to achieve a more streamlined, data-driven decision-making process to focus on making the website updates with the greatest impact.

1. Improved resource allocation

A "lean mean team" of two, they had to support 16 departments within Walmart.ca. Challenged with keeping up with the high demand, the Site Optimization team was able to either leverage UserTesting's professional services team or empower Walmart team members to run tests themselves. This allowed the 2-person team to focus on higher impact projects, while still ensuring that all business units received the answers they were seeking, despite resource constraints.

2. Internal alignment towards customer-focused decisions

Where the team was previously challenged to assemble the supporting materials required to drive recommendations forward, they found that the recordings of customer feedback yielded the proof they needed. "Showing a stakeholder a highlight reel of UserTesting videos that showcase an opportunity is an extremely powerful thing," said Travers Korobanik, Associate Manager, Experimentation & Research, Walmart.ca. Convincing stakeholders is no longer such an obstacle. "We don't have to build reports for this. [With the recordings,] our customers do it for us."

3. Results-driven activities

Instead of jumping into ideas on how to fix problems, the team found a more deliberate method: asking a series of "why" questions to understand the source of the problem. "We had to figure out the 'why' before we could get to the 'how.' Understanding 'why' became our goal.... When we couldn't ask 'why' anymore, we felt like we were getting closer to the answer," said Korobanik.

By understanding the reasons customers were engaging with their digital experiences in a certain way, the team was able to make the right choices to drive the business forward.

User Testing

revenue increase from improvements to layout

In one instance, the team determined that they were leaking mobile traffic in one section of the site simply because customers wanted to see products presented in a different way visually. The drop-off had nothing to do with functionality, searchability, assortment, or even price—the usual suspects. Knowing this, the team was able to immediately and directly address the specific cause of the problem, resulting in a 13 percent increase in revenue from mobile for this part of the site.

Data as the key to customer loyalty

16 Malu

The shift has not only resulted in better workflows and outcomes, it's also helped the entire Walmart.ca team get back to its roots and adhere to founder Sam Walton's expectations of being truly customer focused.

Raine summarized this renewed motivation, saying, "Numbers are insightful, numbers are trackable, and they help you trend over time. And there's stories you can tell from numbers. But that isn't the end of the story. You need to be able to blend those numbers with customer data.... If we know what our customers purchase, but not the why, how are we going to make them more loyal?"

About Walmart Canada

Walmart Canada operates a growing chain of more than 405 stores nationwide serving more than 1.2 million customers each day. Walmart Canada's flagship online store, walmart.ca is visited by 600,000 customers daily. With more than 90,000 associates, Walmart Canada is one of Canada's largest employers and is ranked one of the country's top 10 most influential brands. Walmart Canada's extensive philanthropy program is focused on supporting Canadian families in need, and since 1994 Walmart Canada has raised and donated \$250 million to Canadian charities. Additional information can be found at <u>walmartcanada.ca</u>, <u>facebook.com/walmartcanada</u> and at <u>twitter.com/walmartcanada</u>.

U

ABOUT USERTESTING

HEADQUARTERS 690 5th Street, San Francisco, CA 94107

CONTACT US 1-888-877-1882 UserTesting enables every organization to deliver the best customer experience powered by human insight. With UserTesting's on-demand Human Insight Platform, companies across industries make accurate customer-first decisions at every level, at the speed business demands. With UserTesting, product teams, marketers, digital and customer experience executives confidently and quickly create the right experiences for all target audiences, increasing brand loyalty and revenue. UserTesting has over 1,200 subscription customers including half of the world's top 100 brands, and has delivered human insights to over 35,000 companies to-date. Backed by Accel and OpenView, UserTesting is headquartered in San Francisco, CA. To learn more, visit <u>www.usertesting.com</u>