Amazon's first full-size checkout-free store is coming

Article



Amazon will open its first full-size **Fresh** grocery store in the US using its **Just Walk Out** technology <u>per</u> Engadget. This is the first time the retail giant has deployed its computer vision, sensor fusion, smart-shelves, and deep learning solutions in a larger store space. Just Walk Out has previously only been demoed in smaller <u>Amazon Go</u> shops in Chicago, New York, San Francisco, and Seattle. The new Fresh location in Bellevue, Washington is a full-size





grocery (which are <u>typically</u> 25,000 to 45,000 square feet) and the largest retail space that will run on Amazon's cashierless tech

Here's how it works: The Fresh grocery will allow buyers to scan QR codes, use Amazon One to read their palms, or insert their credit or debit cards associated with their Amazon accounts. Offering various ways to pay is a smart way to ease consumers into the store. Earlier Amazon Go stores didn't allow shoppers to enter without an app installed on their devices.

Amazon has piloted various retail automation solutions in the US and the UK. Earlier this year, Amazon opened a semiautonomous, checkout-free grocery store in London's Ealing borough, also using Just Walk Out technology, which deploys a combination of AI sensors and cameras monitoring what customers remove from store shelves and then automatically bills their linked credit cards once they exit the store, all without ever interacting with a cashier, a desirable option during the pandemic. Self-checkout technology is growing in importance, but adoption has been slow or limited to a few in-store terminals.

The full-size Fresh store announcement comes just as Amazon is offering Just Walk Out To other retailers. Being able to provide retail automation from small airport kiosks to full-size grocery stores puts Amazon at a competitive advantage. Amazon also recently partnered with airport retailer Hudson to roll out a contactless Hudson Nonstop store at the Dallas Love Field Airport, as well as the Chicago Midway International Airport.

However, retailers may worry about the data collection happening in their stores, and their shoppers will likely share the same worry. Amazon says they will only collect the data needed to provide shoppers with accurate receipts.

The loss of retail jobs could also weigh down merchants looking into automating store sales. Amazon maintains that Just Walk Out will simplify shift worker's roles to more valuable activities such as stocking shelves and greeting customers.

Coronavirus Impact: Interest in Select Digital Retail Technologies Among US Consumers, March 2020 & June 2020

% of respondents

	March 2020	June 2020
Mobile payments	17%	30%
Mobile app orders	16%	28%
Apps to scan barcodes	-	25%
Self-identifications at terminal	26%	25%
Digital screens to navigate	-	22%
Digital screens for browsing	23%	20%
Digital shelf labels for info	21%	20%
AR to try on product	15%	16%
AR for product info	15%	16%
Location recognition	13%	16%

Source: Periscope By McKinsey, "Retail Reimagined: The New Era for Customer Experience,"
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