



EAS works well as part of an LP strategy but can be costly to set up, and there is an ongoing cost for the purchase of the EAS stickers/hard tags for products. Before implementing EAS into your business, you should carry out a cost assessment.

Curved mirrors: These can be a very cost-effective form of LP for all retail sites.

In small sites the mirrors can be placed in far corners of stores or above any aisle where there is poor visibility.

In big box retail sites the mirrors are put in the corners of stores, as well as anywhere that has poor visibility or is potentially a high-theft area.

People: The best LP method is customer service. Thieves are opportunistic and hate being approached. It alerts them to the fact you are aware they are in the store and being watched.

If staff see someone acting suspiciously, apply the three metre rule: approach the person, stop three metres away, make eye contact, smile and ask if you can be of assistance.

If the person is a thief, the odds are much greater that they

will leave the store due to being identified. On the other hand, if they are a customer, then you have provided great service.

While there is no exact description of what a thief looks like, there are a few things to pay attention to:

- People wearing jackets and cargo pants when the weather is warm
- People carrying an open or unzipped bag at the front of their bodies
- A group of people that enter the store together then split up
- People with their heads on swivels (continually looking around).

Administration

This topic can cover a multitude of areas. Our focus will be on some simple ideas around policies for various day-to-day functions.

Sign-offs: You can have all the policies and procedures under the sun, but if you don't get a sign-off from staff acknowledging they have read and understood these policies and procedures, then you may find that if you dismiss them for misconduct, they have an argument that they were never aware what they were

doing was wrong or against company procedure.

Registers: By putting strong register procedures in place, coupled with CCTV, you end up making it very difficult for staff to steal cash.

You need to set a maximum limit for the amount of cash kept in registers. This may vary from a couple of hundred dollars to a couple of thousand and is a decision based on the volume of business.

When you have staff working on the register you should carry out at least two spot checks a day (in addition to a count when you open and another when you close).

The times these checks are carried out should be documented, along with the balance to sales. If you identify a shortage or too much in the till, by carrying out multiple checks during the day you are able to narrow the time down to review CCTV footage.

Your register should never be left open for long periods of time, and money counts should never be carried out when customers are around.

Refunds: Refund fraud is a big problem with most retailers and, without adequate controls in place, you can very quickly become a favourite destination for these offenders.

Some key points should form the basis of refund policy.

- Set a dollar limit, and for any refund above that figure request identification
- Keep a frequent refunder list as this will help you identify problem customers
- Only refund when a receipt is presented and ensure all details are checked
- When products are returned in boxes, ensure the box is checked prior to the refund being given
- Only offer replacement when it comes to items such as CDs, DVDs and computer games (due to the ease with which the products can be copied).

Stock rotation: A policy around something as simple as rotating stock can potentially save you thousands of dollars over a 12-month period.

Any shop selling perishables or consumables should rotate stock on a weekly to daily basis, ensuring the oldest stock is bought to the front.

By rotating stock regularly you

identify products that aren't selling well, allowing for reduction of stockholdings. Delete the line altogether or take a markdown on the item(s) so you have a greater chance of selling it before it expires and subsequently has to be thrown out.

Credit card transactions: People using skimmed, fraudulent or stolen credit cards is an increasing problem for retailers. Provided you have the right controls in place and they are followed, even if you are targeted by someone using a dodgy credit card, the cost shouldn't come back against your business.

- Don't allow customer to handle the EFTPOS machine when using a credit card. The reason for this is that, if the offender can get hold of the machine and distract the register operator, they can do a manual override, key in a card number and the system will accept it.

When this comes back from the bank, you will wear the cost as a manual override was carried out without getting the correct authorisation.

- Ensure your register operator circles the card numbers on the docket as they check it against the card, and then check the signature on the card against the docket.

- If a card is swiped through and the EFTPOS machine shows a code telling you to contact the financial institution, make sure your staff calls before going forward with any further transactions.

- If your phone lines go down and you have to do manual credit card transactions, you should set a limit where any purchases over that amount (maybe above \$50) can only be processed when photo identification is presented. ■

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