E-Commerce in Grocery is Here and Now

Success Depends on the Foundation of Quality Data

E-commerce in grocery is no longer a desired future state. It is a reality, and to prepare for success, you need to build a foundation of high-quality product information both trading partners and consumers can rely on for completeness and accuracy.

19% bought online
Shoppers in the U.S. who bought groceries online more than doubled in 2016 to 19 percent, up from 8 percent in 2015, according to a survey by Unata.

$100 billion in Revenue
Nielsen research estimates $100 billion of grocery revenue will come from digital channels by 2025, representing between 20 to 25 percent of total grocery revenue.

23% of American households
are already buying at least some of their groceries online today—and that percentage is projected to grow rapidly: 72 percent of shoppers surveyed said they expect to buy groceries online in the future.[1]

In the digital world, tolerance for incomplete or inaccurate data is essentially nonexistent. Nearly 90 percent of consumers say they would be unlikely to consider a retailer again if they provided incorrect information for a purchased product.[2]

From among the top 10 largest retailers across all industries in the country (by revenue),[3] three grocery retailers (Walmart, Kroger, and Albertsons) have recently announced publicly their renewed commitment to enhancing their e-commerce strategies.[4] The other top seven are also known leaders in online retailing, so the trend continues to grow.

Join Industry Leaders Shaping the Future of Data Quality

The *Joint Foodservice and Retail Grocery Data Quality Workgroup* collaborates across the two distribution channels to define evolving data quality requirements and develop best practices to satisfy consumer as well as trading partner expectations for rich and accurate information.

For more information, contact **retailgrocery@gs1us.org**.

Challenges to Solve

- Different data sets and formats needed per retailer distribution channel (brick and mortar vs. online)
- Attribute proliferation as a result of increasing consumer expectations
- Recognition of the need to reconfigure internal processes to establish and maintain data quality

How Focusing on Data Quality Solves These Challenges

The same data you use for traditional channels is needed for a successful e-commerce strategy. What elevates the urgency to get it right from the start is the nature of digital channels, where mistakes and inaccuracies can proliferate faster than you can begin to correct them. In addition, the attributes of your products are the descriptors customers base their buying decisions on.

The GS1 US National Data Quality Program was developed to address the challenges of the industry through a framework of three pillars:

- Establish effective data governance processes
- Ensure education and training protocols are in place to maintain data quality
- Conduct attribute audits to validate accuracy

Improving Data Accuracy Leads to:

- Generating sales
- Improving consumer perception
- Increasing brand awareness
- Seamless consumer experience across purchasing channels
- Expanding consumer base
- Creating and delivering reliable, accurate product information
- Better matching inventory with customer demand for greater visibility
- Making your product information search engine friendly
- Reducing confusion from counterfeit products
- Understanding your customers through smarter analytics

Risks of Inaccurate Data

+ **Decreasing brand awareness and loyalty**

+ **Frustrated consumers**

+ **Lack of trading partner alignment**

+ **No channel consistency**

= **$ ⏱ Lost sales and wasted resources/time**

Get Involved

Join and contribute to the Joint Foodservice and Retail Grocery Data Quality Workgroup by contacting retailgrocery@gs1us.org.

1. Food Marketing Institute and Nielsen, "The Digitally Engaged Food Shopper," 2017
2. 2015/2016 Shotfarm Product Information Report
3. Statista, "Leading 100 American Retailers in 2015, based on U.S. retail sales."
4. Planet Retail, "Click & Collect USA... who's moving fastest?," 15 February 2017

About GS1 US

Across channels, platforms, and devices, the GS1 System of Standards enables companies to speak the same language, connect with one another, and move their business forward to support any type of commerce via any sales channel, platform, or device. GS1 Standards drive commerce—no matter where the final transaction occurs.

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