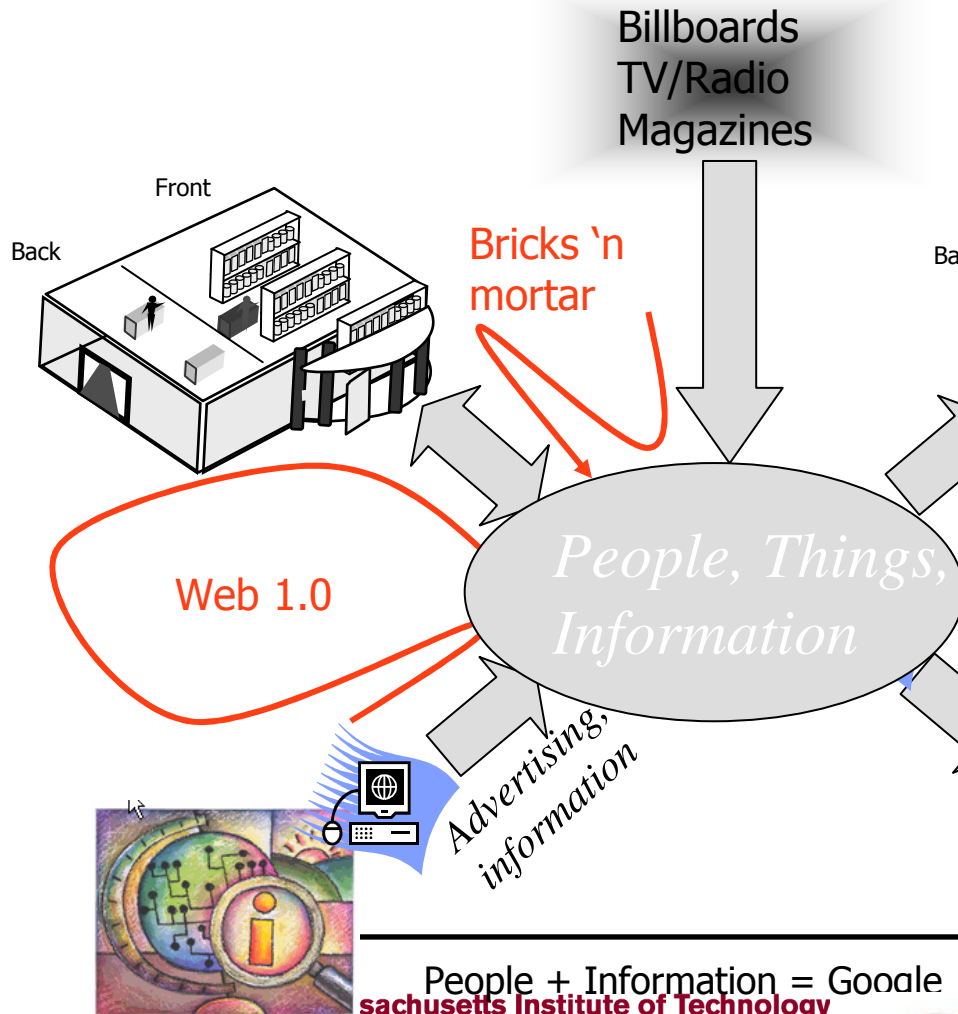

How the Web of Goods Changes Everything

Sanjay Sarma



The World Wide Web 2.0



Johnson & Johnson Puts Account in Review



As **expected**, consumer goods giant Johnson & Johnson has put its estimated \$3.3 billion media planning and buying account up for review.

In what's believed to be an attempt to bring multiple responsibilities under one shingle, the company is looking for a single agency that can handle buying and planning - including digital, according to a J&J spokesperson, AdAge **writes** (via MarketingVox). Sources inside the company say there has been a significant push to devote up to 20 percent of media budgets on non-traditional media. That would follow a shift by consumer-drug manufacturers, which are now focusing on online spending.

J&J is now serviced by multiple vendors, some of which were carried over after it acquired brands from Pfizer. Universal McCann and Initiative, both Interpublic shops, handle a good deal of buying and planning work. J&J is Interpublic's second biggest client. Other work, primarily on the Pfizer brands, is handles by WPP Group's Mindshare.

This is the second year that Johnson & Johnson has opted not to **participate** in the TV upfront process, a sharp sign that it was looking to emerging media to deliver higher ad value and accountability.

Related topics: Pitches/Wins/Losses, TV Upfront, Packaged Goods, Media Department, Interactive, Agencies, Television...

Things + Information = ??



Consumer/Product Interaction is Changing

- New advertising
- Mobile platforms
- Web fulfillment
- ⊕ **Cannot stop it.**
- ⊕ **The decision is whether to participate or not.**



Key observations

- The Web is ubiquitous
- EPCglobal is sitting on extraordinary real-estate
- If you don't use it now, someone else will recreate it using Web 2.0 and sell it



Landscape

	Scanning	B2B static information	B2B live information	B2B dynamic information	B2C information	B2C commerce
Bar-codes	GS1 2000's		GS1 2010		BRIC READY!	
Existing GS1 IT infrastructure						
Internet						
EPC			GS1 2015			
New GS1/EPC IT infrastructure						
WWW						
Mobile						

It's all about visibility

- GS1's history is Auto-ID, first step of visibility:
B visibility
- GDSN *etc.* are about B2B visibility
- EPC is about dynamic B2B visibility
- Mobile commerce is about B2B2C visibility



GS1's prime information real-estate

- Key array of data for the information age:
 - Company data
 - Country data
 - Location data
 - Product data
 - Serial data
 - Shipment data

What can you do with this data asset?

- Allergy Assistant
- Price Comparison
- Instant eBay-Auctions
- PLogging
- Product Warranties/instructions
- Equipment maintenance



Scenarios



My experience at Radio Shack

- I went to purchase 4 HDMI cables.
 - \$11 each, \$44 total
- I asked if they had something cheaper.
 - The clerk said \$2 on Amazon!
- **We ordered 8 cables + Fedex for delivery the next day using Mall WiFi.**
 - \$38 total



~~In 2 years~~ **NOV**

- You will be able to do that on a mobile phone

Google Android phones already support that!



Scenario #1

- 1 You are in a store with your nephew, who has peanut allergies.
- 2 You see a snack for him.
- 3 You scan the product for authentic information about peanuts.
- 4 The app on the phone connects through GS1 to a certified data-pool related to that bar-code.
- 5 Applies to diet, kosher, etc.



Scenario #2

- 1 You are at Best Buy looking for cameras.
 - 2 You see one and scan it.
 - 3 Best Buy pushes a promotion offering you a printer for 50% off if you buy the phone.
 - 4 + more memory and a case for \$40 more.
 - 5 + editing software for \$20 more.
 - 6 + a calendar with your pictures for \$30 more prepaid.
-

Scenario #3



-
- 1 You are at the Best Buy buying camera.
 - 2 You scan the camera to look for more information.
 - 3 Amazon offers to ship the camera to your house for 20% less.

This could happen today, regardless of GS1's involvement.



Scenario #3 modified

- 1 You are at the Best Buy buying camera.
- 2 You scan the camera to look for more information.
- 3 Third party ads are blocked when the geo-location of the phone is in a member retailer!

In other words, members' locations are amnesty zones for price-wars!



Is this good news for everyone?

NO....

- More competition, more efficiency, less margins for players.

But

- Industries have been ravaged: *Music, newspaper, magazine, travel-agency, telephone, postal, TV and movie industries.*
- The good news is that CPG can't be reduced to bits.
- Better to embrace.
- Better GS1 than Google do it for you.



Consumer/Product Interaction is Changing

- New advertising
- Mobile platforms
- Web fulfillment
- ⊕ **Cannot stop it.**
- ⊕ **The decision is whether to participate or not.**



More services are better for GS1

- Members in good standing
 - Counterfeit prevention
 - Recalls
 - Lookups for parsing
 -
-
- More reasons to stay current with GS1

What could the user do?

- Product information (extended packaging)
 - Extra information
 - Compatibility
 - Safety
- Comparison shopping
 - Retailer
 - Product...



While you weren't looking

**WELCOME TO THE NEW
WORLD**



Conclusion

Where to play?

Right where you are.
You are standing on
the **goldmine** – no need
to look anywhere else.

