

BRIDGING THE GAP BETWEEN LOSS PREVENTION AND FOOD SAFETY

Why aren't loss prevention and food safety teams working better together? IoT solutions will help.

Loss prevention and food safety are key priorities for grocers. But curiously - the two departments rarely work together on preventative measures. Simply put, grocers need to not only **prevent** food-borne illness and meet **compliance** standards but also ensure products are of the highest **quality** and preserve profit margin by avoiding **waste**.

Unique objectives, Common goals

Loss prevention / Asset protection

- Preserve profit
- Prevent theft
- Avoid product waste
- Improve security
- Reduce risk of legal action

Food safety

- Mitigate foodborne illness
- Prioritize consumer health
- Prevent contamination
- Monitor critical control points (CCP) across food chain

Gaining better insight with Total Retail Loss (TRL)

By viewing the goals of loss prevention and **food safety** through the lens of **Total Retail Loss**, grocers can take a more holistic perspective, looking at total loss of **margin** instead of only **fraud**. From this perspective, non-malicious causes of loss like **spoilage**, **damage**, and **waste** are included.¹

What are the challenges to reducing product loss?

Lack of speed and scale in identifying unsafe or low-quality product

Paper checklists and analog measuring devices are ineffective at ensuring compliance accuracy at an enterprise level.

No system dedicated to the prevention of food waste

Typically, grocers do not have a mechanism to optimize merchandising and rotation of perishable items that will maximize shelf life in the store and in the customer's home.

Unclear plan of action when issues arise

Limited automatic or effective early warning measures in place to notify and instruct teams with guided instructions.

Shrink and loss are huge problems for grocers
\$70M
Average annual value of spoilage and shrink for grocers in 2020²

IoT solutions unite loss prevention and food safety

IoT-powered, enterprise-wide critical **asset monitoring**, and management combined with completely **digital workflows** are empowering best-in-class collaboration between loss prevention and food safety to reduce shrink and loss.



Areas of improvement

- 1 Avoid equipment failures**
Real-time monitoring provides predictive notice before a failure can lead to business disruption.
- 2 Avoid waste**
Automated alarms and escalation models mobilize the right team at the right time to avoid lost product.
- 3 Redirect labor**
Leverage IoT to eliminate paper-based tasks so your team can focus on customer experiences.
- 4 Improve team execution**
Combining IoT data, SOPs, and conditional logic will deliver precise on-demand workflows for your team.
- 5 Ensure compliance**
Replace incomplete logs with continuous and timed digital logs that meet regulation requirements.
- 6 Maintain quality and integrity**
Leverage digital data to know when fresh food is at its peak or if it has been compromised.
- 7 Benchmark equipment**
Use historical performance data to measure the real reliability of assets before making capital investments.
- 8 Eliminate false positives**
Eliminate false positives and increase the accuracy of employee guidance and prescriptive workflows.



Meet SmartSense

SmartSense is an asset monitoring and management solution for grocery chains that is designed to digitalize and optimize your company's current loss prevention and food safety programs.
www.smartsense.co

Built for retail.
Built for scale.

32B+
Monthly data points collected

\$3B+
Product inventory protected

80K+
Sites continuously monitored

Sources:
1 [Retail Industry Leaders Association, Article, Beyond Shrinkage: Introducing Total Retail Loss, https://www.researchgate.net/publication/312523995_Beyond_Shrinkage_Introducing_Total_Retail_Loss]
2 [Relex, Report, Growing and Sustaining Competitive Advantage in Grocery Retail, <https://hub.relexsolutions.com/grocery-retail-report-2018>]