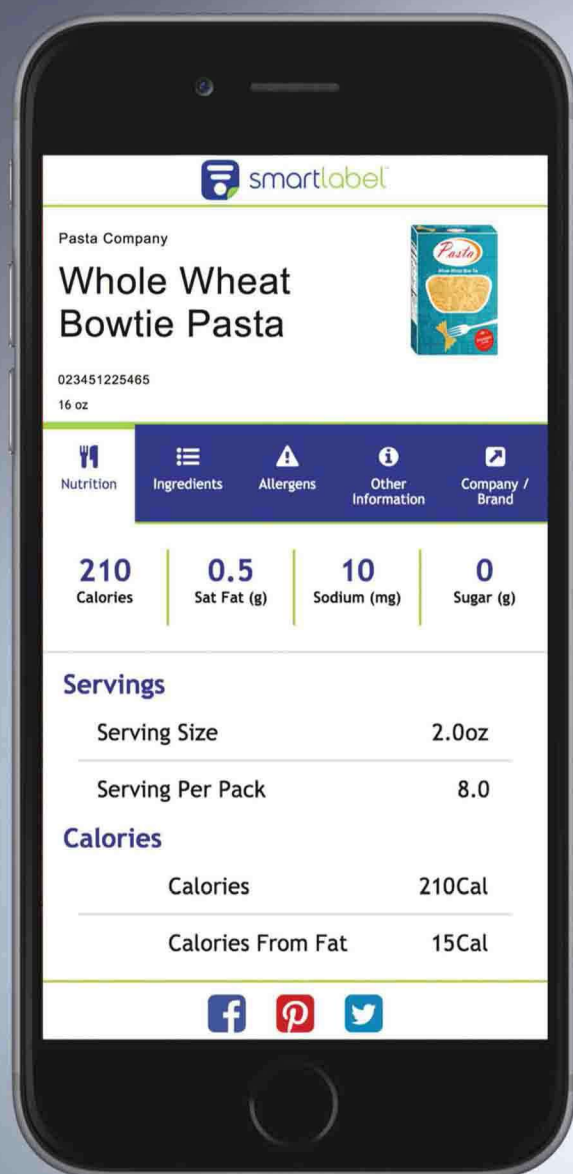


Playing it Smart

GMA leads the industry into the information spotlight.

By Joan Driggs



It might be an overstatement to call it overused, but there's no denying that "transparency" is one of the top words of the decade.

Its relevance to the grocery industry is undeniable. From required nutrition statements and allergens to voluntary clean labeling, carbon footprints or GMOs, consumers want to know about the products they're buying and consuming, as well as about the companies that are selling to them.

"Transparency is essential to build trust with today's consumers," says Benno Dorer, CEO of The Clorox Co., in Oakland, Calif. Dorer is one of more than 325 grocery industry participants from among 90 companies working to build SmartLabel, a new platform that aims to put product and company transparency at consumers' fingertips.

While just making its way to CPG products and retailers across the nation, SmartLabel holds the potential to demonstrate to consumers the degree to which the retail food industry is committed to meeting demand for transparency in an organized,



A CLICK AWAY

Each product in SmartLabel has its own landing page, but information is uniform across all products, so consumers will easily learn how to access information important to them.

responsible manner. The initiative essentially pulls back the curtain on nutrition, ingredients, allergens, third-party certification and company information.

More than 30 companies have already committed to the initiative, with The Hershey Co. the first to have products searchable through SmartLabel. The Grocery Manufacturers Association (GMA), which is leading the work to create and initiate SmartLabel, estimates that nearly 30,000 products will use SmartLabel by the end of 2017. Retailers committed to SmartLabel include Walgreens, Wakefern, Ahold USA, Amazon, Kroger,

Meijer, Target and Walmart. In addition, a consumer survey commissioned by Washington, D.C.-based GMA found that 75 percent of respondents would be likely to use SmartLabel.

"With nearly 43,000 products in the average supermarket, the grocery industry is clearly about providing options that cater to a diversity of customer preferences and offer products appealing to a wide range of consumer inclinations," says Mark Baum, SVP

and chief collaboration officer at Arlington, Va.-based Food Marketing Institute, a SmartLabel partner.

Instant Information

GMA CEO Pamela G. Bailey describes SmartLabel as “a transparent, transformative initiative that provides easy and instantaneous access to hundreds of attributes of food, beverage, pet care, household and personal care products. It’s designed so that consumers can have a wide variety of information and the ability to home in on the information they want in one or two clicks.

SmartLabel is enlisting various technologies to enable consumers to access product information, among them scanning a QR code on the package, using a web search engine, going to a participating company’s website or, eventually, through an app projected to launch in mid-2016. According to GMA, a number of retailers have said that they can help shoppers without smartphones at their stores’ customer service desks.

“We think SmartLabel reflects the way people shop today,” Bailey said as she unveiled the initiative to media. “SmartLabel is the modern way; it’s beyond what’s on the label or ingredient statement.”

SmartLabel takes consumers beyond what’s available on a package or nutrition statement, and gives products and brands a better way to share what they offer. Attributes cover thousands of products, and drill down into such categories as item benefits, features, safe handling, uses and advisories, as well as company and brand information.

“The foundation for SmartLabel is the information consumers want to know: why an ingredient is in a product, what it does, how it was sourced,” explains Jim Flannery, senior EVP of GMA, who’s leading the initiative. “The essence is the consumer experience — getting to the SmartLabel landing page. Each product has a landing page of ingredients and attributes. All pages look consistent.”

Each product participating in SmartLabel has its own landing page that features 52 required attributes, including nutrients, allergens and third-party certifications. Rather than breaking down ingredients into a list, as on packages, SmartLabel drills down into the elements of a product, so that a breakfast sandwich, for example, will provide all of the ingredients used to make the bread, the egg, the cheese, any spread or dressing, and the meat, if any. Brands can voluntarily disclose an additional 197 attributes, including no artificial preservatives or MSG, for example. Consumers will see the same format for each landing page, whether the user is looking at a gallon of ice cream or a gallon of laundry detergent, making it easy for a shopper to go directly to the information he or she is looking for.



“This is not a great big database in the sky,” says Flannery. “It’s brand data stored and maintained by the manufacturer. It protects consumers’ privacy, but gives them access to the information they’re looking for within two quick clicks.” Examples of products currently using SmartLabel are at www.smartlabel.org.

While SmartLabel doesn’t require GMOs to be disclosed, it does recognize them as a hot-button issue for consumers. However, until a national standard is adopted, the “patchwork of state-mandated labeling” makes GMO disclosure challenging to fit the uniform nature of the SmartLabel platform. “GMA is urging Congress for a standard on GMO labeling,” says Bailey.

“We want to emphasize that this is the very earliest stage of this initiative,” she goes on to assert. “SmartLabel will become ubiquitous and the routine way that shoppers make decisions and research information about the products they buy.”

According to Clorox’s Dorer, the personal care and household products company is an early supporter of SmartLabel because “to win with consumers and grow our business profitably, we must delight consumers with superior products and lead technology-enabled change to engage them in real time.”

SmartLabel leverages GS1 Global Data Dictionary standard definitions for the more than 350 Gen 1.0 attributes, and the Global Data Synchronization Network (GDSN) to enable brand owners to store and maintain information in one location for real-time accuracy and have that information flow to whomever needs it via the GDSN.

“This is the first time information can seamlessly and accurately flow when SmartLabel participants publish out via the GDSN and data recipients receive that information,” says GMA’s Flannery. “I believe all of the retailers and most of the data aggregators/collectors who participated on the project are committed to leveraging GS1 standards for seamless information flow. This is a huge productivity and accuracy improver.” **PG**

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Food Marketing
Institute

To learn about Label Insight, the engine behind SmartLabel, visit Progressivegrocer.com/smartlabel.