



6 Security Investments Retailers Should Consider for their **2025** Budget

Budgets for retailers are understandably tight going into 2025, so spending wisely has never been more important.

Retail theft and crime continue to be a major challenge for loss prevention teams. Retailers lose over \$100 billion every year to shrink and new challenges such as organized retail crime (ORC) and vagrancy in urban locations continue to erode shopper sentiment and negatively impact sales.

As security and loss prevention leaders in retail chains start planning for the 2025 security budgets, they need to optimize costs, leverage existing investments smartly, and use innovative security solutions that maximize ROI.

We have identified six safety and security solutions that retail security and loss prevention chain leaders should consider including in their 2024 budgets to get the most bang for their buck.



1 Deploy Virtual Security Guards

Many retail chains have vulnerable store locations in challenging neighborhoods. These stores can be plagued by organized retail crime or have serious internal shrink issues.

While it might make sense to deploy security guards at vulnerable locations, it might not always be the best approach. Just the cost of employing an armed security guard can be in the range of \$60,000 to \$75,000 a year. Tragically, guards are often the first to be targeted by a determined criminal.

A better, more cost-effective approach would be to deploy a Virtual Security Guard solution with a team of remote security professionals monitoring store locations 24X7X365 via live video and two-way audio with the ability to hear and speak directly to store associates and/or customers.

The Virtual Security Guard can conduct virtual tours of vulnerable locations to check for suspicious activities, remove unwanted people from the property, deter loitering, dumpster diving, and track your employees in vulnerable situations, e.g., during bank deposit runs or exiting the store at night during closing.

If required, they can conduct a voice down announcement to check in with store employees or warn customers who might be behaving suspiciously. Of course, law enforcement can be called in if needed.

All of this can be done discreetly without negatively affecting the customer experience at the store.



2 Replace DVR with an NVR

Get rid of that old DVR and invest in an NVR (network video recorder) that supports IP and analog cameras. This approach will allow retailers to continue using their analog cameras while retaining the option to upgrade to higher resolution IP cameras with video analytics features when budgets allow for it.

Without making a major investment, retail chains can get a significant boost in the productivity and effectiveness of their security teams as NVRs come with upgraded features for accessing live and recorded video.

When planning on upgrading analog cameras to IP cameras that typically require more storage and bandwidth requirements, consider upgrading to a solution that's configured for motion-triggered recording and uses the high efficiency video coding (H.265) to keep storage and bandwidth requirements from spiralling out of control.

The best NVRs allow remote access to important clips via a cloud interface, which is extremely valuable when travel is restricted, and enables loss prevention teams to easily share video and collaborate across territories.



3 Invest in video analytics capabilities

Beyond motion triggered recording, video analytics can detect line crossing, monitor dwell times, count people in queues, spot when objects appear/disappear and monitor occupancy levels. The latest AI cameras go further and differentiate customers from employees and can send alerts only when certain people show up at the door. These are extremely valuable tools for loss prevention departments to have as they can dramatically reduce workloads and help security teams do more with less.

As IP cameras are evolving to become comprehensive data gathering sensors, sophisticated video analytics solutions are now available to dramatically improve security and loss prevention team's ability to conduct forensic search without having to scan through hours of video footage. It is now possible to easily sift through video recordings to locate, for example, a perpetrator wearing a red shirt or a lost iPhone in a store.

There are immense benefits to understanding customer movement or behavior across the store, customer service issues at the checkout counters, and overall employee performance and productivity. Accordingly, security and loss prevention departments can make a strong case for apportioning the investments needed for implementing a video analytics solution across multiple departments.

Considering the broad-based benefits of video analytics, it's not uncommon to see asset protection teams tap into the budgets of their colleagues in marketing and HR.



4 Upgrade to Video-Verified Alarms

Plan to upgrade alarm systems to a Video-verified alarm. Retail chains that already have an intrusion alarm system and CCTV cameras should consider integrating the two systems to maximize effectiveness and minimize false alarm costs.

99.5% of commercial burglar alarm signals are false with police often taking longer than 40 minutes to respond. Conversely, Video-verified alarms provide live eyes on site giving law enforcement a play-by-play account of what's happening when an alarm goes off during a break-in or robbery. The police arrive within minutes because they know they've got an opportunity to catch a criminal in the act and they can respond with a lot more intent to apprehend the perpetrator.

That's not all. Integrating video with intrusion detection devices such as motion detectors, glassbreak detectors or even devices used to monitor environmental parameters at warehouse locations or stores such as water, carbon monoxide, temperature or fire, will significantly improve the speed and precision with which security teams can react to real threats as they happen.

Integrating video with alarms reduces the instances of false alarms and the expenses associated with them. Having a reliable solution to avoid false alarm penalties will more than pay for the service.

Most importantly, key store associates won't be frequently called up to visit a location after shift hours to verify an alarm or the operations team won't be busy handling the paperwork associated with paying fines.



5 Utilize Video-Integrated POS Exception Reporting

Probably the easiest way for retailers to get a return on their security investment is to implement a point of sale exception reporting solution.

Wherever there is cash being transacted, there is loss. Even if there are no cash transactions and all transactions are virtual or credit card only, there may be sweetheart deals happening when transactions are rung up at much less than what they should be.

With a point of sale exception reporting solution, suspect transactions bubble up to the top and raise a red flag. If a store associate voids a \$100 transaction at one of the stores, loss prevention teams can check that out by going right down to the receipt level and see the void. With an integrated system, the team investigating the transaction can also view the video associated with the transaction to see if this was a legitimate void or something suspicious.

At Interface, we have customers that are saving thousands of dollars per store per year by taking every point of sale, overlaying the exception reporting and integrating it with their video systems.



6 Upgrade Your Network Infrastructure

It's important to realize that any security solution is only as good as the network upon which it resides. When store locations have limited bandwidth, security solutions end up competing with other mission-critical applications such as credit card transactions or inventory management applications. So no matter how sophisticated the security solution is - IP cameras, video analytics or advanced remote monitoring, it will be difficult to justify the investment if the retail chain cannot derive the value from the solution due to network limitations. One way to mitigate this challenge is to right size existing network bandwidth or roll out parallel 4G/LTE wireless connectivity and optimize security applications so that performance of mission-critical store applications are not impacted.

Doing a network audit and allocating the correct bandwidth is crucial to the proper functioning of any security system. A comprehensive network audit will uncover opportunities for improving the overall productivity of all the enterprise applications including security solutions. For example, do the routers support QoS (Quality of service) functions, do certain locations have bandwidth limitations that limit what applications can be supported without performance degradation, or does the network management system have the capability to route network traffic through the best available network connectivity?

Retailers can gain significant competitive advantages by partnering managed network services providers like Interface.

Protecting customers, staff and company assets is crucial to business success. The best bet for security and loss prevention teams is to focus on implementing targeted solutions that maximize ROI, improve customer satisfaction, and employee experience.

Talk to Interface solution experts to understand how consumer-facing, multi-location enterprises can innovate faster and grow rapidly with our suite of managed services.

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