



## **Amazon's move into brick & mortar convenience stores will more than inconvenience rivals, says ParcelHero**

### **Amazon's shock plans to move into physical brick and mortar grocery stores spells more bad news for beleaguered supermarkets, say e-commerce delivery experts ParcelHero.**

Amazon, the nemesis of High Street stores everywhere, is abandoning its online-only model to open brick and mortar convenience stores. It's a surprising move; but it makes commercial sense, argues dot.com delivery expert [ParcelHero](#)'s Head of Consumer Research, David Jinks MILT. 'Amazon is building on its Amazon Fresh grocery service to sell items such as fruit and veg, milk, meats and other perishables in town centre locations. The new stores will be aimed at Fresh customers who want to choose their own produce – a major drawback to online grocery shopping – or pick up their food on the way home from work.'

Explains David: 'Amazon has already opened physical high street book stores, and pop up shops highlighting its range of electronic goods. Its move into physical food stores – reported first by the [Wall Street Journal](#) - reflects its concentration on winning a wider share of the grocery industry in the US and UK. American and British shoppers are rapidly moving their weekly food shop online; meaning the regular visit to the supermarket will soon be a memory – leaving many superstores as white elephants. In contrast convenience store sales will grow rapidly as consumers look to supplement their weekly food home deliveries with purchases of fresh items from handy local stores on the way home from work.'

The new Amazon convenience stores will be aimed at Fresh customers; who will probably use their mobiles to purchase items; possibly supplemented by touch screens around the stores. Drive in locations for online grocery pick-ups are also thought to be under development.

The first of Amazon's 'Project Como' grocery stores is already reported to be under construction in Amazon's home town of Seattle; and a clutch of other stores are expected to be opened over the coming year.

Predicts David: 'Amazon has been quick to launch Fresh services in the UK and expand its range and options rapidly. There's little doubt that it will also launch a physical presence in the UK if the experiment is well received in the US. In city centre locations fast service convenience stores make huge sense. The weekly food shop will soon be history in the US and the UK as Amazon Fresh, Ocado, etc take over this role. Super-fast service at small High Street stores, linked to Amazon Fresh checkouts on shoppers' mobiles, make such stores ultra-convenient.'

Concludes David: 'It's yet more food for thought for the likes of Tesco; who must have thought at least their Metro sales were safe from the Amazon onslaught. If the experiment works out in the US; it's a good bet we'll see UK stores by the end of 2018.'

ParcelHero's recent report on Amazon's radical delivery plans – [Amazon's Prime Ambition](#) – highlights a

number of radical moves the e-commerce giant is making to become the pipe through which the majority of online sales flow.

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