

Italian hypermarket in a lower income area

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adapted by Hippo Zourides

Once again, we bring a contribution from our Italian correspondent and another look at an adaptation to local conditions.

Previously a failed Auchan hypermarket, the site was taken over by COOP and refurbished earlier this year.

The local competition is intense, so the store has had to adopt certain strategies to remain relevant. So far, the formula appears to have succeeded.



LOCATION	
City	Reggio Calabria
Situated	Southern Italy across from Sicily
Population	200 000
Income level	Low to middle

STORE	
Brand	IperCOOP
Franchise	COOP Alleanza 3.0
Format	Hypermarket
Located in	Ninfee Shopping Centre
Size	3 000m ²
Storage area	1 700m ²
Checkouts	16
Employees	126
Trading hours	Mon-Fri 9am - 9pm
	Sat 8.30am - 9pm
	Sun 9am - 8pm

COMPETITION	
DeSPAR	Price discounting is heavy in this market
MD	
Deco	
Supermercarti Conte	
Sigma	
CONAD	
Sidis	
Lidl	
Eurospin	

The sign on the outside highlights the Master Franchising agreement with Coop Alleanza 3.0



SALES	
Annual sales	€30m (R510 million)
Average basket	€25.60 (R435)
Customer count	22 400 per week
Sunday count	2 800 = 12,5% of week
Promotions	On 10 day cycles

DEPARTMENTS	
'Open squares'	Butchery
	Fresh produce
	Delicatessen
	Sushi
	Fish market
Groceries and perishables	
Non food	Electronics
	Stationery/books
	Houseware
	DIY
	Gardening
	Outdoor furniture
	Camping
	Sports
	Luggage
	Childcare
	Clothing/textiles
	Footwear
	Services
Scratch cards	
Gift cards	



View of the large underground car park



View of the hypermarket entrance

PRODUCT MIX

No. of SKUs	30 000
Branded products	Most important
Private label (PL)	Less so
PL contribution	13%

MAIN STRATEGIES

COOP loyalty card (usage 90%)
Enhanced fresh departments
Recently refurbished
Discount prices
Regular promotions



Granarolo low fat milk 1 litre is the biggest seller in the store, having sold 100 000 Skus in one year



View of the entrance, with 16 checkouts



Tray Sealers



Burger Patty Formers



Sausage Fillers



Vacuum Packaging Machines



Mincers



Wrapping Machines





Frozen foods display behind glass doors



Perspective of the checkout area viewed from the shopping centre

CASE CLOSED

Energy Saving Solutions

Glacier Door Systems has introduced the Air Shield ('Close the Case') Glass Door retrofit solution for refrigerated supermarket display cases, as well as the Eco Leaf Replacement Glass Door for existing glass door freezer rooms and glass door freezer display cabinets. Both solutions guarantee energy-savings in an ever-increasing energy cost environment. Part of the well-established Universal Industries Group, Glacier has 26 years' experience and are acknowledged industry leaders in refrigeration door technology. Innovative and forward-thinking, the company is built on cutting-edge technology, technical expertise and a customer-centric approach.

Air Shield Glass Doors

Features and Benefits

- Double glazed glass doors with Argon gas fill for superior insulation.
- Glass durability and clarity with torsion bar for positive closing.
- Glass door heating option for high humidity environments.
- Glass doors available with hold open brackets and LED lighting options.
- Flex modelling means glass panels are customised to fit existing cabinets and are tailored to suit each store's specific environment.

A quick and easy energy-saving retrofit solution, Air Shield Glass Doors can be fitted to any existing open refrigeration case, saving up to 40% on energy consumption.



Note: The value proposal is based on R1.31 per kWh and 40% energy saving. These are averages based on our experience and can be validated per store.

The value benefit

- High-quality locally manufactured solutions featuring the latest energy-saving technology.
- Demonstrated good pay back periods can be expected.
- Customised solutions to suit your store.
- ISO 9001 accredited factory.
- Safety toughened glass in accordance with SABS/SANS certification.
- Flexible installation timing to offset any customer disruption.
- Financing options available.

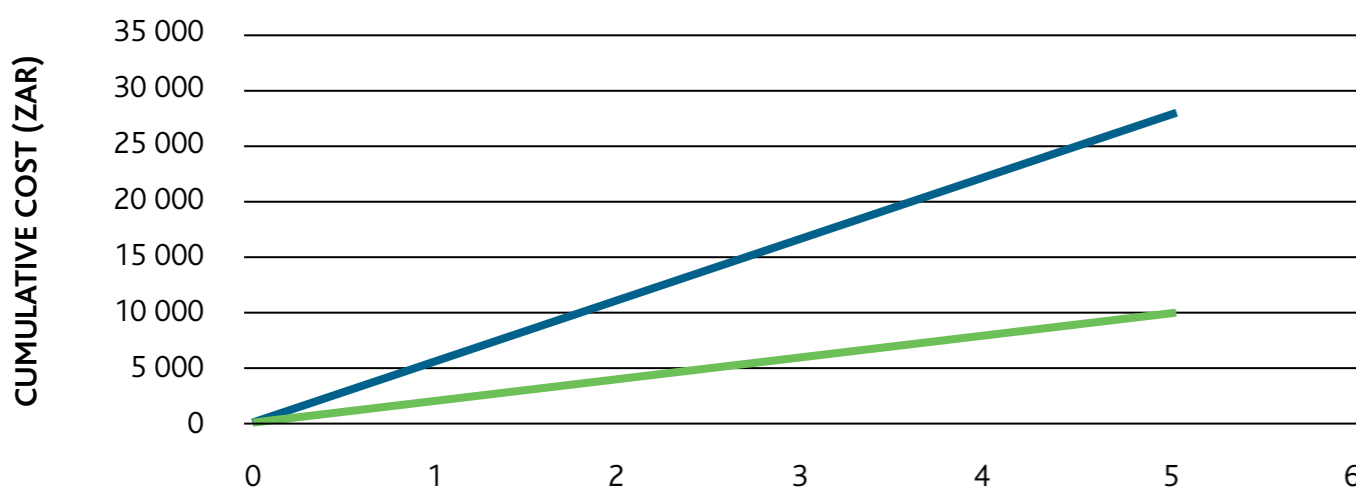
You can trust a Glacier door



Eco Leaf Freezer Doors

Designed as a 'swop-out', energy-saving replacement glass door utilising 220V technology that eliminates the need for voltage-reducing capacitors. This results in an amperage reduction from 1.29A on the standard door to 0.46A (64%) with the replacement Eco Leaf Door.

The Eco Leaf door is 64% more efficient than the standard door. The value proposal is based on R1.31 per kWh and 64% energy saving. These are averages based on our experience and can be validated per store.



	AMPS	VOLTS	WATTS
Glacier Eco Leaf Door	0,46	230	105.8
Glacier Standard Door	1,29	230	296.7