

# METRO Group

## Report: A trip to METRO

9th December 2009; 8:05am:

That was the day our bilingual course for social studies started the trip to the company "METRO" to have a look at what is happening behind the scenes.

The first stop on our journey was the Innovation Centre of Metro group in Neuss. We were guided through different rooms where we could see the latest inventions which Metro wants to use in stores such as *Saturn*, *Media Markt* or *Real* in the future.

Some examples of these innovations are e.g. the intelligent fridge which shows you on a screen the products that are in your fridge and how long they are edible. Another thing is the intelligent dressing room which helps you to find the right size and shows you which clothes you can combine. In the mirror you can see yourself wearing your assortment. The problem with the idea is that this technology is very expensive and that's the reason why it won't be in the stores in the near future. Nevertheless, some of these dressing rooms are already used in a *Prada* store in New York.

The main topic here was the development and the future use of the RFID technology. RFID means Radio Frequency Identification and is used to control products that leave the store and to give information about these products. However, more advanced RFID chips are too expensive at the moment. The guide told us that a new generation of RFID which allow METRO total control over each product can be found in many stores soon .

The second part of our trip was a meeting with Mrs. Dearnley, the sustainability manager of METRO Group. She told us everything about their concepts about sustainability and their plans for a sustainable future. Their plans are to find a balance between economic, environmental and social aspects for the management of their wholesale markets so that there will still be energy for the next generation. Her job is to know facts about the sustainability strategies of METRO and to communicate with customers and other business partners by giving presentations to explain their concepts.

Other ways to show customers their plans are labels like Fair Trade, which show that METRO pays acceptable wages or using their homepage to offer the customers the magazine *METRO post* and many other ways.

METRO's sustainability manager admitted that they cannot be totally sure that there is no forced labour, but they try to avoid partners who work illegally and want to give their workers acceptable wages.

There are about 10 to 12 people working full time for the sustainability management in Germany. It is their job to develop new ideas of planning a good life for future generations. They want to reduce their energy consumption and use renewable energy resources. Additionally their waste is going to be recycled.

In her presentation she said that too much energy is needed to meet the customer's demands, which means that the consumer pressure is very high. The customers always want to have the latest gadgets and clothes depending on certain fashion trends which then become unfashionable and the already produced gadgets have to be destroyed or sold cheaper because nobody wants them anymore. In the end the METRO stores often don't benefit from that. This is one reason why only 10% of the almost 50,000 products that you can buy at METRO are sustainable. Of course you could criticize that as it doesn't seem to be very much even if METRO has a huge sustainability section on its website which shows their sustainable care. In contrast to other wholesale markets, however, METRO is one of the leading companies in that domain. Some of their sustainable products are an assortment of 600 different BIO-products or energy saving light bulbs etc. .

Our third and last stop in Düsseldorf was at one of the METRO wholesale markets where a sales manager explained to us that customers have to meet certain demands to qualify for a type of customer. They differ between retail customers and warehouse customers which are preferred because they're purchasing more so that they spend more money at the wholesale market. Thus they are also called "gold-customers". People who do not have their own shop are not even allowed to do their shopping in the METRO market, because gold-customers are already complaining about retailers.

All in all we got a good overview of the activities of METRO Group, how they work and what their aims concerning sustainable development are.