ILRT Anti-Theft Decision Tree for Product Protection

(1a) Is product unique to the marketplace?

(2a) Is product new to the retail market?

(3) Will price point of product attract theft?

(4) Does gray / re-sale market already exist for this or like product?

(5) Do components of the product have a secondary illicit use?

(6) Will exposure from aggressive marketing/ad campaign attract theft?

(7) Will package size or tamper-ability attract theft?

Consider Incorporating Anti-Theft Measures

If anti-theft measures are rejected, adjust product projections relative to:
- Sales & Profit forecasts
- Inventory / Service Levels / Out-of-Stocks
- Merchandising Execution Compliance
- Advertising / Marketing Effectiveness
- Customer Conversion Rate
- Market Share Goals

Choose most appropriate anti-theft measures based on cost/benefit and factors such as:
- What will be financial extent of theft demand (based on past learnings with same or similar product)?
- Will theft demand likely be:
  - On a single item or multiple items in a line of product?
  - For limited time (ex. launch) or ongoing?
  - Limited to a subset of stores? (demography, geography, etc.)

Examples of ways to incorporate anti-theft measures:
- Package Design
- EAS Source Tag / RFID tag
  - Short Term
  - Long Term
- Safe Spot
- Basic Department Fixture
- Promotional Merchandising
- Product Authentication Element
- Understand Industry Best Practices

Other Alert Factors
- Lifestyle requirement (ex. Testing Strips)
- Recent deregulation or regulation activity
- National media focus
- Embarrassment concerns (eg. Condoms)
- Availability issues
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Who Needs to Review?

**Supplier**
- Research & Development
- Marketing, PR, Market Research
- Advertising
- Manufacturing & Assembly*
- Packaging Development Department*
- Procurement*
- Logistics & Shipping*
- Legal
- Operations*
- Finance
- Brand Protection*
- Executive Team*
- IT
- Sales Execution*

* Attend Top to Top Meetings

**Retailer**
- Operations*
- Merchandising*
- Loss Prevention*
- Finance
- Logistics
- Executive Team*
- IT

When Should It Be Reviewed (Including LP)?

**Supplier**
- New Product Development
- Product Redesign
- Mid Year Launches or Repackage Initiatives
- ROI Discussion
- Top to Top Sessions

**Retailer**
- New Item Introduction Sessions
- Top to Top Sessions
- Category Review Sessions

Recommended Use of Decision Tree