

## ***In-Store Operations***

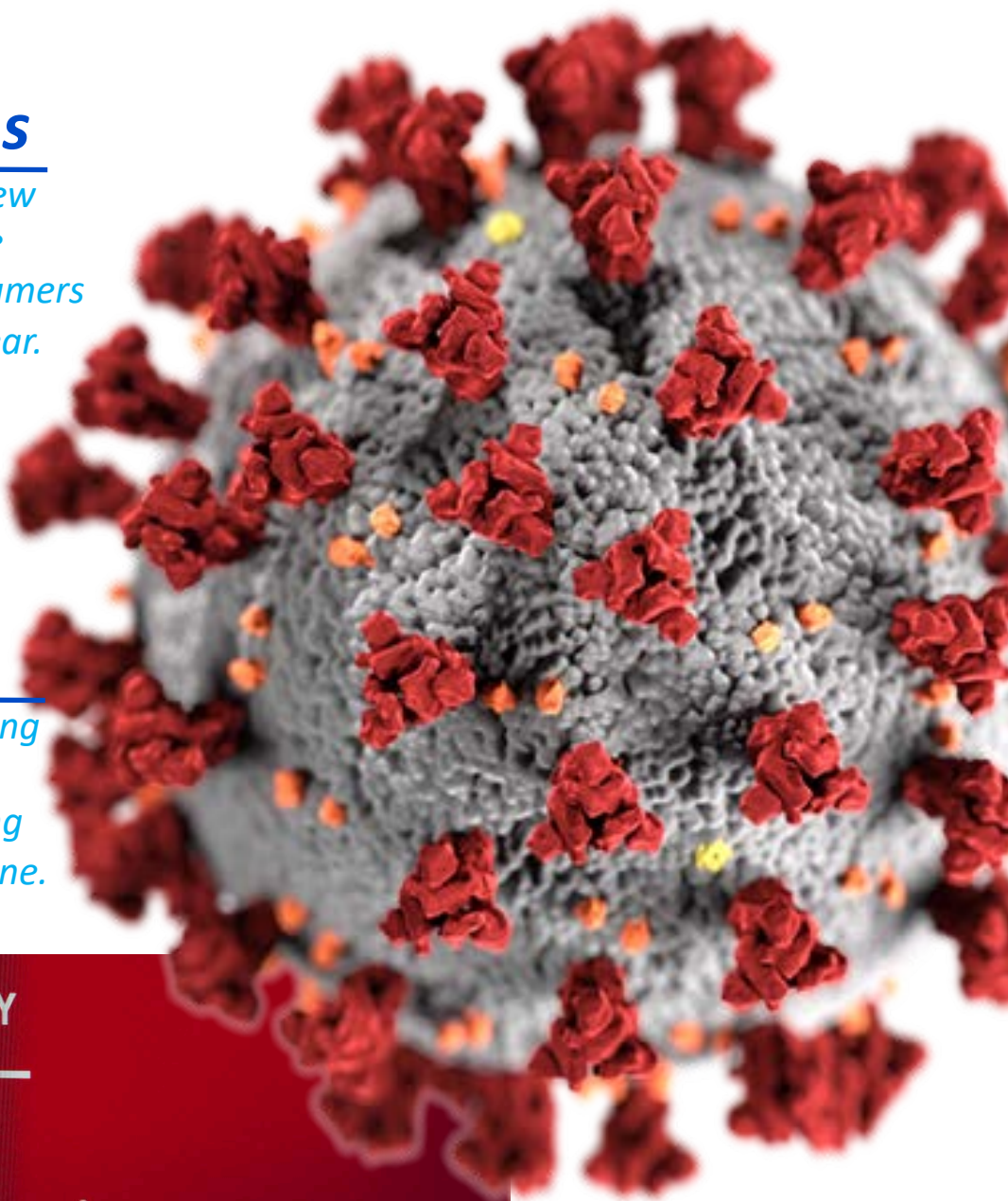
*Retailers layout new tactics to continue serving avid consumers amid a growing fear.*

## ***Online & Delivery Services***

*E-commerce is being put to the test as consumer shopping habits shift to online.*

**EMERGENCY**

**Coronavirus  
disease (COVID-  
19) outbreak**







# Daymon

# RETAIL NEWS

## *WAKING UP TO A NEW REALITY...*

Daymon would like to offer you a special edition of our Retail Newsletter with insights about the global outbreak caused by the COVID-19 (SARS-CoV-2).

Unfortunately, these are for sure very challenging times that we all are facing now due to the COVID-19. All companies are facing enormous commotions throughout the businesses.

All Markets, Retailers, and Consumers are entering uncharted territory due to this crisis and therefore we would like to compile insights for your review on the reactions that global retailers are doing to overcome this moment.

We organize this document with specific chapters to be able to explain what is being done throughout the world. And it is incredible to see the reactions. From Instore Operations, Purchasing Constraints, Supply Chain Management, Online & Delivery Services, Giving back to the community, Backoffice Operations, Communication to outside and the Supplier community.

One very important insight is that despite the uncertainty of the path that lays ahead, we are witnessing a very strong and positive reaction from everyone that is being touched by this crisis, having always in thought how to participate on the movement to stop the spread and guaranteeing the safety of associates and customers.

Though not surprising it is undoubtedly remarkable!

We hope this document will be useful and can help to disseminate all the possibilities to react to this moment.

**#keepsafe #keephealthy #stayproductive #flattenthecurve #inittogether**



## *PURCHASING CONSTRAINS*

Due to consumers panic buying, retailers across the countries dealing with the COVID-19 crisis are implementing a few product purchasing limits, making sure all have access to essential goods.

## *COMMUNICATION*

As Covid-19 outbreak continues to spread Internationally, retailers play a key role in educating consumers and collaborators in a tentative to prevent the disease and refrain consumption.

## *IN-STORE OPERATIONS*

Retail is constantly evolving, but due to the current Covid-19 pandemic, it's evolving faster than ever, demanding quicker solutions to disrupted consumer behaviour in a time of crisis. Stores are dramatically shifting operations, by either adapting opening hours, or having more time to clean and replenish depleted stocks or just to allow risk groups (disabled and elderly) to shop in specific hours, while at the same time, having to guarantee the safety of teams that essential to keep the store running.

## *GIVE BACK TO COMMUNITY*

Amidst the coronavirus outbreak, businesses everywhere, small or large, are trying to guarantee their community stays safe during these troubled times. Retailers and suppliers are promoting initiatives to especially support both the high-risk groups, such as older people and the medical staff that cares for all affected by the COVID-19.

## *SUPPLY CHAIN MANAGEMENT*

Facing rapidly growing demand for their in-store and online operations, retailers are facing difficulties in assuring a fast answer to their customers. See how unmanned logistics can support both retailers and health systems provide for their clients.

## *BACKOFFICE OPERATIONS*

The consumption spree is leading retailers to reinforce teams in their supply chain and even in call centres, to give better support to customers.

## *SUPPLIER WORLD*

If on one hand we are seeing falling sales and closures, on the other hand there are business areas growing. But we are all together, and Pernod is giving an example in Spain.

## *ONLINE & DELIVERY SERVICES*

Thanks to online and delivery services, customers can receive their groceries and household goods in the safety of their homes. Retailers, however, are struggling to answer the increasingly high number of requests due to the COVID-19 outbreak. Online retailers, like Ocado in the UK, have made the decision to temporarily suspend access to their website, in order to make the necessary changes to their service and cope with the exploding amount of additional traffic these days.

# PURCHASING CONSTRAINTS

## *South African retailers urge consumers to buy responsibly, while committing not to increase prices*

Retailers Clicks, Pick n Pay, and the Shoprite Group, which owns Checkers, have all urged South Africans not to panic, saying they have enough stock to prevent shortages and fully functional logistics systems to get food and other necessities to their customers.

A Pick n Pay spokesperson said that where stock is temporarily low due to heavy demand, it will be limiting the number of products per customer. Pick n Pay also committed not to increase prices of key products just because they are in demand. It reiterated that it has been preparing for the effects of the novel coronavirus for some weeks and is working closely with suppliers to make sure stores are kept in stock.

The Shoprite Group is appealing to customers to only buy what they need. "The gaps which are now evident on our shelves and those of other supermarkets are because of the unprecedented demand as a result of fear over the effect of the coronavirus, but we have new stock arriving regularly and we are working around the clock to keep shelves stocked," said Pieter Engelbrecht, CEO of the Shoprite Group. Currently, the group is seeing increased demand for sanitary, hygiene and baby products, dry pasta, UHT milk and some tinned vegetables. The retailer said it has increased orders and sourcing new and additional suppliers to replenish store shelves.

Health and beauty retailer Clicks says that it has seen an unprecedented and sustained customer demand across many health and hygiene categories. Rachel Wigglesworth, Clicks CCO, said it has significantly increased its orders across all in-demand categories, and Clicks is working closely with suppliers to ensure that stock gets to store as quickly as possible. Deliveries to stores have also been increased to ensure it can meet customer demand in the shortest possible time. "Clicks will continue to hold prices on all hygiene products as our way of supporting our customers during these extraordinary times," said Wigglesworth.

Source: Business Insider South Africa

## *UK: Supermarkets introduce purchasing limits to protect product availability*

In reaction to the COVID-19 pandemic, supermarkets in the UK have introduced purchasing limits, while reassuring customers that there is no need to panic-buy and ensuring essential supplies remain available to the most vulnerable.

Restrictions are being applied on a large number of products, with customers only able to buy a maximum of three of any grocery product across many of the major retailers, such as Sainsbury's, Tesco or Asda.

Additionally, Sainsbury's is limiting to a maximum of two on the most popular products, including toilet paper, soap and UHT milk.



Discounters are also implementing similar measures to ensure that everyone has access to the food and consumer goods products they need. Aldi was the first chain to introduce product rationing, meaning customers can buy no more than four of any single grocery product.

Source: The Grocer; Namnews

## KEY TAKEAWAYS

BY DAYMON

As coronavirus (COVID-19) continues to spread, many retailers are trying to keep up with customers panic buying, that ranges from grocery essentials to household sanitization products or cold and flu remedies. In response, retailers from countries where the pandemic is continuously growing, such as Australia, United States of America, Germany, United Kingdom or The Netherlands are limiting the number of items customers can buy, trying to make sure that everyone has access to the products they need.

At the same time, African retailers are trying to get ahead while the pandemic is still at lower levels than the rest of the world. South Africa's Pick n Pay is already experiencing temporarily low stocks due to heavy demand and announced it will be limiting the number of products per customer.



Retailers educating the consumer through their social media and websites



Aldi Portugal alerts to consumer on how they should wash their hands frequently, keep the social distance of 2 meters.

Aldi also recommends consumers buy only the essential, avoiding stocking up and pay with card (avoiding money exchange).

Source: Aldi.pt

In Italy Coop Italia, is teaching consumers how to wash their hands (alert for the use of alcoholic gel solutions).

Avoiding social contact by keeping 1-meter distance and avoiding big concentrations of people are also important factors.

Another important alert is not to touch eyes, nose, and mouth with hands.

Source: Coop Italia



Swiss main supermarkets joint declaration

MIGROS

coop



DENNER

Switzerland’s main retailers, meanwhile, have called for a more concerted effort by the population when it comes to so-called “Hamsterkäufen” (hamster buying), the German term for panic-buying and stockpiling of essential products that have been seen in many supermarkets.

On Monday, a joint statement by Coop, Migros, Aldi, Lidl, Spar, Denner, Manor, and Volg appeared in the Blick newspaper, with the retailers reiterating that stocks were full and that panic-buying was not necessary.

“If people buy more than what’s necessary and stockpile, it could result in others going without,” they wrote. “This would also put extra strain on our staff – in an already highly challenging time.”

Source: Swissinfo

KEY TAKEAWAYS  
BY DAYMON

Following the news of a rise in Covid-19 infections across countries and regions, consumers everywhere have run into grocery stores to buy as many products as they could find, fearing a potential shortage of supplies.

Retailers and retail agents play a crucial role in mitigating these consumer concerns, by strongly advertising against such behaviors, not only by assuring consumers they will keep stocks at a normal level, but also to ensure that everyone has access to essential goods.

Retailers need to put apart competition issues and play together in this “game” of consumer education.

# IN-STORE OPERATIONS

## Retailers are more cautious with store cleaning and limiting store traffic

In all markets affected by the pandemy of Covid-19, measures of retailers regarding store cleaning and store traffic have been taking place.

In **Italy**, **Esselunga** stores are being cleaned more often and since 8th March, the staff was assigned by the management at the entrance to the shops to allow customers to enter according to how many people go out, thus trying, as far as possible, to limit store traffic.

In the US, **Natural Grocers**, increased time spent cleaning stores, including cleaning commonly used areas more often, such as checkout lanes, credit card terminals, conveyor belts, and cleaning shelves when restocking. During every shopping cart collection, associates will clean shopping cart handles and the child-sitting area. Cashiers will be clean the handles of hand baskets prior to returning them to the handbasket area. Additionally, cleaning wipes and/or sprays will be provided for customers to use to clean their shopping carts or baskets.

Source: Ensemble IQ



Source: Mam-E.it

## Retailers protecting employees in The Netherlands

**Albert Heijn** in Paterswolde, cashiers work behind transparent tablecloths. They have been hung to protect personnel and customers against the coronavirus. Branch manager Schlepers is satisfied. "The cashiers have to get used to it because they are just a bit more confined, but after that they like it. Customers also respond well, they think it is good that we take safety so seriously.

The **Albert Heijn** in Paterswolde is not the only one that places a shield between cashiers and customers. The **Jumbo** in Dokkum deployed bulkheads this week, and a cafeteria in Klundert also opted for a plastic tarp.



Jumbo



Albert Heijn

Source: RTL Nieuws



# IN-STORE OPERATIONS

## X5 Retail Group transferred 70% of the capital's staff to remote work

In the Moscow offices of X5 Retail Group, about 70% of the staff switched to work from home and according to the representative of X5 Retail Group, in the near future the company expects to increase the number of personnel working remotely to 95–98%.

*"In the offices there are only employees who occupy critical roles in terms of maintaining the continuous operation of the business. In Moscow offices, a procedure has been introduced to measure the body temperature of employees upon arrival at the office and during the working day, a temporary ban on business trips outside the Russian Federation has been introduced, events and visitor access are limited, full-time training is suspended,"*the network said.

The offices of X5 Retail Group located in the regions, as well as the company's service centre in Nizhny Novgorod, are operating normally.

*"...We increased the number of staff in stores, cancelled all holidays, changed the work schedule and hired additional staff. We have provided retail employees with gloves and disinfectors, and we also expect the supply of protective masks in the near future. In stores, the premises, frequently used surfaces (trolleys, door handles, etc.) and ventilation systems are regularly disinfected,"*the statement said.



Source: X5 Retail Group

## VkusVill changes the schedule of shops

VkusVill stores are changing their business hours, according to the company's blog. In all cities outside Moscow, where there are VkusVill stores, a new mode of operation is temporarily introduced. Now all the stores in the network, except for nightspots and shops in shopping centres (where their schedule is linked to the schedule of a particular shopping centre), will be open until 21.00 starting today.

Despite the temporary change in opening hours occurring in a time retailers across the globe are taking the same actions due to COVID19, the banner states the reason behind it is mostly linked to adapting to the consumer lifestyle.

*"We want to take care of our team so that they can spend more time at home. Moreover, we noticed that you prefer to spend evenings with loved ones rather than in stores,"* the network said.



Source: retail.ru

## Restaurants advised against serving older people

The Ministry of Industry and Trade has sent recommendations to restaurants on how to protect themselves and guests during the coronavirus pandemic. Formally, the letter is addressed to the regional executive authorities, which should inform the public catering enterprises of "preventive measures of immediate nature to protect citizens" from the coronavirus.

According to the president of the Federation of restaurateurs and hoteliers Igor Bukharov, all restaurants also received a letter. According to recommendations from the department, it is necessary to arrange tables and chairs in restaurants so that there is at least one meter between visitors. In addition, you must make sure that all visitors before washing into the hall washed their hands with soap or treated with special disinfectants. Employees were also required to ask visitors about colds or respiratory illnesses and not to serve people with symptoms of the common cold and SARS. Guests over 60 years old must be persuaded by the administration to refuse to visit a cafe or restaurant.

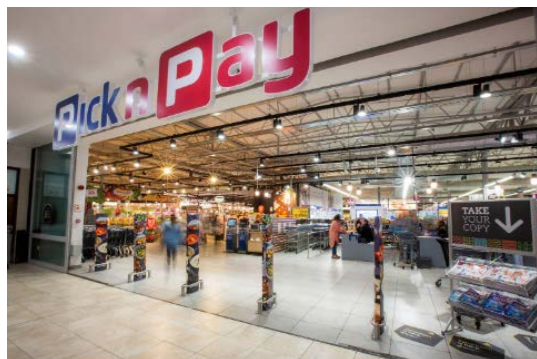
In addition to the rules for communicating with visitors, the document contains recommendations for the restaurant or cafe staff. In particular, the department reminded of the need to prevent employees with symptoms of colds and SARS, fever, and also if they returned from countries with a high level of coronavirus disease in the past two weeks.

Source: retail.ru

# IN-STORE OPERATIONS

## Pick n Pay "Elderly Hour"

Pick n Pay says it wants to open all its supermarkets and hypermarkets an hour earlier every Wednesday for customers over 65 to shop safer, amid coronavirus fears. From 18 March 2020, stores will be open exclusively for customers over the age of 65 years from 07:00 to 08:00. Customers will be carded at the entrance and will need to bring a valid ID to enter the store during this time.



Source: Business Insider

## Iceland in UK hosting special hours for senior and disabled shoppers

Iceland Foods in UK, is also hosting special hours for senior and disabled shoppers. Danny Burke, a manager at an Iceland Foods location in Northern Ireland, told that the stores are always at their cleanest in the mornings. This will give elderly customers a more sanitized environment to shop in before stores open to the general public.

The impact of Covid-19 continues to disrupt routines for many people and businesses, and there is widespread concern about access to food, especially for vulnerable people and the elderly.

With many of our Iceland stores located at the heart of communities across the UK, we are encouraging our store managers to dedicate the first two hours of opening on Wednesday morning to the elderly (those of state pension age) and vulnerable people in their community, such as those with disabilities. We are giving them the flexibility to offer this wherever possible, and arrangements will be publicised in the stores that decide to take this action.

We commend the action taken by our colleagues in the West Belfast store who have already dedicated an hour of early morning opening for the elderly. We are focused on being able to feed the nation and to support those most in need.

**Iceland**

Source: Iceland

## In USA, Covid-19 took major retailers to have dedicated times for elderly people to do their shopping

Since March 15, **Walmart** stores and Neighborhood Markets will be open from 6 a.m. to 11 p.m. until further notice. This will help ensure associates are able to stock the products, customers are looking for and to perform cleaning and sanitizing. Stores currently operating under more reduced hours (for example they regularly close at 10 p.m. or open at 7 a.m.) will keep their current hours of operation.

# Walmart

**Dollar General** stores across the county and devoting their first hour of business every day to older shoppers. While they won't close the store to the general public, the retail chain is asking that the first hour of operations be dedicated to senior customers. Dollar General stores across the county and devoting their first hour of business every day to older shoppers. While they won't close the store to the general public, the retail chain is asking that the first hour of operations be dedicated to senior customers.

Beginning March 19, all Stop & Shop stores will open early to serve their most vulnerable customers from 6:00 am – 7:30 am daily. During those hours, they are welcoming customers who are age 60 and over as well as customers who may have weakened immune systems and are more susceptible to COVID-19.

At Target, beginning March 18, Target will reserve the first hour of shopping each Wednesday at stores nationwide for vulnerable guests – including elderly and those with underlying health concerns.

Source: Ensemble IQ

## Carrefour in France opening earlier for elderly consumers

Since Monday, the Carrefour Market in Lamballe in the Côtes d'Armor opens 45 minutes earlier than usual. Between 7.45 am and 8.30 am, the aisles of the store are reserved for people over 70, those who are most at risk from the Coronavirus pandemic.

"We are a convenience store, the elderly, it's a big part of my clientele. But since Friday, for a number of customers, it's Christmas every day. So I was looking for a way to allow our seniors to do their shopping while protecting them from the crowd and the virus," says the store owner.

### INFORMATION CLIENTS

Votre Carrefour Market de Lamballe se mobilise.

A situation exceptionnelle, décision exceptionnelle.

A compter du **Lundi 16 Mars 2020**, les personnes de **70 ans et plus** (pièce d'identité obligatoire),

**Le magasin vous sera privatisé de 7h45 à 8h30.**

**Votre santé, notre priorité**

**Toutes les équipes de votre magasin sont mobilisées.**

Source: BFMTV France



# IN-STORE OPERATIONS

## Australian retailers measures to ensure elderly population has access to goods

Market-leading retailer **Woolworths** has confirmed that it will launch a dedicated shopping hour from 7-8 am for the elderly and people with disabilities. The new trading hour will come into effect from Tuesday 17 March and be in place until at least Friday 20 March, to ensure that those most vulnerable to coronavirus will be able to access staple items. To access a Woolworths supermarket before 8 am, customers will need to show concessions or senior's card.

The move replicates that of an **IGA** store in Altona, Melbourne that will also open for elderly customers at varying times until 7 April.

While **Coles** will also be replicating Woolworths, with 'community hours' in its stores between 7-8 am for the elderly and disadvantaged from Wednesday 18 March onwards. Those with a government-issued pension card, Commonwealth Seniors Health Card, Companion Card or Healthcare Card will be allowed to enter the stores between 7-8 am.



Source: IGD

## Aldi Portugal – Special Hours for Healthcare workers, Fireman and police officers



Source: Aldi.pt

## Store Closures and expansion plans put on hold worldwide

**Starbucks Korea** may face a 1.91 billion won (US\$1.59 million) loss after temporarily closing over half of its coffee chain in Daegu Metropolitan City and North Gyeongsang Province, where 90% of cases of the new coronavirus in Korea have been confirmed.

In Germany and Portugal, **IKEA** decided to close stores. This way, the company aims to inhibit the spread of the coronavirus and protect employees, fulfilling its responsibility as a major retailer, says in a press release. The measure is valid until further notice.

In the US, **Nordstrom Inc.** says it will temporarily close all of its stores for two weeks starting Tuesday as it tries to limit the spread of the new virus. The Seattle-based upscale chain, which operates 380 stores including 116 department stores, is the latest retailer to announce temporary closures. It joins Nike, Everlane, Apple and Abercrombie & Fitch, among others, in closing its doors.

**Sprouts Farmers Market** will no longer open its Silverdale and Seattle, Washington, stores, the former scheduled to debut 18 March and the latter on 15 April. Beyond the grocery industry, New York-based skincare and beauty company Glossier has closed all its permanent and temporary retail locations, along with delaying the opening of Glossier Arizona, which was scheduled for 18 March.

Source: Retail Detail & EsembleIQ

## KEY TAKEAWAYS BY DAYMON

*Covid-19 disease affects everyone, but older people and people with severe chronic conditions should take special precautions because they are at higher risk of developing serious COVID-19 illness.*

*In a tentative to contain the pace of the COVID-19 spread, while continue to serve consumers, retailers have been implementing similar tactics, such as limiting opening hours, creating specific hours for risk groups, healthcare, fireman and polices officers to also carry out their shopping, reducing the number of consumers inside stores and increasing the cleanliness of the sales area.*

# GIVE BACK TO THE COMMUNITY

## Australia: Woolworths partners with ‘Meals On Wheels’ to support the elderly



Woolworths has begun working with Meals on Wheels in New South Wales via their network of volunteers to help deliver toilet paper directly to the elderly in the community. The support is intended to help vulnerable and elderly shoppers overcome some of the challenges they have been facing in securing essential items like toilet paper, due to recent unprecedented customer demand.

Meals on Wheels volunteers in the Tuggerah area will hand-deliver a 4-pack of toilet paper along with their usual prepared meals to those they serve in the community.

Woolworths Supermarkets Managing Director, Claire Peters said: “We are pleased to begin working with Meals on Wheels in NSW to help provide for the elderly and vulnerable in the community. Due to the unprecedented demand for certain products in our stores, we’ve heard that many elderly and vulnerable people in the community are missing out on items they may need when they shop. While we’ll continue to do our very best to continue restocking our stores, we encourage all Australians to be mindful of those in your community at this time who might need help and ensure that we continue to support each other.”

Source: Woolworths Group

## France: Retailers are making shopping easier and safer for the elderly

Retailers everywhere are conducting a series of measures to protect their customers from the coronavirus outbreak. Throughout France, brands are multiplying initiatives to allow the most threatened by the COVID-19 groups to shop serenely.

Carrefour has set up a telephone delivery service for the elderly, not always comfortable with the internet, through which they can place their order by calling an operator. Carrefour has also prepared baskets of essential products, which cost 30 and 50 euros, to simplify their shopping.

Casino is also offering a similar kind of service: the owner of Monoprix and Franprix launched two toll-free numbers, one for each banner. Customers over 70 can call to order a basket of goods - either one at 30 euros containing rice, pasta, fruits and vegetables, cleaning and hygiene products and yoghurts, or its organic version, for 10 euros more.



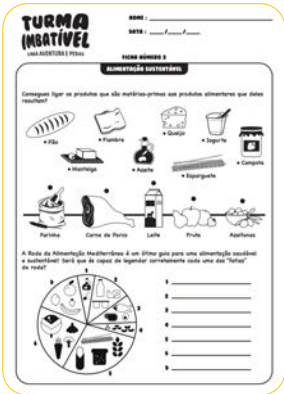
Source: BFMTV

## LIDL Portugal releases activities’ pages for kids (and parents)

To help parents and kids deal with quarantine or self-isolation measures due to the COVID-19 outbreak, LIDL Portugal is publicizing on their Social Media platforms the availability of school-alike activities’ sheets, from their “Turma Imbatível” (Unbeatable School Class) initiative.

This program leverages on Sustainability and Ecological themes to teach kids about such things as healthy eating and recycling.

Although this is an existing initiative, LIDL is partnering with the local health organization (DGS) to reinforce its existence and making quarantined days funnier and more educational.



Source: LIDL Portugal



# GIVE BACK TO THE COMMUNITY

## El Corte Inglés and Palladium Hotel Group helping the Community of Madrid

In order to provide the health systems with a safe space to attend to those affected by COVID-19, El Corte Inglés and Palladium Hotel Group, have made the Ayre Gran Hotel Colón available to the Community of Madrid. The hotel, very close to the Gregorio Marañón hospital, has set up its facilities to welcome patients who have mild symptoms.

The establishment, which will serve the Gregorio Marañón Hospital and the Infanta Leonor, is owned by El Corte Inglés and Palladium Hotel Group, owners of Ayre Hotels, who have wanted to show their support and collaboration in such exceptional circumstances as the current ones.



Source: Cadena SER

## Supplier Tutti Pasta supports the medical community

During this moment of crisis due to the coronavirus outbreak, suppliers are also taking the opportunity to step up and give back to their communities.

Supplier Tutti Pasta gathered all the materials they currently use in their food business, such as hats, scrubs and masks, and donated has much as they could to the medical community of the Hospital Complex of Navarra, that are in great need at the moment.



Source: LinkedIn

## Principle Healthcare supports the medical community

In the UK, Principle Healthcare says it will be doing anything they can to assist those on the front line within the NHS as best as they can.

Whilst no known cure is currently known, the supplier says there is no harm in topping up immunity with high dose Vitamin C, A-Z multivitamins for general health & B vitamins for energy.

In this context, they are gathering end of production runs, samples, anything they have in the warehouse or office that's not open, in date & can assist, and are distributing them at Airedale NHS hospital for the doctors, nurses, paramedics and staff who are putting themselves at the forefront of the fight.

Source: LinkedIn



## KEY TAKEAWAYS BY DAYMON

When it comes to giving back to the community, any action big or small can make a real difference and in these troubled times, we see retailers and suppliers doing things that will help their employees and customers, as well as the community.

From medical supplies to support facilities, from children to the elderly and higher risk groups, retailers are setting up initiatives to help the community cope with the COVID-19 outbreak, ensuring they have access to essential goods and health systems in a fast and safe manner.

# SUPPLY CHAIN MANAGEMENT

## *Alibaba and JD launch logistics solutions to address the coronavirus outbreak*

Chinese e-commerce players Alibaba and JD have launched logistics solutions for the medical workforce that combats the Coronavirus epidemic in China.

On the one hand, Alibaba has introduced a global B2B sourcing platform that connects the medical frontline staff to medical goods suppliers. The goods purchased on this platform will be delivered to hospitals based on the level of urgency and priority.

On the other hand, JD has been testing autonomous delivery robots (including drones) in the city of Wuhan, the epicenter of the coronavirus outbreak.

Alibaba's global sourcing platform will allow the company to use a US\$ 143 million fund that's been established shortly after the city of Wuhan was quarantined to stop the proliferation of the epidemic. The purpose of this fund is to purchase essential medical supplies within and outside China to support medical personnel in Wuhan and in other locations affected by the coronavirus.

Technology is being increasingly used by JD to reduce human to human contact. Its automated warehouses are working 24/7 to respond to the demand for daily commodities through online shopping, which is thought to be the safest way to deliver goods in this context.

In addition, JD's unmanned convenience store solution JDX Mart, which makes use of facial recognition along with other advanced computer vision technologies, is providing consumers in Guilin, Shenzhen and Dongguan with a contactless store experience whilst minimizing the risk of infection.

Source: IGD



## *Suning's unmanned logistics have come to the forefront during the Coronavirus outbreak*

The self-isolation of Chinese consumers has resulted in a necessary impetus to develop services, which Suning believes may accelerate after the epidemic. According to data released by the firm, the order volume of its convenience stores has increased by 419.6 per cent year-on-year, with food market orders purchased online and picked up in stores surging by more than 655 per cent during the period.

The firm's unmanned systems currently extend from warehouse robots through to driverless trucks and unmanned delivery trolleys or drones at the last mile.

The robotic warehouses are managed by a "compass" system whereby – during a 20-minute process – unmanned forklifts use visual navigation technology to load goods for AGV robots, which use intelligent path planning to transport them to a mechanical arm via autonomous navigation and obstacle-avoidance technologies. The robot arm places goods on a conveyor belt through an automatic de-stacker system, and after machine packaging and labelling, they are sorted for taking out of the warehouse. The product picking efficiency can reach 600 pieces per hour, with the cost of single product picking reduced by 52 per cent.



Source: Inside Retail Asia

### KEY TAKEAWAYS

#### BY DAYMON

*Across several business areas and also within the supply chain management field, the Coronavirus outbreak has opened the door to new technology development, especially that of limited human action or contact.*

*While it is difficult for the logistics industry to fully launch "unmanned" services in the short term, the demand for this form of distribution has increased significantly and consumers are increasingly willing to accept this type of service. Ultimately, the coronavirus crisis may be the turning point for retailers across the world, the moment that truly puts technology serving consumers everywhere and in diverse situations, causing an explosion of research and development in the field of unmanned technology.*



# BACKOFFICE OPERATIONS

## *Kroger adjusts employee policies as two associates test positive for COVID-19*



Two Kroger employees have tested positive for COVID-19, the retailer said in a press statement. Kroger said both employees — a King

Soopers associate in Colorado and a Fred Meyer associate in Washington state — are receiving medical care.

Along with the announcement, Kroger said it's putting an emergency leave policy in place. The policy gives employees diagnosed with COVID-19 and associates placed under mandatory quarantine standard pay for up to 14 days. If associates are unable to come back to work after two weeks, they are eligible to receive additional paid time off via short-term disability coverage.

In addition to its paid time off policy, Kroger is allowing associates who can and need to work from home the ability to do so. The grocer said it is taking "proactive measures" if more associates need to work remotely.

Source: Food Dive

## *Amazon hiring 100,000 new distribution workers to keep up with online shopping surge caused by coronavirus*

Amazon says the coronavirus outbreak has caused a surge in online shopping, and now the online giant is adding 100,000 new full-time and part-time positions across the United States to keep up with the demand. The jobs will be Amazon's fulfillment centers and its delivery network.

"We are seeing a significant increase in demand, which means our labor needs are unprecedented for this time of year," Amazon (AMZN) said in a blog post Monday. On Saturday, the company said customers could experience more extended delivery times than usual because of the high volume of orders as coronavirus spreads. The number of cases in the United States surpassed 4,000 on Monday. That announcement comes after Amazon has made speeding up shipments a key part of its business strategy over the past year.

The company also said Saturday that it is out of stock on "some popular brands and items, especially in household staples categories." A search by CNN Business Monday showed that among the things Amazon appears to be out of are brand-name toilet paper and several types of brand-name disinfectant wipes.

"We believe our role serving customers and the community during this time is a critical one, and we want to make sure people can get the items they need when they need them," the company said in the post-Saturday. "We are working around the clock with our selling partners to ensure availability on all of our products, and bring on the additional capacity to deliver all of your orders."

In addition to hiring thousands of new workers, Amazon said it is investing more than \$350 million to raise pay for hourly employees in warehouse and distribution roles through April. It will pay an additional \$2 USD per hour above the base hourly rate of \$15 or more, depending on the region, in the United States, £2 more per hour in the United Kingdom and €2 more per hour in many European countries. The company said it is consulting with medical and health experts on recommended safety precautions within its facilities, and has implemented "social distancing in the workplace" and enhanced cleaning. During the outbreak, Amazon has also had to grapple with sellers on its site trying to capitalize on coronavirus inappropriately.

Source: CNN

## *Morrisons in the UK adapts to Covid-19*

A move to boost home delivery will see Morrisons make more slots available to customers, PA reports. It will also set up a call center for those without access to online shopping and launch a new range of simple-to-order food parcels from March 23. Morrisons also set out measures to help staff, including a colleague hardship fund, a pledge to pay sick pay to all employees and redeploying colleagues who are vulnerable to the crisis.

David Potts, chief executive of Morrisons, said: "We expect the days, weeks and months ahead to be very testing and we are determined to do our bit. "These measures will support our very hard-working colleagues, enable us to provide more food to more people in their homes and create opportunities for people whose jobs are affected by the coronavirus."

Source: Bristol Live



**Amazon, Kent Warehouse in the USA**

# BACKOFFICE OPERATIONS

## US retailers' initiatives to support employees

**Trader Joe's** is changing its sick-leave policy during the coronavirus outbreak to encourage workers to stay home if they feel ill, according to an internal memo published by Business Insider. The grocery chain will allow sick workers to get reimbursed for their time off.

"If you develop a fever and symptoms of respiratory illness, such as cough or shortness of breath, call your health-care provider right away," the memo states. "We are encouraging Crew who are exhibiting any of the above symptoms to see a medical provider and not come to work."



**H-E-B** says it has increased resources for employees to improve their wellness practices and if they do not feel well, they are being encouraged to stay home. Additionally, the company has eliminated all business-related air travel both domestically and internationally for H-E-B employees until further notice. H-E-B is also scaling back its presence at large community gatherings to promote awareness and prevent the further spread of the virus.

Wegmans says it will continue to reinforce employee education regarding viral prevention and encourage workers to stay home when they don't feel well.

The company has also enhanced its short-term disability leave program to support employees impacted by COVID-19.



Target is offering up to 14 days of paid time off for employees who have contracted the virus or who are under mandatory quarantine, according to Business Insider. Target is also waiving its absence policy to support employees who feel too sick to come into work or who need to stay home to take care of their children due to school closures.



Source: EnsembleIQ

## More retailers offering paid sick leave to casuals (Australia)

Officeworks has joined Target, Kmart, and Woolworths in committing to pay casual workers who are required to self-isolate due to COVID-19, also known as coronavirus. The national stationery chain will pay casual team members who are required to be quarantined or care for a loved one due to COVID-19 for up to 14 days at the same rate as their rostered shifts, inclusive of penalty rates and loadings. Target and Kmart are also providing an additional two weeks of paid leave to permanent employees who have not accrued enough personal leave to cover an absence connected to COVID-19. The decisions have been lauded by the Shop, Distributive and Allied Employees Association (SDA) as a sign of "corporate leadership and community responsibility" in the midst of a "significant threat" to the nation's health.



Source: Inside Retail

### KEY TAKEAWAYS

BY DAYMON

The retail world has been trying to adjust as fast as it is possible, to this new scenario of consumption, where there is no consumer patterns or even a plan for this chaotic scenario, where consumers are in a consumption spree for items that range from essential goods to items as toilet paper and hand sanitizers. Retailers and suppliers need to answer consumer's needs, but can't forget their own workforce, as they need to work and think faster than ever. Companies in countries like the USA, where there is no national healthcare system in place, need to adjust their policies, by giving their employees additional flexibility to stay home if they are not feeling well, and additional payment options and support if they are affected by the virus. Retail businesses vary in size, some requiring many people to operate, others less. But no matter what the size of your retail business, every each one needs people to successfully operate.



## *Pernod Ricard offers its main Spanish beverage plant to process hand gel*

The multinational beverage company Pernod Ricard has contacted the Spanish government to offer the use of its factory and distillery in Manzanares (Castile-La Mancha, South Central).

Although the Manzanares plant is dedicated to the packaging of Pernod Ricard traded brands, based on the product supplied by other international centers of the group (that is, acting as co-packer) and, therefore, not to its manufacture, it has technical facilities capable of obtaining hydroalcoholic gel in large quantities, from the three main elements that compose it: water, glycerin, and alcohol.

Pernod Ricard is a co-leader of the Spanish spirit market with Diageo, especially in the touristic areas (South and East). It owns brands such as Beefeater, Ballantines, Seagrams or Havana Club and several wine cellars in the main designation of origins areas.



Source: IEG Vu

## *Brazil's Minerva halts production at four plants amid coronavirus crisis*

Brazilian meatpacker Minerva SA will place workers on paid leave at four domestic plants as it adjusts production capacity amid fallout from the new coronavirus pandemic, according to a statement sent to Reuters on Tuesday.

The workers will be placed on leave starting next Monday, the company said, adding that operations will be halted for between 10 and 15 days depending on the plant. Two of the units affected by the measures are located in the state of Mato Grosso, one in São Paulo and the other in the state of Minas Gerais, Minerva said.



Source: Reuters

## *Covid-19 creating demand for local products in South Africa*

Albert Louw, Lasher Tools Marketing Manager, said that the company had gained new business as a consequence of the outbreak of coronavirus in China and the closure of manufacturing in the country in an attempt to stem the spread of the deadly virus.

“For the first time, a big local retailer placed a multi-million-rand order with Lasher for products that the company has never bought from us before,” Louw said, adding that the order was a direct result of the curtailed supply of tools from China.

Louw stated that more than ever before, South African companies and consumers should support products made by local manufacturers like Lasher, who employ over 800 people at four local factories. Such support would translate into greater job security throughout the manufacturing value chain at a time when local economic growth is stagnant, and unemployment is near record levels.

He believes that local manufacturers need to stand together and work with the government to maintain and expand the sector, which until recently had faced an increasing onslaught from low-priced imported Chinese goods.



Source: African Retail

## KEY TAKEAWAYS BY DAYMON

Covid-19 pandemic has been impacting everyone’s life. It will, surely, leave an unforgettable social and economical mark, across the globe.

The globalization phenomenon where national and regional economies, societies, and cultures become integrated through the global network of trade, communication, migration, and transportation, make possible that an outbreak which origins in a country can eventually impact the entire world.

Country authorities, retailers, suppliers and consumers will need to come together to successfully fight the Covid-19 pandemic.

## ONLINE & DELIVERY SERVICES

### *Supermarkets and food service retailers promote contactless delivery*

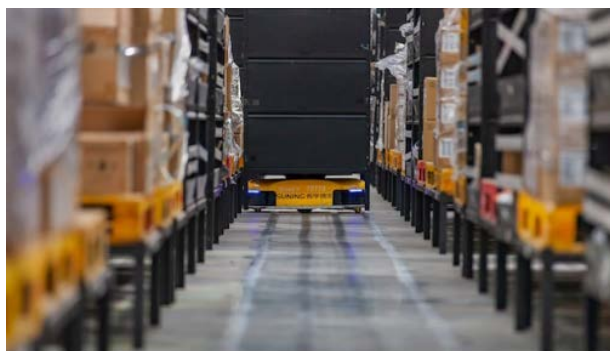
Ocado drivers will not be leaving orders on customer doorsteps, entering homes or taking away unwanted bags or returns as the online retailer looks to reduce the spread of coronavirus. The move applies to all customers whether they are self-isolating or not. Driver schedules now include two minutes for them to clean their vans, with a focus on areas of high contact, such as steering wheels, handbrake, radio, satnav and handles. Ocado will also not be accepting new customer orders for the time being.

South African Uber Eats and European on-demand food delivery startups Deliveroo and Glovo introduced “contactless” deliveries during COVID-19 pandemic. Customers can choose not to have their meal handed to them by the courier — and instead have it dropped off at their door without the need for human contact.

Source: Business Insider; Tech Crunch



### *Unmanned deliveries to tackle coronavirus crisis*



During the COVID-19 epidemic, Chinese retail giant Suning has launched a “contactless distribution service” with 5G unmanned vehicles. In collaboration with the firm’s convenience stores, unmanned delivery within a 3km radius is guaranteed, reducing the risk of infection between consumer and courier. The firm’s unmanned delivery systems currently extend from driverless trucks to unmanned delivery trolleys or drones at the last mile.

Additionally, Suning’s new unmanned delivery robot BIU can independently plan routes upon receiving a cargo box with delivery instructions, avoiding obstacles, delivering goods to customers and returning to charge.

To minimize human-to-human contact in e-commerce delivery, companies such as JD.com and Meituan are also experimenting with end-to-end “contactless” solutions using unmanned vehicles and drones.

Source: Inside Retail Asia; China EMarketer; WeForum China

### *Australia: Increased demand and lower product availability leads to delivery services’ holdup*

In order to allocate vans in their network to delivering groceries to those in genuine need, especially the most vulnerable and those isolated, Coles has temporarily suspended home delivery orders for other customers.

Also, to avoid inconvenience for Coles Online customers who have been picking up incomplete Click&Collect orders, Coles will temporarily no longer accept Click&Collect orders.

Coles has also temporarily cancelled its UberEats delivery service to enable team members to improve availability in stores.

Increased demand has also caused Australian grocery giant Woolworths to pause its Delivery Now and Pick up online shopping services.

A Woolworths spokesperson in a statement said: “We have temporarily paused our online ‘Pick up’ and ‘Delivery Now’ services due to temporary shortages on a number of items and to allow our teams to focus on serving customers in-store. Online standard delivery is still being provided by Woolworths, however, with low stock levels on high demand products some orders may not be filled, and your regular timeslot might already be booked.”

Source: IGD





## *Russia: Magnit switches to round-the-clock delivery of goods in Moscow and the region*

The company is moving part of its fleet and distribution centers serving the region to night distribution. These are more than 400 trucks and two logistics complexes in Dmitrov and Kolomna. They will ship goods to almost 2.5 thousand stores of various formats. A retail network to provide retail outlets in Moscow and the Moscow Region with products, including essentials with a long shelf life, supplements its own logistics with overnight delivery. From the distribution centers (RCs) of Dmitrov and Kolomna, more than 400 cars of the company will be shipping goods to the shops of the region around the clock. For the work of the personnel of the logistics complexes in the new mode, the network increases the staff by 10% and redistributes the load between day and night shifts.

In addition, Magnit creates new direct delivery schedules so that goods arrive at stores as quickly as possible. For the convenience of residents, the company will strive to provide night logistics in residential areas with small-format transport. Earlier, "Magnit", amid growing demand for essential goods throughout the network, increased shipments from its retail centers to stores throughout the assortment by 20% and increased shipments of essential goods by 30%.

In addition, the company has increased the level of stocks of goods in those stores where the format allows it.

Currently, the retail chain maintains a standard schedule of deliveries to retail outlets,

while Magnit increased its supply to be able to flexibly respond to growing demand.

Now, for distribution in Russia, our entire truck fleet of the company is involved - about 5,600 vehicles, an increased level of stocks is maintained in all 38 distribution centers of the company. The stock of socially significant long-term storage products is doubled.



Source: retail.ru

## *"AliExpress Russia" calls not to speculate on medical and hygiene products*

In recent days, the demand for essential goods in a pandemic has increased - medical masks, antibacterial and hygiene products. The company "AliExpress Russia" calls on the market to refrain from all kinds of speculation on products that protect the population. Similar rules "AliExpress Russia" introduces for all sellers of the marketplace: for speculation on protecting the population from the virus, the site will remove goods and block sellers.

*"The situation on the market of medical goods and personal hygiene products is reminiscent of the behavior of some unscrupulous taxi drivers after the attacks, when the cost of the trip grew tenfold due to transport collapse. This behavior causes condemnation. Now individual stores are trying to maximize the benefits of the pandemic, boosting prices and fueling panic in society: masks and gels, which cost several tens of rubles, are sold for hundreds - people are afraid of shortages and buy in bulk. We urge the market to unite against unethical behavior towards customers and do everything possible to ensure that masks, respirators, antibacterials and other important products are available at regular prices,"* the press service of AliExpress Russia commented.

For its part, the company AliExpress Russia turned to sellers in a letter, demanding not to speculate on this topic:

- Do not raise prices for medical and other protective products (masks, gels, respirators, etc.) - these products should be affordable for all customers;
- Do not lower prices without limiting the number of goods in the order - otherwise dealers may abuse the discount;
- Do not use medical masks as a free gift for increasing the value of the order;
- Do not distort the description of the product, endowing it with "miraculous" antiviral properties.

The company will closely monitor that medical and antiviral products are sold on AliExpress at fair prices. For violation by sellers of these requirements, the goods will be removed forcibly. The company asks customers who notice products of this category on the marketplace for unfair purposes to transmit information to the AliExpress Russia support service. According to representatives of the network, no one alone will cope with a pandemic. AliExpress Russia also expresses hope for support from the entire market.

Source: retail.ru

# ONLINE & DELIVERY SERVICES

## Retailers offer delivery fees to encourage voluntary social isolation

In a quarantined Italy, the indication to leave the house as little as possible, has brought the number of online shopping requests to exceptional levels, so much so that the sites are often slowed down and, depending on the chains, consumers need to wait for more than 10 days.

Nevertheless, retailers such as Esselunga and Coop offer free deliveries to consumers over 65 and Carrefour offers free home delivery for those who are advised not to attend overcrowded environments: new mothers and fathers, handicapped people and those over 65.



Across the globe, retailers are promoting social isolation while endorsing their online shopping and delivery services.

In Argentina, Walmart is offering a discount for home deliveries on purchases made through its website while in the US, drugstore giant Walgreens Boots Alliance says it will waive charges for home delivery of prescription medicines, as the elderly and others at high risk for complications from COVID-19 are urged to stay home.

Source: Il Fatto Quotidiano; America Retail; Forbes

## The effects of the COVID-19 on Amazon's supply chain

Amazon announced that it has temporarily disabled shipments for Fulfilment By Amazon (FBA) sellers across all but a few key categories until 5 April 2020, and it has taken a similar approach with its retail vendors too.

According to Amazon: "We are temporarily prioritizing household staples, medical supplies and other high-demand products coming into our fulfilment centres, so that we can quickly receive, restock, and deliver these products to consumers."

In the Amazon US and EU marketplaces, products in the following categories will still be accepted by Amazon: Baby Products, Health & Household, Beauty & Personal Care (including personal care appliances), Grocery, Industrial & Scientific and Pet Supplies. Any products outside the categories above can continue to be sold, as long as they are already being stored in one of Amazon's fulfilment centres or en route to a fulfilment centre.



Source: Channel Advisor

## UK retailers prepare for a much higher demand

Supermarkets across the UK are bringing in special measures in their online and delivery services to deal with the coronavirus crisis.

Morrisons is making more slots available in an effort to boost home delivery. David Potts, chief executive of Morrisons, said: "We expect the days, weeks and months ahead to be very testing and we are determined to do our bit."

From Monday 23 March and for online customers who are over 70 years of age or have a disability, Sainsbury's will be giving priority access to online delivery slots. Also, for any online customer who can travel to the supermarket, stores will operate an expanded 'click and collect' service while, at the same time, the retailer is significantly increasing the number of collection sites across the country, in preparation for Monday.

Source: The Grocer; Mirror Bristol



## KEY TAKEAWAYS

### BY DAYMON

The coronavirus outbreak has led to significant experimentation with many emerging technologies for delivery services, like drones and robots, especially in China. Health systems and authorities can also leverage these technologies to be integrated into planned health responses.

Also, the COVID-19 outbreak shed a light on quite a few fragilities within several online and delivery services. Retailers are adapting and actions implemented today will make them better prepared to deal with similar demand crisis in the future.