

# Dark Store Model: Future of Supermarkets

*Online delivery businesses and retailers are gearing up themselves for this fast-paced growth in the online grocery stores market.*

DUBAI, DUBAI, DUBAI, September 27, 2022 /EINPresswire.com/ -- With the increased demand for online delivery, retailers need to get creative to give their customers the experience and levels of service they expect. One of the focus areas has been in the supply chain domain with last-mile delivery options. Supply chain models like Dark Stores are offering a much more

advanced version of fulfilling online grocery orders. Expanding omnichannel capacities for online ordering in addition to refining storage and distribution processes have become the need of the hour. The rise of hyper-local fulfilment channels has consequently enabled the proliferation of dark stores and the rapid growth of the online grocery market. This has, in turn, led to the

growth of cross-border commerce with retailers now expanding their operations to new regions and markets.

“

YRC is a Management Consulting Company, especially for the B-C Sector. Empowering Retail & E-commerce businesses.”

*Nikhil Agarwal*

Let's look at some of the trends defining retail trends in the current landscape:

Retail is now omnichannel – With the digital technologies continuing to influence consumer preferences, retailers merging both online and offline channels, machines will

increasingly become customers for retailers. Bringing all the channels together is a key trend for retail.

Creating smarter services with AI – Intelligent and AI-enabled services will bring invaluable data, that help retailers create more sophisticated levels of personalization.

We live in an Experience Economy – Creative immersive experiences have become a crucial aspect for retailers wanting to thrive in the new landscape.



Autonomous delivery and fulfilment – Retailers are looking at ways to automate their supply chain and delivery methods.

What are Dark Stores?

Dark Stores are exactly like how you would imagine it to be; these do not eye-pleasing stores lit up welcoming customers, they are rather strategically placed in very normal buildings with the sole aim of ensuring fulfilment of local online orders. Personnel in these stores are trained to quickly pick items as soon as they receive orders for fulfilment. With more and more traditional stores going online, dark stores have now become a critical aspect of grocery, clothing, and apparel, and home goods retailing. A small independent business is seeing the advantages of using dark stores to not only serve local clients but also extend their client base with reduced costs.

A dark grocery concept -also referred to as “micro fulfilment centre”- is a location dedicated to rapid online order fulfilment. Just like any other conventional store, a dark store has aisles with shelving and racks for groceries. Dark stores were first launched in the United Kingdom to provide click-and-collect delivery with online purchases. As a result, dark stores do not operate in areas with high traffic such as shopping malls or high streets. Instead, they are tucked away in the outskirts of the city, which are easily accessible by road and in unassuming establishments. When a customer order comes in the dark store personnel pick and pack the items immediately and then ship the order to the customer’s address or a specified pickup point. If the supermarket is fully automated, you would also see machines picking up items in an order, which enables greater productivity and faster order processing.

Online supermarket Business Model

Online supermarket [business models](#) can be categorized into three fulfilment options: Delivery, Order online and pick-up in-store (click and collect), and Drive. Each model offers different trade-offs for both retailers and consumers. Most of the online business models follow one of or the hybrid of the following business models:

Inventory Model

The eCommerce store purchases products from different companies and maintains its warehouse, the inventory management is handled by the platform itself, they make use of the in-house or outsourced delivery network to fulfil orders that are sent under the platform’s brand.

Multi-vendor Marketplace Model

In this model, the platform does not own its stock, it connects the customers with local grocery

stores. The customer places the order on its website and the website transfers the orders to the respective grocery store. Shipment is made through an in-house delivery network, where the delivery personnel pick the order from the local grocery store and deliver it to the customer's address.

### Hyperlocal Grocery Business Model

In this model, the customer orders are fulfilled through local stores within a specific geographical circumference. This model has given the local offbeat retailers a chance to take up their business to new levels, by integrating technology in their operations. This model also enables it to make deliveries at rocketing speed.

### Shopping Model

This is the most prominent choice for most online supermarket giants. This model operates similarly to the marketplace model, except that the customers do not choose the store they want to buy the product from. The order is directly transferred to the in-house delivery personnel who shops for the items and deliver them to the customers.

### [Dark Store Business Model](#)

Once an order is placed online, the order is sent to the store floor. Store employees, also known as "personal shoppers" or "pickers", pick and process the order. Since dark stores are optimized for order fulfilment services, pickers can gather and process more than one order at a time, thus sufficiently reducing the delivery turn-around time. Some of these facilities are fully automated with robotic carts doing the picking and gathering around the store enhancing productivity and speed of order processing.

The three most popular options for dark store fulfilment are:

#### Curbside Pickup

The curb side is where the orders are picked up at designated areas where the orders will be delivered by the retail employee who carries the order to parking areas where the customer vehicle is parked, the customer does not have to get out of the vehicle, therefore appreciate the ease, and shipping costs are also reduced.

#### In-store Pickup

Designated pick up areas inside the stores are allocated for this type of fulfilment option. Customers do not have to walk through the shop and stand in queues, to get their package delivered. Here again, the customers appreciate the ease, and shipping costs are reduced.

## Home Delivery

This has become popular among local retailers. Customers benefit from quick, simple, and contactless delivery. This is especially convenient for grocery shopping. Home delivery can also be operated through an online shop and mailing orders to customers who are farther route.

The distribution of orders can be fulfilled either inside the dark stores or through a third-party logistic partner that fulfils and delivers online orders on your behalf.

## About YRC

Your Retail Coach (YRC) is a [retail consulting and eCommerce](#) outsourcing company offering a wide range of services in retail offline, retail eCommerce, and retail omnichannel catering to a multitude of industries.

Get advise for E-commerce retail business : <http://www.yourretailcoach.ae/contact-us/>

Rupal Shah Agarwal

YourRetailCoach

+91 98604 26700

consult@mindamend.net

Visit us on social media:

[Facebook](#)

[Twitter](#)

[LinkedIn](#)

[Other](#)

---

This press release can be viewed online at: <https://www.einpresswire.com/article/593019424>

EIN Presswire's priority is source transparency. We do not allow opaque clients, and our editors try to be careful about weeding out false and misleading content. As a user, if you see something we have missed, please do bring it to our attention. Your help is welcome. EIN Presswire, Everyone's Internet News Presswire™, tries to define some of the boundaries that are reasonable in today's world. Please see our Editorial Guidelines for more information.

© 1995-2022 Newsmatics Inc. All Right Reserved.