The Global Language of Business



Verified by GS1 case study

# eMAG: Building growth on trusted product data

As commerce shifts from physical stores to online, marketplaces like eMAG's are working to persuade sellers and brand owners alike of the importance of accurate and complete product information.



# Challenge

Duplicate product listings, incorrect associations, invalid brands, concerns about counterfeits and IP infringement—eMAG saw it all in the early years of their marketplace.

# Solution

Since late 2019, sellers must properly obtain and indicate a GS1 GTIN for almost all new product categories, and eMAG uses Verified by GS1 to authenticate them before the listing is approved.

# Benefits

Validated identification streamlines the listing process for eMAG and reduces their exposure to counterfeits, while giving shoppers on their sites confidence in the products they are buying. **eMAG Marketplace** offers a wide variety of products to consumers across Central and Eastern Europe. The company has seen exponential growth—with fewer than one million items listed in 2015, at the end of 2020 eMAG had more than 34 million products for sale on its marketplace from more than 30,000 sellers in 2,000 categories.

The needs of marketplaces like eMAG's are quite different from those of their offline counterparts. For example, marketplaces have a greater number and variety of products to manage than brickand-mortar stores; and because shoppers cannot look at or touch an item they are considering, a product's name, description, photo and other information are incredibly important.



## Managing their growing pains

Vlad Puescu, Content Platform Director at eMAG, noted that it wasn't easy to manage a marketplace that grew as fast as eMAG Marketplace did.

One issue that needed careful consideration, for example, was duplicate product listings. "In some categories, we would have ten or more listings for the exact same thing", Puescu said, "because when adding the product, one seller would describe it in a certain way while another seller would use slightly different words. We didn't want to force our consumers to click back and forth between pages to determine whether two things were in fact the same exact product".

Another constant concern was about IP infringement from clones or counterfeits trying to pass as genuine products.

In short, the question of the authenticity and clarity of a product's identity quickly became significant.



## **First try with GTINs**

To solve these sorts of issues, in 2017, for five product categories, eMAG added a mandatory field for the GS1 Global Trade Item Number<sup>®</sup> (GTIN<sup>®</sup>) to their new item listing form.

"To be honest, we didn't know much about GS1 as an organisation at the time. We only knew about GTINs", said Puescu, "So we added that GTIN field to the form, and we said to ourselves, 'OK, great, this will fix our problems with duplicates.""

Alas, it didn't prove to be quite that easy. eMAG was only doing very basic validation of GTIN syntax—checking simply for the right number of digits in the proper format.

"Less than a year later, we had 80,000 products whose GTIN was '0123456789012'", Puescu remembered with a rueful smile, "We had 200,000 other conflicts besides that. It was a big mess".



## Support from GS1 to educate sellers

Puescu and his colleagues did not need to be convinced of the interest of global, unique, persistent product identification—the kind that can only be provided by a GS1 GTIN—but they did need help convincing the sellers in their marketplace ecosystem.

The eMAG team connected with **GS1 Romania** and worked collaboratively with them to create a "how-to" guide for getting a proper GS1 GTIN, a newsletter for sellers, GTIN tutorials in the eMAG Seller Academy training program and more.

The local registries we used previously to verify a GTIN are not adequate anymore. Marketplaces like eMAG need product data for items that come from everywhere in the world, not just from our home country. Only Verified by GS1 can provide that".

- Vlad Puescu, Content Platform Director, eMAG

#### **GTINs now mandatory at eMAG**

Over the course of 2019, eMAG gradually made GTINs mandatory for all products, and today, listing a new item on eMAG requires a properly obtained GTIN. eMAG even has an automated checkpoint that stops the listing process if the same GTIN is detected on what appears to be a different product. These conflicts are resolved by a human operator.

"We're enforcing the use of GTINs, but it takes time to help our partners understand the benefits. We all—GS1 included—must continue explaining and evangelising. Informing people about the usefulness of GS1 is vital", reported Puescu.

The effort is worth it, however—eMAG has already seen how unique identification streamlines the listing process, reduces duplicates and helps sellers add their products more quickly. It also mitigates the risk of counterfeiting and IP infringement. Most importantly, it's great for shoppers on the website. When every product listed has trusted, accurate and globally unique identification, marketplaces like eMAG's can give consumers the ability to buy with confidence.

# Fully committed to Verified by GS1

The eMAG team firmly believes in the added value of Verified by GS1, a global solution that enables companies like eMAG to know with complete certainty that a given product is truly what it claims to be. "Local registries are not adequate anymore", Puescu said, "As a marketplace, we need product data for items that come from everywhere in the world, not just from our home country. Only Verified by GS1 can provide that".

Confidence in a product's identity is now even more important to eMAG as the company has become part of the International Marketplace Network (IMN), a community of partners bringing together sellers and products from across Europe. "All communication within IMN regarding products requires authenticated GTINs", noted Puescu.

## The importance of product information

Puescu has a message for sellers and brand owners everywhere: "Online marketplaces are the future, and in fact, the timing of the inevitable shift to e-commerce has been accelerated due to COVID. But marketplaces are quite different from retail stores. We have different needs and a different business model. If you want to sell your products in this new world, you must provide high-quality product information when you acquire a GTIN. From our point of view, participating in Verified by GS1 is not optional, it's mandatory".

# **Benefits of Verified by GS1**

#### For Brands



Simplified listing process and faster time to market



Data quality visibility and insights

#### **For Retailers**



Reduced time and costs to gather and verify data



Optimised business processes

#### For Consumers



More reliable product information



Increased satisfaction and fewer returns

#### About eMag

A Romanian company founded in 2001, eMAG was a pioneer in the Romanian online retail sector with a presence in Bulgaria and Hungary. For almost 20 years, the company has been constantly investing in services based on technologies developed in Romania, all of which help customers save time and money. With a growing range of products both through its own offer and from its partners in the Marketplace, eMAG is the place where anyone can search and order anything, from anywhere, and benefit from excellent customer service including free delivery. 30 days to return, financing and payment by installments and a 24/7 call centre. In 2019, the eMAG Group had sales that surpassed 1 billion Euros. Some of the other companies currently part of the Group: Fashion Days, an e-tailer specialised in apparel and footwear; Extreme Digital, an e-commerce platform based in Hungary; Sameday, a delivery services company; and Tazz, a company for food and grocery deliveries.

#### www.emag.ro

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#### 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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