

A&P Expands Localized Remodels

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Remodeled Food Emporium stores seek to offer an everyday shop.

MONTVALE, N.J. — [A&P](#)'s vision for the future is now on display on the Upper East Side of Manhattan, where a recent Food Emporium renovation strikes a "store of the neighborhood" profile the chain hopes to replicate throughout its various banners.

The 16,000-square-foot store is the third in the Food Emporium chain to receive an extensive renovation since November. A&P also recently revealed makeovers at two New Jersey Pathmark stores, showcasing a neighborhood positioning for each of those stores. A&P, which emerged from Chapter 11 bankruptcy protection earlier this year, is betting that the new approach — combining physical improvements, tailored merchandise sets by location, and new service initiatives — can lead to a long-awaited recovery in sales and profits. The approach represents a change from previous company efforts to create sharply distinct brands by banner. The new approach advocates that all stores adopt an appropriate neighborhood positioning, and advertising to that effect includes all banners from the upscale Food Emporium to the discount Food Basics.

"Improving our store footprint is one of our top priorities," Sam Martin, A&P's chief executive officer, said in a statement. His plan is to renew more than half of the company's 320 stores over the next five years.



On the Upper East Side, that meant upgrading a facility that hadn't seen a major remodel in 16 years, Michael Corsello, director of merchandising for The Food Emporium, told *SN* during a recent store tour. It's positioning in the meantime shifted from a previous "gourmet" profile to a store that its shoppers — mainly from a five-block radius in the densely populated neighborhood — could come to everyday.

“We want to be the supermarket of the neighborhood, that’s the major difference today,” Corsello said, noting that newly stocked items including plastic ware, hardware and expanded HBC “get us in the business” in categories that the store previously eschewed — and ceded to drug store competitors like Duane Reade.

Its upscale appeal remains in revamped prepared food, deli and specialty offerings on the upper floor, while the main lower level includes expanded selections of frozen foods and kosher items to suit neighborhood shoppers, along with produce, meat and a new service seafood department.



The increased selection — around 2,000 new products, Corsello said — came as a result of repurposing former back room space and a painstaking, 18-week physical renovation. Because the store and its original equipment was built into the ground floor and basement of a high-rise apartment building, workers had to punch a hole through the wall of the neighboring parking garage in order to deliver new refrigeration cases and remove the old ones. The store remained open all the while.

New service initiatives are focused on employees engaging shoppers to encourage sales, officials said. As part of the effort 26 new employees were hired and trained concurrent with the renovation.

Danny Wodzinski, district manager for Food Emporium, said the new positioning is working as planned with improved sales trends at the locations where renovations took place late last year. More recent renovations to Pathmark locations in Weehawken, N.J. and Bergenfield, N.J., reflect the cultural preferences of the communities they serve, with Bergenfield now having a stronger kosher focus and Weehawken featuring more products that cater to Hispanic residents.

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Industry observers are taking a wait-and-see approach to A&P’s new positioning. Matt Casey, president of supermarket site-selection specialists Matthew P. Casey & Associates, Clark, N.J., said he was skeptical given A&P’s track record and that operating neighborhood-focused stores tend to require more labor than the lean A&P may be willing to commit.

“It’s a great idea. In fact, it’s textbook for what retailers ought to be doing, micro-merchandising stores for the neighborhood,” Casey said. “However, it’s tough to do that given the expense, and I’d be shocked if A&P could pull it off.”

For example, Casey said, Hispanic-leaning Pathmark stores may have trouble competing with dedicated Hispanic retailers when it comes to areas like service meat. “Maybe Pathmark can put eight or 12 feet [of service meat] in, but the authentic Hispanic operator down the street has 32 feet and the labor behind the counter.”