



Our Theft Mitigation Approach

1. Identify potential thieves
 - a. A customer that doesn't look like the typical Hot Mama shopper
 - b. A customer in a group that demands full attention and draws you away from the group.
 - c. A customer that watches the employees.
 - d. A customer that really wants to be left alone.
 - e. An uncomfortable customer. Follow your instinct. It is probably correct.
 - f. A customer who comes in 5 minutes to close

2. Stick to potential thieves by following them everywhere in the store. Make them feel uncomfortable. Ask questions, such as:
 - a. Have you shopped with Hot Mama before?
 - b. If yes, what have you purchased?
 - c. What brands do you like?

3. The police say shoplifters will usually do 1 of 2 things:
 - a. The Distraction Game – Shoplifters will come in. One will act like they're going to buy or going to try on. In other words, they will distract you while the other person steals. The one stealing will put things in her bag, in her coat, down their sleeves, down her pants, anywhere she can. **The Hot Mama team on the floor should split up and stay with each suspicious shopper.**

 - b. The Intimidation Game – Shoplifters will try to make YOU feel uncomfortable. They may say: "Are you following me because of my race?" **Please respond: "We like to give each customer one-on-one service." Don't worry about making them uncomfortable. That is your goal in this situation. The more uncomfortable they become, the quicker they leave...forever.**

What we do: CATCH

C - COMMUNICATE with the staff that something seems awkward. This means one or more employees focusing on a group that seems shady. Use "Mrs. Walker" as a code-word for communicating suspicious behavior with your co-stylist... "Beth, do you know if Mrs. Walker is coming back in?"

A - AWARE - Be Aware of the Entire group – Don't feel bad about being all over them! Engage each person in the group with over-the-top customer service.

T - TALK about what they touch. – Talk brands and talk specifics. Let them know you're paying attention.

C - COUNT items placed in dressing room. Organize the room. Remove items as they try them on. Create yes piles and hang rejects. Give them less time with each garment.

H - HALT – Stop all other projects. You may even need to abandon your customer. Excuse yourself to focus on the situation. The police remind us that our regular customers will understand. We can tell them we have to help with a situation and someone else will jump in to help them, or, if that's not an option, that you will be back as soon as it's handled.



Other Approaches

1. Ask a customer to leave who is uncomfortable or suspicious. You have the right to do this in your store. You can refuse service. This is an approach to apply when there is a group that makes you uncomfortable - they tend to split up so you cannot watch everyone's actions.
2. Do not allow them to hide product behind props: bags, coats, long skirts, strollers. Be aware, insist on starting a dressing room. Get items out of their hands.
3. Ask what's in their bag. You cannot place your hand in their bag but you can ask them to open a bag or big purse to look inside. If you know what the item is announce what you're looking for. Be specific if you know what they touched or what's missing. You can then play it off like it fell in their bag. This will diffuse the situation and get the thief out of your store.
4. Stand your ground with a suspicion. They want you to feel foolish. Act with conviction.
5. Beware of back office theft. It's ok to deny a customer the use of your restroom if you are suspicious.

Actions to take

1. Note physical descriptions of shoplifters
2. Note car license plate number, color, make, model of vehicle – which direction did they go?
3. If you have a cell phone, take pictures of shoplifters, vehicle, license plate, etc.
4. Store calls 911 and reports shoplifter – If you are in a location that has mall security, you can notify security after calling 911. You can also call 911 to report a suspicious customer in the store. Don't wait for the store to be robbed.

How our approach to selling floor behaviors should prevent theft in and of itself: Theft should be nearly impossible at Hot Mama if every employee is truly comfortable talking with customers and is aware of every customer in the store. When we are comfortable talking with every person that walks through our doors, the criminals will feel uncomfortable enough to leave.

Your safety comes first: You should NEVER put your safety at risk. Your personal safety is more important than losing money or property to a shoplifter.

Tagging Clothing to prevent fraud

1. Never tag an item on a removable vendor tag (sticker a vendor tag that is attached by safety pin or string).
2. Tag denim mid-thigh. Why? We are decreasing the temptation to wear and return garments. We create consistency so we can identify items that are tampered with. Tags are less likely to fall off when people try them on. It will reduce the reprinting of tags and the confusion of finding a price and barcode at the register.

3. Watch for customers who attempt to return re-ticketed merchandise by ensuring that the ticket and garment match. We have had people attach tickets from new merchandise onto old merchandise and attempt to get their money back.



Theft Mitigation

Preventing internal theft

1. Dig in to discrepancies discovered during markdowns. This could be a sign of internal theft.
2. Have a co-worker ring up your purchases.
3. No unauthorized discounts given to friends, family or customers. This is considered theft.
4. Do not bring home damaged or donated garments.
5. Do not use your discount to purchase for others and then get reimbursed. This is considered theft.
6. Notice what stylists try on and purchase.

Using Celerant to communicate suspicious behavior

Occasionally we notice that customers who don't like what they hear from one store, will go to a different store (or Shopmama) in hopes of getting the resolution they want. This mainly happens regarding returns or damaged items. Since our goal is consistency, we can achieve this by communicating the situation.

These situations should be documented in the "comments/restrictions" box on the "customer detail" page of Celerant. Comments will mainly focus on unusual return situations and whether they were granted or denied but can also be used to document when an exception to the return policy has been made. Utilizing this tool will allow us to keep track of interactions from store to store. Comments here can also be helpful for Shopmama/customer support if a customer writes in about their service.

Steps to add comments:

1. Locate customer's account. "Customer detail" will show at top of screen
2. Select "comments/restrictions" which is to the right of "personal" which we use for b-day month
3. Document:
 - Date
 - The situation; including action steps if applicable
 - Store number
 - First & last name of the person documenting the situation
 - Check the box "special handling" (bottom right) which, when the customer is entered, will pop up a signal that there are comments to be read.

Steps to read comments:

1. If "Special Handling" box appears while in the POS screen, click on "customers"
2. Click "View customers"
3. Click on "comments/restrictions"

This tool can be used to help verify any suspicions before you take a return and to note if you make an exception.