

The Cost of a Bad Barcode

Barcodes play an instrumental role in greasing the wheels of global commerce. Not only are they indispensable at the point of sale, but they also enable items to be tracked along every step of the supply chain – which is vital to ensuring everyday essentials get where they need to go.

Barcodes are used in all stages of logistics. By shipping companies, 3PL providers, warehousing and more to keep tabs on the location of shipments and to monitor inventory. The role of barcodes in these processes – and to the wider economy – cannot be understated and is precisely why poor-quality barcodes can be so costly, and have such disruptive effects.

Poor barcode quality can cause major problems for businesses and their customers, with considerable knock-on consequences to contend with, so getting it right is vital. Here are some of the biggest costs of bad barcodes.

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Refused Shipments and Fines

Bad barcodes, most notably bad [SSCC pallet barcodes](#) are a common cause for shipments to be rejected. This can, in turn lead to financial penalties including fines for non-compliance, particularly in the [Food & Beverage](#), and FMCG sectors and when supplying supermarkets. If a barcode is un-scannable or the wrong barcode has been applied, the recipient of the goods can reject part or all of a shipment and issue a fine for wasted time and effort.

If a pattern of rejections occurs, that can lead to further scrutiny and pack or case level barcodes may also be checked. If further barcode

problems are discovered, this is likely to be seen as an indication of poor processes – calling into question your competency as a supplier of choice and the likelihood of further fines (or worse) being issued as a result.

Disruption and Downtime for Recipients

While not all recipients operate with the same rigour as supermarkets and others dealing with FMCG, there is still a knock on effect to bad barcodes.

When [barcode scanning](#) uncovers a mismatch between what's been shipped and what was expected, goods in functions have to stop working at intended capacity until deeper manual checks can be carried out. This can halt normal operating practices until the issue is resolved and the shipping unit is checked to determine what is inside.

The net effect is wasted time for your customers.

More Pressure on the Workforce

While we have covered off the impact of bad barcodes insofar as the receiving organisation is concerned, there is a lesser considered impact on your own staff.

The sometimes overlooked consequence of poorly-printed barcodes is the extra pressure they can put on your own workforce. After all, when things go wrong, someone has to pick up the pieces. That might extend across your organisation from arranging a shipment to be returned, reprocessing the products on that shipment and then packaging and labelling it all to go back out again.

Putting errors right is not something that people routinely want to be asked to do and there is a natural limit to how often anyone will deal with the fallout of a sloppy situation.

With many industries hindered by labour shortages, if your staff are consistently put under excessive pressure due to bad barcodes and the disruption they cause, they may simply go elsewhere – leaving you with gaps to fill in your workforce.

And that is a compound issue. A team that's overworked and under pressure is one that's more likely to make mistakes. One of the biggest advantages of barcodes and scanners is that they eliminate much human error – but in order to work, barcodes have to be printed properly and positioned in the right place. If under-pressure staff are having to re-check items, errors are much more likely to creep in.

Slipping Product Quality Standards

Following on from the previous point, poor-quality barcodes can also serve to undermine product quality standards – which can have a seriously negative impact on your entire business. For a start, barcodes are essential to identifying and tracking products, so if they are unreadable, this can cause errors in product identification, order fulfilment and inventory management.

In certain industries, particularly those subject to stringent regulation, such as [pharmaceuticals](#) and [food and beverage manufacturing](#), product traceability is indispensable. However, badly-printed barcodes can make it difficult or impossible to uphold product standards, as well as making it more difficult to identify and trace products accurately in the event of a product recall. This can do major damage to brand reputation as well as jeopardising consumer safety.

Furthermore, poorly-printed barcodes can lead to inaccurate data, including errors with regard to expiration dates, batch numbers and other important details. This undermines the overall quality of product information throughout the supply chain and can damage product standards.

Reputational Cost and Lost Contracts

Badly-printed barcodes and rejected shipments can cause your business lasting reputational problems. If shipments are repeatedly rejected, delayed or even go missing because of poor barcode quality, the chances are that, increasingly, many of your clients and customers will simply go elsewhere.

This, in turn, is likely to mean that your business struggles to win new contracts and misses out on potentially lucrative commercial opportunities. Potential clients will seek to work with suppliers that can demonstrate consistent compliance and reliability in their supply chain processes.

Poor barcode quality, then, can have wide-ranging implications. Businesses should always work to mitigate these issues by investing in fully automated print and apply labelling solutions or appropriate barcode print and verification technology to ensure adherence to industry standards and the smooth functioning of the supply chain.

At Cobalt, we offer [print and apply systems](#) with [built in verification and validation](#) systems for fully automated inline systems or standalone [barcoding and verification technology](#) for more manual processes. The result is the same – for our customers, we never allow a bad barcode to be sent out.

[Contact us today](#) **to find out what we can do to help your business.**