

THE ULTIMATE GUIDE TO BARCODES

Everything You Need to Know About
UPCs for Your Product Business

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THE ULTIMATE GUIDE TO BARCODES

Read on to find out everything you need to know about barcodes—what they are, whether you need them, and how to determine which method of purchase is right for you.

WHAT EXACTLY IS A BARCODE?

Barcodes each contain a long number called a UPC (universal product code). This number identifies the manufacturer ID number, the item number, and the check digit.

What do each of those numbers mean? The manufacturer ID number doesn't change from product to product. This makes it easy for stores to determine the manufacturer; each of their products contains that number, and every product with that number belongs to them.



The product number, however, does change for each unique product you have. The check digit number is a number to help maintain data integrity. Business owners assign individual numbers to each product.

This helps manufacturers, retailers, and business owners keep track of their inventory and stock. It also helps identify products being purchased and simplify the checkout process. By using barcodes, retailers can program their POS systems to instantly pull up the correct pricing and details for the products in their stores.

Barcodes also help manufacturers and retailers keep track of sales, analyze products, and determine which ones are profitable. Grocery stores and large retailers use that data to determine what items they will repurchase.

DOES MY PRODUCT BUSINESS NEED BARCODES?

1. Do you plan to sell on Amazon?
2. Do you plan to sell wholesale to large retailers, not just small boutiques?
3. Will you need a systematic way to organize your inventory and analyze your sales data?

If you answered "yes" to any of the above questions, you need barcodes.

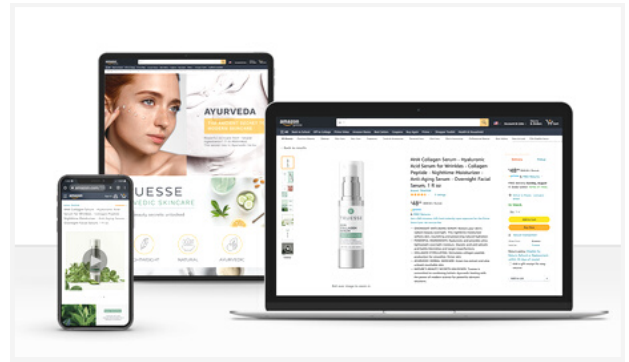
If you plan to sell only to small boutiques and retailers, you might not need barcodes at all. Or you might decide to put off acquiring barcodes until you grow and scale. To figure out if you want to use them, you'll need to weigh out the pros and cons.

PROS

- ▶ It Opens Doors to Larger Retailers
- ▶ Your Product is Ready
- ▶ It Helps You Stay Organized

CONS

- ▶ Cost
- ▶ Label Issues



WHERE DO I GET BARCODES?

If you decide that you do want to use barcodes on your products, the first step is to decide if you want to purchase official barcodes through GS1 or from a reseller. There are advantages to both options depending on your business goals and situation.

OPTION #1: THROUGH A RESELLER

If you've already searched online for where to buy barcodes, chances are you have come across resellers—companies who have purchased bulk barcodes and sell them at a cheaper rate.

PROS

- ▶ Saving Money
- ▶ Bulk Benefits

CONS

- ▶ Not all Resellers are Reputable
- ▶ Major Retailers Might Reject Them
- ▶ You Could Miss Out on Sales



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Reputable Barcode Resellers	Website	Cost
Nationwide Barcodes	https://www.nationwidebarcode.com	Prices range from \$0.14 to \$12 per barcode, depending on quantity. No renewal fees.
	Review their terms and conditions	
Quick UPC	https://www.quickupc.com	Prices range from \$0.17 to \$9.50 per barcode, depending on quantity. No set up or renewal fees.
	Review their terms and conditions	

OPTION #2: PURCHASE THROUGH GSI

The alternative to purchasing through a reseller is to buy official barcodes through GSI—the only organization that can create original barcodes and the only official source for purchasing. You can purchase official barcodes on the GSI website.

PROS

- ▶ It's Official
- ▶ You Get Better Data
- ▶ They're Universally Accepted

CONS

- ▶ Cost
- ▶ Effort

Official Barcodes	Website	Cost
GSI	https://www.gsibus.org/	Prices range from \$0.10 to \$25 per barcode, depending on quantity
		Set up fees range from \$250 to \$10,500 depending on number of barcodes purchased
		Annual license renewal fees range from \$50 to \$2100 depending on number of barcodes purchased

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HOW DO I ACTUALLY PURCHASE BARCODES?

Once you've made your choice, it's easy to purchase barcodes online, either through GSI or a reseller. But first, you need to determine how many UPCs you need.

For your business, each unique product you sell will need a different UPC, including different colors, sizes, and styles. For example, if you sold lip gloss in three different colors, you would need three different UPCs. If you sold two flavors of juice, each in an 8 ounce bottle and a 12 ounce bottle, you would need four different UPCs.

After that, if you're purchasing through a reseller, simply go to the website, provide the number of barcodes you need, and complete your purchase.

GSI has many local member organizations that can help you with the process of assigning your number, as well as give you tips on printing and help you walk through the purchasing process if you need help!



WILL BARCODES AFFECT MY LABEL?

If you decide that you're ready to take the plunge and acquire barcodes, the next thing to think about is how they will work with your label and packaging.

Barcodes can only be shrunk down to 80% of the original size or magnified to up to 200% to preserve the resolution so that they're readable. The UPC number also has to be readable to the human eye—even though barcodes are designed to be scanned, it's important that they can be read as a backup.

There are different sizes of barcode available that might suit your needs better depending on your packaging—UPC A and UPC E. If you have a small label, you might need to opt for UPC E (a smaller version with a compressed number) so that you don't have to shrink it down too small.



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You'll need to make sure that your barcodes will be printed in high resolution as well, and that they aren't obscured by anything on your packaging, such as folds or corners. The last thing you want is to invest money on your packaging only to discover your barcode is unusable!

TESTING YOUR BARCODES

Before you sink money into printing your labels and packaging complete with barcodes, you want to make sure they work properly! Fortunately, there's a very easy way to do this.

Remember:

If you purchased resold barcodes, they will likely bring up a different item in the system; this doesn't mean they don't work!

Print your barcodes, then test them using a QR reader or a shopping app (like Yroo or Shop Savvy). If you can't do that, then you can take them into a store and ask them to scan it for you. If your barcodes are functional, they'll beep.



THE BOTTOM LINE

If you can afford the price investment and you have plans to sell through major retailers or to eventually grow your business to that point, purchasing your barcodes through GSI makes sense. You'll be investing in the long-term and making a decision you won't need to change later down the road.

However, for small startups, barcodes could break the bank. It's simply not an option for everyone. If you're starting small, then resold barcodes can be the right choice. Just make sure you are careful about where you purchase from.

Make sure you use a reputable company. Always read the terms and conditions carefully before you purchase so you know exactly what your capabilities for the barcodes are.

BARCODES

If you aren't sure that you're ready for barcodes yet, but you believe you might be in the future, create a space for a UPC code on your packaging. You can always come back and add them later without having to redesign your label and packaging to accommodate them.

Ultimately, you have to decide what works best for your business now and where you want to take your business in the future. Plan for the long-term when you can, but make decisions that won't jeopardize your company's finances now.

If you're launching a product business and need more tips, be sure to check out our post, [Problems, Personas, and Profits: How to Find the Right Niche for Your Product Business!](#)



Next Step: Grow!

Crème de Mint crafts specialty food, beauty, and supplement brands from start to finish, with award-winning packaging design, strategic branding, and cohesive online presence and marketing.

Our Services Include:

- ▶ Packaging design
- ▶ Branding & logo design
- ▶ Website design
- ▶ Social media branding
- ▶ Marketing & copywriting



I'm Lauren, the founder of Crème de Mint. We love to help businesses grow and thrive. Keep an eye on your inbox for future newsletters from us with more helpful tips for growing your business!

Are You Ready to Grow Your Business?

Schedule a **free 30-minute call** to ask us questions and discuss your needs.