

UK online supermarket Ocado strikes AI deal in Japan

29 November 2019

UK online supermarket Ocado is venturing further outside its main market, announcing Friday a deal to provide artificial intelligence (AI) capabilities to Japanese retail giant Aeon.

"We are pleased to announce the signing of an agreement... to develop Aeon's online grocery business in Japan using the Ocado Smart Platform," the British group said in a statement.

Aeon chief executive Motoya Okada referred to Ocado as a "state-of-the-art, exciting and transformative partner" that will align with its own "strategy of accelerating Aeon's digital shift to serve Japan's consumers".

It is Ocado's first partner in Asia, having already expanded into the United States.

Under the Aeon deal, the first warehouse operated largely by robots will serve Japan's Kanto region from 2023, to be followed by further "customer fulfilment centres" in the two years thereafter.

Ocado's [share price](#) soared 12 percent to £13.53 in morning trade, topping London's benchmark FTSE 100 index which was down slightly overall.

"Ocado's future relies on growing the Solutions business—where it builds state of the art robotic warehouses that fulfil tens of thousands of online orders a week for its partners," said Sophie Lund-Yates, equity analyst at Hargreaves Lansdown.

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APA citation: UK online supermarket Ocado strikes AI deal in Japan (2019, November 29) retrieved 27 October 2021 from <https://techxplore.com/news/2019-11-uk-online-supermarket-ocado-ai.html>

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