

# RETAIL FRAUD CONFERENCE

WHY IS IT IMPORTANT TO HAVE  
PEOPLE CULTURE AT THE HEART  
OF YOUR ASSET PROTECTION  
STRATEGY?





# AGENDA



Strategy



Vision & History



Culture & Philosophy



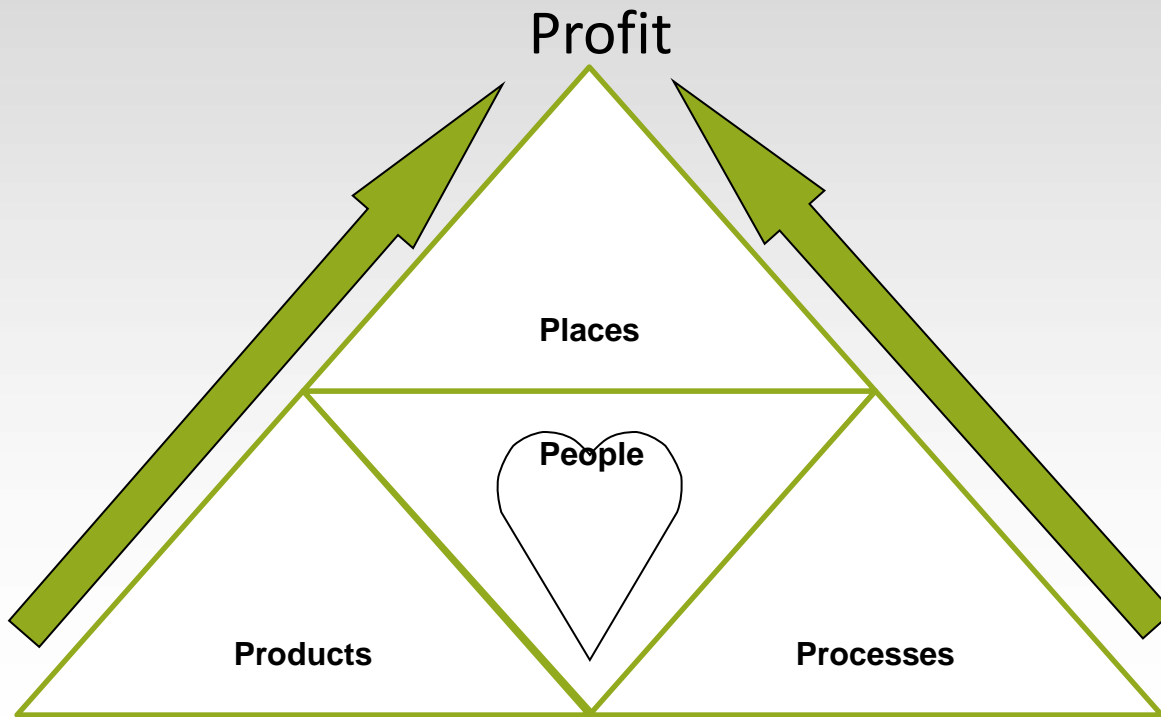
Execution



Summary



# STRATEGY



Protecting our **P**roducts, **P**laces, **P**rocesses & **P**rofit with **P**eople being at the heart of everything that we do

# ASSET PROTECTION

“VISION AND HISTORY”

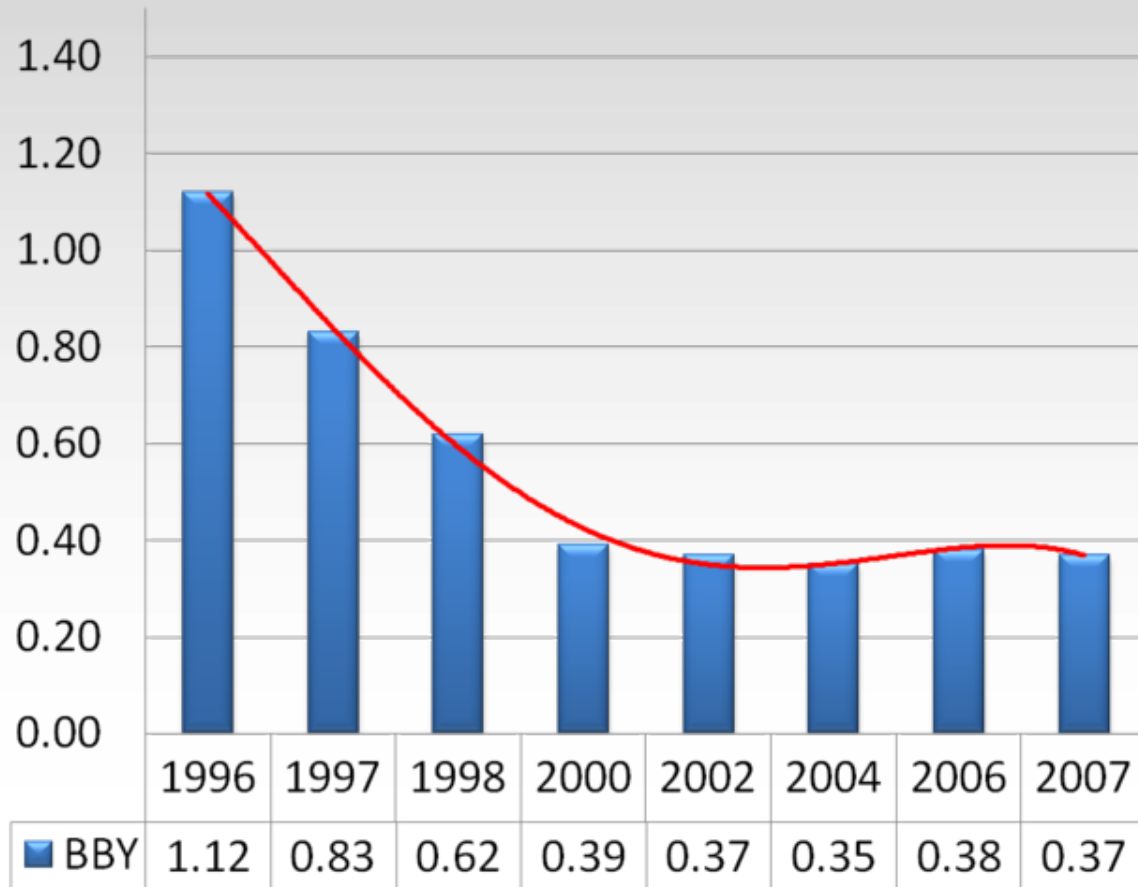




# SHRINK HISTORY

## 1996-2007

- BEST BUY IS KNOWN FOR THE LOWEST SHRINK RESULTS IN THE INDUSTRY.
- UNFORTUNATELY, BEING THE BEST WAS NOT ALWAYS THE CASE
- 1995/1996 - WORST SHRINK PERFORMANCE 1.12%
- SEVERAL CHANGES HAPPENED (LABOR AND CCTV'S ADDED, PRODUCT LOCKED UP) HOWEVER, DID THESE CHANGES HELP?
- **WHAT WAS THE #1 CHANGE THAT MADE THE DIFFERENCE?**





# “POWER OF THE PEOPLE”





# WHERE DOES CULTURE BEGIN?

*“Will it make the  
loss get  
smaller?”*

*Mike Finch, BBY*



*“Will it make  
the boat go  
faster?”*

*Ben Hunt-  
Davies*



# VISION STATEMENT

PROTECT THE ENTERPRISE ASSETS, EMPLOYEES AND CUSTOMERS BY  
PROVIDING TOOLS, PROCESSES, EXPERTISE AND TRAINING THAT **CREATE**  
**A SAFE, INVITING, PROFITABLE SHOPPING AND WORK ENVIRONMENT**  
**FOR BOTH OUR CUSTOMERS AND EMPLOYEES**

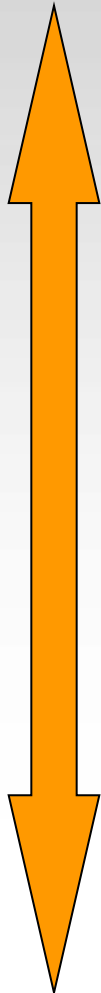
“Sell more loss less”





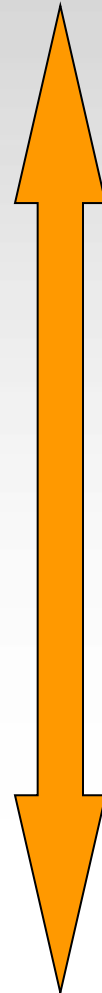
# THE POWER OF BUSINESS ENGAGEMENT AND RELATIONSHIPS

Great  
relationship /  
working  
partnerships



£ ✓

Great business  
results/  
performance/  
engagement



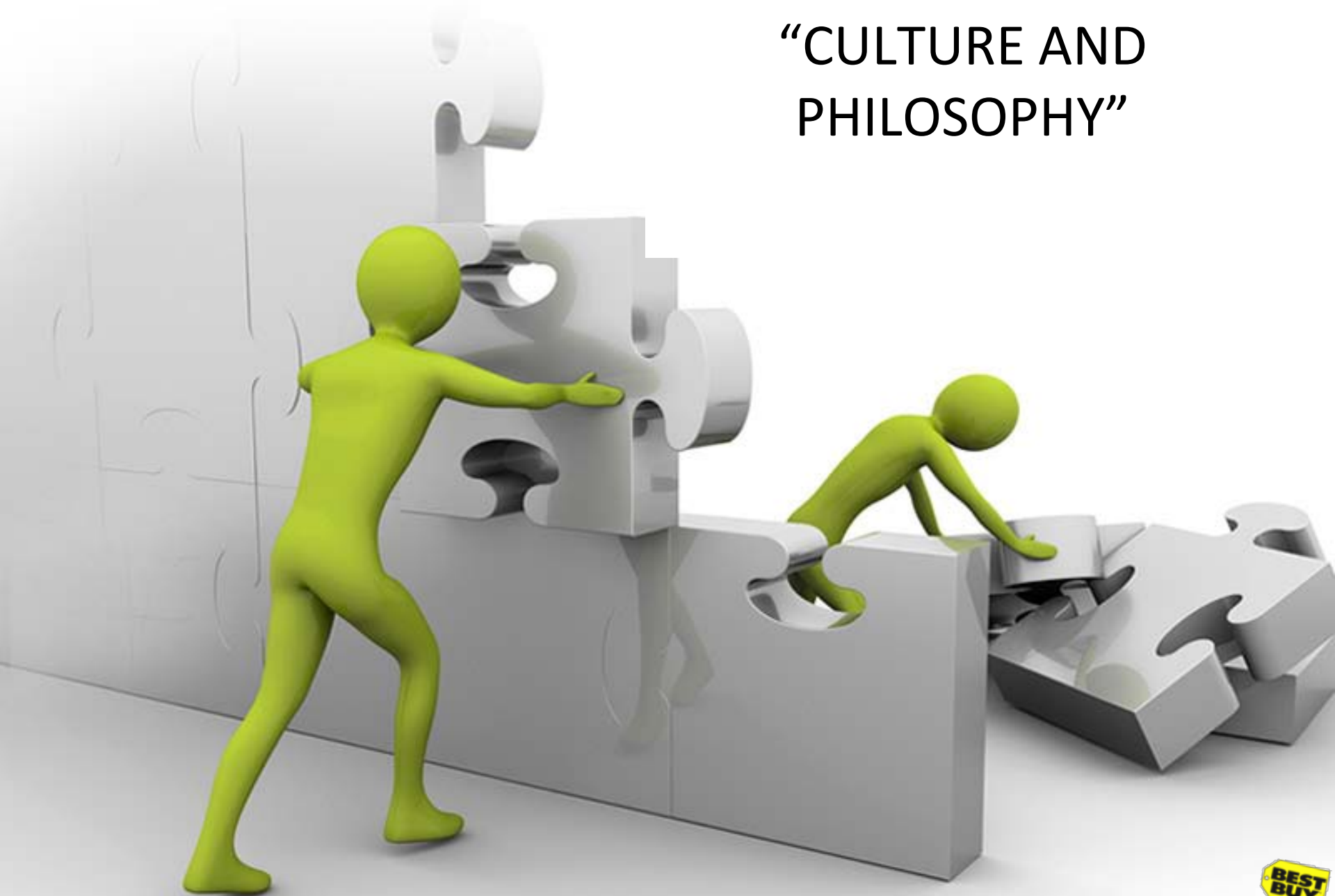
Limited  
relationship /  
Poor  
engagement



£ ✗

Poor  
performance/  
poor business

# “CULTURE AND PHILOSOPHY”





# CULTURE

- Shrink culture vs culture ....Is there a difference?
- How will you build this?
- How will you set the right examples?
- How will you work together?
- How will you monitor your culture?
- How will you measure the success of your culture?



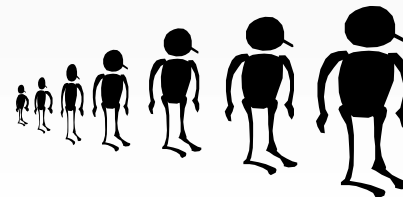
# CULTURE AND PHILOSOPHY

## ■ MAKING **CONNECTIONS**

- STORE CULTURE - (values, beliefs, underlying assumptions, attitudes, and behaviors shared by a group of people)
- EMPLOYEES (REWARD / RECOGNITION / VIEWPOINT)
- ONE MESSAGE “BBY SELLING CULTURE” (QUALITY CONTACT / SALES LEADERSHIP / ZONING / CAREPLUS / RECOGNITION, TRAINING )



## ■ GETTING THE RIGHT **PEOPLE** ON THE “BUS” / RIGHT SEAT / STRENGTH BASED.



## ■ KEEPING IT **SIMPLE**

- SOP – FOUNDATIONAL EXCELLENCE



# “EMPLOYEE AND CUSTOMER CONNECTION”





# CUSTOMER EXPERIENCE

- SUPPORT THE ABILITY OF THE CUSTOMER TO **INTERACT** WITH THE PRODUCTS AND **SELF SELECT** PRODUCTS TO TAKE TO THE CHECKOUT FOR PURCHASE WITHOUT SALES ASSISTANCE.
- CREATE ASSET PROTECTION STRATEGIES **THAT SUPPORT THE “GRAB AND GO”** BUSINESS OVER 50% OF PURCHASES MADE AT BEST BUY WERE MADE BY CUSTOMERS WHO HAD NO DIRECT SALES ASSISTANCE
- BECAUSE OF THE STRONG SHRINK CULTURE AND DETERRENCE BEST BUY IS ABLE TO **OPENLY MERCHANDISE ITEMS** THAT TYPICALLY REQUIRE A KEY TO BUY AND TRY ANYWHERE ELSE.
- ENSURE OUR CUSTOMERS **FEEL WELCOME** AS THEY ENTER OUR STORES





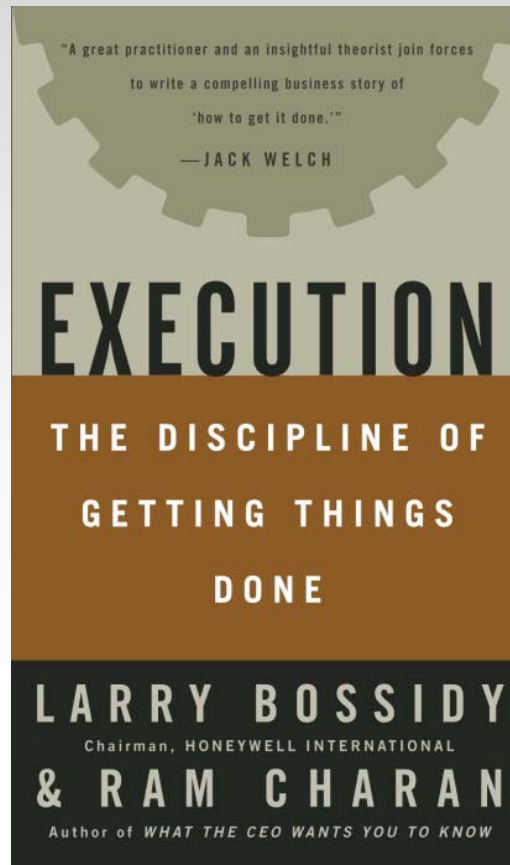
# EMPLOYEE EXPERIENCE

- ALLOW THE EMPLOYEES TO **ASSIST THE CUSTOMERS** **TIMELY**
- **SUPPORTIVE PARTNER** WITH DELIVERING ON OUR CUSTOMER NEEDS (*DISPLAY STRATEGIES AND ASSET PROTECTION /*)
- **ASSIST STORES WITH CREATING THE RIGHT ENVIRONMENT** FOR THEIR EMPLOYEES (*SAFE WORKING CONDITIONS, PHYSICALLY AND FINANCIALLY*)
- **ASSIST IN ACQUIRING THE PROPER SOLUTIONS** (*ADDITIONAL SECURITY, DIFFIRIENCED SECURITY SOLUTIONS*)





# “EXECUTION”





# WHAT DOES EXECUTION MEAN?

- Does it mean DOING THINGS MORE EFFECTIVELY?
- Does it mean DOING THINGS MORE CAREFULLY?
- Does it mean PAYING ATTENTION TO DETAILS?



# SEVEN ESSENTIAL BEHAVIORS OF EXECUTION

Know Your People

Reward The Doer

Insist On Realism

Expand People's Capabilities

Set Clear Goals And Priorities

Know Yourself

Follow Through



# SUMMARY

- Ask yourself  
“What am I doing to drive cultural change”?
  
- Do my fellow Directors or business leaders understand the impact of people power and recognition?
  - Look at how you can really use recognition to combat Shrink & Fraud
  
- Set a clear vision that your people can connect with
  
- Never ever step away from your cultural values and vision