

American Supermarkets – PAST, Present Vs. Future Trends and Technologies

By

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Introduction

Redefining what a trip to the supermarket could be began with the first King Kullen supermarket's opening in 1930. King Kullen provided the convenience of thousands of items, both in one place and under one roof, as opposed to the typical provision of dry good foods. For the first time, a supermarket included a bakery section with freshly made bread, a meat department with a professional butcher, and a sizable vegetable area, all of which could be purchased through a single checkout line.

This was the first of many supermarkets that offered such a range of things in one location, even if it may not appear spectacular by today's standards. Since then, we've created a variety of innovations and technologies that have taken the supermarket beyond its basic design. The shopping cart's creation in 1937, which occurred shortly after, was essential for effective and lucrative shopping in this enormous supermarket industry. The first price scanner was installed in 1974, ushering in a technology that would dramatically reduce checkout line wait times for decades to come. In Seattle, Washington, Amazon established its first grocery shop without a cashier in 2020, adapting its entirely staff-free convenience store concept to the scale of a supermarket.

In many respects, America's history in the 20th and 21st century can be seen in the history of the supermarket. Businesses have had to adjust the methods they sell to consumers and satisfy their requirements as a result of World War II, the Great Depression and Recession, and climate change. Supermarkets have developed into a never-ending hub of innovation. They began as a range of neighbourhood specialty shops, then transformed into chains, then into enormous one-stop chain supercenters. On the basis of news articles, market research, and official documents, Stacker created a list of the 30 most significant events in American supermarket history. Examine the development of the supermarket sector in America.

1915: Vincent Astor founds Astor Market

The Astor Market was the first attempt to employ economies of scale to cut the cost of goods during a time of higher costs brought on by World War I. It was built on the Upper West Side of New York City by Vincent Astor, the son of American tycoon John Jacob Astor IV. The market offered a wide variety of goods, including many modern supermarket staples like meat, fruit, and flowers. The market closed its doors in 1917, although it was a little ahead of its time since people still favoured tiny, neighbourhood stores over big, all-in-one shopping centres.

1916: Piggly Wiggly becomes the first self-service supermarket

In Memphis, Tennessee, in the fall of 1916, Clarence Saunders created the first self-service grocery shop and launched the first Piggly Wiggly. Historically, grocery consumers would give the store clerk a list of the items they wished to buy, and the employee would go get those items. Customers were able to browse the merchandise at Piggly Wiggly and choose anything that they need or that caught their attention. Saunders pioneered the technique of labelling all objects with a price to enable clients to make more informed purchasing decisions. He was diligent about arranging goods in an enticing manner.

1920s: Regional chain supermarkets enter the market

Little chain grocers like Kroger, Loblaws, and A&P appeared in great numbers throughout the 1920s. The few staffers working in these counter-service shops would go get things for clients. They didn't sell meat or fruit, thus their inventory was primarily made up of dry products. Through regional expansion, these tiny businesses established consistent branding and patronage.

1924: Ye Market Place introduces the drive-in market

C.L. Peckham had a concept to capitalise on the rising number of everyday commuters as the number of homes with vehicles increased. Ye Market Place was established by Peckham in Glendale, California, in 1924 on the side of Los Feliz Road, a commuter road far from any other businesses. In a U-shaped structure with a parking space in the middle, Ye Market Place contained 23 different businesses. Each business allowed customers to shop while storing their purchases in their automobiles until they needed them. Despite the fact that these stores weren't all under one roof, it marked the beginning of consumers' acceptance of department-oriented shopping.

1929: Families sell food in their homes during the Great Depression

Families were in a frantic search for a means of making an income after the Great Depression left the nation in a hopeless condition. A few ambitious neighbourhood amateur grocery shop owners started selling goods to their neighbours in their houses or vacant businesses. They would buy nonperishable foods in quantities and eat anything they couldn't sell. Many developed into billion-dollar family companies.

1930: King Kullen becomes the first supermarket

In Jamaica, Queens, New York City, King Kullen was established around 1930. In contrast to other markets of the day, King Kullen had several sections for vegetables, meats, dairy, baked goods, and other dry goods, and it offered a huge variety of products. The Smithsonian Institute claims that this multi-section huge food shop gained the distinction of being the first supermarket. The supermarket idea was a hit with consumers thanks to the development of automobiles and freezers in the 1920s.

1937: Self-checkout is first introduced

Clarence Saunders, the ever-innovative owner of Piggly Wiggly, believed that the addition of self-checkout would elevate his effective, self-serve supermarket to a new level. With his self-checkout creation, the Keedoozle, he planned to completely automate his supermarket chain. Regrettably, because the technology kept breaking, the Keedoozle was a total failure. It appears that Saunders' concept was a tad avant-garde.

1937: The shopping cart is invented

Customers may carry their purchases while they were shopping in a tiny wire or wooden basket that was given by food businesses before to 1937. Owner of a large grocery chain Sylvan

Goldman noted that if these hand-held baskets were too heavy, consumers would begin to go towards the cash registers at his Humpty Dumpty stores. He joined up with a local mechanic to build a prototype of what would become the shopping cart in order to develop a solution that would inspire people to continue shopping.

1950s: The international aisle is born

International cuisines developed by personnel who had deployed overseas gained popularity again after World War Two. Nonetheless, at that time, spaghetti and pasta sauce were considered to be foreign foods, along with LaChoy chow mein in a can. This was the start of adding a more broad range of items to the grocery aisles, even though international options have since increased in popular supermarkets.

1952: Bar code technology is patented

As he started out to develop a method to speed up supermarket checkout lines and the procedure for taking stock of the merchandise, Joseph Woodland was employed at Drexel College of Technology. He created the idea for a bar code (eventually known as the Universal Product Code, or UPC) while lounging on a Miami beach and tracing his fingers through the sand. He did, however, fail to develop the technology to scan the bar code, despite his achievement in designing the bar code.

1960s: Trading stamps grow customer loyalty

Supermarkets started providing trade stamps to consumers as part of customer loyalty programmes when they spent a specific amount of money. The postage might be accumulated and applied as a promotional credit towards a future purchase. Despite the stamps' popularity with consumers, government regulators opposed them and put additional taxes on them, which raised the cost of groceries.

1967: Joe Coulombe founds Trader Joe's

Joe Coulombe made the decision to open a shop focused on value and distinctive goods after managing a small Los Angeles-based network of convenience stores for ten years under the name Pronto Markets. In 1967, Coulombe established the first (and still-running) Trader Joe's in Pasadena, California. This store immediately gained notoriety for its inexpensive prices and its ever-changing selection of private-label products. Since its establishment, Trader Joe's has grown into a sizable network of supermarkets, with more than 500 sites around the country.

1972: Supermarkets introduce longer hours and 24/7 service

Until the 1970s, customers would consider themselves fortunate if their supermarket remained open past dusk and before morning. By 1972, 4% of supermarkets with a yearly income of at least \$500 000 offered their clients 24-hour service. Although being expensive, this method gained client loyalty via practicality.

1974: The first price scanner was installed in a supermarket

The first Spectra-Physics model was created in the summer of 1974. A Marsh supermarket in Troy, Ohio, has a price scanner installed. By scanning the new product-identifying Uniform Product Code, the scanners sped up check-out (UPC). A packet of Wrigley's Juicy Fruit chewing gum was the first thing scanned. At modern supermarkets, UPCs and price scanners are still in use.

1976: Price Club introduces membership-based superstores

Entrepreneur Sol Price founded Price Club in San Diego, California, which is today

known as Costco Wholesale, in 1976. The store, which was located in a former aviation hangar, specialised in bulk goods for small firms at wholesale prices. The premium membership model was created when it was discovered that the business could enhance its revenue by allowing only certain members to shop in their stores. Sam's Club opened its doors in 1983 and quickly adopted a similar membership structure.

1980s: Supercenters offer a diverse range of services

The biggest chain supermarket had accumulated enough land by 1988 to expand into even larger "supercenters." These supercenters provided a variety of services, such as banking, picture developing, prescription requirements, and flower design. Several retailers, like Walmart and Costco Wholesale, continue use this approach today.

1989: Peapod finds the first online grocery delivery service

Brothers Andrew and Thomas Parkinson started Peapod, the first online grocery delivery business, in 1989. Customers had to install software from CD-ROMs onto their computers in order to make orders with the firm. The goods would subsequently be purchased at Jewel and delivered to clients' doors via the service. Peapod invented many of the online grocery technologies utilised today and is still in operation, despite the fact that it took years for it to acquire a household brand in the retail sector.

1990s: Industry consolidation decreases the number of stores

Smaller regional grocery chains declined as supermarkets gained popularity, while larger, national chains bought up smaller chains and speciality stores. Food & Water Watch estimates that 385 grocery shop mergers occurred between 1996 and 1999, or over 100 mergers annually at that time. Almost half of all grocery sales were made in 2009 at the top four supermarket chains: Walmart, Kroger, Costco, and SuperValu.

1990s: Loyalty cards replace Green Shield stamps

As supermarkets became more popular, smaller regional grocery businesses went out of business, while larger, national companies acquired smaller chains and specialty stores. Between 1996 and 1999, according to Food & Water Watch's estimate, 385 supermarket mergers took place, or more than 100 mergers each year at the time. The top four supermarket chains, Walmart, Kroger, Costco, and SuperValu, accounted for about half of all grocery sales in 2009.

2002: Organic food becomes federally regulated

Although organic farming has been practised since the 1970s, the murky definition of what constitutes "organic" made it difficult to promote organic food to the general public. Stores accepted organic foods rapidly and with great success, nevertheless, after the term "organic" was subject to federal regulation in 2002. Sales of organic products increased to almost \$49 billion in 2017 and generated \$8.6 billion that year.

2007: Amazon starts grocery delivery service Amazon Fresh

By establishing an online food delivery service called Amazon Fresh in a few areas in 2007, Amazon increased the range of services available to Prime members. While similar services were available at the time, the tech giant offered ease in addition to value, which was a feature that most of the competition lacked. As an additional option for clients, the online store might give them household goods from among its hundreds of other items in addition to groceries. In addition to four locations in Germany, Amazon Fresh presently delivers to 19 major US cities.

2009: Great Recession heightens competition between chains

Grocery shops had to alter their business strategies to cater to a post-recession world while the consequences of the Great Recession were still being felt. Value was the only thing that united all grocery businesses. Although being perhaps one of the least hit merchants overall, there was still a strong focus on offering clients substantial discounts and savings. While certain value-oriented retailers, such as Walmart and Kroger, were more effective in spreading this message, other upscale merchants, such as Whole Foods, were unable to compete on the same level.

2014: A high demand for locally sourced products emerges

Consumers are becoming more interested in items made locally as they become more aware of the environmental cost of shipping large quantities of food across the nation. Customers are willing to pay more for local food because of the increase in demand for it. From \$5 billion in 2004 to \$12 billion in 2014, the local food market has increased steadily.

2017: Private store brands compete alongside brand names

Throughout the 1970s and 1980s, private store brands were thought of as lower-quality value options, but younger generations do not adhere to that stereotype. They are content to buy private store brands rather than more expensive name brands since they have less brand loyalty than their baby boomer forebears. As a result, certain stores, like Aldi and Trader Joe's, have prospered on their own label products.

2017: Amazon acquires Whole Foods

Amazon said in the summer of 2017 that it will pay \$13.4 billion to acquire the upmarket supermarket company Whole Foods. While Amazon had been selling food online, it had trouble selling staples like vegetables and meat since people preferred to purchase those items in-person. With this acquisition, Amazon was able to effectively enter the mainstream grocery sector and spread its online ordering and delivery service throughout all Whole Foods locations.

2017: Prepared foods becomes a top-growing revenue category

Customers began looking for healthier and more cost-effective methods to consume prepared foods. Sales in the prepared meals category increased by 139.5% in 2017 compared to the previous year. As a result, supermarkets begin to extend their prepared foods offers in novel ways, such as by building tiny restaurants or food halls within their stores.

2018: Supermarkets face tight labor markets by offering benefits

It became difficult for supermarkets to recruit staff, grow their workforce, and differentiate themselves from the competition while unemployment was officially below 4%. As a result, supermarkets started to pay their employees more per hour and provide them with a range of perks, such as less stringent dress requirements, tuition reimbursement, and comprehensive family leave policies.

2018: Amazon launches Amazon Go, a cashier-less store

The online retail giant Amazon undertook the challenge of adopting an automated customer experience in brick-and-mortar locations as trends in retail shift towards automating businesses' interactions with customers. Clients enter the store by scanning a barcode with their cellphones; the store then records the items they want and charges them through the Amazon app. On a scale smaller than a bodega, the first Amazon Go shop debuted in Seattle in 2018. In February 2020, Seattle saw the opening of Amazon's first full-size grocery shop without a cashier.

2018: Basics Market offers in-store cooking classes

Chuck Eggert, the creator of Pacific Foods, believed that teaching consumers how to prepare the food they purchased at the market was an innovative method to develop customer loyalty. As a result, when he established his Portland, Oregon, location in 2018, he included a classroom area that took up around one-third of the space. The classes, which are centred on healthy living, teach healthy recipes and package things together for buyers to take home.

2019: Pop Up Grocer brings curated options to shoppers

Emily Schildt, founder of Pop Up Grocer, introduced the notion of short-term retail pop-ups to grocery shopping in 2019. Schildt aimed to transform the grocery shopping experience by developing a design-centered, millennial shopping experience with trend-oriented items spanning from meals to drinks and body care. During ten days, Pop Up Grocer launched its first shop in Manhattan's SoHo district. It has subsequently made its way around the country, appearing in places for months at a time.

2020: Cashier-less Amazon Go supermarket

Amazon most recently applied its entirely staff-free convenience store concept to the supermarket size in 2020 when it established its first cashier-free Amazon Go supermarket in Seattle, Washington.

2021: A.I.-powered fulfillment centers and robotic delivery carts

An explosion in retail technology has coincided with the growth of online grocery shopping and the demand for new, cutting-edge methods of order fulfilment, delivery, and ordering. A few of the technologies that retailers have implemented in the last year or two include driverless automobiles, drone deliveries, fulfilment centres that are driven by A.I., and robotic delivery carts. In addition to offering online grocery delivery, merchants are rapidly enhancing in-store technology for checkout, security, and shelf replenishment.

2022: Smart carts

1) Hybrid prepared foods ordering

Prepared foods and meals are one area to profit from as consumers increasingly turn to grocery merchants for their shopping requirements. Due to the fact that their customers already buy there, grocery shops have an advantage in terms of convenience over restaurants.

2) Counter service automation

Using hybrid ordering systems for deli counters and bakery areas might be another successful decision for supermarkets, in addition to prepared meals. Grocery businesses may be sure to satisfy all of their customers' shopping preferences by offering pre-order choices for deli and bakery goods both online and through associates, as well as in-store kiosks where orders can be placed when the shopper arrives and picked up as they are leaving. With the capacity to predict orders, self-directed order placing, and simplified preparation and delivery of items, this also greatly increases efficiency for supermarkets on the manufacturing and personnel side of the company.

3) Kiosk advertising

Due to the pandemic's high adoption of kiosk technology, there is potential for further use, adding value to in-store marketing and advertising. Self-service kiosks in various divisions of our business, along with general information areas, may help we sell directly to in-store customers by offering them current specials, seasonal menus and catering possibilities, as well as pre-ordering in advance of our busiest holidays.

4) Smart carts

With the advent of smart carts, a long delayed aspect of supermarket shopping will take a giant step forward. Customers may easily check out from their shopping cart with the help of a smart cart, like Caper's AI Cart. The cart's cameras are AI-enabled, so they can automatically recognize the objects placed inside, scan them, and even weigh loose products.

Moreover, smart carts may help customers find products, offer suggestions depending on the things in the basket, and even advertise current discounts or coupons.

Following that, customers can proceed by proceeding to the self-checkout-like process of paying at the cart directly. Grocers may provide the utmost in consumer convenience by enabling mixed baskets containing fruit, household items, and their made-to-order sandwich to all be scanned and paid for at the same time with this technology.

5) Smart video

Supermarket video monitoring is in need of a technological upgrade, much like shopping carts. We may gain from utilising AI-enabled cameras all throughout our shop in a number of ways, including:

1. Getting alerted when clients have been waiting at our hot food or deli counter for a certain amount of time.
2. Seeing a heatmap of client movement patterns across our business to improve traffic flow and advertisement placement.
3. Accurately estimating the volume of patrons that enter, leave, and shop at any one moment so that our employees and prepared food department may better prepare to serve them all.

6) Scan-and-go

Convenience is king, according to one consumer maxim that appears to be standing the test of time. By adopting scan-and-go (also known as scan-and-pay), we may enable consumers to use their mobile device to scan their purchases while they shop, pay for their basket on their device, and exit the store after an entirely autonomous experience. Several major companies are testing this technology, and many industry insiders predict that it will become a standard for all types of retailers. Consider giving our clients the option to place an order for holiday catering from our business, pick it up in person, scan the order on their phone along with the supplies they need to restock their pantry, and then leave. The high touch, personalised customer service that many stores offer may not be something they want to abandon, but this doesn't mean it has to take its place; it can just be an additional choice for consumers who like it.

Future Supermarket Trends

The advantages of both online and offline commerce are being combined by traditional supermarkets in an effort to grow their businesses. The way supermarkets run is evolving, starting with the physical design of the shop and ending with the consumer experience. In addition, in-store management strategies are evolving as well.

In order to transform existing stores into future supermarkets, supermarkets are embracing a variety of trends. Also anticipated for the next months are a few other trends. The future of supermarkets may thus be seen through the lens of these tendencies. Here are a few strategies for transforming our store into a supermarket in the future.

1. Artificial Intelligence for Personalized Customer Experience – The key to Future Supermarket

Meanwhile, a lot of supermarkets have begun integrating AI into their physical locations. The most effective instrument for a future supermarket that improves and makes it easier for people to shop is artificial intelligence. We will get several advantages from working with businesses that can support AI-laden features, and the investment will only be made once. We can forecast what our consumers will desire using cutting-edge data and analytics.

One may transform their shelves into smart displays that illuminate as a consumer approaches. The sensors on board may monitor the client's requirements. It is also beneficial to notify the staff. As a result, if the item is out of stock, it can be restocked. Nevertheless, supermarkets may benefit from artificial intelligence as well. Nevertheless, supermarkets may benefit from artificial intelligence as well. Information should be gathered from the clients. With the Supermarket POS, we can leverage this information to provide a personalised and unique experience.

2. Interesting Events, Classes, or Pop-ups – Turning Point for a Future Supermarket

For any shop, boosting engagement is one of the most difficult jobs to complete. The most crucial thing to remember is to keep clients in the shop longer. To put it briefly, stores ought to spend money on plans. We will be able to encourage customers to spend a lot of time in our stores as a consequence.

We may draw clients and increase foot traffic by planning unique experiences and activities like baking or culinary courses. With the help of two different groups of resources, this endeavour can provide a distinctive result. Engagement can also be increased via collaborations with other organisations or businesses. We might, for instance, allow an ice cream producer to put up a tiny ice cream shop with tempting deals. An internal bakery can be established. Maintain fresh bread and muffins beside the consumers. As a consequence, it will aid in retaining clients in the shop for longer. This was the most crucial advice for a potential supermarket.

3. Helping in Product Discovery – Must have for a Future Supermarket

The exhibitions ought to be kept. The displays will include the newest fashions in a range of product categories. It will also provide other significant data on leading a healthy lifestyle, culinary techniques, or different food items and recipes. In other words, it will assist clients in locating the appropriate cuisine and in finding inspiration when shopping. For additional information on the value of product presentation, see our article on supermarket visual marketing displays.

As a consequence, the supermarket will enhance its image as a top supplier of a wonderful shopping experience and develop a strong brand identity. Moreover, supermarkets could try out color-coding, designated zones for a certain food group, or eye-catching displays that might capitalise on a current trend.

House gatherings, a vegan diet, or wholesome versions of old-fashioned family recipes are a few examples. Maintaining displays in our store will assist we provide a fantastic shopping experience, above all. Also, it will benefit our future supermarket.

4. Focusing on the Environment and Sustainability – Target of Future Supermarket

Customers like shopping in a sustainable and eco-friendly environment as knowledge of nature, its conservation, and protection is growing. Numerous retailers across the world

currently provide a more environmentally friendly option by not selling food in packages and encouraging customers to get their own packing to lessen the impact of plastic on the environment. If clients get their containers, it will be simple to weigh the items before distributing them to them.

5. A Blend of Hybrid Concepts – New Concept

The key to increasing sales in the future is researching and putting innovative concepts connected to the future supermarket into practise. Activities involving home delivery will also be beneficial. Several supermarkets are already looking at novel concepts. Creating dining concepts, for instance, that serve meals crafted by a local chef utilising ingredients found within the store, would be one example. Customers are able to do their usual grocery shopping in addition to enjoying the meal and becoming inspired to try the recipes at home by purchasing the necessary components. As a merchant, we must constantly seek out and appreciate new experiences if we want to go beyond the limitations that have already been set.

6. Advanced Home Delivery – Get Customer Attraction

Home delivery is no longer a hidden strategy to draw more customers to our future supermarket. The manner in which distribution is handled, however, makes it very important for the company. The cost-intensive element of the finest home delivery can significantly reduce business margins. It is crucial to select a model that can offer clients the greatest services possible. Also, our supermarket will profit from it.

Conclusion

Supermarkets and Retail POS Software storefronts are witnessing a significant upheaval. Recall the days when getting to a grocery required a lengthy commute. Also, they used to pay in cash and wait in line for hours. To improve customer comfort and streamline the shopping process, supermarkets are altering their appearance. This is significantly influenced by technology, digital developments, and a greater emphasis on increasing consumer satisfaction. Brick and mortar retailers continue to strive to incorporate new and digitally-efficient practises into their storefronts despite the industry's eCommerce expansion. As a strategy to improve their back-end operations, supermarkets are also using new strategies including improved supply chains, product restocking, and personnel scheduling.

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