



JungleScout

Amazon vs. Walmart: the Growth & Future of Ecommerce

Introduction & Key Takeaways

From their staple status among online shoppers to their vast fulfillment networks, the two biggest names in ecommerce have much in common today. But key differences, like Amazon's streaming services and Walmart's longstanding brick-and-mortar presence give each an edge among different audiences. While Amazon has nearly two decades of ecommerce experience over Walmart, and has charted immense growth in recent years, Walmart's recent explosion onto the ecommerce scene makes it one of few true Amazon rivals.

This report focuses on how each retailer's history plays a part in its current success, what key differences distinguish Amazon from Walmart.com in the eyes of consumers, and what the future might hold for Amazon and Walmart.com — as well as for shopping at large.

- 1 Amazon has a considerable lead in ecommerce sales and consumer preference, but Walmart.com is catching up.**
 - Amazon is expected to end 2021 with over \$468 billion in global ecommerce revenue, whereas Walmart's global online revenue is expected to reach \$75 billion.
 - Walmart's ecommerce sales could increase 89% this year, versus Amazon's 16%.
- 2 Walmart's brick-and-mortar presence wins over customers looking for convenience and familiarity.**
 - Walmart.com shoppers value its prices, the familiar brands it offers, and the ability to get fast and easy in-store pickup and returns.
 - Meanwhile, Amazon shoppers are hooked on its Prime benefits and shipping prices.
- 3 The evolution of membership program benefits could determine future success and customer base makeup for Amazon and Walmart.com.**
 - Amazon Prime and Walmart Plus offer similar shopper perks, including fast and free shipping and deals on products, but they each have a unique competitive edge.
 - Plus offers savings on gas and convenient in-store checkout options, so Walmart may continue to attract shoppers who prefer in-store access.
 - Prime includes media streaming and Amazon continues to prioritize its smart home devices, so it may lead among consumers who fully embrace a digital-first shopping experience.

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Chapter 1

Amazon vs. Walmart: Revenue & Growth

In this chapter, we'll examine how Amazon and Walmart.com have grown over time and which key events enabled their success today, as well as how [third-party \(3P\) Amazon sellers](#) regard the Walmart Marketplace opportunity.



By the Numbers

Globally, Walmart's Ecommerce Revenue Projected to Grow 89% for 2021, Outpacing Amazon's 16%

Worldwide Ecommerce Revenue



Amazon's 2021 Ecommerce Revenue Forecast
\$468,800,000,000

Walmart.com's 2021 Ecommerce Revenue Forecast
\$75,000,000,000

Number of Third-Party Sellers Worldwide

2021  **6.3M**



Ecommerce Market Share U.S. Market

Amazon **40.4%**
 Walmart.com **7.1%**


Number of Third-Party Sellers Worldwide

2021  **114.7k**

Countries Shipped to in 2021

100+ Amazon
24 Walmart.com

48 customers to 1 seller on Amazon

 = 6 customers



3P seller opportunity

1,918 customers to 1 seller on Walmart.com

 = 6 customers

2021 U.S. Fulfillment/Distribution Centers

150+ Walmart.com
110 Amazon

Membership Subscribers

2021 in U.S.



Average Monthly Site Visitors Worldwide

Worldwide



Weekly Customers Worldwide

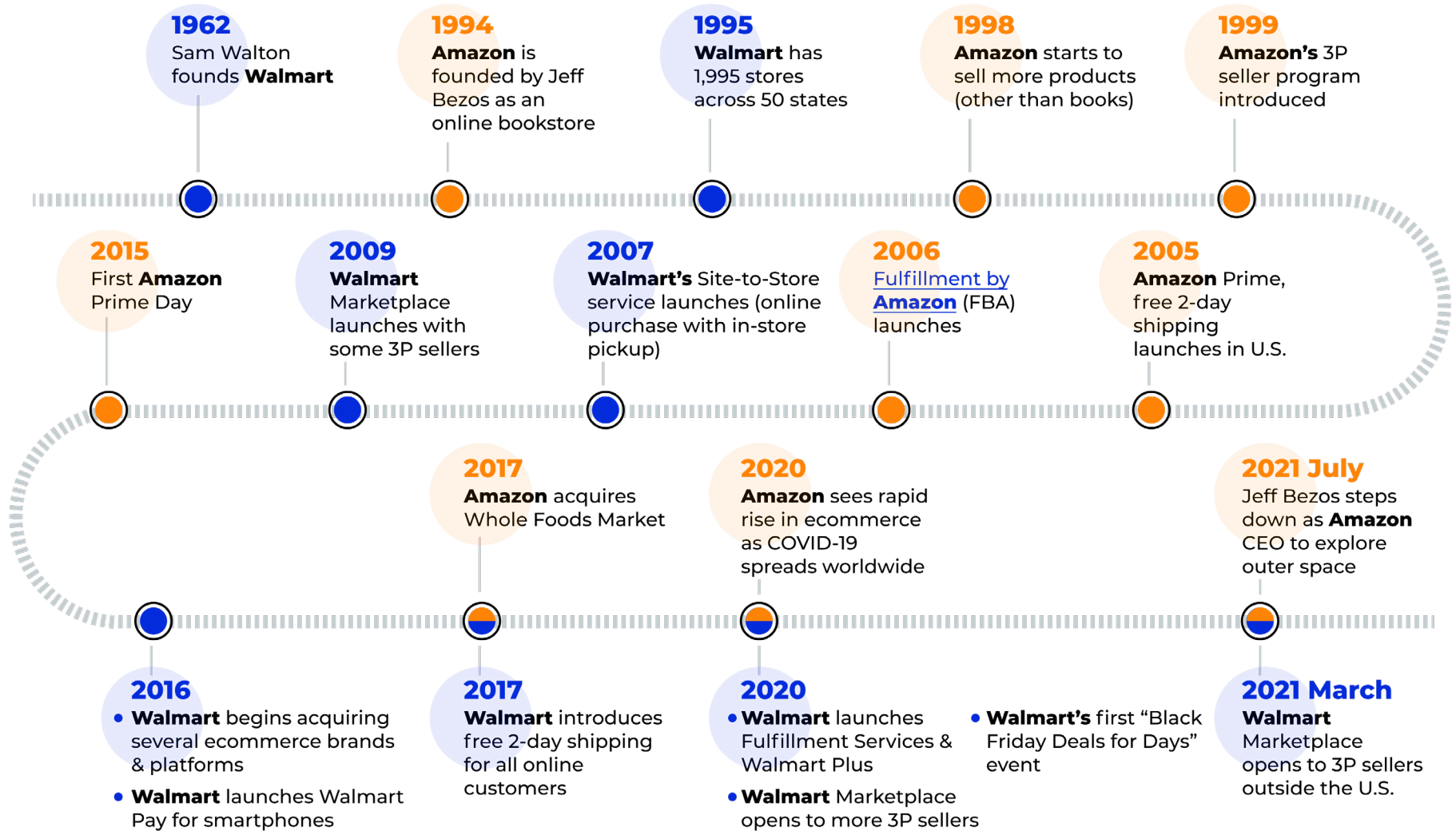
Worldwide



*Walmart stores and Walmart.com

A Rivalry Timeline

While Amazon has been an ecommerce retailer from the start, the nearly 60-year-old Walmart has branched into ecommerce more recently, thanks to a series of strategic acquisitions.



3P Amazon Sellers Consider Joining Walmart Marketplace to Expand Their Reach

While just 7% of Amazon 3P sellers are also current Walmart.com sellers, 39% of Amazon sellers are considering selling on Walmart Marketplace in 2021. Of these interested sellers,

- 95% sell in the U.S. Amazon marketplace, and 59% sell in at least one other North American marketplace.
- 27% have achieved lifetime sales of over \$1 million, and 78% report average monthly sales over \$1,000.
- 87% consider themselves intermediate- or expert-level Amazon sellers.
- 54% have over 10 active Amazon product listings.

What do Amazon sellers think of Walmart Marketplace?

- 33% of Amazon 3P sellers believe Walmart's online presence will compete strongly with Amazon's in 2021 and beyond.
- 22% of Amazon sellers are worried about competition from Walmart.



What are Amazon 3P sellers saying about selling on Walmart.com?

*"As an ecommerce seller online, reliable presence of big companies like Walmart, I'll definitely join. **More channels, more successes.**"*

*"**Walmart is definitely emerging** and has proven itself to have an online industry and is actively growing each year."*

*"**I am worried about competition** for my Amazon business from Walmart."*

*[Walmart's] brick and mortar presence **gives an edge.**"*

Chapter 2

Amazon vs. Walmart: Who Are the Shoppers?

While each retailer has its loyal superfans, they're both popular among most consumers; there aren't many Walmart.com shoppers who don't also shop on Amazon, and vice versa. However, examining the preferences and behaviors of consumers who shop at Amazon or Walmart exclusively gives insights into how Amazon and Walmart's consumer bases may branch off in the future.

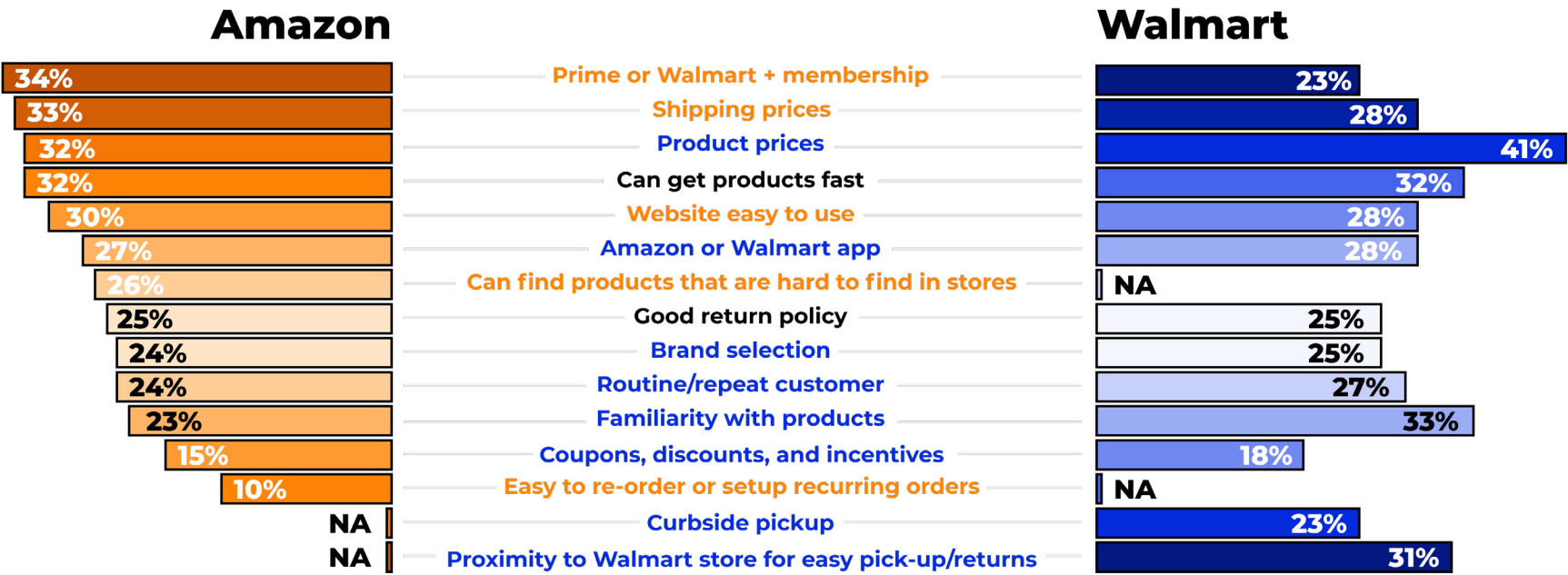
In this chapter, we will explore what differentiates Amazon and Walmart.com in the eyes of U.S. consumers. What do shoppers value about either platform, and how do Amazon superfans differ from consumers devoted to Walmart?



What Compels Consumers to Shop on Amazon vs. on Walmart.com?

There is considerable overlap between the 65% of U.S. consumers who shop on Amazon in 2021 and the 37% who shop on Walmart.com, and shoppers value each retailer for different reasons.

Why customers shop at...



Top reasons consumers DON'T shop on Amazon

- 1 Haven't needed anything
- 2 Prefer shopping in stores
- 3 Trying to spend less

Top reasons consumers DON'T shop on Walmart.com

- 1 Prefer shopping in stores
- 2 Don't have a Walmart+ account
- 3 Haven't needed anything

What Do Loyal Customers Buy on Amazon vs. on Walmart.com?

Some consumers have a clear preference when it comes to shopping at Amazon or Walmart.com.

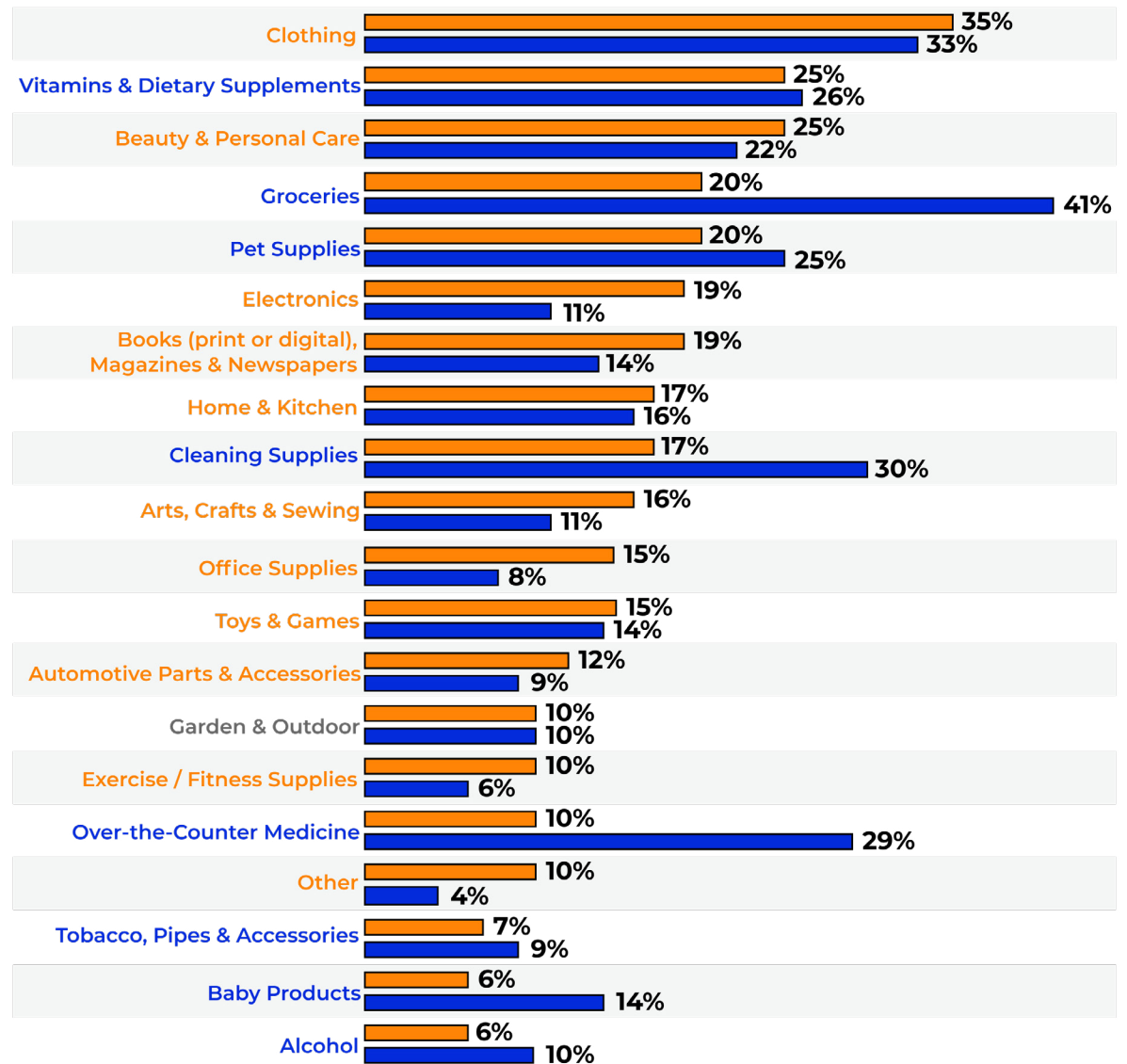


35% of U.S. consumers shop on Amazon but not Walmart.com (Amazon-exclusive)



9% of consumers shop on Walmart.com but not Amazon (Walmart.com-exclusive)

Top categories purchased by Amazon-exclusive shoppers vs. Walmart.com-exclusive shoppers over the last three months:



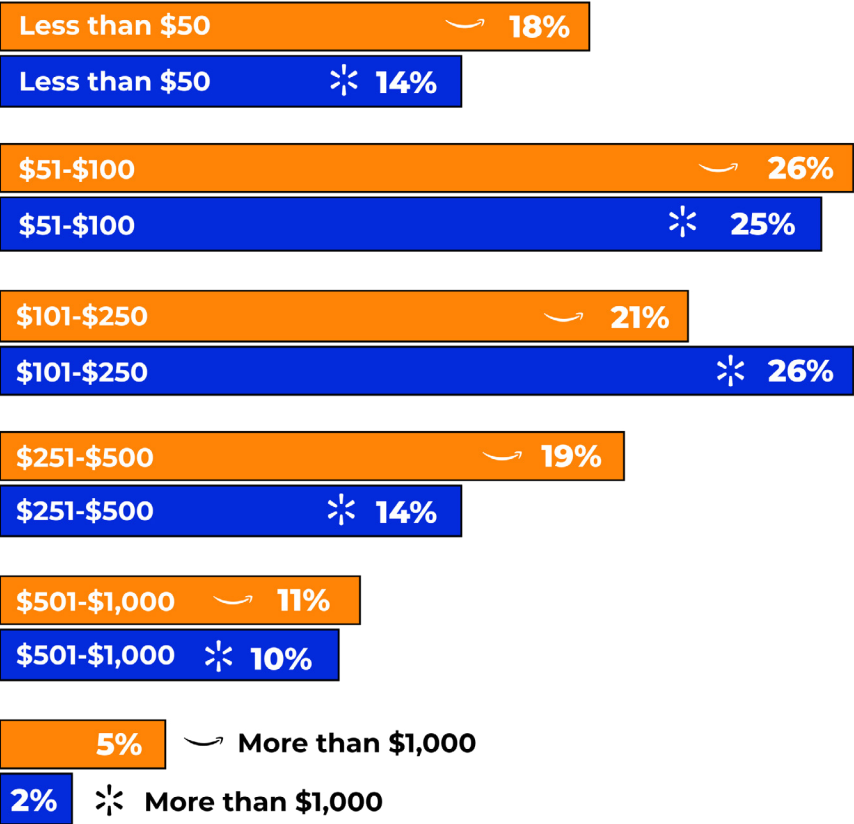
How frequently are Amazon and Walmart.com superfans shopping?

- 54% of Amazon-exclusive shoppers are making purchases on Amazon weekly or more.
- 57% of Walmart.com-exclusive shoppers are making purchases on Walmart.com weekly or more.

Who cares more about prices and shipping speeds?

- Both Amazon and Walmart.com shoppers want low prices and fast shipping.
 - 76% of Amazon-exclusive shoppers and 67% of Walmart.com-exclusive shoppers are looking for products with the lowest price when shopping online.
 - 61% of 76% of Amazon-exclusive shoppers and 56% of Walmart.com-exclusive shoppers are looking for products with the fastest shipping when shopping online.
- When it comes to shipping speed, Amazon.com-exclusive shoppers are choosier.
 - 76% of Amazon-exclusive shoppers say they are looking for the product with the lowest price on shipping when shopping online, versus 64% of Walmart-exclusive shoppers.

What is the maximum amount Amazon and Walmart.com customers are willing to spend?



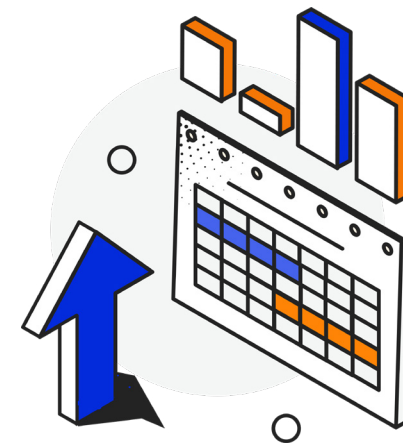
What else sets Walmart-exclusive shoppers and Amazon-exclusive shoppers apart?

- 73% of Walmart-exclusive shoppers earn household income below \$50,000/year, versus 54% of Amazon-exclusive shoppers who say the same
- 44% of Walmart-exclusive shoppers are parents to children below the age of 18, versus 39% of Amazon-exclusive shoppers
- 41% of Walmart-exclusive shoppers are aged 18-34, versus 32% of Amazon-exclusive shoppers

Chapter 3

Amazon vs. Walmart: Ecommerce Forecasts & Predictions

In this chapter, we look at what lies ahead for Amazon and Walmart.com, as determined by the steps each company makes to earn customer loyalty and how consumers envision the future of shopping.



The Future of Ecommerce with Amazon and Walmart.com



Amazon's **expansion into grocery** at high and low price points (Whole Foods Market and Amazon Fresh) appeals to a wide range of consumers.



Walmart's **history of customer savings and widespread popularity** will have to compete with Amazon's already-vast product catalog and broadening physical footprint.

Amazon Shoppers vs. Walmart Shoppers: Spending and Projections

“Walmart’s installed customer base will be a major temptation for ecommerce sellers. Sellers like the fact that the Walmart.com Marketplace is less crowded — at least for now — so they’ll be very open to adding a new distribution channel for their businesses.”

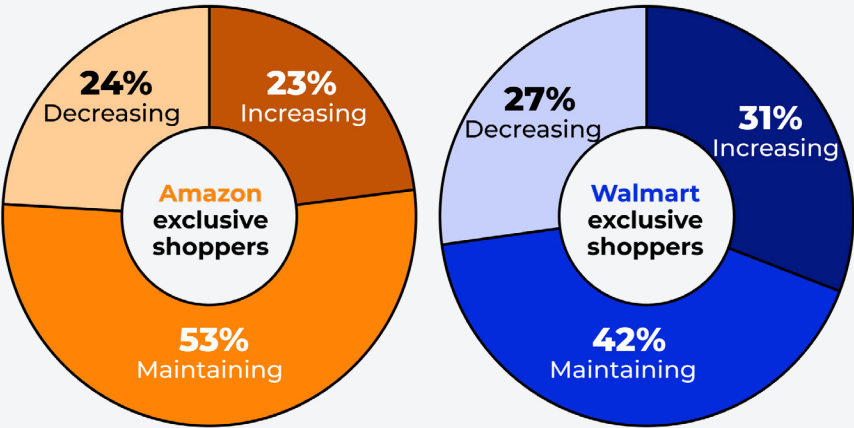
Mike Scheschuk
CMO of Jungle Scout

In 2021, 65% of consumers shop on Amazon, and 37% shop on Walmart.com. When broken down into consumers who prefer one over the other:

- **35%** of consumers shop on Amazon but not Walmart.com
- **9%** of consumers shop on Walmart.com but not Amazon

Interestingly, 57% of Amazon-exclusive online shoppers also shop in-store at Walmart.

Amazon and Walmart Superfans: Online Spending in 2021



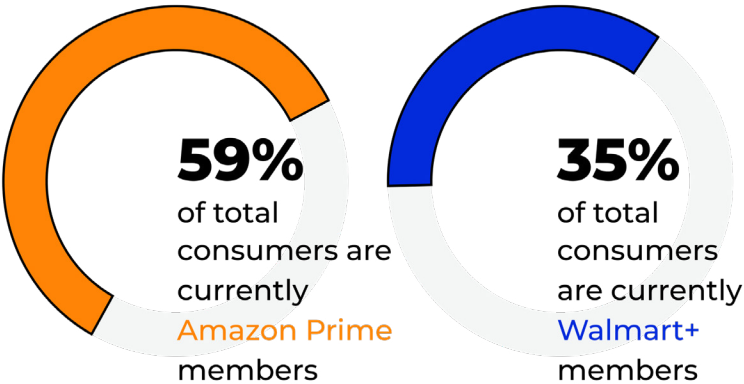
Membership Growth

“Consumers reap different benefits through Amazon Prime and Walmart Plus. Sellers can complement their Amazon audience by selling on Walmart Marketplace and gaining exposure to a broader swath of customers.”

Connor Folley
VP of Enterprise at Jungle Scout

Both Amazon and Walmart.com host membership programs for customers, promising convenience and discounts on products and shipping. Key differences between Amazon Prime and Walmart Plus include price, Amazon’s streaming services, and Walmart’s in-store benefits.

Amazon Prime and Walmart+ have broad appeal in the U.S.



- **45%** of total consumers have shopped on Amazon Prime Day in the past.
- **33%** of total consumers have shopped Walmart’s Deals for Days event in the past.
- In December 2020, Walmart’s Black Friday Deals for Days event sent online holiday sales soaring [124% year-over-year](#).

Amazon Prime vs. Walmart+: Terms & Benefits

Amazon Prime		Walmart+
\$119	Annual membership cost	\$98
30 days	Free trial period	15 days
Prime Day Most recent: June 21-22, 2021	Events	Deals for Days Most recent: June 20-23, 2021
Free next-day and 2-day shipping with no purchase minimum	Shipping	Free next-day and 2-day shipping with no purchase minimum
Amazon Fresh offers free delivery for orders over \$35; Discounts on many products from Whole Foods	Grocery offerings	Free grocery delivery from Walmart stores
Online programming (music, movies, books); Subscribe and save	Other	Gas savings; Prescription savings; Mobile Scan & Go in stores

How Amazon and Walmart Have Pivoted to Serve Customers During COVID-19

Amazon



Air freight:

- Increased its air cargo fleet from [50 to 70 planes](#) to offset COVID-related shipping delays
- In August 2021, Amazon opened its [central air cargo hub](#) at Cincinnati/Northern Kentucky International Airport



Has invested [\\$2.5 billion](#) in the creation of its second headquarters in Arlington, VA, to result in 25,000 jobs by 2031

Walmart



Added local [micro-fulfillment centers](#) to its stores



[Expanded](#) its curbside offerings through the Walmart Grocery app to non-grocery items

Investments in High-Tech Shopping and Advertising Tools

Amazon



Building a broader digital ecosystem (including gaming with Twitch, media with Amazon Music and Amazon Studios, and healthcare)



Amazon Alexa devices to broaden advertising reach

Walmart



As of September 2021, teaming with Meredith to offer shoppers [AI-enabled meal-planning tools](#) that match shoppable recipes to Walmart products



Beefing up advertising with [Walmart Connect partnerships](#)

Amazon Looks to Compete in Physical Retail and Grocery Spaces

"Customers want convenience. Many customers will take advantage of returning purchases to their local Walmart, versus shipping returns back to Amazon."

Mike Scheschuk

CMO of Jungle Scout

Physical retail footprint: Amazon vs. Walmart

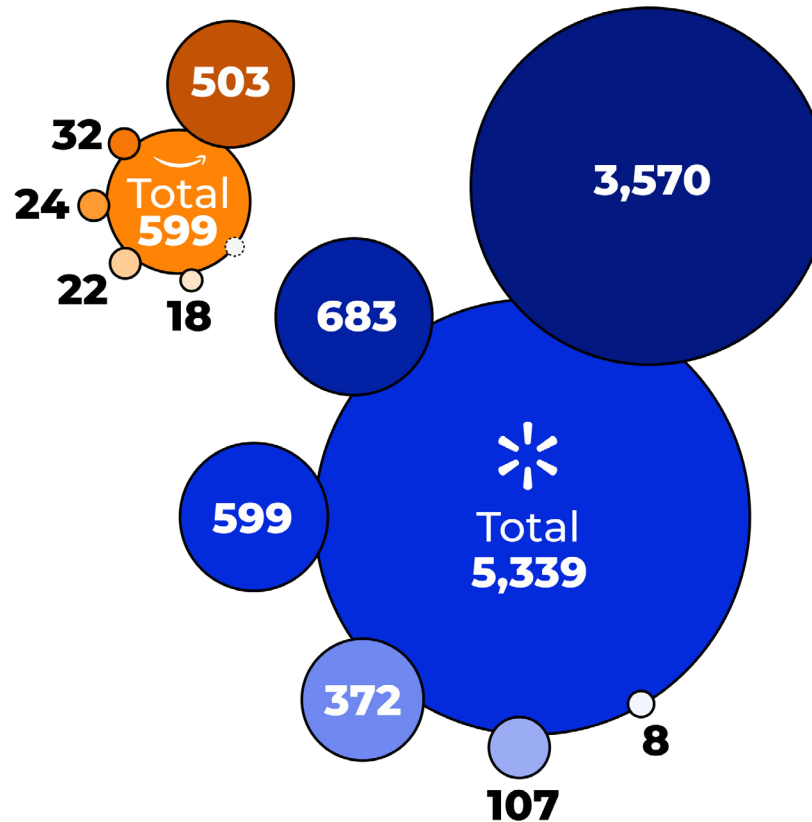


Amazon

599

Total retail stores across the U.S.

- **503**
Whole Foods Market
- **32**
Amazon 4-star stores (for products including devices and books, plus pickup & return center)
- **24**
Amazon bookstores
- **22**
Amazon Go Stores (cashierless convenience stores)
- **18**
[Amazon Fresh](#) grocery stores
- Plans to open [department stores](#)



Walmart

5,339

Total retail stores across the U.S.

- **3,560**
Walmart Supercenters
- **683**
Neighborhood markets
- **599**
Sam's Clubs
- **372**
Walmart Discount Stores
- **107**
Small formats (including Amigo, and Walmart on Campus stores)
- **8**
Convenience stores

The Future of In-Store Shopping

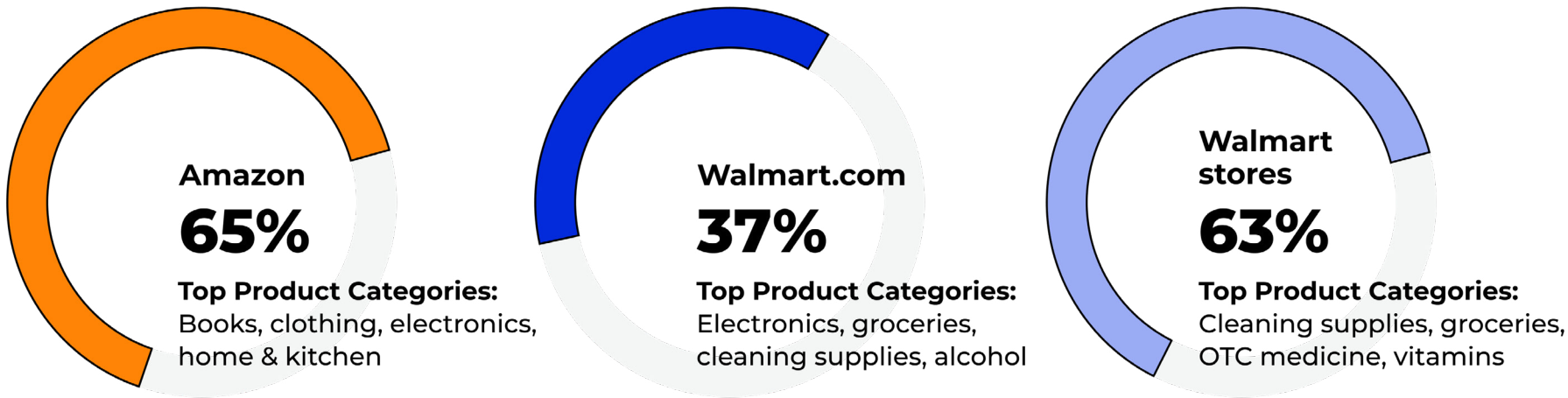
“Customers have been migrating online for over two decades, and COVID accelerated this trend even more. Shopping will continue to move online, and both Walmart and Amazon provide multichannel sales opportunities so sellers can cover all potential customer touch points.”

Eva Hart
Enterprise Expert, Jungle Scout

Nearly two-thirds (62%) of consumers believe the majority of consumer shopping will happen online in the future. For the majority of product categories, consumers who plan to buy online prefer to buy on Amazon compared to Walmart.com or another online store.

However, in-store shopping at Walmart remains popular, particularly in essential product categories. In-store shopping has increased to 61% for Walmart in Q3 (compared to 54% in Q1).

Percentage of Total Consumers Shopping in 2021



Capitalizing on the persistent popularity of in-store shopping — particularly for groceries — Amazon is expanding its brick-and-mortar reach with a new line of grocery stores and plans for department store-like outlets.

Chapter 4

About the Report

Methodology

Insights from this report were sourced from [Jungle Scout's 2021 Consumer Trends Report](#), a quarterly, anonymous survey of over 1,000 adult U.S. consumers about their buying preferences and behaviors. The majority of analysis in this report compares Amazon shoppers to Walmart or Walmart.com shoppers.

This report also draws from Jungle Scout's 2021 [State of the Amazon Seller Report](#), an annual study of nearly 5,000 Amazon entrepreneurs, business owners, and major brands.

Additional external sources are cited throughout.

Using the data

We invite you to explore **Jungle Scout's 2021 Amazon vs. Walmart Report**, and to share, reference, and publish the findings with attribution to "Jungle Scout" and a link to [this page](#).

For more information, specific data requests or media assets, or to reach the report's authors, please contact us at press@junglescout.com.

About Jungle Scout

[Jungle Scout](#) is the leading all-in-one platform for selling on Amazon, with the mission of providing powerful data and insights to help entrepreneurs and brands grow successful Amazon businesses.