

The Global Language of Business

# Harnessing the power of the GTIN for your business



# The GS1 GTIN More than just a number



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- GTINs add accuracy to advanced chipping notices (ASNs)
- GTINs can be used for SSCC shipping labels for better visibility in transit through to last mile delivery

#### Harnessing the power of the GTIN for your business

What's in a GTIN?	5 0 1 2 3 4 5 6 7 0 0 0 3   GS1 GS1 Company Prefix (GCP) Item reference Check digit   Image: Check company Prefix (GCP) Image: Check company Prefix (GCP) Image: Check company prefix (GCP)
	GS1 Prefix The first three digits code for the product's country of origin. In this example, 500-509 means the product has been licensed by GS1's UK arm.
	GS1 Company Prefix (GCP) Beginning with the GS1 Prefix, this number is the unique identifier for your company.
0	<b>Item reference</b> This number is added to your GCP to cidentify different product types. Usually this is three digits in length.
Ø	Check digit The last digit of a GTIN is a check digit which makes sure the number is correctly composed. It is calculated by a simple mathematical principle – the Modulo 10 algorithm.



"Early adopters who have added GTINs to their product data have seen conversion rates increase up to 20 per cent."

- Google Commerce Blog

# Introduction

The Global Trade Item Number (GTIN) is a number that uniquely identifies your product. It's the number that sits beneath your product's barcode. In fact, your barcode is just a machine-readable version of your GTIN.

In the retail world, the GTIN has been used in conjunction with product barcodes for more than 40 years.

Initially conceived as a consistent and unique way to identify products across the length and breadth of a physical supply chain, the GTIN is as relevant to the trading process in the digital age as it was at the advent of scanner technology.

#### The rise of e-commerce

There are more than 400 online marketplaces in operation around the world, from giant, global generalists to country-specific platforms offering niche goods like handmade items and sportswear.

As much as \$1.55tn was spent across the biggest 75 marketplaces in 2017 and, by 2021, it is estimated that e-marketplaces will account for a cool \$4.5tn-worth of transactions. That represents an upsurge of 300 per cent since 2014.

The growing prominence of e-commerce stands in stark relief to the fortunes of traditional retail outlets. As a case in microcosm, insolvencies hit a four-year high in the UK in 2017 while 2018 saw the making of Britain's thousandth eBay millionaire.

As e-commerce goes from strength to strength with no sign of abating, the GTIN has taken on a new relevance in the sales process.

With the ability to fortify and improve the marketing and fulfilment processes of companies both great and small, there is a raft of benefits available for consumers and producers alike in the online space.

In this guide, we outline the main advantages that harnessing the power of the GTIN can provide for those on all sides of the e-commerce journey.

# Marketing

#### **Increased visibility online**

Depending on the study, either search engines or marketplaces are the primary tool used by shoppers to discover and compare products online.

As both methods vie for pride of place in the consumer journey, the GTIN is playng a vital role in the search space.

Including GTINs on product pages allows a search engine or marketplace to discern the product by it's unique identifier. This improves search engine optimisation and referencing on the marketplace in question.

#### The GTIN is pivotal for search relevancy

Across marketplaces, the same product can be marketed by scores of different sellers, as well as listed under many different descriptions.

Using the GTIN as a trusted baseline, marketplaces can link together assorted data from different merchants to associate them all with a single product.

Aggregating product data together in this way helps to identify and reject any incorrect or invalid information that may have been entered, improving the accuracy of search results in the process.

In this way, the GTIN's unique product identifier is the vital piece of structured data that improves relevancy, accuracy and ultimately, the online shopper's user experience.

### Assured data consistency with GTINs as the primary identifier

As product catalogues expand and are amended, maintaining data consistency across channels becomes increasingly difficult. Human error is often to blame for mistakes that lead to a much-degraded user experience.

Incomplete information, misspellings and outdated product features are just some of the ways in which incorrect data can hamper discovery, leading to customer dissatisfaction and becoming a barrier to sales. If a product's accompanying information is wrong, it's as good as the product being physically faulty.

With the GTIN at the heart of an online selling strategy, many of the common pitfalls associated with data irregularities can be avoided.

#### **Increased sales**

Statistics show that there are some very tangible and persuasive benefits behind the inclusion of GTINs within product listings.

Attaching a GTIN to your product significantly increases the number of impressions for its listing. This is based on an improved likelihood of matching data to product catalogues and appearing on Google.com.

GTIN-matched listings are proven to have a 40 per cent higher click-through rate than those that do not have a unique identifier. In addition to more



#### "If a product's

accompanying information is wrong, it's as good as the product being physically faulty." "GTIN-matched listings are proven to have a 40 per cent higher click through rate than those that do not have a unique identifier."



impressions, Google has affirmed that products with a GTIN have a 20 per cent higher conversion rate from search and discovery to sale.

#### The basic ability to list

Quite simply, a growing number of marketplaces across the world will not allow you to list products on their platforms at all without an identifier.

From May 2016, Google Shopping began mandating the use of GTINs for each product in a merchant's product feed. Following suit, Amazon, Cdiscount, Zalando, La Redoute, Newegg, Fruugo and Walmart also do not allow products to be featured on their sites without an accompanying unique identifier.

This is a trend that is set to continue rather than abate.

### Producer

#### Better tracking of inventory

The unique assignment of a GTIN to a specific product is a dependable way to keep tabs on inventory management.

The replacement of manual data entry by the simple scanning of a barcode can eliminate the majority of data errors in the stocktaking process, allowing for less frequent checks, real-time product visibility and a much faster auditing process.

In turn, being able to track the movements, availability and quantity of stock makes the warehouse allocation process much simpler.

#### **Better brand protection**

Every GTIN is made up of four parts, one on which is the GS1 Company Prefix (GCP). The GCP is assigned to you by your national GS1 body and will always represent you as the originator of products that bear that barcode.

As products will always have your organisation's unique stamp, counterfeiting is made much more difficult.

#### Easier listing of products in GTIN-ready catalogues

Marketplaces and retailers can surface better listing information and item specifics that are included automatically by matching your item with a product from their catalogue.

An example of this is eBay's new product-based shopping experience, which ensures a product is still seen when the customers are using filters to refine their searches.

It also reduces the time is takes to list a product if a match is already in the catalogue.

#### Easier category mapping

One of the problems with listing products on e-marketplaces is deciding on the best place to feature them.

A single product may end up assigned to several categories on a shopfront depending on how data has been entered.

Attaching a unique identifier to a product ensures that it will be located in the most appropriate single category and not duplicated haphazardly across several.

#### No need to relabel means reduced fulfilment costs

One GTIN means that there is no need to produce a range of different labels for different parts of the consumer journey – a single, scannable version will suffice in all instances.

GTINs are recognised by all large retailers and marketplaces that provide fulfilment services – using your GTIN means there is no need for a retailer-specific label each time you trade with a new partner or replenish stock.

#### Easier cross-border trade

The GTIN is a truly universal standard for product identification which is part of a system used in more than 150 countries worldwide. It acts like a passport for your product to take part in frictionless, borderless trade.



"The GTIN is a truly universal standard for product identification which is part of a system used in more than 150 countries worldwide." "Almost 60 per cent of consumers were unlikely or very unlikely to return to a business they had experienced poor customer service from."



### Consumer

#### Better ability to find, compare and buy

Once a GTIN is assigned to a product, information can be read across any platform that it features on, ensuring better relevancy and accuracy of information.

As the GTIN will always code for the same information that has been attributed to it, it becomes an unchanging way to crosscheck everything from product descriptions to unit pricing the world over, greatly enhancing the customer experience.

#### Better confidence that the product is genuine

The four-part GTIN with its unique GCP and item reference identifiers acts as a guarantor of authenticity that can always be traced back to the manufacturer or originator.

This ensures that the product is not a counterfeit facsimile, will meet the quality expected of it and abides by all requisite health and safety parameters.

#### Better confidence in the shopping experience

Using a single GTIN for products will stop clashes in numbering systems, removing the risk of a product being distributed incorrectly.

In an age of increasing consumer expectations, a less-than-satisfactory customer experience could be the first and last interaction with a company.

A study by customer services software company, Kayako, showed that almost 60 per cent of consumers were unlikely or very unlikely to return to a business from which had experienced poor customer service, even if a trusted friend said the service had improved.

# Fulfilment

#### Better visibility of products in the supply chain

The GTIN is a time-efficient and error-proof method of tracking and tracing products through a supply chain. A simple scan at various junctures of the fulfilment journey can relay the progress of an item from shipment to delivery.

#### **Clash-proof consumer journey**

As a GTIN functions as a single, trusted source of product information, there is no need for a multitude of different labels or product identifiers.

This ensures a higher level of confidence when it comes to packing and handling, especially when dealing with multi-brand catalogues in a supply chain.

#### Barcoding speeds up warehouse processes

The alternative to scanning a GTIN in a stockroom situation is manual data entry. Time and time again, it has been proven that barcode scanning is up to ten times faster, up 25 per cent more operationally efficient and leads to fewer errors than the human alternative.

### Consistent product identifiers reduce returns and help with compliance

It's quite simple, knowing that you are receiving exactly what you ordered will lead to fewer returned goods.

A GTIN is a guarantee of authenticity and its uniqueness can be a trackable reference point for adherence to an applicable returns policy.

#### GTINs add accuracy to advanced shipping notices (ASNs)

An ASN is a notification of pending deliveries similar to a packing list. It is sent in an electronic format in advance of the shipment arriving at a warehouse or depot.

The ASN can be used to list the contents of the shipment and provide additional order information. Assigning a product's GTIN and description to packaging and transportation equipment adds another layer of accuracy to the process, helping to manage customer expectations in the last mile.

### GTINs can be used for SSCC shipping labels for better visibility in transit through to last mile delivery

A Serial Shipping Container Code (SSCC) can be used by companies to identify a logistic unit – that is to say, any grouping of trade items packaged together for storage and/or transport.

The SSCC is commonly used in an ASN to identify the contents of a particular case, pallet or parcel. This helps speed up the receipting of goods into a warehouse and matching of invoices for timely payment. SSCCs can be used to track a logistics unit across the supply chain both to and from the customer.



"Barcode scanning is up to ten times faster, up 25 per cent more operationally efficient."

#### How do you join GS1 UK?

Simply visit us online and sign up at **gs1uk.org/get-a-barcode**, you'll find the membership fee options and everything else you need there.

Alternatively, contact our member support team, available Monday to Friday from 9:00am-5:00pm on **020 7092 3501** or email them at **support@gs1uk.org**.

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