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Labelling goes digital

The humble label, often overlooked and rarely evolved, is critical part of operations for a number of industries, from fashion and food, to pharmaceutical and manufacturing. For industries like manufacturing, labelling forms the basis of a successful supply chain. Here, **Paul Vogt**, Channel Marketing Director, **NiceLabel** explains why digital technology has opened up new opportunities for Channel

Manufacturers today face a host of challenges, including increasing customer demand, supply constraints, changing legislation and compliance, and growing global competition. As a result, many are looking for ways to reduce costs and standardise processes.

As the world transforms digitally around us and manufacturers prepare for the onslaught of changes brought about by IoT, isn't it time they considered applying that same change to the labelling process? Could manufacturers, their suppliers and even the channel benefit from increased agility, cost savings, and accuracy? Of course they could.

Time for transformation

Especially seeing as labelling technology hasn't really advanced much in the last decade; it's all about having the right hardware (printers), design software and the skills in-house to make use of it all.

Manufacturers need accurate labels for internal process flows and to comply with customer specifications. All goods coming into and moving out of a factory need to be easily identified in terms of what they are, where they are going, and other key data. Each product's labels must be traceable, compliant and transparent

The challenge for manufacturers is that this is a costly process that takes time and can be complex. Typically, each factory, distribution centre and facility must produce



its own labels for shipments, inventory control and other process. This means each area of the business has its own printer, possibly with different software and no consistent, centralised way of managing them. This leads to inconsistencies, overlap and inefficiencies.

Digitising labelling

Enter digital transformation and moving the labelling system to the cloud. Just as the cloud did for other industries, manufacturers of all sizes can benefit from the productivity gains. No massive budgets required. In the past, it was enterprises with big pockets and skilled IT teams that deployed label management systems. Now, with the digitising of processes, advent of cloud and

software-as-a-service offerings, there are fewer barriers to entry for smaller organisations as less hardware and investment are needed.

The benefits of digitalisation are many; quality assurance is streamlined because human error (and as a result risk) is removed from the process. Traceability is improved with audit trails available that detail changes, who made the changes, when a label was printed and where – all essential elements for compliance. Moving to the cloud also democratises the label design process. Previously the domain of IT, label design is made easier and accessible by those with the right permissions. Typically the digitised systems include intuitive user interfaces and are much easier to use.

But one of the major benefits, especially for manufacturing, is that all processes can be centralised – data is stored, changed and approved in a central location. That makes it easier to share that information and label designs to the areas of the business (be it factories, distribution centres, stores or even suppliers) and ensure they are correct, consistent and current.

What does this all mean for the channel?

Digital transformation has been both a boon and barrier for the channel. But looking at the digitalisation of the labelling process, it is a definite opportunity. It hasn't always been easy for the channel to sell labelling technology because it is often based on proprietary or niche technology. Resellers also suffer from low hardware margins and lack of recurring revenue. While the management and platform needed for labelling are software-based, users still need printers and other hardware to make it all work together.

Being able to sell both software and hardware to, not only manufacturers but all industries, presents tremendous potential for channel partners. The software element along with relevant licensing also means there is the chance for a recurring revenue stream. In addition, channel partners can also expand their reach and into new verticals by being able to offer both hardware and software. 🌐