



MEDIA RELEASE

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NEW RESEARCH SHOWS RETAIL CRIME GETTING WORSE AND MORE VIOLENT

The cost of retail crime is around \$1.1 billion a year, and retailers are facing increasingly organised and violent criminals according to a new study by Retail NZ and the University of Otago.

“Retail crime is a massive issue that is costing the industry just under \$1.1 billion a year, with the impact falling disproportionately on small businesses and high street retailers,” Greg Harford, Retail NZ’s General Manager for Public Affairs said today.

Otago University’s Dr John Guthrie says a concern is that retail crime is growing, becoming increasingly organised and more violent. “The research shows that 38 per cent of retailers have noticed changes in the profile of retail crime over the past 12 months, and are seeing more brazen criminals than in the past. Theft by employees is also growing in significance, accounting for 23 per cent of losses now, compared to 15 per cent at the time of the previous survey in 2003”.

Mr Harford said retailers are worried that criminals are more aggressive than in the past. “Retail crime no longer involves just petty theft from stores. Retailers are reporting a sizeable number of violent and aggressive incidents every year, as well as more sophisticated fraud incidents. This shows that retailers need to be more alert to a range of criminal activity, as well as taking steps to protect their employees and customers from the threat of violence.

Dr Guthrie said that the total cost of crime is far greater than the \$1.1 billion reported in losses. “Our research shows that retailers are spending around \$514 million a year on crime prevention, plus crime takes a massive toll on the individuals who face violence, intimidation and who are fearful about going to work. However, the research does show that money spent on preventative measures does pay off. The

biggest retail firms, who spend the most on crime prevention have a noticeably lower rate of recorded crime overall, so it's a good idea for retailers to review their security arrangements and do what they can to make it tough for the criminals".

"It's really important that all crime is reported to the Police," Mr Harford said. "The survey shows that, overall, just 31 per cent of retail crime goes unreported, either because there's a perception that the Police won't act, or because it is time-consuming and difficult to do so. It is heartening that 63 per cent of retailers think the Police is doing an 'okay' or a 'great job' of managing crime, but an online crime reporting tool or app would go a long way towards making it simple and easy for crime to be reported.

"Additionally, Retail NZ is renewing its call for Government action to help manage retail crime by establishing a dedicated Retail Crime Reduction Taskforce within the Police, funding a social change programme to make it clear that crime is not acceptable, and bringing in an "infringement ticket" style offence for petty theft to ensure that there are consequences for people beginning their life of crime. Retail NZ sees early intervention and real consequences as key to stopping the cycle of crime," said Mr Harford.

The 2017 Survey of Retail Crime is available online at:
<http://www.retail.kiwi/advocacy/retail-crime>

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