

# Adding Fresh Food to the Discount Retail Mix



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**T**oday's discount-oriented retail industry is rapidly evolving. In addition to offering a traditional, value-based variety of merchandise, some retailers are introducing fresh food and produce to appeal to their customer base and create competitive differentiation. But adding food to the retail mix also potentially creates a new set of challenges for retailers related to food quality, safety and preservation.

A leading retailer that is helping to drive the fresh food trend has dealt with these challenges firsthand. With thousands of stores across the U.S., this national chain is building upon double-digit percent growth over the past several years with further expansion into the food retail space, including:

- Annual remodels in nearly 10 percent of its stores to improve shopping environments
- Significantly increasing the number of stores with fresh food and perishable offerings
- Remodeling nearly 30 percent of its stores with updated refrigeration capabilities
- Offering more produce in more of its food-equipped stores
- Increasing the number of stores featuring more groceries than dry goods

All told, it's a progressive merchandizing plan that even includes test markets for convenience store formats.

With a thriving national network and store sizes ranging from 6,000 to 16,000 square feet, the retailer needed strategies to address its new refrigeration requirements and optimize facility operations across the enterprise.

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### **A proactive approach to food quality and facility management**

The retailer's new fresh food focus called for a more proactive approach to help ensure predictable quality and safety of its perishable offerings. Its ever-expanding store footprints only added to the challenges of optimizing HVAC, refrigeration and lighting for maximum reliability and energy efficiency. To create ideal shopping environments and keep operational costs to a minimum, the retailer needed ways to automate the management of these systems and reduce the burden of labor-intensive reporting tasks.

Emerson, in conjunction with OEMs, proposed a combination of equipment and facility management controls that could help deliver:

- Reliable compression technology for new refrigerated cases and displays
- Advanced facility controls to provide demand-based HVAC, refrigeration and lighting
- ProAct™ software, Alarm Management and Resolution services to enable remote monitoring

**Refrigeration and compression** — Emerson's breadth of compression technology, flow controls and outdoor condensing

units provides the reliable, flexible and energy-efficient refrigeration system support for retailers' growing refrigeration requirements. Copeland Scroll™ compressors, indoor and outdoor condensing units, and smart refrigeration and case controls create a foundation for robust refrigeration systems in new food-focused stores.

**Facility management controls** — For automated supervision of HVAC, refrigeration and lighting (within each store and across the enterprise) Emerson's site supervisory and facility management controls help store managers create optimized shopping environments. Most importantly, they help automate the management of refrigeration systems to maximize uptime and help retailers safeguard fresh food offerings.

**ProAct™ Services** — Combining smart software, proactive alarm management and issue resolution services, Emerson's ProAct™ suite helps enable connectivity, remote monitoring and fast responses to fault conditions.

- ProAct™ Alarm Management and Resolution services notify managers of potential issues, advise on corrective actions, and can help expedite maintenance activities related to refrigerated temperatures and system faults
- Enterprise-wide management of seasonal store changes, such as holidays and special event hours
- Energy targeting and monitoring detects unusual consumption patterns and identifies issues requiring immediate corrective action

### Exceeding expectations

After nearly 14 years using Emerson's extensive refrigeration and facility management solution, the retailer achieved its desired goals:

- Increased energy savings from 10 to 30 percent due to optimized HVACR operation
- Assurance of food safety and consumer confidence in new offerings
- Fast issue resolution for uninterrupted shopping experiences
- Improved store and staff productivity and customer service levels

**Energy efficiency** — Enterprise-level operations managers know that savings on HVACR energy costs translate directly to profitability. In this case, by automating temperature set-backs during non-shopping hours, the retailer achieved 30 percent savings over manual (or non-controlled) methods.



**Automated refrigeration monitoring** — The ability to automate the monitoring of refrigerated case temperatures helps keep perishables within optimal ranges, which can impact food safety and quality. When the system detects a deviation from the optimal range, ProAct Alarm Management and Resolution services issue priority alerts to store managers or designated service technicians. If the problem can't be resolved, the system then immediately notifies enterprise maintenance for fast resolution. ProAct Alarm Management and Resolution services automate record keeping at the store and enterprise levels, which also helps to diagnose, avoid and prevent recurring problems.

**Store productivity** — With the limited personnel available in a typical mixed retail store (typically 8–10 employees per day), facility management controls and ProAct™ software help retailers prioritize critical issues that require immediate attention, i.e., by withholding low-priority issues that can be addressed later. This helps allow store staff to invest more time in customer service matters rather than dealing with infrastructure issues. In a typical store, eliminating just 10 percent of time-consuming tasks can potentially reduce head-count requirements by one employee.

To learn more about Emerson's ProAct™ solutions for facility management, please visit [Emerson.com/RetailSolutions](https://www.emerson.com/RetailSolutions).