

Advanced second-price auction for Walmart Search advertising

A new auction model for **Sponsored Products** and **Search Brand Amplifier** helps give advertisers the confidence to **bid their best**, with a reduced risk of overpaying.

How it works

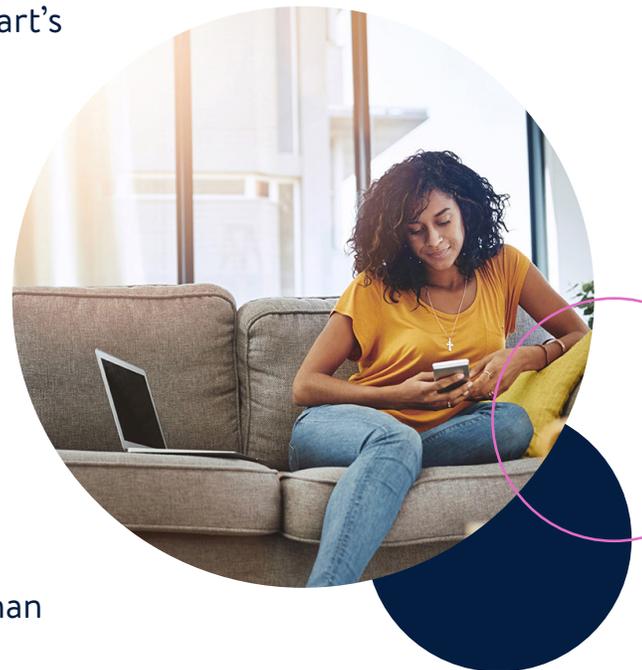
When a customer searches for a product on Walmart's site or app, the platform runs a **real-time auction** to determine which ads will appear along with the search results, and in what placements.

To choose the winner of each ad placement, the platform first determines which competing ads are relevant. It awards the placement to the **most relevant ad** and establishes the **cost-per-click** price after considering the bids of the other relevant ads.

The auction winner pays **the amount necessary** to win based on competing bids, which may be less than their maximum bid.

Relevancy criteria

Ad relevance is determined by how closely the advertised product matches the **customer's intent**, the ad's **contextual relevancy**, the quality of **item page content** and the product's **historical performance** at Walmart.



Advertiser benefits

Competitive

Helps level the playing field for all advertisers.

Consistent

Auction winners are determined by ad relevance.

Cost-effective

ROAS may improve, since advertisers may pay less than their maximum bid.