

Kroger Testing DataBar on Meat, Milk

Michael Garry Thu, 2012-06-07 10:12

LAS VEGAS — <u>The Kroger Co.</u>, which is scanning the GS1 DataBar bar code on loose produce and coupons throughout its divisions, recently launched a test of the DataBar on a fresh, random-weight meat item and on private-label milk.

"We've been talking about this [test] for five years, and we finally got it going," said Greg Menz, enterprise solutions architect, at a session on the DataBar this month at the GS1 Connect conference here. The conference was sponsored by GS1 US, Lawrenceville, N.J., which oversees commercial bar code standards in the U.S.

The DataBar is an enhancement of the traditional UPC bar code and comes in various versions that can hold large amounts of data, such as expiration date and lot number, or be used on small products such as loose produce.

Kroger has been testing the expanded stacked version of the DataBar on one in-store-produced meat item in a store in Cincinnati, where the company is based, since mid-April.

Kroger Scanning DataBar on 38% of Coupons

The meat DataBar label, printed by an in-store scale, contains the GTIN (global trade item number), sell-by-date, net weight and package price. "Our intent is strictly to convince ourselves that we can consistently print the bar code and read it at the front end without any reduction in first-pass read rate," said Menz. "So far we're very pleased."

On June 5, Kroger went live with a test of an expanded (soon to be expanded stacked) DataBar on half-gallon containers of private-label milk. The DataBar-coded labels are being printed and applied to milk containers at a dairy plant in Winchester, Ky., and sold at a store in that town. The DataBar contains the GTIN and sell-by date. "It's working fine so far," said Menz.

By incorporating the sell-by date in meat and milk products, the DataBar can prevent sales of out-of-date items at the POS, Menz noted. It can also help Kroger to analyze the freshness of products sold while improving ordering and reducing shrink and out-of-stocks. With the DataBar, the POS system can be programmed to automatically discount products on the day they expire. The DataBar can also eliminate price limitations, allow vendor coupon validation and prevent sales of recalled products.

Low Scan Rate

Most loose produce items at Kroger stores now carry stickers with both the PLU (price lookup) and the stacked omnidirectional DataBar containing the 14-digit GTIN. While Kroger is able to scan the DataBar on loose produce companywide, just 7% to 8% of these products are being scanned, up from 4% two years ago, said Menz.

The reason for the low percentage of scans is that when cashiers occasionally find that a produce DataBar does not scan — about 2% of DataBars do not have an accompanying GTIN on file — they revert back to simply keying in the PLU number for the sake of checkout productivity. "All it takes is once or twice, and they won't scan anymore," he said.

Menz encourages all produce suppliers to make upload GTINs for Databar-labeled products into the Produce Marketing Association's free online file, which Kroger accesses weekly. The percentage of suppliers using that file has increased dramatically over the past two years, but emergency produce buys sometimes result in GTINs being not on file. Kroger

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needs virtually all DataBars to have a GTIN on file — as all CPG products do — before it can require cashiers to scan produce DataBars, he said. In the meantime, younger cashiers and some shoppers using self-checkout lanes are willing to try scanning the DataBar on produce.

When fully adopted, scanning the DataBar on produce will enable retailers to improve the accuracy of produce transactions, preventing, for example, organic produce from being mistaken for regular produce, noted Menz. In addition, cashiers can increase their productivity slightly by scanning the DataBar, he said.

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