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# Walmart Vs. Amazon: Who Wins The Retail Battle In 2023?

Blake Morgan Senior Contributor

*I am a Customer Experience Futurist, Author and Keynote Speaker.*

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Walmart and Amazon are two of the largest and most recognizable retailers in the world. But who ... [+] GETTY

Walmart and Amazon [AMZN -0.5%](#) [AMZN -0.5%](#) [AMZN -0.5%](#) are two of the world's largest retailers known for their customer focus and innovation. But which one truly leads the pack?

I've covered the battle between these two mega-brands twice, first in 2019 and again in 2021. But in the past two years, both brands have undergone significant changes. And what Amazon and Walmart do, other brands soon follow.

Here's how Amazon and Walmart stack up in 2023:

## Financials

Amazon and Walmart have both seen strong financial growth in the last

few years. Walmart brought in **\$573 billion** in revenue in 2022, an increase from **\$595.15 billion** in 2021. In the first quarter of 2023, Walmart's total revenue was up **7.6%**.

In 2022, Amazon had **\$514 billion** in revenue, up from **\$469.8 billion** in 2021. Amazon's **Q1 2023** revenue was **\$116.4 billion**, up **9%** from the previous year.

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The current Walmart stock price is \$150, while Amazon stock is \$114.

Walmart has 2.3 million employees worldwide, compared to 1.54 million employees at Amazon. Neither brand has been immune to recent layoffs, with Walmart laying off around 10,000 employees at its stores and fulfillment centers recently. Amazon has laid off at least **27,000 employees** so far in 2023.

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**Winner: Walmart, barely.** Walmart's revenue numbers and employee base are larger and more stable, although Amazon continues to outpace it in revenue growth.

## Innovation

In 2022, Walmart invested **\$14 billion** in automation, technology, supply chain, and customer-facing initiatives. In the last few years, Walmart has updated its store layouts to be more customer-friendly and adopted a touchless payment app.

Walmart is also growing its drone delivery to reach millions of households and expanding micro-fulfillment centers to increase the speed of order delivery and pickup.

Walmart expands its reach through powerful partnerships, including with Angi for product installation and Netflix **NFLX -0.4%** for exclusive branded merchandise. The store is pioneering the metaverse with multiple virtual versions of its stores.

Amazon is known for its show-stopping innovation that has transformed multiple industries, including new grocery store chains, department stores, and perhaps even movie theaters.

Amazon is doubling down on customer data with innovative analytics strategies, many of which it shares with third-party sellers. In 2022, Amazon introduced the \$1 billion Amazon Industrial Innovation Fund to improve supply chain, fulfillment, and logistics.

Amazon continues to expand its warehouse automation, with enhanced robots to pick and pack orders with incredible accuracy. Some robots even double-check orders for accuracy using AI and machine learning technology, allowing Amazon to deliver millions of packages quickly.

Winner: Walmart. Amazon has an incredible history of innovation and has transformed retail forever, but Walmart is investing more in the future and has momentum on its side.

## Customer Focus

While the numbers are important, perhaps more telling of a company's success is its customer focus. In 2023, Amazon increased its ranking in the [American Customer Satisfaction Index](#) by six points to 84% and a close second place among online retailers. Among the reasons for Amazon's growth were its value and selection. Walmart increased by one point over 2022 and is second to last.

Amazon is known for its customer-centric culture, especially around personalization and convenience. With a robust app and strong recommendations, customers can take care of all their shopping and other tasks seamlessly. However, widespread layoffs and a growing sentiment that Amazon Prime hurts small businesses are negatives for Amazon.

Although Walmart is investing in improving its customer experience, its

customer satisfaction scores only show slight growth. However, the company recently announced Walmart Business to empower small business customers by streamlining the buying process.

Winner: Amazon. Again and again, Amazon provides incredibly personalized service that customers love.

## Digital Growth

Amazon and Walmart saw massive e-commerce growth during the pandemic, but that growth has since started to level out. In Q4 2022 and Q1 2023, Amazon's e-commerce revenue [dropped slightly](#) over the previous year. For 2022 as a whole, Amazon's online sales lost \$2.7 billion, compared to a profit of \$33.4 billion in 2021.

Conversely, Walmart saw Q4 2022 digital sales [increase 17%](#) over the previous year, but the brand is hesitantly optimistic about the growth given inflation-based price increases.

Amazon and Walmart both offer digital membership services. Amazon Prime has more than 160 million global members, but the annual price is higher and keeps increasing. Walmart+ membership has stalled at around 11.5 million, causing the company to add more benefits.

In other digital channels, Amazon is still tops for B2B with its Amazon Web Services, which makes up a large portion of the company's profits.

Winner: Amazon. Although Walmart recently saw stronger digital growth, Amazon still dominates its Prime services and B2B AWS.

## Retail Presence



With more than 4,700 stores in the U.S. and another 5,000-plus globally, 90% of the U.S. population lives within 10 miles of a Walmart. In 2022, Walmart **closed** one existing store after closing 13 stores in 2021.

Amazon has been making strides in physical retail in recent years and has 520 Whole Foods Markets, 44 Amazon Fresh grocery stores, 26 Amazon Go convenience stores, and pilot department stores in some cities. Amazon's brick-and-mortar stores are successful, earning **double-digit sales gains** for multiple quarters.

**Winner: Tie.** It's a matter of quantity over quality. Although Amazon is expanding into new forms of retail, Walmart dominates because of its sheer numbers.

## Supply Chain/Logistics

Amazon has long been a supply chain and logistics leader, pioneering overnight shipping and taking control of its fleet. It recently launched a \$1 billion fund for supply chain innovation, with initial funding for robotics and wearable technology in its fulfillment centers. Amazon is automating its intralogistics to move items between warehouses.

On the other hand, Walmart has more **supply chain patents** than any other retailer, including Amazon. Its recent investments have been in final-mile logistics by building smaller fulfillment centers for hyper-local deliveries. The future of Walmart logistics is a data-driven, omnichannel solution.

**Winner: Tie.** Amazon is the established leader in the logistics space and often acts as more of a transportation company than an online retailer.

But Walmart's growing investments in a supply chain that combines data, automation, and humans could change retail.

## Sustainability

Walmart is making strides toward its aggressive sustainability goals, including **zero emissions** from global operations by 2040. The company powers 46% of its operations through renewable energy and is adding to its zero-emissions fleet and low-impact heating and cooling for its stores.

Amazon is on track to reach **zero emissions** from its operations by 2025—five years earlier than its original goal of 2030. Although Amazon is reducing its footprint, it is still a significant contributor to global waste. One **report** found that Amazon produced 599 million pounds of plastic packaging waste in 2020, a 29% increase from 2019. In 2022, more than half of Amazon shareholders voted for the company to address its growing plastic problem.

**Winner: Walmart.** Amazon is progressing in some areas, but it must address its many sustainability failures.

So, who wins the battle of the mega-retailers in 2023? Walmart edges ahead of Amazon with improvement in most areas. Amazon is still a dominant force in retail, but its small cracks show there may be room for other brands to step up.

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**Blake Morgan** is a customer experience futurist and the bestselling author of ***The Customer of the Future***. For regular updates on customer experience, sign up for her weekly newsletter [here](#).

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