



Verified by GS1 case study

METRO and P&G gain insightful business benefits from Verified by GS1

METRO and P&G recently undertook a collaborative evaluation of Verified by GS1. The project provided a wide range of learnings.



Challenge

Brand owners are responsible for uploading product data to the Verified by GS1 platform. Retailers then access and use that data. Naturally, this takes time and effort for all parties. Is it worth it? Two business partners recently set out to determine the answer.

Solution

In November 2020, METRO compared data about Procter & Gamble products in their own systems with GTIN data made available by Procter & Gamble in Verified by GS1. The retailer then worked openly and collaboratively with P&G to understand the discrepancies and determine how each party could help the other achieve their shared objective of improving data quality.

Benefits

The lessons learned and the insights obtained through this pilot have been rich and plentiful for both companies. It was the sort of exercise that improved the business partnership and gave both METRO and P&G a vision of how they can use the power of Verified by GS1 to work better and more efficiently, today and tomorrow.

“We think Verified by GS1 is a service with a lot of potential”, says Christian Zaeske, Global Head of Master Data Management at METRO AG, “but we want to understand its strengths and weaknesses. In particular, if the product passports uploaded to the platform aren’t complete and correct, we won’t gain any value”.

It was this philosophy that pushed METRO to run a pilot project. The fundamental question: What percentage of all the Procter & Gamble items for sale in METRO Germany stores were accurately and completely listed in Verified by GS1?

“There were 632 Procter & Gamble SKUs in our databases in November 2020”, Zaeske explained “but we only found 91 percent of them in P&G’s data in Verified by GS1”.

As a follow-up to this first exercise in Germany, METRO and P&G conducted similar analyses, with similar results, in Belgium, France, Germany, India, the Netherlands, Romania and Turkey.

To understand the discrepancies, Zaeske turned to Laurent Seroux, Director of Corporate Master Data Service at Procter & Gamble—and someone he had known for many years thanks to their collaborative work with GS1 and the Consumer Goods Forum.

“As surprising as this may seem to some people, brand owners and retailers do not regularly compare the lists of products they think they buy from and sell to each other”, noted Seroux, “so this project was interesting and insightful for both of us”.



A full understanding of active items

Seroux and Zaeske quickly identified the source of a majority of the discrepancies as a phenomenon

known as process lag or life cycle lag. Products that are no longer in production at the brand owner can still be on the shelves at the retailer. This lag can also extend to the consumer’s cupboards, because products that are neither in production nor on the store shelves can still be in use in the homes of shoppers.

This gap fades away over time as shelves and cupboards empty; nevertheless, seeing its impact on the data really underlined the need for better communication on product life cycles between the companies.

“Having the exact same understanding of what items are in scope is a necessary basis for a good brand owner/retailer partnership”, Zaeske said, “That may sound easy, but Laurent and I both know it’s actually rather difficult to do from a practical, operational point of view. We’ve really taken a step forward in our collaboration, thanks to this project”.

The project has helped P&G identify and prioritise where they need to work on data quality. It also highlighted how product ownership sometimes changes as they acquired, divested or licensed parts of their activities, raising the realisation that they must more clearly inform retailers like METRO about such changes, so that their partners can update their own databases accordingly.



An automated ID check upon “entering”

One of METRO’s short-term objectives is to raise the overall level of data quality in their business systems. Verified by GS1 would let them establish a “quality gate” between their product listing database and their brand owner business partners.

In the longer term, METRO hopes to create an automated “border control” system for new product listings. “We want to automatise the inward flow of data to our systems”, said Zaeske, “An item could only enter automatically if its attributes were all properly filled and formatted. Otherwise, it would trigger a manual validation”.

Using Verified by GS1 is a lot like checking someone’s ID card. Brand owners upload seven core attributes about each of their products into Verified by GS1: a GTIN, a brand name, a description, a URL of a product image, a GS1 Global Product Category (GPC) code, the item’s net content with the unit of measure, and the country of sale.

The “border control” idea makes sense to Seroux, too: “I can understand the value of checking the ‘identity card’ of a product. It would allow retailers to say with confidence, ‘Yes, you are who you say you are, and so you can enter my store’”.

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It was as if we took out a list and said: ‘This is what we sell at METRO’ and then they took out a slightly different list and said, ‘No, this is what you sell at METRO’. Verified by GS1 can help eliminate discrepancies like this.

— Laurent Seroux, Director of Corporate Master Data Service, Procter & Gamble



Verified by GS1 really opens possibilities. Our business is data-driven today, and we'll all need complete and correct product data to succeed in this new world.

— Christian Zaeske, Global Head of Master Data Management, METRO AG

Benefits for brand owners

Uploading products to Verified by GS1 requires some time and effort on the part of brand owners, but there are a range of benefits.

“Verified by GS1 helps us protect our brand by ensuring that our products are sold in the right places by the right companies with the right intentions”, noted Seroux.

METRO has its own private label brands, and so they can understand the Verified by GS1 service from the point of view of a brand owner too. Zaeske's take on brand owner benefits: “We've seen that if an organisation can manage the seven product attributes 100 percent correctly in Verified by GS1, then it has the ability to manage 200 or 2,000 attributes. Once your company figures out how to get the information to feed Verified by GS1, you can easily do so much more. It really opens possibilities. Our business is data-driven today, and we'll all need good complete product data to succeed in this new world”.

A long-term project

Both Seroux and Zaeske emphasised how important it is to consider the long-term impact.

“It's so easy to lose sight of the importance of data quality when you are always focused on the next launch”, said Seroux, “This project with METRO let us view our product catalogue from a higher perspective than usual, and that really reminded us of the importance of precision and consistency. Uploading product data into Verified by GS1 has highlighted the need to create consistent product

naming conventions as well as to establish a consistent global programme for making proper packaging photos available. This investment may not pay off in the next quarter, but we must consider how we will be doing business in five, ten, even twenty years”.

Zaeske was in full agreement: “That's exactly the vision, yes. And for METRO, the value of Verified by GS1 gets even bigger when there is a bit of distance between a brand owner and a retailer. If there is a bottler, an importer or a distributor between us and the brand owner, Verified by GS1 helps all of us ensure that we are using genuine, accurate information from the source. That is a huge value for us”.

All about the consumer

Ultimately, for both men, it's really all about the consumer. They both share the conviction that tomorrow's shoppers will expect to be able to access information about any product they see in a store or on the web.

“P&G is committed to winning consumers' trust”, says Seroux, “Providing accurate and complete product information is a foundational element of that”.



Verified by GS1 presents a real opportunity to improve many business processes.

— Christian Zaeske, Global Head of Master Data Management, METRO AG

Benefits of Verified by GS1

For Brands



Simplified listing process and faster time to market

For Retailers



Reduced time and costs to gather and verify data

For Consumers



More reliable product information



Data quality visibility and insights



Optimised business processes



Increased satisfaction and fewer returns

About METRO

METRO is a leading international wholesale company with food and non-food assortments that specialises in serving the needs of hotels, restaurants and caterers (HoReCa) as well as independent traders. Around the world, METRO has some 16 million customers who can choose whether to shop in one of the large-format stores, order online and collect their purchases at the store or have them delivered. METRO also supports the competitiveness of entrepreneurs and independent businesses with digital solutions and thereby contributes to cultural diversity in retail and hospitality. Sustainability is a key pillar of METRO's business. METRO has been listed in the Dow Jones Sustainability Index for 7 consecutive years. The company operates in 34 countries and employs more than 97,000 people worldwide. In financial year 2019/20, METRO generated sales of €25.6 billion.

www.metroag.de/en

About P&G

P&G serves consumers around the world with one of the strongest portfolios of trusted, quality, leadership brands, including Always®, Ambi Pur®, Ariel®, Bounty®, Charmin®, Crest®, Dawn®, Downy®, Fairy®, Febreze®, Gain®, Gillette®, Head & Shoulders®, Lenor®, Olay®, Oral-B®, Pampers®, Pantene®, SK-II®, Tide®, Vicks® and Whisper®. Fostering equality and inclusion, supporting our communities and protecting the planet are embedded in how we do business. We believe we have a responsibility to make the world better—through the products we create and the positive impact our brands and Company can have. The P&G community includes operations in approximately 70 countries worldwide.

www.pg.com

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— Laurent Seroux, Director of Corporate Master Data Service, Procter & Gamble

About GS1

GS1 is a neutral, not-for-profit organisation that develops and maintains the most widely used global standards for efficient business communication. We are best known for the barcode, named by the BBC as one of “the 50 things that made the world economy”. GS1 standards improve the efficiency, safety and visibility of supply chains across physical and digital channels in 25 sectors. Our scale and reach—local Member Organisations in 115 countries, 2 million user companies and 6 billion transactions every day—help ensure that GS1 standards create a common language that supports systems and processes across the globe.

www.gs1.org

About Verified by GS1

Verified by GS1 is a repository of product data that helps organisations answer the question: “Is this the product that I think it is”? Brand owners use Verified by GS1 to associate seven core attributes with each of their products: the product's GTIN, brand name, description, a URL of a product image, its GS1 Global Product Category (GPC) code, the net content and unit of measure, and the country of sale. With the help of Verified by GS1, brand owners, retailers and marketplaces can build rich consumer experiences that deliver trusted, brand-sourced product data, which drives confidence, satisfaction, loyalty—and ultimately, increased efficiency and growth for their businesses.

www.gs1.org/verified-by-gs1



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