

SEPTEMBER 2020 SUPERMARKET/RETAIL NEWS

ALBERTSONS CEO: SOME RESTAURANTS AREN'T COMING BACK (SEE SOBELCO SAYS ON PAGE 2)

Albertsons Cos. CEO Vivek Sankaran maintains a strong conviction that COVID-19 has triggered a long-term disruption in consumer habits

WHAT IS A DARK STORE?

The concept of "dark stores" are becoming reality as grocers find more efficient solutions for customers' online shopping needs



PANDEMIC SWAYS MOST AMERICANS TO EAT AT HOME MORE OFTEN

- Fifty-five percent of shoppers polled said they've been eating at home more frequently during the pandemic, according to Acosta's "COVID-19: Reinventing How America Eats" study
- The findings show a sizable change in eating habits versus before the health crisis. Among respondents, 44% report eating breakfast at home daily, compared with 33% pre-COVID. Similarly, 31% are eating lunch at home every day versus 18% pre-COVID and 33% are eating dinner at home daily versus 21%

"The implications of staying at home and reduced commutes are far-reaching and jolted channel trends. Foodservice sales surpassed retail food and beverage sales in 2015 and were expected to continue to gain share, until the pandemic hit. Now, even the best-case scenario for foodservice will end the year in the red. Other trends, like e-commerce, have been accelerated, with online food, beverage and alcohol spend expected to increase 30% this year."

- Colin Stewart, executive vice president of business intelligence at Acosta

WILL SHOPRITE CONTINUE ITS NORTH JERSEY REIGN?

- Competition is heating up in the already competitive and sometimes tumultuous grocery landscape in North Jersey
- Trader Joe's is relocating to roomier digs a mile from its current Wayne, N.J., store in 2020
- Amazon, which has acquired the leases on two former Fairway stores in northern New Jersey, is rumored to have earmarked those locations as future Amazon grocery stores



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FOOD PRICING REMAINS ELEVATED, BUT SIGNS OF EASING EMERGE

- According to market researcher Nielsen, consumers are now seeing higher grocery bills than before the pandemic and versus a year ago because of fewer promotions
- In an inflation study for its retailer and manufacturer clients, Nielsen found that consumers paid 4.1% more for groceries than in August 2019. The data is based on the prices shoppers pay for a basket of popular grocery items and includes in-store, curbside pickup and home delivery purchases

AMAZON GO'S CASHIERLESS TECH MAY COME TO WHOLE FOODS AS SOON AS NEXT YEAR

- Amazon may start implementing cashierless tech in Whole Foods sometime during the second quarter of 2021
- The promise of cashierless grocery stores is convenient: walk in, buy your groceries, and walk out. While this "just walk out" model is nice, this new technology is very likely to replace jobs with machines

SobelCo Says: Restaurant owners have had to completely change their strategy to adapt and compete with traditional grocers, as people have shifted from eating out to dining at home. This presents new opportunities for grocers to capitalize on this trend - providing new in-store offerings and take-out options for their shoppers, as it is likely this trend will continue even as we get back to our "normal" lives.

DOORDASH IS LAUNCHING A GROCERY DELIVERY SERVICE

- The restaurant delivery platform is partnering with regional grocers across the country, including Smart & Final, Meijer and Fresh Thyme, to offer on-demand grocery delivery
- Before the pandemic, consumers were slow to adopt online grocery shopping. But now, that business is booming. For example, at Amazon, which owns Whole Foods, "online grocery sales tripled year-over-year," CFO Brian Olsavsky said

REPORT: COVID-19 PRESENTING OPPORTUNITY FOR RETAIL SEAFOOD SALES BOOST

- Around a quarter of shoppers purchase fresh pre-packaged seafood from the self-service case, according to Information Resources Inc. Among the households that purchase these types of seafood, they average 3.1 to 5.6 purchases of that type of seafood per year or less than one purchase every two months
- However, the COVID-19 pandemic encouraged many more Americans to buy both fresh and frozen seafood. Frozen seafood sales surged 50.8 percent for the quarter ending 31 May 2020, according to Nielsen, while fresh seafood sales rose 26.3 percent

Note: Articles are linked to their source in each respective underlined title above