Robot-run supermarkets analyzed but Amazon says no plans

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(Tech Xplore)—Accountants and retailing gurus know the story. Supermarket owners have to figure in the cost of hiring workers against all those cash register rings for popcorn, soap and paper towels.

A recent story in the *New York Post* was eyed around the tech watching sites in recent days as it explores what an Amazon supermarket might look like and how it could run.

Josh Kosman drew a portrait of a robot run supermarket where technology does most of the heavy lifting. The model would require as few as 3 human workers and would call for staff maxing out at 10 workers per location during any given shift.

So the sites carrying the story are talking about supermarket-sized versions of the automated Go stores. Operating profit margins north of 20% under this design would contrast with an industry average of just 1.7%.

Nick Statt in *The Verge* ran down just how the human-robot ratio would work in terms of roles:

"As part of a new two-story layout for future Go supermarkets, a staff of anywhere from three to 10 employees per shift could keep things running. The *New York Post* reports that one employee could be used to stock shelves, while another could act as a manager for guest services, which may include signing up customers for Amazon Fresh grocery delivery. Two additional employees would be used to oversee drive-thru windows, while another two would aid robotic grocery-bagging machines that prep orders and deliver them to customers on conveyor belts. Depending on the size of the store and the time of day, this head count can be trimmed or expanded on by about three to four people."

Kosman said the idea translates into a 2-story, automated grocery store, where a staff of robots on the floor upstairs grabs and bags items for shoppers below. On that ground level, said Kosman, are the goods that customers like to touch. The layout, he added, "could span anywhere between 10,000 and 40,000 square feet."

There could be thousands of items, spanning fresh fruits and vegetables, eggs, meats and cheeses, to beer and wine. The *New York Post* said that "Pharmacies might also might spring up at some of the high-tech locations."

As for the app that customers would use, it could track items they pick from the shelves to buy. The app, via electronic sensors, would record what they grabbed, according to Kosman. Store security could be put in

play via "high-tech motion sensors to track wayward goods."

"As with Amazon Go, customers at the larger stores—targeted for the suburbs—could use an app on their phones to track items they've picked off shelves for purchase, with the app automatically recording what they've grabbed with the help of electronic sensors, sources said."

Leaving aside emotional regrets over the high school kids who would need to look for another type of job, the reduction in human personnel and profitability gains in automation at least in theory seem impressive. But that does not mean these Amazon supermarkets are going to happen.

In statements to publications, Amazon said they had no plans to build supermarkets as described in reports.

In a statement given to *The Verge*, Amazon *said, "As we tol*d the *New York Post*, we have no plans to build such a store and their story is incorrect."

An Amazon spokesman told *Business Insider* too that "We have no plans to build such a store."

To be sure, the *New York Post* similarly reported that, reached Sunday, Amazon officials denied the company was planning a robot-driven supermarket chain.

Ben Fox Robin in CNET reported that "a spokesman for Amazon said Tuesday the Post story was 'complete fiction.' The Post didn't respond to a request for comment."

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