The Global Language of Business

GS1 in Europe Scorecard

2021 *(2020 data)*

Introduction

GS1 in Europe Insights is the name of our European Business Intelligence project. Every year we send a survey asking our European Member Organisations (MOs) to share their data. This yearly work allows us to collect data that guarantees, year after year, a continuous monitoring and update of some main indicators defining GS1 in Europe MOs' environment, priorities, strategies, strengths, challenges and beyond.

Based on the Kaplan and Norton Balanced Scorecard model, we have developed our own GS1 in Europe Scorecard. The main indicators that you can read in this report are an average of the data collected with our annual survey – GS1 in Europe Insights, throughout our 49 MOs.

The GS1 in Europe Scorecard aims to provide a better European picture of where we stand as a European platform. The data presented in this report is the result of the survey sent and is an average representative of the 49 EU MOs.

By accessing this EU Scorecard, we can better understand our DNA and our European market. Our 49 EU MOs can also identify some EU trends, EU indicators, and be supported by this information while working on local strategies.

The GS1 in Europe Scorecard is fully compliant with the competition law risk assessment, all the average data presented in the report is older than one year, and the data provided by the 49 MOs is confidential.

1. The “Scorecard” of GS1 in Europe

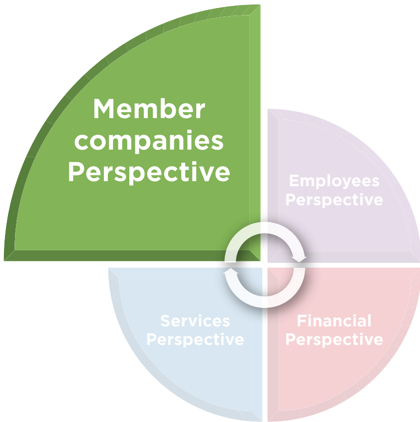
A balanced Scorecard is a strategy performance management tool that can be used to keep track of the execution of the company activities. (*based on the “Balance Scorecard model” – Kaplan and Norton 1992).

The Scorecard of GS1 in Europe is the summary of the main data collected in the annual “Insights survey”. The GS1 in Europe Scorecard is the first schema to organise and measure the impact of the various activities and strategies on the GS1 in Europe performance.

* Dr. Robert Kaplan and Dr. David Norton of the Harvard Business School advanced the idea of a Balanced Scorecard (BSC) in 1992 in order to provide organisations, both for profit and nonprofit, with a tool for integrating information across various disciplines (called perspectives) within the organisation in order to measure the impact of each on the organisation’s future performance.

2. Edition 2021 (based on 2020 data)

- The 2021 edition is based on the data collected by the "Insights survey 2021" considering the 2020 data.
- The KPIs are calculated solely for the MOs that have provided the data and the results are based on the provided data.
- In 2021 we missed "three MOs": in the calculation have been considered the data filled in the previous survey.
- Some questions of the survey were answered by a few MOs only, however, the analysis that is available to read below in the report, is representative of the whole community.
- The market segmentation in this report is based on the European Common Market Segmentation developed by GS1 in Europe.

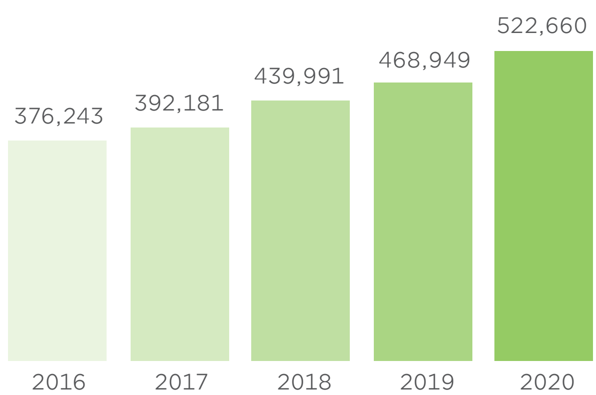


3. Member companies Perspective

The first analysis in this report refers to the member companies of GS1 in Europe. The main goal of this perspective is to give a snapshot of the total number of member companies and the trends over the last 5 years. We also pointed out the turnover size of the companies and their Business Type*.
To better understand the GS1 in Europe DNA and where we stand in terms of member companies, it is crucial to continue working on improving and further analyzing the profile of these companies (turnover size, type of business, sectors, etc).
Since 2020 GS1 in Europe is implementing the "Common European Market Segmentation". This market segmentation is the result of a collaborative work of MOs in a dedicated working group.
In this edition 35+ MOs have adopted or adjusted their segmentation with the GS1 in Europe Common European Market Segmentation.

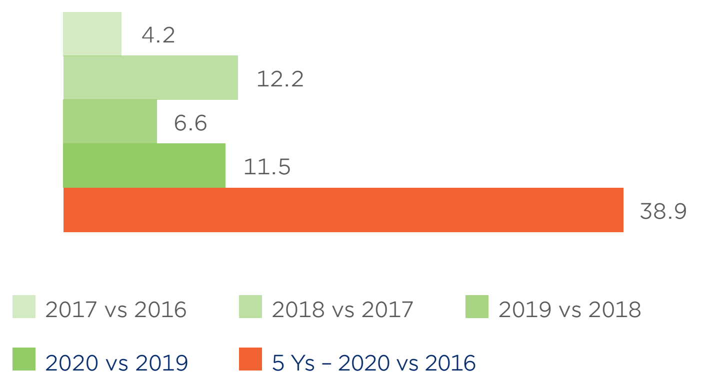
3.1 Member companies: number and trends

GS1 in Europe (49 MOs) number of member companies from 2016 to 2020



* Business Type represents the role of the company in the supply chain (e.g. manufacturer, retailer, etc...)

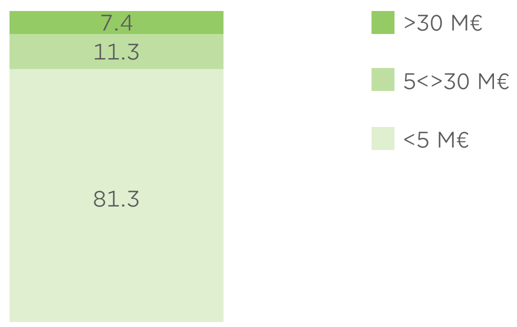
Trend (%) of the GS1 in Europe (49 MOs) number of member companies from 2016 to 2020 and over 5Ys



In 2020 the number of member companies in GS1 in Europe was 522,660: the evolution in the last 5 years was of 38.9% (+146,417 member companies) and in the last year, 2020 vs 2019, the number of companies increased by 11.5% (+53,711 member companies). In 2020 the total number of EU MOs was 49.

3.2 Member companies: size by turnover*

GS1 in Europe member companies (%) segmented by size – 2020 (based on the member company's turnover M€*)

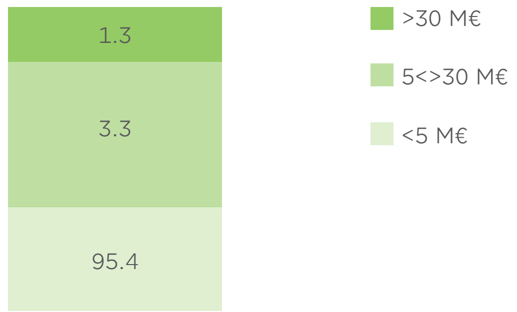


In 2020 the main part of the member companies (81.3%) were small companies with a turnover less than 5 Million (€).

* Sample of 24 MOs that represents 71% of the total member companies.

3.3 Member companies: incoming new member companies* and the average churn rate (%)**

GS1 in Europe (49 MOs) "new" member companies (%) in 2020 segmented by size (based on the member company's turnover M€)

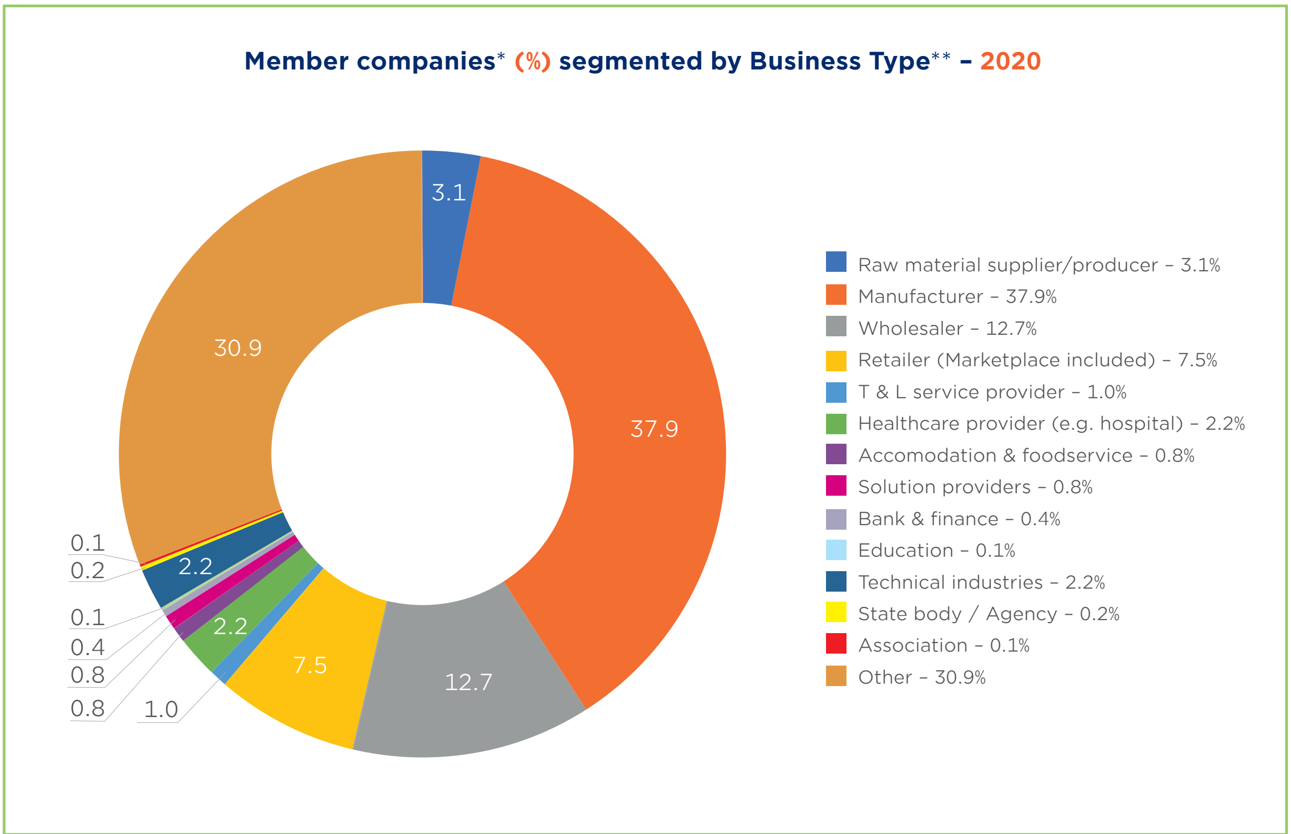


The incoming "new" Member companies in 2020 (in the sample are 49,799) were predominantly small companies (95.4%).
The average churn rate**(%) in 2020 (based on this sample of 20 MOs) was 4.4%.

* Sample of 20 MOs that represent 62% of the total member companies

** The average Churn rate is the annual percentage rate at which member companies leave GS1 in Europe

3.4 Member companies: segmentation by Business Type**



Based on the Business Type segmentation, the main part of the member companies operate as Manufacturer, followed by Wholesaler (12.7%) and Retailer (7.5%).

The Business Type schema follows the GS1 in Europe "Common European Market segmentation" finalized in 2020.

*Sample of 35 MOs that represent 80% of the total member companies

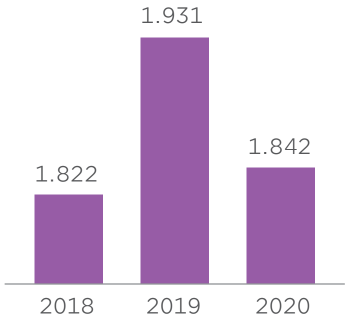
**Business Type is the role of the company in the supply chain (e.g. manufacturer, retailer,...)

4. Employees Perspective

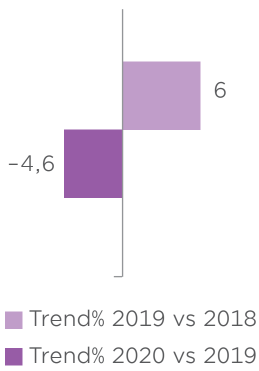
The second perspective focuses on the GS1 in Europe employees. This section aims to measure the number of employees that work for the 49 EU MOs, by segmenting their type of business activity. In this section it is possible to analyze in which direction GS1 in Europe is investing its resources.

4.1 Employees: number and trends

GS1 in Europe (49 MOs) total number of employees from 2018 to 2020



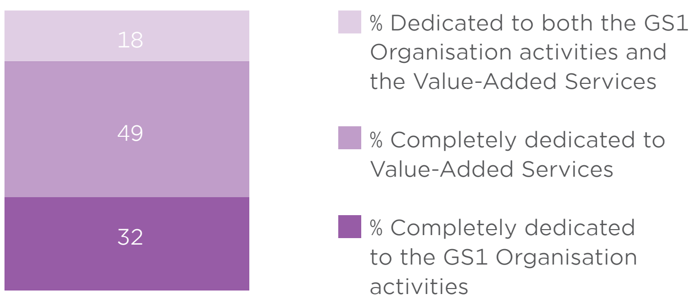
Trend (%) of the GS1 in Europe (49 MOs) total number of employees 2019 vs 2018 and 2020 vs 2019



The Total number of Employees in 2020 was 1,842 and the trend 2020 vs 2019 was -4.6%.

4.2 Employees: the “new” employees

% of “Newly hired” 2020 classified by business activities performed



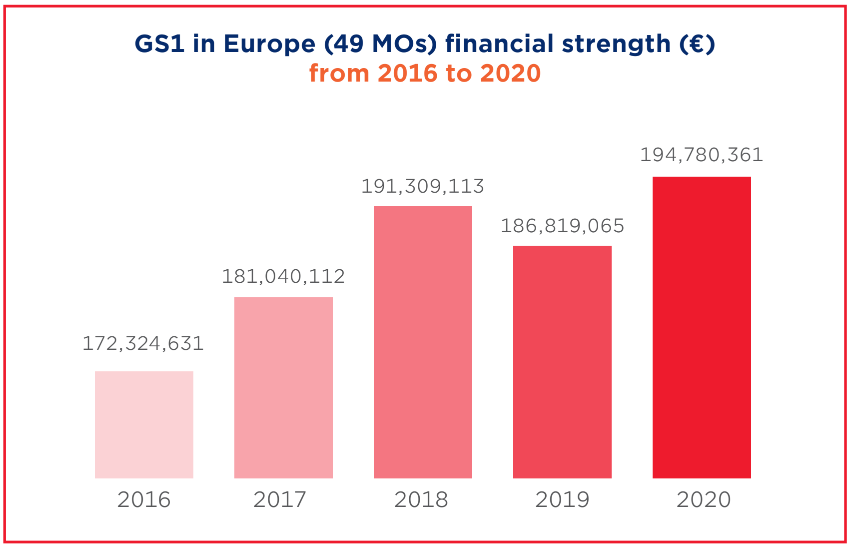
Almost the half of the newly hired employees in 2020 was dedicated to the VAS.
In 2020 there were 29 MOs who declared they hired “new” employees.

5. Financial Perspective

The third perspective focuses on financial strength*, which is the economic expression of GS1 in Europe's performance (value and trend over the last 5 years). It is very interesting to segment this financial strength on the basis of two priority sources:
- the fee deriving from membership
- the value deriving from the sale of Value-Added Services**

This picture helps to analyse the growth prospects of the Organisation considering the appropriateness of having in the same document also the trend of the member companies and employees.

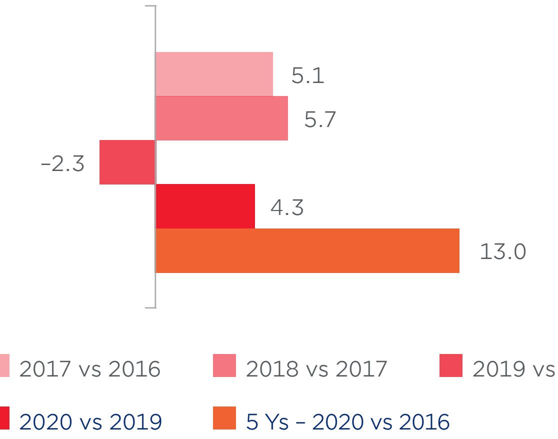
5.1 Financial strength: value and trend



* Financial strength: https://mozone.gs1.org/docs/Legal/A14_Internal_Regulations_on_Fees_and_Votes_updated_eGA_8_Dec_2021.pdf

** Value-Added Services: they are the services NOT included in the membership fee. They are srvices with additional payment.

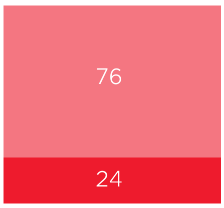
Trend (%) of the GS1 in Europe (49 MOs) financial strength from 2016 to 2020 and over 5Ys (2020 vs 2016)



The Financial strenght was almost 195 Mio (€) in 2020 with a positive trend of + 4.3% 2020 vs 2019. In the last 5Ys the trend was + 13%.

5.2 Financial strength: segmented by Membership fee revenue* and Value-Added Services revenue**

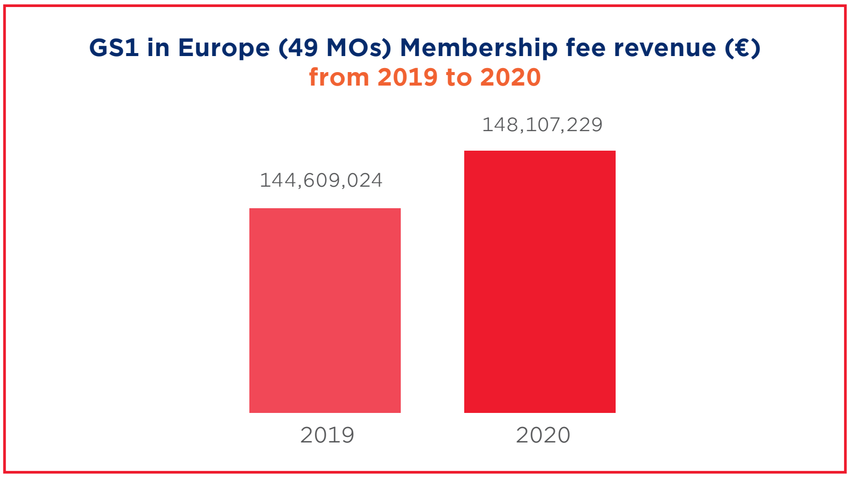
GS1 in Europe (49 MOs) financial strenght segmented by Membership fee revenue and Value-Added Service (VAS) revenue (in % and value) – 2020

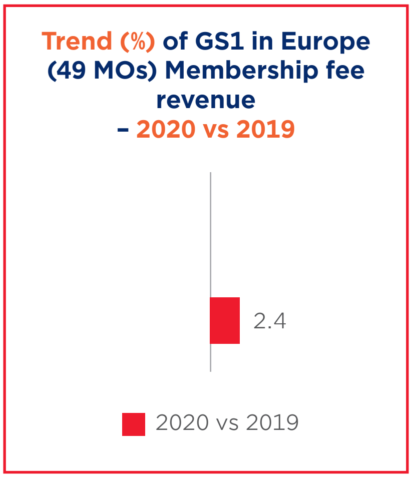


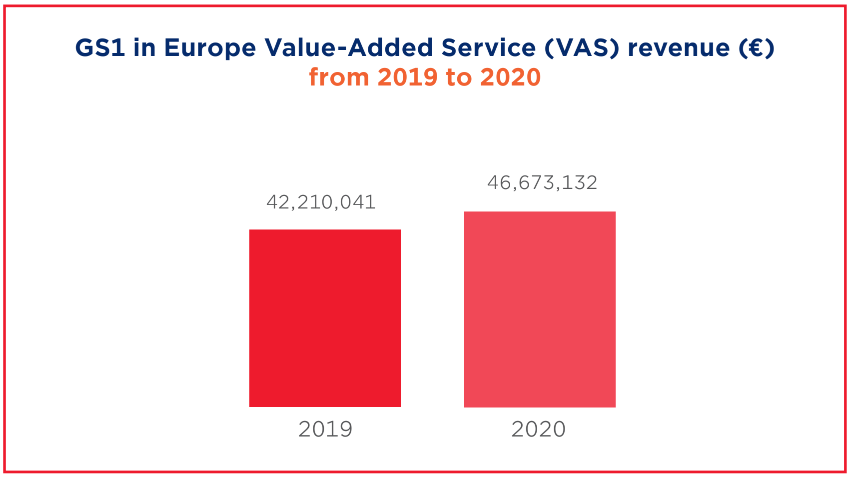
	GS1 in Europe
Membership fee revenue	148,107,229
Value-Added Service (VAS) revenue	46,673,132

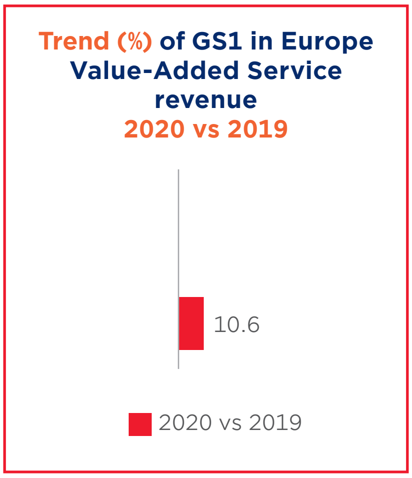
* Membership fee revenue: it is the part of the Financial strength coming from Membership fee

** Value-Added Service (VAS) revenue: it is the part of the Financial strength coming from Value-Added Services (the payment services **not included** in the membership fee)









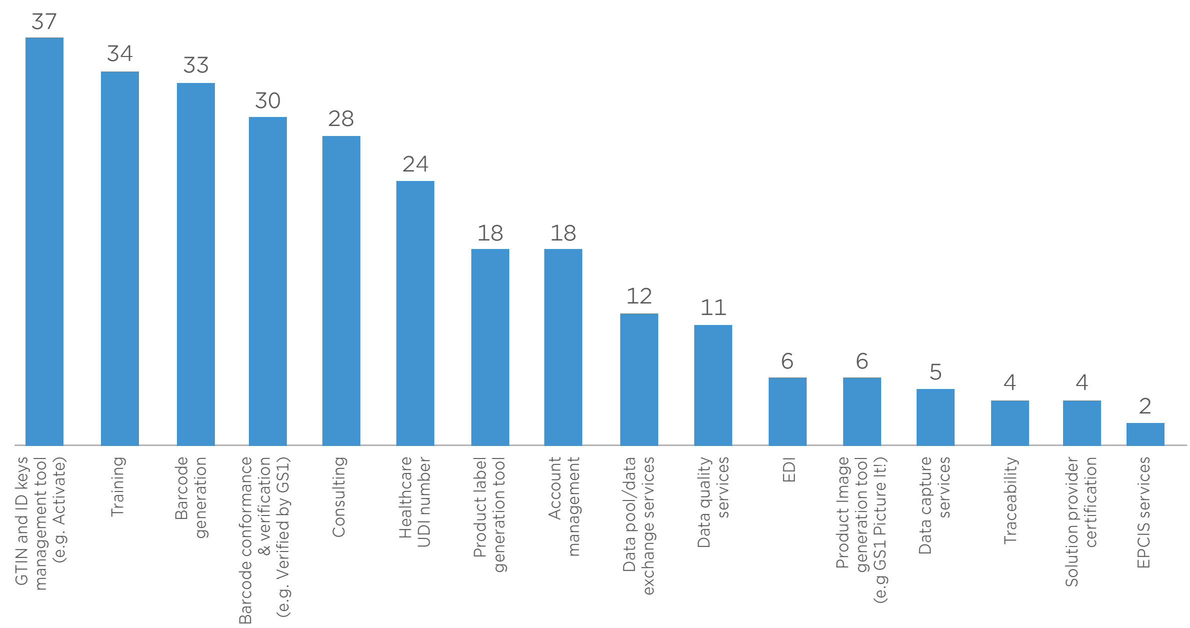
Considering the Financial strength segmented by Membership fee revenue e Value-Added Service revenue, both the values are increased with a respective trend in the last year (2020 vs 2019) of +2.4% and +10.6%.
In 2020 there were 31 MOs who declared they provided Value-Added Services.

6. Services Perspective

The fourth perspective focuses on services. The main goal is to distinguish both services. The first includes membership fee only, and the second includes Value-Added Services. The first results of the gathered information are limited to identifying classes of Value-Added Services types and measuring how many MOs offer this type of Value-Added Services.

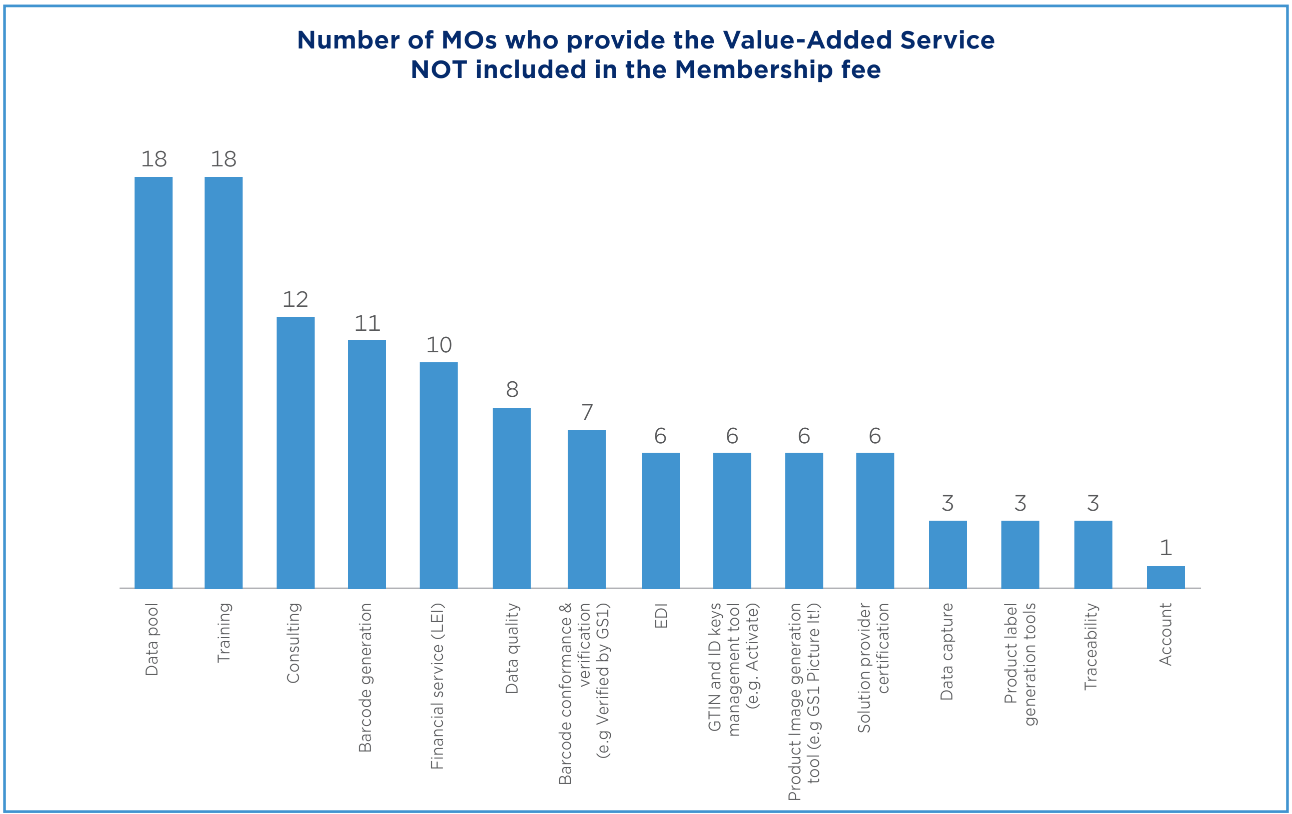
6.1 Services included in the Membership fee

Number of MOs who provide the service included in the Membership fee



The numbers explains how many MOs provide each specific service included in the membership fee.

6.2 Value-Added Services*: payment services not included in Membership fee



The numbers explains how many MOs provide each specific Value-Added Service.
In 2020 there were 31 MOs who declared they provided Value-Added Services.

* The Value-Added Service: payment services not included in the membership fee

Conclusion

This report of 2021 Scorecard edition, proves that GS1 in Europe is a reality that continues to grow overall, demonstrating a strong attraction towards the market. The business of GS1 in Europe has grown not only within the CPG sector, but also in other supply chains and industries, one of the reasons could have been the pandemic situation in the recent years. Considering that we still have the same amount of GS1 in Europe MOs, the number of the member companies is growing, as well as the financial aspect. The growth of the financial strengths is related to the combination of the growth of member companies and the growth of the Value-Added Services. Almost the 50% of the new employees hired in 2020 are completely dedicated to manage the Value-Added Services.

We are totally at your disposal! For more information please contact:

Diogo Almeida (diogo.almeida@gs1eu.org)

Samanta Correale (samanta.correale@gs1it.org)

GS1 in Europe
E contactus@gs1eu.org
A GS1 in Europe
Galerie Ravenstein 4 box 10
1000 Brussels
Belgium

www.gs1.eu