Growth in Online Retail Sales During Lockdown Sees Surge in Integrated Labels Orders

Since March, UK online retail sales have spiked to record levels, leading to an increased demand for integrated labels and record sales for Labels Zoo.

With the panic-buying trend in March, UK supermarkets saw an unprecedented rise in the demand for essential items, with shelves being left empty across much of the country. According to the statistics from <u>Neilson</u>, UK Shoppers made nearly 80 million extra trips to supermarkets in the run up to the government announcing its lockdown. This resulted in consumers spending an additional £1.9 billion, which drove a 20% increase in overall supermarket sales during this period.

With lockdown being announced towards the end of March, and the majority of us being confined to our homes, many high street shops were forced to close their doors. This led to a dramatic shift in shopping habits as UK consumers took to their smart devices and went online for their essential items.

Surge in e-commerce

The overall proportion of retail sales that took place online grew to 30.7% in April, from the already historically high level of 22.4% in March.

The UK's online retail sales continued to soar as we moved into June, even though non-essential bricks-and-mortar retail began to exit lockdown from the middle of the month.

According to the latest <u>IMRG Capgemini Online Retail Index</u>, overall online retail sales in June surged 33.9% year-on-year – a new 12-year high since March 2008.

As reported by analysts at insights firm <u>Edge by Ascential</u>, the swell in online shopping caused by the coronavirus crisis is expected to add an extra £5.3 billion to UK e-commerce sales this year; with Amazon being declared the "clear winner" as it is forecasted to add an extra £2 billion in UK sales, totalling £31.1 billion by the end of 2020.

So where do labels come into it?

The increase in demand for delivered goods over the past few months has cascaded down into the supporting industries, including labels manufacturers and suppliers. As well as the increased requirement

for product labels as supermarkets battled to keep their shelves stocked, the rise in demand for delivered goods caused a proportional demand for:

- Shipping labels
- Packaging labels
- Despatch labels
- Address labels
- Invoice labels
- Returns labels

Predictably, the healthcare sector also experienced and unprecedented demand for its products and services during the coronavirus pandemic. One of the most critical functions of integrated labels is for pharmaceutical products and laboratory testing. In recent months, labels manufacturers and suppliers have seen an increase in the requirement for:

- Medicine labels
- Medical warning labels
- Medical waste labels
- Test sample labels
- Specimen bag labels



Why are integrated labels important to e-commerce?

Integrated labels improve the accuracy of e-commerce processing. One of the biggest factors contributing to customer dissatisfaction is the lack of accuracy in the shipping and delivery process. By incorporating all the necessary product, customer, and shipping information on a quick-to-process label, e-commerce businesses can reduce the likelihood of processing errors, and in turn, reduce customer dissatisfaction. E-commerce businesses across the world depend on integrated labels to:

- Reduce picking, handling errors
- Reduce shipping and invoicing errors
- Personalise communications
- Simplify deliveries and returns
- Save time and money

Integrated labels can also provide businesses with further marketing opportunities for their products and services. The addition of discount codes and 2D barcodes can be a simple and effective promotional tool that can be incorporated onto an integrated label – encouraging customers to engage further with the product and brand.

In short, the effective classification, packaging, and distribution of nearly all products sold online relies on the use of integrated labels.

Record Sales for Labels Zoo

As a result of the increased demand for essential products and delivered goods, Labels Zoo saw a 40% increase in orders for integrated labels between March and July, compared to the same period in 2019 – marking a record period in sales for our Zoo Keepers.

Labels Zoo's <u>Integrated labels</u> offer an ideal solution for your customer address labels, invoice label sheets or despatch notes. Our range of high quality, low cost labels help e-commerce businesses and online sellers to streamline their processes and therefore save money.

<u>Call</u> one of our friendly Zoo Keepers or <u>leave us a message</u> if you'd like to discuss your integrated label requirements.