

CASE STUDY:

# Grocery Chain with Fresh Operations



## Rethink

Grocery chain operator with over 1,100 locations re-evaluating its fresh operations in the deli, fresh food, and bakery areas that were not generating expected return on investment. Concern on installing these departments in remaining stores or in future locations.

## React

Analysis and review of fresh operations profitability by product line, labor intensity, shrinkage/food waste ratios, product turnover, hours of operation, and large capital investment in equipment were made by Aurora to determine level of continuing operations or change in business model.

## Results

Recommendations made by Aurora were implemented for KPI's for day to day operations, sales performance metrics, labor standards and pro formas for deployment of fresh departments in existing stores without fresh departments and future locations as well as renovations in existing stores. Schedule of deployment was constructed based on available capital for investment.