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# Case study: ASDA

ASDA Embarks on Digital  
Transformation Journey for  
Smarter Loss Prevention

**ASDA**



## SUMMARY

- Industry:** Supermarket
- Solutions:** Shrink Management as a Service (SMaaS)
- Benefits:** Reduce shrink  
Gain real-time loss insights  
Optimize staffing  
Improve customer experience

The story of Asda's pioneering people with visionary ideas began in Yorkshire with the Asquith and Stockdale families almost 100 years ago. Today, their dedicated colleagues serve customers from a network of stores and online services, including supercenters, superstores, supermarkets, petrol filling stations and depots across the UK.

Asda Group Limited offers a diverse range of products and services in across 642 stores in the UK. More than 18 million people shop with Asda every week and 98 percent of UK homes are served by [www.asda.com](http://www.asda.com).

## CREATING AN INCREDIBLE RETAIL REVOLUTION

Founded in the 1960s, Asda is one of Britain's leading retailers serving over 18 million customers every week. In 1999 Asda joined Walmart, the world's number one retailer, sharing a commitment to improve the experience in stores and provide great value for customers. Asda uses a number of loss prevention (LP) technologies to protect different store formats and diverse product assortments, including a range of over 30,000 different products in its largest stores—from food to general merchandise to clothing and more. Focusing on innovation in their own brand, lowering prices and continuously improving the shopper experience both in store and online has been the driving force of Asda's revolutionary success.

## EMBRACING DIGITAL TRANSFORMATION

Retailers today are reimagining their business and processes to drive better outcomes as they move toward digital transformation—and Asda is no exception. Having innovative solutions and services that connect shoppers, products and employees via real-time actionable data transforms the store and shopper experience. Asda's Asset Protection (AP) team embarked on their digital transformation journey, wanting both

centralized visibility into loss prevention management as well as a platform that can provide superior asset protection and add operational efficiencies in all of their stores.

## THE CHALLENGE

Although Asda leverages various LP solutions to help reduce shrink (e.g., anti-theft detection systems, integrated label deactivation and video surveillance), they lacked a holistic view of their store estate. More importantly, they lacked critical data insights to make informed decisions, while needing better shrink and device management. Having broad product ranges and high-theft categories such as wine and spirits, health and beauty, home and entertainment, meat and seafood, and more, Asda wanted to refresh their EAS portfolio and tagging eco-system for more full proof protection and security against margin erosion due to loss. Also, inflation impacted the grocery sector as cost pressures from a weakened pound worked its way into rising store prices. Along with razor thin margins, the sector is highly competitive as grocery discounters continued their rampant expansion gaining share of the UK grocery market. To solve these challenges, Asda focused on opportunities to mitigate the risk of uncertainty and cost through productivity initiatives.

## THE SOLUTION

Recognizing the value of data and the ability to view its entire shrink management ecosystem, Asda deployed next-generation LP technology to help combat shrink in today's challenging environment. Sensormatic Shrink Management as a Service (SMaaS), a connected Google Cloud-based service from Sensormatic Solutions, provides Asda both device management and predictive analytics to manage shrink while addressing underlying root causes. With traditional EAS systems, merchandise is tagged with a sensor that's deactivated and removed at time of purchase. An alarm goes off if someone walks out the door with the sensor still attached to items. With SMaaS, Asda now has the capability to collect data about these alarm triggers and more to identify trends and take proactive measures for the future.

Convenient, user-friendly dashboards help the AP team see the big picture by consolidating the data and define future goals in the form of measurable KPIs. This empowers them to identify problems earlier and make better business decisions, taking loss prevention with shrink visibility to a new level. The SMaaS solution helps bridge Asda's LP strategies with today's data to meet their current objectives and wider five-year strategy in order to:

- Refresh its EAS solutions and tagging eco-system
- Drive meaningful loss alarm results at the store level
- Reduce costs and manual processes wherever possible
- Minimize downtime and shrink by identifying serious issues that need immediate attention



## THE RESULTS

This smart solution gives Asda a holistic view of what's happening where in their store estate. These insights are invaluable because instead of reacting on guesses, Asda can react on what the data is telling them about their shrink. By taking proactive measures, Asda can begin to streamline operations and help ensure their investments are futureproofed, through initiatives focusing on centralized management processes, optimizing store labor, addressing possible training needs and improving the shopping experience within the stores.

By identifying peaks and valleys of criminal activity in each store and testing the effectiveness of various loss prevention methods, Asda can see if alarms are reduced in stores having enhanced security. The data can also reveal if associates are removing sensors consistently, and if not, where more employee training may be required. These insights give Asda a deeper sightline into shrink to make effective data-driven decisions for better loss protection management.

Asda leveraged the new alarm data provided by SMaaS that would uncover more insight about organized retail crime (ORC) bands that hit stores. According to Andrew Rees, Asda's senior manager for asset protection, "we wanted to see if we could track a pattern of these organized crimes. We have an intelligence center

in our department where we can look at closed-circuit monitors of each store and see what's happening with each alarm."

This new world of visibility has opened up with the new digital direction. Having a clear picture of LP operations within the store, across individual stores, districts, regions and the enterprise enables Asda to compare performance metrics and also collaborate through data insights. If a group of stores has been hit by a particular ORC group, Asda can see what's happened on the system's organized retail crime map and quickly notify police and security in neighboring stores. "It allows us to be more proactive in loss prevention and stopping thieves from causing too much damage. We're not reading a report of some stores that have been hit a few weeks ago," says Rees.

Building upon their LP foundation, Asda now has new insights and centralized management which provide efficiencies with their store equipment, allowing Asda to refocus their efforts and more proactively manage their estate in real-time across 642 stores. Now, Asda has a fully connected estate and a browser-based, real-time view of its entire LP management ecosystem, enabling increased reliability and performance of their systems for a new generation of loss prevention. As Asda's entire business is becoming more focused on analytics, having this new level of insight is critical to help Asda stay on top of the curve and be well positioned for the future.

<sup>2</sup> "Shrinking the Shrink," STORES Magazine

# About Sensormatic Solutions

## Fast Forwarding Retail

**Sensormatic Solutions** is a global leader in enabling smart and connected shopper engagement. By combining critical insights into retail inventory, shopper traffic and loss prevention, **Sensormatic Solutions** powers operational excellence at scale and helps create unique shopping experiences.

Our solutions deliver real-time visibility and predictive analytics for accurate decision-making across the enterprise, enabling retailers to confidently move into the future. With more than 1.5 million data collection devices in the retail marketplace, we capture 40 billion shopper visits and track and protect billions of items each year.

Our retail portfolio features the premier **Sensormatic**®, **ShopperTrak**® and **TrueVUE**™ brands. Please visit [SensormaticSolutions.com](http://SensormaticSolutions.com), or follow us on LinkedIn, Twitter, and our YouTube channel.

[www.sensormatic.com](http://www.sensormatic.com)

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