

SCAN

ISSUE 45 JUNE 2018

GS1NZ.ORG

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Data is at the centre of everything

We're at the data tipping point.

Having meaningful data on products and supply chain events, in the right places at the right times has become imperative – not just “nice to have” – to the success of every organisation, especially those competing in a globalised marketplace.

Data for the integration of digital and physical retailing activities; data to meet the information demands of customers and government agencies; data to enable full traceability whenever required; and data for genuine interoperability between supply chain partners.

Of course, data accuracy, relevance and availability have long been important. Forty years' development and growth in the GS1 system for standardising, capturing and sharing data on objects, locations, legal entities and events are evidence of that!

But at today's tipping point, “important” gives way to imperative in so many areas of business, service provision and regulatory activity. Companies and other organisations must have the right data in the right places at the right times in order to implement their next big strategy or project, whatever that might be.

All this was extremely clear at February's GS1 Global Forum, in Brussels: Some of the world's biggest consumer goods companies found themselves in solid agreement on how critical data has become in every area.

The talk was of designing, or redesigning, “data centred” business processes, and of “seamless integration” between the digital and physical. More than ever, the leaders of

the GS1 community worldwide are convinced on the need for a “single source of truth” about objects, events etc, and for that truth to be universally understood, trusted and used by everyone who can benefit.

The drivers are obvious – explosive growth in online retailing and e-commerce in all its forms, the dominance of mobile technologies, rising consumer demand for knowledge and convenience, and the relentless pursuit of efficiency and competitive advantage.

To these add the GS1 System itself. Ongoing development of our data standards and data management systems add momentum to all these trends – see the GS1 Cloud on page 6 for some of the latest.

New Zealanders are certainly awake to the opportunities and challenges – and GS1 New Zealand's **Connect: Online Marketplace Summit** on 27 June will provide new insights on integrating the digital and physical, and on other aspects of today's tipping point.



We are delighted to host this half-day of presentations by leaders in retailing and online business, along with a keynote address from Small Business Minister Stuart Nash. This SCAN's feature interview with Countdown's Sally Copland is a sneak preview on the views of one of those presenters!

Data is, of course, extremely important in government and social services as well as online business. Next month also, we are privileged to be hosting in New Zealand a UK leader on data systems in Healthcare for improved patient safety and reduced cost. Mr Keith Jones, prominent physician and Director of Clinical Surgery at Royal Derby NHS within England's National Health Service, is leading the introduction of GS1 standardised data into every area of operation at his hospitals. This is a world-first programme from which this country (and others) can learn much. See our article on page 15.

Countdown, eBay, Trade me and Britain's NHS ... a diverse set of just four organisations who truly get the imperative to put meaningful data at the centre of everything they do. Beyond the tipping point, thousands more will follow in their own ways. At GS1, we'll do everything we can to support you with insights, strategic guidance and operational support.



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SCAN magazine is produced twice yearly for the benefit of GS1 New Zealand members. It has a circulation of approximately 6000 readers throughout the country as well as 114 GS1 member organisations worldwide.

SCAN reaches decision-makers in a wide range of industry sectors including grocery, FMCG, healthcare, logistics, manufacturing, retailing, wholesaling, transport and government. Our readership includes chief executives, sales and marketing managers, account managers, brand and product managers, IT personnel, operations managers, production managers, logistics and supply chain personnel, (barcoding) staff and packaging coordinators.

Unless otherwise indicated, articles appearing in SCAN may be reprinted provided that GS1 New Zealand is acknowledged.

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Lisa King and Michael Meredith in their kitchen.

Eat My Lunch goes to the supermarket

Digest these numbers: 5500 meals, 75 schools, 820 workplaces and six supermarkets. They sum up Eat My Lunch's daily operation at the end of April – and the numbers will surely be a lot higher in a month or two.



Eat My Lunch™ must be one of New Zealand's fastest growing consumer businesses, as well as its biggest success story yet in the realm of social enterprise¹.

Each working day, Eat My Lunch prepares and delivers high quality lunches – and also breakfasts, “tea time” food and dinners – to customers in Auckland, Hamilton and Wellington. Each sale also funds lunch for a Kiwi child in need – a healthy lunch made fresh each morning by Eat My Lunch volunteers and delivered to the child's school by noon.

Schools are nominated by their local communities. The individually-boxed lunches, breakfasts, dinners and afternoon teas are delivered to the schools, and to the paying customers within clearly delineated territories, using Eat My Lunch's own car fleet or commercial couriers.

Other April numbers for Eat My Lunch: 40 employees based in central Auckland and Wellington, 35 volunteers making GIVE

lunches working from 6:30am-9am, and around 400km travelled in deliveries on the average day.

Launch

Eat My Lunch's BUY ONE. GIVE ONE™ model has taken off since launch in mid 2015. Co-founder and Director Iaan Buchanan foresees high growth continuing month by month, this year and beyond.

“Our goal is ultimately to be ‘giving’ 25,000 children a lunch every school day. That's the widely-accepted scale of the need across New Zealand. Today we're doing around 2700 GIVE lunches in Auckland, Wellington and Hamilton. Right now, we could be giving 10,000 lunches in Auckland alone, so the growth potential is huge.”

This unique form of social enterprise (in New Zealand, anyway) is the brain child of Iaan, with 25 years' previous marketing and operational management experience in FMCG, and of Lisa King, also a very experienced FMCG marketer. Iaan and Lisa partnered with high-profile chef Michael Meredith to promote the business initially through its website and on social media. Growth started immediately with the first week's 50 BUY lunches per day becoming 200 per day in week two.

New World

Sales were all online until last October when Eat My Lunch was also launched into New World supermarkets. This, after Foodstuffs North Island joined as a shareholder and injected new capital to help fund the extraordinary growth. By the end of April, Eat My Lunch products were available through six New Worlds and several independent cafes, all in Auckland.

¹ Social enterprise is generally defined to be an organisation applying commercial strategies and processes to maximise social objectives while also operating profitably.



laan says joining GS1 – he was no stranger to GTINs and barcodes – was an obvious step when moving to become a supermarket supplier. The BUY lunch menus could not be so flexible from day-to-day, and packaging had to be enlivened with more artwork, nutrition information and scan-ability at point-of-sale. Before this, says laan, Eat My Lunch was effectively a business-to-business operation with orders only taken online and meals dispatched to workplaces in plain boxes.

“Selling at retail is a distinctly different form of business from our online channel. Supply chain arrangements are more complex, and we have to make sure of consistency in every incidence of the product and its packaging,” laan says. Growth in online sales shows no signs of slowing (annualised the rate is 70%) and laan expects that to continue.

So why move to the supermarkets? “We want to sell as many lunches as we can because that enables us to keep growing our GIVE lunch numbers. It makes sense to have as many sales channels as we can manage,” laan says. “Being in retail outlets

gives us the ability to pick up impulse buyers who aren’t otherwise coming to us online.”

Future growth

He expects high sales growth in an increasing number of Auckland supermarkets and plans to be supplying in New Worlds in the Wellington area by the end of 2018. “Foodstuffs have around 130 significantly-sized stores throughout the North Island and at some point, I’d like to think we will be distributing to them all.”

With the rise of Eat My Lunch as a retail brand and with its sheer volumes of growth, laan says the business will eventually move to greater use of GS1 standards for inventory and logistics management.

In fact, the need for scanning has been low to date because of the unique business model – food ingredients are bought fresh every day and used within 48 hours (mostly within 24 hours), and the meals are all gone on their day of preparation. laan expects to take his next steps soon by applying GS1 numbering and barcodes to cartons of product for dispatch to New Worlds.



Eat My Lunch has, it seems, plenty of potential to chew on!



For more information, see

www.eatmylunch.nz

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New report coming for barcode verification

When to apply a new GTIN to a modified product – this can require tricky decision making by GS1 members. There will soon be a new type of verification report to help get right answers without further hassle for businesses.

“The GTIN Management Standard is as comprehensive as a one-size-fits-all standard can be in an area as complex as product description,” says GS1 Quality Manager Owen Dance. “There are grey areas that can leave brand owners unhappy. Occasionally we fail GTINs where we think product modification really did require a number change but the supplier concerned has taken a contrary view.”

Here’s a hypothetical case: A standard can of “Irish Stew” is re-named “Stew” along with numerous changes to marketing text and package graphics but no change to the actual recipe, just some changes in the proportions of ingredients. A new GTIN should be applied to “Stew”.

GS1 plans to introduce a new type of report that will have neither a cross nor a tick – an overall pass or fail – on the front

page. Instead text will state whether the barcode symbol meets specifications along with individual passes for technical criteria. Where appropriate, the new report will include a comment against “validity of GTIN” to indicate that the number needs to be changed for compliance with GS1 standards. Suppliers will know that the barcode symbol is sound but the GTIN’s acceptability needs to be negotiated with each of their customers. (Previously a red cross on the face of GS1’s report would mean its immediate rejection by some retailers).

“We hope this will provide some wriggle room in situations where there is room for it,” Mr Dance explains. “But as a standards body GS1 simply can’t pass something that is contrary to the Standard.”

The GTIN Management Standard at <https://www.gs1.org/1/gtinrules/en> provides three simple questions:

- Is a consumer and/or trading partner expected to distinguish the changed or new product from previous/current products?
- Is there a regulatory/liability disclosure requirement to the consumer and/or trading partner?
- Is there a substantial impact to the supply chain (e.g., how the product is shipped, stored, received)?

A “yes” to any questions means a new GTIN is required.

The full GTIN Management Standard and an online decision tool to assist in deciding when a change is required can be found at <https://www.gs1.org/1/gtinrules/en>

GS1 Cloud – the world’s largest product database

The GS1 Cloud is coming. This centralised database under development by GS1 Global will be the world’s largest source of trusted product information – and that information will be available to retailers, e-tailers, marketplaces and brand owners everywhere through an online portal and via application programming interfaces (APIs).

The GS1 Cloud will combine brand-sourced product data from existing GS1 databases, including catalogues maintained by individual member organisations like GS1 New Zealand’s National Product Catalogue (NPC). It will also collect data directly for products not currently maintained in an existing source.

This database is designed to house more than 100 million Global Trade Item Numbers (GTINs), along with six additional core product attributes that will deliver trusted product information usually demanded by customers. The core product attributes are: GTIN, brand name, label description, medium resolution image URL, target market, company name and product classification.

The GS1 Cloud will be used in consumer-facing channels and to help sourcing decisions and will be analysed for data quality and digital usage. All data recipients of the GS1 Cloud must have a relationship with a GS1 Member Organisation to gain access.

The launch date has not yet been set. However GS1 Global says the first cloud-based applications will be:

- GTIN authentication: Checks on whether a GTIN comes from a GS1-assigned Company Prefix;
- Product validation: Provides all available attributes for a given GTIN; and
- Search function: Gives companies the ability to discover new products based on the Global Product Classification (GPC) and target market where the product is sold.



For more information, see
www.gs1.org/services/gs1-cloud



Global financial identifiers from GS1

GS1 New Zealand will soon begin issuing Legal Entity Identifiers (LEIs) on behalf of GS1 Global. The LEI is the world financial system's new form of unique identifier for companies, trusts and all other entities that engage in financial transactions.

GS1 New Zealand has been appointed the only local registration agent in this country which can support LEI issuance on behalf of GS1 Global to eligible New Zealand-registered entities. In time, many thousands are expected to acquire the identifiers for their buying, selling or holding of financial assets and securities anywhere in the world.

The LEI system is designed to vastly increase transparency and simplicity in financial transactions, and add efficiency to market operation, risk management and regulation everywhere.

The need for this became apparent amid the 2008 Global Financial Crisis and especially the collapse of U.S. investment bank Lehman Brothers in September that year. Regulators found no consistent identification of the counterparties in billions of dollars' worth of transactions.

The European Union's financial regulators have made LEIs compulsory for transactions within their jurisdictions since 3 January 2018. The London Stock Exchange, for example, simply says, "no LEI, no trade". Every legal entity that is party to a transaction and/or trades in derivatives within the EU must be registered with an LEI.

An LEI is a globally-unique 20-digit, alpha-numeric code based on the ISO 17442 standard, as developed by the International Organisation for Standardisation (ISO). The identifier links to standardised reference information including the legal name and registered address of the entity, and its type and legal form.

GS1 New Zealand's status in this country recognises the organisation's integrity in identifier validation and database management. It has become a registration agent of GS1 Global Office which, in turn, has a partnership with the Global Legal Entity Identifier Foundation (GLEIF) as a GLEIF accredited LEI issuer. (The latter, GLEIF, was effectively set up by the G20 group of the world's leading economies in 2011).

Millions of entities are eligible for LEIs worldwide, although having an identifier is only compulsory in jurisdictions where the financial authority has made them a legal prerequisite to participate in transactions (as in the EU countries). Increasingly, regulators in non-EU jurisdictions have indicated they will mandate that legal entities must have LEIs (although not yet the Financial Markets Authority in this country).

New Zealand has approximately 1060 entities that are registered here and have already secured a LEI from a foreign GLEIF-approved issuer.

Under ISO 17442, the term "legal entity" includes, but is not limited to, parties that are legally or financially responsible for the performance of financial transactions or have the right in their own jurisdiction to enter independently into legal contracts. The definition includes: Registered companies and registered subsidiaries; funds and trusts; charity organisations; government bodies; and branches offices where the head quarters entity already has an LEI. Natural persons, or individuals, cannot have LEIs.



For more information, see

www.gleit.org/en/about-lei/regulatory-use-of-the-lei

Applying for an LEI

GS1 expects to be supporting LEI issuance in the second half of 2018 to any eligible New Zealand-registered legal entity.

For more information, see

www.gs1nz.org/ or email Micheal Warren (Senior Advisor Government), micheal.warren@gs1nz.org

LEIs and NZBNs

New Zealand Business Numbers (NZBNs) have been sourced from the Ministry of Business, Innovation and Employment to all legal entities in this country. NZBNs are based on globally unique GLNs (Global Location Numbers) sourced from GS1. NZBNs and information associated with them are for widespread use in business activities within New Zealand and with overseas trading partners.

LEIs and NZBNs are complementary. They

are both globally unique but LEIs are for use only in financial transactions. The Global Legal Entity Identifier Foundation intends to include NZBNs wherever applicable in its global LEI database and LEIs will also appear in GS1 global registries. GS1 New Zealand will require applicants for LEIs to already have their NZBN available.

New NZBNs can be obtained from

www.nzbn.govt.nz/get-an-nzbn

NZBN  More business
 Less work
NEW ZEALAND BUSINESS NUMBER



Countdown marches on with convenience for connected customers

Countdown is undoubtedly New Zealand's leading online retailer. As General Manager – Digital, Sally Copland oversees the next steps in Countdown's expanding digital connection with customers nationwide.

Things have come a long way since 1996 when the group gave Kiwis their first taste of online shopping: Software was handed out on floppy disks so people could use dial-up Internet to access a server containing product details and prices. Sally talks with SCAN about Countdown's continued online growth, its drive to keep adding convenience and value for customers, and the importance of data in enabling all this.

Sally Copland has over 15 years' experience in marketing and online strategy. Sally holds a Masters degree in Business Administration and Management from Sydney's Macquarie Graduate School of Business, and she earlier graduated from Otago University with degrees in Law and Commerce.

🗣️ Looking at Countdown as a whole, how important has online become today?

It's extremely important, largely because this company understands that customers are increasingly connected in a digital sense and they want freedom around how they're going to get their groceries. Our 20-year history with online service means we really do understand the value this can represent to customers. I'm an example myself ... a full-time working mum who finds the idea of adding a grocery shop to her long "to-do" list very unappealing when I have the option of, instead, sitting down late at night and quickly ordering whatever we need online. Being able to do this and have the shopping ready for pick up at the local store or delivered to home really is valuable. Our service is all about giving customers the freedom to choose how and when they get their groceries.

Online is a growing portion of the total Countdown business and it's a significant contributor to our growth. Every single week we see Kiwis try online shopping for the first time ... and we have a large number of regular shoppers using our service. They might use it weekly, fortnightly or whenever suits them. We're OK with all that ... sometimes customers will find it more convenient to go into a physical store.

The core of what we do is provide all the options in a very convenient fashion. People will use digital to look for shopping inspiration and to really plan out what they are going to buy. At the end of the day, what customers care about most is, "how do I get the things I need and want into my basket, be that digital or physical, and get through the checkout quickly". Our challenge as a retailer is to make shopping a seamless experience whether you are online or in-store.

🗣️ Is there a different pattern of shopping behaviour when the customer is using the online option?

The average online shopper tends to buy more each time because they're shopping less frequently and they really do value the convenience of this option. Our business is growing overall but there is definitely a shift occurring from physical to online ... and one of the drivers for this must be our ongoing effort to make the online option even more convenient. We have hourly pick up slots at all Countdown stores so customers have more choice about when they get their groceries. The "when" is about them, not us. We're now seeing a lot of groceries picked up or delivered on Sunday. That makes sense because that's when people are often planning the week ahead ... they want to make sure that their

groceries are in the house by Sunday night. The more Countdown can plug into this wish and provide a truly convenient service, the better for everyone. So yes, there is some shift around when people are choosing to shop with us. But I'd say they approach the tasks of choosing what to buy and loading their basket in much the same way online as off-line.

Of course one of the big advantages of online is that you can be at home with your pantry right beside you so you can see exactly what you are missing. You're less likely to end up with eight containers of something you don't need and then forget something you really did. People are quite savvy with how they use our platform from home. Because we have a record of what you usually buy, you might set up a list of items with us ... perhaps call it "my weekly shop" which you can easily click as the basis for each shop. There might be another list called "my favourites". It is all about you based on products you've bought before, personalisation of our platform is really important to our customers.

🗣️ Countdown isn't targeting one type of customer. Is everyone a potential online shopper then?

Everyone, yes! Food and drink have been



“Our challenge as a retailer is to make shopping a seamless experience whether you are online or in-store.”

– Sally Copland



one of the last categories that people will shop for online and that makes sense because that's the category they are most used to going into a physical store to buy. They can see the actual products and perhaps feel them. For people to change that habit and shop for food through a digital platform is a big deal. It's about what you feed your family every night! The onus is, therefore, on Countdown to get everything right so that whether people are in our stores or on our platform, they are having the best possible experience and seeing the best offering in terms of freshness and so on. Both modes of shopping have got to deliver to the same high expectation. The fact that more and more Kiwis are giving online a go for the first time each week is confirmation that we are doing the right things in our business. In Christmas week last year –

when people are at their busiest – we had thousands of customers trying our online service for the first time and in a sense, they were trusting us to get their Christmas right for them. That was pretty amazing when you think about it.

Q Is there a seasonality about online shopping?

No it's not seasonal. We have a standing joke in this industry that a store with underground car parking does particularly well when it is raining but when it's sunny, nobody wants to go to any supermarket. With an online store, the weather doesn't matter at all. There are many different ways that people use the service. Some rely on a fortnightly pantry-fill shop and then they top up with fresh from a physical store. Other customers use the platform

weekly or even more often. For them, it's a convenient way to get just about everything.

Q Countdown rolled out its Pick up app for online shoppers who use your “click and collect” option in late 2017. How's that going?

Very well. This is about taking readily available geotech location technology and making it accessible for anyone to leverage. There are two components. First, helping us improve customer experience when you come to pick up your groceries. The earlier we get advance notice that you are coming into the store, the sooner we can have your groceries ready for you. That's been important in helping customers get in and out as quickly as they can. We want technology that will simplify

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and speed-up processes, and actually the team loves this one too. The app sends the customer a text message to say their groceries are ready the moment your order is picked and packed. Ideally, you will confirm back on your intended pick-up time. Or under another scenario, you might be driving close to the store – say within a 5km radius – and you break a geo-fence set up for you by Countdown ... as you approach, we text to ask if you are coming into store to collect your groceries. If it is safe and convenient, you can let us know by return text.

🕒 How long does it take you to pack an order?

The team is pretty efficient. We have nearly 2,000 personal shoppers across New Zealand who do this every single day. Their motto is to pack your groceries as if they are doing it for themselves. They take a huge amount of care with fragile items like eggs and cool or frozen products like ice-cream. And they are quick! In some instances the customer can be ordering their groceries at 7.30am and picking them up at 10am. So we have pretty tight turnaround and we keep looking for ways to do it even better.

The team have some pretty efficient technology to help them in store including a hand-held device that has each order loaded up. The shopper uses this to pick and pack as they move around the store. Right now we are modelling ways for doing this in a plastic bag-less world. Countdown recognises that going single-use-plastic-bag-free is the right thing to do for the environment and for our customers, a lot of whom are very keen on more sustainable options. In fact, most of our online customers are passionate about how they get their groceries packed and we've made that a huge priority.

🕒 Do Pick up and Delivery compete in your business model?

No they are two service propositions that give our customers the choice they really value. We still see good growth in home delivery which of course has been part of online shopping since the beginning (in 1996), at the same time as seeing amazing growth in Pick up. Customers tend to have a preference for one or the other. Some, like me, use both. For Pick up it is often people thinking, "I can quickly pick up something on the way home because I'm going near the supermarket". For home



delivery, people actively deciding they don't want to come near a store, at certain times at least. There are many customers for whom going to a supermarket simply isn't an option anyway – people who are recovering from injury or illness, mothers with babies and so on. However we also know that delivery is really important for these people.

🕒 Is Delivery also the greener option?

Countdown does map its deliveries with mindfulness about how many food miles are involved. It's something the team reports on and then analyses. However we also know we need to become more and more sustainably minded across all our service propositions. Absolutely a live issue!

🕒 What's next with online shopping at Countdown?

First, we've got to make sure we are really good at what we do now. It means getting even better at ensuring the customer is at the heart of everything we do. How do we use current and emerging digital technologies to ensure we're giving the best possible experience to him or her? We are focused on understanding the customer journey and knowing where all the pain points are. That starts with people planning their shop, through to how they find the right products for them and, eventually, to how quickly can they get those products into their home or wherever. We need to be making that as easy as possible.

Pain points? The best way to find these is to ask customers. I've just been in a presentation on improving the Countdown platform using customer-led design throughout the whole process. The team have come up with a hypothesis, they've tested it and iterated on the original design to make sure it really will work for the customer.

On the technology front ... the future is definitely not yet formed so we get the pleasure of asking ourselves, "what is the next experience we want to create for customers that they might not yet be expecting?" How can we steer into that space? Voice, for example, is an emerging technology globally. So how could vocal recognition inform and improve the shopping experience? Really, we're an organisation with a very active role in forming the new shopping experience for customers here in New Zealand. You can look at what's happening globally, you can ask your customers questions and you can do a lot of other things in between. There are rich insights to be gathered from every source but you still have to be creative and to really think about what will work for people.

🕒 So is my fridge is going to start shopping for me?

Potentially yes. If we're using voice technology for ordering what you want, perhaps your fridge will order products online when it recognises you are running low. Will we see a world with subscription-based services ... items being delivered to your door on a regular basis because they're automatically ordered? The fact is that not only are customer expectations changing all the time, but so is technology and this can be very disruptive. Retailing will see more change, I think, in the next five years than perhaps it's been through over the past 50 years. That's how important new and emerging technologies and changing market dynamics are in the lives of us all!

🕒 What more can supermarkets do to prepare and deliver food to the customer in the format they want? Might you move into packaged meal ingredients, for example, like another prominent NZ business?

As a retailer we have to realise that other



new and distinct service propositions are competing for the Kiwi dinner table. First and foremost, we need to be really good at what we do now. We are still seeing such huge growth in people using online shopping for the first time ... it's our role to deliver them the experience they're expecting from Countdown as they know it today. But when we look further out and ask questions like, "how else do we support a busy working mum get dinner on the table faster and in a really nutritious format?" ... then yes, we have to navigate all the possibilities.

Q Now the obvious question: Will online eventually replace bricks and mortar altogether?

No! There is an experience and role that supermarkets have in communities that makes them really critical. I think about the offering and format of our Ponsonby supermarket ... it's a food store with a particular experience. Personally as a foodie, I love being in your fresh produce department and thinking to myself, "what am I going to cook, what will go with what, how do I feel more connected with the foods that my family is eating?" Absolutely we have a role in physical stores to create outstanding experiences for our customers. The technology in that environment keeps changing, for example to speed up the check-out process. Again, our challenge as retailers is to make that world all about you, the customer! Digital technology will also continue to play a really big role in our stores.

Q It is fair to say that data becomes even more important as we go into the future, both online and off-line?

Data has lots of different forms and uses. We need really good information on our customers so we can deeply understand them – and of course, really good data on products. This is why Countdown works with GS1 and why we connect closely with our supplier community. We need rich data to meet our customers' needs – they want to make informed choices on which products they buy, use and eat.

The more we can put the right information in front of them in an easily digestible format, the better for everyone. In fact, we've had customers say, "the nutritional information you are making available to me on the website is so useful, it's easier than turning a pack around in store". We have about 10,000 products now in our digital store that have nutritional

information and health star ratings. That's vital for those who have allergies, gluten intolerance and so on—and actually for people everywhere who just want more knowledge about what their families are eating. Our customers are asking for more and more information. We made a decision two years ago to work with GS1 on putting more of it in front of them ... and we're seeing just how engaged customers are with more and more social media postings about food and what they've found out about that food.

Q How important is data to Countdown's fulfilment given that customers are buying online without having seen actual products?

Data is absolutely critical in this regard too ... it's not just about what's in the product but what product the customer is expecting to buy and is that the same as what they actually receive. "Is the product I receive the same as what I selected online?" Ensuring that they line up becomes a lot harder in the online world. For one thing, product images are all the same size on the screen but not in the physical world! How do we help the customer understand pack size and product range differences? We need, for example, to make sure we are really clear with the customer about the construct of packaging and about the product images they are seeing.

We track the incidence of products where the right images are missing and the team are hellbent on keeping that number really low. If the right image isn't available, there is very little value having that product ranged online. All the images there are also available to our shoppers for their in-store picking and packing activities. We use a technology called "picture pick" and the hand-held gun that the team is using has product images displayed on it ... our people can match that image with what's in front of them on the supermarket shelf. This makes the task faster and far more accurate. If you think about the canned tomato category as an example, there are many different variations of product. If both the customer and shopper are seeing the same thing, it's a great way to ensure the item going into the basket is canned tomato with basil not chilli and so on.

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READY TO IMPROVE BUSINESS EFFICIENCY?



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“Some customers use our service because it helps them budget and they spend less overall on their food.”

The more accurate and the more automated the information and images coming into our system from our suppliers, the better the experience for customers ... and actually for us, as the retailer, and for the supplier themselves. Our processes can be simpler and more efficient.



© How satisfied are your customers?

We have many different ways of gathering feedback from customers, through emails and calls handled by our service people, through social media postings and through regular surveys. For commercial reasons, we don't talk publicly about our numbers but I can tell you that a customer who engages with our online shopping service is generally very positive about Countdown. I think that comes back to the fact that we are actually making their lives easier in very practical ways.

© And people don't mind the extra element of cost when they shop online?

No. In fact some customers use our service because it helps them budget and they spend less overall on their food. For example, they are less taken by the impulse to buy when they see something new and interesting. On the other hand, it is clear that people will use the digital platform to try out products they haven't had before. We see the full range of shopping behaviours online.

© Given that data is so important, what role does GS1 have in your business?

We see GS1 as a partner. Countdown's digital team have a great working relationship with GS1 and so does the merchandise team ... and that's because we recognise the value of having an accurate set of product data we can surface to our customers in more or less real time. That data can flow through our system almost invisibly. With GS1 standards, the product information comes through in an accurate format that is user friendly for us on our website. We encourage all our suppliers to put their information through GS1's National Product Catalogue and from there, we have more opportunity to provide what customers are asking for. We have put real effort into educating suppliers about our relationship with GS1 and, of course, it is in their interest as well to have their products presented to customers in the best possible ways. I think there's plenty of good awareness by now. ■■■





The beaches were encountered while Shay was working on superyachts in the Pacific. The business produces everyday items not made of plastic and designed to get New Zealanders thinking more about sustainable consumption. And the GS1 membership adds ease and efficiency to the sale of Shay's stainless-steel straws and goats-hair brushes.

The straws and brushes are the first CaliWoods products – CaliWoods being the distinctive brand name for Shay's West Auckland-based business, aspiring towards social enterprise status. "Cali refers to California which was my final base before returning home to New Zealand, and 'woods' is just a reminder to work at being more sustainable," she says.

During six years of global travel, the environmental sciences graduate couldn't help but notice plastic junk strewn in streets, fields, forests and oceans. The final straw

No to “*plastic insanity*”

Even remote Pacific Island beaches are fouled with plastic waste. The appalling sight inspired Shay Lawrence to start her own sustainable products business (and become a GS1 member).

(forgive the pun) was on an otherwise pristine Pacific beach visited while working on a superyacht as a deckhand. "I was thinking, 'I could be one of the few people who have ever stood on this piece of sand ... and holy-s**t there is plastic rubbish even lying here. This is absolutely insane'."

The Caliwoods straws – substitutes for plastic throw-away items – are re-usable food-grade stainless steel sourced from a Chinese manufacturer. "Straws are associated with fun and drinking smoothies, cocktails etc ... it's a great way to engage people and encourage them to think about using less plastic and generating less waste," Shay says.

Her brushes replace traditional nylon with goats hair, produced in Taiwan. Shay agonised about using Asian, not local, manufacturers to source her products. "I had to decide whether they would be cheaper and accessible to more people, or exclusive eco products only a few can afford. If the

suppliers could uphold the standard I was looking for, I decided it was better to make products more people would use and be inspired by."

Caliwoods was launched in early 2017 and Shay plans its further developing as a social enterprise beyond today's sustainable consumption message and monthly giving to two environmental causes.

She sells through the Caliwoods website (and through around 150 eco-minded retailers around the country. Stock is distributed from Shay's Kumeu warehouse near her west coast beach home. "GS1 guidance on how to allocate and store numbers to the products, and ensure my barcodes are right, has made the whole operation much more efficient."

Buy from www.caliwoods.co.nz
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Learnings from England on GS1 standards in healthcare systems

England continues to make solid progress on the application of GS1 data standards to public healthcare. Six NHS Acute Trusts¹ are piloting the use of GS1 numbering and barcodes in all their clinical activities – and benefits are being measured in terms of improved patient care, increased operational efficiency and reduced cost.

The initiative is called SCAN4SAFETY and one of its lead implementers will be in New Zealand during June to brief public healthcare managers here. Keith Jones is a Consultant Maxillofacial Surgeon and Director of Clinical Surgery at Royal Derby NHS. The latter is the umbrella entity for the Derby Teaching Hospitals NHS Trust – one of the six “demonstrator centres of excellence” for SCAN4SAFETY.

In New Zealand, Mr Jones will explain the extensive application of GS1 standards in these centres and the results achieved to date. In 2016, the UK Department of Health set out these objectives for SCAN4SAFETY: Enhance patient safety outcomes; increase overall performance efficiency; and reduce cost.

The initiative has seen the introduction of systems in which every medical intervention, individual (trust staff and patient), procedure, item used and medicine administered is uniquely identified and subject to automatic data capture at the point of patient care. These systems are supported by the digital catalogue management of hospital inventories, using GS1 standards, which has been introduced throughout the NHS in England since 2010.

As Mr Jones explained in a recent presentation, “it’s about getting all the data we need to really understand what we are doing (in the clinical setting)”. He

said analysis of the data has already led to many changes and refinements in how surgical procedures are resourced and managed, and how all the items required are stored, sterilized and used.

Since SCAN4SAFETY was launched two years ago, results have pointed to annual cost savings of £700,000 across the six demonstrator centres – savings from reduced purchase of inventories, reduced wastage in hospital operations, and from pay efficiencies among non-clinical staff. Based on these initial findings, it has been estimated that the typical NHS Acute Trust could secure these benefits:

- significant release of nursing time from administration, this time then available for use in patient care;
- reduction of hospital inventories with savings of £1.5 million annually; and
- ongoing operational cost efficiencies of £2.4 million (amounting to a saving across the NHS in England of £365 million annually).

To see Keith Jones present on “GS1 standards improving clinical effectiveness and patient safety” go to www.youtube.com and search “GS1 standards UK, Keith Jones.” See also www.scan4safety.nhs.uk for details on this programme.

The push to have unique identification and automatic data capture in clinical settings follows publication of the so-called Carter Reports in 2015 (interim) and 2016².

These reports highlighted the value of GS1 standards to the NHS as part of a comprehensive investment in digital platforms, improved staff organisation and a better approach to purchasing which could, Lord Carter estimated, result in savings of up to £5 billion per year across the NHS. The interim report (2015) was very explicit in stating that the introduction of GS1 standards could enable every NHS hospital in England to save an average up to £3 million each year, while improving patient care.

¹NHS is the National Health Service. Within the NHS system, Acute Trusts manage many public hospitals. These trusts are required to ensure that hospitals provide high-quality healthcare and to check that they spend public money efficiently. They also decide how a hospital will develop so services improve. Acute Trusts employ a large part of the NHS workforce, including nurses, doctors, pharmacists, midwives, and health visitors.

² “Review of operational productivity in NHS providers” was an independent inquiry report by Lord Carter of Coles, conducted for the UK Department of Health. The final version of the report came out in February 2016. For further information, see <https://www.gov.uk/government/publications/productivity-in-nhs-hospitals>

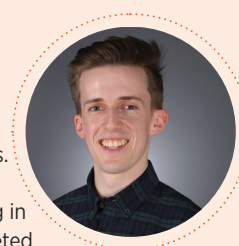
Micheal Warren

Micheal Warren is GS1’s new Senior Advisor for Government based in Wellington. Micheal’s focus is helping GS1 to connect with government. Previously Micheal worked as a Political Advisor at the United States Embassy in Wellington and as a Policy Advisor at the Ministry of Business Innovation and Employment. Micheal also spent almost five years working in Parliament as a private secretary and advisor. Micheal has recently completed a PhD in Political Science, this including a thesis on how New Zealand’s participation in the Olympic movement has contributed to national identity. Micheal takes a keen interest in sport and enjoys a game of squash.



David Harris

David Harris has joined GS1 as a Wellington-based Marketing Assistant with a focus on digital content management, events and communications. After studying a Bachelor of Arts at Victoria University of Wellington, majoring in English, French and Politics, David completed a Graduate Diploma in Marketing during 2017 and he joined GS1 thereafter. Outside of work, David is passionate about music, and spends his spare time as a multi-instrumentalist and composer. He also loves to work on cars and to follow motorsport.





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Annique is based in the Wellington office managing the marketing needs of GS1 NZ - events, branding, website, SCAN magazine, training, communications and campaign management.



Bev Gough

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Bev is the 'meet and greet' point of contact for members either calling, emailing or visiting our Wellington office.