



Maximising value from your online marketplace.

If you like it put a GTIN on it

5 May 2021

One of the biggest changes COVID-19 triggered was the surge in ecommerce and how to build a meaningful end-to-end experience for customers. Richard Jones from GS1 explains how they are helping businesses succeed in this growing arena. This article was first published in <u>Food & Drink Business April 202</u>1.

In our report with KPMG, Unlocking the value of tomorrow's retail, we found Australian CEOs are more upbeat than global counterparts. They rank agility, up-skilling, satisfying customers and adapting to the digital revolution as central when facing increased competition and declining sales.

In 2019, 80 per cent of CEOs said agility was the new currency of business, but 50 per cent said investments in personalising the customer experience had not delivered the growth benefits hoped for. Two thirds (66 per cent) said they could significantly improve understanding their customers, while 62 per cent said they needed to improve innovation processes and execution.

Remember, this was before COVID-19. A year later, agility, personalising consumer experience and understanding your customer took on a whole new meaning.

For example, Woolworths saw its online sales soar 42 per cent to \$3.5 billion during COVID-19, with online now accounting for 5.5 per cent of its total sales.

Australia Post's Inside Australian Online Shopping: eCommerce Industry Report 2021, found online shopping growth for the 12 months to 31 December topped 57 per cent year-on-year (YOY).

It took little more than eight months of online shopping in 2020 to eclipse 12 months' worth in 2019, the AusPost report found.

"More Australians shopped online than ever before in 2020. Around four in five households – that's almost nine million – purchased online at some point during the year. Every month during 2020, an average of around one million additional households shopped online compared to 2019," the report says.

Woolworths CEO Brad Banducci said, "What COVID-19 appears to have done is brought forward a couple of years of consumer demand for digital and e-commerce services."

When we turn to the food and beverage sector, AusPost found that while speciality food and liquor retailers accounted for the smallest share (5.9 per cent) of all speciality retailer ecommerce, it experienced the highest growth. The category's year-on-year growth was 77 per cent.

The rise of the ecommerce consumer is as rich with challenges as it is with potential. Manufacturers need to

consider how to provide a more personalised and seamless experience across multiple channels, ensuring they have an uncomplicated and transparent checkout and returns process and the main goal – getting their product to consumers as quickly as possible.

Without face-to-face interaction, businesses need to have an end-to-end purchase journey with their customers for business success.

GS1 has been working with companies doing just that, from global players to SMEs. We have three key services GS1 SmartSearch, SmartMedia, and Learn and Knowledge to help you get your product to market. We work with businesses from barcode testing and product photography, to sharing your product attributes with major trading partners through high quality online images for ecommerce, web, shopping apps, merchandising, and marketing.

Code credibility

Let's look at where the rubber hits the road in online selling, the marketplace. Before considering the consumer experience, it is critical to have business systems and structures in place behind the scenes.

Barcodes (or GTINs) create value by ensuring the uniqueness of the item they identify and improving searchability. That unique identity for each of your products has significant benefits including working globally for your products, not just on the domestic market.

GTINs mean consumers will have faster and more accurate search results and means data can be structured and sorted according to how users are searching for products.

When you consider marketplaces like Amazon, eBay, Google and many more around the globe are indexing millions of records, having a GTIN can be hugely beneficial and in fact, compulsory.

The increasing popularity of the barcode as a single identifier has seen it become mandatory for many of these sites. Alibaba Group signed an MoU with GS1 Australia that recognised the value of adopting GTINs but went further in seeking structured data from suppliers via GS1 Australia's certified data pool, the National Product Catalogue (NPC).

The NPC also provides a secure way to share product data with marketplaces and retailers from a single source, ensuring consistent brand and product information and imagery.

GS1 is the global industry body that oversees the allocation and management of barcodes. Our supply chain standards help companies identify, capture and share information.

Smart searching

Using our SmartSearch service, companies can use GTINs within the HTML of their website, improving consumer experience. It reduces the risk of duplication because digital content and images are shared from one platform.

GS1 Smart Media assists companies in image naming conventions, improving the likelihood of conversion while maintaining a product identifier and traceability. A 20 per cent increase in conversions and a 40 per cent increase in impressions were recorded on Google when GTINs were used.

It enables retailers and suppliers to produce and share professional product photography that meets the global imaging standards of specific marketplaces, essential product data including all on-pack data, and

multimedia files. It also provides requirements for local platforms Woolworths and Coles.

While data is key – particularly for the business and the marketplace – for the consumer it is all about the experience. Research shows that 67 per cent of shoppers put off choosing a product if no image is available.

Our KPMG report found personalisation, speed to market and omnichannel operations are increasingly necessary to compete. We work with companies to make the most of personalisation technologies.

Smart Media can be directly integrated into a company's ERP via an API feed. Suppliers' NPC data can also be integrated to avoid duplication. The service is also customisable, so extended product information including country of origin, ingredients, allergens and nutritional data can be added.

For suppliers, it allows content to be automatically shared with trading partners and additional information, such as marketing copy, to be included.

As the ecommerce world grows, having the right tools and support to maximise your online presence is vital.