ILRT Anti-Theft Decision Tree for Product Protection

(1a) Is product unique to the marketplace? — Yes → **(1b) Will uniqueness attract theft?** — Yes →

No ↓

(2a) Is product new to the retail market? — Yes → **(2b) Is there a similar product with theft issues?** — Yes →

No ↓

(3) Will price point of product attract theft? — Yes →

No ↓

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

No ↓

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

No ↓

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

No ↓

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

No →

Consider Incorporating Anti-Theft Measures

Approved →

Rejected ↓

Other Alert Factors

- **Lifestyle requirement (ex. Testing Strips)**
- **Recent deregulation or regulation activity**
- **National media focus**
- **Embarrassment concerns (eg. Condoms)**
- **Availability issues**

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
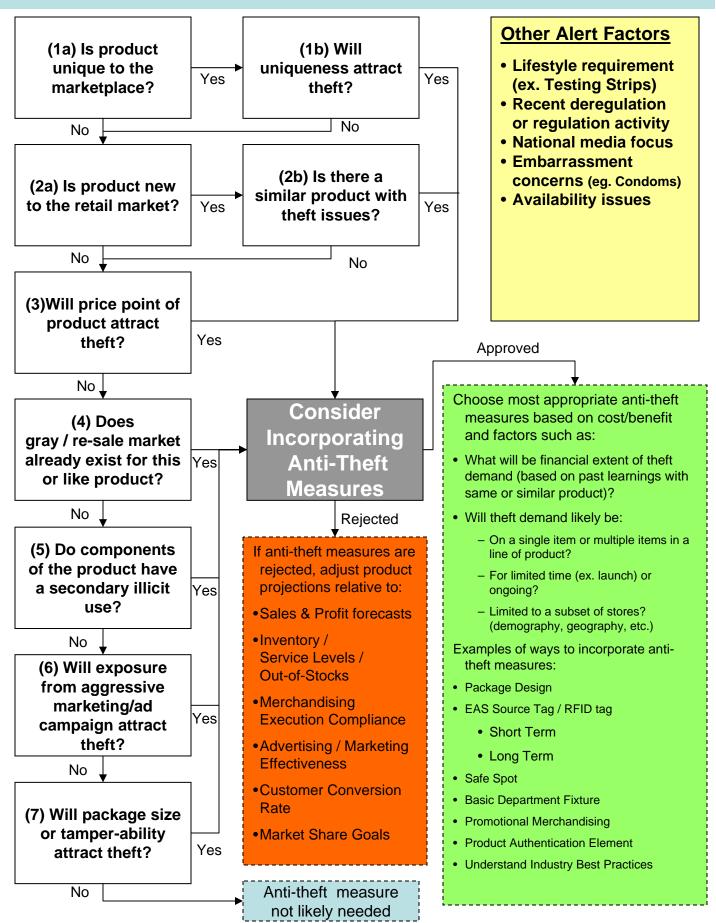

Anti-theft measure not likely needed

ILRT Anti-Theft Decision Tree for Product Protection

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*

Retailer

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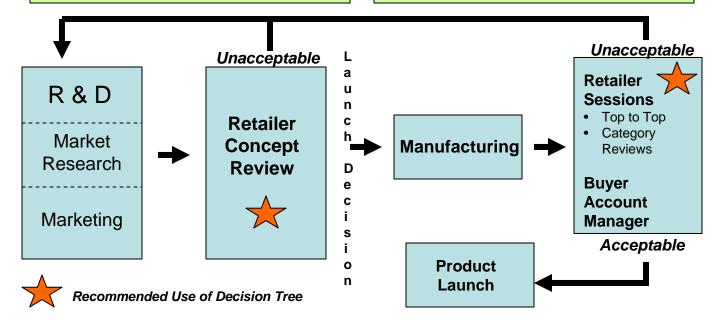- Loss Prevention*
- Finance
- Logistics
- Executive Team*
- IT

* Attend Top to Top Meetings

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

R & D

Market Research

Marketing

→

Unacceptable

Retailer Concept Review ★

Launch Decision →

Manufacturing →

Unacceptable ★

Retailer Sessions
- Top to Top
- Category Reviews

Buyer Account Manager

Acceptable

Product Launch ←

★ *Recommended Use of Decision Tree*