Newsletter for Instructors

April/May
2021

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What Is Amazon Trying to Achieve with its Newest Experiment, a Hair Salon?

Marianne Wilson, "First Look: Amazon's New High-Tech Hair Salon," Chain Store Age, April 20, 2021; Rachel Lerman, "Amazon Is Opening a Hair Salon. Seriously.," Washington Post, April 20, 2021

Use with Chapter 16, "Store Layout, Design, and Virtual Merchandising"

Why would Amazon open a hair salon? And why might consumers and business customers patronize it? The answers to these questions are insightful for understanding why the salon itself looks the way it does.

In particular, the 1500-square-foot salon in a trendy London neighborhood is prioritizing technology. Patrons can play with Fire tablets as they get their locks trimmed. Displays on the walls offer "point-and-learn" capabilities, such that visitors to the salon can click to get additional information about new product offerings and options, then scan the embedded QR code if they want to have those products delivered to their homes. Separate stations are equipped with virtual reality terminals so that patrons can see what a different cut or color would look like, before the hairdresser gets to work.

Such offerings signal a cutting-edge image and create excitement and fun, which can appeal to potential clients. In addition, the salon is actively inviting hair care professionals in the area to visit, where they can learn about the product assortment and potential uses of new technology. It promises wholesale pricing and free delivery if they place bulk orders for products to stock their own salons. In this sense, the store design appeals simultaneously to consumers with hedonic features and to potential business customers with whom Amazon might partner using utilitarian benefits and information.

At the same time, the design clearly reflects the retailer's broader goals, including testing out the viability of the point-and-learn technology and getting consumers more accustomed to considering Amazon for their service needs, beyond just using it for their product orders. It offers a novel way to support other beauty retailers, a segment that Amazon previously has signaled its interest in attracting. And it resonates with Amazon's ongoing experimentation, trying out a range of retail location styles and options to learn what works best.

In a sense then, the question becomes, What isn't Amazon trying to achieve with its hair salon?

Discussion Question:

1. **What is Amazon seeking to achieve with the design of its hair salon for consumers? For business customers? For itself?**

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Is Crazy Cazboy's Really Crazy, or Does its Pricing Method Make All the Sense in the World?

Matthew Stern, "Is Crazy Cazboy's Pricing too Crazy or Just Crazy Enough?," Retail Wire, May 16, 2019; Marianne Wilson, "Mega-Discounter Crazy Cazboy's Puts Unique Spin on Closeout Retailing," Chain Store Age, March 29, 2021; Teresa Gubbins, "New Chain with Crazy Discounts Opens First Texas Store in Arlington," Culture Map Fort Worth, March 26, 2021.

Use with Chapter 13, "Retail Pricing"

Various discount stores try to create excitement and time pressures that drive consumers to buy at that very moment, or else risk losing out to some other bargain shopper. A relatively new entrant to the market does more than just imply that people better hurry; it makes that premise the defining aspect of its entire pricing strategy.

Even though its name hearkens back to old-fashioned promotions (e.g., "Come on down to Crazy Larry's car lot!"), Crazy Cazboy's promises a novel approach to closeout sales. The prices are clear, evident, and consistent: Everything starts off at $7. Buyers thus know exactly what they will be paying on that particular day. But they also know that if they want to risk it, the next day, all the items will be available for $5. Over the course of each week, the price keeps dropping, until on the last day, the items can be had for just 25 cents.

Each week, Crazy Cazboy's gathers unwanted merchandise from scores of traditional retailers, including Home Depot, Best Buy, Amazon, and Target. It opens on Friday, sells down the bins at steadily decreasing prices each following day, and then closes on Thursdays to begin restocking for the next week. There are no guarantees or discernible organization. All the items, from books to baby wipes to refurbished iPads, get thrown together into bins, and bargain hunters must dig through them to find the things they want.

When it opened its first store in 2019, Crazy Cazboy's invited everyone to shop, but more recently, it decided to implement a small annual membership fee of $15 per year. The popularity of the concept meant long lines each Friday, and the membership requirement might reduce such crowding. But popularity also implies that the retailer can earn a consistent source of revenue by encouraging its fans to pay for the privilege of shopping there. For single-time shoppers (e.g., people just visiting the local area), a $5 one-day membership option also is available.

Along with limiting crowding to a strategically appropriate level, Crazy Cazboy's takes care in other ways to avoid signaling a poor quality image. It explicitly and frequently promotes the brand name products available, and it often highlights that most of the products it sells, even if discounted, are new and still in their original packaging. The stores, while somewhat cluttered, are carefully maintained and kept clean. A bright color scheme signals the fun to be had, and the bins placed throughout the store help contain a sense of too much clutter or spillovers onto the floors.

The popularity of the concept implies some other pricing considerations. It already has opened more stores, spanning Alabama, Texas, Florida, and South Carolina. Each of those stores draws thousands of shoppers, especially on the weekends, often from many miles away. Therefore, landlords and property managers are anxious to add a Crazy Cazboy's location to their shopping centers, which would benefit the other tenants by providing a steady stream of potential shoppers for them too. Because it can negotiate better leases, by promising these added benefits, it can continue to keep its prices low. Not so crazy after all, it seems.

Discussion Questions:

1. **What distinguishes Crazy Cazboy's discount strategy from those of other discounters, like TJMaxx, which also tries to evoke excitement through a treasure hunt approach?**
2. **Can this model spread throughout the country? What are some potential limitations on its growth?**

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Mona Lisa to a T: Licensing, Rentals, and Retail Operations by the Louvre

Elaine Sciolino, "The Louvre Turns to Merch," The New York Times, March 3, 2021

Use with Chapter 2, "Types of Retailers,"

With a frank, straightforward statement, the director of executive relations for the Louvre Museum explained why it has been merchandising and licensing so many more of its internationally renowned holdings: "We need to find new ways to make money." For most of 2020 and well into 2021, the Louvre has remained closed to patrons—not that the millions of international tourists who normally account for a significant proportion of its 9.6 million annual visitors could have gotten themselves to Paris anyway.

If visitors cannot get there, and the government says the museum still cannot open due to COVID-19 restrictions, then earning revenues requires getting creative. Thankfully, creativity is kind of the main business of the Louvre, which has undertaken a range of novel endeavors to keep itself afloat during the pandemic.

Although it has long sold memorabilia and souvenirs, through a collaboration with a dedicated website called Boutique de Musées, that approach proved insufficient. The Louvre's images appeared together with artwork and offerings from various international museums, preventing any differentiation, and it lost some revenue on each sale. Therefore, it decided to break away from the marketplace and build its own website, where shoppers could find the unique images, recreations, and reflections of its famous collection.

To fill that new site with content, the Louvre also expanded its existing licensing and branding deals. For example, Uniqlo was given a four-year deal to produce clothing with Louvre-inspired images. With Casetify, it also covered accessories like device cases, water bottles, and charging stations. Thus, fans can sport the Venus de Milo not just on their shirts but also on the grip stands for their phones. On a smaller, more exclusive scale, the museum installed sculpture-inspired home décor items in a boutique down the road. All these items thus are available through multiple channels, including its owned website, and the museum takes a bigger cut of the proceeds.

But when considering its assets, the Louvre realized it was not limited to reproductions of conventional artwork. Its buildings represent distinctive, unique, valuable settings as well. To leverage these resources, and earn substantial revenues, it began renting out galleries to interested parties, including Beyoncé and Jay-Z, who used it a two-day video shoot. The plot of the Netflix series Lupin relies heavily on the museum's holdings (and their possible theft), so being able to set the scenes within the actual museum was greatly appealing to producers, as a way to ensure authenticity.

It isn't just famous people who want access though, so the Louvre also has been auctioning off various experiences that can only be found within its walls. One bidder paid nearly $97,000 for the right to watch while experts performed their annual review of the Mona Lisa, removing her from her famously encased position, inspecting the painting for any damage, and replacing it on the wall.

Discussion Question:

1. **Is it a good choice for the Louvre to create its own ecommerce site?**
2. **What other nontraditional retailers similarly might enter the market in response to COVID-19 restrictions?**

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Kroger's Long-Term Investments Continue to Pay Off in Performance

George Anderson, "Kroger CEO Says No One Has the 'Data and Insights' that It Has," Retail Wire, April 2, 2021

Use with Chapter 5, "Retail Market Strategy"

For literally decades, Kroger has been determined to gather, combine, review, and use as much customer data as possible. It even funded and established a partner analytics firm called Dunnhumby, with the primary purpose of finding new ways to leverage the big data that just keep growing in volume and velocity. Those efforts gave Kroger some early benefits, including insights into shoppers' in-store behaviors, coupon preferences, and brand loyalty. But as valuable as those outcomes were, they really were just the beginning.

Today, Kroger's lengthy dedication to data has become a key source of its sustainable competitive advantage—or what its CEO Rodney McMullen calls a competitive moat. The extensive data it gathers and the careful methods it uses to analyze and process them enable Kroger to offer more personalized, precise promotions to every customer it encounters. Because shoppers know that any communication they get from Kroger will be relevant and interesting to them, its promotional emails prompt 18 percent more clicks to open than the average click rate achieved on direct emails sent by other grocers. In digital channels, a remarkable 95 percent of all interactions are personalized to the specific consumer. That is, when shoppers open the Kroger app or visit the website, they are going to see content that already has been curated and designed to appeal specifically to them.

Those personalized recommendations, delivered through a range of communication channels, numbered approximately half a trillion (that's trillion with a T) in 2020. In response, consumers exhibited their preference for Kroger in various ways, according to nearly every metric that modern grocers use. Consider the following:

- Same-store sales rose by 14.1 percent.
- Online sales soared by 116 percent.
- Sales of Kroger private-label brands increased by 13.6 percent.
- Operating profits reached $2.8 billion.

Perhaps most remarkably, Kroger believes it can surpass even these astounding performance benchmarks. By expanding access to its delivery service, Kroger now can reach an estimated 98 percent of the households that shop with it, meaning that it has the capacity to grow profits in this convenient channel. Furthermore, the digital sales channels continued to expand and perform well, even as pandemic-related lockdowns eased, implying that room for growth also remains available in online, mobile, and other digital shopping channels. Kroger thus announced plans, seemingly attainable, to double its digital revenue by 2023.

Is there anything to stop it? Kroger is committed to a long-term plan, based in sophisticated customer data that it gathers better than any competitor. It already has vast resources, in the form of data warehouses, and its objective is to keep making them better.

Discussion Questions:

1. **Is Kroger's head start with regard to data gathering and market analysis insurmountable? That is, how can other grocers compete with Kroger if it knows more than they do?**
2. **What other metrics might be important for Kroger to consider, and how can data analytics help it achieve success in those terms as well?**

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One of the Oldest Brands Makes One of the Latest Moves: Levi's Omnichannel Efforts

George Anderson, "Is Levi's Poised to Become a Consumer-Direct Powerhouse?" Retail Wire, April 9, 2021

Use with Chapter 3, "Multichannel and Omnichannel Retailing"

For much of American history, people have been wearing some version of Levi's. To last that long, a brand needs to show some flexibility and capacity to go with the flow. And so perhaps it should come as no surprise that Levi's is adapting its retailing operations to reflect and keep pace with contemporary trends, reflecting its determination to stay relevant for several more generations of denim wearers.

In a relatively simple way, Levi's determined to increase its online and digital capabilities. Thus it recently devoted more effort and resources to its website, leading to a 25 percent increase in sales through this channel in the first few months of 2021. With this increase, it has better balanced sales, such that 10 percent of overall sales now arrive online.

More broadly though, this effort reflects part of Levi's drive to create closer links with consumers by achieving omnichannel status. It still sells jeans to wholesalers for them to ship to various retail outlets, so shoppers at department stores still can grab a pair of 501s. But such indirect channels are a less prominent focus, while connecting directly with consumers is the priority.

In addition to its website, Levi's thus is building its store and shipping capacity. It plans to add about 40 conventional stores and 200 outlet locations throughout the United States in coming years. In support of those operations, it has effectively developed the ability to promise two-day shipping, including shipping from the store to customers' homes. It also is testing more in-store features that consumers might appreciate, such as contactless returns and checkouts.

Although the company acknowledges it is really just getting started, it regards omnichannel operations as the way forward. Its app is designed primarily to link off- and online operations to ensure customers can buy how and where they want, but the company also recently added an artificial intelligence–enabled recommendation service, based on people's past purchase and browsing patterns.

Levi's has a long and well-known history; it seems that today, it is seeking to ensure that its future path remains just as well-established.

Discussion Questions:

1. **What other uses and capabilities might Levi's add to its app or website to enhance its omnichannel status?**
2. **How could Levi's integrate social media, as another element of its omnichannel efforts?**

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Fashion, Accessorized with Responsibility: A Design Collaboration by Walmart

George Anderson, "Will Hiring a Celebrity Designer Turn Walmart into a Fashion Destination, a la Target?" Retail Wire, March 16, 2021

Use with Chapter 11, "Managing the Merchandise Planning Process"

In announcing a design collaboration with Brandon Maxwell, Walmart laid out how the well-known designer's influence would become manifest. Having previously created looks for Lady Gaga, Maxwell soon will add pieces and looks to two of Walmart's in-house product lines, Free Assembly and Scoop.

As the creative director for both these brands, Maxwell promises to offer fashionable, stylish options to people living paycheck to paycheck—a goal that he says was borne from his youth in a small town in Texas, when Walmart was the only option available for obtaining new clothes. In addition to using fashion as an equalizer, with the argument that "Everyone deserves to have access to well-designed clothing at an acceptable price point," Maxwell aims to transform the collaboration into benefits for society more widely.

For example, even before any of his clothing have appeared in stores (slated for later in 2021), Walmart introduced face masks that featured some of Maxwell's existing designs. Proceeds from the sales contributed to a $100,000 donation that the company made to DonorChoose.com, a charity that aims to help teachers in low income schools supplement their classroom resources.

Maxwell might be focused mainly on the societal benefits of the collaboration, but Walmart also is determined to achieve some performance benefits for itself. Its close competitor Target enjoys a better reputation as a place to find fashionable clothing, a position that Walmart would love to undermine and achieve for itself. It previously has relied on more celebrity partnerships, such as a clothing line designed by the actor Sophia Vergara. But by bringing on an expert known exclusively for his design work, the retailer is signaling a new dedication to being a fashion destination, at the forefront of not just trends in clothing but also people's minds when they think about where to get their latest look.

Discussion Question:

1. **Can Walmart overcome the first-mover advantage that Target has, in terms of its reputation for being a fashion-forward retailer?**
2. **Does introducing more high-fashion product lines disrupt or threaten Walmart's existing image? Why or why not?**

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Even Though Retailers Don’t Want to, Offering Buy Now, Pay Later Options Appears Unavoidable

Suzanne Kapner, “Macy’s, Gap, Neiman Marcus Will Let You Buy Now, Pay Later,” The Wall Street Journal, February 28, 2021

Use with Chapter 13, “Retail Pricing”

If given their choice, retailers would ask customers to pay with store-branded credit cards before any other option. Probably their least desired purchase method would be buy now, pay later options that allow consumers to leave with the products and only complete the payment for them later. So why are so many retailers giving up the former and embracing the latter?

The short answer is, because customers demand it. Younger consumers do not use credit in the same way that previous generations have. Only about half of Generation Z consumers hold a credit card, usually a general purpose version. Far fewer sign up to receive credit lines at various retailers, as their parents or grandparents might have done. Faced with substantial student debt and concerns about cash flow, these consumers prefer to avoid racking up big credit card debt, so they simply don’t use them.

For retailers, that means they have no choice but to provide other options, if they hope to get younger consumers to shop with them. The buy now, pay later option is similar to layaway, except that the product leaves with the customer. The short-term financing comes from dedicated banking firms, such as Klarna, Afterpay, or Affirm. These companies pay the retailer immediately, then collect the costs over time from customers. The payment plans vary widely in length, such that some take just a few weeks, whereas others might extend for years.

Another key difference involves the types of purchases these payment options are being used to finance. Whereas layaway and staggered payments historically might have been reserved for expensive, big-ticket items, the buy now, pay later plans promoted in retail stores suggest using them for relatively smaller purchases too. A shopper might not have enough cash on hand to buy a nice perfume as a gift for Mother’s Day, but it will not take more than a month or two to pay off the charges, for example.

The financiers can charge late fees or penalties for failure to repay them, but most of their revenue comes from the fees they charge the retailers. That is, for the convenience of offering buy now, pay later options, retailers compensate the banking firms, at rates far higher than conventionally have been charged by familiar credit cards.

Thus on each buy now, pay later transaction, the retailer likely is losing more profit than it would have if the customer decided to pay with any other method. In addition to paying these fees, retailers that have maintained their own, store-branded credit cards are losing a source of revenue. Because they owned the credit company, they earned revenue on interest charges incurred by late payments by consumers. For some retailers, these sources of income contributed substantially to their bottom lines, and losing them has presented some serious problems.

In a sense then, buy now, pay later is a lose–lose scenario for retailers. And yet more of them keep adding it, faced with an impossible choice. They might be losing revenue, but they cannot risk losing customers altogether.

Discussion Question:

1. **List the pros and cons of buy now, pay later options for retailers and for customers.**
2. **What strategic pricing options might retailers leverage to address the challenges associated with increasing uses of buy now, pay later and the simultaneous decreased usage of store-branded credit cards?**

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Crunching the Numbers on Diversity: An Analysis of the Fashion Industry

Vanessa Friedman, Salamishah Tillet, Elizabeth Paton, Jessica Testa, and Evan Nicole Brown, "The Fashion World Promised More Diversity. Here's What We Found," The New York Times, March 4, 2021

Use with Chapter 14, "Retail Communication Mix"

Peter Drucker once famously proclaimed that, "if you can't measure it, you can't improve it." Embracing that notion, The New York Times recently conducted an in-depth, quantitative analysis of whether and to what extent various actors in the fashion industry—including designers, models, photographers, and other publications—had achieved the diversity goals they set.

During the height of the Black Lives Matter movement, many of these actors committed to enhancing racial diversity in the fashion world. These commitments included pledging to hiring more people of color throughout their organizations, purchasing from more Black-owned suppliers, and ensuring greater representation in marketing materials and editorial content. The research effort undertaken by the newspaper might not be conventional marketing research with consumers, but it reveals some notable findings that can drive marketers' ongoing choices and actions.

Let's consider the sample. The Times sought to interview or requested responses to surveys from 64 major fashion brands, located throughout the world. It also included 15 retailers that sell high-fashion items, whether in physical channels or online. Then the reporters requested comments from 5 fashion magazines that exert strong influences over emerging fashion trends.

A first key finding was that most of these actors did not want to talk about diversity issues. The authors highlight that the majority of retailers and fashion magazines simply refused to answer. Among the designer brands, 9 cited European privacy laws that prevented them from categorizing employees by race, 16 answered at least some of the questions, and just 4 sought to answer each question included. All the rest refused to participate or sent only rote responses that they had published previously, such as vague statements indicating their dedication to diversity.

Seeking further insights from another source, the journalists reviewed the covers of major fashion magazines, as well as advertising campaigns. The numbers there revealed greater representation, such that across international editions of Vogue for example, 9 out of 20 covers featured Black people. The Times also noted increased participation by Black photographers. But the authors also caution that such evidence requires continued monitoring, due to the risk that publications might have responded to the compelling impetus of Black Lives Matter in 2020, but then go back to their old habits in the future.

Moreover, modeling and photography shoots involve short-term contracts, rather than permanent employment. The leadership of the companies surveyed remains overwhelmingly White and male, both in terms of the business leadership and the designers that helm the collections. Rihanna was hailed for her Fenty label, but when she stepped away, it meant that no luxury fashion brands are run by Black women.

When people agreed to respond to the questions and sought to offer explanations for their diversity achievements, or lack thereof, many of them noted the pressures of COVID-19 that arose nearly in parallel with the societal demands raised by the Black Lives Matter movement. As sales and revenues plummeted due to the virus, many fashion houses, retail brands, and retailers sought to cut costs by reducing their workforce. But to increase diversity, by definition they would have needed to expand their employee rolls by hiring more people of color.

Others protested that a singular focus on representation of Black participants in the fashion industry represents an overly narrow view of diversity. They highlight the presence of more women in positions of power and note their inclusion of people with disabilities and those who embrace gender nonconformity as evidence of their ethical stances.

Such discussions clearly must go beyond simple numbers and accounting. But they also should include detailed and careful analyses, because otherwise, even actors that want to live up to their diversity commitments cannot know the way forward.

Discussion Question:

1. **What other sorts of measures would be helpful to enable the fashion industry to improve its diversity?**
2. **Did any of the reported data surprise you? Which pieces of information, and why do you find it surprising?**

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Tiered Pricing by DoorDash

Preetika Rana, "DoorDash Allows Restaurants to Choose Commissions in Post-Pandemic Future," The Wall Street Journal, April 27, 2021

Use with Chapter 6, "Financial Strategy"

The COVID-19 pandemic has been a massive opportunity for some firms, including DoorDash, which grew to take over fully half of the food delivery market over the course of 2020. By enabling consumers to get their favorite takeout while still sheltering at home, and simultaneously enabling restaurants to stay in business, the service provider gained such a powerful position that it seemingly could charge just about anything it wanted. But price preferences change with the times, and as pandemic-related challenges have started to resolve, DoorDash has come under increasing pressure, from both its business customers and regulators, to make changes.

In response, it announced a novel, three-tiered pricing structure for the commissions paid by restaurants to obtain its services. If DoorDash takes only a 15 percent commission on the order, it will provide relatively limited marketing support. If the restaurant agrees to give it a 30 percent commission, it will get prime placement on the DoorDash site and other forms of marketing support. A 20 percent commission option also is available.

Furthermore, if the business side of the platform reduces the amount it shares with the DoorDash platform, the platform will find the revenue elsewhere, namely, on the consumer side. Specifically, if a restaurant chooses the lower commission rate, DoorDash will charge customers $4.99 for their delivery. But customers only have to pay $1.99 to receive food from a restaurant at the higher end of the commission scale. In this way, DoorDash can drive more customers to its business clients that pay it more.

Industry associations praise the announcement for its transparency, noting that previously, it was difficult for restaurants to anticipate what commission they would need to pay to work with DoorDash. By giving the choice to these business clients, the service provider gives them more autonomy, such that they can analyze their own sales to determine if it is worth it to pay more to gain priority among visitors to the DoorDash site. The move also seeks to address regulatory efforts adopted by several municipalities, which imposed limits on how much the company was able to charge during the pandemic. Some of those legislatures have raised the possibility of making those commission caps permanent, so DoorDash's effort to offer increased transparency likely represents an attempt to head off further regulations too.

Discussion Question:

1. **Which party in these three-sided exchanges (restaurants as sellers, DoorDash as the platform and service provider, consumers) has the most power? How might those power relations shift over time?**
2. **Is this revised pricing strategy fair? Will it be strategically effective?**

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Retail Tidbits

Amazon Gamifying Warehouse Worker Performance

Geneva Abdul, "Amazon Is Not Playing Games (oh yes it is) with Warehouse Worker Performance," Retail Wire, March 16, 2021

In Amazon warehouses, workers remain constantly busy, incentivized to keep up with the fast-paced movement of products into boxes and out the door to reach consumers within a day or two. But they also may be bored. Picking and packing tasks tend to be redundant and repetitive, giving workers little sense of fun. In response to such concerns, Amazon has begun installing gamified systems in warehouses, enabling workers to compete by completing more of their assigned tasks accurately and quickly. The games have been developed completely in-house, and they are only available to Amazon workers. In a racing game, they might gain a lap by completing a large order; in the CastleCrafter game, a successful shift might earn them a new building material they can add to their virtual designs. The system allows for both individual and group play, such that a group of workers on one shift might challenge another to see which one can earn the most badges during a day. But playing is not mandatory; workers can ignore the games altogether if they choose. Furthermore, Amazon insists that among all the performance metrics it tracks, it has no interest in keeping tabs on whether people win these games. Still, some skeptics have raised concerns, noting that heightened competition might put more stress on employees—who already face quite challenging performance standards. Nor are games a solution to some of the other alleged abuses and problems in the retailer's warehouses. Instead, the goal is to make redundant work more bearable and thus keep employees happier and perhaps, of course, even more productive.

The fast Expansion of Amazon Fresh Stores

Jon Porter, "Amazon Quietly Opens its Eleventh Fresh Store, Reportedly Plans 28 More," The Verge, March 11, 2021

The expansion of Amazon Fresh stores is moving faster than nearly anyone predicted, with nearly a dozen stores already operational in the United States, less than nine months after the first one opened its doors. These store designs aim to reach a sort of middle ground: less fancy than Whole Foods but with more available services than Amazon Go. That is, by purchasing Whole Foods, Amazon already could access high-end grocery shoppers. With its experimental Amazon Go locations, it can test out completely self-service, technology-enabled stores. Amazon Fresh falls somewhere in between, such that the stores are staffed but still embrace advanced technology, such as through the presence of Amazon's Dash shopping carts. The pace of expansion does not appear likely to slow either, as Amazon seeks to catch up to much larger competitors in the grocery sector, such as Walmart with its more than 5000 stores and club locations throughout the country.

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