

Post-pandemic omnichannel retail strategies & implications for urban logistics

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Chaire
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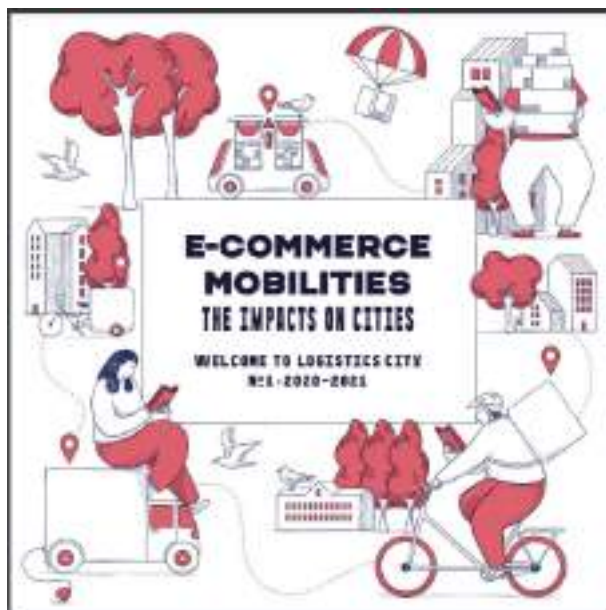


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POSTE IMMO



Quick commerce invites cities to prioritise urban logistics

Flitsbezorging nodigt steden uit om van stadslogistiek prioriteit te maken



HELEEN BULDEO RAI

Onderzoeker stadslogistiek, e-commerce en duurzaamheid Universiteit Gustave Eiffel in Parijs

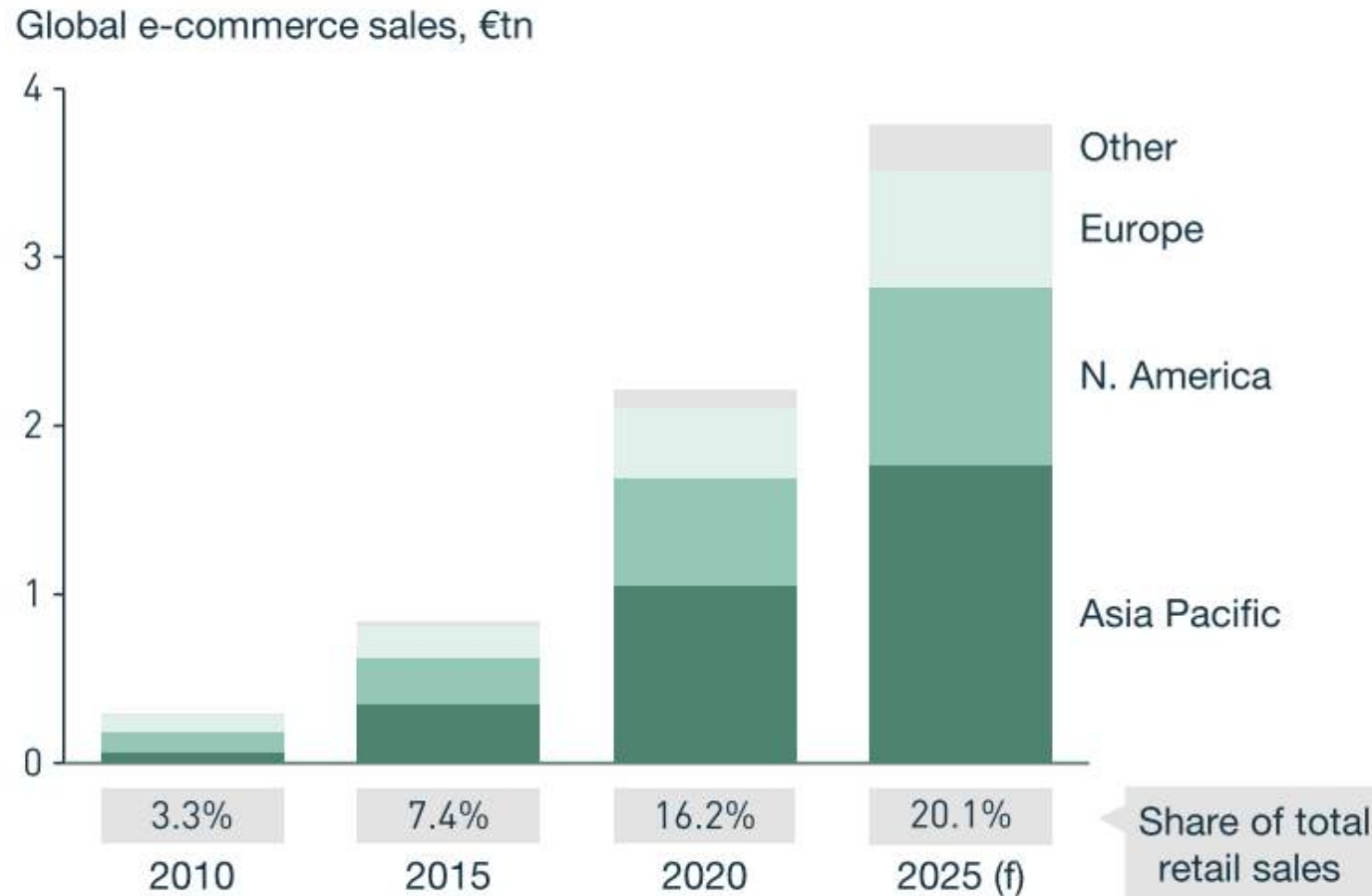
27 mei 2022 00:10

Het mogelijke vertrek van de flitsbezorger Gorillas uit België legt de gebreken bloot van het businessmodel van quick commerce, maar het betekent niet het einde van supersnelle leveringen of stedelijke minimagazijnen. Integendeel, steden doen er goed aan in te spelen op de e-commerce-trends en stadslogistiek als prioriteit op de agenda te plaatsen.

Flitsbezorging, of de supersnelle thuislevering van boodschappen in 10, 15 of 20 minuten, maakt sinds vorig jaar haar opwachting in steden. Ook nieuw

E-commerce & the impact of online shopping on retail

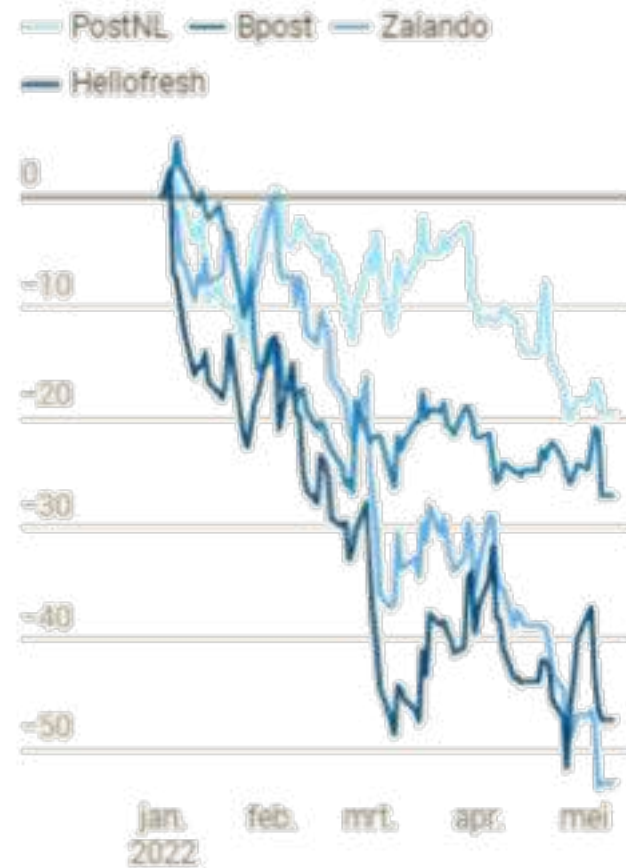
E-commerce, a sector that has been growing at double digit rates for more than a decade



Growth accelerated by the pandemic, but to very different degrees

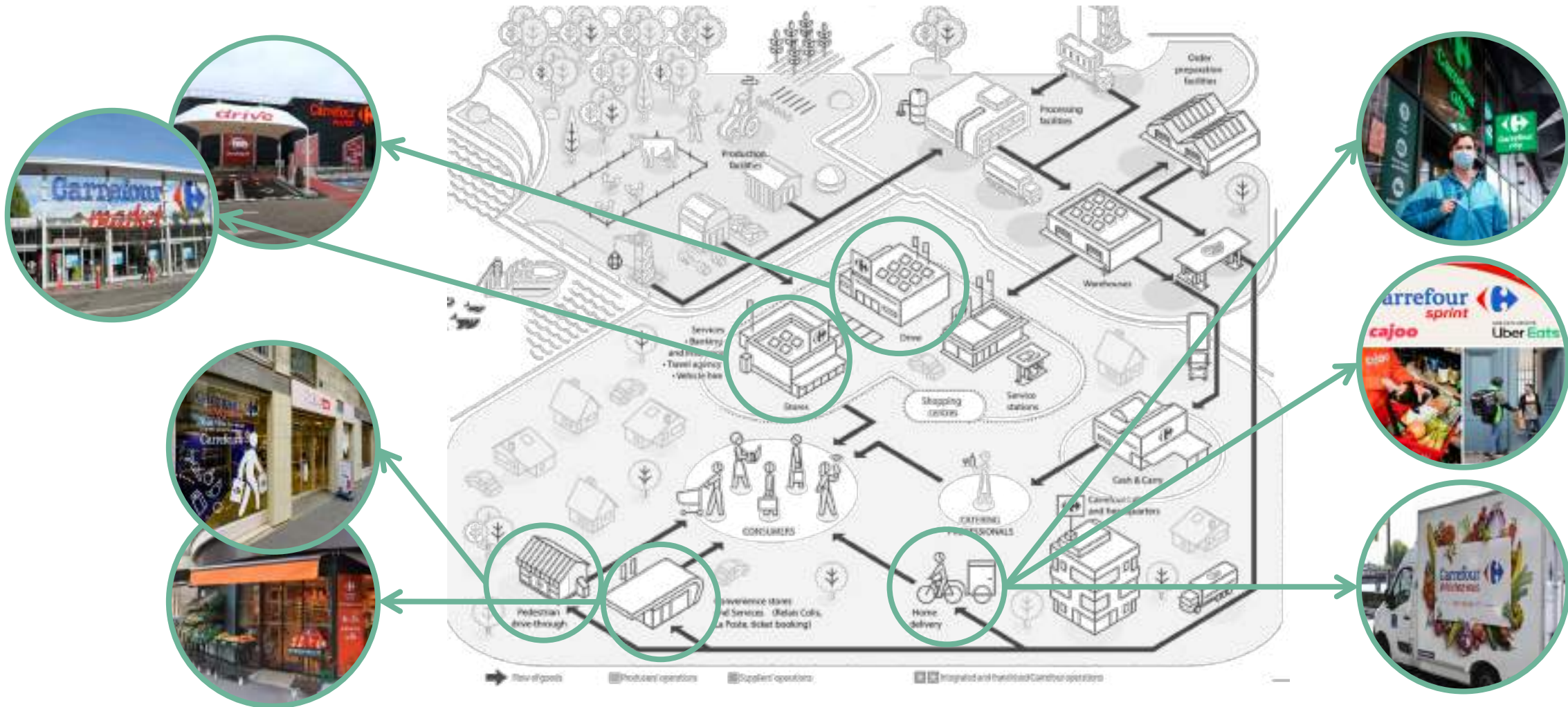


Recent figures show, however, that parcel volumes are decreasing again, due to fading pandemic and high inflation



Price trend on stock exchange of PostNL, Bpost, Zalando and Hellofresh (in %)

From 'retail apocalypse' and 'death of distance' to omnichannel, example of Carrefour



Omnichannel retail is now common practice among a range of stakeholders



Omnichannel retail has profoundly changed the role of the traditional store, transforming setting and offering

	Modified store setting	New store setting
Operational offering	<p>Showrooms, zero-inventory stores, digital assortment extension, digital shelf extension, virtual shelf expansion</p> <p>Buy online, pick-up in store (BOPIS/BOPS), click-and-collect, curbside pick-up, reserve online, pick-up and pay in store (ROPS)</p> <p>Buy online and return in store</p> <p>Buy online, get it delivered from the store (BOGIDS), ship-from-store (SFS), warestores, dedicated stores as fulfilment nodes, dark stores</p>	<p>Click-and-drive, third party access points, lockers, collection points, pick-up stations, delivery points</p> <p>Stores-on-wheels</p>
Experimental offering	<p>Experience stores, flagship stores, concept stores, pop-up stores, temporary stores, third places</p> <p>Cashier-less stores</p>	

Operational implications of omnichannel store concepts, from upstream supply flows to downstream delivery flows

	Supply	Inventory	Fulfilment	Processing	Delivery
Showrooms, zero-inventory stores, digital assortment extension, digital shelf extension, virtual shelf expansion					
Buy online, pick-up in store (BOPIS/BOPS), click-and-collect, curbside pick-up, reserve online, pick-up and pay in store (ROPS)		()	()		
Buy online and return in store					
Buy online, get it delivered from the store (BOGIDS), ship-from-store (SFS), warestores, dedicated stores as fulfilment nodes, dark stores					

Dark stores & quick commerce,
deciphering the developments

“Dark stores”, what’s in a name

amny

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Apps like JOKR and Gorillas mirror Fresh Direct’s approach. Their orders are filled in their own warehouses, not at independent grocery stores or restaurants — but that’s where the similarities end. Rather than concentrating their stock in one huge warehouse, they make use of “dark stores,” micro-warehouses scattered across the city. Each micro-warehouse delivers to the neighborhood it’s in, not citywide.

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Zero Trust Information Security Lecture

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Quanlian is attacking online fresh food delivery business opportunities, and will open a 24-hour behind-the-scenes store by the end of the year

Quanlian plans to open seven 24-hour behind-the-scenes stores by the end of this year. The behind-the-scenes stores will not be open to the public and will only serve fresh food delivery services. Next year, the number of behind-the-scenes stores will be expanded to 50.

Text/5u Werdin | Posted on 2021-12-

99

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Der Weg zum Lagerhaus

Die 10-Minuten-Lieferdienste arbeiten in der Regel mit einer großen Anzahl kleinerer Lager, die auch „Dark Stores“ genannt werden. Gerade in dicht besiedelten Gebieten gibt es mehrere Warenlager, von wo aus die Lieferungen schnell zu den Kundinnen und Kunden im unmittelbaren Umfeld gebracht werden.

Anders als bei Supermärkten, bei denen große Mengen Lebensmittel an einen Ort geliefert werden, müssen bei verstreuten Lagern deutlich mehr Lkw-Fahrten unternommen werden, um alle Dark Stores zu beliefern. Das klingt zunächst weniger umweltfreundlich. Allerdings: einige Schnelldienstlieferanten arbeiten daran, ihre kleinen Lager mit Elektrofahrzeugen zu beliefern. Diese sind zwar in der Anschaffung teurer als Fahrzeuge mit Verbrennungsmotoren, langfristig gesehen aber deutlich nachhaltiger. Können die Schnelldienstleister ihre Lebensmittelbeschaffung mit Elektrofahrzeugen in Zukunft weiter ausbauen, würden damit die Emissionen für die zusätzlichen Fahrten und Wege kompensiert werden.

Retailers 'turned' stores 'dark' during lockdown, temporarily or permanently, to increase delivery capacity and speed

09/03/2020

Whole Foods Goes Dark in Brooklyn



Gina Agosto
Editor-in-Chief

It seems like the pandemic-related dark store trend in the United States is going to stick.

Whole Foods Market announced Wednesday it has opened its first, permanent online-only location in Brooklyn, New York.

"This new delivery-only retail model will allow Whole Foods Market to serve even more customers and continue to meet the growing demand for grocery delivery," the company said in a blog post. The store will serve customers only in the Brooklyn area.

News of the new format comes after Whole Foods converted at least six stores earlier this year to help meet COVID-19 demand. Four of the six stores have since con



Whole Foods Market has opened its first, permanent online-only location in Brooklyn.

09/03/2020

Bed Bath & Beyond converts 25% of its stores into regional fulfillment centers



Marianne Wilentz
Editor-in-Chief

Bed Bath & Beyond has made a quick pivot to meet surging online demand during the COVID-19 pandemic.

The home goods retailer said it converted approximately 25% of its stores across the US and Canada into regional fulfillment centers — almost doubling its digital fulfillment capacity — to support a significant rise in online sales. Bed Bath & Beyond said its digital sales are up by more than 85% to date in April.



Les « dark stores », ces supermarchés sans clients et entièrement conçus pour la vente en ligne

Ils ont la fonctionnalité d'un entrepôt, mais l'organisation d'un magasin. A Paris, des salariés de Monoprix préparent des commandes à des dizaines de mètres sous terre.

Par Cécile Proustier

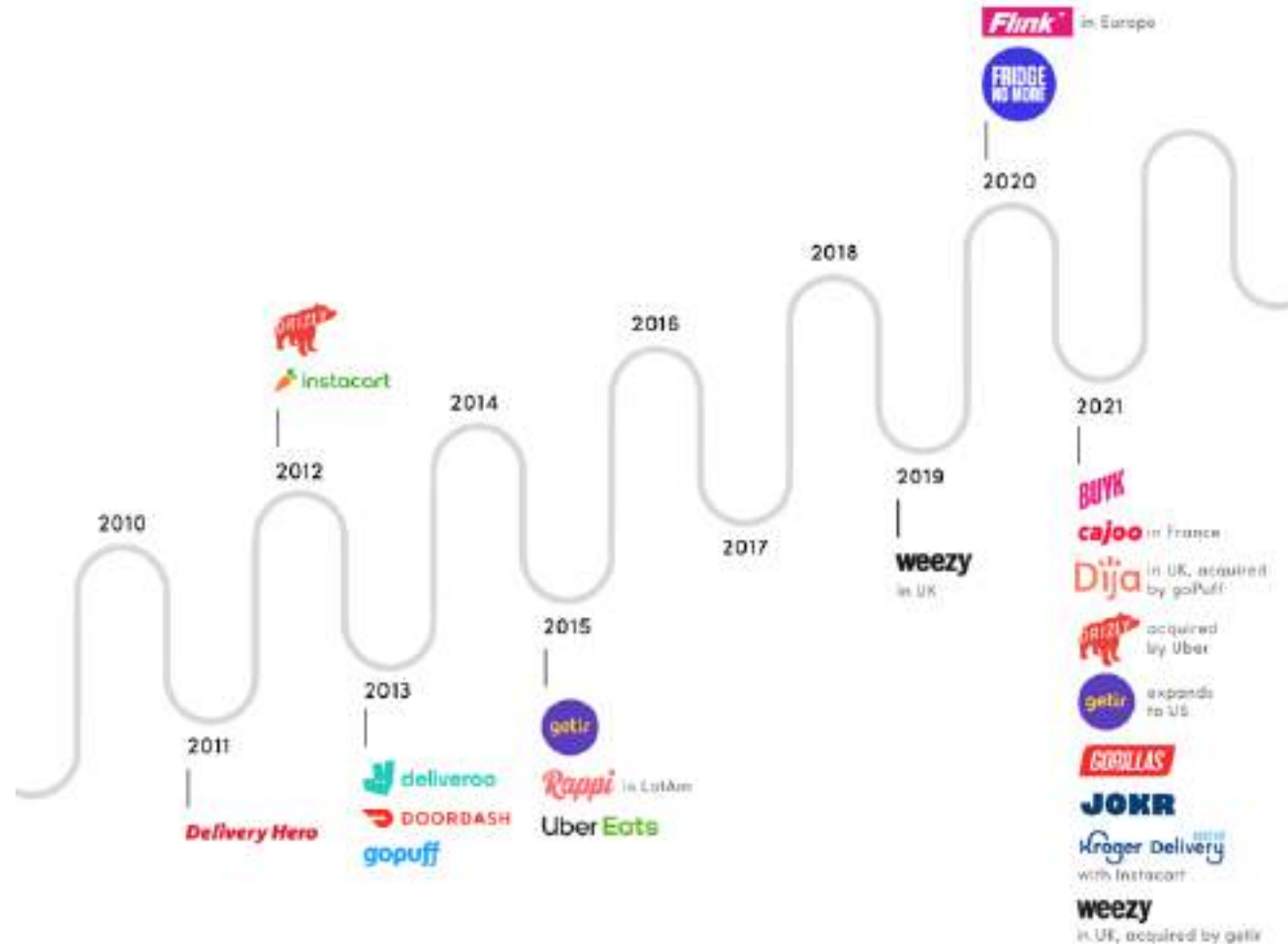
Publié le 17 mars 2020 à 01h27 - Mis à jour le 17 mars 2020 à 16h41 - Lecture 7 min.

Article réservé aux abonnés



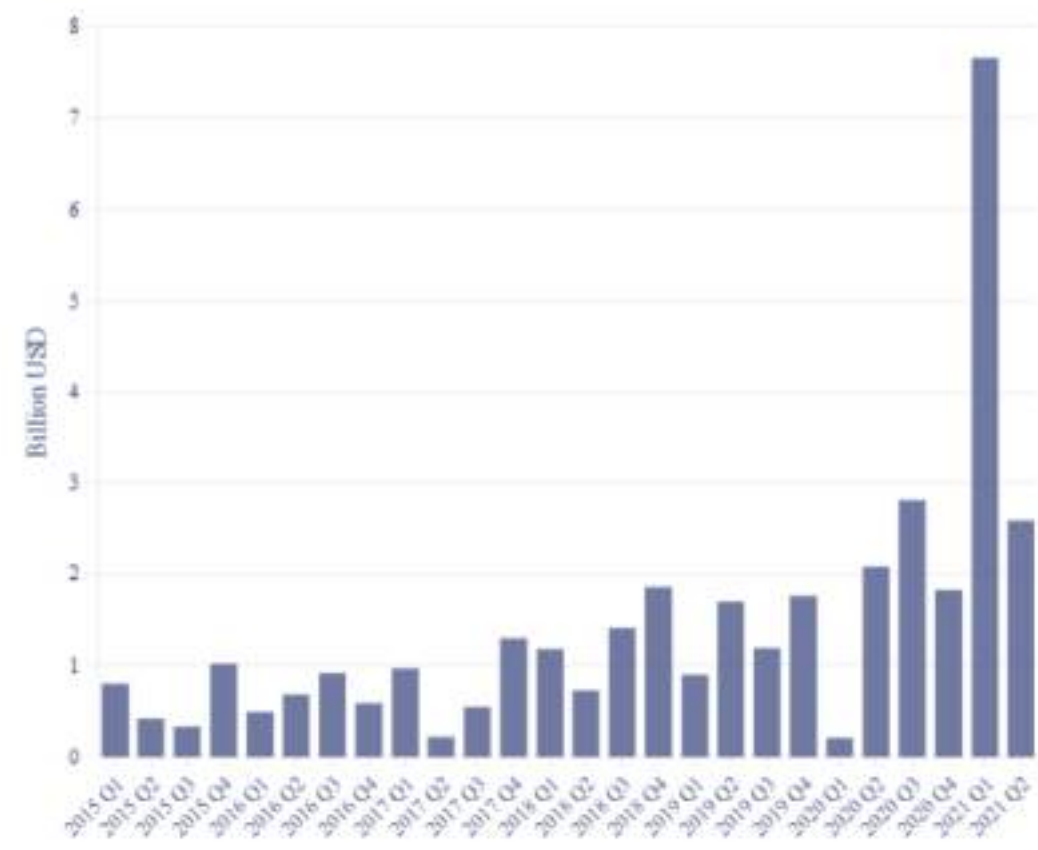
A l'arrière du « dark store » de Monoprix, situé dans le 15^{ème} arrondissement de Paris, le 12 mars. A. POTTERICH / MONOPRIX

Simultaneously, the number of instant grocery delivery start-ups, that rely on dark stores, increased rapidly

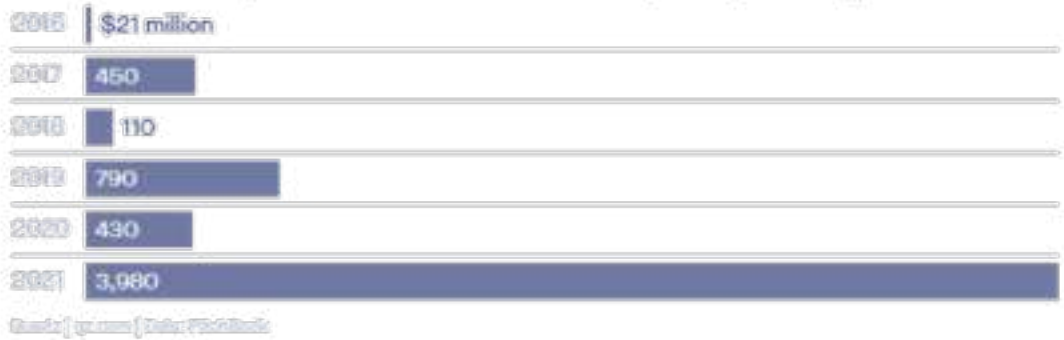


Venture capitalists invested nearly \$4 billion in instant grocery delivery in 2021, following a strategy of ‘blitzscaling’

Global VC deal activity in grocery delivery by quarter: 2015 to 2021



Global venture capital investments in ultrafast grocery delivery



Instant grocery delivery, or quick commerce, exists alongside other segments in food e-commerce



Instant versus regular food e-commerce

E-COMMERCE

Q-COMMERCE

2-3 DAYS DELIVERY → 10 MINUTE DELIVERY

MEGA WAREHOUSE
(LOCATED OUTSIDE CITY) → LOCAL DARKSTORE
(ONE EVERY 2KMS)

EVERYTHING UNDER
THE SUN → CURATED FOR WHAT
YOU NEED NOW

ORDER UPDATES
EVERY FEW HOURS → REAL-TIME MAP
TRACKING EVERY SECOND

STOCKED UP CUPBOARDS → NO CUPBOARDS NEEDED

grofers

Press coverage focuses on locally present start-ups, but instant grocery delivery is a global phenomenon, some examples



In fact, the instant grocery delivery model finds its origins in Asia and is an established practice in China in particular



Dark stores by Missfresh



Warestores by Hema Fresh

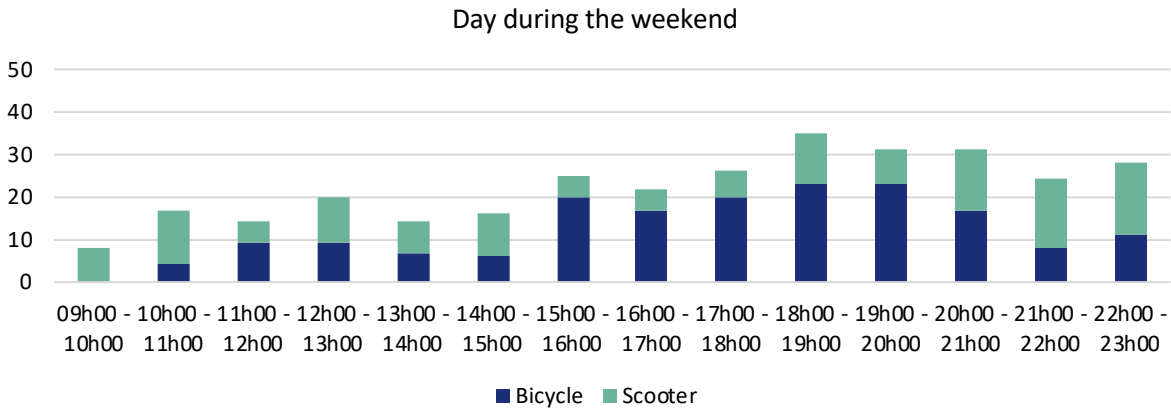
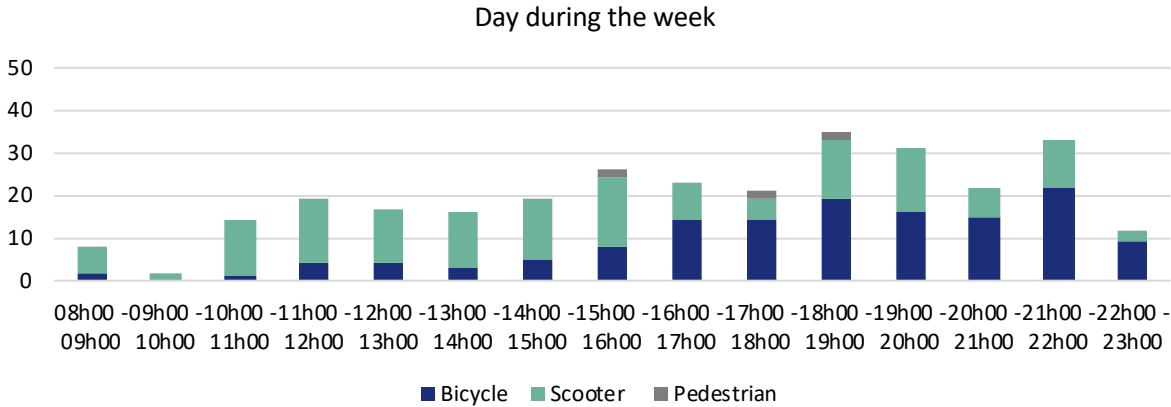
Dark stores of instant grocery delivery start-ups share several characteristics



Fricti in Paris 11

- Are overall between 200 m² and 400 m², have limited infrastructural needs and count about five to fifteen employees
- Target 'A' markets, but do not necessarily need 'A' locations in those markets
- Serve neighbourhoods in ten to twenty minutes within a 2 km radius
- Use two-wheelers, including electric scooters and cargo-bicycles
- Need parking space as equipment and vehicles are provided
- Carry about 2,000 product references, about one third from local producers

Transport and land use intensity of dark stores, observations from Getir in Paris 11 (week of the 21st of February 2022)



1 departure or arrival every 3 minutes

Transport and land use intensity of dark stores, observations from Getir in Paris 11 (week of the 21st of February 2022)



Regular supplies in small quantities



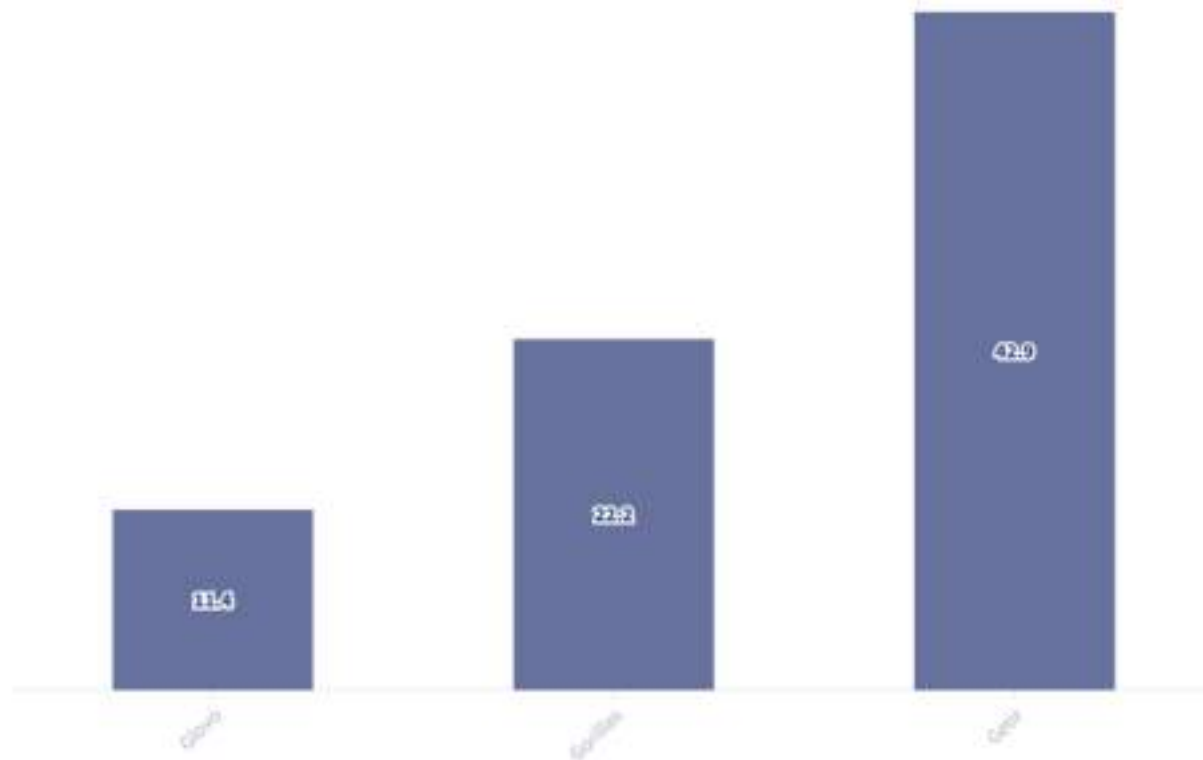
About 5 scooters and 7 bicycles occupy the parking spaces



1,4 deliveries per departure during the week and 1,9 during the weekend

To deliver on their instant delivery promise for urban markets as a whole, dark stores are needed in numbers to succeed

Average number of dark stores per European country



Located in railway arches,
light industrial parks,
shopping centre basements,
underground car parks, but
mostly, vacant stores

Example of Gorillas



Sentier



Vitry-sur-Seine

● Paris



Aigre



Bactille



Batignolles



Champs-Élysées



Colombes - Argenteuil



Courbevoie



Boulogne - Billancourt



Belleville - Les Lilas



Boulogne - Billancourt



La Garenne - Colombes



Levallois



Montmartre

Example of Gorillas

GORILLAS

SOME HANDS -FR

Édition 7 - Mai 2022

■ Performance



37% > 20 min

Vs. 26% W17



69 NPS

Vs. 67 WoW



27.959 Orders

-18% WoW



26.4 AOV

Vs 26 in Apr



2.0 OPH

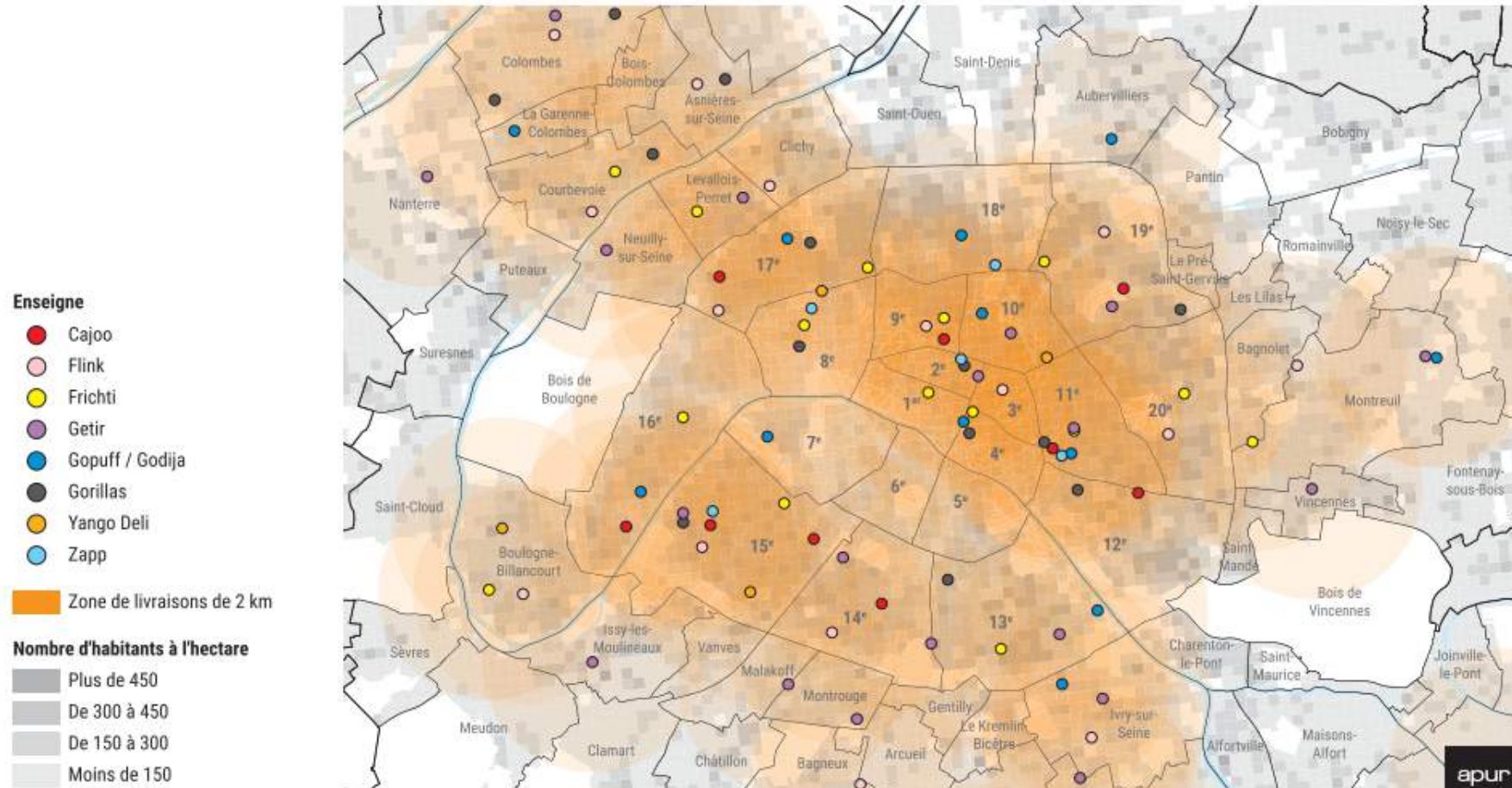
Vs. 1.9 W17



4.6% Tx Incident

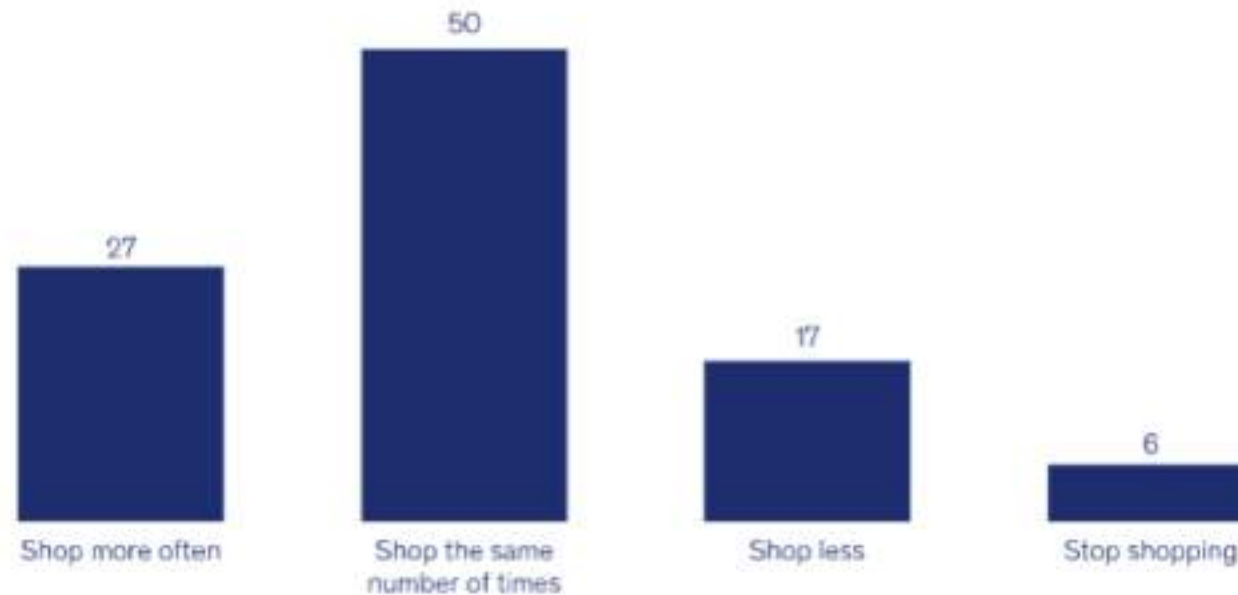
Vs. 4 W17

80 dark stores in Paris (Feb 2022), 110 in New York (Feb 2022) and 28 in Amsterdam (Dec 2021)



High customer acquisition costs add to capital needs: heavy online and offline promotion, prices on par with retail, low delivery cost

How respondents in France, Germany, the Netherlands, and the United Kingdom plan to shop with instant players, % (n = 2,900)



Source: McKinsey Instant Grocery Consumer Survey, January 7–10, 2022

From dark store to dark city? Photomontage of Amsterdam by NRC Handelsblad



Growing aversion among local residents, authorities and businesses, referring to noise, space, safety and competition concerns



Instagram page in Amsterdam



My Bodega Online initiative in New York



Public meeting on reporting unauthorised dark stores in Paris

Live fast, die young?

Instant grocery delivery strategies moving forward



Acquisitions

Delivered in
10 minutes?
Bananas!



Partnerships



Services

Dark stores & quick commerce,
an illustration of three existing
trends in urban logistics

1 - Service differentiation and specialisation



Vandaag Bezorgd

€ 0,99 (Inslagpremie bij **Select**)

Vandaag besteld, vandaag in huis. Van maandag t/m vrijdag voor 13:30 uur besteld, dezelfde dag (thuis)bezorgd tussen 18:00 en 22:00 uur.*



Avondbezorging

€ 1,50 (Inslagpremie bij **Select**)

Van maandag t/m vrijdag bezorgen we tussen 18:00 en 22:00 uur, als je de dag ervoor bestelt.*



Zondagbezorging

€ 0,50 (Inslagpremie bij **Select**)

Bezorgen op zondag. Komt zondag jou het beste uit om je pakketje in ontvangst te nemen? Dat kan ook.* Ook op zaterdag besteld, zondag in huis.



Vandaag ophalen

€ 0,99 (Inslagpremie bij **Select**)

Bestel je op werkdagen vóór 13:00 uur? Dan kun je het pakketje dezelfde middag ophalen bij een bol.com afhaalpunt bij Albert Heijn vanaf 17:00 uur.



Kies de dag die jou uitkomt

Werp een blik op je kalender. Laat je bestelling bezorgen op de datum die jou het beste uitkomt.*



1 - Service differentiation and specialisation

MONKL



Payment & shipping

Standard Home Delivery (€5/Free over €50):

We will deliver your purchase within 2-3 working days after receiving your order confirmation. Standard delivery is free for orders over €50. During high season and Sale, delivery might take a little longer.

Standard Pick-up Location (€3/Free over €50):

We will deliver your purchase within 2-3 working days after receiving your order confirmation. Standard delivery is free for orders over €50. During high season and Sale, delivery might take a little longer.

Climate-smart Standard Home Delivery Stuart (€5):

For a more sustainable delivery, we are happy to offer climate-smart transport options. We will deliver your purchase within 2-3 working days after receiving your order confirmation. Enter your zip code at checkout to see if your region is available for this service.

Express Home Delivery (€10, 1-2 working days):

We also offer Express delivery (excl. Saturday, Sunday and Bank Holidays) for orders placed before 7:30 pm Monday to Friday. Orders placed after this will be delivered within two days (excl. Saturday, Sunday and Bank Holidays). During high season and Sale, Next day delivery might be unavailable.

Next Day Home Delivery Paris (€5, 1 working day, delivery time 4:00-22:00 CET):

To Paris we offer a next day delivery for orders placed before midnight. During high season and Sale, express delivery might be unavailable.

Please note: expected shipping times, including any delays or deviations, will be shown at the check-out.

2 - Modal shifts in the last mile and last feet



3 - Proximity logistics real estate



Design for a new multi-story distribution center in Brooklyn



Micro-hub constructed under the ring road in Paris



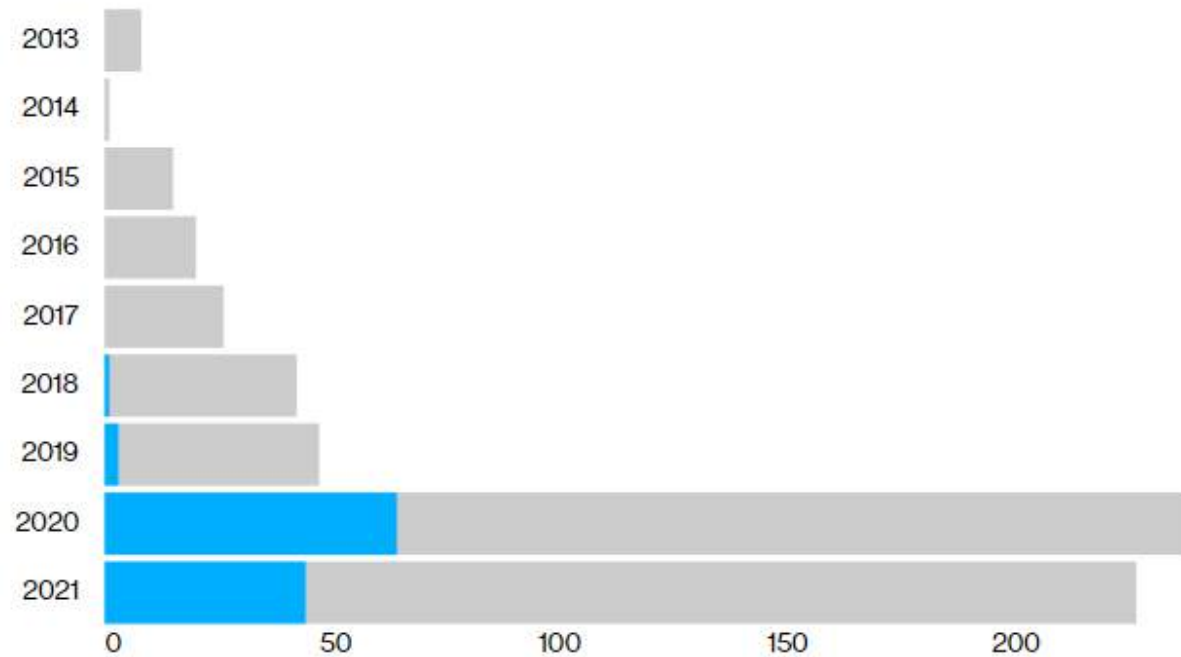
Model view of West Truck Terminal redevelopment in Seoul

3 - Proximity logistics real estate

Continued Expansion

Amazon has ramped up construction of its delivery stations in the past two years

■ New small-package delivery stations ■ New heavy-package delivery stations



Source: MWPVL International Inc.

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BUSINESS

IKEA to Open More Downtown Stores, Retool Big-Box Sites for Online Orders

Furniture giant aims to accelerate expansion with \$3.2 billion investment in stores



An IKEA furniture store in Spain. The company is retooling its out-of-town locations as hubs for distributing online orders.

PHOTO: XAVI LOPEZ/SOPA IMAGES/LIGHTROCKET/GETTY IMAGES

By [Saabira Chaudhuri](#) [Follow](#)

May 9, 2022 7:01 am ET

3 - Proximity logistics real estate



Shared storage space and micro-hub geared towards the needs of the neighbourhood's businesses and residents

Conclusion

Policy responses & recommendations

- Providing and enforcing adequate space for loading and unloading activities;
- Identifying appropriate locations for goods transport-intensive urban facilities and for storage of non-perishable goods;
- Imposing and facilitating low emission and low noise regulations for goods vehicles;
- Providing adequate charging infrastructure for goods vehicles;
- Controlling and enforcing fair working conditions;
- Facilitating and enforcing safe circulation of goods vehicles;
- Etc.



5-10-18
FNM

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