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How Walmart has helped Massmart ramp up e-commerce

Through the backing of parent company Walmart, South African retail group Massmart has made significant investments in its technological capabilities over the last two years with the goal to grow its e-commerce offering.



Source: Massmart

"We have been able to leverage the strengths and capabilities that Walmart has already developed in other more mature ecommerce markets around the world," explains Shilpan Bhagat, Walmart's head of e-commerce product and technology for Africa, based in Silicon Valley, California.

"With the support of hundreds of dedicated e-commerce software engineers at Walmart's Global Tech hub in Bangalore, India, we have adopted some of these capabilities into the South African market over the past year."

Massmart tech team growth

Bhagat explains that since October 2021, Massmart's team of software engineers has grown from 28 to approximately 300, with its South African-based product management team also growing from seven to over 30, as part of a multi-million dollar investment to expand the organisation's e-commerce capacity.

"Through this investment and leveraging the Walmart ecosystem, we are rapidly accelerating our journey to maturity in Massmart e-commerce from an estimated five to eight years down to two to three years," he says. Where the group could previously deliver 10 to 15 enhancements or features per quarter, Massmart e-commerce is now delivering over 100 new technology capabilities and enhancements in a quarter.

These improvements are also due to the adoption of an agile 'kanban' development process and 'four in the box' approach to problem-solving, where product management team members have been empowered to lead cross-functional teams focused on solving key business problems end-to-end.



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International backing, local expertise

A few of the major technology releases which have been delivered this year through this approach include the <u>revamped</u> <u>Game website</u>, the <u>Makro Shopping App</u> and the group's new advanced store employee fulfillment application called Global Integrated Fulfillment (GIF).

Launched in May this year, the revamped Game website offers an intuitive and mobile-friendly experience through features like improved navigation and search, new product categories of clothing, pantry and liquor, and improved order tracking. Since launching the new website, Game has reportedly doubled its sales conversion rate and revenue.

The Makro Shopping App now accounts for a significant portion of the brand's e-commerce revenue, following its launch in July.

Massmart states that the new Makro pantry and liquor shopping experiences have been a "great hit" with customers on the app, and both of these categories continue to grow at triple digits. Bhagat notes that it is the combination of both Walmart and local expertise that has helped deliver a mobile-first shopping experience that also uses less-mobile data and memory on users' devices.



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Speaking about what lies ahead, Bhagat says the group's immediate focus is on its peak trading period as the end of the year approaches. "As we look into the future, I see us continuing to develop more customised digital solutions and also strengthening Massmart's capabilities by leveraging more Walmart-grown technologies and platforms that have been stress tested in other markets and are relevant for the South African consumer.

"The Massmart e-commerce product and technology team continues to expand in South Africa while still being truly powered by Walmart, and we have more exciting cutting-edge solutions to come for our customers and employees," he concludes.