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SCBA Category Alert:

Amazon to Open its Own Grocery Store in LA in November 2019

The disruptive grocery business has just become more so. Amazon has confirmed it will be opening its own grocery stores, separate from its Whole Foods division. The first store is to open in Los Angeles in November 2019 with twelve other major cities targeted for early 2020. Stocks of all major grocery chains are down this morning as of this writing.

The Los Angeles location is still unknown. Here is what is known:

- The LA store will be about 35,000 square feet, which is almost half the standard size of most major chain stores which are 60,000 square feet.
- The price point will be below Whole Foods current pricing.
- Amazon is also in a “acquisition mode” for other existing chains as well as smaller outlets.
- Amazon will roll out these new stores in 15 other cities in 2020.
- No other SoCal markets other than LA is planned as of now.
- Amazon will continue to open a separate unit of grocery stores called “Amazon to Go”, which have no cashiers. Cities to be announced.
- Amazon will have three grocery store fronts by end of 2019:
 1. Whole Foods
 2. Smaller stores at a lower price point than WF.
 3. Amazon to Go, which have no cashiers and a smaller footprint.

More information to follow as its confirmed.

Sources: CNBC, Wall Street Journal, Amazon