

Time for a fresher view on grocery

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The grocery industry of today looks quite different from that which started the year. Now it's time for grocery retailers to take stock of their achievements to date and to ask: What does the 'new normal' look like? And how can grocery retailers meet new consumer expectations moving forward?



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First, and most obviously, COVID-19 has changed the way supermarkets physically look and feel: wider aisles

where possible, more frequent cleaning, increased usage of contactless and card payments, fewer stockkeeping units being held on site and more prepackaged fresh items currently being sold.

Furthermore, there have been significant shifts in the number of visits consumers are willing to make to physical stores. This has resulted in increased basket sizes, underlining the consumer aversion to physical shopping trips and a willingness to spend more per visit. The grocery industry will need to evolve to fit the new landscape it now occupies. Second, COVID-19 has had a fundamental impact on the psychology of how and when consumers now purchase goods. According to a recent report published in Forbes, the pandemic has accelerated the growth of ecommerce by as much as six years, leading to an increase in the overall share of mobile-first ecommerce and significant increases to relatively new hybrid approaches to purchasing, such as buy online, pickup in-store (BOPIS) or even curbside pickup.

Ecommerce boom

Coupled with the increasing popularity of purchasing options such as BOPIS and curbside pickup, the grocery industry post-COVID-19 will need to focus on two key areas: putting a true, authentic omnichannel customer experience at the core of its offering and having scalable, agile technology solutions that provide warehouse, DC, supply chain and transportation management teams with the flexibility and scalability to pivot and innovate.

While many in the grocery space have been watching ecommerce business grow rapidly, ecommerce fulfilment represents a number of challenges, too. First, it represents a much higher cost to the reseller, meaning grocery retailers need to look at more efficient (sometimes automated, sometimes robotic) picking options in their distribution centres and dark stores where possible.

Second, ecommerce offers the consumer many more service options. Whether it's delivery slots for home delivery, BOPIS, curbside collection or suggestions for items that are out of stock, all of these options require systems that can collaborate and communicate from a basic inventory level, right through to picking, transportation, delivery and customer communications.

The future is omnichannel

Right now, there is an opportunity to reinvigorate and reshape the industry landscape. Effective ecommerce and hybrid fulfilment methods, along with true omnichannel capabilities, will form the basis of this regenerative process for global retail (including grocery) and its billions of worldwide customers.

Despite the challenges many in the grocery industry have faced over the last four months, technology remains a major priority. So, ask yourself this: "Are the ERP solutions we currently operate fit for the purpose against what is now such a dynamic and fast-paced industry backdrop?"