

Using IP surveillance to maximise retail profits

By Roy Alves

Loss prevention and store performance are hot topics for any retail business the world over. Failure to address these issues correctly can signify the end of a retail venture as their tight margins need to be preserved.

Traditionally this industry has relied on analogue camera surveillance systems to help curtail theft and improve store performance. Market researcher J.P. Freeman and Co. conducted a study in the United States, which revealed that a large retail chain with 1500 locations could record the equivalent of more than 50 years of analogue video throughout its stores in a single day. Despite this large amount of footage recorded, retail losses are on the increase.

This is because analogue systems are plagued with many shortcomings including limited image quality, inability to detect behaviour as well as the requirement of constant surveillance to name but a few. All of these can lead to immeasurable losses.

Improving loss prevention

Many retailers are seeking out loss prevention solutions and IP surveillance systems have enabled them to bridge this gap. By integrating an IP surveillance system with the electronic article systems (EAS) storeowners can detect suspicious behaviour, such as consumers taking multiple units of one item or a cashier deliberately not scanning a purchase. This converged environment has proven incredibly useful in ensuring that proper store procedures are being followed.

A further integration with the point of sales systems (POS) enables store owners to uncover employee sweethearting (giving unauthorised discounts to friends) or other improper sales by activating video recording every time an age-restricted sale is made or a refund or discount is given.

Delivering greater business value

Intelligent cameras and the ability to store and access video on the network is

driving many of the retailers to investigate new uses for video surveillance to improve their bottom line. Some of the leading retailers in the US are working with the Loss Prevention Research Council in a programme called StoreLab to co-develop and test innovative store layouts, work processes, and technologies to maximise sales, profit and productivity, while minimising losses and crime.

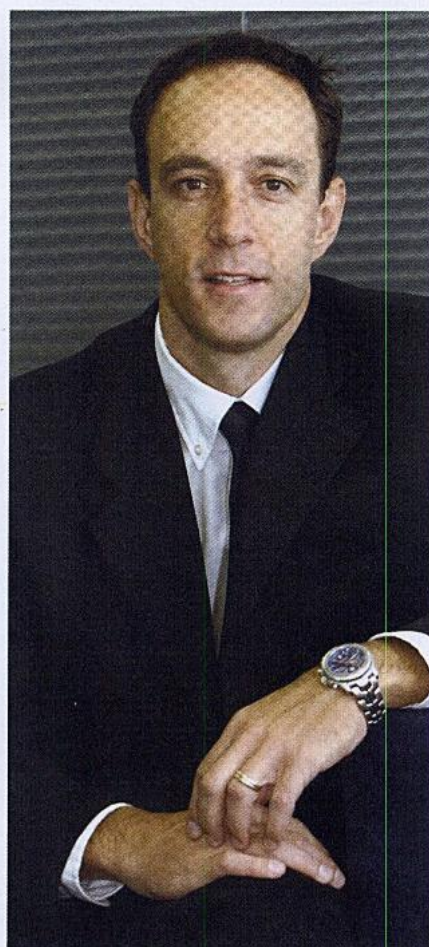
Many of the retailers are giving researchers access to their networks to test ways in which IP video surveillance can be used to study consumer behaviour, employee tasking, and loss prevention.

IP video surveillance is ideal for these applications because it can be set up to recognise certain actions and events, and it also makes it easier to search thousands of hours of video to find the few minutes of footage that applies to a particular incident.

IP systems can be set to monitor the number of customers entering and leaving a store, as well as monitor the number of people waiting in a queue at the pay points and alert the manager to supply more staff if needed.

Alerts can be provided when shelves need restocking, spills have occurred or if aisles are obstructed. The footage can be used to analyse store designs, traffic flow and the effectiveness of point of purchase displays.

Finally, to ensure that customers return to the store, the footage can be used to monitor staff interactions with customers, detect gaps in training and assisting management in both spotting and praising good behaviour. It can also be used to identify which employees are avoiding customer contact or shirking other responsibilities they may have.



Saving staff time through centralised management and remote accessibility

Part of the problem with analogue video is that it's usually only available at the branch. Each camera has a cable that feeds its video into a monitor and, a local recording device. If someone at another location wants to monitor what's going on in a store or see a particular incident, the video has to be recorded and mailed.

By having cameras connected to a network, a higher level of surveillance can be achieved with less people. Loss prevention personnel can monitor many locations from one office. Live camera feeds can be accessed over the Internet from any location.

In essence, the implementation of a network surveillance system into a retail environment can not only protect the bottom line, but can also be instrumental in increasing profits.

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