Shoplifting: 5 Hidden Costs You Didn't Know About

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GATEKEEPER® SYSTEMS

Retailers across the country are facing significant increases in retail theft and organized retail crime (ORC) that require immediate action from loss prevention executives. The industry is struggling under the weight of labor shortages, supply chain disruptions, and higher cost of goods. These economic headwinds have been aggravated by the significant losses incurred by ORC. In addition to the growing financial costs of these retail thefts, retailers and communities across the country are victimized by these hidden costs – some you probably didn't know about:

Employee Safety

While shoplifting may seem like a victimless crime, it can have serious and violent outcomes. In fact, one in five, or 21.6%, of all pushout thefts result in a violent confrontation. Each day, store employees, security guards, and loss prevention personnel risk serious, and sometimes fatal, injury trying to stop these thefts from occurring. Pushout Theft is the technique of choice for Organized Retail Crime (ORC) rings and everyday shoplifters. These savvy thieves use the store's shopping cart to clear out entire shelves of expensive product. Retailers that value safety for their employees utilize a shopping cart pushout prevention system that thwarts shoplifters at the moment a theft occurs. As a thief attempts to leave, the pushout prevention system locks the cart in place, keeping merchandise in the store with most thieves walking away empty handed. The Purchek® solution safely prevents theft without personally getting between a violent shoplifter and their big payday, thus reducing the possibility of violence against employees.

Shopper Experience

The fight to remain profitable amid losses from shoplifting always comes back to the consumer.

Shoplifting can have a detrimental effect on the customer experience, as it can lead to higher prices and merchandise stock level issues. Out of stock merchandise ultimately impacts the customer's ability to find the products they need and results in lost sales for the store. Removing shopping carts from the ORC ring's tool chest helps prevent shelf sweeps and other shelf clearing events that create unplanned out-of-stocks on high demand products – making more merchandise available for good customers. Product protection devices and locked cases, designed to discourage theft, also impact the customer – creating an inconvenient and frustrating customer experience. Unlike locked cases, faulty EAS systems, and similar product protection devices, the Purchek® system is invisible to paying customers.

Liability & Litigation

Confrontation between shoplifters and store employees is unpredictable and unproductive. Even if a stop is successful, stores can still face litigation risks from injuries, alleged discrimination, and malicious prosecution – which all come at a significant cost. The average cost of liability litigation alone is 89x the cost of an average pushout theft. 1

Brand Reputation

It's no secret that shoplifting can have a big impact on a retailer's bottom line. But what many people don't realize is that shoplifting can also damage a retailer's brand reputation, even if the theft is never reported. This is because customers who witness crimes, locked cases and excessive security measures are likely to tell others about it later. Negative word-of-mouth reviews can be very damaging to an organization's brand. Of course, retailers can take steps to help prevent shoplifting and reduce its impact on their brand. For example, they can implement safety and prevention-based solutions, such as the Purchek® system. Pushout Theft prevention solutions are focused on recovery, not apprehension. These technological interventions are 100% behavior based. Taking the guesswork and the potential for customer confrontations out of the equation ensures that the organization's brand reputation is also protected from damaging discrimination and profiling claims.

Employee Morale

The importance of safety in the workplace cannot be overstated. Workplaces with appropriate, active and visible safety leadership tend to have fewer injuries. This leads to not only safer work environments, but also happier employees who are more productive. Strong morale and job satisfaction simply cannot be achieved when employees feel threatened by criminals, or when their stores allow shoplifting to go unchecked. Solve both with an automated pushout prevention system that keeps employees safe from dangerous confrontations. There is no place for violence in retail, and Purchek® is the key to preventing shoplifting and improving employee morale.

NEW Retail Analytics solutions provide increased visibility for informed decision making.

Increase efficiency, optimize fleet size, and perfect the entire customer shopping experience with store and enterprise-level analytics.

Find out why the top 20 retailers that use shopping carts rely on Gatekeeper solutions.

To learn more or to schedule a free consultation, click here.

1 Pushout Prevention Solutions, Gatekeeper Systems

About Gatekeeper

Gatekeeper Systems' expanded product suite of intelligent cart solutions offers solutions for EVERY retailer's needs to minimize merchandise loss, reduce asset and labor expenditures. Gatekeeper's loss prevention and cart containment solutions utilize patented locking technology to put an end to cart-based shoplifting, shopping cart loss, and uninformed decision-making. Cart management solutions increase safety and reduce labor costs by maximizing productivity while simultaneously resulting in a positive store image. Intelligent pushout theft prevention solutions stop thieves and their cart full of unpaid merchandise from leaving the store. Customizable technology allows retailers to defend their entire store or just a high loss department based on the store's unique layout. Business Intelligence solutions provide increased visibility for informed decision making. Increase efficiency, optimize fleet size, and perfect the entire customer shopping experience with store and enterprise-level analytics.

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