



EVOLUTION OF GROCERY RETAIL

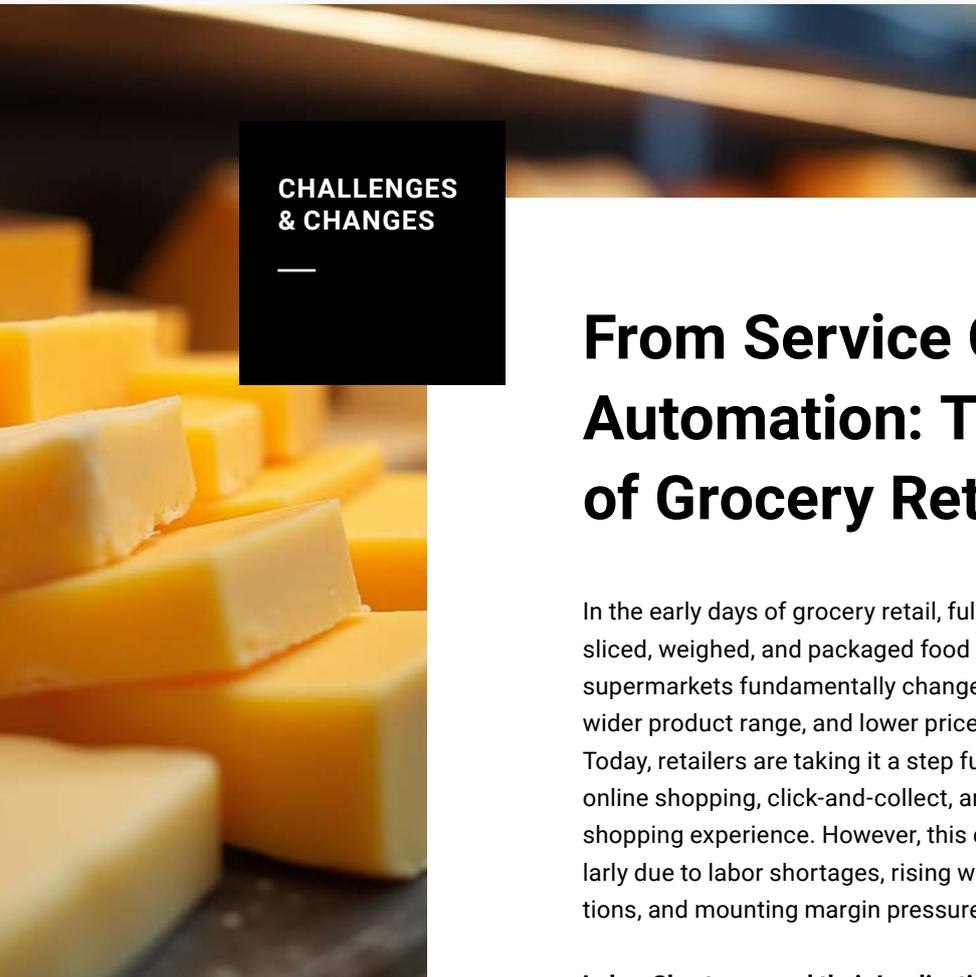
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# Self Every- thing as a Key Strategy

**T**he grocery retail sector is at a turning point: New technologies and changing consumer habits are transforming the industry significantly. While traditional customer service and fresh food counters remain relevant, automated, and digitally supported processes are gaining importance. Self Everything describes this comprehensive shift—from traditional service to

a shopping experience that is more flexible and convenient for consumers while becoming more efficient and automated for retailers. The growing significance of self-checkout, self-scanning, smart shelves, and AI-powered solutions highlights a clear trend: Customers seek speed, convenience, and seamless interactions between brick-and-mortar stores and online channels. For retailers, this translates into stronger customer loyalty, more efficient processes, and margin protection—achieved through

optimized workflows, reduced labor costs, and improved inventory availability. At the same time, smarter space utilization allows for a broader product range or additional services within the same retail footprint. Reduced inventory discrepancies and more precise stock control minimize losses and improve planning accuracy. Faster and smoother shopping experiences also lead to higher customer satisfaction—a key factor in driving repeat purchases and long-term revenue growth.



## CHALLENGES & CHANGES

# From Service Counters to Automation: The Transformation of Grocery Retail

In the early days of grocery retail, full-service counters dominated: Trained staff sliced, weighed, and packaged food at the counter. The introduction of self-service supermarkets fundamentally changed shopping behavior—larger store formats, a wider product range, and lower prices shaped the industry.

Today, retailers are taking it a step further: Omni-channel strategies integrate online shopping, click-and-collect, and brick-and-mortar stores into a seamless shopping experience. However, this development brings new challenges—particularly due to labor shortages, rising wages, no scans, increasing customer expectations, and mounting margin pressures.

### Labor Shortages and their Implications

The industry is under pressure. According to the German Retail Federation (HDE), there are approximately 120,000 unfilled positions in retail—ranging from unskilled workers to highly trained professionals. The shortage of qualified specialists is particularly critical: The Cologne Institute for Economic Research (IW) predicts that by 2027, there will be a shortage of 37,000 specialists<sup>1</sup>. Labor-intensive areas, such as fresh food counters, are particularly affected, making their operation increasingly difficult. At the same time, labor costs are continuously rising. In service areas, personnel costs account for up to 40% of revenue, whereas in self-service segments, they are only around 27%<sup>2</sup>.

<sup>1</sup> [https://www.iwkoeln.de/fileadmin/user\\_upload/Studien/Report/PDF/2024/IW-Report\\_20242-Arbeitsmarktfortschreibung\\_bis\\_2027.pdf](https://www.iwkoeln.de/fileadmin/user_upload/Studien/Report/PDF/2024/IW-Report_20242-Arbeitsmarktfortschreibung_bis_2027.pdf)  
<sup>2</sup> <https://www.welt.de/wirtschaft/article253400700/Edeka-Der-Irrtum-vom-Ende-der-Frischetheke.html>

## Changing Customer Expectations and Market Dynamics

Modern consumers expect a fast, convenient shopping experience tailored to their personal needs and habits. Self-checkout systems, smart shelves, and AI-driven automation solutions—such as object recognition at scales or intelligent inventory management systems—offer exactly these advantages: shorter wait times, personalized offers, and a seamless shopping experience across brick-and-mortar and online retail. However, retailers must also address the challenge of balancing customer demand for fresh products, personalized service, and digital convenience. Efficiency-boosting technologies provide a key solution.

## Digitalization as a Key Driver

Technologies such as artificial intelligence (AI), automation, and the Internet of Things (IoT) are transforming the retail industry. Self-service concepts, cashier-less stores, and hybrid counter models are becoming the new standard—not only to streamline processes but also as a response to labor shortages and rising operating costs. These digital transformations enable retailers to adapt flexibly to market changes, protect margins, and simultaneously offer a high-quality shopping experience — supported by data overviews about shrink that provide actionable insights into inventory losses and help reduce avoidable revenue leakage.

## Market Shifts: The Rise of Discounters

Between 2020 and 2023, the market distribution in Germany changed significantly. While the revenue share of specialty retailers declined (from 15.5% to 12.5%), discounters experienced a strong increase and their market share rose from 35.4% to 37.8%. Full-range grocery retailers (Edeka, Rewe, etc.) maintained a stable 28.6% share, while e-commerce remained a minor player at 2.9%.

Previously, full-range grocery retailers differentiated themselves through fresh food counters for cheese, bread, and meat. However, they are now under growing pressure because labor shortages are forcing many retailers to close fresh counters or significantly reduce their operating hours. This raises a critical question: Are full-range retailers losing their key differentiator and, as a result, market share to discounters?<sup>3</sup>



## GLOBAL TRENDS

# The Rise of Self-Service Worldwide

The trend toward automation is not limited to specific countries. A look at international developments highlights how different markets are implementing self-service solutions:

### USA

Retail giants such as Amazon and Target are increasingly adopting cashier-less stores and autonomous checkouts.

**Omni-channel retailing is gaining momentum worldwide.**

### Europe

In various countries in Europe, hybrid concepts that combine traditional service with self-service are becoming more widespread.

Consumers expect a seamless shopping experience between online stores, physical locations, and alternative pickup or delivery services. Retailers that meet these expectations secure a competitive advantage and strengthen their market position.

### Asia

Japan and China are experimenting with AI-powered checkout systems and robotic solutions for product display and inventory management.

<sup>3</sup> <https://de.statista.com/statistik/daten/studie/1372195/umfrage/entwicklung-der-vertriebsschielen-im-deutschen-leh/>

## OPPORTUNITY

# Automation as a Future Strategy

**For the retail industry, the conclusion is clear: Self-service is not just an option—it is a necessity. Retailers that invest in automation early benefit from efficiency gains, lower operating costs, and higher customer satisfaction.**

For Bizerba, the key question is: How can we support full-range retailers in remaining competitive despite these changes? The answer lies in intelligent weighing solutions, smart counter technologies, and automated slicing and packaging solutions that bridge the gap between freshness, convenience, and cost-effectiveness.

**The transformation is in full swing—and Bizerba is the partner guiding grocery retail into the future.**

## Advantages of Automated Systems in Grocery Retail

01

### Efficiency and Cost Reduction

- ✓ Self-checkout and smart shelf technologies minimize manual processes.
- ✓ Automation reduces labor costs and speeds up operations.
- ✓ Mislabeling and inventory management are significantly reduced.
- ✓ Hybrid counters allow seamless transitions between service and self-service—a practical response to labor shortages.
- ✓ The growing role of pre-pack solutions ensures fresh, in-store cut, and packaged products for differentiation and freshness.

03

### Sustainability and Resource Efficiency

- ✓ More precise inventory control reduces food waste.
- ✓ Energy-efficient systems lower operating costs.
- ✓ Automated self-service production prevents overstocking and minimizes empty shelves.

02

### Optimized Shopping Experience

- ✓ Faster checkout processes through self-service systems.
- ✓ AI-powered recommendation systems provide real-time personalized product suggestions.
- ✓ Shorter wait times at checkout.
- ✓ Hybrid shopping options such as click-and-collect offer more flexibility.
- ✓ Self-checkout solutions optimize staffing, allowing employees to focus on customer interaction and value adding tasks.

04

### Competitive Advantage

- ✓ Automation allows retailers to adapt quickly to market trends.
- ✓ Hybrid solutions create personalized shopping experiences.
- ✓ The self-checkout trend is growing rapidly: In 2023, there were 4,270 self-checkout stores in Germany (+153% since 2021)<sup>4</sup>.

TECHNOLOGIES OF THE FUTURE



## Future-Proof Retail Through Self-Service and Efficiency

The coming years will be shaped by disruptive technologies that will fundamentally transform grocery retail:

### AI & Big Data

Accurate sales forecasting and personalized offers.

### Automated Logistics

Intelligent supply chains using robotics and drones.

### Virtual and Augmented Reality (VR/AR)

Immersive shopping experiences and virtual service.

### Hybrid Solutions

Flexible models combining service and automation.

### Smart Shelf & Pre-Pack Concepts

Reducing labor costs while ensuring product freshness.

COMPREHENSIVE SOLUTIONS FOR RETAIL

## Success Factor Self Everything: Bizerba as a Global Partner

Bizerba has decades of experience in the retail sector and has strategically expanded its portfolio to include digital components. Under the umbrella of "Self Everything", modular building blocks can be combined into a comprehensive retail system:

01

### Slicers

Precision automation with hygienic Ceraclean® surfaces for consistent quality and easy cleaning. Exact portioning minimizes food waste, improving cost efficiency.

02

## Packaging Machines

Optimization of freshness and efficiency through automated processes. System integration and hybrid counters ensure a seamless combination of service and self-service.

04

## Loss prevention Solutions

Automatic validation of each transaction and loss prevention minimize errors and prevent theft. Fast, seamless transactions and checkouts (up to 120 checkouts per hour) reduce wait times, increasing customer satisfaction.

03

## Smart Scales and Software

Seamless integration into existing and third-party systems for flexible incorporation into different IT environments. Intuitive user interfaces enhance ease of use, while central management ensures efficient control, monitoring, and maintenance of all systems from a single platform.

05

## Object Recognition and Smart-Shelf Technologies

Inventory monitoring and fraud prevention go hand in hand with margin protection. Precise object recognition prevents booking errors and theft. Real-time data enables dynamic price adjustments, while shrink overviews help reduce hidden losses. Accurate inventory tracking supports operational efficiency and profitability.



# Best Practices and Expert Opinions

**Successful retailers demonstrate that self-service concepts not only reduce costs but also improve service:**

### Hybrid Counters as a Success Model

Tests with flexible cheese counters led to increased sales compared to traditional service models and resulted in a more satisfied customer base.

### Self-Checkout as Standard

In 2023, Germany already had 2,152 stores with self-scanning systems—a clear indication of the acceptance of self-service.<sup>5</sup>

### Data Protection & Transparency

Clear communication about AI-powered systems increases customer acceptance.

<sup>5</sup> <https://www.self-checkout-initiative.de/markterhebung-2023>

01

## Recommendations for Retailers to Initiate Pilot Projects

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- ✓ Introduce new technologies in selected stores.
- ✓ Actively engage customers through targeted information and test phases.
- ✓ Collect and analyze customer feedback to optimize processes.
- ✓ Collect Datapoints
- ✓ Have a dedicated team with a management sponsoring the pilot

02

## Engage Employees

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- ✓ Provide training on operating automated systems.
- ✓ Positive communication explaining the new technology to avoid setting fear.

04

## Implement Scalable Technologies

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- ✓ Deploy flexible solutions that adapt to changing requirements.
- ✓ Use interface-friendly systems for seamless integration.

03

## Leverage Customer Data Effectively

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- ✓ Utilize big data analytics to optimize product assortments and marketing.
- ✓ Dynamically adjust pricing and offers.

05

## Develop Holistic Strategies

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- ✓ Incorporate self-service as part of a comprehensive digitalization strategy.
- ✓ Combine automation with personalized customer service.

## CONCLUSION

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# Future-Proof Retail with Self-Service and Efficiency

**T**he grocery retail sector faces major challenges: labor shortages, pressure on margin, rising costs, and increasing customer expectations. Efficiency gains through a well-planned “Self Everything” concept are the key to long-term competitiveness and setting new standards for the industry.

**With Bizerba as a partner, retailers can**

- ✓ Compensate for labor shortages without compromising quality and freshness.
- ✓ Seamlessly integrate self-service and pre-pack solutions.
- ✓ Leverage automation and hybrid concepts to differentiate themselves from competitors.

**The goal: A high-quality shopping experience with lower staffing effort, ensuring a sustainable future for grocery retail.**



# Know-how and service worldwide on site

150 years ago, Bizerba was founded in Balingen, in the Swabian region of Germany. Today, it is a global corporation with customers in 120 countries and a worldwide service and distribution network.

## Bizerba: Everything from a single source

01  
Hardware

02  
Software

03  
Labels

04  
Service

05  
Financing



**INCREASE  
SECURITY**

### Contact our solution specialists

Schedule a non-binding appointment or request further information.

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