

# ANALYSIS

## INNOVATION SPOTLIGHT: UNITED KINGDOM

# PARTNERING FOR SUCCESS

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In their latest special report highlighting how retailers are developing innovative solutions in response to this global crisis, AlixPartners focus on some outstanding examples of best practice in the UK.

### NEW PARTNERSHIPS AND PROTECTIONS

There was a tremendous drive in innovative partnerships of the kind that would not be expected in the normal course of evolution, but became the answer when retailers had to move fast and react to the requirements of the extraordinary situation. Various retailers, including **Marks and Spencer**, **Aldi**, **Co-op**, and **Morrisons** partnered with food delivery company **Deliveroo** to offer quicker last-mile shipping to customers. Similar innovative collaborations and partnerships as well as new business models are likely to continue to emerge as recovery continues. There were also efforts to support gig economy workers at the frontlines making ecommerce home delivery possible. Hermes was one major example, with the luxury retailer setting up a £1m support fund to **assist its couriers** in cases where they had to self-isolate.



### TECHNOLOGY ADOPTION ACCELERATES

Cashless transactions were the call of the hour. **Sainsbury's** SmartShop app had existed prior to COVID-19, but adoption accelerated much more rapidly than the retailer could have predicted as it aggressively marketed the contactless shopping service during the crisis. Using the app, customers were able to scan their shopping as they walked around the supermarket, pack their purchased products up on their own, and walk straight out of the store without them or their shopping coming in close contact with anyone. Safe for the customer, easy for the retailer. **Ocado**, meanwhile, set up virtual queues to help keep its website up and functioning during the surge of online orders. Expect the pace of technology adoption in various areas of operations to rise as the industry continues to emerge from the crisis.



### UNPRECEDENTED TIMES, UNPRECEDENTED ACTION

Several rival grocery retailers and supermarkets came together to ride out the increased demand for certain products and manage supply chain concerns. In a remarkable move, **Morrisons**, **Sainsbury's**, **Costcutter**, **Co-op**, **Tesco**, **Lidl**, **Aldi**, **Waitrose**, **Marks and Spencer**, **Iceland**, **Asda**, and **Ocado**, jointly published an open letter that detailed steps they were all taking to maintain both consumer safety and flow of goods. The letter also asked customers to refrain from stockpiling popular items such as toilet paper and canned tomatoes. While the move was coordinated by the **British Retail Consortium**, it wasn't something anyone could have predicted prior to the crisis.