TOTAL LOSS ORCHESTRATION
BEYOND THE RETAIL DEFENSE PARADIGM

UNIFIED LOSS ORCHESTRATION CAN REVOLUTIONIZE RETAIL LOSS PREVENTION

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10/1/24

Retail loss prevention and fraud professionals have long been in a reactionary cycle. Each new fraud attack or theft incident forces teams into a defensive position, scrambling to mitigate vulnerabilities and minimize damage. Whether facing organized retail crime, digital fraud, identity theft, you name it, the industry constantly tries to keep up with the evolving tactics of bad actors. This reactionary posture is the **Retail Defense Paradigm**—a continuous loop where loss prevention and fraud efforts are always one step behind the threat. Having been an investigative and fraud practitioner for over 30 years, it's not easy to admit to, but it's a constant reality.

Will retailers eventually break free from this paradigm? What if loss prevention and fraud teams could become less reactive to the latest threats? The answer lies in the current retail strategic evolution—through unified commerce, unified data, and unified loss orchestration, all enabled by unified LP teams. A unified and integrated strategy provides a proactive defense against loss across all digital, physical, and operational touchpoints.

1) UNIFIED COMMERCE: Connecting the Channels

Omnichannel retail has been the gold standard for creating seamless customer experiences across physical stores, e-commerce platforms, and mobile applications for years. The goal was to make shopping friction-free, regardless of the channel. From its beginning, retailers implemented their systems in silos, where data from different touchpoints didn't fully integrate. This created gaps that both criminals and gamers could exploit. Online and in-store systems and data sources didn't communicate effectively, leaving vulnerabilities.

Unified commerce takes omnichannel to the next level by integrating all data from physical and digital channels and retailer operational data into one cohesive system. It enables retailers to see the complete customer journey, from browsing online to purchasing in-store, and everything in between. This level of insight helps identify suspicious patterns, such as a fraudulent online order tied to an in-store return scam. By connecting these dots, retailers can protect the entire ecosystem, not just individual segments.

Unified commerce, a future state for many, sets the foundation for a more advanced loss and fraud prevention and strategy. It breaks down barriers in total retail data and allows for real-time responses across all platforms, reducing the risk of cross-channel fraud and the potential for much more efficient connecting of the dots for internal, external, and organized retail crime investigations.

2) UNIFIED DATA: Building a Comprehensive View of Fraud

Unified commerce creates the infrastructure, but it's unified data sources that give retailers the power to move from defense to offense. In today's retail environment, data is the most valuable asset in combating loss. However, when that data is scattered across different systems—like in-store POS, CRM data online, and warehouse logistics in supply chains—it's difficult to see the whole picture.

Unified data integrates all these sources into one comprehensive dataset, allowing retailers to track loss and fraud patterns across every channel. Loss isn't isolated to one part of the business. It happens across multiple touchpoints—online, in-store, and in operational processes like returns or shipping. Without unified data, retailers are only seeing a few chapters of a book, making it easy for criminals to exploit gaps.

By connecting in-store and online transactions, operational processes, customer data profiles, etc., unified data provides a full view of potential threats. With the power of machine learning and AI, unified data allows loss and fraud prevention teams to not just react to what has happened, but to predict what could happen next. Fraud patterns can be identified early, and responses can be tailored in real time, stopping criminal activity before it escalates.

3) UNIFIED LOSS: *aka* Loss Orchestration

The next step in this evolution is loss orchestration, a comprehensive model that integrates all types of loss—whether from theft, fraud, or operational inefficiencies—into one unified strategy. Traditionally, loss prevention efforts were fragmented. Physical theft, digital fraud, and supply chain issues were managed separately, creating gaps in oversight and response.

Loss orchestration changes this by centralizing all types of loss into one system, where data from every corner of the business is analyzed and acted upon together. It's not just about stopping retail crime or fraud in isolation; it's about looking at total retail loss—the entire spectrum of losses that impact a retailer's bottom line. By managing loss holistically, retailers can identify connections between seemingly unrelated incidents and address vulnerabilities before they become significant problems.

The insights from this unified data provide the perfect blueprint for loss orchestration. Integrating data from multiple sources, automating responses, and using AI for predictive insights—are all applicable to loss orchestration. In loss orchestration, retailers:

- **Automate workflows** that trigger specific actions based on real-time data.
- **Integrate data sources** from customer data profiles, digital fraud detection, exception-based reporting, threat intelligence, and physical security systems into one centralized platform.
- **Theft and loss patterns are** recognized quickly and mitigated in real time.
- **Machine learning and predictive analytics** to forecast future threats and minimize financial loss.
- **Monitor cross-channel loss** in real-time, preventing criminals from exploiting gaps between physical and digital environments.
- **Recognize unseen** correlations and connections in complex ORC investigations.

This orchestration of loss and fraud prevention efforts allows teams to move beyond reactive strategies and implement proactive measures, connecting the dots much quicker and more efficiently than ever before.

4) UNIFIED LP TEAMS: Breaking Down Silos for Collaboration

For loss orchestration to succeed, internal loss teams must be aligned. Historically, loss prevention teams have been divided—digital fraud teams, in-store security teams, and operational teams often report to different

departments and collaborate when large loss patterns dictate. This siloed approach hinders retailers' ability to effectively combat cross-channel threats.

To break down these barriers, unified LP teams are essential. By bringing digital fraud teams and traditional loss prevention teams under one leadership structure, communication and collaboration improve dramatically. Having these teams work together ensures that insights flow seamlessly across all areas of loss prevention.

A crucial step in achieving this is having digital fraud teams report to loss prevention leadership. This integration enables loss prevention teams to operate cohesively, addressing both physical and digital threats with a unified strategy. By aligning digital fraud detection with in-store operations, retailers can respond faster, close gaps, and implement a more coordinated defense against loss.

Unified LP teams are the final component of a successful loss orchestration strategy. With teams working together under one framework, retailers can take full advantage of the insights, pattern recognition, and predictive capabilities provided by unified data and commerce platforms. No longer operating in silos, teams can coordinate their efforts in real-time, enabling faster and more effective responses to threats.

Looking to the Future: Leading the Charge in Loss Orchestration

As retailers continue to face evolving threats, loss orchestration offers a way forward. It's no longer enough to react to the latest fraud scheme or theft tactic—retailers must take control of their loss prevention strategies by integrating commerce, data, and teams into one cohesive system.

But this transformation requires leadership. The challenge is clear: who will take the lead in implementing loss orchestration at scale? Retailers and solution providers must collaborate to create systems that recognize and mitigate loss in real time, using the power of AI, data science machine learning, and automation. The opportunity to revolutionize retail loss prevention is here—those who have embraced are redefining the future of the industry.

Breaking Free from the Retail Defense Paradigm

By embracing unified commerce, unified data, unified loss orchestration, and led by unified LP teams, retailers can break free from the exhausting Retail Defense Paradigm. Rather than constantly reacting to fraud, theft, and operational losses, they can proactively identify, mitigate, and investigate loss across all touchpoints.

This evolution isn't just about protecting assets. It's about creating a smarter, stronger, and more resilient retail protection ecosystem—one that's always a step ahead of the next threat.