

# The silent engine of retail

## Navigating packaging, labelling & barcoding in South Africa

In the high-stakes world of South African retail, the difference between a profitable SKU and a logistical failure often comes down to three things: the box it sits in, the label that describes it, and the code that tracks it.

While shoppers only see a product on a shelf, retail professionals know that packaging, labelling, and barcoding are the invisible infrastructure of the entire supply chain. In South Africa, this infrastructure is uniquely complex. We operate in a 'dual-economy' where a single product must be sophisticated enough for a data-driven Checkers Sixty60 dark store, yet rugged enough to survive the informal 'last-mile' delivery to a township spaza shop.

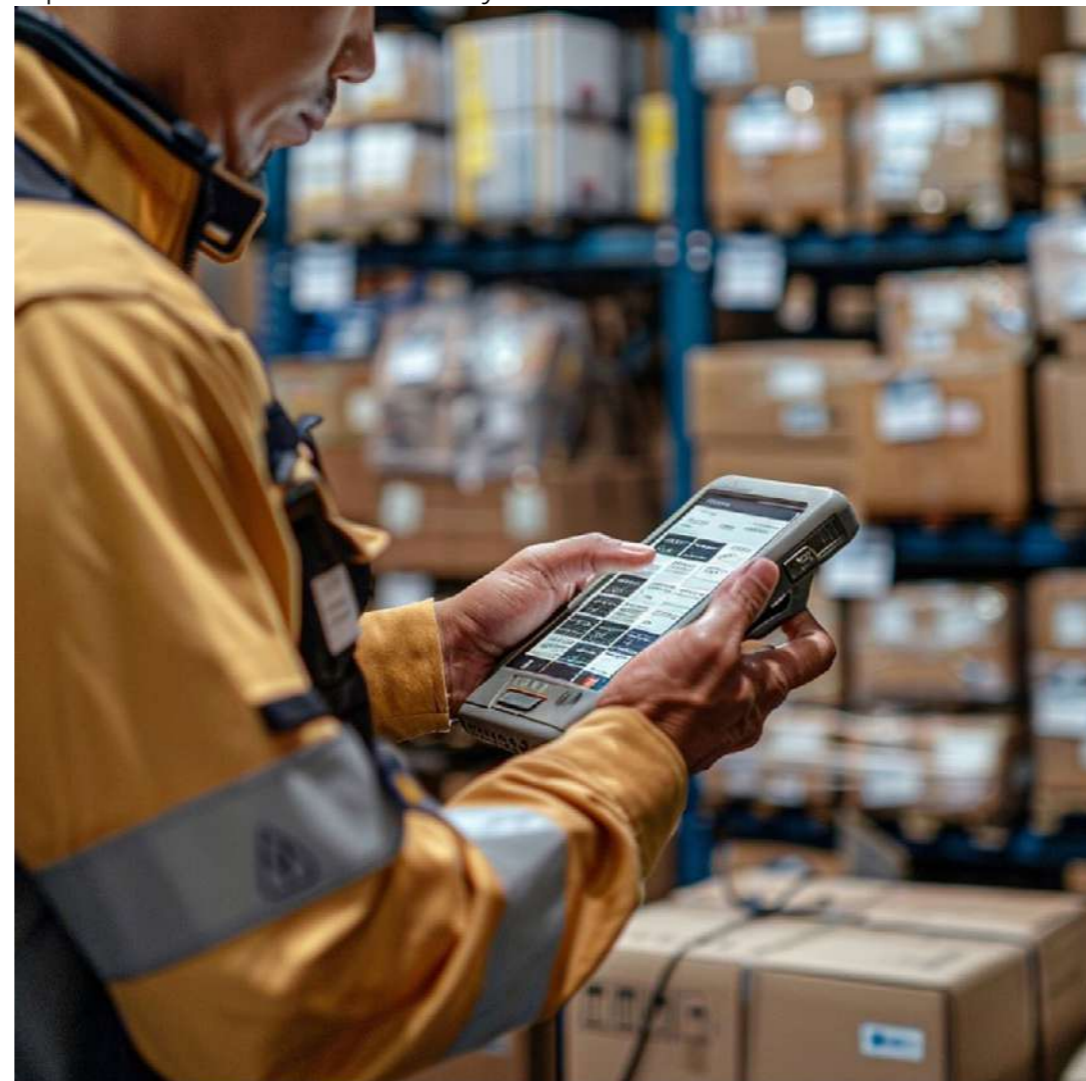
This article explores why these three pillars are no longer just 'compliance costs', but strategic assets that protect margins, ensure food safety, and drive consumer trust.

### The South African context: A unique retail duality

What makes South African retail fascinating compared to European or North American markets is the 'Two-World' system. In markets like the UK or Germany, packaging standards are almost universally standardised across large-format retailers. In South Africa, suppliers must design solutions that operate across ...

**The Formal Sector:** Highly sophisticated, data-heavy chains like Pick n Pay, Checkers and Woolworths. These rely on automated distribution centres (DCs) and real-time SKU-level analytics.

<https://stockcake.com/i/warehouse-inventory-check>



**The Informal Sector:** A massive network of spaza shops and independent traders. Here, POS systems may not be digital, refrigeration can be inconsistent, and lighting is often poor.

According to research by Trade Intelligence, South African discounters (such as Boxer, Usave and SaveMor) saw a year-on-year growth of 13.9%. Meanwhile, FMCG e-commerce is growing at 40%.

**The professional insight:**

**Your packaging must be 'bi-lingual'. It needs a high-quality GS1 barcode for the formal scanner, but it also needs high-contrast visual cues and extreme durability for the informal trader who may be buying in bulk from a Cash & Carry.**

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## Built for distance: Packaging as risk management

In South Africa, packaging is not about aesthetics; it is about survival. Logistics contribute roughly 9.3% to our national GDP, yet the sector faces massive hurdles: port congestion, failing rail infrastructure, and road transport costs that are high by global standards.

Geographically, South Africa is vast. A product manufactured in Gauteng might travel 1 500km to reach a shelf in the Western Cape. During this journey, it faces ...

- Extreme summer temperatures (often exceeding 35°C).
- High humidity and heavy seasonal rains.
- Road vibration and pallet instability.
- The 'Cold Chain Gap' caused by periodic power disruptions (load shedding).

## Packaging as a margin protector

For a retailer, every dented tin or torn cereal box is 'shrinkage' – direct lost profit. For chilled and frozen goods, packaging becomes a tool for food safety. If a seal fails due to transport vibration, the risk of pathogens increases.

In this environment, durability is not a luxury; it is a necessity. Tertiary packaging (the outer crates and pallets) must be engineered for 'worst-case scenarios'. When the infrastructure fails, the packaging must step in to shield the product's reliability.



## Sustainability: The new partnership model

Sustainability has moved from a 'marketing buzzword' to a core operational requirement. South African retailers are now under pressure from both consumers and government regulations, such as Extended Producer Responsibility (EPR) laws.



Jurie Koortzen

Jurie Koortzen, owner of Label Lab, notes that while labels are a small part of the physical package, they are a massive part of the sustainability equation.

"Sustainability is becoming increasingly important in packaging, and we recognise that labels play a role in the broader packaging ecosystem," Koortzen says.

To address this, Label Lab works closely with suppliers to source materials that align with a 'circular

economy'. This means using adhesives that don't contaminate the recycling process and materials that reduce waste without sacrificing performance. Koortzen adds ...

“For us, sustainability is not just about materials; it's also about building long-term partnerships and making thoughtful decisions that benefit both businesses and the environment over time.”

The professional insight: In the shift toward sustainable systems, retailers and manufacturers must choose label constructions that meet environmental goals while still surviving the moisture of a refrigerator or the heat of a delivery truck. If a 'green' label falls off or becomes unreadable, the product becomes 'unsellable data', which is the opposite of sustainable.





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## Trust on the shelf: Safety, labelling and regulation

In a price-sensitive market, consumers buy what they trust. The label is the primary communicator of that trust. Whether it is a tamper-evident seal, a clear expiry date, or accurate nutritional information, the label is the 'quiet assurance' of quality.

### The SGS perspective on compliance

Refiloe Morobane, Marketing Coordinator at SGS, emphasises that in today's highly controlled food industry, packaging is a frontline defence. Morobane warns ...



Refiloe Morobane,

“ As part of the requirements of the food safety standards we audit, our auditors will assess the food safety status of packaging ...The impact of a lack of accuracy can be devastating and lead to deaths or severe illness. ”

Professional auditing (such as ISO 22000, GMP and HACCP) ensures that packaging materials do not pose chemical or microbiological risks to the food. Morobane points out that even a simple bottle cap that fails to seal correctly can lead to spoilage, expensive recalls, and the destruction of a brand's reputation.

### Upcoming regulatory hurdles: R146 and R3337

South African retail professionals must keep a close eye on changing legislation. While Regulation 146

<https://www.aboutamazon.com/>



(R146) currently dictates labelling standards, new proposed regulations (R3337) are set to change the face of our shelves.

A recent study by the School of Public Health found that under R3337, a majority of South African packaged goods would require 'Front-of-Package' warning labels for high sugar, salt, or saturated fat. Retailers need to prepare for how these 'warning signs' will affect consumer behaviour and brand loyalty.

### Barcoding: The evolution of the 'Retail DNA'

We often take the barcode for granted. However, the history of the barcode – from the 1952

'bullseye' patent by Woodland and Silver to the laser-driven boom of the 1970s – shows that it was always meant to solve one problem: Human error.

### Before barcodes:

- Cashiers manually keyed in prices (slow and prone to mistakes).
- Stock counts were handwritten and reactive.
- Shrinkage was nearly impossible to track at a granular level.

Today, barcoding is the foundation of Analytical Retail. Systems managed by GS1 South Africa allow for real-time stock tracking, SKU-level analytics, and automated reordering.





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## The GS1 standard and global compatibility

There is only one authorised issuer of GS1 barcodes in the country: GS1 South Africa. They control the GTIN (Global Trade Item Number), which ensures your product can be scanned in a Cape Town supermarket or a London boutique.

## Verification and data integrity

It is no longer enough to just 'have' a barcode. Retailers like Shoprite and Pick n Pay now require GS1 Barcode Verification. This process checks size, colour contrast, and print quality to ensure the code scans the first time, every time. A failed scan at the till isn't just an inconvenience; it slows down the entire queue and frustrates the modern, time-poor shopper.

## Traceability and recalls

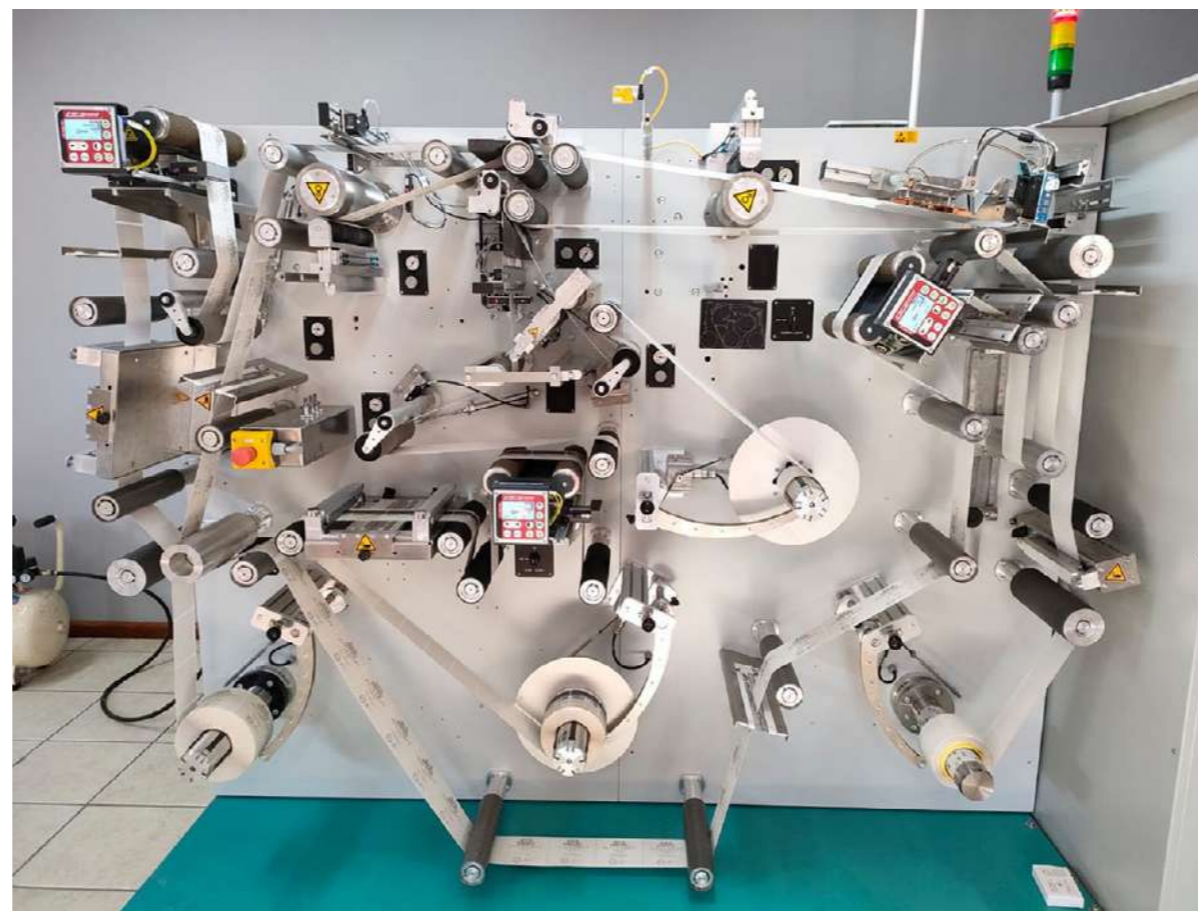
Modern barcodes (like GS1-128 or DataMatrix) allow for sophisticated tracking ...

**Batch tracking:** If a product is contaminated, a retailer can identify exactly which batch is affected, rather than pulling all stock from the shelves.

**Expiry management:** New 'Smart Barcodes' (2D barcodes) can carry the expiry date within the code itself, allowing the POS system to block the sale of expired goods automatically.

## The future: Sunrise 2027 and beyond

The retail industry is currently in the middle of a massive global shift known as 'Sunrise 2027'. This is the move from traditional 1D barcodes (the lines) to 2D barcodes (like QR codes).



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Koortzen have noted, the 'personal relationship' and 'rigorous auditing' are what keep the system intact.

## The final word for retailers:

Stop viewing packaging and barcoding as 'costs of doing business'. View them as competitive properties. Those who invest in smarter design, tested

standards, and future-ready data systems will lead the next era of South African retail growth. From the pack to the pallet to the scan, excellence in the basics is what ensures survival in the future. **SR**

By 2027, the goal is for retailers worldwide to be able to scan 2D barcodes at the point of sale. For South African retailers, this is a game-changer. These codes can link consumers to nutritional info, sustainability stories, and 'Scan-and-Pay' features, while providing retailers with unprecedented data on product freshness and origin.

## From compliance to competitive advantage

In a market as multilayered and complex as South Africa, packaging and barcoding are no longer 'behind-the-scenes' processes. They are strategic enablers.

They protect margins in a broken supply chain, signal safety in a low-trust environment, and bridge the gap between world-class formal chains and the resilient informal trade. As Refiloe Morobane and Jurie

standards, and future-ready data systems will lead the next era of South African retail growth. From the pack to the pallet to the scan, excellence in the basics is what ensures survival in the future. **SR**

### References & further reading for retail professionals:

GS1 South Africa: Official Barcoding Standards & 2027 Roadmap  
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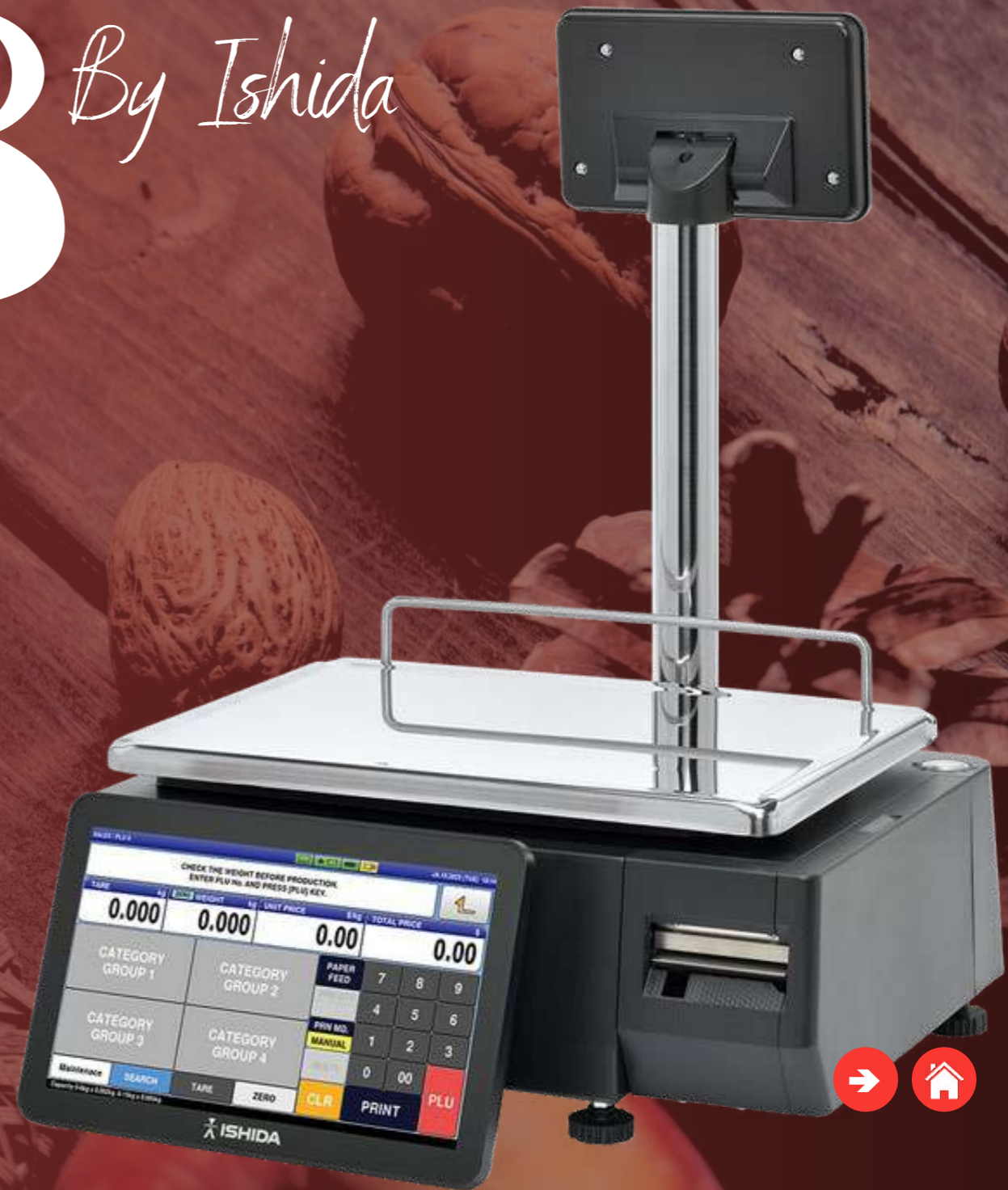


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