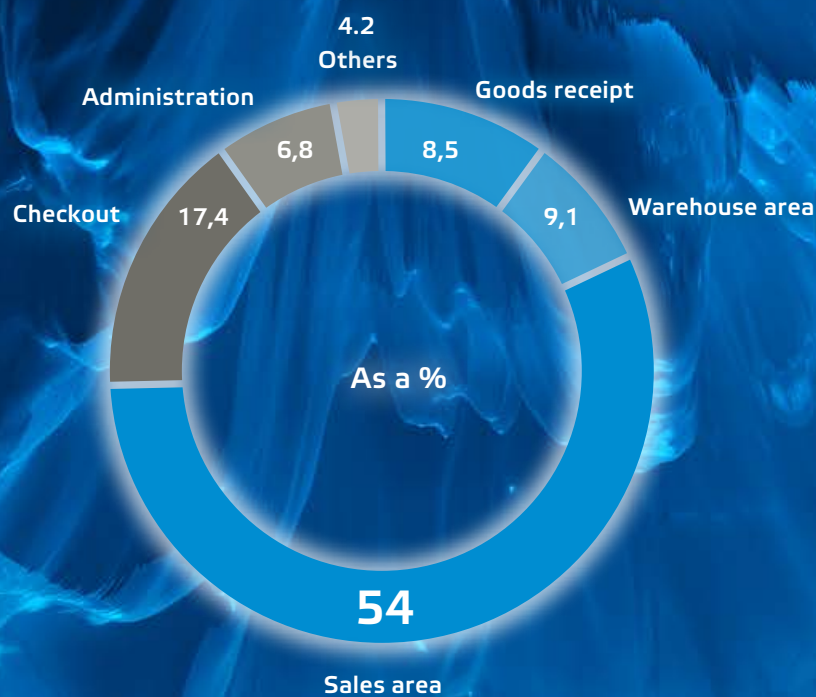


Effective protection

Prevent shrinkage and secure your revenue



2 % VISIBLE



Where shrinkage occur

AREAS PARTICULARLY SUSCEPTIBLE to shrinkage are the sales and checkout areas. This is where at least two-thirds of all shoplifting-related losses occur, based on average figures for the sector.

Massive under-reporting of shoplifting

ONLY THE TIP OF THE ICEBERG CAN BE SEEN:
Less than 2 % of all shoplifting is detected and reported!
More than 98 % still goes unreported.

98 % INVISIBLE

Shrinkage –

a growing challenge

Worldwide, losses caused by theft and shrinkage are estimated at almost 100 billion euros. In Germany alone, at least 23 million cases of shoplifting involving goods with an average value of 100 euros are neither detected nor reported each year.

Shrinkage in euros

Value of stolen goods in euros for the German retail trade, broken down by party responsible.



■ Things that sell well are often taken. Theft prevention is therefore a never-ending task for retailers. Action needs to be taken to ensure no stock is lost.

So what are the latest figures in terms of shrinkage?

Worldwide, losses caused by theft and shrinkage are estimated at almost 100 billion euros. At 4.3 billion euros, shrinkage remain high for German retailers. Shoplifting – which accounts for more than 50% of this figure – is still the main reason. Customers are responsible for around 2.38 billion euros of lost goods. Nearly 1.01 billion euros is attributed to a company's own employees. Slightly more than 0.35 billion euros in loss of goods per year is attributed to suppliers and service staff. The remaining 600 million euros can be put down to poor organisation.

What does all this mean for retailers?

The average shrinkage amounts to 1% of sales, with further costs incurred as a result of investing some 1.3 billion euros in technology and personnel for theft prevention purposes. All told, German retailers lose out on 1.34% of sales (some 5.2 billion euros in absolute terms) as a result of shrinkage and investments made to prevent them. ➤

> What can be done to make things difficult for shoplifters?

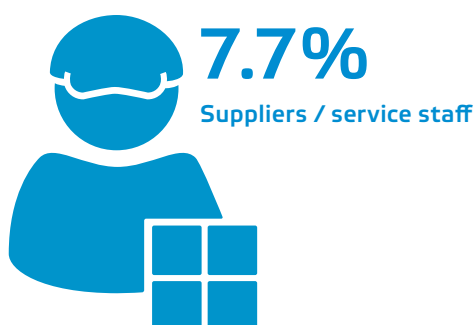
Staff training on how to identify and prevent shrinkage is high on the agenda. Many companies use cameras and video technology as surveillance measures customers can see.

What are the top targets for thieves?

Grocery retailers tend to see small but expensive items being stolen, such as perfume, cosmetics, razor blades, spirits and tobacco. When it comes to clothing, thieves tend to prefer high-quality brands and fashion accessories such as glasses, scarves and fashion jewellery. At electronics retail outlets, storage media, console games and smartphones (including accessories) rank among the most popular items to steal.

As far as retail in general is concerned, anything that isn't nailed down can be stolen – shoplifting happens around the globe.

Goods on open display that are small, easy to conceal and can be sold on for a good price or used by the person stealing them are highly favoured by shoplifters.



Causes of shrinkage

Thieving customers: Accounting for over 50 % of theft, shoplifting remains the main cause of shrinkage.

Source: EHI Retail Institute, 2019

Real-world



HANS-JÜRGEN HONNER,
CEO of EDEKA Stadler + Honner.
The company has eight stores in Bavaria.

Hans-Jürgen Honner reports on the use of entrance systems

■ Entrance systems are a must.

If there is enough space, we would even install double entrance systems. Our entrance systems are fitted with transparent swivel arms that feature our logo in green lettering – it all looks really smart.

In 'open' mode, the systems are illuminated in green – which means access is granted. If, however, a customer leaves the store through the entrance system (which is not allowed), the colour switches to red. An acoustic alarm is also triggered, which draws attention and provides a degree of security, as well as acting a deterrent and obstacle for potential thieves. In the event of an emergency, such as when a fire alarm goes off, the system does of course ensure the store can be evacuated. We monitor all our stores with video equipment too.

In the past, we also had stores without entrance systems. Unfortunately, at these locations we witnessed some customers simply strolling through the entrance without paying for goods.

This prompted us to fit entrance systems in all our stores. Do the gates act as a barrier and put honest customers off? I do not believe they do, because the systems look inviting. Also: those whose intentions are good will not see entrance systems as any kind of barrier.



INTELLIGENT ENTRANCE SYSTEMS FROM WANZL:
customers are free to come and go while the store is protected from theft.

For greater security – ideas from Wanzl

■ **More information for better decisions –** this is the cornerstone of Wanzl Connect. This open software platform offers a modular building kit for management, control and analysis of all in-store processes. This allows processes at the branch to be optimised, and staff to be deployed where they are really needed – with customers. Make a selection.

wanzl connect®



INVENTORY MONITORING

Antitheft goods

Reduces retail shrinkage from shoplifting. Suspicious behaviour in the checkout area is identified and reported immediately.

Antitheft basket

Stops theft of hand baskets. An alarm is triggered if shoppers exit certain areas of the store with hand baskets.



PROTECTION AGAINST THEFT – the new security systems with RF and AM technology. The merchandise is on open display and presented in an attractive manner. It can be touched and looks inviting to buy.

Security firmly on the agenda

■ **As a leading partner of retailers worldwide, Wanzl is putting security firmly on the agenda.** Retailers can choose from an innovative and diverse range of security systems designed to tackle shrinkage, direct and guide customers around stores, and keep areas separate.

- Exit gates and customer guidance systems to provide security at exits and direct /guide customers
- Checkout barriers to provide security at unmanned checkouts
- Entrance systems to prevent unauthorised access to the store through the entrance area
- Partitions to separate individual sales areas
- Cigarette holders for the controlled distribution of vulnerable goods
- Shopping trolleys without a bottom tray or anywhere to conceal goods and offering sales personnel good visibility
- Plastic shopping trolleys for detection of EAS labels
- Closed transport containers and pallet passages for suppliers to ensure total security along the logistics chain during transport and storage

Further information can be found at WWW.WANZL.COM

Shopping trolleys

■ **Some shopping trolleys in Wanzl's portfolio** were designed in response to our retail partners' need for a trolley that did not allow any items to be transported outside the basket. There are no storage options on the chassis and the wide range of basket sizes is on offer for a variety of different goods and branches. Their use is proven to reduce theft.



EL150
150-litre shopping basket



LIGHT 70
70-litre shopping basket

LIGHT 100
100-litre shopping basket

Shopping baskets

■ **The GT series shopping baskets** are the ideal companion when shopping. To prevent theft and ensure that the practical shopping baskets are not removed from the shop, Wanzl equips the shopping baskets with security labels.



GT26 ECO
with advertising area
and security labels



GT40 ECO
with advertising area
and security labels

Partitions

■ **Design areas**, protect against theft, avoid draughts: This is what Wanzl's partitions can do. Wood or metal, transparent or opaque – everything is possible, nothing is a must.



RAILIX
partitions

Entrance systems

■ **Wanzl entrance systems** combine cutting-edge technology with many functions for directing customer flows and with the highest safety standards to protect customers and prevent shrinkage.



DOUBLE E-GATE SYSTEM
Swivel arms made of safety glass,
open on both sides, individually labelled

Exit gates

■ Self-checkout solutions are becoming increasingly popular as they optimise processes at the checkout. Wanzl intelligent ExitGates are an important component of automated checkout systems. They control the flow of customers in a customer-friendly way and prevent shrinkage.



Goods security

■ **Trust is good**, control is better.

That could be the motto under which Wanzl has developed a series of products for effective goods security. Visually, the cutting-edge systems blend in with their surroundings, so that customers notice as little as possible of the sophisticated technology in the sales area. At Wanzl, we even provide the option of integrating goods security into entrance systems or customer guidance systems.



Checkout barriers

■ **Wanzl checkout barriers** reduce losses due to theft. They also channel customer flows. Wanzl checks each individual situation for safety, application, positioning and space. That really saves money!



MGATE

Basic design with base, extending swivel arms and white sign with "no entry" symbol

Case study: Effectively combating shrinkage in supermarkets

Wanzl assists British retailer TJ Morris

■ **Theft is one of the biggest concerns of retailers** – especially of goods, but shopping trolleys and shopping baskets are also stolen every day. In the UK alone, the retail trade lost around 2 percent of its total turnover in 2018 due to inventory losses. This doesn't sound particularly alarming at first but, in absolute terms, this represents an amount of more than 7.2 billion pounds (GBP) or just over 8.1 billion euros. TJ Morris, one of the UK's largest retailers with annual sales of around 2.9 billion euros, was also affected by this. In their search for appropriate solutions, the experts from Wanzl Shop Solutions were able to convince them with their holistic problem-solving expertise.

Analysis of the actual situation and customer-specific solution

■ **TJ Morris lost a hefty 33 million euros last year** due to shrinkage and the theft of shopping trolleys and baskets. In order to reduce this amount, the British retailer initially only wanted to stop the loss of shopping trolleys. However, Wanzl also offered solutions that effectively curb the theft of shopping baskets and general offences without shopping aids. The solution was based on Wanzl Connect. This software-based store management system, which was developed to control all the processes in a supermarket, uses state-of-the-art RFID technology to monitor shopping trolleys and baskets. In addition, suspicious customer behaviour is detected and recorded with the aid of stereoscopic ceiling cameras. Video with footage from Wanzl Connect showed the managers at TJ Morris the weak points of existing paths as well as unmanned and open checkouts. Potential thieves could easily leave the store with the stolen goods. With Wanzl Connect, suspicious behaviour can be identified and easily retraced by means of timestamps. Based on the analysis of the actual situation, Wanzl developed a customer-specific solution in close cooperation with TJ Morris. Key components were the installation of the smart mGate

checkout barrier, the separation of entrances and exits by means of door compartments and the installation of Wanzl Connect. The decision-makers at TJ Morris were given the opportunity to test the mGate in action, experience its look and feel and clarify technical details with Wanzl's specialists already at the consultation phase. The product quality and extraordinary service concept convinced the decision makers at TJ Morris.



Concept test

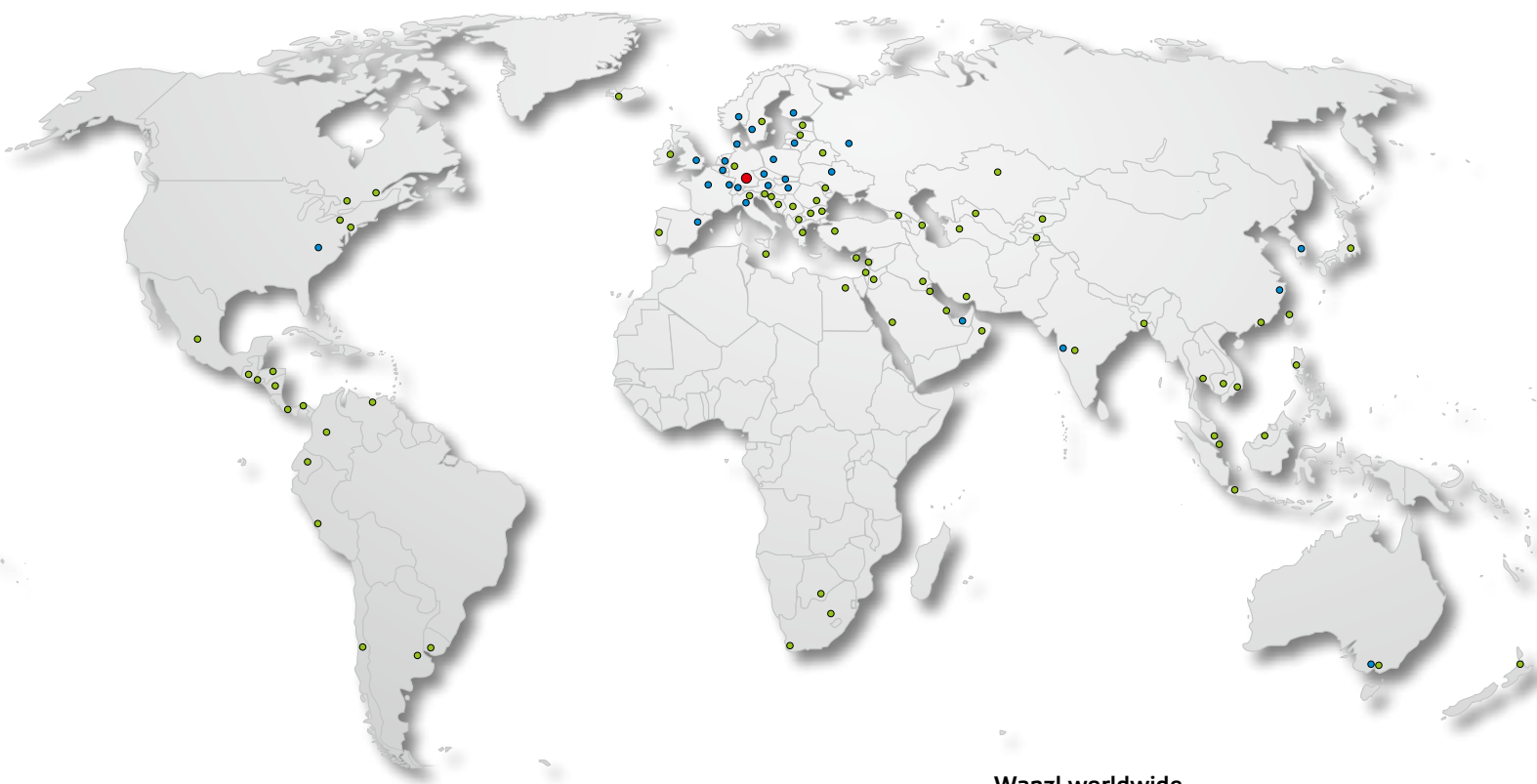
■ **The live presentation of the mGate** was one thing, but the real acid test was the proof of concept. Wanzl installed the systems in three TJ Morris pilot stores in Liverpool. In order to direct the flow of customers only via open checkouts, a network-enabled mGate was installed at each checkout. The checkout barriers could then be connected to the checkout system and the local branch server. In practice, this meant that if a checkout was unmanned, the checkout passage automatically closed. Every customer must therefore pass the checkout personnel. These innovative passage barriers immediately report any attempts at manipulation to the security personnel via a silent alarm. There is, of course, an override in the event of an emergency such as panic or fire alarm. Should a potentially hazardous situation arise, the mGates open immediately and allow customers to leave the store. The installation of intelligent checkout barriers alone significantly reduced shrinkage. In addition, employees' workloads were reduced as they no longer had to manually open and close the checkouts. Furthermore, the stereoscopic ceiling cameras recorded suspicious behaviour of potential shoplifters and the clear separation of exits and entrances optimised the operating processes.

People could neither leave the store via the entrances nor gain access via the exits. The clearly structured check-in and check-out area not only led to more effective control and guidance of shop visitors, but also to better orientation and an enhanced shopping experience in the store. Equally important and visually impressive were Wanzl's changes, which upgraded the checkout zones. A store manager at TJ Morris, summarises: "Fantastic measures against shrinkage and thefts, the checkout barriers look great, and more importantly, our customer interaction has improved." Wanzl was responsible for the entire test phase, from implementation and installation to coordination with the pilot stores and ongoing evaluation of the processes. For the detailed analysis, Wanzl project managers had access to the Wanzl Connect platform at any time and could evaluate the relevant data. As a result, they were able to identify further potential for optimising the checkout barrier arms. For even more effective protection against climbing over, all mGates were equipped with higher arms.

The result: roll-out

■ **Wanzl passed the proof of concept with flying colours.** TJ Morris was convinced by the top quality of the service and products as well as the outstanding results of the collaborative teamwork. Shrinkage and theft were reduced by the targeted, needs-based upgrading of the pilot stores, processes were optimised and employees' workload was reduced. The logical consequence was a roll-out of the measures to all 504 stores of the British retailer. And again Wanzl was the winner. A total of 2,397 mGates were installed on time to the customer's full satisfaction. "The working relationship with Wanzl was excellent. All the equipment was delivered on time. The service was fantastic. Having the team available every day was critical to the successful implementation of the project," said TJ Morris', who was responsible for the project.

Are you looking to effectively protect your store from shrinkage? We would be happy to advise you and find suitable and effective solutions for your situation.
Just give us a call!



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