



The true cost of poor label printing

The causes, impact
and how to minimise it

Research-led
thought leadership report
brother.co.uk/label-love



Warehousing and storage: What's slowing businesses down?



The warehousing and storage industry revenue is projected to grow at a compound annual rate of 4.3% to £25.5 billion, according to the IBIS World's Warehousing & Storage in the UK trends (2017-2022) report.

This growth is driven by ongoing developments in online retailing and the fast-moving consumer goods market, meaning warehouses need to implement new and better methods to keep up with demand both accurately and efficiently.

So, we wanted to find out exactly what's slowing down warehouses like yours, and what your pain points are, specifically when it comes to your labelling equipment. To do this, we spoke directly to operations and warehouse managers to find out how much time they spend on equipment downtime, how to minimise this, and what they really need from a good quality label printer.

Because you know, as well as we do, when it comes to label printing for warehouse and logistics operations, there is a cost associated with poorly performing equipment. But exactly how much is that cost? And what can warehouses do to minimise it?

9,693

warehousing and storage businesses in the UK

241,191

warehousing and storage industry workers employed in the UK

£25.5m

warehousing and storage industry revenue

Read on to find out.





Who did we speak to?



The job titles mentioned by the respondents to our research included:

- ✔ Warehouse managers
- ✔ Warehouse supervisors
- ✔ Production managers
- ✔ Logistics directors
- ✔ Managing directors
- ✔ Planning managers
- ✔ Transportation solution design
- ✔ Analytic and material management leads

According to our research:

89%

of respondents are responsible for buying or using printed labels.

38%

of respondents print informative labels with manufacturer information.

32%

of respondents print descriptive labels and cross dock labels.



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Warehouse labelling equipment: The main problems

As any warehouse or operations manager will know, the impact of poor quality label printers goes far beyond any immediate inconvenience. Of course, when mishaps occur – for example, text or barcodes being blurry or illegible - it can lead to colleagues having to repeat tasks. This means jobs take longer and impacts warehouse efficiency.

Where this becomes an even bigger issue, however, is when poor quality label printing inhibits goods from reaching their intended destination, causing goods to have to be re-sent when they fail to be delivered.

This can cause hours of disruption, not just on reprinting labels and re-sending items, but on fixing malfunctioning equipment. Additionally, there is a risk of losing consumer loyalty to your brand due to poor service or delayed delivery.

All in all, our research indicated that problems with label printing are frequent and that poor quality labelling can cost between two weeks to two months in lost time over the course of a year.

What are the most common problems respondents face with label printing?

- 37% - the label printout does not match the label design

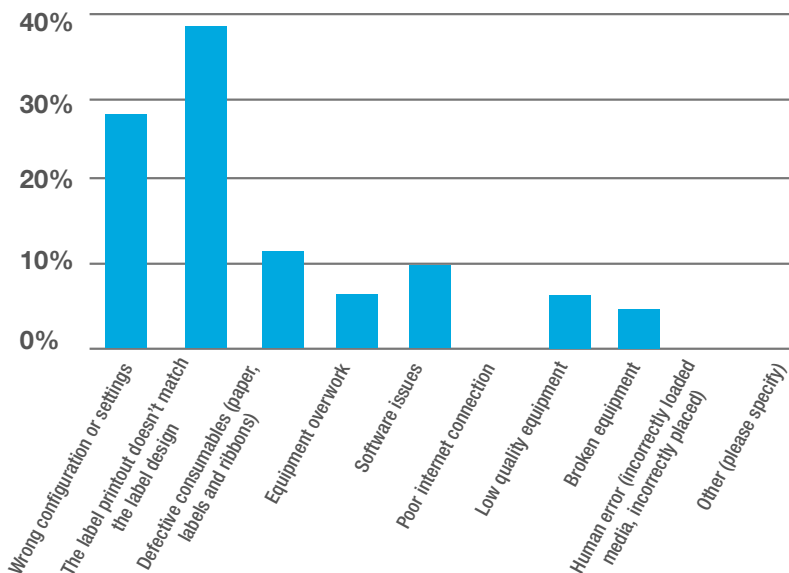
A mismatch can manifest as blurry or illegible text, cut text, white outlines, faded colours, and more.

- 25% - wrong configuration or settings

Causes include: changing labels, print head misalignment, wrong print density or layout and the device you're printing from. This results in the wrong print speed, not printing edge to edge, uncentred labels, ribbon creasing or printing the wrong size image for the label size.

- 11% - defective consumables – paper, labels, and ribbons

This can be caused by using poor quality direct thermal papers or sub-optimal label and ribbon combinations. Using the right quality of label and a suitable matching ribbon are key to achieving effective print density and label resilience.



Consumer demands for faster delivery at lower costs are only continuing to increase, with more than half of UK consumers recently stating they think same-day delivery is “important”. As a result, the need for logistics and fulfilment services to get things right, first time, is more important than ever before.

However, errors in label printing or equipment breakdown can lead to downtime, productivity loss, late or lost deliveries, and overall customer dissatisfaction. Not only does this impact on the customer experience, creating even more work when customers feel the need to make a complaint, but it costs the time it takes to repair broken equipment.

Importantly, studies conducted on the nature of interruptions, such as downtime, have shown that every interruption results in a loss of 23 minutes of staff productivity.

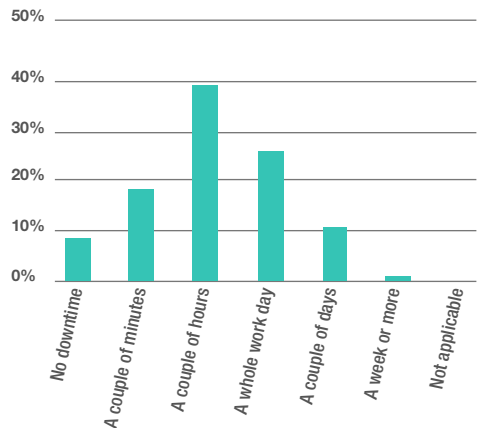
You can work out your business’ downtime cost by calculating employee cost per hour, budget spent fixing the issue, the number of employees unable to work during the downtime, and the time length of the downtime.

How many times had our respondents had problems with label printing in the last six months?

- Almost half (49%) of respondents had between 11 and 40 label printing incidents.
- Nearly a third (32%) faced between 1 and 10 label printing incidents.

What did our respondents say about their experience with equipment downtime?

- 51% have had to organise repairs.
- 39% have experienced downtime of at least a couple of hours.
- 28% experienced a whole day of downtime due to problems with label printing in the last six months.
- 28% have spent a whole day with machines unavailable.
- 10% had downtime that lasted for days, or even weeks, in the last six months.



What are the main culprits for wasting warehouse time?

In logistics and fulfilment, timing is everything. The storage and distribution of goods is a complex chain of processes - this means one error can make the world of difference, from goods arriving on time to never arriving at all.

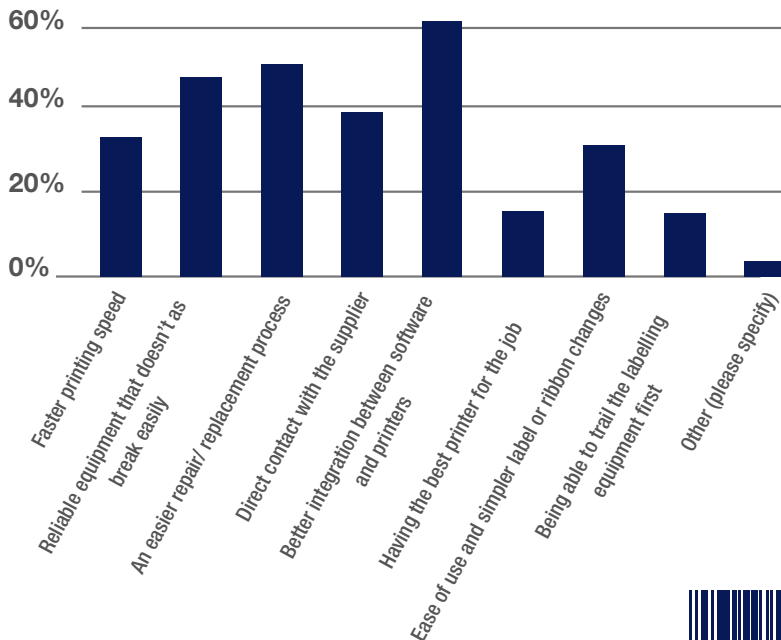
In instances where goods never arrive at all, time is wasted as employees have to arrange replacements, to the detriment of other tasks.

Plus, when goods need to be redelivered because they've not arrived at their intended location, re-labelling them to resend them is both costly and inefficient.

According to recent research, 76% of manufacturers admit they saw mislabelling on more than 10% of their goods.

However, errors aren't the only cause of downtime in transport and logistics.

The graph below shows that 29% of our respondents could save time with simpler label or ribbon changes.



What are the main culprits for wasting warehouse time?

How replacing label rolls is eating up your time

Almost half (47%) of our respondents said that they replace label rolls on a weekly basis. Yet, poor quality labels and ribbon rolls can cause you to repeat tasks on top of the time lost every time you replace a roll.

In fact, data from market research company, Savanta*, stated: Label and ribbon path misalignment when changing

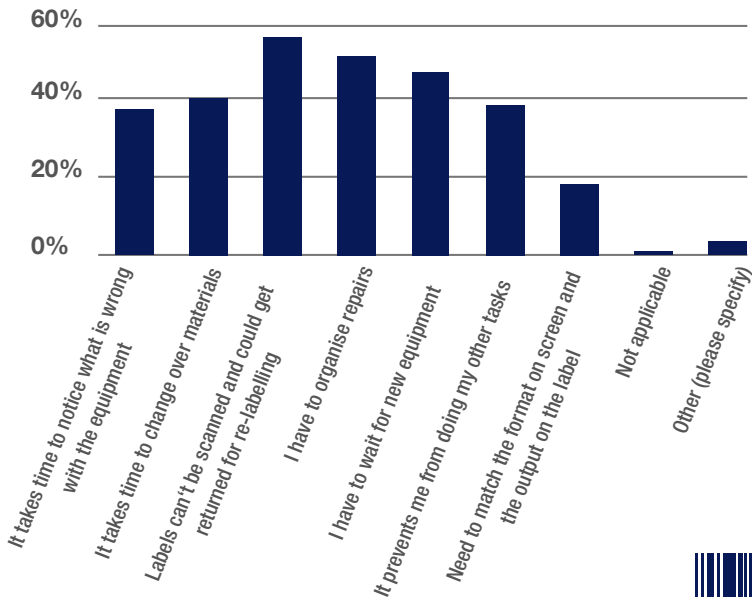
roll sizes and paper, ribbon jams, and ease of use are critical printer issues.”

They also found that print mechanism failures occur at 10K-20K labels printed, typically after media has been changed out.

According to recent research, companies like DHL print 40,000 to 100,000 labels per machine per day, having on average 10 machines in each location.

What else did our respondents say wastes time?

- 57% said when labels can't be scanned and get returned for re-labelling.
- 51% have had to organise repairs.
- 47% said waiting for new equipment.



Whether it's innovative hardware features such as our adjustable roll feeders to help prevent misalignment or our outstanding commitment to supporting our customers, it's clear that partnering with a vendor like Brother means both having high quality, reliable and simple-to-use label printing equipment, and easy, quick access to repairs. Things we know are central to warehouse and logistics businesses saving time.

This can be seen in the results we collected, as half of respondents (51%) mentioned that "an easier repair/replacement process" would help them save time when printing labels, closely followed by "reliable equipment that doesn't break as easily" (48%).

But there are other routes to time saving that our respondents also picked up on. For instance, 57% of respondents stated the fact that "labels can't be scanned and could get returned for re-labelling" is what wastes their time the most.

As a result, having better integration between software and printers would save huge amounts of time. In fact, 63% of our respondents agree with this statement.

That's why, at Brother, we recommend integrating a software solution to speed up labelling. For instance, by integrating with SAP (one of many solutions you could choose), you can reduce the need to input information manually, meaning less mistakes are made, and you can save time on redoing tasks.

Plus, Brother recommends, where possible, that printers should be directly integrated with your in-house WMS or ERP system to maintain data integrity from source to finished label. Removing human intervention or rework and allowing a straight data flow from your main business software significantly improves data efficiency and ensures automatic label template selection.

With SAP, you can benefit from:

- **Quick and easy setup**
Easy integration and print continuity within your SAP environment whether you are already using a Brother product or plan to switch.
- **Leading solutions and support**
Collaborative innovation ensures the best combination of printer features and SAP technology paired with Brother's "At your side" support.
- **Seamless operations**
Create barcode labels for a wide range of applications with automated processes, ensuring smooth business operations.



97% of the respondents we surveyed are aware of the costs of label printing such as hardware, software, and consumables. But, as our research shows, the impacts of unplanned downtime, compliance errors, shipping delays, inventory overhead, product recalls, and lost business also need to be taken into consideration.

Importantly, three quarters of our respondents have experienced rejected deliveries due to unreadable barcodes, resulting in goods having to be returned and reworked, as well as a loss of reputation, and possible financial penalties.

Not only does this waste huge amounts of time but it creates additional costs from rearranging deliveries to losing valuable items, as well as damaging customer loyalty.

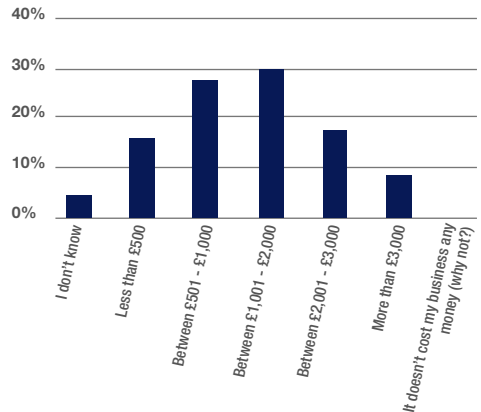
In fact, when asked how poor quality label printing can affect deliveries, 76% of our respondents had experienced rejected deliveries due to barcodes that couldn't be read and 75% had had to re-send goods.

When asked how much time poor quality label printing costs their business per year, 59% said between a week to over a month.

However, in order to optimise day-to-day operations, it's vital to understand the cost of all this. Importantly, only when we take all these factors into account can we calculate the true cost of poor label printing.

How much money does poor quality label printing cost your business per year?

- Only 4% are not aware of the cost of poor label printing.
- 42% stated it costs them £1,000 or less. (that's equivalent to five desktop printers per year).
- Over half (53%) stated it cost them from £1,000 to more than £3,000 (that's enough to purchase up to three new industrial tabletop printers per year).



We know label printing is an important part of any warehouse and logistics business – but not something you want to spend too much time and energy on.

That's why at Brother, we live for the label. So you don't have to.

But what does that mean, exactly?

It means we live for reliability

We know consumers want everything delivered 'now', for low cost. That's why Brother label printers are built specifically for high-volume label printing with high print speeds, large ribbon capacity of up to 600m, and industrial-grade durability.

It means we live for quality

We know one tiny misprint can make all the difference. That's why our printing devices produce clear, accurate labels and receipts up to four inches in width, with thermal print technology, and a top quality user experience. Plus, we can advise on the best Brother labels for your needs.

It means we live for performance

We know ecommerce never stops. And when you can reliably print thousands of labels per day, with lightning-quick loading and longer-lasting ribbons, your productivity won't stop either.

It means we live for support

We know you've not got time for things to go wrong. That's why we've got you covered with best-in-class warranty options and dedicated UK call centre "At your side" to get things sorted.

Our label printing solutions

At Brother, we've been producing label printers for over 30 years. As a result, our label printers are sturdy, reliable and include a range of high volume industrial printers, as well as desktop and portable models. Meaning, your warehouse can implement the most appropriate model for your operation to increase efficiency and maximise productivity, through a choice of single user or multi-user print solutions to match your workflow.

From receiving goods to shipping them out, our range of printers is ready to withstand the demands of your operation, from desktop devices with compact footprints that accommodate tight workspaces, to mobile models that are easy to use across the warehouse. Most importantly, by using the correct media, print quality can be assured for the lifetime of the machine.

Plus, when you buy a new Brother printer, there's always someone to call if things go wrong. Through additional services such as next day breakdown response, overnight advanced exchange, or our standard return to base repair service – offered by our team of experienced, Manchester-based engineers - Brother's aim is to help you keep any potential downtime to an absolute minimum.



References

Scan the QR codes below for more information:



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Talk to us

At Brother, we want to help you find the right product for your business. To receive specific label printer recommendations for your warehouse, speak to one of our printing experts today.



brother.co.uk/lets-talk-labels



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