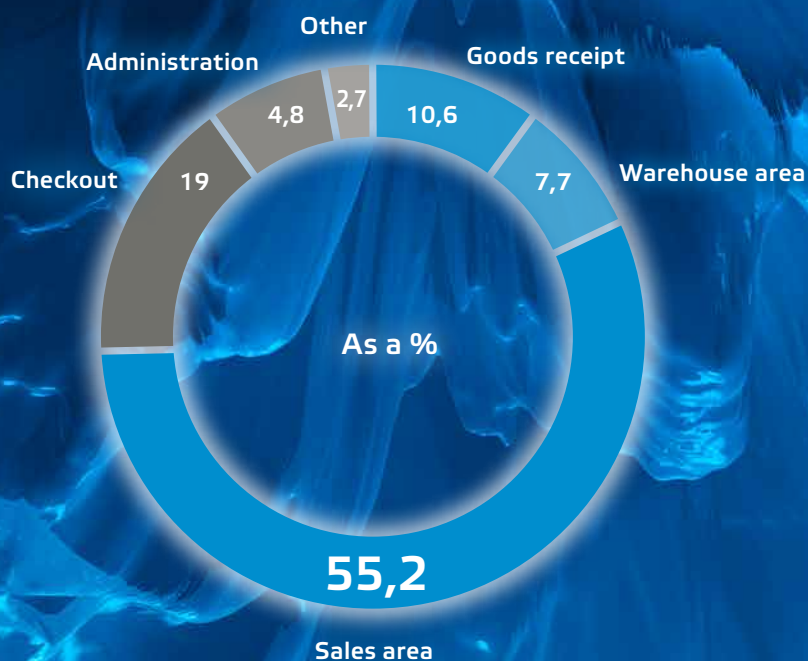




| WE PROTECT YOUR POS!

Reduce inventory differences and protect your revenue with Wanzl

2% VISIBLE



Where inventory differences occur

AT-RISK AREAS for inventory differences are primarily found in the sales and checkout areas. This is where almost three quarters of all shoplifting-related losses occur, based on average figures for the sector.

Massive under-reporting of shoplifting

WE ARE ONLY SEEING THE TIP OF THE ICEBERG: Less than 2% of all shoplifting is detected and reported! More than 98% still goes unreported.

98% INVISIBLE



| WE PROTECT YOUR POS!

Reduce inventory differences and
protect your revenue with Wanzl

■ **As has always been the case, inventory differences continue to be the most reliable indicator** when it comes to detecting theft in the retail sector.

The fact that shoplifting continues to rise in many industrialised countries – despite more stringent, technologically complex security measures – is demonstrated by the importance of unabated efforts taken to fight it.

This is all the more true given that methods of commercial organised crime have also become increasingly professional in this area.

/ RISING INVENTORY DIFFERENCES

An international challenge

■ **The figures, both at national and international level,** speak for themselves. According to the EHI Retail Institute, the volume of inventory differences in the retail sector in Germany increased from 4.6 to 4.8 billion euros between 2022 and 2023. The proportion of losses by customers, employees, suppliers and service employees included in this figure amounted to 4,1 billion euros, with the resulting loss of VAT amounting to more than 560 million euros per year.

To illustrate this: If the losses are calculated based on the number of potential customers, an annual – unpaid – goods value of 34 euros is accrued for each German citizen. To put this another way: **Every 200th shopping trolley in Germany is pushed past the checkout without the goods in it being paid for.**

Source: EHI-Studie: Inventurdifferenzen 2023 [EHI study: Inventory Differences 2023]



CUSTOMERS



EMPLOYEES



SUPPLIERS /
SERVICE STAFF

2023 inventory differences in euros

VALUE OF STOLEN GOODS IN EUROS

By party responsible in German retail.

Looking beyond national and continental borders, the result is no better. For example, in the UK retail sector, shortfalls of around 1.5 billion pounds are accrued each year, including spending on crime prevention.*

*Source: BRC Crime Survey 2022 Report

**Source: NRF 2023 Retail Security Service

In the US, shoplifting reaches another dimension. According to the National Retail Federation (NRF), inventory differences, including organised retail crime (ORC), have reached a total of over 112 billion euros. There, shrinkage amounted to 1.6 percent, significantly higher than in Germany, where it had recently fallen just below the one-percent mark.**

In the wake of sharply increasing crime rates, retail companies have once again increased their budgets for prevention measures at their German locations. Most recent figures show this budget as 1.55 billion euros (2023). This means that retailers have invested around 0.32 percent of their turnover in security measures.

Key measures

German retailers spend almost 1.55 billion euros annually on measures to secure their POS and prevent theft. The money is used for a wide range of prevention areas. In addition to "traditional" methods such as CCTV and the use of store detectives, companies have recently started to increasingly invest in training and security measures (e.g. anti-theft merchandising equipment or mechanical security devices).

Strong budget pressure

Higher prices generally increase the risk of theft – both in terms of shoplifting and the number and scope of internal offences committed by staff. The recent consistently high levels of inflation, especially in food prices, is exerting further pressure here. In direct connection with the price increases and the resulting increasing reluctance of customers to buy, retailers' profits are often under pressure. In addition, staffing coverage at many POS is less dense than in previous years – often due to a shortage of skilled workers.

Source: EHI-Studie: Inventurdifferenzen 2024 [EHI study: Inventory Differences 2024]



Causes of inventory differences

Thieving customers: Accounting for nearly 60% of theft, shoplifting remains the main cause of inventory differences.

/ KEEP YOUR TREASURE SAFE!

Stolen goods are also subject to certain economic cycles.

■ **The fact that the conditions** for this have remained consistently stable over the years is primarily due to the unique pre-existing conditions that the most commonly stolen items must meet in order to minimise the potential risks from the criminals' perspective or to increase their earnings potential.

The first criterion is the potential resale value of the goods, i.e. the prospect of how well and how easy it is to resell the stolen goods.

Secondly, products whose size is inversely proportional to their sales price are also highly sought after. Something "small and expensive" is therefore particularly popular because it is easier to hide (in or under clothing or in transported items).

As a result, around forty percent of all retail thefts belong to one of the five following categories of goods:



Retail theft



COSMETICS



BRANDED CLOTHING



ALCOHOLIC SUBSTANCES





TOBACCO


ELECTRICAL
GOODS

Depending on the criteria listed, but also always in connection with certain product range or location factors, the specific product groups contain further subgroups, on which thieves are particularly focused.

In the cosmetics sector, for example, decorative or care products are in disproportionately high demand, while expensive wines and spirits are the focus among alcoholic drinks.

In the clothing sector, high-quality products that are particularly popular in the context of current trends dominate, especially expensive accessories. Expensive smartphones and (in-ear) headphones, as well as printer cartridges, batteries and other easy-to-steal accessories are at the top of the list for electronic devices. Equal importance is given to the protection of large, bulky

products, such as battery-powered electric machines or robotic mowers, which are usually sold in DIY stores. Here, thefts are primarily carried out by concerted and often extremely sophisticated criminal gangs – a growing threat to retail.

However, care should be taken when it comes to the excessively rigid fixation on individual product groups.

Thieves are very flexible here – and anything that is not, or not adequately, protected is often purloined even if the item does not have a high (resale) value. Although effective security concepts are always based on prioritising certain product groups, an eye must always be kept on protecting the entire product range!



| TOGETHER WITH WANZL

Your security concept for the future

■ **Together with you, our experts**, planners, technicians and security specialists will develop your security concept for the future. In doing so, we base the measures and technologies used for your POS primarily on the following current requirements:



*// Do you have particular challenges in your store?
Talk to your Wanzl consultant now //*

High level of efficiency

Finding highly efficient solutions is currently the focal point of theft prevention. We develop solutions for you that we can use to achieve the maximum (deterrent) effect even with a low financial commitment.

Technology comes first

The labour market today is characterised by a shortage of skilled workers. Consequently, proven technologies, whose use can effectively reduce theft, clearly take precedence. For cost reasons alone, preference is given to technology with a high degree of automation.

Positive “side effects”

Theft prevention is one thing. However, there is often the possibility that the technology used in retail (e.g. in the case of goods scanning) can be used multi-functionally. If this is possible, preference should always be given to a comprehensive application with a range of functions.

Effective use of existing staff

The shortage of staff in many retail POS means that every opportunity to deploy existing staff more efficiently is made use of. This also applies in particular to protection against shoplifting.

THEFT-PROOF, OF COURSE!

Wanzl transport equipment offers double the protection

■ **Wanzl goods transport equipment is** part of a comprehensively effective security concept. This is based not only on decades of research and development expertise, but also experience from direct dialogue with customers in dealing with retail offences and their criminal perpetrators. Our customers always have a choice of different systems and products, which they can adapt to all the requirements of their individual security situation at the POS.



↑ SHOPPING TROLLEYS FROM WANZL:

Maximum protection against goods being "carried" outside the shopping basket

Shopping trolleys

With our shopping trolleys, the customer is king – even when it comes to choosing their security level. Our "EL series", for example, is designed in such a way that it does not allow any transport or transport options outside the shopping basket. Use of these products, according to our customers' practical experience, demonstrably reduces the rate of theft.

Trolley shelters

We offer trolley shelters in a wide range of versions. Our Alpha shelter combines the best possible protection for your shopping trolleys with the use of shatter-proof glass and roof elements and can also be extended to use as a lockable sales area in the Alpha Present variant.





HYBRIDLOC

With the development of the Hybridloc, we have advanced the switch to the cashless removal of shopping trolleys by using standard apps. The trolley's mechanical security function against theft is also fully retained in this variant.

← HYBRID LOCK:

Increase the protection factor with digital locking

↓ WANZL TROLLEY SHELTERS:

protect your property from theft and vandalism



// Your benefits – at a glance //

- Use of the latest security technology
- Built-in protection mechanisms
- Sophisticated features
- Crafted using high-quality, robust materials

↓ GT SERIES SHOPPING BASKETS:

better protection with security labels



Shopping baskets

... such as those in Wanzl's GT series, are also the optimum shopping partner for your customers from a security perspective. To prevent theft, the baskets can be equipped with security tags that trigger an alarm if someone tries to take them away.

| STAY ON TOP OF THINGS!

Security with Wanzl: From the entry to the exit zone

↓ LOCKABLE CABINETS

protect your high-value products

↓ ↓ TRANSPARENT PARTITIONS

provide complete visibility



Cabinets: be it high-priced spirits, perfumes or special items: Display cabinets from Wanzl protect your high-value items from unhindered access by "long fingers".

Partitions from Wanzl limit possible exit routes for thieves and ensure unobstructed visibility with their transparent panels.

■ **"Opportunity invites theft"** is a well-known saying that, as experience shows, has been true in many cases. It is therefore important to eliminate any such opportunities when planning store areas and the routes they contain. This also includes blocking escape routes, which provide increased incentives for theft. A particularly effective preventive option lies in fitting closed entrance and exit systems in the sales areas. Here, Wanzl offers sophisticated high-tech equipment for controlled, clear steering of customer flows – while complying with all regulations for fire and emergency situations.



// Blocking of exit options that provide increased incentives for theft //

↑ OPERATOR PROTECTION FROM A TO Z:

Entrance without an exit option

The fitting of checkout barriers is a less complex but highly effective measure to prevent shoplifting. The extendable arms can be precisely adjusted to the passage widths, thus preventing an unhindered fast exit.



↑ **POSITIONING OF EXIT GATES:**
Sophisticated design of the checkout area



← **MODERN "EXIT STRATEGY":**
Check out by scanning the receipt

Exit gates are the final variant of the customer guidance system. Wanzl offers a range of system variants here and thus contributes to anti-theft protection.

eGates made by Wanzl combine the use of intelligent software with state-of-the-art high-tech hardware and functionality that can be tailored to your needs and requirements on site.

THE SMARTEST EXIT FOR YOU!

Find the optimum “exit solution” with Wanzl

■ **In times of increasing staff shortages**, Smart Exits save store operators labour and save customers valuable time for their purchases.

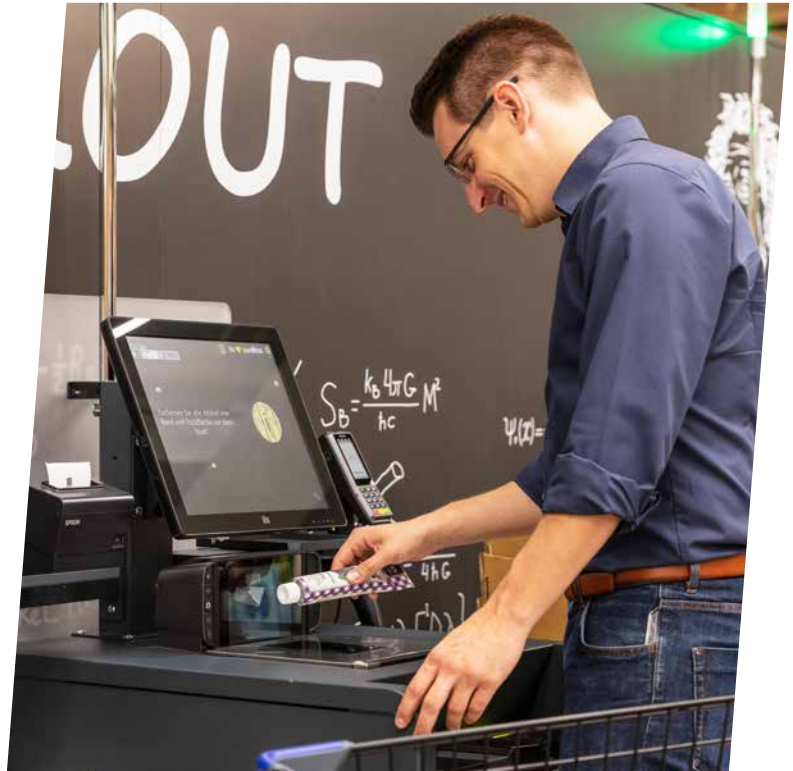
This also applies to checkout transactions in conventionally managed stores as well as to use in 24/7 or full self-service shops. Unlike traditional self-checkout zones, there are no random checks (e.g. by presenting the receipt). Instead, customer behaviour is monitored in the self-checkout zone.



↓ **SELF-CHECKOUTS**,
the use of which is on the rise
in the checkout area, require
additional security measures.



This secure and convenient shopping experience is protected by the targeted use of artificial intelligence in conjunction with the latest sensor technology. This means that all relevant processes in the self-checkout zone can be recorded and immediately evaluated – until the customer leaves the exit gates!



↓ IF SOMETHING HAPPENS AT THE POS,
you can listen and talk via this audio device



↓ THE INTELLIGENT USE
of video equipment also
provides preventive protection.



“CCTV” stands for “Closed Circuit Television” and offers comprehensive protection for securing the entry and exit zones at the POS in many application variants. Together with the latest sensor technology, it provides store operators with a high level of security against theft, especially in the checkout area.

I KNOW WHERE – KNOW HOW!

With Asset Tracking from Wanzl, you always have a handle on your shop and warehouse

■ **Be it containers, roll cages or the goods themselves:** with asset tracking, a tiny radio transmitter ensures that you can track the current position of your load carriers or products at any time. Your security benefit: by backing up the information in your database, you not only maintain a continuous overview of your inventory, but can also track possible losses to a precise location and time. In this way, you are fully protected against theft by shop or warehouse employees.

// Your benefits – at a glance //

- Reasonable implementation cost
- Excellent overview
- Losses can be traced
- Secure storage of all data



↑↑ ROLL CAGES

Like the models from the Wanzl RC/S series, they not only have sophisticated driving characteristics, but also provide comprehensive protection against theft.

↑ **INVENTORY CONTROL:** With asset tracking, you can do this at any time from your desk.

→ **WITH ASSET TRACKING,** you always have complete control of your inventory, even during transport.



// Wanzl Asset Tracking:
We offer you these options! //



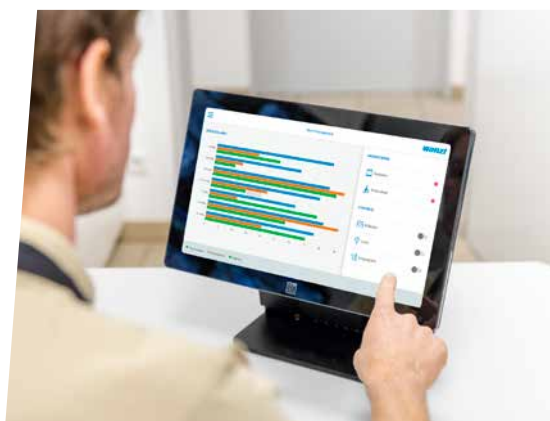
Option 1 – Integration of your tracking solution into our load carriers.

Do you already have a functioning tracking solution, but would like to combine it with the use of load carriers or roll cages from Wanzl? – We will find the right solution for you!



Option 2 – Project management and joint selection of the tracking provider.

Need help choosing a tracking provider? – We lay the foundations to help you make the right decision! After analysing your specific application, we propose various tracking models, calculate benefits against the costs incurred, select a provider with you and then implement the project together.



Option 3 – Implementation of our wanzl connect® tracking solution.

With wanzl connect®, you have the option of accessing a complete, modular kit for the management, control and analysis of all tracking data for all your storage and transport tasks. This allows you to reliably trace your goods throughout your supply chain.

/ ROBUST SECURITY SOLUTIONS WITH AGILITY

By implementing an extended security concept for 340 stores, Wanzl has significantly reduced inventory differences at British retail giant Tesco.

■ **Tesco's spectacular rise began with the opening of a market stall** in the East End of London in 1919. Today, more than a hundred years later, Tesco supermarkets in the UK alone generate group turnover of almost 58 billion euros and have long established themselves as the largest retail chain in the country. With 330,000 employees, the company is a benchmark for all relevant developments and trends in British retail. These have also included the effects of rising inflation on the cost of living in the last few years, which was most recently

reflected in a significant increase in shrinkage in Tesco branches and resulting inventory differences.

The result of this was a review of the existing security concept, which was obviously no longer adequate, combined with a strategic realignment of the same. "Key points" of the new plans included better control of customer entrances and exits, in particular the checkout area.

Cross-departmental approach

■ **In close cooperation with the responsible management staff**, Wanzl developed a solution for this purpose that reconciled existing standard solutions with the specific requirements and needs of the approximately 340 branches involved on site.

In order to arrive at practical individual solutions, a deep dive analysis was combined with agile working methods, with the option of being able to improve the planned solutions at every project phase.

The Wanzl team quickly adapted to this flexible, cross-

departmental approach, but at the same time ensured that the overarching, rather challenging timeline for the project could be adhered to with all the agility on site.

An important factor during the process was that both customers and employees could not in any way be affected by the redesign of the entry and exit zones.

Installation of dual project management teams

■ **The engagement of further experts** was indispensable for an order of "Tesco magnitude". This was the only way to make optimum use of the planning framework. Since the entry and exit zones were not allowed to be converted during store opening hours, a "dual project management structure" was implemented. This ensured that the tradespeople commissioned with the conversion work, installers, electricians and floor layers, could be instructed, supervised and, if necessary, additionally supported on site.

The on-site teams were complemented by the overarching (Wanzl) project management team, which was largely responsible for the overall design and coordination.

The part of the management that was handled outside of the stores' business hours created the conditions that enabled the installation, administration and sales tasks not to restrict operations in any way.

CASE
STUDY!

Analyses in the preliminary phase

■ **The new gates were designed** so that the impact on customers' purchases and employees' work was hardly noticeable.

The individually controlled management of customer flows – in accordance with the different interior design of the stores – had a significantly positive effect on the relevant security factors. Among other things, it provided store operators with precise insights into where and to what extent goods were lost at the POS or in the storage rooms. Based on these analyses, the measures could be focused accordingly and the inventory differences in each of the participating stores could be clearly reduced.

Conclusion

The installation of the new gates as part of the redesign of the entry and exit zones did not have a negative impact on customer movements in any of the stores involved.

The number or quantitative scope of thefts fell significantly in the follow-up period – the new installations will therefore have paid themselves off quickly in the near future.

Looking back, it was primarily the professional interaction between the project teams that impressed the customer in the cooperation with Wanzl, but also Wanzl in the cooperation with the customer!

VISIT US AT
www.wanzl.com



GERMANY

Wanzl GmbH & Co. KGaA
Rudolf-Wanzl-Straße 4
89340 Leipheim

Phone +49 (0) 82 21 / 7 29-0
info@wanzl.com
www.wanzl.com

GREAT BRITAIN

Wanzl Ltd.
Europa House
Heathcote Lane
Warwick CV34 6SP

Phone +44 (0) 1926 / 45 19 51
enquiries@wanzl.co.uk
www.wanzl.com

AUSTRALIA

Wanzl Australia Pty Ltd
37A Miles Street
VIC 3170 Mulgrave

Phone +61 (0) 3 / 9808 2299
info.au@wanzl.com
www.wanzl.com