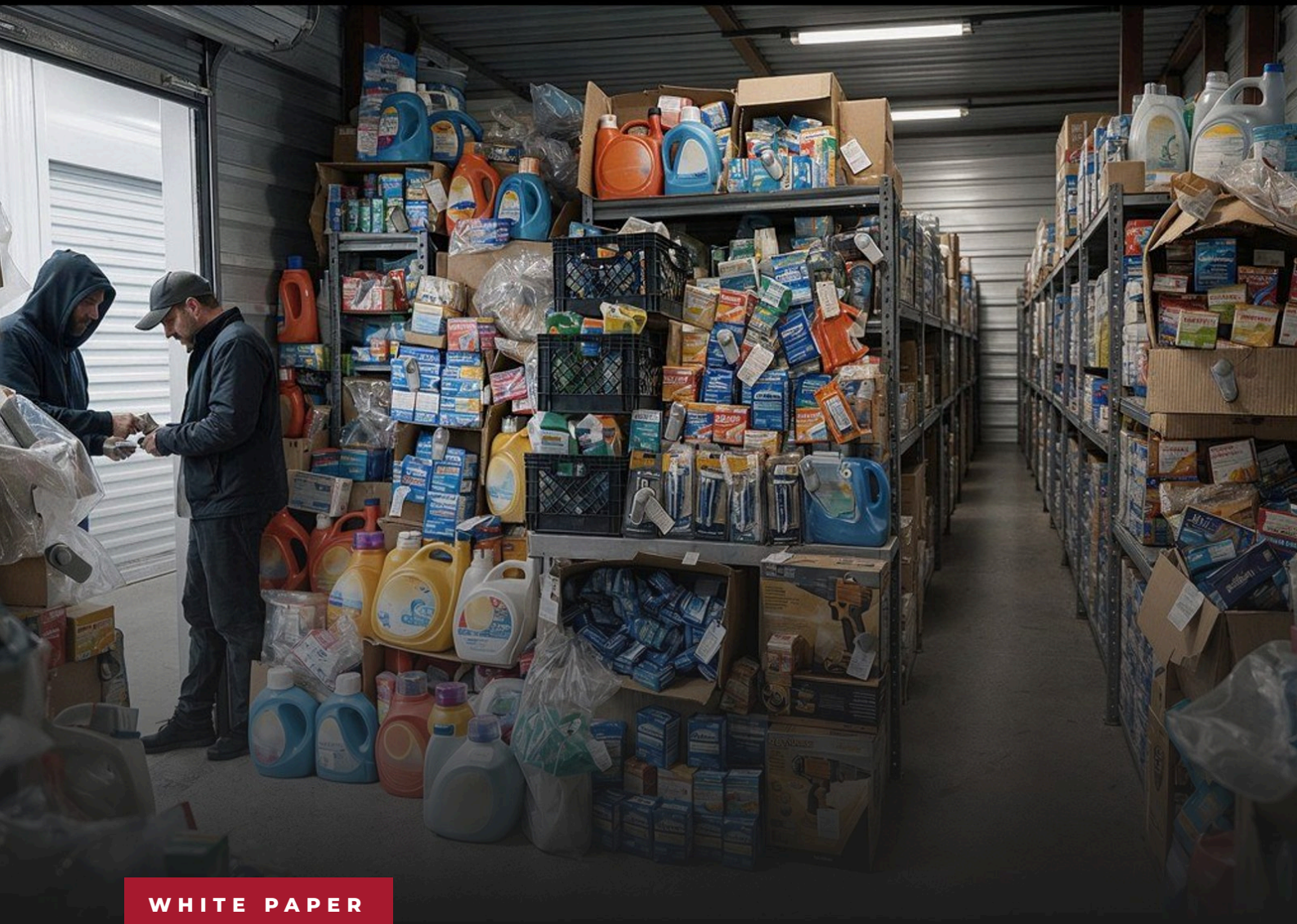


WHITE PAPER

# Theft is an ecosystem. Not an incident.

## Understanding the Six Vs of retail crime

**Whitepaper by Professor Emmeline Taylor, PhD**
Director, Aptus Business Crime Research Centre | 2026

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INTRODUCTION

# Looking beyond the point of loss.

**Retail crime is often measured at the point of loss. But that narrow focus misses the conditions that made the theft possible, the networks that enable it, and the mechanisms that turn stolen merchandise into profit.**

An item disappears from a shelf, an offender leaves a store, an incident is recorded and an investigation may follow. To understand retail crime properly, we need to look beyond the theft incident itself and see retail crime as an ecosystem. It encompasses the physical and digital environments in which opportunities arise, the people and networks involved in stealing goods, the markets that create demand for stolen merchandise, and the conditions that allow much of this criminal activity to operate, often in plain sight.

My recent report, *Stolen Goods: Mapping Illicit Markets*, highlights how the relationship between theft and illicit markets is changing. Historically, an offender might steal whatever they could get their hands on and then seek the best available price through resale. Increasingly, however, theft is demand-led. Individuals may be directed to steal specific products, working from a 'shopping list' of goods for which buyers are already waiting.

These buyers, who may be individuals, businesses or intermediaries within wider criminal networks, provide routes into resale markets and onward distribution. In this way, the movement of stolen merchandise can closely resemble a legitimate supply chain, with theft, aggregation, distribution and onward sale all serving distinct functions.

**$250K**

Merchandise the median ORC fencing operation handled before arrest

SOURCE: NRF, 2023

**$4.3M+**

Proceeds through one Amazon account in a Pennsylvania fencing case

SOURCE: US DOJ

**$1M+**

Infant formula stolen by Florida's "Baby Formula Bandits"

SOURCE: [CHECK]

This is particularly relevant in the United States, where organized retail crime (ORC) frequently operates across state and jurisdictional boundaries, connecting thefts from physical retail premises with wider distribution and online resale networks. The FBI describes organized retail theft as large-scale theft intended to generate financial gain through the resale of stolen merchandise. The goods may then move through a variety of channels, including online marketplaces, pawn shops, flea markets and other resale outlets. The point is that the store theft is often only the beginning of the criminal process, not the end of it.

The challenge for loss prevention professionals is therefore not simply to prevent an item from being stolen. It is to understand and disrupt the wider system that makes retail crime viable. To do this, we

need to understand what happens both *before* and *after* a theft incident.

BEFORE THE THEFT

## Designing out opportunity.

Crime Prevention Through Environmental Design (CPTED) offers a useful starting point for understanding offender decision-making and how it interacts with store design. Its central principle is that the design and management of physical environments can influence opportunities for crime. In retail, this means considering how store layout, product placement, sightlines, lighting, access points, staffing and the positioning of high-risk merchandise shape the opportunities available to offenders.

A store's physical environment can make theft appear easier or harder, safer or riskier. Consider the placement of high-value, easily concealed merchandise near poorly supervised exits, or shelving and promotional displays that create blind spots for employees. These are not simply operational design choices; they can influence the opportunities available to would-be offenders.

Effective CPTED does not mean turning shops into **Fortress Stores**. Excessive physical barriers, locked merchandise and intrusive security measures can frustrate legitimate customers and create additional demands on staff. The objective is to balance customer experience with effective guardianship and proportionate security. A sophisticated LP strategy tells offenders that the risks are high and the rewards will be low, without introducing too much friction for honest customers.

This is where **retail crime risk modeling** becomes critical. Rather than applying identical controls everywhere, retailers can use incident data, product vulnerability, store characteristics and local intelligence to identify which products are most vulnerable, in which locations, and the offender profile.

Prevention measures, however, are only the first stage. Even well-designed stores cannot eliminate every theft. And where stolen goods can be converted into cash with relative ease, the incentives to offend remain. To understand what happens after a theft incident, we need to examine the wider criminal economy.

THE FRAMEWORK

## The Six Vs of retail criminality.

Retail crime is often discussed through individual incident types: shoplifting, employee theft, organized retail crime, fraud or cargo theft. These categories are useful, but they do not necessarily explain how criminal activity operates across the wider ecosystem. The Six Vs framework outlined in the *Stolen Goods* report provides a way to examine six connected dimensions of the retail crime ecosystem.

| | | |
|---|---|---|
| 01<br>**Volume**<br>How much is moving through the system? | 02<br>**Value**<br>What makes a product worth stealing? | 03<br>**Velocity**<br>How quickly can stolen goods become money? |
| 04<br>**Volatility**<br>How quickly does the criminal opportunity change? | 05<br>**Violence**<br>What are the human costs? | 06<br>**Visibility**<br>What remains hidden from view? |

## 01 VOLUME
# How much is moving through the system?

Volume concerns the scale of goods being stolen, accumulated, transported and resold. An individual theft may appear relatively insignificant when considered in isolation. Repeated incidents involving the same products, offenders, locations or networks can tell a very different story.

The **National Retail Federation's 2023 assessment of organized retail crime** examined the structure and operations of US-based criminal groups. It found that these groups often targeted everyday consumer goods, which can offer an attractive combination of ease of theft, monetary value and resale potential. The median ORC fencing operation handled approximately $250,000 in stolen merchandise before law enforcement apprehended them.

The implication is important: the scale of a criminal operation cannot necessarily be understood by looking at the value of an individual incident or product. For loss prevention teams, the task is to connect the dots. Can incidents across different stores be linked? Are the same products repeatedly targeted? Are seemingly unrelated losses connected to common offenders or disposal routes? The volume of theft becomes meaningful when individual events are understood as part of a wider pattern.

## 02 VALUE
# What makes a product worth stealing?

Not all goods are equally attractive to offenders. Even within the same product category, some items are targeted far more frequently than others.

> **Value is not simply the retail price of an item. From an offender's perspective, it is the potential return after taking into account the effort, risk and cost involved in acquiring and disposing of it.**

Professor Emmeline Taylor, PhD

Products that become established within stolen goods markets typically possess a combination of characteristics that make them easy to steal, transport and resell. High-demand items with stable resale values, broad consumer appeal and limited traceability are especially attractive, enabling offenders to convert stolen goods into cash quickly and with relatively little effort. The criminologist Ronald Clarke captured many of these attributes through the well-known CRAVED framework, arguing that “hot products” tend to be:

| C | R | A | V | E | D |
|---|---|---|---|---|---|
| Concealable | Removable | Available | Valuable | Enjoyable | Disposable |

While CRAVED remains highly influential, the contemporary landscape of theft and stolen goods markets suggests some refinement is necessary. Much of today's high-volume retail crime involves products that are neither particularly concealable nor especially enjoyable. Brazen shoplifters often leave stores carrying large quantities of laundry detergent, coffee, alcohol, meat, over-the-counter medicines and other everyday consumables in full view of staff and customers. What matters is not necessarily whether an item can be concealed or enjoyed, but whether it can be monetized quickly and reliably.

A product may be attractive because it is expensive, compact, easy to conceal, widely recognized, consistently in demand or straightforward to resell. Everyday health and beauty products, electronics and other consumer goods can therefore be attractive targets alongside luxury merchandise. This helps explain why retail crime prevention cannot rely on retail price alone when prioritizing risk.

**THE QUESTION FOR LP**

**Which products offer the most attractive criminal opportunity, and why?**

VELOCITY

## 03 How quickly can stolen goods become money?

The speed at which stolen merchandise can be converted into cash is a critical, but often overlooked, dimension of retail crime. If goods can be moved rapidly from a store to a buyer, the window for intervention may be short. Once merchandise has passed through several intermediaries or entered an online resale channel, identifying its provenance and recovering it can become considerably more difficult.

**$4.3M+**

CASE STUDY: PENNSYLVANIA

A federal jury convicted the owner of resale businesses involved in an interstate fencing operation that used Amazon and eBay to sell stolen merchandise. Proceeds from the operation's main Amazon account exceeded $4.3 million. **Source: US Department of Justice**

The case highlights how legitimate commercial channels can be exploited to create distance between the original theft and the eventual sale. For retailers, this means the response cannot end when an offender leaves the premises. Investigations need to consider where the merchandise is going, how quickly it is being moved, and whether recurring patterns connect theft incidents with downstream resale activity.

VOLATILITY

## 04 How quickly does the criminal opportunity change?

The market for stolen goods is not static. Demand changes, products become fashionable or scarce, and supply-chain disruption affects availability. New resale channels emerge, and offenders adapt to changes in retail security and enforcement.

A 2024 *Los Angeles Times* investigation illustrated this changing pattern through the experience of a CVS supervisor in California. He described how the products he had seen targeted had evolved over time: from medication such as Sudafed, to Plan B and razors, then laundry detergent pods, and more recently diapers and cosmetics. Across the wider retail sector, everyday products including deodorant, toothpaste, shampoo and detergent were increasingly being placed behind locked security cabinets as ORC groups targeted lower-value, everyday FMCG products in bulk, where the opportunity to resell quickly and easily had emerged.

These examples demonstrate why volatility matters to loss prevention. The risk attached to a product is not determined solely by its retail price or traditional classification as a high-shrink item. It

is also shaped by its current desirability, portability, resale value and the ease with which it can be moved through illicit markets.

Loss prevention therefore needs to be dynamic rather than dependent on static lists of high-risk products or historical incident counts. Retailers should regularly revisit their assumptions, combine internal loss data with relevant external intelligence, and look for evidence that criminal activity is migrating between stores, product categories or channels. Recognizing changes in offender modus operandi and target selection early, and adapting accordingly, is essential to mitigating risk effectively.

## 05 VIOLENCE
## What are the human costs?

Retail crime is not simply an issue of merchandise and financial loss. Employees may experience threats, intimidation or physical assault. Customers can be caught up in incidents. Security personnel face risks when confronting offenders, and the consequences can extend well beyond the immediate event.

The National Retail Federation's 2026 report, ***The Impact of Retail Theft & Violence***, found that retailers continue to face concerns around violence and evolving criminal tactics, even as respondents reported reductions in average shoplifting and merchandise theft incidents between 2024 and 2025.

This is an important reminder that incident counts alone do not tell the whole story. The seriousness of an incident, the risks faced by employees and customers, and the wider consequences for store operations all matter.

Violence should also be considered in the context of stolen goods markets. Where fencing operations provide a reliable outlet for stolen merchandise, they can sustain the incentives for repeated theft. The resulting harms can include coercion, threats, unsafe working conditions and the wider consequences associated with criminal networks.

Retailers must therefore avoid a false choice between protecting merchandise and protecting people. Employee and customer safety should be central to the design of prevention strategies, investigation protocols and decisions about how and when to intervene.

## 06 VISIBILITY
## What remains hidden from view?

The final V concerns visibility or, perhaps more accurately, the lack of it. One question I am frequently asked by journalists is about baby formula being stolen. The assumption is often that desperate parents, struggling to feed their babies, are responsible. The narrative is already taking shape: a sad indictment of the cost-of-living crisis, with parents forced into theft to provide for their children.

The reality can be very different. Infant formula is also a target for organized retail crime groups, which recruit boosters to steal products in bulk, accumulate substantial quantities and channel them into resale markets.

**$1M+**

**CASE STUDY: FLORIDA**

The so-called "Baby Formula Bandits" are thought to be responsible for stealing more than $1 million worth of infant formula: a very different picture from a parent taking a single tin.

The challenge is to make the true patterns and behaviors of organized theft more visible, rather than allowing criminal networks to operate largely out of sight while other groups are assumed to be responsible.

This problem of visibility extends beyond public perceptions. Retail crime is often fragmented across systems and organizations. A store records a theft; a distribution center identifies a stock discrepancy; an online marketplace processes a sale; and a law enforcement agency investigates what appears to be a separate incident. Each organization may hold a piece of the picture without seeing how those pieces connect. The result is an intelligence gap: coordinated criminal activity can remain obscured by a series of apparently unrelated events.

Without reliable information about incidents, products, offenders and disposal routes, retailers may struggle to distinguish isolated theft from coordinated activity, identify repeat patterns or understand where stolen merchandise is ultimately being monetized.

Improving visibility therefore means not only collecting more and better data. It means challenging assumptions about who is committing retail theft and why; connecting information across incidents, locations and organizations; establishing product provenance where possible; and sharing relevant intelligence to reveal patterns that would otherwise remain hidden. What cannot be seen, connected or understood is much harder to disrupt.

**AFTER THE THEFT**

# From benefit realization to benefit denial.

The Six Vs lead to one conclusion: a comprehensive retail crime strategy must address both the opportunity to steal and the ability to profit from stolen goods. This is the principle of benefit denial.

If an offender can repeatedly acquire merchandise and convert it into money (*benefit realization*) through an easily accessible resale network, preventing individual incidents may not be enough to disrupt the underlying incentive. *Benefit denial* seeks to make the criminal activity less profitable, more difficult to sustain and less attractive to repeat.

To reduce the benefit of theft, we must look at the points at which stolen goods are aggregated, transported, offered for sale and converted into cash. This also requires collaboration beyond the individual retailer, spanning physical and online markets.

The Pennsylvania fencing case highlights why this is so important. The criminal operation was not confined to the people stealing products from stores. It depended on resale businesses and online platforms capable of moving stolen merchandise to customers at scale. Disrupting that operation required attention to the people and businesses facilitating the resale, not simply the original thefts.

For retailers, practical steps can include preserving product identifiers and incident evidence, linking repeat losses, sharing relevant intelligence through appropriate channels, and working with law enforcement and marketplace partners where evidence indicates organized activity. Returns, refund abuse and other routes through which stolen goods or fraudulent transactions generate financial benefit should also be considered.

Technology can contribute to this effort by making merchandise harder to sell, and lowering the price it attracts from fences. For example, tagging systems that cannot be removed without destroying the product (such as lock tops on alcohol bottles) increase the effort boosters must go to, while also minimizing the financial reward they can achieve through resale. The aim for LP is to make the whole process harder to sustain.

BEFORE

**Design out opportunity**

CPTED, layout, sightlines and risk modeling, without turning stores into fortresses.

DURING

**Connect the dots**

Intelligence-led investigation linking incidents across stores, products and offenders.

AFTER

**Deny the benefit.**

Disrupt where stolen goods are stored, moved and sold.

CONCLUSION

# From incident management to ecosystem disruption.

Thinking about retail crime as an ecosystem rather than an incident prompts consideration of how opportunities are created, which goods are targeted, how quickly they move, how criminal methods adapt, who is harmed and where the resulting profits go.

The Six Vs provide a framework for asking those questions in a structured way. CPTED helps address the opportunities that exist before an incident. Intelligence-led investigation helps connect incidents to the wider pattern. Benefit denial focuses attention on the mechanisms that allow offenders to profit afterwards.

None of these elements can work in isolation. Store design cannot eliminate every opportunity. Data cannot reveal patterns that are never captured or shared. Surveillance cannot, by itself, dismantle a resale network. And enforcement at the point of theft will have limited long-term impact if the infrastructure supporting stolen goods markets remains intact.

> **The next step for loss prevention is to connect these functions into a coherent strategy: one that moves beyond counting incidents towards understanding the shifting conditions, relationships and incentives that sustain them.**

Professor Emmeline Taylor, PhD

## ABOUT THE AUTHOR



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