

Impact of social media platforms on sales and engagement, for Walmart and Target

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Background

- Technology is on the rise and so is the access to it. With constant developments in the ease and availability of products through the use of digital platforms, more and more consumers are taking their purchases online.
- By understanding the trends behind sales and engagement, we can better manage the way we market to our guests.
- Taking the knowledge provided by two of the biggest consumer good companies in the nation, will assist local brick and mortar stores with their strategies.
- In the end, the information and knowledge produced from this research may be beneficial to any business that is hoping to succeed in the information age.

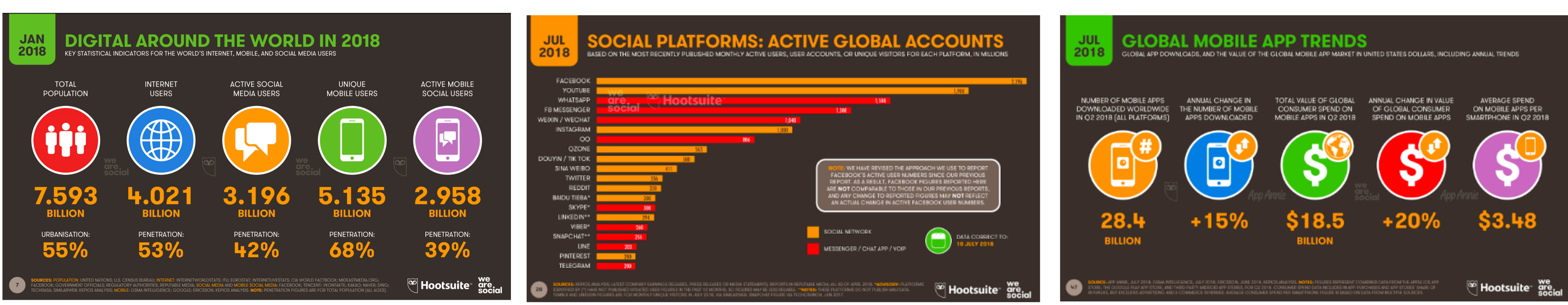
Methodology

- Research was conducted based off of secondary databases, publicly available financial statements, and a mixture of qualitative and quantitative analysis.
- Qualitative: Forecasts generated by the management of Target and Walmart on their future success rates.
- Quantitative: Pulling data from databases, reports, and financial statements.

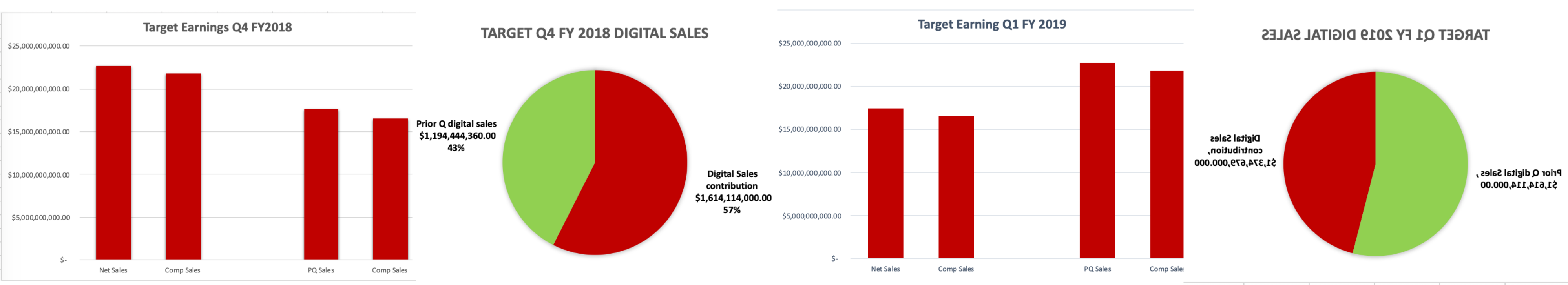
Explanation

- Target's comp sales and percentage of online engagement is greater than Walmart U.S.
- As of Quarter one, in the Fiscal Year of 2019:
 - Target has increased by 99.83% when compared to the overall U.S. retail digital sales.
 - Walmart has increased by 0.13% when compared to the overall U.S. retail digital sales.
- On all three platforms, Target has the upper hand when it comes to engagement.
 - Target has a bigger presence on all social media, having an average of 3 verified accounts per platform.
 - Walmart has had the biggest impact on its e-commerce when it comes to their websites sales.

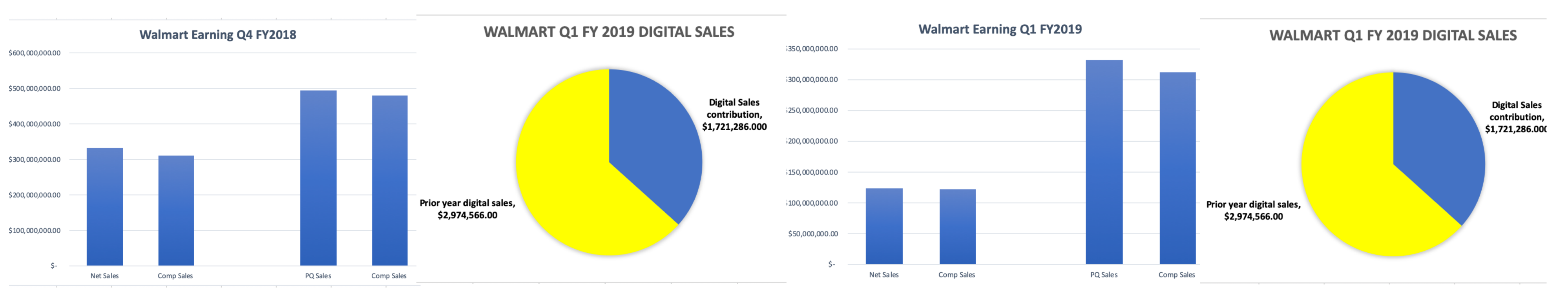
Social Media Engagement



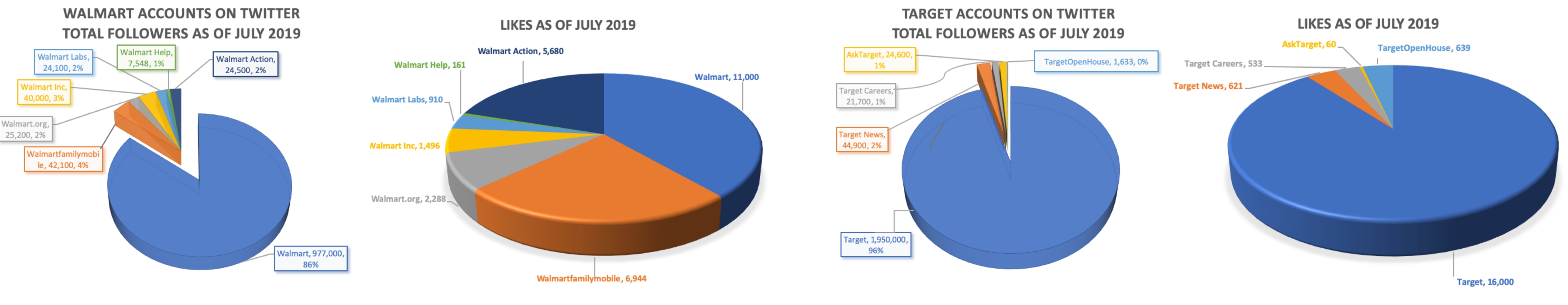
Target



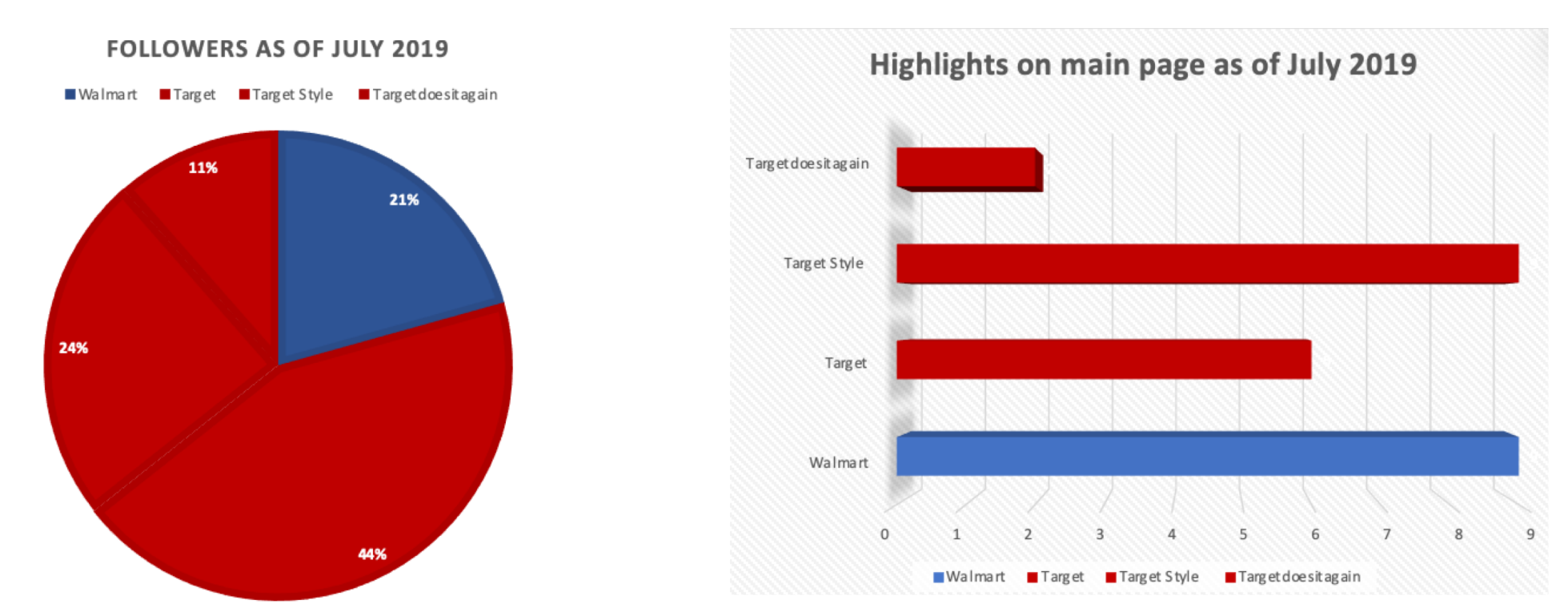
Walmart



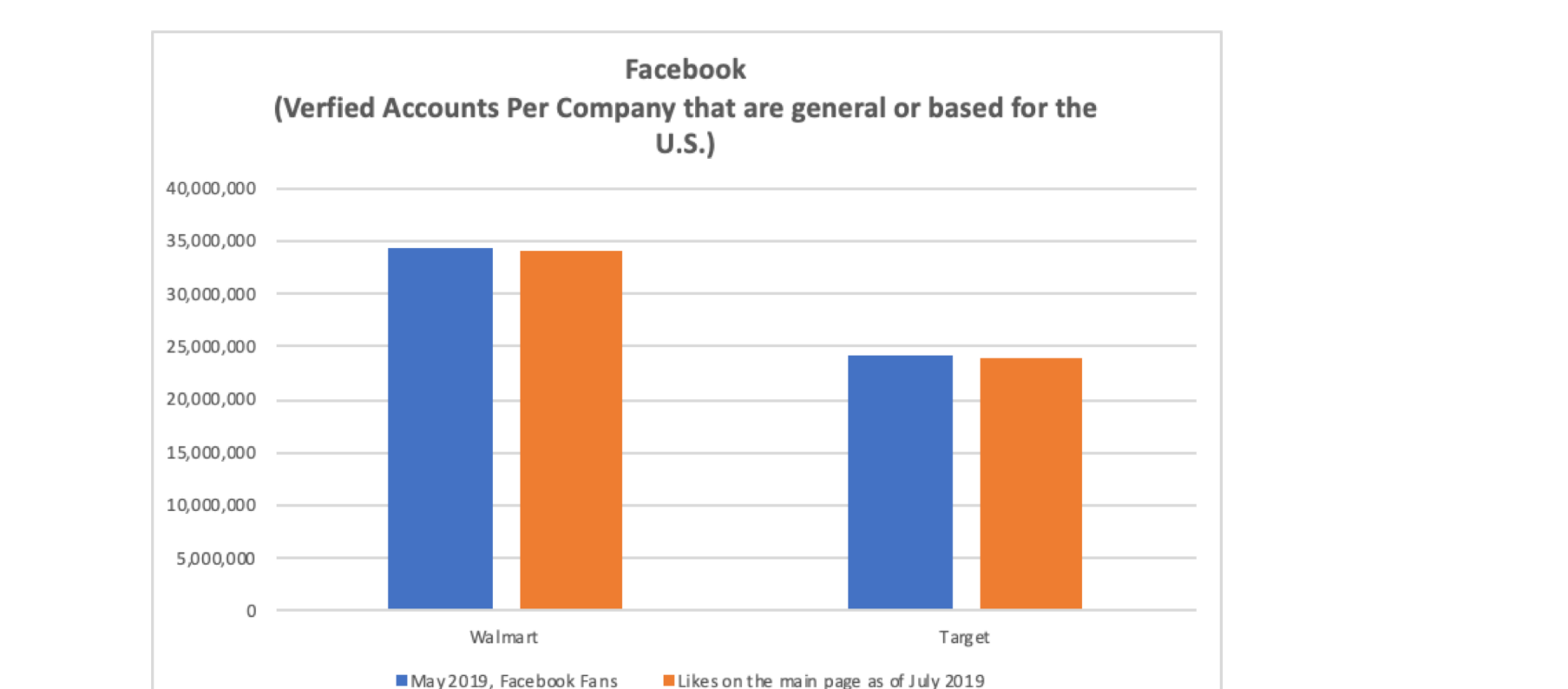
Twitter Comparison



Instagram Comparison



Facebook Comparison



Analysis

- According to the U.S. Department of Commerce
 - "Retail e-commerce sales for the first quarter of 2019, adjusted for seasonal variation, but not for price changes, was \$137.7 billion, an increase of 3.6 percent ($\pm 0.7\%$) from the fourth quarter of 2018"

Table 1. Estimated Quarterly U.S. Retail Sales: Total and E-commerce¹
(Estimates are based on data from the Monthly Retail Trade Survey and administrative records.)

Quarter	Retail Sales (millions of dollars)		E-commerce as a Percent of Total	Percent Change From Prior Quarter		Percent Change From Same Quarter A Year Ago
	Total	E-commerce		Total	E-commerce	
Adjusted ²						
1st quarter 2019(p)	1,344,911	137,747	10.2	0.0	3.6	2.7
4th quarter 2018(p)	1,345,363	132,992	9.9	0.4	2.2	3.1
3rd quarter 2018	1,339,375	130,068	9.7	0.8	2.4	5.3
2nd quarter 2018	1,328,203	126,985	9.6	1.4	3.6	5.7
1st quarter 2018(p)	1,309,686	122,534	9.4	0.4	3.3	4.9
Not Adjusted						
1st quarter 2019(p)	1,249,776	127,265	10.2	-11.8	-19.7	2.0
4th quarter 2018(p)	1,417,243	158,548	11.2	6.5	30.6	3.6
3rd quarter 2018	1,330,972	121,411	9.1	-0.8	0.8	4.8
2nd quarter 2018	1,341,878	120,479	9.0	9.5	6.4	5.4
1st quarter 2018	1,225,399	113,244	9.2	-10.5	-20.1	5.5

- The digital imprint has been increasing throughout the years, by an average rate of 61%, pertaining to smart phones connections vs. total connections.
- Out of those connections, as of July 2018, E-commerce activities have been measured as the following:



- Comparing the trends found in sales and engagement levels on the social media platforms, we can gain a better understanding of the movement in which the consumers are more comfortable in.

References

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