

RETAIL

## Amazon Go is a glimpse into a universal-mobile future

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*Amazon's new no-checkout grocery store shows us what an entirely mobile future might look like*

By [Danny Parisi](#) for [Mobile Commerce Daily](#)

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After completely dominating the online shopping world, Amazon is continuing to move further into physical retail with its latest offering: a bricks-and-mortar grocery store where consumers can purchase items through an application and then just grab them off the shelf.

The new store Amazon Go which is not yet open to the general public but likely will be in the near future, completely removes the idea of a checkout line at a grocery store in yet another industry-shaking move. The new store is currently only available for Amazon employees.

"Amazon's pioneering 1-click checkout showed consumers that stored payment and address information was both secure and time-saving and mobile wallet adoption is now finally seeing adoption traction, as a result," said Wilson Kerr, vice president of business development and sales at [Unbound Commerce](#). "In a physical retail setting, fumbling for plastic credit cards, handing them to clerks, and typing PINs or other sensitive information into notoriously insecure point of sale systems is annoying, slow and risky.

"Amazon Go capitalizes on consumer confidence in the stored payment information Amazon holds for them and saves time, by eliminating the hassle of waiting in checkout lines. The New York Times reported that Americans spend 47 billion hours in checkout lines annually, and widely-reported credit card scams at checkout registers cost consumers and banks billions.

"This bridges the gap between online mobile shopping and in-store interaction and could spell a quantum shift in retail technology, security and consumer behavior. Amazon is once again leading the way.

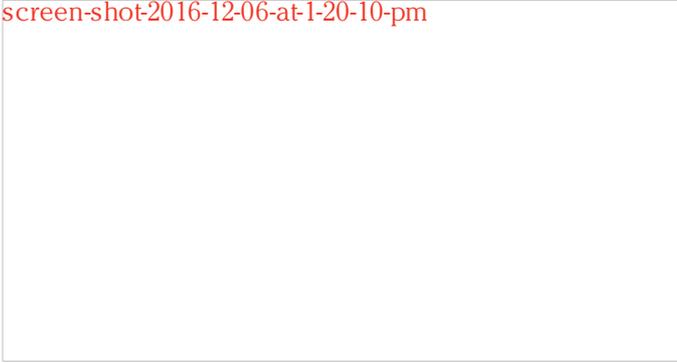
### Retail disruption

Amazon Go marks yet another potential industry being shaken up by Amazon's presence.

For so many, the checkout line is an inextricable part of the shopping experience, as ubiquitous as aisles or receipts. But as with anything that seems unshakeable this year, it was only a matter of time before a loud presence disturbed

the norms.

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Amazon's entry into the world of bricks-and-mortar stores began with the opening of a few of its bookstores an ironic project to some given the blame that Amazon has been shouldered with for partially causing the decline of physical bookstores.

Now, the shopping giant is turning its gaze towards the world of grocery stores, seeking to disrupt the age-old notions of how a physical store operates and undermining them in favor of a new mobile-friendly option.

The shop lets consumers purchase items through a special smartphone app and then just grab the items and go. It is a complete subversion of how grocery stores have worked for decades and a powerful testament to mobile's ability

"The next logical evolution for retailers is bridging processes in thoughtful ways to generate ongoing revenue," said Laura Sossong, manager at BRP. "This move by Amazon shows recognition that, for certain items, customers may desire a hybrid in-store and mobile experience as opposed to just one or the other.

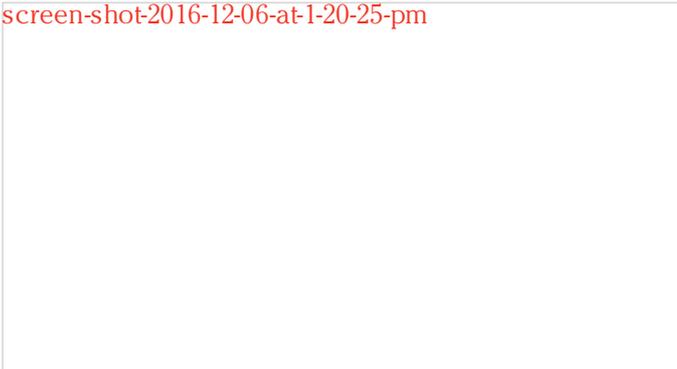
"As purchasing models rapidly evolve to satisfy customer expectations, retailers will begin playing with the bounds of available capabilities to find the right combination that resonates with the consumer. This will vary by product category, though across all segments retail of the future will be about providing the right experience that truly impacts the consumer and compels them to act."

Mobile future

Mobile as an in-store tool is a well-established fact of the channel. Many consumers use mobile to search for products in-store, or to compare prices to others products at other locations.

In today's retail climate, mobile has become an indispensable tool for the physical retail process.

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But while other retailers are still figuring out how to provide an in-store map and other more sensible mobile features, Amazon has made a quantum leap ahead of everyone with a physical store expressly designed to interacted with entirely through mobile. Others such as Aldo have made small gains ([see story](#)) but none of Amazon's magnitude.

Amazon itself is not even opening this store to the general public at this time, and it is unclear when such plans might come to fruition. Other retailers are unlikely to have anything similar in the near future as well.

But regardless, Amazon Go is a powerful testimony to what mobile can do and possible even a glimpse into our collective future where mobile has completely overtaken all other channels of interaction and provides a direct link between us and the world around us.

"The mobile device is the cash register of the future, the sales associate of the future and the wallet of the future or

rather the now," said Ken Morris, principal at BRP. "The opportunities for mobile to influence retail sales via direct sales through a mobile Web site or app or through in-store possibilities to influence sales clearly represent the new frontier transforming retailers' operations.

"We have been talking about the possibility of consumers bypassing the checkout line for many years. Original ideas we based on RFID tagged items in a shopping cart being scanned as the shopper passes through a reader as they leave the store," he said.

"The Amazon concept appears much smarter' and if they can pull this off, it will pave the way for other retailers to jump on board. While it is a novelty now, it will eventually become commonplace as it is more cost effective to turn your customer's mobile phone into a POS and guided selling tool than to invest in POS terminals and/or robots."

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