Stopping Violence Against Retail Employees:

Something We Can All Agree On

Introduction

Organized retail crime (ORC) represents a formidable challenge in today's retail landscape, posing significant threats beyond mere inventory loss. As a pervasive issue, ORC not only undermines the financial stability of retailers but also impacts the broader economy. The intricate networks of ORC groups result in substantial financial losses annually, affecting retailers of all sizes. However, the true cost of ORC and shoplifting extends beyond mere financial metrics. A growing debate among industry experts and law enforcement centers around the actual economic impact of these crimes. While some argue that the figures are inflated to prompt legislative action and heightened law enforcement response, others contend that these numbers accurately reflect the harsh reality of retail theft.

Yet, amidst these discussions, a critical aspect often remains overshadowed – the safety of retail employees. Confrontations with shoplifters are increasingly violent, placing employees in harm's way on a daily basis. This whitepaper delves into the multifaceted nature of ORC, emphasizing the imperative to prioritize employee safety. In an environment where retail theft is evolving, protecting those on the frontline becomes not just a matter of loss prevention but of moral responsibility and corporate ethics.

Understanding Organized Retail Crime and Shoplifting

Organized retail crime (ORC) and shoplifting constitute critical concerns in the retail sector, with far-reaching implications. ORC refers to professional, large-scale thefts orchestrated by coordinated groups, targeting retailers to resell stolen merchandise. Shoplifting, while often perceived as an isolated incident of theft by individuals, can range from petty thefts to more sophisticated, organized activities.

The prevalence of ORC and shoplifting is staggering. A National Retail Federation report reveals that 90% of retailers reported ORC poses a greater risk to business now than it did three years ago, with losses amounting to billions annually (Wiggins,2023). In contrast, shoplifting accounts for a sizable portion of the $45 billion annual loss due to retail theft. Case studies highlight the audacity and complexity of these crimes. For instance, a 2023 retail loss prevention operation dismantled an ORC ring responsible for over $20 million in stolen goods. According to authorities, the criminal operation spanned throughout South Florida and consisted of approximately eighty-seven individuals who conducted a series of thefts from big-box retailers over nine months. Their approach was simple: enter the stores and take as much merchandise as possible (Levy, 2023).

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US Chamber, 2023

However, there exists a contentious debate over the true economic impact of ORC and shoplifting. Some industry experts argue that the reported losses are inflated, used as a lever to influence policy and law enforcement. They suggest these figures include not just the value of stolen goods, but also associated costs like security measures, legal fees, and lost sales, which could exaggerate the perception of loss. On the other side, many retailers and associations assert these numbers are not only accurate but may even understate the issue, given the challenges in tracking and reporting such crimes. They emphasize that ORC and shoplifting have a ripple effect, impacting not just revenue but also store operations, employee morale, customer experience, and the economy. The economic effects of these crimes are serious. Loss of revenue translates into fewer jobs, decreased economic activity, and a weakened retail sector. In fact, organized retail crime has resulted in $125.7 billion in lost economic activity.

This debate underscores the complexity of assessing the full impact of ORC and shoplifting. While these crimes pose significant challenges to the retail industry, understanding their true economic toll remains an evolving conversation, one that requires nuanced consideration beyond just the immediate financial losses.

The Overlooked Aspect: Employee Safety

In the discourse surrounding retail loss prevention, a critical element often remains overlooked: the safety of employees. The retail sector is witnessing an alarming increase in violence against its workers, a trend that demands urgent attention. Employees, often the first line of defense against shoplifting and ORC, are increasingly finding themselves in dangerous, sometimes life-threatening, situations.

Data from the Retail Security Survey, published by the National Retail Federation highlights this growing concern. In recent years, there has been a marked increase in the number of assaults and violent incidents, a study revealed 67% of respondents experienced an increase in violence from theft suspects over the past two years (NRF, 2023). Real-life examples paint a grim picture. In one notable case, a home improvement store employee lost their life in a shoplifting incident, showing the daily dangers faced by these workers. Such events frequently cause serious harm or even fatalities among front-line staff. Sadly, these dangerous situations continue to occur, endangering the well-being and lives of these workers. This persistent problem highlights the urgent need for improved safety measures for employees.
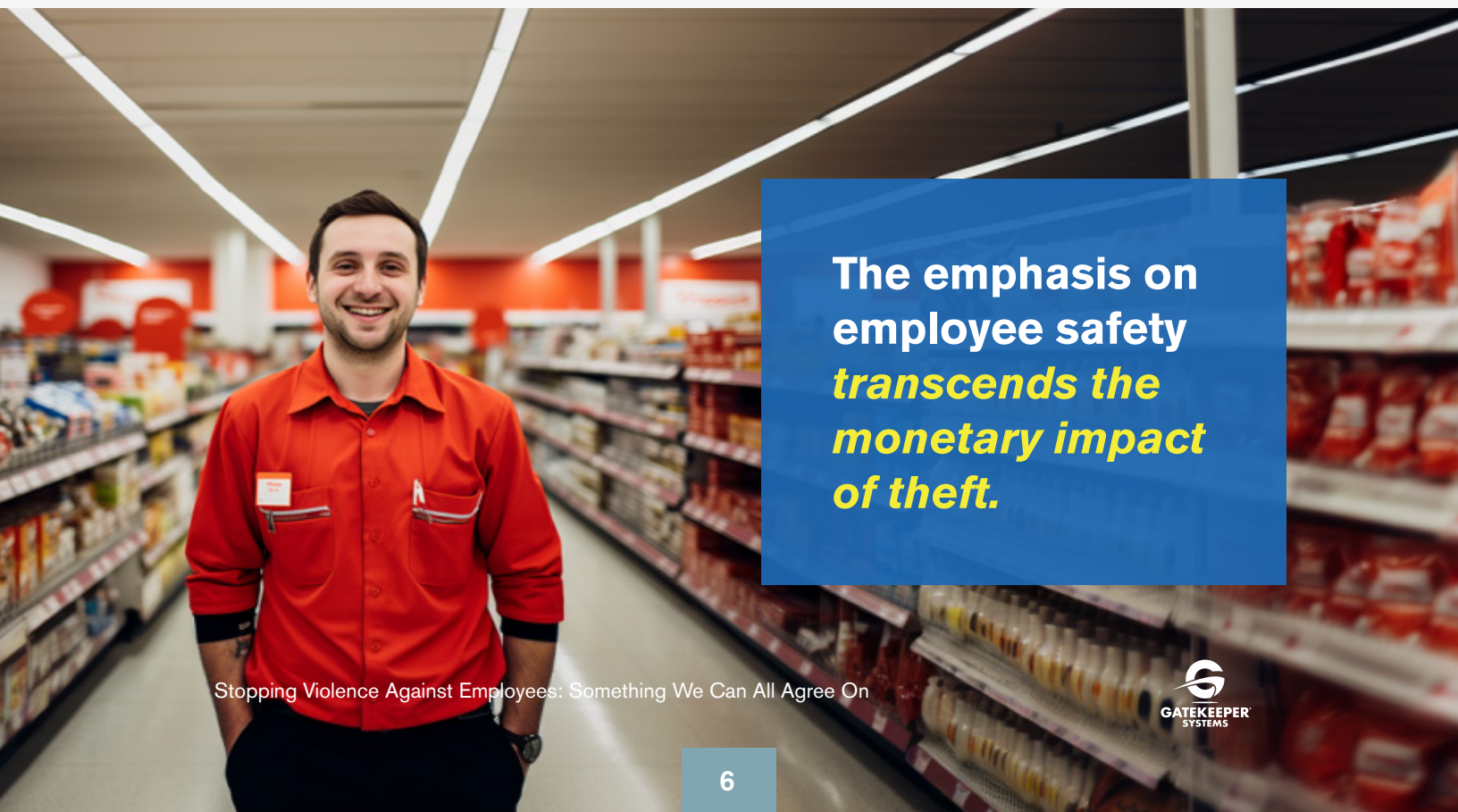
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The emphasis on employee safety transcends the monetary impact of theft. While loss prevention is crucial for maintaining profitability, ensuring the well-being of employees is a matter of ethical responsibility. Employees are not just a part of the retail operation; they are individuals whose safety is paramount. The psychological impact of experiencing or even witnessing violence at work can have long-lasting effects, contributing to a decline in morale and productivity. This, in turn, affects the overall store environment and customer experience.

Furthermore, prioritizing employee safety aligns with a broader commitment to corporate social responsibility. Retailers who actively work to protect their employees demonstrate a commitment to not only their workforce but also to creating a safe and positive community space. In an industry where customer and employee experiences are deeply intertwined, safeguarding those at the frontline is not just a legal obligation, but a cornerstone of sustainable and ethical business practice. As such, addressing employee safety in the context of organized retail crime (ORC) and shoplifting is not just a matter of loss prevention but a fundamental aspect of ensuring a respectful and secure work environment.

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Gatekeeper Systems' Purchek® Technology: A Game-Changing Solution

In response to the escalating challenges of retail theft and the associated risks to employee safety, Gatekeeper Systems has developed the Purchek® pushout theft solution, a groundbreaking technology poised to revolutionize retail loss prevention strategies. The Purchek® solution stands as a testament to innovative technology's role in combatting organized retail crime (ORC) and shoplifting while prioritizing employee safety.

The Purchek® solution operates on an intelligent system designed to detect and deter theft in a non-confrontational manner. It employs advanced technology to monitor shopping carts, identifying potential theft through a series of sensors and cart behavior analytics. When a shopping cart with unpaid merchandise attempts to exit the store, the system activates a locking mechanism on the cart, immobilizing it within the store premises. This approach not only prevents theft but does so without requiring direct employee intervention, thereby reducing the risk of confrontations and violence.

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The benefits of the Purchek® pushout theft prevention solution are multifaceted. For retailers, it offers a robust tool against the rampant issue of pushout theft – where shoplifters fill a cart with merchandise and exit the store without paying. By effectively stopping these thefts at the exit, Purchek® technology significantly reduces inventory loss and out-of-stocks. Moreover, its discreet operation promotes an open and inviting shopping experience, preserving the store's atmosphere and customer satisfaction.

However, the most salient feature of the Purchek® solution is its non-confrontational nature. Traditional loss prevention methods often put employees in the direct path of conflict, risking their safety. The Purchek® solution alleviates this necessity, allowing employees to maintain a safe distance from potential theft situations. The system handles the intervention, thereby reducing the likelihood of violent encounters. This aspect not only safeguards employees but also contributes to a healthier, less stressful work environment.

In essence, Gatekeeper Systems' Purchek® technology emerges as a powerful ally in the retail sector's ongoing battle against theft. It represents a leap forward in ensuring both the security of assets and the safety of employees, embodying a balanced approach to modern loss prevention challenges.

The Impact of Purchek® Technology on Retail Operations

The Purchek® solution, designed by Gatekeeper Systems, seamlessly integrates into existing retail systems and processes, enhancing efficiency without disrupting established operational flows. This innovative solution is compatible with a wide range of shopping carts and store layouts, making it a versatile tool for various retail environments.

At its core, the Purchek® system utilizes a sophisticated combination of sensor technology and data analytics. When a cart with unpaid items attempts to leave the store, the technology recognizes the behavior, triggering the cart's locking mechanism. This technology is underpinned by advanced systems that can distinguish between normal shopping behavior and potential theft, thus minimizing false alarms and ensuring a smooth shopping experience for legitimate customers.

The effectiveness of the Purchek® solution in real-world scenarios is best illustrated through success stories and case studies. For instance, a major supermarket chain implemented Purchek® technology across its stores and witnessed a dramatic reduction in pushout theft incidents. Within the first few months of deployment, the store reported an 80% decrease in losses attributed to cart-based shoplifting. Additionally, the introduction of the solution led to an observable decrease in confrontations between staff and shoplifters, contributing to a safer and more positive work environment for employees (GKS, 2021).

Another case study involves two major grocers in the U.K. that struggled with frequent and sophisticated ORC incidents. After integrating the Purchek® solution into their security system, the store experienced a significant drop in theft activities, with a noted improvement in shrink without putting employees in dangerous confrontations (Beck, 2022).

These examples underscore the Purchek® solution's ability to adapt to different retail settings, offering a smart, efficient, and non-confrontational approach to loss prevention. The technology not only deters theft but also provides retailers with valuable insights into store operations, paving the way for more informed decision-making and improved store management.
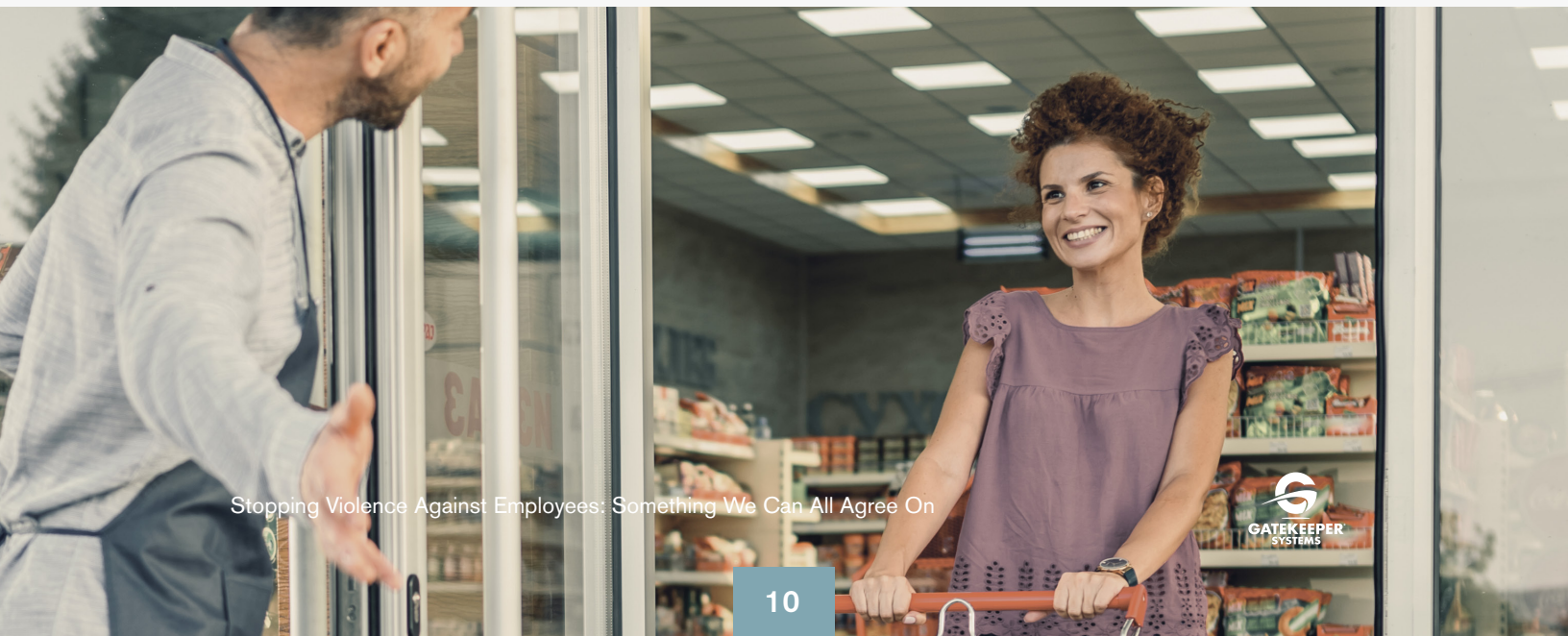
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Moving Forward:
A Safer Retail Environment

Adopting technology like the Purchek® solution marks a significant stride towards a safer and more secure retail environment. The broader implications of such technologies extend well beyond loss prevention, signaling a paradigm shift in how retail businesses approach the dual challenges of theft and employee safety. By integrating intelligent systems like the Purchek® solution, retailers can create a deterrent against organized retail crime and shoplifting while fostering a safer workplace for their staff.

The industry-wide adoption of such technologies is not just a trend but a necessity in the evolving landscape of retail. As ORC and shoplifting tactics become more sophisticated, so must the solutions to combat them. Future developments in this field are poised to leverage advancements in artificial intelligence and machine learning, offering even more precise and efficient theft prevention mechanisms. These innovations promise to further enhance the safety of retail environments and the effectiveness of loss prevention strategies.

This whitepaper serves as a call to action for retailers to prioritize both loss prevention and employee safety. In an era where the well-being of staff and the security of assets are equally important, technology like the Purchek® solution presents a balanced, effective approach. Retailers are encouraged to embrace these technologies, not only as a response to current challenges but as a proactive measure for a more secure and prosperous future in the retail industry.

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About Gatekeeper Systems

Gatekeeper Systems' expanded product suite of intelligent cart solutions offers answers for EVERY retailer's needs to improve safety, minimize merchandise loss, reduce labor expenditures, and increase store profits.

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 bad actors 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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