Walmart Marketplace



Seasonal Favorites Incentive Offer Details

Overview

The Seasonal Favorites Incentive is designed to reward eligible sellers with a Referral Fee reduction off the standard base fee on select categories during the peak seasonal period. This program aims to drive competitive pricing, exceptional fulfillment performance, and enhanced customer visibility across the Walmart Marketplace.

Incentive Structure

- Eligible Categories:
 - o **Toys:** 100% reduction in referral fees (from 15% to 0%) for eligible sellers and items.
 - Pets and Supplies: 50% reduction in referral fees (from 15% to 7.5%) for eligible sellers and items.
- Incentive Period: August 31, 2025 January 31, 2026.

Eligibility Requirements: To qualify for the Seasonal Favorites Incentive, sellers must meet all the following criteria:

- 1. **Competitive Pricing:** Achieve and maintain Competitive Pricing (same or below competition) status at the item/order level.
- 2. **Fulfillment Method:** Use Walmart Fulfillment Services (WFS) or offer Standard Free & Fast shipping with a 3-day or faster delivery promise at the order level.
- 3. **Performance Metrics:**
 - Maintain at least 4% advertising spend (i.e., investment in WMT Connect) and 90%
 On-Time Delivery (OTD) rate in the most recent four weeks (L4 weeks) within the eligible category.
 - Sellers will have a 30-day ramp-up period post-launch (through September 30, 2025) to meet advertising spend and OTD requirements. Full enforcement begins October 1, 2025.
- 4. **Good Seller Standing:** Seller must be in good performance standing and meet operation performance metrics as outlined in the <u>Seller Performance Standards</u>.

5. Additional Program Details:

- **No Price Coverage Scenario:** Sellers' items may still qualify for the incentive if the item does not have comparable competitive price coverage, either on site or on a comparable marketplace.
- **Competitive Pricing Requirement:** If a seller's item price competitiveness is achieved through Walmart-funded pricing discounts, the Seasonal Favorites Incentive will not be applied.
- **No Double Dipping:** This incentive cannot be combined with other referral fee incentives. If multiple incentives are available, only the best (highest value) incentive will be applied automatically.
- **Shipping Speed and OTD Enforcement:** SFF shipping speed will be determined by the calendar day promise at checkout. OTD scores will be used to ensure sellers meet their delivery promises.

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 Incentive Application: Referral fee reductions will be applied to eligible items for all sales during the promotional period, provided all requirements are continuously met.

• Exclusions:

- Sellers who lose competitive pricing, fail to meet WMC or OTD requirements after the ramp-up period, or are flagged as high-risk will forfeit the incentive for the affected period.
- Items benefiting from Walmart-funded price discounts are excluded from this incentive.

General Terms

- Walmart reserves the right to modify, suspend, or terminate the Seasonal Favorites Incentive at any time without prior notice.
- The incentive is governed by the terms of the Walmart Marketplace Retailer Agreement and all applicable Marketplace Policies.
- Any violation of program terms, policies, or evidence of circumvention or fraud may result in reversal of the incentive and demand for reimbursement.
- The final calculation and application of the incentive are at Walmart's sole discretion and are binding.
- By participating in the Seasonal Favorites Incentive, sellers agree to all terms and conditions outlined above. Continued participation constitutes acceptance of any updates or changes to the program. If you do not agree to any posted changes, discontinue your participation in the incentive program.

Definitions

- **Competitive Pricing:** means meeting or beating the price as compared to onsite competing offer, or external competing offer whichever is lowest as defined by Walmart's seller performance standards. Total item price includes item charge and shipping charge.
- WFS: Walmart Fulfillment Services.
- **SFF:** Standard Free & Fast shipping, means shipping with a 3-day or faster delivery promise.
- **Advertising Spend:** Walmart Connect Sponsored Search and Display spend as a percentage of gross merchandise value net of Walmart funded WMC credits.
- **OTD:** On-Time Delivery rate, measured at the seller and category level.
- **Categories**: Eligible items in the categories of "Toys" and "Pets and Supplies" as defined by Walmart and displayed in the user interface in Seller Center.
- **L4 Weeks:** The most recent four weeks of performance data within the eligible category.