



Retail Supply Chain Update

December 11, 2020

Walmart prepares to administer Covid vaccines at stores across the U.S.

- Walmart is getting ready to administer Covid-19 vaccinations across the country once a vaccine is approved, the company's chief medical officer, Dr. Tom Van Gilder, said Thursday.
- He said the company is preparing its more than 5,000 stores and Sam's Club pharmacies to receive the vaccine doses and have the right storage for them — such as freezers at the proper temperature.

Grocery shoppers shift to less-expensive brands amid pandemic

- When it comes to brand choice, most U.S. grocery shoppers are opting for value during the coronavirus crisis, a new survey from Inmar Intelligence shows.
- Of 1,000 consumers surveyed in November, 61% reported switching purchase loyalty to less-expensive brands since the beginning of the COVID-19 pandemic, Winston-Salem, N.C.-based Inmar said yesterday.
- Shoppers polled were clear that they won't hesitate to try new products to save money, Inmar found. Over 70% of respondents said they have actively searched for new types of grocery products or brands during the pandemic, and 83% aim to buy these new products again. Grocery customers said cost (cited by 67%) and sales/coupons (51%) were the chief reasons they purchased the new items and brands.





Online grocery sales continue growth, hitting \$8 billion again in November

- Total U.S. online grocery sales hit \$8.1 billion in sales during November as 60.1 million U.S. households placed on average 2.8 orders during the month, according to the Brick Meets Click/Mercatus Grocery Shopping Survey fielded Nov. 11-14, 2020.
- Delivery and pickup segments captured 73% of online sales during the month and active delivery and pickup shoppers reported a record-high repeat intent rate of 83%, according to the survey.
- The continued strong monthly sales trend, which has remained above the \$8 billion level since May, combined with a customer mix that reflects a declining share of first-time users, underscores the growing importance for companies to develop, implement and execute sustainable business building strategies.

Kroger breaks into top 10 U.S. e-commerce companies

- Riding the success of its ongoing investments in e-commerce and powered by a COVID-19 surge in online grocery sales, The Kroger Co. entered eMarketer's annual list of Top 10 U.S. Retail E-Commerce Companies with \$11.28 billion in sales this year.
- Kroger, the nation's largest grocery chain, saw its e-commerce sales jump by 79% in 2020, according to eMarketer. Kroger made the list for the first time, at No. 9, nudging out Costco Wholesale at No. 10 with \$11.18 billion in digital sales.
- While Kroger is the only pure grocery player to make the list, Amazon (No. 1), Walmart (No. 2), Target (No. 7) and Costco all have robust online grocery offerings.

Hy-Vee seeks 1,000 more pharmacy techs as COVID-19 vaccines near

- Midwestern food and drug chain Hy-Vee plans to hire 1,000 pharmacy technicians across its market area as it works to expand coronavirus testing and prepare for the distribution of COVID-19 vaccinations.
- West Des Moines, Iowa-based Hy-Vee said Friday it aims to add both full- and part-time licensed pharmacy techs at its 270-plus pharmacies to bolster support for its

pharmacists. The company noted that a resurgence in the incidence of COVID-19 in the United States — now with nearly 14.3 million confirmed cases and almost 278,000 deaths from the virus — is hiking the demands on health care professionals nationwide, including pharmacy staff.

Meijer supports local restaurants with holiday meal program

- Meijer is showing appreciation to frontline workers in its stores and distribution centers via a holiday meal program that supports local restaurants.
- Through Christmas, all Meijer stores and distribution centers will provide four holiday meals, each catered by a restaurant from their communities, as a way to thank employees for their dedication and hard work during the COVID-19 crisis and busy holiday shopping season.

Instacart thanks shoppers with end-of-year bonuses

- Instacart is rewarding shoppers and shift leaders who worked through the busiest year in its history with bonus payments.
- The on-demand delivery platform is providing shopper bonuses of up to \$500 as a token of appreciation. The bonuses will range from \$50 to \$500 for active shoppers who have shopped and delivered with Instacart throughout 2020. For full-service shoppers, the bonus amount will be based on the number of batches shopped over the past year. For in-store shoppers, it will be based on the amount of hours worked over the past month.
- Instacart did not provide a public estimate of how much the bonuses will cost in total. According to the company, it spent more than \$20 million between April and August 2020 to support shopper health and safety by supporting new policies, guidelines, product features resources, increased bonuses, and personal protective equipment for shoppers.

Perdue asks Gov. Northam to prioritize poultry workers in vaccine rollout

- As the rollout of a COVID-19 vaccine nears in the United States, Perdue Farms is making a plea for help.
- Perdue Farms, which operates four poultry plants in Virginia in Accomac, Chesapeake, Norfolk and Prince George, sent letters Thursday to Virginia Gov. Ralph Northam and the Centers for Disease Control and Prevention.
- The letter to Northam asks for meat and poultry workers and their families to be given priority access to vaccines. According to the letter, there are 3,081 Perdue employees in Virginia alone, and 21,000 across the country.

JBS removes vulnerable workers during coronavirus spike in community

- JBS USA voluntarily removed 202 workers, including those who are 60 and older, from its Greeley, Colorado, beef facility as part of its vulnerable population policy, a company spokesperson said in an email. The workers are getting full pay and benefits.
- The plant is one of the largest in the country with about 3,500 workers. The spokesman said there have been 32 cases among its Greeley plant workforce in the most recent wave of community outbreak in Weld County, where the plant is located. In recent weeks, the

company said, Weld County has had more than 4,450 cases and Colorado has had more than 69,120 cases.

- Across all of JBS's U.S. facilities, the spokesperson said the company has removed more than 5,000 people — roughly 8% of its workforce — with pay and benefits during the most recent wave of infections spreading across the country. To accommodate for staff reduction, JBS said it may simplify the mix of products in a plant.

DoorDash shares soar more than 85% in IPO debut

- DoorDash Inc., the online food delivery service, made its debut on the New York Stock Exchange Wednesday, closing up more than 85% at \$189.51 a share.
- San Francisco-based DoorDash on Tuesday said it planned to raise \$3.4 billion in an offering of 33 million shares at \$102 each, up from its revised range of \$90 to \$95 a share.