



## Shoplifting cost the world \$112 billion last year

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Retail theft, or "shrink"- a loss of inventory due to factors such as shoplifting, employee or supplier fraud and organized retail crime – cost retailers over \$112 billion worldwide last year, according to the 2012-2013 Global Retail Theft Barometer.

Shrink rose in most countries with global retailers blaming sluggish economic recoveries and organized retail crime for high theft rates, according to a study by retail security firm Checkpoint Systems and market research company Euromonitor.

"As a growing share of the population struggles to meet its financial obligations, the occurrence of both shoplifting and employee theft reportedly rose," the report said.

"Shoplifting is on average the most important cause of shrinkage in all countries reviewed, followed by employee theft," it added.

*(Read more: [Retailers track employee thefts in vast databases](#))*

The study surveyed 157 companies in 16 countries covering 160,000 stores. The companies generated more than \$1.5 trillion in sales in 2012.

The highest shrink rates were recorded in Brazil and Mexico at 1.6 percent of overall retail sales, followed closely by the U.S. and China at 1.5 percent.

The lowest rates were seen in Japan and Australia at 1.0 and 1.1 percent, respectively.

*(Read more: [Rare bourbon stolen from Kentucky distillery](#))*

The most stolen merchandise are typically small, easy to steal and hide, have a relatively high value and offer the possibility of resale.

These include fashion accessories, jeans, footwear and lingerie, high-value electronics such as Apple products, electronic games, mobile device accessories and consumer health products including allergy treatments and milk formula.

"Shrink is a multi-dimensional threat for retailers across the globe, with shoplifting and employee theft, including organized crime, on the rise," said Katharina Kunze, associate consultant at Euromonitor.

"Growing shrink concerns have put loss prevention high on the agenda of retail companies keen to invest in effective and proven loss prevention methods such as collaborating with technology companies and specialists for loss management solutions," Kunze said.

*(Read more: [Retailers sweeten the pot for Thanksgiving workers](#))*

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