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How To Avoid Self-Checkout Theft

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You can prevent customers from “sweethearting” themselves at the self-checkout with enhanced video analytics.

When it comes to loss prevention (LP), retailers approach it from many different directions. One of the fastest-growing ways has to do with analytics and video at the checkout. I recently had the chance to speak with Malay Kundu, founder and CEO of StopLift, to discuss a little of what is going on in the industry.

One of the largest causes of loss is “sweethearting” by cashiers to family and friends. Kundu says, “There are many ways associates can sweetheart. They can utilize ‘scan avoidance’ by going around the scanner with the product, flip product to keep the barcode opposite from the scanner, or scan 1 item of a lower price and bag the higher-priced item.” Modern technology is using analytics to identify characteristics of each of these avoidance techniques. Once identified, alerts can be sent a manager or LP person to confirm or refute the flagged incident. This can now be done in real time and does not impede the checkout process.

Using StopLift’s ScanItAll technology, each item is identified and tracked throughout the entire checkout process. The solution will follow each product from the cart or basket, through the scanning process, and into the bag. “With this technology, we can identify how many products should be rung up, any product that is left in the cart, and any fraudulent activity,” Kundu says. “This technology is now being applied to the rapidly growing self-checkout, where fraud is fairly high.”

One of the most common ways people steal at the self-checkout, even when being monitored by a centrally-located associate, is to cover the barcode. The customer will pick up the product, cover the barcode with their hand, run it across the scanner, and place it in the cart. To the associate, it looks like the customer followed proper procedures, but they never actually scanned the item. “By identifying the product in the cart and following it across the scanner, the StopLift solution instantly recognizes that the item was not scanned. An alert is sent to the associate along with imagery showing the possible deception,” says Kundu. “The associate can then offer customer service to show the customer that they are watching and the item needs to be scanned, which will hopefully deter theft attempts in the future. Or, they can contact an LP associate who can handle the theft once the customer attempts to leave the store.” This makes it significantly easier for an associate to monitor and control multiple self-checkout stations.

One of the largest complaints when it comes to self-checkout is interrupted transactions or false alerts. Customer’s quickly become frustrated when light items such as birthday cards do not register on the scale to show the item was bagged or when a customer places her purse on the bagging/scale area and the transaction is paused to wait for an associate’s approval. “Our solution not only is designed to catch theft, but it is also designed to improve the customer experience,” Kundu points out. “People constantly place keys, purses, and wallets on the scales to have them out of the way while scanning items. With weight-based security, this will halt a transaction. By incorporating the analytics, we can identify what was placed on the scale and determine that it should be ignored. Other times, there are items that may have a free item included, such as when a toothpaste company packages a toothbrush with its normal toothpaste as a bonus. The toothpaste still has the same barcode, but the weight is now different. Most of the time, this would register that an extra item was placed on the scale without being scanned. We can identify that it is actually the correct product and keep the transaction going.” All of this is handled in real time, so the customer is never slowed down in the process. An alert can still be sent to the associate to verify the video, but still the transaction is not halted.

The one thing retailers want to avoid is having LP procedures frustrate legitimate and loyal customers. By incorporating intelligent technologies like video analytics, retailers’ good customers can have a great customer experience, while the thieves can be caught or deterred.

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