

Walmart, Microsoft team up to take on Amazon

17 July 2018



Walmart is teaming up with Microsoft on "digital transformation" of the onetime retail leader as it ramps up efforts to compete against Amazon

Walmart said Tuesday it was entering into a strategic partnership with Microsoft on "digital transformation" for the onetime retail industry leader.

The move is aimed at helping Walmart compete better against Amazon, which is taking a growing share of [retail sales](#) in the United States and globally.

The two firms said the partnership was focused on using artificial intelligence and other technology tools to help manage costs, expand operations and innovate faster.

"Walmart's commitment to technology is centered around creating incredibly convenient ways for customers to shop and empowering associates to do their best work," said Walmart chief executive Doug McMillon, Walmart CEO.

Microsoft's business cloud computing platform known as Azure will help Walmart manage

operations ranging from refrigeration and air conditioning to improving its supply chain and transportation.

"The world's leading companies run on our cloud, and I'm thrilled to partner with Walmart to accelerate their [digital transformation](#) with Microsoft Azure and Microsoft 365," said Satya Nadella, CEO of Microsoft.

Walmart is already using Microsoft services for some applications and will expand that to tap into Microsoft's machine learning, [artificial intelligence](#), and data platform, according to the statement.

Earlier this month, the research firm eMarketer said Amazon's surging growth would enable it to capture 49.1 percent of US online retail sales this year, up from 43.5 percent.

Amazon is far ahead of online rivals like eBay, with 6.6 percent of ecommerce, and Apple, at 3.9 percent, according to eMarketer, which estimated Walmart's share at 3.7 percent.

According to the research, Amazon now controls nearly five of the total US retail market, including online and offline.

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