

Agilence Reduces Retail Cashier Shrink by 50%

By Derek M. Rodner

Retail shrinkage accounts for over \$14 billion annually in U.S. When compared to the value of the items lost, this number becomes even more distressing. In many cases, the total shrink cost is not caused by the single instance theft of one expensive item, but by the continual theft of many smaller items over time. The current economic situation is driving shrink to become even more prevalent, with point-of-sale (or cashier) shrink growing at an accelerated rate.

Loss prevention teams have implemented sophisticated camera systems at the point-of-sale and utilize exception-based reporting software to identify potential theft. These tools, however, are not integrated together, rendering the identification process slow and ineffective. In addition, traditional exception reports only recognize patterns after the activity has caused a loss so significant that it has become noticeable. Exception-based reporting is not shrink control or loss prevention, but after-the-fact detection and behavior correction. The ultimate goal should be to identify loss events early in the behavior cycle and correct them *before* the large loss occurs. Changing the process not only reduces shrink by stopping it early on, it also reduces turnover by providing the retailer more options with regards to dealing with the associate.

Worse yet, these traditional exception-based reporting systems only identify cashier theft. However, cashier shrink is not just about theft or “sweethearting.” In many cases, cashier shrink is the result of a lack of training, policy violations, and operational inefficiencies.

Agilence delivers the world’s only loss prevention solution-as-a-service that identifies not only traditional cashier shrink activities, but also uncovers coupon, loyalty card, and promotions fraud.

In addition, Agilence software goes beyond the LP department by identifying operational and training issues that result in billions in losses annually. In fact, in one customer deployment alone, Agilence was able to identify over \$5 million in potential shrink due to the improper use of a single PL code.

The Agilence solution combines point-of-sale data with the raw video through item-level synchronization. This patented technology well exceeds the scope of current exception-based



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reporting tools that rely on transaction logs and do not integrate with video.

The all-in-one solution from Agilence includes an open standards-based NVR (network video recorder) and VMS (video management system), and it integrates with existing point-of-sale systems and video equipment to leverage and unlock the value in legacy technology investments.

Agilence bundles the entire solution with a team of



analysts that are trained to identify all types of shrink at the point-of-sale, whether they are policy violations, theft, or operational. These professional analysts, based in Agilence’s corporate headquarters, are all former LP or operations experts, having joined directly from the retail space. This team of analysts complements in-house staff by identifying the potential incidents and delivering them directly to the desktop, freeing the team to concentrate on servicing customers and running the business.

To learn more about Agilence, Inc., please visit www.agilenceinc.com or call 866-710-3792.

About Agilence

Agilence, Inc. delivers the world’s only loss prevention solution-as-a-service and is a leading provider of intelligent video analysis solutions. Founded in 2006, Agilence is headquartered in Camden, New Jersey. ■

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