

Shoplifting Prevention

Shoplifting can become a costly problem for any retailer. According to the National Association for Shoplifting Prevention, over \$35 million worth of merchandise gets stolen from retailers each day. Furthermore, the latest data from the National Retail Federation provides that shoplifting is the leading cause of inventory shrinkage among retail businesses—contributing to 39% of shrinkage concerns.

With these numbers in mind, your business can't afford to ignore the risk of shoplifting. Fortunately, many shoplifting incidents can be deterred by implementing a shoplifting prevention program. Review this guidance for an outline of key elements to include in your program.

Start With a Smart Store Layout

First, it's important to ensure that the physical layout of your store dissuades potential shoplifters. That being said, follow these layout best practices:

- Limit the number of entrances and exits at the store. However, make sure this setup remains compliant with building safety codes. Never allow customers to use fire exits unless it's an actual emergency.
- Attach a bell or sensor to all store entrances to help keep track of customers as they arrive at the premises.
- Avoid placing merchandise by store entrances and exits. Doing so could attract shoplifters, giving them the opportunity to swiftly steal the merchandise and leave the premises before getting caught.

- Keep high-priced merchandise either out of the direct reach of customers (e.g., in locked display cases) or near the checkout counter.
- Place the checkout counter in a way that requires all customers to pass it before leaving the store.
- Utilize shorter store shelving and displays to maintain visibility of customers while they shop.
- Install proper lighting and convex mirrors throughout the store to avoid potential blind spots that shoplifters could take advantage of.
- If applicable, keep dressing rooms locked while they are not being used to ensure customers have to consult an employee before entering them.

In addition to these layout methods, be sure to keep the store clean and organized at all times. Cluttered aisles and jumbled merchandise can make your store more attractive to shoplifters and lower your ability to quickly detect missing items.

Ensure Adequate Security Measures

Utilizing robust security measures at your store can help discourage potential shoplifters, as well as catch such criminals in the act before it's too late. Consider equipping your store with these top security features:

- **Security cameras**—Installing security cameras across the store (with the exception of bathrooms and dressing rooms) will allow you and your staff to have eyes throughout the property and capture high-quality footage of shoplifting incidents.

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- **Electronic article surveillance (EAS) systems**—An EAS system has two components. First, individual tags that can only be removed with a special device after a secure purchase are placed on store merchandise. Second, sensors consisting of a transmitter and a receiver are installed at store exits. These sensors establish an electronic field that becomes unbalanced if a tagged item passes through them. If someone attempts to steal tagged merchandise, the sensors will trigger an alarm as soon as the shoplifter tries to exit the premises. EAS systems are a critical aspect of any shoplifting prevention program. In fact, several studies have found that EAS systems can help minimize shoplifting losses by as much as 75%.
- **Inventory management technology**—Apart from EAS systems, various forms of inventory management technology can also help you better keep track of store merchandise and prevent shoplifting losses. For instance, point-of-sale systems are computerized software that you can utilize during the checkout process to help monitor store inventory, detect false returns or exchanges, and confirm customers' identities. A wide range of mobile applications have also been created to help store owners conduct physical inventory counts more efficiently via digital barcode scanning.

Further, make sure to implement signage throughout the store to inform customers of the security measures you have in place. Place this signage at the entrances and exits of your store, as well as above any display areas. However, ensure this signage properly reflects your store's brand and considers your customer base. After all, the goal of these signs is to dissuade shoplifters—not intimidate legitimate customers.

Utilize Your Employees

It's also important to include staff in your shoplifting prevention program. As such, there should be enough employees scheduled during each shift to monitor every section of the store. Designated employees should be

responsible for greeting customers as they enter the store, following up with customers while they shop and assisting them when they want to use the dressing rooms (if applicable). If a customer starts carrying around a significant amount of store merchandise, employees should offer to hold items behind the counter for them until they check out.

All employees should also be trained on how to detect potential shoplifting behaviors, such as:

- Shopping in a large group of people
- Not making direct eye contact with staff
- Carefully watching employees' movements but avoiding interaction with them
- Acting nervous and appearing disinterested in store merchandise
- Trying to use a dressing room without staff permission or taking a large number of items into the dressing room
- Frequently glancing at store exits
- Carrying numerous other shopping bags, purses or backpacks to easily place stolen merchandise into
- Spending a significant amount of time in one particular area of the store
- Fidgeting with items' price markings or EAS tags

During the checkout process, employees should be instructed to carefully remove EAS tags from store merchandise, ensure smaller items aren't being hidden within larger items and inspect each items' price markings to make sure they are correct. Employees should be required to provide customers with a copy of their receipt for every purchase.

In the event of a confirmed shoplifting incident, staff should know how to safely respond. This may include contacting the police for assistance. If you are particularly concerned about the risk of shoplifting or your store has been frequently targeted by shoplifters in

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the past, you may want to consider hiring specialized security personnel in addition to your regular staff.

Implement Effective Store Policies

Lastly, it's critical to develop and enforce various store policies aimed at preventing and responding to shoplifting incidents. Policy topics may include:

- How merchandise should be organized and displayed within the store
- How prices are marked on merchandise and what measures are in place to prevent price tampering (e.g., securely attaching price tags with string or staples to minimize tag switching)
- What the protocols are for managing store inventory
- Whether customers are permitted to bring shopping bags, purses, strollers or backpacks into dressing rooms (if applicable)
- How many items customers can have in a dressing room at one time (if applicable)
- How employees should respond to suspected shoplifters
- How store evidence (e.g., security camera footage, the triggering of the EAS system and store receipts) will be used to implicate a shoplifter
- What the process is for prosecuting confirmed shoplifters

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