



CROWDSOURCING PERSONAL SHOPPERS

Reducing operational costs while maintaining customer experience

TKS + Walmart 

Executive Summary

01

Problem

Walmart cannot afford to cut down employee wages because of PR and employee turnover.

02

Solution + Demo

Personal shoppers can be crowdsourced, reducing the number of personal shoppers.

03

Potential Savings

Reducing the number of average personal shoppers per store saves millions.

04

Response

Customers like the idea and would actively use the app.

The problem

Walmart's greatest cost is labour

After the United States Department of Defence and the People's Liberation Army, Walmart is the largest employer in the world. Since the release 2015 fiscal year annual report, Walmart has had to increase its wages **twice**. This can be owed to two main reasons:

CURBING NEGATIVE PR

As the media ran weekly stories about poor working conditions and social services received by Walmart employees, Walmart faced mounting pressure to raise wages and stop negative PR.

HIGH EMPLOYEE TURNOVER

As other retailers increased their wages and benefits, Walmart was forced to, as well. However, as Walmart paid higher wages to its employees, it also cut their hours.



Based on a survey done by Invesp LLC

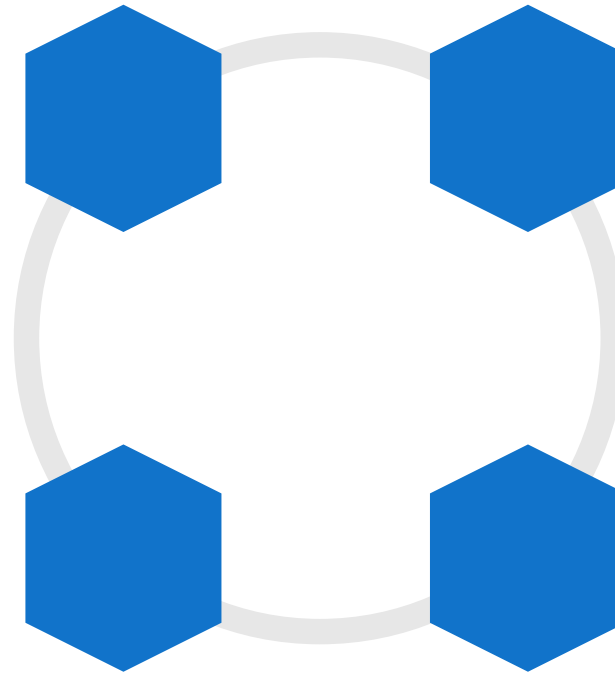
How Often Customers Use In-Store Pickup

57% of online shoppers surveyed said they had picked up an online order in a store in the last year.

52% of respondents who had picked up an online order in a store had done so at Walmart.

Avoiding shipping fees is the top reason why **73%** of shoppers preferred In-Store pickup

30.4% needed to purchase an item the same day and couldn't wait for delivery.



49% of respondents said they were likely to purchase an additional item some of the time when picking up their online order

32.2% say the store was nearby and convenient to pick up item

Key Assumptions

These are key areas of validation moving forward

Employees



We're not exactly sure how many personalized shoppers are in each Walmart location, if there are any at all

Growth



We assumed Walmart found value in expanding Personal Shoppers, hence the growth into Canada, but we're not 100% sure if they plan to continue expanding

Walmart Bounties

Crowdsourced Grocery Pickup

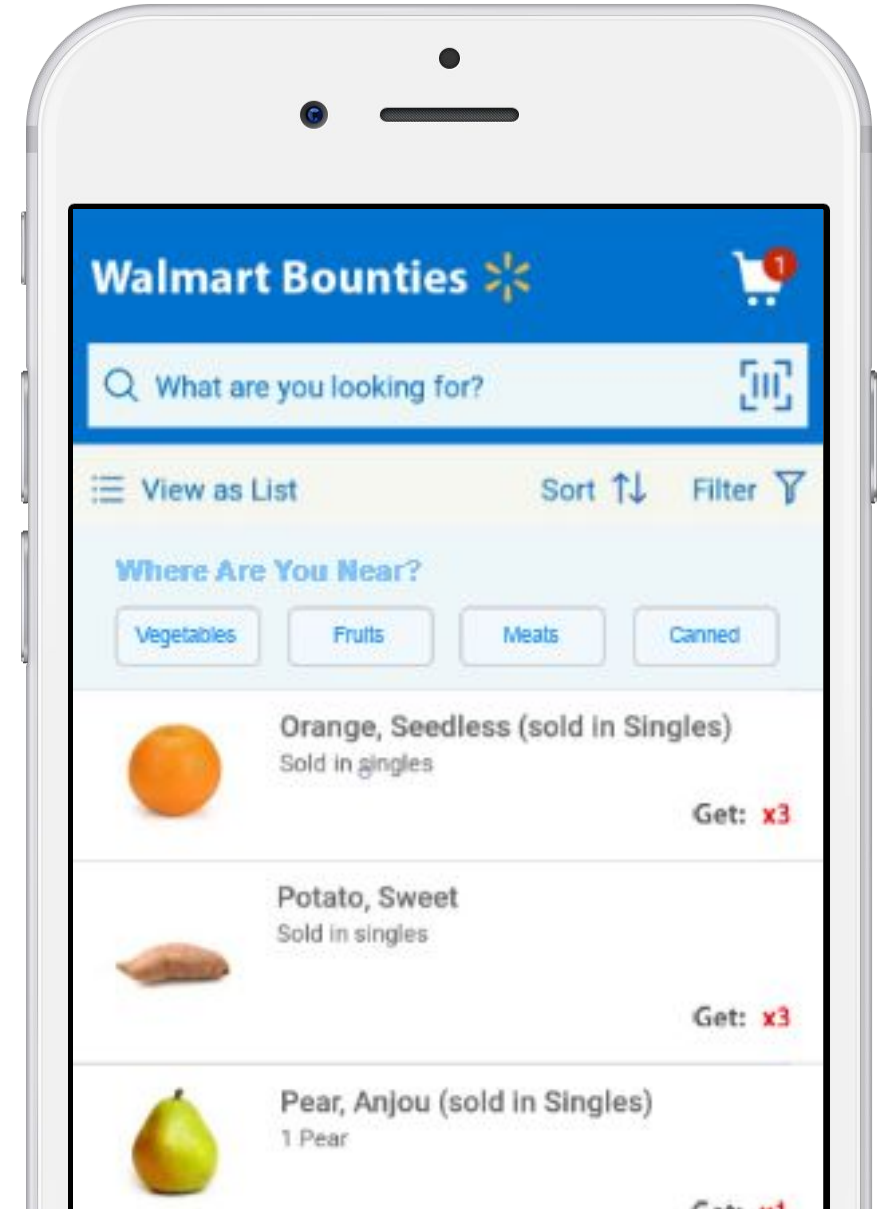
How Walmart Bounty Cuts Operational Costs

Regular customers can fill the key role of personalized shoppers, bringing specified items to the front of the store. This reduces the number of personalized shoppers required per store.

Upon entering the store, Walmart app users will be notified when there are items (bounties) available for pickup.

While shopping, customers can choose to bring certain their bounties to the pickup area to earn points

Since the amount of monetary value of rewards given to users is less than the amount paid to personalized shoppers, Walmart significantly saves on costs.



Walmart Bounties is a cost-effective method to outsource the role of personal shoppers to customers

How Walmart Bounties Works

App Workflow

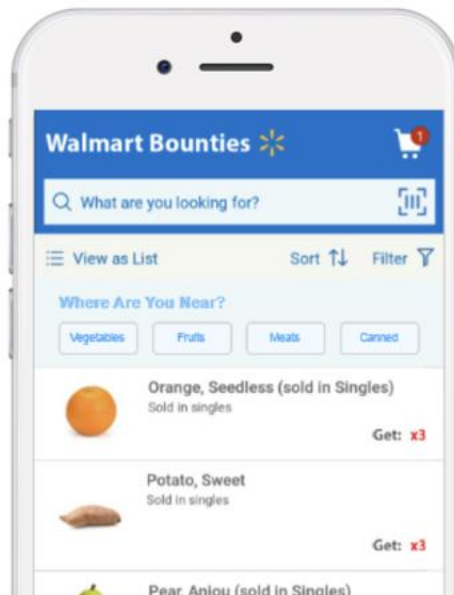
Customers select and bring specific groceries to bring to the pickup area to earn points.

Customers confirm the items that have returned and bring them to the front.

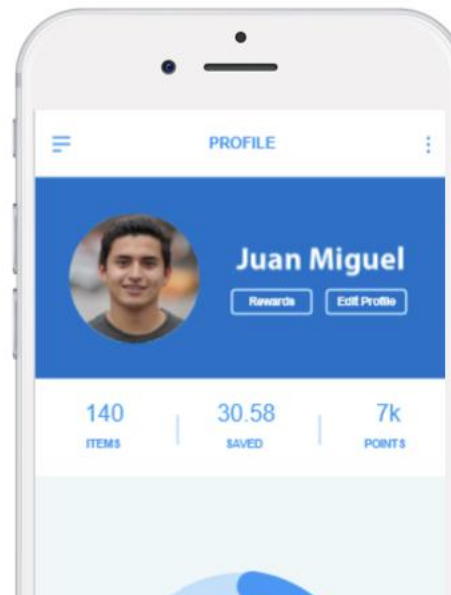
Customers get \$!0 off on their next purchase after collecting 500 points.



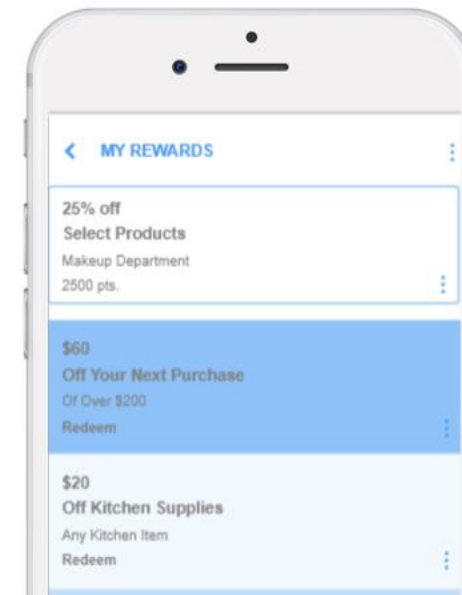
Pick Bounties



Confirm Returns



Get Rewards



In 3 steps, users of Walmart Bounties can fill the role of personal shoppers

Financial Impacts



Walmarts with grocery pickup have 2 or more personal shoppers per store.

Because of daily fluctuations in the number of users, personal shoppers cannot be entirely removed. However, the number of personal shoppers *can* be significantly reduced.



Walmart Canada has 62 locations that offer grocery pickup - and the numbers are growing

1 employee's average annual salary (\$22,000) x 93 avg personal shoppers across 62 Canadian locations = \$2 million per year



Potential Annual Savings

The potential for annual savings is \$2.0 million

Consumer Response to Walmart Bounties

We Conducted a Consumer Survey

We surveyed 20 people between the ages of 15 and 50 about their response to Walmart Bounties

We asked them whether they would actively use the app, and their initial impressions of Walmart Bounties

35%

Of consumers said they would actively use the app

85%

Of consumers said they loved the idea of Walmart Bounties



Consumers love the idea of Walmart Bounties, and 35% would actively use the app

On a More Personal Note

Thank You

Dear Walmart team,

We'd like to personally thank you for this wonderful opportunity to contribute our part to reducing Walmart's operational costs. Through this experience we've learned so much!

We hope our recommendation will make an impact on the future of Walmart. Feel free to contact us any time via email or LinkedIn

Best Regards,
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