Industry snapshot

Get up to date with the breaking UK supply chain news making headlines in recent months

TECHNOLOGY

Retailers join forces with Mastercard and Samsung to create self-replenishing fridge

The dream of a self-replenishing fridge has become a reality after two US retailers joined forces with Mastercard and Samsung to launch a new app.

In an example of the next step-change in grocery supply chain integration, shoppers can order groceries through the Groceries by Mastercard app, which comes pre-loaded in Samsung's new Family Hub fridge, to be delivered direct to their door.

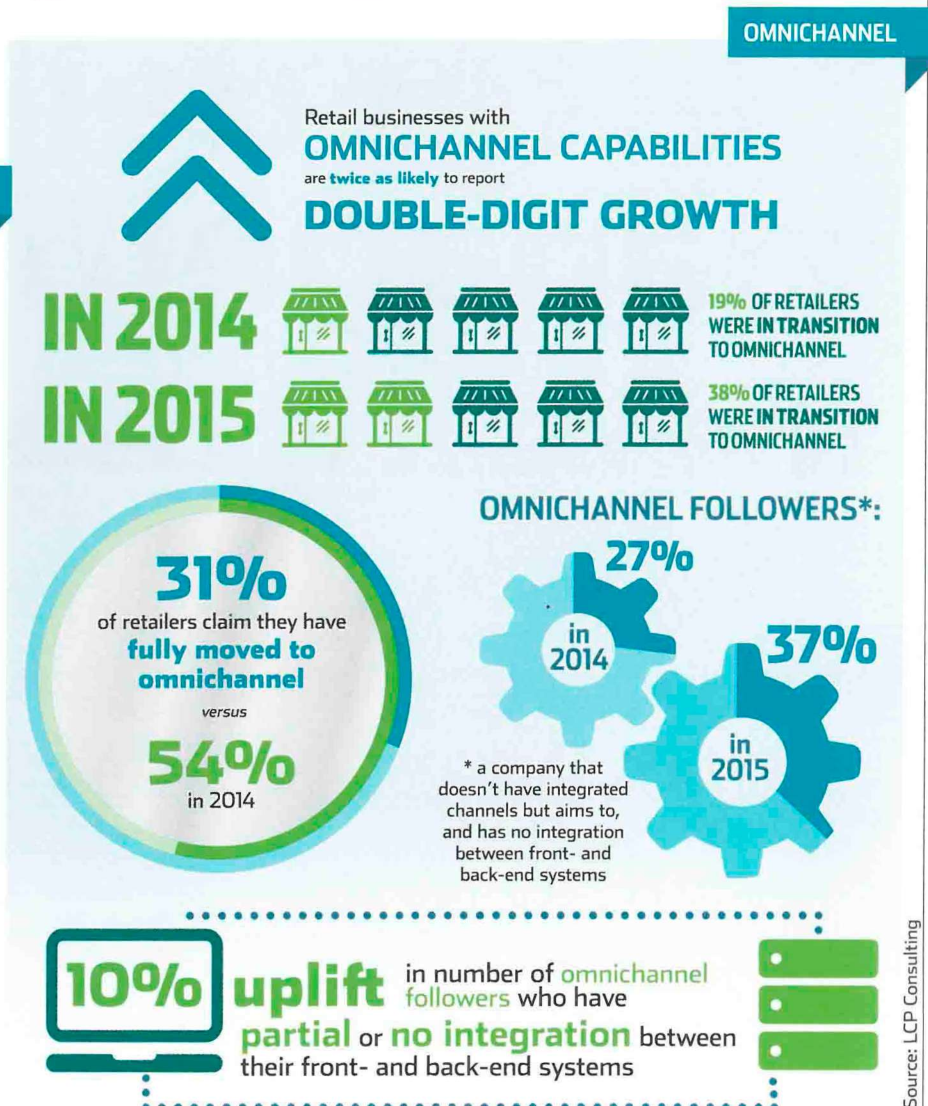
Shoppers load the app with selected items from online grocer FreshDirect and supermarket cooperative ShopRite, and those items are then added to their basket as they run out. A final shopping list is approved by the customer with a 4-digit pin and items are delivered directly by the retailers.

Mastercard plans to add new retailers to the app through its partnership with MyWebGrocer, which provides ecommerce solutions to more than 100 food retailers around the world.

"In a world where every device – from the phone to the refrigerator – is connected to the internet, the ways in which consumers interact and transact with their favourite brands are changing," said MasterCard Labs chief commercial officer Betty DeVita.

"We're developing compelling, safe and seamless commerce experiences for consumers across channels and devices as we continue to eliminate the boundaries between how we shop and how we pay."

OMNICHANNEL



New report reveals retailers slower than predicted to transition to omnichannel

A new study has found achieving full omnichannel transformation takes longer and is more complex than retailers first thought.

Retailers have underestimated how hard it is to fully transition to omnichannel, according to a new report.

The report, published in November 2015 by supply chain consultancy LCP Consulting, reveals twice as many retailers compared with this time last year maintain they are still in the process of transforming to become fully omnichannel businesses.

Omnichannel retailers that have a fully integrated front and back end and an integrated organisational structure are twice as likely to deliver double-digit growth, the report found.

LCP interviewed more than 100 leading retailers in the UK and the US for the report, in addition to a number of senior retail executives from leading European retailers.

● Join *Retail Week* and our partner LCP Consulting at a networking Think Tank breakfast on February 23 at The Groucho Club, London. This exclusive c-suite, director-level event will explore ways to adjust to the demands of digital commerce and the empowered customer by making the transition to omnichannel. If you're a supply chain director or multichannel director, please register your interest by emailing rosie.birchenough@Emap.com. ↘

WAREHOUSING

Warehousing openings and deals

■ **Amazon** has signed a deal for a new site at Knowsley Industrial Estate in Liverpool. The Venus 110 site, which has yet to be completed, will comprise 100,000 sq ft of warehouse space along with 10,000 sq ft of two-storey offices. It follows Amazon's deal to take a 10-year lease on a 170,000 sq ft unit at Lancashire Business Park.

■ Online fashion retailer **Boohoo** has consolidated its Burnley base with the acquisition of a new warehouse at the Heasandford Industrial Estate in the town. Boohoo has paid £1.7m for the 113,000 sq ft facility, which is located next to its existing warehouse.

■ **Yodel** has opened three new 'super' service centres as it continues to strengthen its delivery estate. The sites in Livingston, Southwark and Waltham Cross became operational in the run-up to Christmas. Yodel said the locations were chosen for their proximity to major motorways and town centres.

■ Contract logistics company **Bibby Distribution** is set to open a new 268,000 sq ft depot in G Park near Wakefield. The site is scheduled to open this quarter and will act as a distribution hub for a number of Bibby's customers.

News in brief

• The Entertainer has agreed a 10-year extension to its contract with logistics company XPO to manage its storage and distribution operations. The agreement includes the management of the toy retailer's new distribution centre in Banbury, which at two-and-a-half-times the size of The Entertainer's previous warehouse, represents the retailer's biggest single investment to date.

• Labour MPs are to ask Prime Minister David Cameron to launch a cross-departmental investigation into controversial retailer Sports Direct. The parliamentary pressure follows allegations that Sports Direct is effectively paying thousands of staff below the minimum wage and that some are too frightened to take time off work when, for instance, their children are ill. Temporary workers at Sports Direct's Shirebrook warehouse are mostly hired through agencies, which technically employ them.

• River Island has launched a 'click and don't collect' option for click-and-collect shoppers who can no longer pick up their order. The solution, which is run in partnership with delivery firm Shutl, launched ahead of Christmas and gives customers who are unable to find the time to collect an online order from store the option to have their package delivered to them within 90 minutes or at a time of their choice. Use of the service costs customers £4.95.

• Amazon is reported to be in talks to lease 20 Boeing Co 767 jets as part of its plans to launch an air-delivery service. A report in a US newspaper suggested that the retailer is seeking to avoid delays from third-party carriers and could also use the jets to deliver on behalf of other companies.