

U.S. shoppers in the Seattle area are in for a surprise when they go to their local Kroger this upcoming week.

Krogers in 15 Seattle locations will offer their customers fresh greens grown directly in stores.

In the company's partnership with German startup Infarm, its "modular living produce farms" will be housed inside of its stores. The farm modules will grow greens like crystal lettuce, Nero Di Toscana kale and parsley.

## Changing with the times

The first-of-its-kind in the U.S., the move is a part of Kroger's efforts to boost sales after an unsatisfactory performance as of late.

This unconventional approach reflects consumer preferences for fresh, organic produce.



As consumers lean away from traditional grocers for the convenience of ordering apps and food delivery, the company hopes to draw in new customers with its environmentally savvy innovation.

It sees its step to incorporate in-store farming as a way to improve its model in the grocery industry. The grocer markets this venture as a way to provide better-tasting, fresher food to its customers.

Kroger's group vice president of fresh Suzy Monford told [Bloomberg](#), "We're removing touches in the supply chain, which is more economical and allows us to pass those savings along to customers".

"We know that fresh food drives shopping trips and it's a real differentiator."

Its goal of providing fresh, affordable food to customers underpinned this decision, according to Monford.

She also commented that the two stores that are launching produce farms- in Bellevue and Kirkland, Washington- are Infarm's first in the states.

## **Urban farming boom globally**

While it is Infarm's first stores in the U.S., it has various projects throughout Europe. Its supermarket partners like Amazon Fresh and Marks & Spencer sell specialty produce grown in their farms.

Innovation like this is picking up steam in the industry. Kroger's rollout comes in the broader context of a growing interest in urban farming.

Bloomberg cited data from AgFunder that shows that vertical farming startups have raised US\$140m in the first part of 2019 alone. Specifically, Infarm has raised \$100m this year.

In contrast to some techniques used in urban farming, Infarm's approach is that of "distributed farming". This means that plants are brought from nursery hubs- in which they grow for a few days- to its hydroponic modular farms in nearby stores.

Farming methods both in grocery stores and in urban farming generally is relatively new and continues to develop. Kroger said that in its search to decrease its environmental impact, it still has a while to go.