

Combat retail shrink with comprehensive loss prevention strategies, supported by AI



Shoplifting and employee theft are a major problem in retail and have a direct correlation to the bottom line. The increase in incidents and new types of theft are encouraging retailers to invest in new technology to reduce inventory shrinkage. There are several ways artificial intelligence (AI) can help retailers, including understanding where exactly they are experiencing shrink, and tailoring the approach based on the specific needs of the retailer.

Vynamic® Smart Vision | Shrink Reduction addresses the prevention of fraud at a self-service checkout as well as the detection of conscious and unconscious operating errors. A camera observes the scanning area around the system and with the help of AI, it is recognized whether the customer moved an item past the scanner without scanning it, whether another item was scanned, whether two items were held in front of each other, or whether the customer walks away from the self-checkout without paying for his transaction. If an incorrect operation is detected during the video analysis, the customer can be informed directly via a message on the self-service checkout that an item was not recorded correctly. Similarly, employees are notified of the incorrect operation with the help of the intelligent assistant. Thanks to fast, real-time analysis, retailers can make data- and fact-based decisions, securing their sales and preventing losses at the self-checkout.

MORE EXPERIENCE

Transforming customer experiences, Vynamic Smart Vision | Shrink Reduction streamlines the need for manual shopper checks, intervening only in cases of suspicious behavior. This enhanced approach minimizes frustration for customers and boosts employee satisfaction.

IMPROVED FRAUD PREVENTION

Be a game-changer in fraud prevention, curbing fraud and reducing shrinkage. By analyzing suspicious behavior in real-time, we enable swift and proactive actions, fortifying the defense against fraudulent activities and ensuring stock accuracy, and a more secure revenue framework.

INCREASED STAFF EFFICIENCY

Vynamic Smart Vision | Shrink Reduction enhances staff efficiency by streamlining operations, allowing store assistants to focus on supporting customers. With improved checkout efficiency and throughput, experience better sales margins, creating a more seamless and profitable retail environment.

SHRINK USE CASES WITHIN SELF-SERVICE ENVIRONMENTS

Leading causes of shrink at self-checkout fall into three overarching categories: Missed Scans (intentional or unintentional), Walk-Away and Barcode Switching. Vynamic Smart Vision | Shrink Reduction combats loss resulting from:

- voluntary non-scans (e.g., theft)
- unintentional non-scans (e.g., errors)
- scanning only one item of several
- leaving items in the shopper’s hand, basket or cart
- scanning items but not paying for them

- paying for some items but leaving with more
- walking out without paying or scanning
- using false barcodes
- switching barcodes
- switching loose items to prioritize the less expensive one

The AI autonomously identifies these instances in real-time and, in most cases, enables shoppers to self-correct non-malicious events through “nudging” (suggesting correctional behaviors), while directly “blocking” obvious instances of theft.

Influencing consumer behavior with nudging and alerting



Analyzing consumer behavior



Identifying suspicious behavior



Customer nudge



Solving incident.

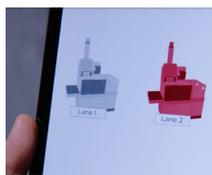
Stopping and resolving instances with staff connectivity



Analyzing consumer behavior



Identifying suspicious behavior



Alerting store staff



Blocking system



Solving Incident

KEY BENEFITS

- Quick and easy implementation, tailored to the specific needs of the retailer.
- Combating retail shrink with today 19 shrink use cases—constantly evolving—to implement stronger loss prevention strategies.
- Empower the staff with an exceptional shrink prevention that increases the customer and employee experience.
- Eliminating the hassle for store associates to check shoppers and avoid bad consumer experience of spot checks.
- Flexible notification system: Adaptive and seamless messaging designed to nudge shoppers, alert staff through devices and/or block the self-checkout.
- Analyzing transaction data in real-time to identify patterns indicative of fraudulent behaviors and detect potential fraud.
- Reducing losses in retail stores to reach a better stock accuracy and sales margin. IHL indicates that \$4 Billion in losses were saved at major retailers with AI.*

VYNAMIC SMART VISION | SHRINK REDUCTION: PART OF THE VYNAMIC SELF-SERVICE SUITE OF SOLUTIONS

High connectivity and openness are critical to being adaptive and ready to adopt future innovations, whatever they may be. Vynamic Self-Service is based on a platform approach using open APIs for faster and easier integration. Vynamic Self-Service is a service-oriented software solution that seamlessly supports the self-service process within a retail environment and easily allows the implementation of innovative solutions like Vynamic Smart Vision | Shrink Reduction, which addresses the top cause of loss in retail.

*Source: IHL Infographic Retailer’s AI Revolution, 2023



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