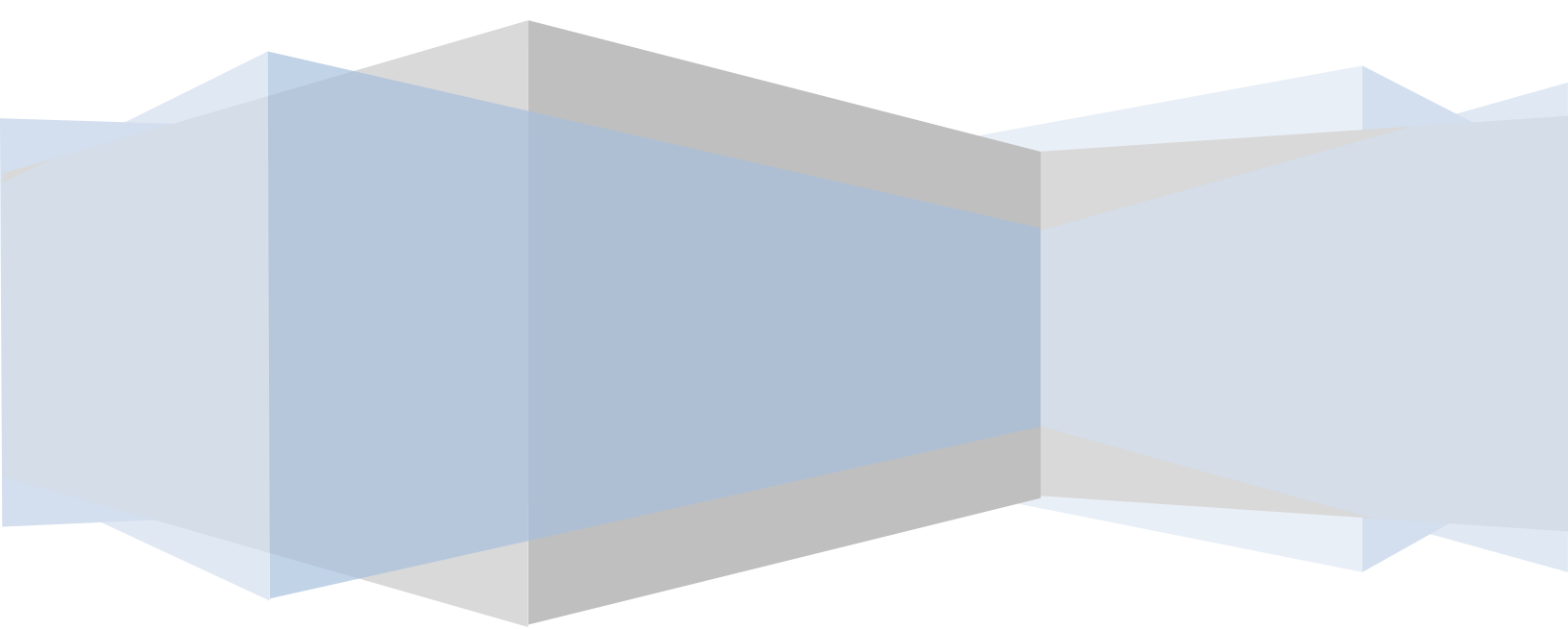




**Shave and Ink Protection with InVue  
T1000 Dispenser: Customer,  
Offender, Associate Feedback Report**  
Conducted in Multiple CVS StoreLab Locations

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# LPRC Research Report: T1000

## Introduction

The Loss Prevention Research Council (LPRC) conducted a series of in-person survey interviews in two Gainesville, FL. CVS **Store Lab** locations in order to understand the impact of InVue's T1000, a customer-friendly oriented dispenser technology, on customers, offenders, and associates. This research was conducted with wet shave razor handles and printer ink cartridges, two high loss items across multiple retailers and in a variety of settings and circumstances. The LPRC collected data from 14 active offenders (shoplifters), 6 associates, and 30 customers intercepted shopping in the protected merchandise area. An LPRC Research Scientist collected all of the data in September-October 2017. This report details the results of these surveys.

Quantitative data sources were also utilized, with sales data compared to assess a potential sales lift, and cycle count data used to assess impact on shrink.

## Research Goals

### Customers

1. Do customers notice (See It) the T1000 dispenser?
2. Are customers bothered by the presence of the T1000?
3. Do customers believe the T1000 technology will be an effective crime deterrent?

### Offenders

1. Do active offenders notice (See It) the T1000 dispenser?
2. Do offenders understand the purpose (Get It) of the T1000, as well as perceive them to be a credible threat (Fear It)?
3. Does T1000 influence potential shoplifting behavior in offenders?

### Associates

1. How are associates daily duties affected by T1000
2. Do associates believe the T1000 technology is an effective crime deterrent?

The previous protection state for the majority of the Shave Handles was displayed on an anti-sweep peg hook. All ink had previously been protected by a locking hook, for which customers would need to go get an associate to unlock a desired item. Pictures of the test state (T1000) below.

Images 1, 2: Pre-Test State      Image 3, 4: Test T-1000 State

Image 1: Pre Test Condition- Ink



Image 2: Pre Test Condition- Shave



Image 3: Test Condition- Blades



Image 4: Test Condition- Ink

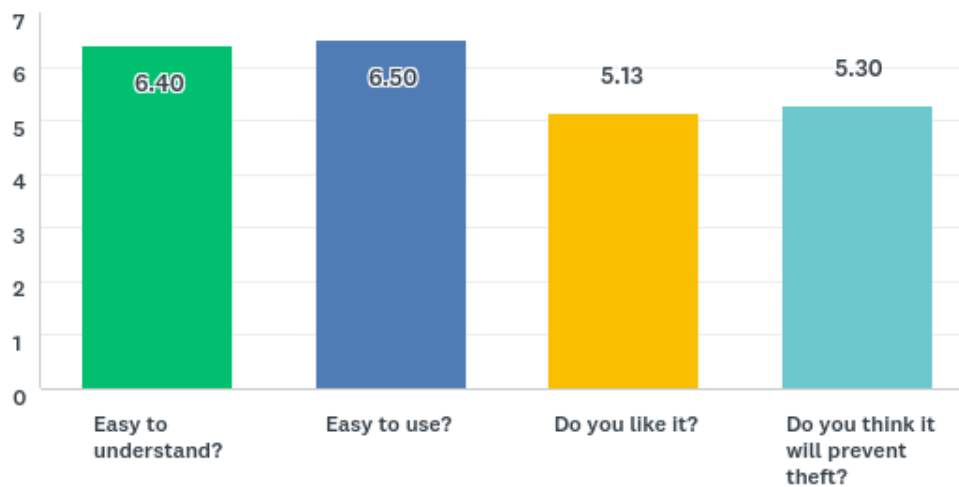


## Results

### Customers:

30 customers were intercepted in the test stores, 15 per store, between 11am and 6pm. Customers were approached in nearby locations to the T1000 installations and shown a loose T1000, then were asked to come look at the installed units. 93% of customers indicated that they would not have noticed the technology on their own, while 7% would have.

**Figure 1. Customer Reactions to T1000 Technology**



Customers indicated that the presence of T1000 would not affect their decision to shop at CVS in the future ( $m=4.07$  on 1-7 scale). 65% of customers intercepted were Caucasian, while 7% were Asian and 28% were African American.

### Direct Customer Quotes:

- "You just push there."
- "Keep in mind now, I'm old! I wouldn't have understood how to use it."
- "I kind of like it, seems like a good idea." "Wouldn't necessarily understand how to use it, you need to do more (with instructions)"
- "I never think about shoplifting. I can't imagine that someone Would do that"
- "You guys are approaching the issue the wrong way. If you see someone stealing, shoot them."
- "Yeah of course I get it...it says push!"
- "I think it's great. Shoplifting is a big problem. Anything that can help"
- "Pharmacy used to have to come out here to unlock the ink and razors and now they don't have to"

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- "That's not bad!" "I like to put product back on the shelf. It's hard to do here. Price tag and ad should be up above."
- "It would delay a thief. Not necessarily stop them"
- "If a shoplifter wants multiple it seems like it would stop them"
- "That's pretty cool, seems self explanatory, should prevent theft because it makes some noise and draws attention" "I'm neutral that it's here, anything that helps prevent theft is good. My husbands a pharmacist at CVS so it should keep him safer right?"
- "Push" should be different color font. "Shoplifters could just hang around and wait"
- "Honestly it might bother me because I'm not a shoplifter yet I have to deal with it". "I think once someone figured out what they had to do to take a bunch it would deter them"
- "I think it's legit. But if you can still get it like it's nothing...". "It should at least slow shoplifters down"
- "That's pretty decent, that's better than when it's locked up. I don't have to get anyone"
- "Worried I'd have trouble seeing reverse side of product. What do I do once dispensed if I don't want it?"
- "They look better. They look a lot better! (Than plain hooks)
- "Pretty self explanatory. You just push!"

### Offenders:

14 offenders were interviewed and shown the T1000 technology. Interviews occurred at the Gainesville Innovation Lab, where 5 T1000 dispensers are installed and hold razor blade refill packs. 100% (n=14) of offenders indicated they'd have noticed the T1000 in a shopping environment.

- 57% understood the mechanism (increase time), while 43% didn't
- 64% wouldn't steal an item protected by T1000, while 36% would
- Offenders rated their average likelihood of stealing an item if protected by T1000 at 3.21 / 7
- Offenders suggested improvements of having the unit make a louder noise, take longer, or communicate electronically with associates

### Direct Offender Quotes:

- "They draw a lot of attention. Make a lot of noise. It's a lot of noise involved. A lot of standing. Too much time involved"
- "Too much time. It looks like it makes noise. Draws attention."
- "I could cut it (the spiral), but it's not worth the risk"
- "This is a good one right here. I wouldn't (expletive) with this"
- ""I don't like it because it's time consuming."
- "That catches my eye coming in the door. It's new, something I haven't seen before. The design is very noticeable. Not like your normal hooks"



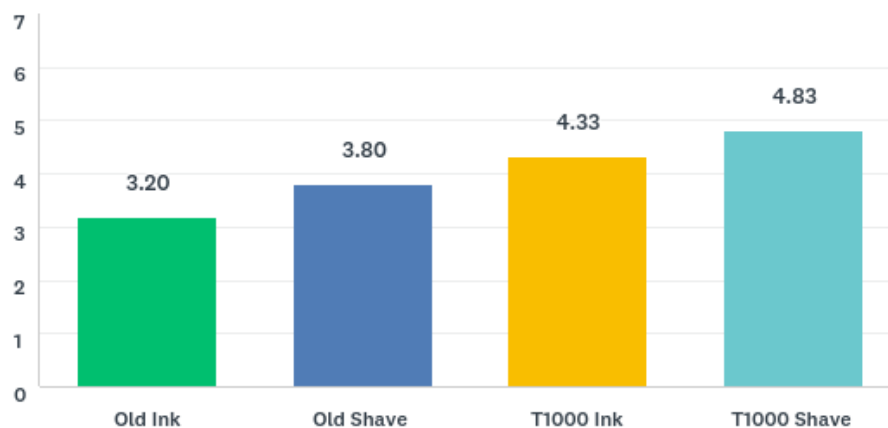
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- “Those bright colors are very noticeable. Seems kind of loud, that's too much noise, I feel like I'd be noticed.”
- “It makes noise when you push the button right?”
- “I'd have to get it off this thing and it's gonna take a whole lot of time”

### Associates:

6 associates were interviewed regarding the T1000 technology, 3 per test store. Employees interviewed had an average tenure of 26 months, with a minimum tenure of 4 months, which precedes the start of the study. All associates indicated being familiar with the pre-study protection and sale conditions of the wet shave and ink categories. Given the choice, 83% of associates prefer T1000 to the previous technologies, while 17% would prefer locking peg hooks.

**Figure 2. Associate Ratings: Effect of Protective Measures on Associates (1-7 scale)**



**Figure 3. Associate Ratings: Effect of Protective Measures on CUSTOMERS (1-7 scale)**

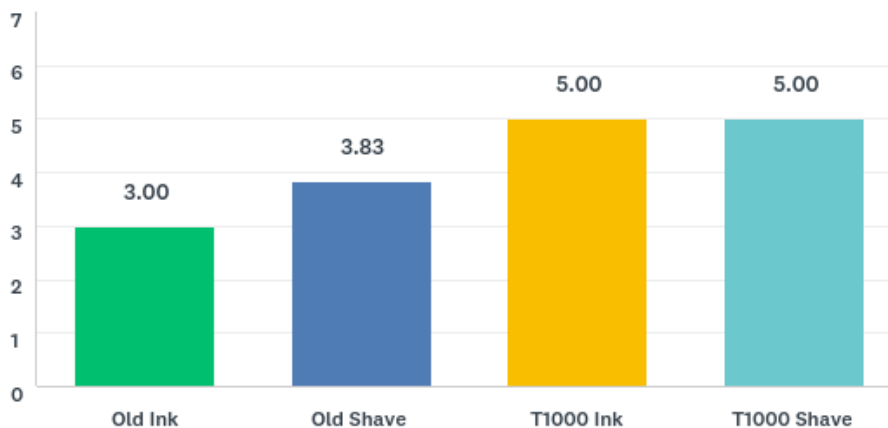
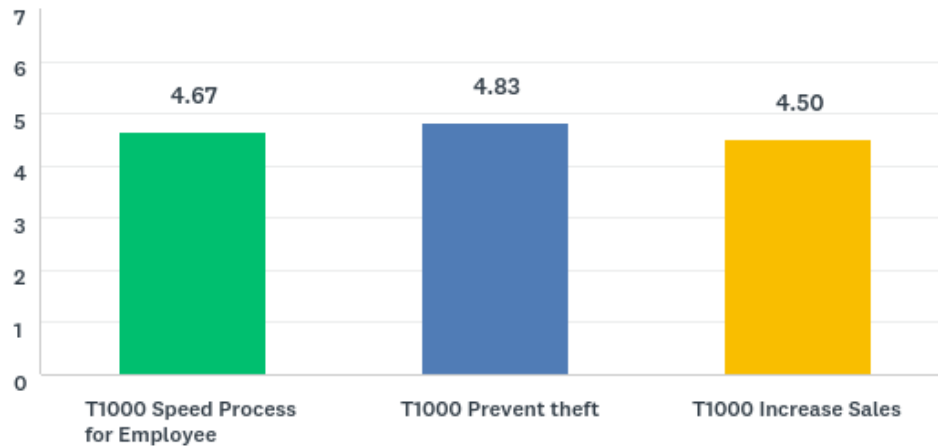


Figure 4. Associate Ratings: T1000 (1-7 scale)

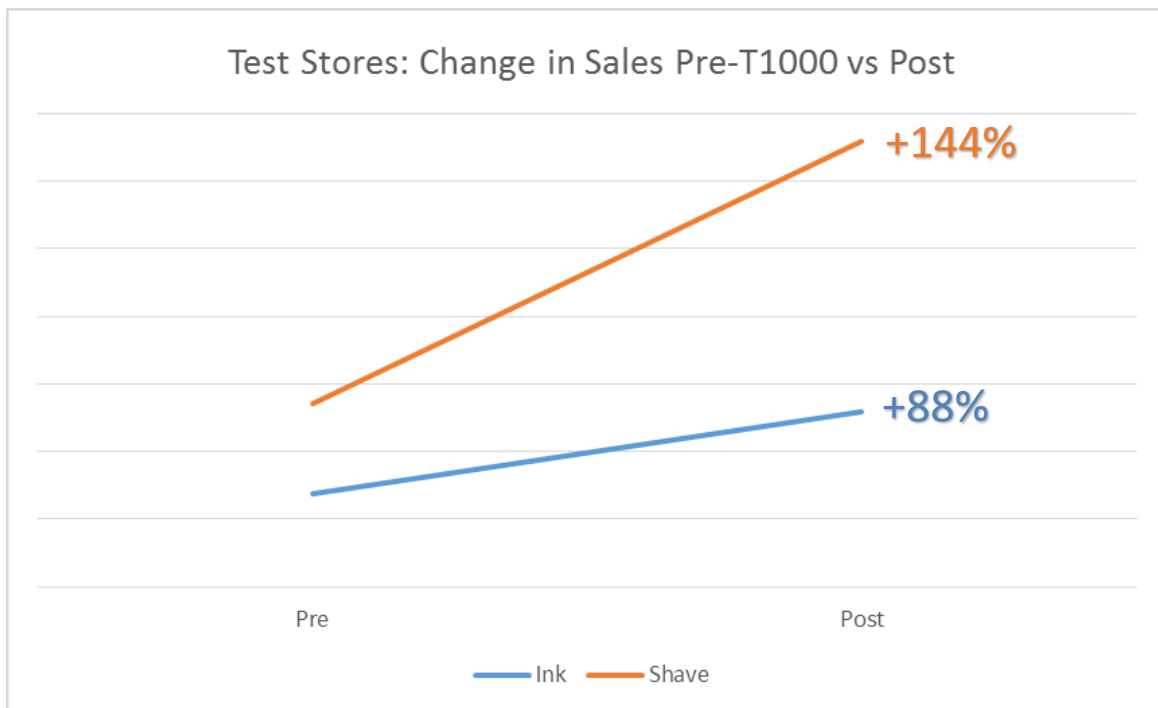


### Results: Sales

There was a strong sales increase in both Shave and Ink categories from the pre-test period to the test period. This increase was also observed in the two control stores where the technology was not installed. The relative sales boost was higher for T1000 stores than control in both the ink and shave categories. While sales increased sharply, further research is required to establish a reliable causal relationship.

\*Please note that due to the sample size, none of the below findings are statistically significant

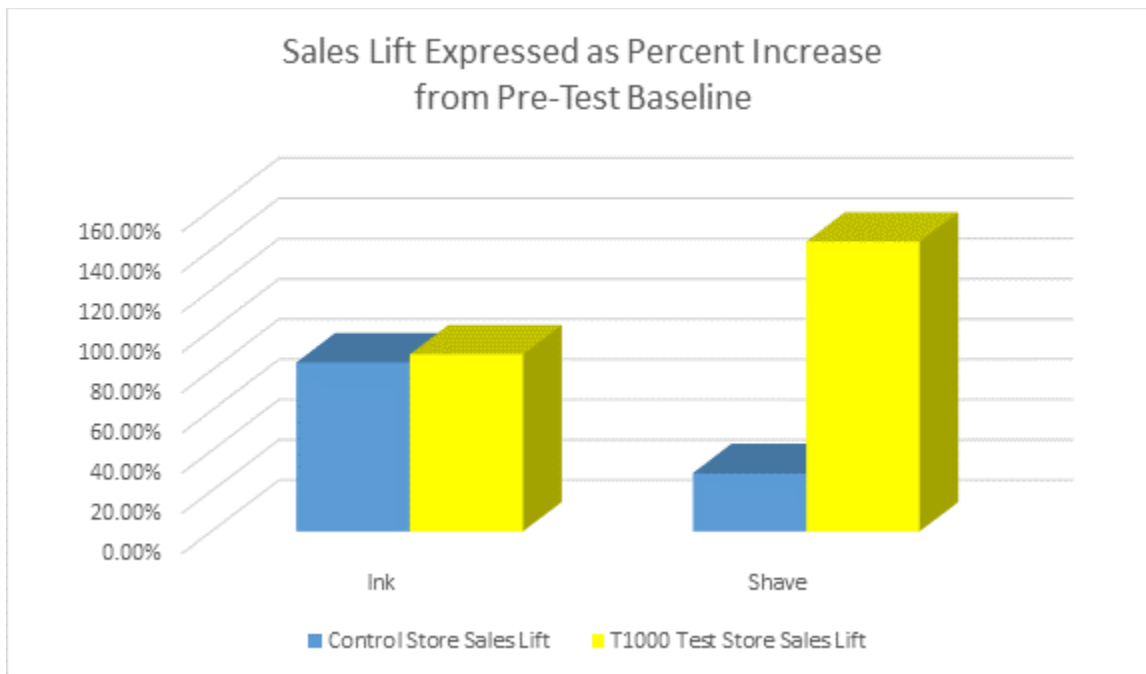
Figure 5. Test Store Sales Boost



**Table 1: Sales Lift T1000 vs Control**

|                           | % Sales Difference: Pre to Test | Comparison to Baseline: Sales Lift                         |
|---------------------------|---------------------------------|------------------------------------------------------------|
| <b>INK: Test Stores</b>   | <b>88% increase</b>             | <b>T1000: 4% additional sales increase from baseline</b>   |
| INK: Control Stores       | 84% increase                    | -                                                          |
| <b>SHAVE: Test Stores</b> | <b>144% increase</b>            | <b>T1000: 115% additional sales increase from baseline</b> |
| SHAVE: Control Stores     | 29% increase                    | -                                                          |

**Figure 6: Ink Sales Lift Test vs Control**



### Results: Shrink

Cycle counts were conducted at both test stores when the test began (baseline), at the 30 day mark (midpoint) and at the 60 day mark (final). This coordinates with weeks 30, 35, and 39. Test stores expected a total count of 308 total razor units and 217 ink units throughout the test. The true counts were 294 razors and 233 ink. This indicates a shrink rate of 4.5 percent for razors and a surplus for ink.

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Based on these preliminary findings (\*not statistically significant) it does not appear that the open-sell nature of T1000 led to a major increase in shrink in these two categories. Further testing is needed to verify this finding.

### Overall Recommendations

Customers were mostly receptive to the technology, with the vast majority indicating that they wouldn't notice the technology at all, and most indicating a high ease of use and understanding once they do notice it. From an LP standpoint, the time-delay anti-sweep functionality of the T1000 was a fairly strong deterrent for offenders. In the case of ink, the product was being moved from a locked state to an open-sale state. Customer experience may be enhanced by allowing customers to access a product themselves that would otherwise have been locked on a hook and required assistance. Similarly, associate experience and time for other tasks may be enhanced. Associates indicated that replenishing the displays took a similar amount of time and effort with T1000 compared to other hooks. Several customers expressed the sentiment that the product looked better when displayed with T1000. T1000 may improve the look and feel of the product during the customer experience compared to normal peg hooks. Based on these findings, the LPRC believes that T1000 has the ability to provide a value to shoppers, store staff, merchants, and loss prevention. Further research and testing may solidify these beliefs.