

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

heightened levels of violence. More than two-thirds (67%) of respondents said they were seeing even more violence ...

Isaac M. O'Bannon • Oct. 02, 2023



As incidents of retail crime continue to escalate throughout the country, retailers have seen a dramatic jump in financial losses associated with theft. When taken as a percentage of total retail sales in 2022, “retail shrink” accounted for \$112.1 billion in losses, up from \$93.9 billion* in 2021, according to the [2023 National Retail Security Survey](#) released today by the National Retail Federation. (**The 2021 figures have been updated to reflect the April 2023 U.S. Census Bureau’s revisions to retail sales.*)

“Retailers are seeing unprecedented levels of theft coupled with rampant crime in their stores, and the situation is only becoming more dire,” said NRF Vice President for Asset Protection and Retail Operations David Johnston “Far beyond the financial

impact of these crimes, the violence and concerns over safety continue to be the

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

they were seeing even more violence and aggression from ORC perpetrators compared with a year ago.

Even though retailers continue to enhance their loss prevention and asset protection measures, sometimes more drastic action must be taken. Retailers reported being forced to close a specific store location (28%), reduce operating hours (45%) or reduce or alter in-store product selection (30%) as a direct result of retail crime.

As violence has increased, more retailers have opted to enforce a “hands off” approach in the apprehension of shoplifters. More survey respondents said that no employees are authorized to stop or apprehend shoplifters (41%), compared with 38% last year.

The types of products shoplifters are targeting may not be based solely on price point. Products can range from high-price, high-fashion items to everyday products that have a fast resale capability. While ORC groups have traditionally targeted specific items or types of goods, that list has expanded to new categories like outerwear, batteries, energy drinks, designer footwear and kitchen accessories.

The top five cities/metropolitan areas affected by ORC in the past year were Los Angeles, San Francisco/Oakland, Houston, New York and Seattle.

As retail crime continues to evolve in scope and sophistication, so are retailers' prevention efforts. When asked about resource allocation to address today's risks, 34% have increased internal payroll to support their risks, while 46% have increased the use of third-party security personnel. Over half (53%) have increased their technology and software solution budgets in the past year. With violence being one of the most concerning risks, 54% have increased or are increasing employee workplace violence training.

“Retailers are piloting and implementing a number of loss prevention practices to

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

respondents reported they have seen an increase in the average value per incident in localities that raised their minimum felony thresholds, while another 67% reported an increase in repeat offenders in areas associated with initiatives to reduce or eliminate cash bail. Nearly all (93%) are in support of federal ORC legislation.

The 2023 National Retail Security Survey was conducted online among senior loss prevention and security executives in the retail industry. This year's results contain insights from 177 retail brands, which accounted for \$1.6 trillion of annual retail sales in 2022, and represent more than 97,000 retail locations across the United States. The study was done in partnership with the Loss Prevention Research Council and is sponsored by Appriss Retail. Click [here](#) to view the report.

Small Business

CPA Practice Advisor is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors.

© 2024 Firmworks, LLC. All rights reserved