The Amazon Scare

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Amazon is everywhere.

When the online marketplace steps into an industry, it's a blood bath for company shares. Following its \$13.7 billion acquisition of Whole Foods, shares of groceries such as Walmart and Costco shrank —a vote of confidence for Amazon's potency.

Amazon coming into the fray has even sparked a "<u>Death by Amazon</u>" index—a pool of companies most vulnerable to competition from online retailers like the eponymous marketplace, according to Bespoke Investment Group. The index includes Walmart, <u>Target</u>, and <u>CVS</u>.

The threat of Amazon is even lighting fires under smaller groceries and supermarkets. Behind the scenes, grocery stores and supermarket chains are testing robots, everyday <u>pricing software</u>, mobile checkouts, and more following Amazon's turn into brick-and-mortar in the form of <u>Amazon Go</u> and its Whole Food acquisition. Per <u>Bloomberg</u>, on the supermarket shift:

"In a Giant Eagle supermarket in Pittsburgh's Fox Chapel neighborhood, a five-foot, four-inch-tall device nicknamed "Tally" traverses the aisles twice a day for an hour or two, scanning shelves for missing or misplaced items. It's one of about 50 robots deployed at retailers in the U.S., Europe and the Middle East by Tally's creator, Simbe Robotics. Walmart's also rolling out shelf-scanning droids in 350 U.S. stores, made by another vendor called Bossa Nova."