Marketplaces: Leveraging the GTIN

GS1 Industry & Standards Event 2018

11 September 2018
Anti-trust caution

• GS1 operates under the GS1 anti-trust caution. Strict compliance with anti-trust laws is and always has been the policy of GS1.
• The best way to avoid problems is to remember that the purpose of the group is to enhance the ability of all industry members to compete more efficiently.
• This means:
  - There shall be no discussion of prices, allocation of customers, or products, boycotts, refusals to deal, or market share.
  - If any participant believes the group is drifting toward impermissible discussion, the topic shall be tabled until the opinion of counsel can be obtained.
• The full anti-trust caution is available via the link below, if you would like to read it in its entirety: http://www.gs1.org/gs1-anti-trust-caution.
Statement & reminder for seeking intellectual property information

• Relevant to the features of the specification that are being developed in this work group, if anyone has knowledge or information about intellectual property rights, such as, patents or patent applications; please promptly convey this information to the work group facilitator.

• The intellectual property rights can either be in development or owned by persons, companies or third parties within this work group or outside this work group.

• We do this under the guidance of the GS1 Intellectual Property Policy, so that GS1 can seek to avoid the uncertainty regarding intellectual property claims against the Specification.
Meeting etiquette

• **Meetings will begin promptly as scheduled**
• **Be present – avoid multi-tasking**
• **Avoid distracting behaviour:**
  - Place mobile devices on silent mode
  - Avoid sidebar conversations
• **Be considerate**
  - Avoid monologues
  - Keep comments concise
• **Respect work group decisions**
  - Avoid re-opening decisions unless there is a significant quality impact
• **Collaborate** in support of meeting objectives
  - Ask questions
  - Be open to alternatives
• **Be representative**
  - Avoid personal remarks
  - Do not speak for your company or community if you do not clearly understand their needs
  - Votes should reflect the needs of your company or community
GS1 Industry & Standards Event App

1. Get the App by searching your App store for "GS1 Global Events" (If you already have the Global App due to attendance at the Global Forum or Standards Event, you do not need to do this)

2. Once you have the Global App on your mobile device, type GS1IS18 in the search box. Please click the orange (+) to activate the event within your application.

3. Login with the email address you used to register for the event:
   Username: (your registered email)
   Password: GS1events
WiFi internet access

- Select network "GS1networks" and connect
- Password: GS1events
Agenda

• Welcome and Introduction – Garry Thaniel
• What are Marketplaces – Garry Thaniel
• Marketplaces Needs and Challenges – Lorna Beament
• How can GS1 help Marketplaces – Monica Bird
• Global Key Account Management – Aaron Miller
• How can MOs participate – Garry Thaniel
• Question and Answers
What are Marketplaces

Garry Thaniel, GS1 Global Office
What is a Marketplace?

Marketplaces are technology platforms that connect sellers and consumers by creating an ecosystem that facilitates transactions between them.

*They are different to traditional (e)retailers*
“Uber, the world’s largest taxi company, owns no vehicles. Facebook, the world’s most popular media owner, creates no content. Alibaba, the most valuable retailer, has no inventory. And Airbnb, the world’s largest accommodation provider, owns no real estate. Something interesting is happening.”

- Techcrunch, March 2015
There are now over 400 marketplaces globally
The not so distant future...

Global marketplaces are set to own 40% of online retail market in 2020

*by the Ecommerce Foundation and Nyenrode Business University
Group exercise: Is it a Marketplace or a Retailer?
How are Marketplaces different

Descriptors
- Linear supply chain
- Inventory is owned by the retailer
- Traditional sales funnel
- Internally resource heavy

Retailers
- Amazon
- Tesco
- Macy's
- Walmart
- Staples
- Nordstrom

Marketplaces
- Externally coordinated ecosystem
- Curation of data to control quality
- External networks & communities used to leverage growth
- Plug & Play

Leading Companies
- Amazon
- Alibaba
- eBay
- Airbnb
- Uber
- Walmart
What makes a marketplace successful?

Ability to attract, retain and engage

Volume of transactions, price and selection

Trust in the seller and the transaction

Customer service and brand recognition
How does the ecosystem drive value?

Achieving critical mass

- Marketplaces need to drive enough volume on the supply side (sellers) and demand side (consumers)
- When there are a higher number of sellers and consumers on the marketplace and there is an expectation for a higher number of transactions taking place
- Once there is enough volume on both sides marketplaces can drive higher levels of value through the network effect that’s been created
Group exercise: Which statement relates to which marketplace? (using voting App)

1. Our vision is to be earth's most customer-centric company; to build a place where people can come to find and discover anything they might want to buy online.

2. Our mission is to be the world’s favourite destination for discovering great value and unique selection.

3. We believe in the power of standards to transform the way we work and live.

4. Make it easy to do business anywhere.

5. To reimagine commerce in ways that build a more fulfilling and lasting world.

6. Empowering people and society through innovation and entrepreneurship.

7. To organize the world’s information and make it universally accessible and useful.

https://play.kahoot.it/#/k/c3907ed3-b09e-47f2-9fa6-d7d8239ee7fb
Marketplaces Needs and Challenges

Lorna Beament, GS1 UK
What Marketplaces (MP) need

**Business**

- Improve shopping and trading experience on platform – growth of seller business
- Open platform drives need for frictionless quality data at volume
- They operate as tech 1st, product 2nd businesses
- Needs of smaller (new) MP differ to those of larger established MP (nfx)
- Can sellers get GTINs directly from MP or other service providers

**Data**

- MVP prediction confirmed
- Need for validation and enrichment
- GTIN allocation improvement in market
- Need missing GTINs (scrape)
- Quality data without friction
- Core global data models by category and market
- Direct relationship with brands
- 100% GTIN mandate difficult
- Include other product identifiers
- Educating MP & market sellers
- Multilanguage requirements for validation

**Technology**

- Need to provide identifiers and attributes as a service
- Real time API
- Scalable, fast & reliable
- Commercials: Fixed usage with additional usage fee
GS1 Cloud Check Beta success vs Marketplaces needs

Marketplace Needs

1. Validation:
   i. GTIN
   ii. GS1 GTIN
   iii. Product
   iv. Multilanguage

2. Missing Data:
   i. GTIN suggest
   ii. Attributes – data quality

3. Technology:
   i. Real time API
   ii. One global, scalable service
   iii. Commercial model

4. Education

Current Gaps

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<td>GTIN</td>
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<tr>
<td>Brand</td>
<td>Yes</td>
</tr>
<tr>
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<td>Yes</td>
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<td>Label Description</td>
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GS1 Cloud Success

- All GTINs – future, allocated, active, inactive (B2B2C units)
- Check should be:
  - Is it a GTIN? (Integrity)
  - Is it a GS1 GTIN? (GCP)
  - Is it the product? (Product)
  - Is it ‘active’ in market? (Membership & Product lifecycle)
- Consistent output and input across all GS1 data services
- GKAM -1 connection? – commercials & languages
- Multilingual capability
- Need business & commercial model
- Disrupt MO current services & revenue
A quick guide to listing on Amazon

Single product direct upload
Add a Product

List a new product

Search Amazon's catalogue first

If it is not in Amazon's catalogue: Create a new product listing

We could not find any products for: 5052581000127

Suggestions:
• Did you try searching by ISBN, UPC, EAN or ASIN? What's this?
• Make sure that all the words are spelled correctly.
• Try different words.
Find it on Amazon

The product you are adding may already exist on Amazon.

Note: If you do not see your product's category listed below, please check our full category list. Your category is under review.

Learn more or check your selling application status.

All Product Categories > Grocery > Food Cupboard > Jams, Honey & Spreads > Jams & Preserves

Baking Supplies  Chocolate Spreads
Biscuits & Crackers  Curd
Cereals & Breakfast Bars  Fruit Spreads
Condiments & Sauces  Honey
Confectionery  Jams & Preserves
Cooking Ingredients  Marmalade
Crisps & Snacks  Marshmallow Spreads
Dried Fruits, Nuts & Vegetables  Nut Spreads
Herbs, Spices & Seasonings  Other (Jams, Honey & Spreads)
Instant Meals & Sides  Sandwich Spreads
Jams, Honey & Spreads  Yeast Extract Spreads

Jams & Preserves

Select
Your updates have been submitted.

Ben's Jam, rum and ginger fruit preserve 200g
SKU: 15

Thanks for suggesting changes to the catalogue. Note that Amazon considers data from all available sources to display the best possible detail pages for our customers. Your recommendations are being considered. If we accept your suggestions, the changes will be reflected in 15 minutes.

You currently have no listings that meet this criteria. Use the filters below the search bar to view more listings.
Our immediate challenges

What problems do sellers and marketplaces have when listing a product?
Hijacking

Member attempts to list their product by entering their GTIN...

But finds its already used by another seller – and for a different product

**Reason:** Future numbers or incorrect GCPs
There are 3 points during the listing process that Amazon checks data against its catalogue.
Duplicate listings

Search term: Genuine iPhone charger (eBay UK)

Marketplace search results are flooded with different options but the products are actually the same

Top 8 products.....look the same?

**Reason:** No unique identifiers used
Unbranded product

Many members listing the same product as a different due to all allocating a different GTIN

Reason:
• Manufacturer is not applying GTINs
• GTIN allocation rules not clear for unbranded products
Used/Refurbished products

Listings for the same products but some are second hand

Buyer finds it hard to tell the difference

Reason: GTIN can't differentiate between conditions
Moving to single product pages

eBay previously displayed one listing per seller

Now transitioning to a single product

**Reason:** To improve the buyers experience
New product pages
Missing GTIN

MINI Genuine All Weather Floor Mats Black Design Front Set F55 F56 51472354156

Condition: New
Quantity: 1
More than 10 available
18 sold / See Feedback

£43.99
Buy it now
Add to basket
Add to Watch list
Add to collection

Seller information
parksmotorgroup (9174  ⭐️)
98.8% Positive Feedback
Save this seller
Contact seller
Visit Shop: parksmotorgroup
See other items
Registered as a business seller

Ad closed by Google
Report this ad
Why this ad? ➤

Item specifics
Condition: New: A brand-new, unused, unopened and undamaged item in original retail packaging (where packaging is ...
Read more
Front, Left, Right

Placement on Vehicle:

Other Part Number: GLASGOW

Reference OE/OEM Number: GLASGOW

EAN: Does not apply

Carpet/Floor Mat Type:
Floor Mat

Brand: Mini

Manufacturer Part Number: 51472354156

Colour: Black
The temperature is rising. The frog could start boiling!

Lack of marketplace stakeholder understanding

Amazon Brand Registry & ASIN
(Google and Alibaba have their own Brand registries)
How can GS1 help Marketplaces?

Monica Bird, GS1 UK
WHAT THE MARKETPLACES SAID…

...we would say that **should a validation service exist** and **had broad coverage**, we **would very likely use this**. Also I’m hesitant to respond on this in the context of Europe for two reasons:

1. **We’re not yet launched in Europe**
2. Believe this needs to be a **global solution**

**Does that help as a starting point?**

Mike Capsambelia -

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Inconsistent data across listings and products. Challenging to identify **what identifiers make up a “product”**. Not everything can be identified, Unbranded products, Collectibles, Clothing, discontinued products.

Michelle Cervantes -

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We view GS1 as a **governing body for GTINs** who can support **GTIN integrity validations** as well as actual **product identifiers in the future**.

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What do you expect from GS1?

- **A standardisation body** that publishes **guidelines** and actively **promotes** adoption through **education and marketing**. We would like to see **more manufacturers and retailers in more countries making GTINs a priority for e-commerce purposes**.

  - **Google**

- **Centralised data of the core data** would be great.

  - TheFoodMarket.com

- **A common data pool for standardized information** would also help...

  - Zalando DE (apparel)

- **Current perception**: allocator for the GTIN/EAN.
  **Expectation**: service provider for product-identification and data enrichment.

  - Otto DE

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The marketplace manifesto

What we need to be mindful of when engaging with a marketplace
1. Marketplaces are not a retailer
2. They are fast moving technology companies
3. They build their ecosystems at scale with plug and play integrations
4. Their ecosystem is their supply chain
5. Trust keeps their ecosystem alive; social feedback is their sales commission
6. Data drives their ecosystem forward
7. They facilitate sale of ‘every product ever’
8. They are advocates of standards; their sellers are our members
9. Our standards need to be fit for purpose in the marketplace’s ecosystem
10. They will solve their challenges with or without us
Major marketplaces like Alibaba, Amazon, eBay and Google are increasingly requiring GS1 GTINs to support product listing requirements.
Ecommerce trends

- Convenience
- Personalisation
- Choice

= Trusted platform
= Trusted Data
= Unique Identifier
The benefits of the GTIN online

- **Customer**
  - Shopping experience

- **Marketing**
  - Google shopping

- **Fulfilment**
  - Picking
  - Tracking
  - Returns

- **Seller**
  - Listing
  - Mapping product in catalogue
For Marketplaces, GS1 Cloud Services offers the following benefits:

- Check (coming soon)
  - GTIN validation
- View & Explore (near future)
  - Improved data access and data quality
  - Product exploration and discovery

GS1 enables marketplaces to build rich experiences and instill confidence in consumers
Focus Areas for MOs to enable the GS1 Cloud to succeed

Local MO drive agreed targets through GKAM

- Review GTIN issuance to accommodate smaller sellers
- Compulsory Product Information with GTIN allocation
- Validation & authentication service for Marketplaces & Aggregators to check GTINs – via Cloud
- Widen product category focus and speeding up GSMP process (agile approach)
Global Key Account Management

Aaron Miller, GS1 Global Office
Major marketplaces like Alibaba, Amazon, eBay and Google are increasingly requiring GTIN to support product listing requirements.
“We verify the authenticity of Product UPCs by ensuring the appropriate information is reflected in the GS1 database.”

“All invalid product UPC listings will be removed and may result in your ASIN creation or selling privileges being temporarily or permanently removed. For more information on licensing UPCs from GS1 see the GS1 standard website.”
Amazon’s Seller Central Guidance

Requirements for product UPCs and GTINs

Valid UPCs

We verify the authenticity of product UPCs by checking the GS1 database. UPCs that do not match the information provided by GS1 will be considered invalid. We recommend obtaining your UPCs directly from GS1 (and not from other third parties selling UPC licenses) to ensure the appropriate information is reflected in the GS1 database.

Important: All invalid product UPC listings will be removed and may result in your ASIN creation or selling privileges being temporarily or permanently removed. For more information on licensing UPCs from GS1, see the GS1 standard website.

By providing industry-standard product identifiers for your listings, you help to improve the quality of the Amazon catalog as a whole. Promoting confidence in the range of products depicted in the Amazon catalog helps to ensure a high-quality experience for customers.

For most categories, you are required to use a product identifier to create new product pages and listings. The specific GTIN (Global Trade Item Number) required for product page creation and matching varies by category, although UPCs are most commonly used. The requirements of each category, including exceptions and exemptions where available, are summarized in the table on the Overview of Category Requirements for Product IDs page.
How do they validate?

GCP validation powered by GS1 Member Organizations

- GCP license data shared by select MOs where Amazon has Marketplaces
- GEPIR for members of MOs not currently participating in the data sharing
- GS1 Cloud coming soon...
GS1 MOs Involved...

GS1 Australia
GS1 Canada
GS1 China
GS1 France
GS1 Germany
GS1 India

GEPIR

GS1 Italy
GS1 Japan
GS1 Spain
GS1 UAE
GS1 UK
GS1 US
“Merchants who’ve added correct GTINs to their product data have seen conversion rates increase up to 20%”
What it means for you

If you sell new, brand-name products that are sold by multiple merchants, you should take a close look at the new requirements and double check that your product data is correct and up to date.

If you sell products that are only sold by you, this change probably won’t impact you. You also won’t be impacted if you sell used, custom, handmade, or vintage products. You can still improve your ad performance by adding unique product identifiers to your product data where they’re available.

What you need to do

If you're targeting Australia, Brazil, Czechia, France, Germany, Italy, Japan, the Netherlands, Spain, Switzerland, the UK, or the US, submit correct GTINs and the corresponding brand for all new, in-stock products that have GTINs assigned by the manufacturer. Learn more about the details of the GTIN requirement and unique product identifiers.

There are a few important dates to keep in mind:

- **February 8, 2016**: Warnings begin. You'll start to see item-level warnings in the Diagnostics tab for products that don't meet the requirements. Use these warnings to help you update your product data.
- **May 16, 2016**: Enforcement begins. You'll start to see item-level disapprovals in the Diagnostics tab for products that don't meet the requirements. After this date, you'll need to meet the GTIN requirements to continue serving ads for your products.

Posted February 2016 | Merchant Center Announcements
How can MOs participate?

Garry Thaniel, GS1 Global Office
What we are targeting for this year

Objectives

- To help Marketplaces and their seller community adopt the GTIN
- To encourage MOs to actively collect GTINs and their core product data to populate the GS1 Cloud
- To strengthen trusted data in the industry by helping global marketplaces to validate all new product listings via the Check Service of the GS1 Cloud

Goals

- Create a clear Value Proposition for GS1 standards, solutions and services (including the cloud) for the marketplaces community
- Define/identify a minimum viable product for the GS1 Cloud Check Service & View Service and the GTIN needed for increased adoption in Marketplaces
- Launch Member Organization (MO) Interest Group, leveraging the work done by the GS1iEU Marketplaces Group to expand global reach of Marketplaces efforts
Marketplaces are important, come and talk to us!

A few things you can do now:

1. Research marketplaces in your country – Who are they? Do they mandate a GTIN
2. Engage marketplaces in your country - What do they need from GS1?
3. Have you seen an increase in membership - What size are the businesses?
4. Start capturing the reason why people join your MO – Are these marketplaces?
5. Do you issue UPCs? (alliance numbers) - How many? Why do members need these?
6. Speak to member support – Are members reporting GTINs being hijacked?
7. Join Marketplaces MO Interest Group - Share your findings with other MOs

**We will reach out to you to find out the answers to these questions via a survey**
Suggested infrastructure for MO IG

- Monthly meetings of 60 minutes
- Proposed day & time: 3rd Tuesday very month from 2:00 PM to 3:00 PM CET via GoTo-Meeting
- Interested colleagues to register via Xchange Community Room (https://xchange.gs1.org/cr/ig/retail/mmoig/Pages/Home-wg.aspx) and (https://xchange.gs1.org/cr/Pages/directory.aspx#)
- Face2face will be offered for all global GS1 Events, these are Industry & Standards Event (Fall), Standards Event (Spring), Global Forum (February). In these months there will be no call
- All documents to be shared via Xchange platform
Join the Marketplaces MOIG to get involved!

Key Dates and Contact information:
Marketplace MOIG meeting will take place on: 16 October 2018

Please contact Garry Thaniel with any questions regarding the Marketplace MOIG:

Garry D. Thaniel
Vice President, Retail Industry Engagement
garry.thaniel@gs1.org
Group exercise: Let’s see what's online...

We would like you to research what the Marketplaces in your country mandate with regards to the GTIN

Please use your mobile phones to see what is required of the sellers on a marketplace platform in your country and share with the people at your table.
Questions?
Event App – How to rate sessions

1. Within each session, you will see “surveys” listed at the bottom.

2. Select your rating and enter comments.

3. A confirmation appears.