

Shoprite Group announces On-Demand JV with RTT Group to strengthen e-commerce delivery capabilities

The Shoprite Group has entered into a joint venture with its existing Checkers Sixty60 logistics partner, the RTT Group in which both parties will own 50%. The transaction follows on from the rapid growth of Shoprite's pioneering on-demand grocery solution Checkers Sixty60 in which RTT On-Demand, a division of the RTT Group, has played a pivotal role in last-mile logistics.

Going forward, the joint venture will advance the technology, learnings and intellectual property created to date as well as enable continued development in the digital and customer experience in line with Shoprite's ecommerce plans.

The transaction, which envisages Shoprite Checkers holding a 50% interest for an undisclosed sum, is subject to the fulfilment of both commercial and regulatory conditions and includes RTT's On-Demand technology platform, management and operations teams.

"This transaction is in line with our digital strategy," says Shoprite Group CEO Pieter Engelbrecht. "Owning the last mile home delivery aspect of our Sixty60 service is an important part of building out our digital ecosystem for customers. We consider the combined capability we have built with RTT to be a critical competitive advantage and key to Sixty60's rapid growth. This RTT On-Demand joint venture will allow the Group the opportunity to continue enhancing our order fulfilment and last-mile delivery capabilities whilst giving us the opportunity to grow our precision retailing efforts for our customers."

The Group's digital tech hub, ShopriteX, spearheaded the award-winning Checkers Sixty60 innovation which has quickly become the number one grocery app in South Africa with over 2 million app downloads. Going forward, the RTT On-Demand joint venture will allow ShopriteX the opportunity to continue to evolve the digital experience and in doing so ensure best in class service levels for its customers are maintained.

RTT Group CEO Gavin Rimmer commented: "RTT's continued relationship with the Shoprite Group brings sustainable scale, capability and technology development to RTT's e-commerce fulfilment plans. It also provides customers with access to an extensive geographic network and range of service options for their on-demand needs."

Pieter Engelbrecht added: "We anticipate this transaction will add to the more than 4,000 jobs already created by Sixty60 as we continue to grow in the communities in which we operate. The benefits arising from formalising this relationship with RTT On-Demand should extend beyond our customers to also include our employees, suppliers and shareholders and we are incredibly pleased to be moving forward with our e-commerce plans on this basis."