2024 Grocery Industry Security & Operations Insight Report

The Security, Operations, and Regulatory Challenges Shaping the Industry — and How Security Leaders Can Prepare for the Future

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INTRODUCTION

The grocery industry may have once enjoyed a golden era of relative stability, but now a new reality has taken hold. Grocers are grappling with increasing violence and crime, new regulatory challenges, technological disruptions, and shifting consumer behavior. Taken together, these forces are pushing them to adapt and innovate–and quickly.

With grocers facing ever-tighter margins, protecting inventory and reducing shrink have become existential challenges. One way grocery executives and security operations centers (SOCs) are responding is by enhancing store security and seeking out operational efficiencies. But as stores add new solutions to deter theft and stop violent crime, they're also asking far more of their security and operations teams.

For example, with more technology, alarms, and deterrence systems in place, there are simply more data points to manage, track, and act upon–and that can become a burden for security professionals already operating in a high-stakes, stressful environment.

There is a way forward, however. This report explores the current state of grocery security and operations, examining the challenges SOCs face–as well as opportunities to transform operations through smarter technology. Finally, it presents the top priorities grocery SOCs should tackle next, including actionable recommendations for increasingly challenging conditions.

THE CURRENT STATE OF GROCERY SECURITY AND OPERATIONS

Perhaps no other time in history has seen this scale of disruption within the grocery sector. From ballooning inflation and rapidly-shifting consumer habits to the growing threat of theft and even in-store violence, grocery store security teams have had to adapt quickly to keep operations safe, secure, and profitable.

Security Challenges

"Retailers are seeing unprecedented levels of theft coupled with rampant crime in their stores, and the situation is only becoming more dire."

– David Johnston, National Retail Federation

According to the 2023 Retail Security Survey conducted by the National Retail Federation and the Loss Prevention Research Council, security and safety are ever-growing concerns among retail loss prevention and asset protection professionals. Consider these alarming findings:

• 88% of retailers said shoplifters were "somewhat more" or "much more" aggressive and violent compared to just one year ago. According to retailers who specifically track the data, violent shoplifting incidents have increased by 35%.

• 67% said they were seeing greater violence and aggression from organized crime perpetrators than they were last year.

• 78% said organized retail crime was even more of a risk priority than last year. Along similar lines, 72% were concerned with violence during criminal incidents, 66% with stopping mass violence or active assailants, and 65% with guest-on-associate violence.

Security Challenges: Rise in Theft and Violence
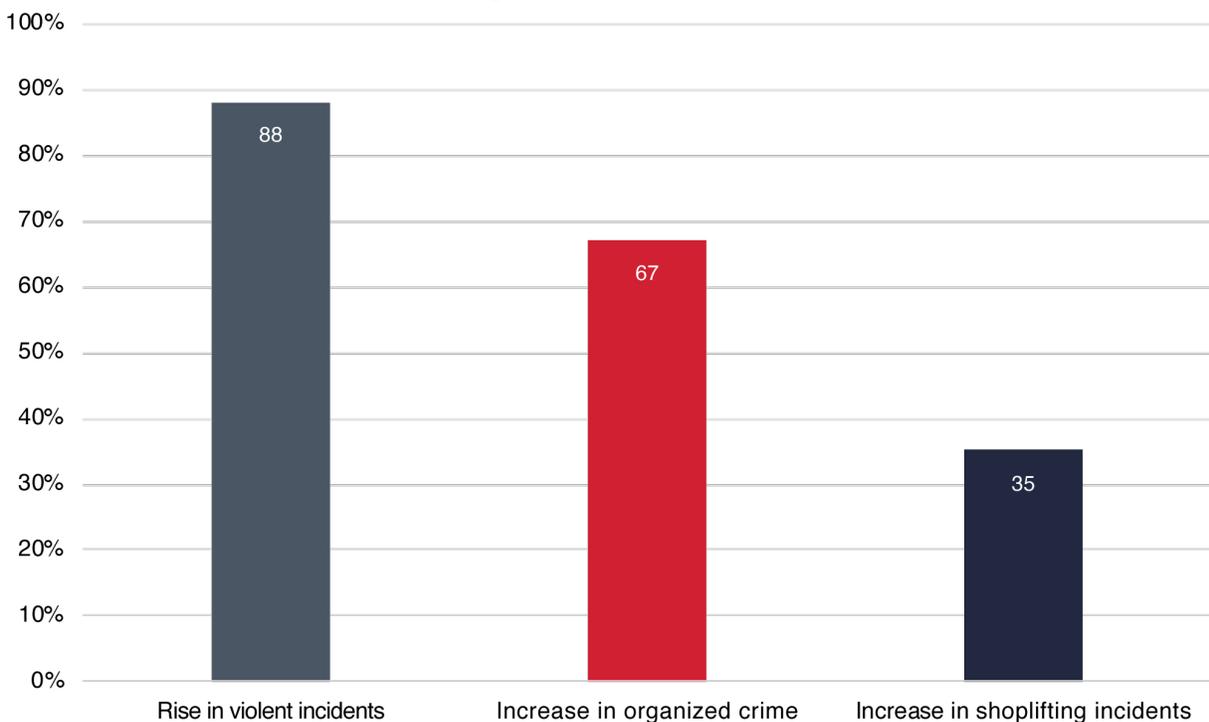
According to the 2023 Retail Security Survey, increased aggression among shoplifters and a rise in organized crime are escalating threats that demand a proactive response.

To put these findings in a wider context: between January 1, 2020 and March 20, 2024 there were [702 incidents of gun violence](#) at America's largest grocery store chains. As the advocacy group Guns Down America puts it:

"This grim reality threatens the lives of Americans every single time they go out to buy food, and imperils the employees who serve their communities every single day."

– Guns Down America

As the 2023 NRF Retail Security Survey reveals, retailers have had to make drastic moves in response to the crisis, from reducing operating hours (45%) to closing stores (28%). The threat of violence has been so great in some areas that stores, like one San Francisco-based Whole Foods, have been forced to [shutter operations due to safety concerns.](#)

But it's not just the violence: it's also regular, run-of-the-mill theft that has grocery SOC teams on high alert. According to a recent report, [65% of U.S. and U.K. food retailers](#) say the situation has reached a "crisis point," citing theft as a leading business concern. And as Giant President Ira Kress told the [Washington Post](#), "To say that [theft has] risen tenfold in the last five years would not be an understatement."

These troubling crime rates are forcing grocery stores to adapt–and not in ways they would have hoped. Giant, like many grocers, has been hiring armed security guards and locking up certain items to deter theft. At least one retailer, a Chicago-based Walgreens,

has gone so far as to [lock most merchandise](#) behind the counter, with shoppers using kiosks to request items.

Stores across the nation have been battling the crisis from every angle. From [Harris Teeter](#) and Giant to Walmart, Safeway, and Dollar General, they have been removing self-checkout lanes, checking receipts at the exits, and banning large bags in an effort to control theft.

Grocers are under pressure to do more to protect their customers and employees, and failing to do so can have devastating repercussions. In this environment, SOC teams are right to ask, "Are we doing all we can to prevent violence in our stores?" The consequences of not doing so can reverberate well beyond the tragedy of lives lost. For example, at least one grocer has been [sued for a perceived lack of security](#) in the aftermath of a fatal shooting.

Lawmakers are taking note of these concerning developments. The New York State Senate, for example, [just passed a law requiring retailers to have a violence prevention plan](#), including employee training for dealing with active shooters. It also requires larger retailers to install panic buttons on-site or provide mobile or wearable panic buttons to workers. But retailers are making moves regardless of the legislation:

53% of those surveyed by the NRF said they have, or were, increasing employee workplace violence training.

Operational challenges

While violent crime and theft are top-of-mind, grocers also have serious operational hurdles to overcome. For example, factors like rising costs and a tough labor market mean they may not have the full staff, let alone a full SOC team, to cover all of their security and operations needs:

- In a Grocery Doppio survey of over 700 grocery associates, 68% said labor availability was "difficult" or "very difficult." This comes as order volume by store is increasing by 7% — and productivity is decreasing by 3%.

- In the SANS 2024 SOC Survey, an overwhelming number of respondents (29%) said that the greatest obstacles to fulfilling their SOC capabilities were "high staffing requirements" and "lack of skilled staff."

- Deloitte's recent survey of grocery retail executives indicated that talent availability (41%) and retention (40%) were among their most pressing concerns.

Given this reality, grocers are looking for ways to "do more with less." Their solutions tend to be two-pronged: for example, training existing staff to handle certain aspects of store security and leaning on tech tools like AI, automation, and data analytics to cover more ground.
First, grocery stores are relying more heavily on store managers to help with security

reporting and tracking, and are even providing security training for employees. They are also using technology to unlock efficiencies and break down silos between teams, facilities, and locations. This helps everyone, including operations, security, asset protection teams,

and store leadership, coordinate to run a smooth and effective operation.

Grocery stores can use automated, integrated tech solutions to assist with everything from security monitoring to temperature control management. These solutions can streamline traditionally staff-intensive tasks like manual inventory checks, handwritten temperature notations, and on-site security monitoring.

Labor & Staffing Challenges in Grocery Operations

Labor difficulty	Talent availability	Talent retention	Staffing requirements & lack of skilled staff
68	41	40	29

Data from the Doppio Group Survey and Deloitte highlights critical labor challenges facing grocery operations.

For instance, grocery stores might use fully-integrated alarm and security software to bring together a number of disparate security, inventory control, and temperature management systems and then monitor and manage them from a single, user-friendly dashboard.

Grocery management, SOC personnel, and authorized employees can then collaborate to monitor security and operations at that store–or a number of different stores–from a single system. With access to the same robust data analytics and reporting, they can also work together to increase efficiencies, prevent crime, and even comply with government regulations.

Regulatory compliance challenges
Aside from facing a gamut of security and operational challenges–all while operating with fewer staff–grocers are also expected to comply with current and upcoming government regulations.

They already need to keep track of a number of operational details and data points to comply with regulations set out by the EPA, DOT, OSHA, and others. From cleaning and maintenance to refrigerant management and food safety, handling, and traceability, grocers have to be on top of multiple details at once.
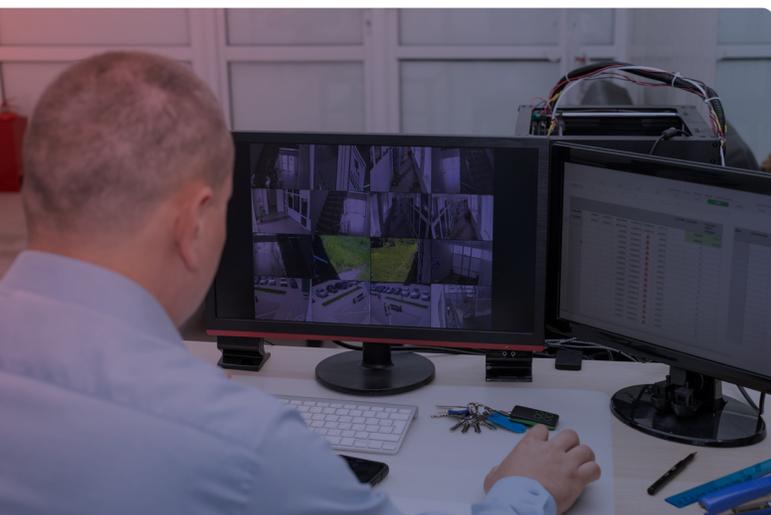
But there is increasing complexity ahead. For example, the new Food Safety Modernization Act (FSMA) Rule 204 will call for stricter food record-keeping and traceability practices. Soon, even grocers shipping products from their own distribution centers will need to keep detailed KDEs (key data elements) on both the shipping and receiving side.

One way to navigate these regulatory changes is via automated systems and smarter data management.

"Supermarket operators are focusing on enhancing their internal processes and training their personnel to ensure compliance with FSMA Section 204," Ben Miller, executive vice president of regulatory and scientific affairs at The Acheson Group, told Supermarket Perimeter. "This includes implementing standardized operating procedures (SOPs) for handling and storing food products, conducting regular audits and inspections, and providing comprehensive training programs for employees involved in food safety management."

All of this will require major leaps in efficiency and smarter technology use–and that's something grocery teams can begin to prepare for today.

WHAT THE FUTURE HOLDS FOR GROCERS
While grocers face escalating crime, persistent operational challenges, and increasing regulatory responsibility, there are also opportunities ahead, including a raft of innovative tech solutions designed to seamlessly fortify their operations.

Leveraging technology to its potential is proving to be a game-changer for grocers strapped for time, resources, and staff.

Today, many are deploying new technology to deter theft and violence, track inventory, manage alarms and temperature controls, and even create more efficient and exciting shopping experiences for customers.

More than a decade ago, Gartner researchers remarked that "every company will become a technology company." Today we are seeing that prediction at play across the grocery industry.

The promise–and challenge–of new innovations

New high-tech innovations, and especially AI, are already allowing grocers to reimagine operations and reinforce store security to better protect employees, customers, and their stores' bottom line.

As Deloitte recently observed about the future of grocery retail:

"Exponentially more powerful technology…is one of the major forces reshaping the industry. Dark stores with robotic pick and pack, app-guided and virtual augmented reality (VR/AR) shopping, generative artificial intelligence (Gen AI), personalized content, onsite vertical farms, lab-grown meat, autonomous trucks, advanced tracking and traceability, last-mile delivery, and frictionless check-out are just a few of the initiatives competing to revolutionize grocery and the shopping experiences."

It's a description right out of a sci-fi film–and while grocers may not have all of these pieces in place just yet, many have already deployed readily available, advanced technologies to protect their stores and inventory. These include:

- AI-enabled store surveillance, theft prevention, and fraud detection systems
- AI-based inventory management, demand forecasting, and waste management
- AI video surveillance systems for real-time customer behavior monitoring
- License-plate and facial recognition technologies
- AI-powered shopping carts and frictionless checkout
- Automated temperature and humidity systems

An innovative example of new tech in action is Simbe Robotics' autonomous inventory robot, which rolls through the aisles scanning items for real-time inventory insights. This automated solution can save stores up to 20% in labor costs and cut shrinkage by 30-50%.

In fact, AI is fast becoming a force in the grocery sector, and according to Grocery Doppio's State of AI in Grocery 2024 report, it is projected to generate $136 billion in value by 2030.

87%

of grocery associates surveyed said that new technologies could improve their jobs

71%

of the associates surveyed rated "poor store connectivity and legacy infrastructure" as a top reason their store wasn't better equipped.

However, while 71% of C-suite executives surveyed said that AI will be a necessity in the future, they also identified two looming challenges: having the budget (73%) and the technical infrastructure (71%) to implement it.

That's an insight echoed by the 700+ grocery associates they surveyed, too:
- 87% said that new technologies could improve their jobs–but lamented that their store lagged behind the competition (69%) and that their in-store tech didn't always work (63%).
- 71% rated "poor store connectivity and legacy infrastructure" as a top reason their store wasn't better equipped.

While grocers stand to benefit from the advantages and efficiencies that new tech can bring, maximizing its potential will not be possible if existing infrastructure, organizational silos, lack of training, and budget limitations get in the way. Furthermore, even though these innovations can be exciting to bring onboard, there is the risk of doing too much. With staffing levels as they are, grocery stores may be unable to physically monitor all of the tech in their stack. SOCs will need the capacity to manage

all of these new technologies while running a leaner operation than ever, and doing so will require big-picture thinking.

The burden of old technologies
For SOC teams to capitalize on emerging tech innovations, they will need to deal with the flip side: their existing technologies and legacy infrastructure. Grocery stores have likely accumulated a variety of systems over time, from access control systems to video surveillance cameras, fire alarms, panic buttons, and more. Many of these legacy technologies don't work together or even communicate with one another, having been added and replaced separately and at different intervals over the years. This means it's up to the humans behind the scenes to reconcile all of the information coming in and act on it. And that means hiring enough staff to do it effectively.
Legacy technologies come at a cost, and that is time: grocers need more people to manage it, more people to monitor it, and more people to connect the dots between existing systems. For example, if somebody trips an alarm by entering an unauthorized area, can video immediately and automatically back up what's happening on the scene and help determine if it's safe for staff to intervene?

If they are already dealing with a complex and crowded tech ecosystem, SOCs may be reluctant to add new technologies, even if they promise to be transformative–and for good reason! That's one more thing to manage, and more than one headache to come with it.

But wiping the slate clean and starting over with a sleeker, more streamlined, and more advanced set of tech tools is also a tremendous expense. After all, why rip up what works only to have to replace it with something new in a few years, anyway?

In a future of multiplying tech innovations, SOCs will need to identify budget-savvy ways to integrate new and legacy systems. A key will be software solutions that can unify them all and allow stores to seamlessly bring new tech onboard as it is introduced.

HOW GROCERY SOC TEAMS CAN SEIZE OPPORTUNITIES AND MINIMIZE RISKS

So what's next for SOCs who know they must adapt to stay on top of current risks–and make the most of promising new innovations? Following are three recommendations for SOCs looking to establish stronger, more efficient, and more effective grocery security operations.

☑ **As grocery security becomes more complex, focus on simplicity.**
As grocery security teams aim to keep up with both new innovations and existing challenges, the tendency may be to add new systems to manage potential threats, whether it's AI-powered self-checkout technology or real-time behavior monitoring.

A less intuitive but potentially more powerful approach is to consider what to eliminate, simplify, or consolidate. Instead of asking, "Could we do more?" SOC teams may do well to ask, "Could we do less? Or how can we do it better?"

One way to do less–and achieve more–is to minimize unnecessary monitors, applications, and equipment, as well as the staff bandwidth required to monitor each of them. The answer is to bring everything together under a unified security monitoring solution.

For example, alarm monitoring software can be used to simplify and strengthen store security by seamlessly integrating every signal, system, and sensor on the premises, from video surveillance and self-checkout technology to food temperature sensors and fire alarms. Rather than deploy more people to monitor yet more systems across a location, SOCs can rely on a single, unified dashboard that provides a comprehensive overview of their entire security operation.

☑ **See the bigger picture — and respond more quickly to real-time threats.**

The benefit of integrated alarm monitoring is that it enhances situational awareness, enabling proactive threat detection and response. By pulling in hundreds or thousands of different signals from a variety of security and monitoring devices, SOCs can achieve a comprehensive, 360-degree view of their store security.

That means, for example, that when an alarm goes off in a receiving area, access control systems integrated with facial recognition or AI-powered video surveillance technology can help security teams instantly pinpoint whether an employee has mistakenly left a door unsecured, or if someone has deliberately tried to gain unauthorized access.

Or, in another scenario, if temperature and humidity monitors register an unexpected change in the meat department, the software's automated alerts can immediately let staff know something is wrong, preventing potential food spoilage and loss.

All of these systems, working as one, can also help prevent false alarms, minimizing unnecessary disruptions and allowing security teams to maximize their efficiency.

☑ **Streamline grocery security and operations across one location — or many.**

We've seen how grocery stores can efficiently manage both existing and emerging security technologies within a unified alarm monitoring platform. But that capability isn't limited to just one location: in fact, alarm monitoring software can also help SOC teams monitor multiple stores from a centralized location.

This is where cloud-based monitoring options can really help: by migrating to cloud-based security systems, SOCs can easily sync operations across several locations, managing and monitoring them all remotely. Cloud-based alarm monitoring software can provide flexibility as well as scalability, allowing SOCs to expand their reach without necessarily having to add more on-site infrastructure or staff.

User-friendly alarm monitoring software–especially cloud-based options–can empower grocery stores to run sophisticated, multi-site security operations without hiring outside security firms or outsourcing their security operations altogether. This can provide just the right balance of control and flexibility, especially when SOCs choose a solution that is easy to implement, easy to work with, and easy to tailor to their unique security needs.

CONCLUSION

Grocery stores stand to gain a lot from emerging technologies that can maximize operational efficiency, streamline and strengthen store security, and create better overall shopping experiences for customers.

On the whole, innovations like AI-enabled tech, machine learning, automation, and powerful data analytics can help combat both perpetual problems like shrinkage as well as concerning recent trends like rising in-store violence and crime. They can also provide stores with the tools to stay organized and compliant with changing government regulations.

However, although organizations may be eager to bring these technologies onboard, integrating them into existing store operations while operating with a leaner workforce will take some big-picture thinking. The key will be to create an environment where all systems can work together harmoniously to provide SOC teams with a streamlined overview of what's happening in any part of the store, at any time.

Whether that's managing humidity and temperature in the freezer aisle or syncing up insights from multiple security devices, SOCs will need to deploy software solutions that bring everything together seamlessly.

We recommend looking at solutions like integrated alarm monitoring software for grocers who want to bring new and existing technologies together while scaling to future needs. This is one of the best and most budget-efficient ways to maximize security and store operations today while still leaving space for future flexibility.

BOLD GROUP

For 40 years, Bold Group has been at the forefront of alarm monitoring, helping our clients centralize and streamline security alerts and responses through our advanced software.

Our Manitou alarm monitoring software serves as the backbone for receiving, analyzing, and managing security alerts from a variety of devices for the highest level of security and efficiency.

View more resources to help you improve operational efficiency at your grocery store.

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