
A Solution for Drug Store Chains to Fight Crime

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By Vipul Goyal, Product Manager



Retail theft threatens the fundamental existence of popular national drug store chains such as CVS and Walgreens. Anyone who visits a drug store in an urban area can literally see signs of the problem, as stores place products ranging from deodorant to razor blades behind plexiglass to deter criminal behavior. As Rite Aid's executive vice president of retail, Andre Persaud, [said recently](#), "We're looking at literally putting everything behind showcases to ensure the products are there for customers to buy."

And, of course, the headlines are undeniable. Major urban areas such as New York City [are grappling with a surge in crime](#). Retailers across the country [have been victimized by highly publicized smash-and-grab crimes](#). Unfortunately, these headlines and personal experiences of shoppers – recorded on TikTok and YouTube and shared widely – discourage people from shopping, regardless of how accurate the news and social media coverage is. [As noted in a recently published Slate article](#), retailers are feeling the pain.

The problems faced by drug stores are two-fold:

- Drug store retailers have experienced a shortage of store associates available to service customers and keep stores secure. Unprecedented quit rates along with payroll cuts have amplified the problem. On top of that, many stores have expanded their footprint with bigger stores and more merchandise. All of these factors have made drug stores more vulnerable to theft, not to mention lapses in customer service.
- As noted, widely publicized criminal activity has intimidated shoppers. Forty-four percent of

1,005 adults [surveyed in July 2022](#) said they were more fearful to be in public because of bad behavior and rising violence, up from 39% in March, according to a national online survey by food-service research firm Lisa W. Miller & Associates LLC. Starbucks recently [announced it is closing 16 stores](#), citing safety concerns. In 2021, Kroger cited organized theft among the factors pressuring its profit margins for the first time, and [CVS](#) is among the many other retailers having their profits squeezed by a spike in theft.

What can drug stores do? Some are following the lead of other retailers such as Barnes & Noble and Walmart, [which are locking more merchandise behind plexiglass and installing more cameras to monitor stores](#). As noted in Reuters:

Some, including Walmart, J.C. Penney, Apple Inc. and Walgreens, put in place new surveillance systems or more security guards. Others, like Target and Barnes & Noble, sealed merchandise behind plexiglass or tethered it with steel cables to store shelves.

“Sales are suppressed. Profits are being punished at the time of the highest inflation in 42 years. And now with the cost of preventing crime going up, that's going to be passed along in higher prices,” said Burt Flickinger, managing director at retail consulting firm Strategic Resource Group.

But there are three major problems with locking merchandise behind plexiglass and installing more cameras:

- The customer experience suffers when consumers encounter inevitable friction as they try to buy products locked and stored away.
- Store associates endure more stress as they respond to the uptick of shoppers needing assistance retrieving products.
- More cameras in and of themselves will not stop crime. Cameras typically record crime and other disruptive behavior and report their findings long after the fact. Even smart cameras equipped with computer vision -- a form of artificial intelligence (AI) that makes it possible for computers to record visual data such as pictures and video – requires human judgment to analyze the data recorded.

A technology known as behavior anomaly detection can play an important role. Behavior anomaly detection consists of the use of computer vision and pattern recognition to keep stores safe, fight theft, and improve customer service.

The key components:

- Computer vision gives store managers real-time insight into everything that is going on in a store to a level of detail that typical security cameras miss. It's a smart technology that can observe and report more than even an ordinary security camera can, such as when a product has been removed from a shelf and what quantity.
- [Pattern recognition](#) consistently detects behavioral anomalies, such as people in stores who are acting suspiciously (say, someone trying to steal versus someone who is simply picking up a product to examine it more closely).

Behavior anomaly detection builds off computer vision, but it's not the same thing. Computer vision only describes what is happening without meaningful interpretation of an event. Computer vision alone cannot capture the myriad and often subtle ways people behave. People with bad intentions, such as shoplifters, are constantly finding new ways to commit crimes, and computer vision alone does not evolve to keep pace with them. Nor is computer vision scalable for retailers that have traditionally used only point solutions for very specific applications. Computer vision needs pattern recognition to consistently detect behavioral anomalies, such as people in stores who are acting suspiciously. Computer vision describes what is happening; pattern recognition interprets what's happening. But computer vision and pattern recognition together deliver true behavior anomaly detection.

Behavior anomaly detection helps employees protect stores in three major ways:

- **Fighting theft.** Behavior anomaly detection observes suspicious behaviors such as someone trying to distract an employee at the checkout lane, making multiple purchases, spending too much time going through store inventory, or slipping a product into their purse or overcoat.
- **Keeping the store safe.** Threats to store safety can range from people behaving violently to accidents occurring. Behavior anomaly detection can help a store manage all types. For example, store associates don't always spot potential hazards such as liquid spilled on the floor or improperly stocked merchandise teetering into an aisle. Behavior anomaly detection can find those problem spots in every nook and cranny of a store and alert a store associate to take corrective action.
- **Improving the customer experience.** Behavior anomaly detection can alert a store associate about a customer who might need assistance, such as someone attempting to lift a large box of merchandise. Or perhaps too many store associates are clustered in one area of the store, missing opportunities to provide more complete throughout the entire space. With behavior anomaly detection, a store manager can ensure that store associates focus more of their time assisting customers and helping when someone might need special assistance.

At the same time, behavior anomaly detection won't work effectively without proper training. The AI needs to be trained with data to know what to look for. Moreover, the technology needs to be used in a way that protects consumer privacy and does not unfairly profile anyone. But with the right training by a diverse team of humans, behavior anomaly detection can be a powerful ally to retailers.

How Centific Can Help

Behavior anomaly detection can help retailers fight a growing problem and ease the burden on store associates to fight bad behavior themselves. Centific helps retailers do that with our Scout platform. Scout provides personalized and prescriptive analytics in real-time, intuitively alerting a store's team to events before they escalate.

Scout's human-in-the-loop foundation mitigates bias through comprehensive AI training data sets, and leverages Centific's global team of risk mitigation experts for real-time situational analysis, decreasing false positives. As Scout's knowledge of patterns grows, they are shared with users through the exclusive and secure pattern recognition network.

Whether it's understanding a particular customer's behavior, detecting fraud at self-checkouts, or identifying on-premises hazards, Scout empowers retailers to act with confidence in real-time.

To learn more, [Contact Centific](#).

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