An Integrated Approach for Retail Security Leaders: Effective Strategies and Results

Enhancing Retail Security Solutions to Create a Seamless Plan Using a Customized Security Program

In today's climate, the main goal of retailers is to increase sales and profit while keeping their employees safe. But it's becoming increasingly challenging with the rise of threats — especially when the level of theft in retail stores is at a record high. On average, retail theft is costing the retail industry nearly $100 billion annually according to the latest data from the National Retail Federation (NRF).

The points mentioned above affect customers, too. Customers are facing increased safety risks in our current environment, especially since the pandemic. This leads to retailers boosting their budgets to prevent the victimization of their communities, including employees and customers.

This whitepaper provides insight into the unique threats that today's organizations face and includes detailed information on how organizations can help prevent these risks. Using an integrated approach, retailers can incorporate a wide range of security solutions to minimize and disrupt security threats. A complete integrated security approach can include a combination of technology, security officers, off-duty law enforcement, remote video guarding and security device solutions. The use of these can help streamline operations, reduce theft and protect the safety of communities.

PROTOS
SECURITY

ORGANIZED RETAIL CRIME – ON THE RISE

The definition of organized retail crime (ORC) is two or more persons obtaining retail merchandise through theft and fraud as part of an unlawful enterprise. ORC is a major concern for retailers across the country and is contributing to retailers' concerns about violence.
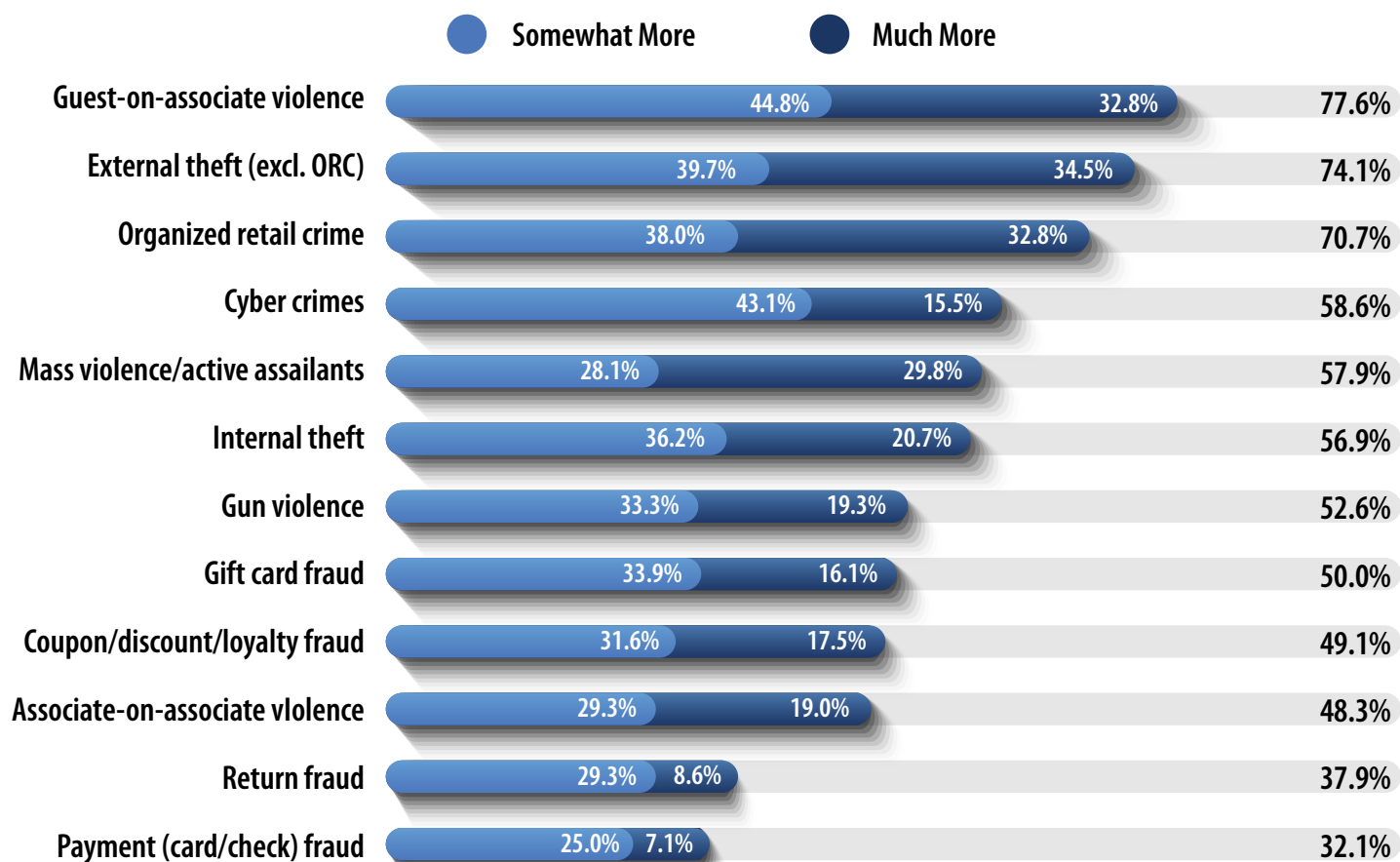
Combating ORC is becoming more and more challenging, as it's not as straightforward as just shoplifting. The levels of risk and threat priorities have changed over time. The chart below shows that the majority of respondents in the 2022 National Retail Security Survey reported an increase in risk and threat priorities over the past five years.

Respondents saw an increase in guest-on-associate violence, external theft and organized retail crime compared to previous years. Additionally, they indicated that other violent threats such as mass violence/active assailants (57.9%) and gun violence (52.6%) have risen in priority. This results in increased shrinkage, financial losses, safety risks and decreased brand reputation.

THE TRUE COST OF RETAIL THEFT

When an item is stolen from a store, it impacts the retailer's bottom line directly. The store is losing money, requiring the sale of more merchandise to cover the loss and potentially leading to increased prices for consumers.

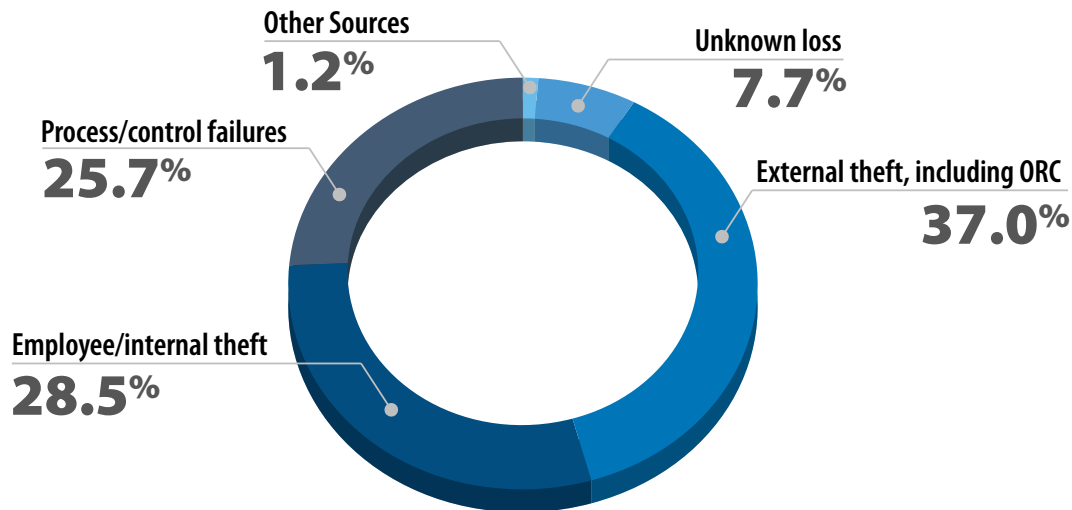## Increase in Risk and Threat Priorities over the Past Five Years

● Somewhat More   ● Much More

Category	Somewhat More	Much More	Total
Guest-on-associate violence	44.8%	32.8%	77.6%
External theft (excl. ORC)	39.7%	34.5%	74.1%
Organized retail crime	38.0%	32.8%	70.7%
Cyber crimes	43.1%	15.5%	58.6%
Mass violence/active assailants	28.1%	29.8%	57.9%
Internal theft	36.2%	20.7%	56.9%
Gun violence	33.3%	19.3%	52.6%
Gift card fraud	33.9%	16.1%	50.0%
Coupon/discount/loyalty fraud	31.6%	17.5%	49.1%
Associate-on-associate violence	29.3%	19.0%	48.3%
Return fraud	29.3%	8.6%	37.9%
Payment (card/check) fraud	25.0%	7.1%	32.1%

Source: The 2022 National Retail Security Survey

However, the real cost of stolen merchandise goes way beyond the impact on the business's bottom line.

The public perception of a brand and customer trust is heavily impacted when an incident occurs, and a store could have a negative connotation to some shoppers forever. This can be extremely damaging to a brand's reputation. Not only that, but the influence of social media also amplifies a situation and causes even more awareness of a retail store incident. The result can be unsustainable for businesses to keep their doors open.

opening and closing doors, running the store and more. However, following the aftermath of COVID-19, employee theft has caused a large amount of inventory shrink. Based on the latest National Retail Security Survey (NRSS), employee theft accounted for 28.5% of inventory shrink. Nearly 59% of retailers even reported that employee theft has increased since the pandemic, causing an impact on their organization. Hiring dishonest or unaccountable employees can sometimes be unavoidable. By implementing a rigorous hiring process and screening during the hiring phase, it can become easier to ensure the employees you hire will be honest and trustworthy.

Other Sources
1.2%

Unknown loss
7.7%

Process/control failures
25.7%

External theft, including ORC
37.0%

Employee/internal theft
28.5%

Source: The 2022 National Retail Security Survey

INCREASED SHRINK AND EMPLOYEE THEFT

According to a study by the National Retail Federation's (NRF) 2022 National Retail Security Survey (NRSS), an issue that continues to skyrocket is retail shrink, a nearly $100 billion problem per year for the industry. Over the years, the shrink rate in the retail industry has increased more than any other crime.

Employees are one of retailers' most important security resources as they are responsible for

CRIME AFTER-HOURS

Storefronts, just like any other business, are at risk once the doors are closed and the lights are out. In a store without anyone present, theft, intrusion and vandalism are real threats - especially when there are no security measures in place.

Having security officers present at stores at night or during emergencies will prevent these issues. They are authorized to protect the retail

store in their official capacity when necessary and are trained to protect the assets within the retail location.

THE IMPORTANCE OF EMPLOYEE SAFETY

As violent crime increases, the prevention of dangerous situations becomes vital to protecting stores and their employees. Understanding what retailers are doing to combat crime is the first step to discovering the missing gaps. The top initiative among retailers today to combat crime is to train and educate employees
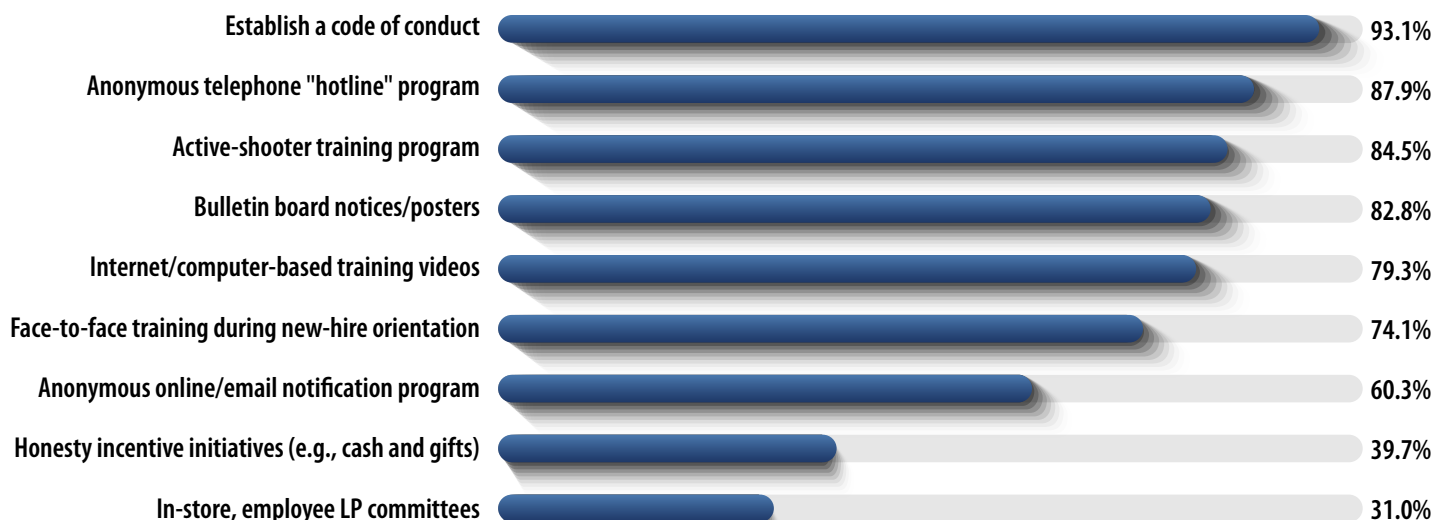
Having employee safety measures in place includes training programs on workplace safety, de-escalation and disengagement skills, security protocols, emergency response, conflict resolution and customer interactions. Also, establishing the right policies within a company is vital to employee safety.

COMPLIANCE AND REGULATORY PROTECTION

There are many consequences to not adhering to employment laws and retail-specific regulations. Physical security measures should

What Retailers Are Doing to Combat Crime

The top initiative among retailers today to raise awareness of the threat of violent crime or to train and educate employees is establishing a code of conduct.

Establish a code of conduct	93.1%
Anonymous telephone "hotline" program	87.9%
Active-shooter training program	84.5%
Bulletin board notices/posters	82.8%
Internet/computer-based training videos	79.3%
Face-to-face training during new-hire orientation	74.1%
Anonymous online/email notification program	60.3%
Honesty incentive initiatives (e.g., cash and gifts)	39.7%
In-store, employee LP committees	31.0%

Source: The 2022 National Retail Security Survey

through a code of conduct, according to NRF's 2022 Retail Survey.

Employee safety is vital as employees are the front lines of retail stores and are the people who are working while various threats may occur. The decisions they make can determine the outcome of a threat. Loss prevention managers have the responsibility of creating and maintaining a safe working environment and prioritizing the safety of their employees.

be in place to help maintain safety. Retail stores are required to follow local, regional and national employment laws and safety regulations.

The impact of non-compliance with regulatory standards can result in legal liabilities, fines to the retailer and even the loss of customer trust. This can eventually lead to missed business opportunities and limited growth potential. To mitigate these consequences, retailers should prioritize compliance efforts and invest in high-quality security systems.

Many employers opt to use remote video guarding and video surveillance solutions to monitor their facilities. Working with the right security partner can provide valuable guidance in navigating the complex landscape of security compliance and regulatory issues.

IMPLEMENTING COMPREHENSIVE SECURITY MEASURES – AN INTEGRATED APPROACH

Effective retail security requires an integrated approach that combines multiple strategies, technologies, and processes. Integrating different aspects of security can enhance retailers' overall security posture and protect their assets, employees, and customers. When considering retail security, there are many key elements to review.

Each store or shopping center has a unique set of complexities and security concerns. The combination of different security solutions including law enforcement, guarding services, remote video guarding and security devices can drastically improve the safety of a retail site. Maintaining a robust security posture in a retail environment requires continuous improvement in order to adapt to evolving threats.

## SEAMLESSLY INTEGRATED TECHNOLOGY SPECIFIC TO RETAIL

Having available resources to assist with onboarding employees to ongoing support makes it easier to manage a security program. Working with a security provider who has a software-forward approach and a proprietary rich software platform will allow you to reach your security goals. The benefits of using an integrated security program are endless and ensure a retailer can improve efficiency and streamline operations.

Working with a security partner that provides reports and updates to your program health enables you to strengthen your positioning and maintain a secure environment. Regular reporting from a security partner allows you to understand detailed insights into vulnerabilities, threats and risks associated with your systems. These reports should be delivered to you and accessible online in real-time to ensure continuous monitoring of incidents.

REMOTE VIDEO GUARDING

Technology alone can't replace the human dynamics of a security program. Remote video guarding gives retailers 24/7 protection and the ability to make informed decisions based on business intelligence. Remote video guarding and response mitigates risk by enhancing situational awareness and showing physical security presence. In remote guarding programs, incident notifications are sent to local law enforcement and security management.
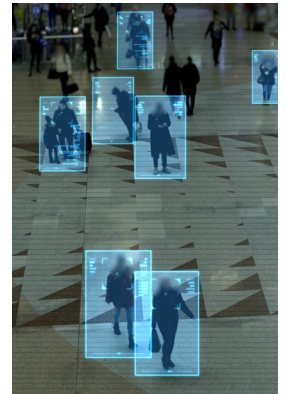
Video surveillance and cloud-based management software provide comprehensive solutions to ensure that your store is always safeguarded. Partnering with a knowledgeable provider that has video surveillance solutions will allow access to live and archived video. In addition to intelligent motion tracking and event alerts, the software you use should offer offline camera notifications, secure managed servers and an easy-to-use interface.

By combining security personnel with video surveillance systems and remote video guarding, a fully integrated technology-powered security program will cover any incident. Onsite security officers are able to take immediate action when alerted, preventing further incidents from happening. Additionally, law enforcement can use video surveillance evidence to back up an onsite officer's statements.

MAKING INFORMED DECISIONS BASED ON BUSINESS INTELLIGENCE

A fully integrated, technology-powered security program will cover any incident by combining the physical presence of onsite security personnel with an additional layer of protection provided by video surveillance systems and remote guarding. Combining intelligent motion tracking and event alerts allows offline camera notifications, secured managed servers and easy-to-use interfaces in addition to intelligent motion tracking and event alerts. To create a safe and secure environment, an effective security program uses both physical presence and technology.

An ideal security solutions partner will then work with you to make the results learned from business intelligence actionable. It's one thing to just receive the data and results, but it's important to use those results to make an impact on your shopping center by leveraging the information. Based on the reports and intelligence, your provider should make tailored recommendations that address the specific risks in your organization. Through collaboration and guidance, your teams will have the resources necessary to take action and implement effective security measures to protect your stores.

ACCESS CONTROL

Enhancing the level of situational awareness by integrating data from multiple sources ensures that only authorized personnel can enter restricted areas or access systems. Access control technology offers retailers the flexibility to manage their stores and have peace of mind. A security partner

plays a crucial role in this and can assist with access control by providing specially trained law enforcement officers and cutting-edge technology, such as a transparent client portal or remote video guarding.

Security officers are on-site to control and monitor specified physical areas. By also leveraging the expertise and resources of security officers, retailers can strengthen their access control measures and create a safer shopping environment.

LAW ENFORCEMENT PROVIDING SECURITY SERVICES

Security officers play a vital role in maintaining safety and security in shopping centers and stores. Some key advantages of having armed or unarmed officers in retail settings are enhanced safety, quick responses to incidents, customer

confidence and professionalism. Retailers should work closely with their security provider to establish clear guidelines and protocols to optimize the benefits of having security officers present in their specific retail environment.

Additionally, off-duty police officers have a wealth of knowledge of local laws, regulations and protocols at their fingertips. The presence

of off-duty police in retail stores can serve as a significant deterrent to criminal activities. Potential criminals may think twice before engaging in theft or shoplifting if they see trained law enforcement officers present in the store. They are also educated on happenings in local communities which can help prevent an issue before it arises. Your security partner should provide vetted, certified and trained off-duty police officers who have the highest level of security available.

CUSTOMIZED SOLUTIONS TAILED TO MEET SPECIFIC NEEDS

Retailers receive many benefits from customizing their security program to include a combination of physical security such as off-duty law enforcement, monitoring technology, remote video guarding and cameras. Taking a centralized approach to integrate your security program will allow you to modernize your program and advance even during difficult times.

And because security is ever-changing, your security provider should become an extension of your team to help as your needs change.

When choosing your security partner, be sure to select one that aligns with your security objectives, has proven experience and maintains high standards of professionalism and reliability. Your security partner should be there for you, offering backup options across North America when you're not pleased with what you're experiencing program-wide or in specific geographies. A world-class security

partner will create solutions that work for you, based on your store's specific needs with the end goal of successfully making it a safer place.

ENHANCE YOUR SECURITY PROGRAM WITH CUSTOMIZED SOLUTIONS

An integrated security program enables organizations to respond to a wide range of threats quickly and efficiently while minimizing disruptions to operations by creating a seamless and efficient security infrastructure. By combining different security services, a retailer is increasing their chances of protecting themselves and their employees.

ABOUT PROTOS SECURITY

Protos Security is a technology-enabled security services company offering security guarding, off-duty police, monitoring and device solutions for a wide spectrum of customers across North America. Protos Security prides itself on delivering a high touch service, actionable insights, transparency and program flexibility for its clients.

For more information on Protos Security, please visit www.protossecurity.com.

CREATING EFFECTIVE AND WELL-MAINTAINED POST ORDERS: A CONSIDERATION CHECKLIST

Security post orders provide detailed instructions and guidelines for security personnel to follow while performing their duties. The result is consistent security tasks and ensuring an organized approach to safety and security. By outlining specific security procedures, post orders help mitigate risks and vulnerabilities. They provide guidance on preventive measures, such as access control, surveillance and incident response, reducing the likelihood of theft or security incidents.

Well-defined post orders enable security personnel to respond swiftly and appropriately to various situations. When it comes to creating security post orders, there are several key factors to consider to ensure the effectiveness and clarity of instructions.

The examples below can serve as a starting point, but it's crucial to tailor the post orders to the specific requirements of the security role and the environment. Post orders should be detailed, clear, regularly reviewed and updated as needed.

Retailers should consider the items below when creating post orders for security officers:

General Instructions:
- Provide an overview of the security officer's role and responsibilities.
- Clearly define the reporting structure and chain of command.
- Address uniform and appearance standards.

Shoplifting Engagement Procedures at a Loss Prevention Post:
- Monitor and observe customers and employees.
- Conduct regular patrols throughout the store.
- Maintain accurate records of incidents.

Exterior Patrol Protocols:
- Lighting checks and reporting to the facilities team.
- Conduct and document regular patrols of the designated area to deter criminal activity.
- Instruct security officers on the use of surveillance equipment and alarm systems.

Radio Communication Procedures:
- Clearly state the purpose of radio communication, emphasizing its role in enhancing security operations and coordination.
- Provide guidelines for professional and concise radio communication.

Customer Service and Interactions:

- Provide guidelines for interactions with customers, employees and the general public.
- Address potential conflicts and provide de-escalation techniques if necessary.
- Specify protocols for handling complaints or inquiries from customers or employees.

Safety and First Aid Training:

- Specify the required first aid training and certification for security officers.
- Instruct security officers on the safe and proper use of security equipment and technology, such as surveillance cameras, access control systems, or alarm panels.

Incident Reporting and Documentation:

- Explain the importance of accurate and detailed incident reporting.
- Instruct security officers on how and to whom incident reports should be submitted.

Access Control:

- Verify identification of all individuals entering the premises.
- Monitor and control vehicle access at the entrance.
- Report any suspicious activity or unauthorized individuals.

These examples are general guidelines, and it's crucial to adapt them to your specific security requirements and protocols. When creating security officer post order assignments, it's important to include comprehensive instructions and guidelines to ensure that security officers have a clear understanding of their responsibilities and duties.

Here are exception-based items that retailers should consider under specific circumstances:

Crowd Control
Define communication protocols among security officers, event organizers, and other relevant personnel.

Receipt/Bag Check Policy
Greet patrons and conduct bag checks or random inspections to deter theft and ensure compliance with store policies.

Emergency Response
Understand and outline evacuation procedures, assembly points and designated safe areas.

Public Relations
Emphasize the importance of professional behavior and appearance when interacting with the public.

Cash Handling Post
Ensure the security and integrity of cash registers, safes and other cash-handling equipment.

Post orders provide security personnel with a comprehensive understanding of their responsibilities. It's important to establish the correct protocols for officers to use in both emergency and day-to-day responsibilities.