



Improving the Effectiveness of Retail Video Surveillance

Cisco Video Surveillance for Retail solutions help you boost loss prevention effectiveness – and much more.

What You Will Learn

Theft and shrink continue to challenge retailers. Shoplifters and dishonest employees stole more than US\$6 billion in 2008, from only 22 major retailers. Furthermore, shrink caused by point of sale operational errors or systemic issues may be as large as shrink caused by fraud. However, you can fight back with Cisco® Video Surveillance for Retail solutions. Intelligent, innovative networked surveillance capabilities help you make your loss prevention teams more effective by accelerating and enhancing theft investigations. And the same video surveillance technology can also help you improve store operations and customer service levels to capture incremental revenue.

Introduction

One result of the economic downturn is an increase in theft, which further erodes your already hard-hit profitability. In spite of sophisticated loss prevention strategies and closed-circuit television (CCTV) monitoring systems, shoplifters and dishonest employees are stealing more than ever. And according to loss prevention firm Jack L. Hayes International, a dishonest employee steals more than seven times as much as the average shoplifter.

Traditional technology solutions, such as analog CCTV security systems and remote monitoring, enable you to capture images for review. However, difficulty in identifying illegal behavior in real time; delay in reviewing images after a reported incident; and difficulty correlating patterns of fraudulent behavior across stores enable shoplifters and dishonest employees to succeed for longer periods of time. Delay also reduces your chance of apprehending them.

Increasing your loss prevention staff to provide additional monitoring is costly and impractical. People can only watch video footage for a limited amount of time before their effectiveness at spotting suspicious activity and significantly decreases. And few retailers can afford teams of employees to monitor every store.

Cisco Video Surveillance for Retail Solutions

Cisco Video Surveillance for Retail solutions can help boost your loss prevention team's success without increasing staff. Cisco's advanced video solutions and partnerships with leading video analytic software providers also deliver new benefits:

- Higher quality video images than traditional CCTV systems
- Fast access to live and recorded video with immediate playback features
- An ability to extend surveillance coverage to more areas
- Immediate visibility into suspicious events or individuals
- An ability to deliver security alerts to mobile loss prevention professionals
- Integration of surveillance with point-of-sale (POS) systems

When used in store operations, merchandising, and marketing functions, Cisco Video Surveillance for Retail solutions have the potential to increase revenue, improve the customer experience, and raise employee productivity. Video surveillance capabilities can be combined with video analytics intelligence to provide you with valuable operations data. You can easily assess how assets and people move through the store, as well as employee response and engagement with customers.

For marketing managers, video surveillance solutions combined with video analytics can be installed above shelves, end caps, counters, or departments to provide detailed visibility into foot traffic, traffic patterns, and dwell times. Store operations managers can use video analytics to compare actual staff behavior with performance targets, providing an analytic basis to improve customer responsiveness. And for merchandising managers, video analytics data can be used to track conversion rates for specific store areas, shelf space, or displays and thereby help evaluate their effectiveness.

Accelerate Video Access and Review

Cisco Video Surveillance for Retail solutions can be deployed to monitor distribution centers, loading docks, paths from storage to sales floor, points of sale, and building entries and exits to accelerate response to suspicious behaviors or incidents:

- Quickly view suspicious events using fast forward and reverse capabilities
- Eliminate delays from having to pull tapes and review them the next day
- Easily retrieve and review high-quality images for later investigation
- Send critical scenes to a central review monitor or to local authorities
- Monitor loiterers and suspicious packages left in public places or unauthorized access to restricted counters and displays

Centralize Capabilities to Reduce Costs

Because Cisco Video Surveillance for Retail solutions are network-based, you can monitor and manage loss prevention from a central point. Centralization requires fewer specialized staff in each store, reduces costs associated with maintaining separate video networks in each location, and delivers a broader view of loss trends and issues across all of your locations. You can reduce your loss percentage-of-revenue while reducing surveillance costs.

Correlate Surveillance with POS to Reduce Losses

Dishonest employees steal most often at the POS terminal, making it a critical area for monitoring. Cashiers' errors can also lead to loss. Cisco works with leading POS and analytics vendors to integrate POS transaction data with video images and alarms or alerts for each POS terminal. With these solutions, you can:

- Correlate unusual POS transactions with associated video footage to determine whether transactions are normal, operational errors, or fraud
- Be alerted in real time to unusual behavior at checkout counters or the returns desk
- Identify suspicious behavior at the point of sale and alert staff in real time to prevent theft
- Send actual images of suspicious activity to designated monitors or mobile devices

Integration with Video Analytics Delivers More Intelligence

Combining Cisco Video Surveillance for Retail solutions with video analytics at checkout and throughout a store delivers valuable visual information and evidence. In addition to reducing employee theft, operational errors, and shoplifting, video analytics can improve store operations and provide data to improve your marketing and merchandising effectiveness.

Cisco Digital Video Surveillance for Retail solutions can:

- Determine customer volume and enable managers to dynamically adjust staffing levels on the store floor or at checkout
- Measure actual employee performance and compare to Key Performance Indicators
- Monitor queue length at points of sale or in departments to accelerate checkout and reduce wait time
- Determine traffic volumes with video to cost-justify advertising and set advertising rates
- Capture customer dwell times to measure interest in advertising
- Track which customers further investigate the advertised product after viewing the advertisement
- Validate new store concepts and in-store technologies
- Provide information that helps fine-tune merchandising strategies based on actual customer traffic patterns and gathering points to maximize effectiveness of signage, sales, and advertising

Deliver Mobile Alerts

The surveillance system can use video analytic data to alert your roaming loss prevention staff to theft attempts or unusual traffic patterns using their mobile devices. The same capability can help store managers dynamically adjust staffing in departments in response to lengthening checkout lines or peak traffic periods. Mobile alerts help focus attention to improve security coverage and response.

Increase Return on Investment

Cisco Video Surveillance for Retail solutions can be integrated with your current physical security systems, adding capabilities and improving your return on investment from them. For example, an existing sensor alarm in an elevator or storage area can provide input to the video system, which can automatically move a camera to record an incident and display the video feed on a control room monitor with a location map.

Improved video surveillance capabilities can strengthen loss prevention tactics to help you with profitable, but high-loss, product lines. They may allow you to operate stores more profitably in areas that previously represented high-risk locations.

The Cisco Smart+Connected Retail Network

The same principles of openness that have made the Internet thrive for the past 20 years can be applied to improving safety and security effectiveness. Cisco Video Surveillance for Retail solutions operate over a centrally managed Cisco Smart+Connected Retail network, which eliminates the need for a separate video network to perform security surveillance. Smart+Connected networks employ next-level infrastructure, technology, services, and platforms to create intelligent, enduring surveillance solutions.

As an integrated offering with a single Smart+Connected network, Cisco Video Surveillance for Retail solutions enable consistent and efficient data integration across functions and channels to improve security and availability. They can converge video management, access controls, connectivity, and event correlation on one network, while simultaneously enhancing the security of connected systems and unifying communications to attack loss prevention in a comprehensive way.

Features

- Networked digital video is available at any number of retail sites, such as warehouses, distribution centers, loading docks, storage, sales floors, and points of sale.
- With network-based surveillance, device can be monitored over the network and alarms issued in the event of a failure.
- Video can be viewed at any time from any place, promoting real-time incident response, investigation, and resolution.
- Flexible storage reduces storage costs and improves control and efficiency.
- Integration with existing surveillance and security systems preserves your investment in cameras and monitors.
- You can easily migrate from analog to networked digital video at once or in phases.
- Easy system installation, setup, and operation accelerates deployment and improves productivity.
- The all-digital format and complete APIs enable integration with a wide range of third-party systems and solutions.

Extending Loss Prevention with Additional Cisco Solutions

Cisco Video Surveillance for Retail solutions integrate easily with other Cisco solutions, such as Cisco Unified Communications and Cisco Unified Mobility. For example, loss prevention professionals and store associates can use Cisco Unified IP Phones for alerting and real-time communication. And managers can distribute important messages and share strategies with employees using wireless or Cisco Unified IP Phones before, during, or after hours in real time or on demand.

Integrating alarms with Cisco Unified Mobility solutions enables employees to be immediately notified on wireless devices anywhere in the store. Wireless mobility helps staff respond quickly to an event or dynamically adjust staffing levels to match customer volume.

Learn More Today

Learn more about Cisco Video Surveillance for Retail solutions and how they can help you fight inventory loss. Contact your local Cisco representative, or visit: www.cisco.com/go/retailsolutions.

The 18th Annual Retail Theft Survey from Jack L. Hayes International included 22 major retailers, representing 19,151 stores and over US\$571 billion in annual retail sales in 2008.

Figure 1. Total Retail Theft Apprehensions

Total Retail Theft Apprehensions			Difference	
	2007	2008	#\$	Pct.
Apprehensions	842,997	904,226	61,229	7.26%
Recoveries	\$150,366,460	\$182,904,246	\$32,537,786	21.64%
Avg. Case Value	\$178.37	\$202.28	\$23.91	13.40%

Figure 2. Shoplifting

Shoplifting			Difference	
	2007	2008	#\$	Pct.
Apprehensions	772,982	832,106	59,124	7.65%
Recoveries	\$86,769,861	\$113,009,555	\$26,239,694	30.24%
Avg. Case Value	\$112.25	\$135.81	\$23.56	20.99%
Hours Per Apprehension* (*9 companies reporting)	70.96	60.37		(14.92%)
Recoveries (No Apprehensions Made)	\$34,171,515	\$37,273,037	\$3,101,522	9.08%

Figure 3. Dishonest Employees

Dishonest Employees			Difference	
	2007	2008	#\$	Pct.
Apprehensions	70,015	72,120	2,105	3.01%
Recoveries	\$63,596,599	\$69,894,691	\$6,298,092	9.90%
Avg. Case Value	\$908.33	\$969.14	\$60.81	6.70%



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