

## Consumer Shoplifters And The Cost Of Repeat Offenses

The National Association For Shoplifting Prevention (NASP) educates retailers on how to reduce the frequency of theft by reducing repeat offenses.

by Barbara Staib

Over the years, there has been different information circulated in the retail industry about the losses from consumer and nonprofessional shoplifters. However, our findings from the information gathered directly from the offenders themselves consistently show that consumer shoplifters are more costly than reported, and that this type of shoplifting is more damaging and far-reaching than is understood.

The following information was gathered from a large sampling of 15,000 consumer shoplifting offenders who were, for the most part, ordered by the court to complete one of NASP's educational programs by the court system as a condition of diversion, sentence, or probation. A smaller percentage of the offenders completed the program voluntarily or were referred to the program directly by the apprehending retailer.

### The Cost Of The Current Shoplifting Incident

Regarding their current shoplifting incident, the 7,702 adults and 7,475 juveniles in the sampling were asked: "What was the value of the merchandise you shoplifted this time?"

Adults		Juveniles	
Less than \$25 (\$20)	30%	Less than \$25 (\$20)	36%
\$25-\$100 (\$75)	46%	\$25-\$100 (\$75)	41%
\$101-\$500 (\$300)	21%	\$100-\$200 (\$150)	14%
Over \$500 (\$500)	3%	Over \$200 (\$200)	9%

Using the conservative dollar amount shown in parentheses, the estimated collective cost of the single incidents for which these offenders

were prosecuted was more than \$1,500,000 — or about \$100 per incident — which is generally in line with what is reported in key retail self-report surveys. It is valuable to learn that the information provided by the consumer offenders corroborates that reported in the key retail self-report surveys. But, this is not the whole story.

### Uncovering The Real Cost

The value of prior, undetected shoplifting offenses is critical information needed to determine the real cost of consumer shoplifters. However, it is generally not collected by or available to retailers. This leaves a significant gap in the information that is being used to make key decisions on apprehension and prosecution policies as well as loss prevention priorities. To help fill this information gap, we looked at past shoplifting activity — had they ever shoplifted? And if so, how long, and how often? Nearly half of the 15,000 consumer offenders in the sampling admitted that they had been shoplifting prior to this current incident.

#### Forty-six percent of adults are repeat offenders

- 24% had been shoplifting for 1 year or less.
- 14% for 1-5 years and 8% had been shoplifting for more than 5 years.

#### Forty percent of juveniles are repeat offenders

- 21% had been shoplifting for 6 months or less.
- 11% for 6 months to 2 years and 8% had been shoplifting for more than 2 years.

Yet, in spite of the fact that nearly half of the offenders were not first-time offenders, only 14% of adults and just 6% of juveniles said they had been arrested for shoplifting prior to this incident. This bears repeating and clarification as it is the crux of the issue. Of these 15,000 people surveyed in the course of just 12 months, 46% of adults admitted they were repeat offenders, yet only 14% were ever arrested before this incident. Moreover, 40% of juveniles admitted they were repeat offenders, yet only 6% were ever arrested before this

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incident. Therefore, the actual cost to retailers of the innumerable incidents that go undetected, unreported, and unpunished is staggering.

Number of incidents per 100 adults if stealing 2 times/mo.	Average \$ value per case	Losses per 100 adults prior to the current incident
240 — 24% < one year	\$125	\$30,000
343 — 14% stealing 1-5 years	\$125	\$42,875
400 — 8% stealing more than 5 years	\$125	\$50,000
<b>983 incidents</b>		<b>\$122,875</b>

Number of incidents per 100 juveniles if stealing 2 times/mo.	Average \$ value per case	Losses per 100 juveniles prior to the current incident
210 — 21% < 6 months	\$75	\$15,750
269.5 — 11% stealing 6 mo. - 2 yrs.	\$75	\$20,212.50
400 — 8% stealing more than 2 years	\$75	\$30,000
<b>879.5 incidents</b>		<b>\$65,962.50</b>

To see just how staggering, we must consider the frequency of consumers' theft. The charts above conservatively calculate the losses already caused by every 100 shoplifting offenders in this survey prior to this prosecution. Knowing that there were 15,000 offenders in this survey, these numbers have to be multiplied by 150 to calculate the total losses from this group of offenders' prior shoplifting activity.

By combining the three pieces of information — the dollar value stolen per incident, the number of consumers who were repeat offenders, and the frequency of the repeat offenders' thefts — we find that these 15,000 offenders alone caused more than \$28 million in estimated losses. That's more than \$1,800 per offender before the current arrest. To put it in perspective, this easily rivals most internal theft cases and, when multiplied by the number of potential consumer offenders (1 in 11 people), may even rival professional booster cases.

The fact is, year after year, millions of consumer shoplifters go about quietly stealing billions of low dollar value merchandise, thus operating underneath the radar and avoiding penalty for the collective value of their offenses.

### Turning An Eye To The Future

We cannot ignore the impact that unpunished offenders

have on the proliferation of shoplifting in our nation and on the steady growth of employee theft and organized retail crime. On the other hand, there is no way to watch, deter, and/or catch the millions of customers that are shoplifting from your store. Therefore, the only practical way to reduce the losses is to keep an eye on reducing the frequency of theft by the ones you do catch to reduce repeat offenses. Armed with the knowledge that nearly half of consumer shoplifters are repeat offenders, retailers must ask - how would we handle a "low-level" consumer offender if we knew they had stolen \$1,800 over time rather than just \$25, \$50, or \$100 this particular time?

We are not suggesting that retailers forgo other retail theft concerns to concentrate on low-level offenders. We are, however, suggesting that:

- Retailers are the only ones who can identify shoplifters and when they have a "bird in the hand," they need to take action to prevent the next offense.
- Retailers can enlist the support of authorities in their community by sharing this information about the cost of repeat offenses to encourage stricter and more appropriate sanctions for "low-level" offenders.
- Small steps like providing education at apprehension can be meaningful and effective in preventing future crime and repeat offenses, especially with youthful offenders.

### About NASP

The National Association for Shoplifting Prevention is the nationwide leader in shoplifting prevention efforts and non-professional shoplifter research and statistics.

NASP's core programs, the Shoplifters Alternative Course (SA Course) for adults and the Youth Educational Shoplifting Program (Y.E.S. Program), continue to set the standard for research-based shoplifting prevention programs with the lowest reported recidivism rates. For more information, visit [www.ShopliftingPrevention.org](http://www.ShopliftingPrevention.org).

NASP's Say No To Shoplifting campaign for retail loss prevention teams allows retailers to reduce repeat offenses by offering the Y.E.S. Program directly to the parents of all juveniles apprehended for shoplifting. For more information, visit [www.SayNoToShoplifting.org](http://www.SayNoToShoplifting.org). ■



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