




Attorney General
& Justice

Maximising the Potential of Crime Prevention Initiatives Through Partnerships with the Private Sector

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Outline of Presentation

- Why develop a partnership?
 - Retail Crime
 - Example: Self-Service Checkouts
 - The process we follow
 - Benefits to both the private sector and Government
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Why develop a partnership?

- Private sector has significant crime prevention expertise and invests in this.
- Government does not own the asset.
- Government needs to understand the private sector's business model & context.
- Provides an opportunity to develop solutions together.



Importance of understanding a retailer's business model

- Theft of petrol:
 - Pay before you pump sounds like a good crime prevention idea, reduces opportunity for theft.
 - Petrol station rely on purchases of other products in addition to petrol, for example newspapers, milk, etc.
 - Pay before you pump reduces the likelihood of non-petrol purchases and has had limited sector support.



Retail Crime

- Retail theft is the number 1 cause of loss in the retail sector.
- We know that retail theft is under-reported and recorded crime statistics do not provide a true extent of the problem.
- We know that some of the reasons for under-reporting are due to the item stolen not being of a significant value, there is no Person Of Interest (POI) or due to the large shrinkage category making it difficult to identify customer theft from other loss.
- Retailers spend billions of dollars on loss prevention each year.

Example of a Partnership Approach - Retail Crime Strategic Partnership

- Aim of the partnership is to enhance the close working relationship between the NSW Government and the retail sector in developing and implementing strategies to prevent crime.
- High-level strategic partnership
- Two task-specific working groups
 - Supermarket Retail Crime Working Group
 - Sydney & Blacktown Retail Crime Working Group
- Bring together Government, law enforcement and the retail sector.

Example: Self-service Checkouts

- Our research shows that self-service checkouts may provide a further opportunity for theft due to their design and reduced staff vigilance.
- However supermarkets prioritise other factors such as convenience for customers.



Self-Service Checkout



Woolworths Four-Prong Strategy



Why have self-service checkouts?

Two reasons:

1. The majority of overseas retailers have moved over to self-service checkouts.
2. The customers. They are seeking alternative methods especially for the quick trips with few items.



Summary – Self-Service Checkouts

Crime Prevention Perspective	Supermarket Perspective
<ul style="list-style-type: none">• Target hardening• Reduced opportunity for theft.	<ul style="list-style-type: none">• Meet customer expectations.• Remain competitive.

What could the solution look like...

- Constrained by 'fit-for-purpose'
- Change in practice or environment that reflects end-user consensus and environment in which it will be implemented.
 - Staff training and placement
 - Formal security (Covert or overt)
 - Design



How do we do this?

- Identification of the problem
- Undertake a review of national and international literature
 - Academic
 - Grey literature
 - Online
- Engage stakeholders at inception to confirm the problem and access local data
 - Loss prevention information: hot items, value of items, offender profiles, time of day, trusted insider

How do we do this?

- Engage stakeholders at inception to develop solutions
 - IP
 - Timeframes
 - Negotiate implementation



Some of the challenges

- Non-crime prevention drivers for example customer convenience
- Comparability of data - do we have the right problem?
- Competitive environment



What does this approach mean for the private sector...

- Sharing of knowledge thus ability to make decisions on theft prevention products
- Independent solution which is not driven by commercial gain
- Reduced cost
- Reduction in shrinkage



What does this approach mean for Government...

- Increases the likelihood of the application of a solution across the board, not just isolated to one location or supplier
- Increased partnerships for other initiatives
- Increased understanding of the problem based on new data

