

## Value Statement

Increased use of ICT will cause a gradual shift of food retailing with holistic medicine. Ongoing automation of multiple steps in the overall supply - and demand chain will drive down costs by logistics optimization and buy-side federation. Goal-driven selection will reshape the concept of brand image, render it unimportant for goods which are highly interchangeable, and act as a certification for more abstract facets such as delivery services, qualities such as eco, sustainability and corporate social responsibility.

The role of physical supermarkets will change to act as a pick-up center of pre-ordered goods, serviced provisioning of delicatessens, fresh foods, and a minimal inventory for self-serviced 'last minute' purchases. Specialized counters allow for auction-like demand-driven delivery of special goods, where a client can bid on e.g. season-dependent exotic foods so that with enough interest the delivery is assured beyond break-even.

## Service Description

The shift towards computer networks, mobile technologies and all sorts of sensors are considered an intrinsic part of the proposed changes. Ongoing improvements in robotics, nanotech, biotech and information sciences are resulting in increasingly versatile and interchangeable production means, which are more defined by scope and re-use than by scale and mass production. Robot arms, lasers, 3D-printers, custom made meta-materials are all examples of such adaptive manufacturing means. Fruits can be transported in autonomous containers with liquid crystal foam which cool down the fruit the warmer it is, while its outer surface is shock absorbent by hardening on impact. Supermarkets may even use smart shelves which can adapt positioning and pricing to the target audience dominating at certain times of day.

Mail order, online stores but also grocery stores such as supermarkets emerged because of systemic delegation due to specialization. The specialisms are primarily those of delays, in logistics, in information provisioning, and in payment. By adequately predicting and regulating the stock (inventory) and flow (distribution) of products they aim to optimize their margins. Current ICT possibilities allow for a set of fundamental changes to both a more real-time interchange of information as well as automation of previously human decision making. Large retailers are ideally positioned to make the most of the changes to come. These changes are predicted to occur in the following fields:

- ✓ Affordable home-automation, pluggable domotics connecting with remotely hosted services via the home network.
- ✓ Affordable organic foods and biodegradable goods (and biodegradable packaging) due to optimized synchronization of supply and demand chain, as well as highly adaptive logistics. Reduced need for inventories can result in a merger of food preparation facilities, preserving, packing and versatile storage facilities with 'Just-in-Time' logistics.
- ✓ End-to-end traceability of goods allowing for total transparency towards the end client and the retailer itself, upholding e.g. consistent qualities such as the 'cold chain' and specialized handling.
- ✓ Convergence of logistics and postal services for supermarkets, catalogue- and website-based mail order stores, leading to automated delivery services of 'everything under the kitchen sink' and more. Brand image for fungible goods will diminish in favor of compliance to a large set of personalized qualities, with more focus on sustainable aspects such as refilling and recycling.
- ✓ Integrated preventive medicine directives for personalized healthcare driven goal-based automated purchasing, as a computer *can* read every label and interpret it with the most up-to-date information. Dr.Watson-as-a-Service.
- ✓ Unstructured buy-side federation - potential buyers within a close-knit geographical region (e.g. neighborhood) can negotiate lower pricing with joint purchasing and delivery. Additional online services for Event Simulation-as-a-Service can provide distribution optimization algorithms and price comparison for more specific negotiation power.

## **Business Plan**

Stage 1: Identify and contact retailers who may be interested in benefiting from service-orienting their organization into a syndicated marketplace and who have enough brand recognition and goodwill to host a retailing portal for end-clients.

Stage 2: Sign up seed capital financing for preferred scenarios to realize.

Stage 3: Identify and map out precise trends in market evolution to optimize timing of introducing door-to-door services.

Stage 4: Define, design and deliver core software components, both client-side and provider-side.

Stage 5: Sell infrastructure to individual retailers, or a consortium, before or after launch.

## **Financial Picture**

Stage 1: Minimal. Main cost element is reimbursement of travel expenses.

Stage 2: Up to €40.000 depending on business plan, recurrent meetings, bidding rounds.

Stage 3: Up to €100.000 depending on markets covered, recurrent meetings with possible suppliers / solution providers.

Stage 4: Between €500.000 and €2.500.000 depending on scenarios and features to realize.

Possibly self-financing by rapid return on investment of phased / accumulative delivery.

Stage 5: Fortune 500.