Free your merchandise without your merchandise being free

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Retail leaders know that having high-value merchandise as part of their product assortment can be a blessing and a curse. Sure, it brings in new customers and provides opportunities for increased sales – but let's face it, unless proper shoplifting countermeasures are in place to prevent those items from the wrath of organized retail crime, these high-value commodities could end up causing more harm than good.

With an uncertain economy and mounting inflation, retailers are taking drastic measures to stop the bleeding. From seemingly innocuous items like SPAM and socks to more valuable items such as detergents and electrical wire, retailers feel as if they have no choice but to put these items under lock and key. This involves placing merchandise behind locked doors, display cases, or in anti-theft devices making it much more difficult for would-be shoplifters to steal them.

Although this approach can be effective in reducing shoplifting, it also poses some challenges to both shoppers and merchants who happen to share a common need – to make a sale quickly and efficiently.

Locking up merchandise is quickly becoming a familiar, yet unfortunate, strategy to reduce shoplifting losses. There are two problems with this strategy:

Problem #1: It's scientifically proven to work. It's true. If merchandise is locked away so no one can access them, including good customers, shoplifters are unable to steal them. The same holds true for discontinuing items that are targeted for theft. Another scientifically proven strategy to prevent theft is just closing the store.

Problem #2: is that some retail leaders are relying on problem #1 as a solution. The math just doesn't add up. Perhaps solving for shoplifting losses just isn't that simple, or is it? Let's examine what might be considered a false dichotomy of art and science:

Labor Costs

The labor required to lock up merchandise and deploy anti-theft devices can be quite significant for retailers. In most cases, labor accounts for a large percentage of the total cost associated with theft prevention initiatives –as high as 75%. This labor expense grows even higher when recurring tasks are required to secure and replenish the items.

Item or commodity-level security also requires more frequent employee oversight to retrieve or unlock merchandise for each potential sale, further increasing the labor cost burden on retailers.

Employee Morale

The implementation of anti-theft devices and locked cases in stores, as mentioned, is a labor-intensive process. Once implemented, it adds incremental work for store employees to manage the replenishment, retrieval, and checkout process. In many stores, employees are already overworked and trying to keep up with customer demand. The extra time required to adhere to processes and policies created as a result of these anti-theft deterrents can prove overwhelming when store labor is already stretched thin. This means it's even more important for managers to ensure they have enough employees scheduled to handle customer needs efficiently without sacrificing security controls.

Shopper Experience

In today's competitive retail market, shopper experience is key to not only attracting customers, but also retaining their loyalty. But when shoppers encounter locked merchandise in stores, the negative effects begin to stack up.

While the purpose may be well-intended, the shopper experience can quickly turn into a major inconvenience if merchandise is not readily available. Shoppers often feel frustrated or angry when unable to quickly get the items they need. They see this as an extra burden or obstacle to overcome. This is especially problematic when much of the competition is focused on taking the friction out of the retail experience. Product protection devices pose similar problems when staff isn't trained to remove them or remover tools become misplaced, or worse, stolen. This can very easily lead to a negative experience and an overall dissatisfaction with a retailer's brand.

Shopper Perception

It's important for retailers to carefully consider shopper perception before implementing any policies that could potentially have a negative impact. In some cases, displaying certain items in locked cases could be seen as a sign of luxury and lack inclusivity. But in other cases, it could end up alienating customers who find it too inconvenient or intimidating to shop at the store.

This could lead customers to feel like they're being treated unfairly or unvalued as consumers, resulting them in leaving the store dissatisfied and vowing never to return. In some instances, certain items kept under increased security, such as locked display cases and anti-theft devices, create a sense of exclusivity which can alienate populations that already feel overpoliced.

Unintended Consequences

Contrary to what some retailer leaders may think, locking up merchandise doesn't always serve as a deterrent – it can actually attract shoplifters and criminals who view locked items as more valuable targets due to their perceived scarcity. Will shoplifters leave empty-handed or target items that are not being secured? If you said the latter, you're probably right.

Sales

Putting high-theft products behind lock and key is not a new idea. This scenario has become an all-too familiar tale for many retailers. In response to unprecedented levels of theft activity, retailers were forced into these extreme measures as a last resort. More often, this strategy is executed in only a few store locations as a test. Once the test results come in, they almost always confirm what the merchants warned about from the start. Spoiler alert: Sales went down. Within days, maybe hours, the merchandise is set free. Literally and figuratively – leaving retail loss prevention leaders scrambling to find a viable solution.

Free your Merchandise

High theft merchandise in your store is likely costing you more money than you realize. It's important to find the balance between preventative measures and shopper experience. Consider implementing a theft prevention system that hardens the target against these crimes while still allowing ease of access for shoppers. Overall, the goal is to boost sales and profitability but also prevent theft – there is a solution! That's right, you can make these items more accessible to customers and prevent thieves from clearing out the shelf stock. Gatekeeper Systems Purchek® solution is specifically designed to free your merchandise (without your merchandise being free).

But did you know that one of the best ways to do this is by not locking up high theft items? The Purchek® solution, a cart-based pushout prevention system, thwarts shoplifters at the moment a theft occurs. As an offender attempts to leave, the pushout prevention system locks the shopping cart in place keeping the merchandise in the store, with most offenders walking away empty handed. As shoplifters experience less success by getting exposed by an integrated camera and alarm system, the offenders will be driven to easier targets – where the risk of being caught is much lower.

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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