



Efficiency as a Service
Plugging a new energy model

Case Study



A Brighter Future: How Light-as-a-Service is Revolutionising Retail

Signify is replacing lighting appliances with highly efficient solutions for Maxeda DIY Group brands' stores. Their innovative Lighting-as-a-service model has enabled Praxis and Brico, market leaders of Do-It-Yourself retailing shops in the Netherlands and Belgium to equip over a hundred facilities including Mega Stores with surfaces up to 8000m² with the latest LED technologies.

Country/Region

Belgium, Netherlands

Customer Segment

Retail

Retrofit or new

Retrofit

Project size

120 stores equipped

Technology

CoreLine Trunking LED lighting and specially produced 3D printed LED pendant luminaires

Overview

The need:

Retailers benefit from optimally lit stores for enhanced visitor experience and improved assortment presentation. Brightening the shop and its assortment of products directly affects customer experience, thereby influencing customer behaviour in finding and selecting articles or deciding to visit again.

Furthermore, retailers are seeking energy saving measures, strengthened by trends such as rising and unpredictable energy costs, customers and employees demanding sustainability, and regulation preparing for a Paris-Proof retail sector such as the 'energiebesparingsplicht' or energy savings requirement, demanding Dutch businesses to requiring certain Dutch businesses to take energy saving measures with a return on investment of 5 years or less.

Retailers furthermore typically operate on tight margins and are constantly looking for ways to reduce cost and improve customer satisfaction. Lighting maintenance and renovations can be time-consuming and disruptive, changing store layouts or seasonal displays may require scalability and flexibility.

The solution:

Light-as-a-Service (LaaS) by Signify brings retailers the possibility of buying light, instead of lighting equipment. In the early 2015's, the proposition was first delivered to Schiphol Airport, and is now on offer to other sectors including retail.

The LaaS proposition promises advanced lighting systems and services delivering the highest quality of light, significant energy savings, operational efficiency and improved business outcomes.

Customers can additionally opt for Circular Lighting and receive equipment that is especially designed for reuse and recycling, further reducing negative environmental impacts.

Signify collaborates with installers contributing to various areas, including installations and maintenance services. Other key stakeholders include financiers, with whom Signify provides Lighting Capital solutions such as asset-based financing, structured finance for large projects, alongside Light-as-a-Service.



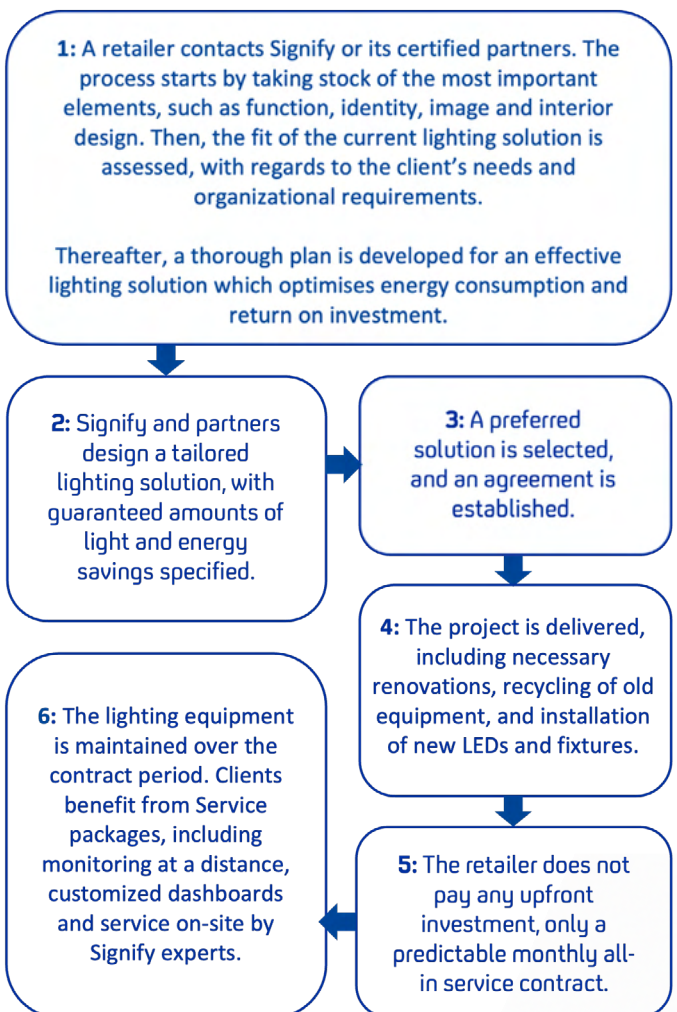
Customer benefits:

- Highest lighting quality
- Latest lighting system
- CapEx becomes OpEx
- Off-balance contracts
- Generating free cash flow, positive cash flow impact from day one through direct savings on energy consumption
- Hassle-free maintenance and repair

Value chain specifics:

LaaS is a relatively complex model, therefore there is a need for a high minimum project size and additional compensation for the multiple stakeholders involved.

Clients need to assess the aforementioned benefits in light of the overall cost-effectiveness of the service and possible drawbacks such as the possible dependency on the service provider, long-term contract obligations, and data and security concerns.



Project description:

Praxis and Brico, subsidiaries of parent company Maxeda DIY Group, were seeking to equip their branches with energy-efficient LED lighting in order to improve their product presentation and save costs.

Light as a Service was opted for in more than 120 stores. Paying just for light, not for the lamps, the stores received two types of LED lighting: CoreLine Trunking for stores with low ceilings and special 3D printed LED pendant luminaires for those with higher ceilings. LED fixtures were also installed in areas such as warehouses, offices, dressing rooms, toilets, and sawmills. Maxeda DIY Group benefitted from acquiring the best quality light, no investment costs, operational efficiency and up to 70% savings on energy costs.

A part of the fittings were specially designed for the stores through digital manufacturing and can be recycled completely. The old lighting equipment was recycled in collaboration with Wecycle, who rewarded Maxeda DIY Group with a 'Gouden Bakkie Award'. Customers visiting the stores can now leave their old light equipment at Praxis and Brico, collected by Wecycle.

EaaS provider description:

Signify is a global market leader in lighting manufacturing that provides innovative lighting solutions and services, including Lighting-as-a-Service, to improve energy efficiency, productivity, and safety for its clients.
<https://www.signify.com/global>



"As one of the largest players in terms of retail floor space in the Dutch retail market, it is important for us to make our stores more sustainable. We have closely followed all developments in the field of energy-efficient lighting. In terms of lighting, our stores are now completely up to date."

- Frank Pruijn, Sales Director at Praxis.

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