

PIMCORE®

Own the Digital World

# Master PIM for the next Era of Consumer-Product Interaction

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A Business Leader's Guide to Product Information Management

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## Introduction

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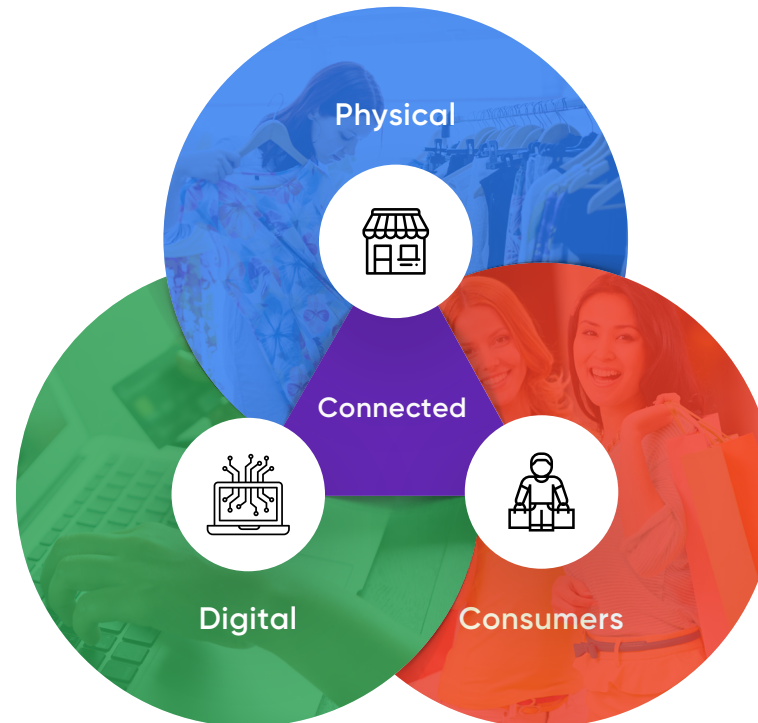
The significance of product information in today's business context is getting more and more acknowledged be it operational or analytical. But, the rising volume, variety, and velocity of product information is demanding smarter supervision and stewardship to enhance its data quality, reliability, and accessibility for hyperconnected and frictionless customer experience across channels. Organizations that are nimble in steadily revitalizing their product information management strategy can create their unique bandwagon and unlock unforeseen business values in the future-run.

# A Drift Towards Connected Product Experience



The emergence of digital technology has changed the fabric of businesses. Technologies that two decades ago we could only imagine are now the reality. For example, 100GB data on a 1x1cm chip size is a reality. At the consumer-front, customers have now more authoritative presence than ever before with consumer-focused technologies and instant information accessibility. This convergence of technology and human is speedily increasing the cooperation and communication among machine-to-machine, machine-to-human, and product-to-human. By riding on this wave, organizations can open up unimagined opportunities for their business.

However, the way customers search, select, and buy a product; it's now a whole new ball-game altogether. From providing better deals and offers, easy-to-use apps, faster service to extended product experience, everything has to be just like *inviscid flow*. And, what essentially makes this flow seamless is how the golden record of products is managed and integrated across systems, plus how feasible it is to transform product data into actionable insights using next-gen technologies. Organizations are doing n-number of experiments to enrich product experience for improved conversions. And, it just goes beyond the traditional experience. *It is now more connected and more immersive.*



# Product Information Management



## A Chance or Necessity

Product information is an opportunity to form a long-lasting impression on buyers. *So, own it. Grab it. And, don't let it go.*

Product information generally includes detailed product descriptions, price details, specifications, images, videos, product availability, related products, and much more. It is not just about defined name and attributes of a product stored

in a database, but it plays a key role in streamlining product data for real-time information, up-to-date catalogues, and bi-directional communication across multiple channels as per an organization's BI rules and compliance. Thus, product information has to be complete and accurate everywhere. And, a lot depends upon how it is managed.

## The Growing Role of Product Information in Driving Business Impact

According to Gartner's Chief Data Officer survey, this is how Chief Data Officers are driving business impact.

	Top Ranked Expectations (Rank 1 to 3)	Achieved Demonstrated Success
Enhance data quality, reliability and access (n = 127)	58%	58%
Enhance analytical decision making (n = 105)	44%	50%
Create internal and/or operational efficiencies (n = 79)	36%	49%
Improve compliance and risk management (n = 69)	32%	52%
Drive business or product innovation (n = 72)	32%	46%
Drive revenue growth (n = 58)	26%	40%
Improve business process agility (n = 50)	16%	54%
Cut costs and/or improve margins (n = 44)	15%	57%
Improve customer relations and/or services (n = 44)	15%	48%
Monitize information assets externally (n = 29)	13%	38%
Reduce time to market (n = 30)	09%	50%
Improve supplier or partner relations (n = 10)	-	-

What are the key business expectations of the office of the CDO? (Rank top five) What progress has the office of the CDO made against these key business expectations?

ID: 345878 © 2018 Gartner, Inc.

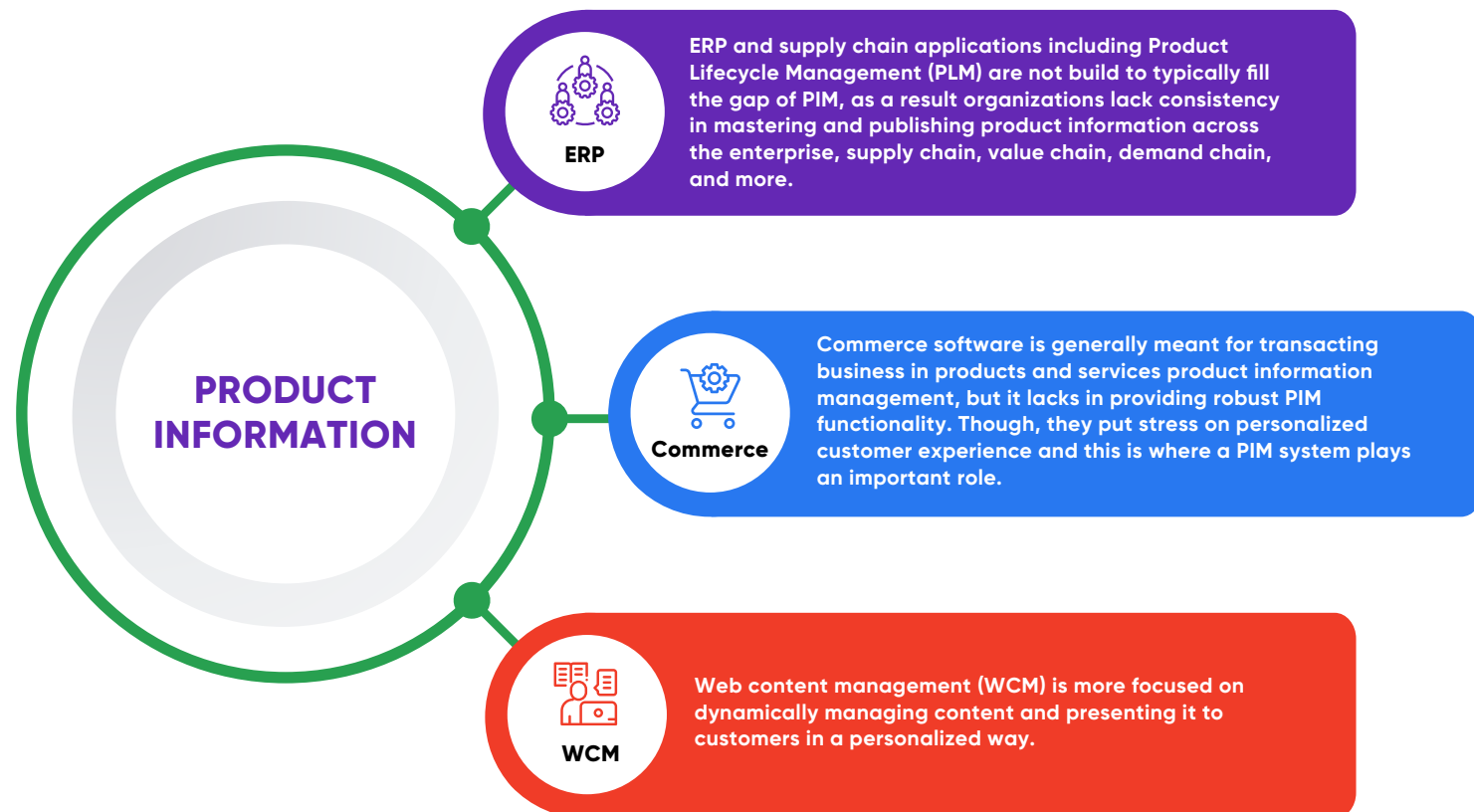
# Product Information Management

## How Does Enterprises Work Without a Product Information Management (PIM) Solution?

The role of product information management is growing despite having applications like ERPs, CRMs, commerce systems, asset management or content management systems.

The reason: traditional approaches of managing and sharing product information across business applications and enterprise resources are turning out inflexible, time-consuming, and even costly.

Moreover, they also lack the flexibility and robustness in efficaciously managing product data assets in order to adapt to the customer-first reality of the digital age. The growth of product information management solutions is not happening by chance, but it is becoming a sheer necessity.



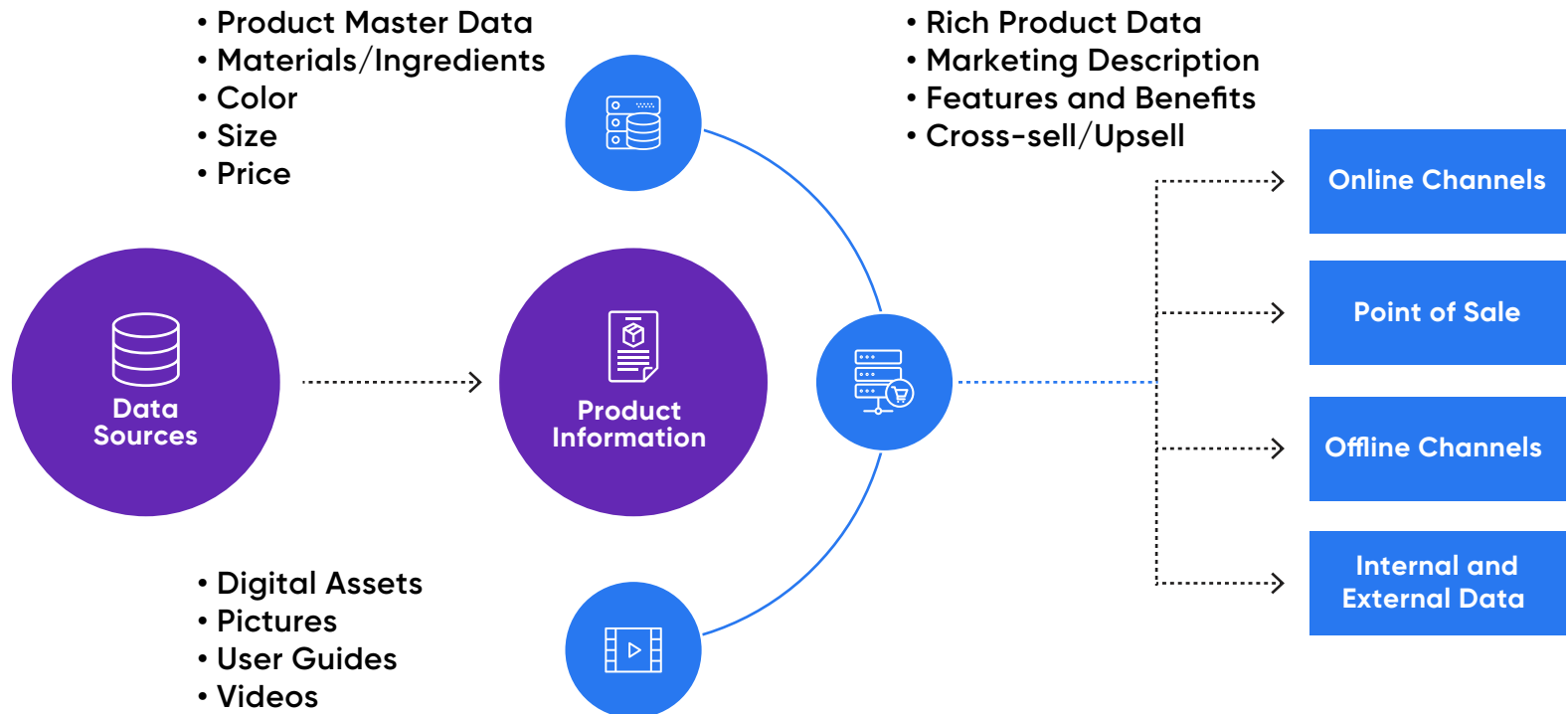
# Product Information Management

## How Does a Product Information Management Solution Help Enterprises?

A product information management solution's role is to establish a trusted single source of product information that can be displayed across multiple channels. It makes easier to deal with incoming, out-going, & cross-department product information, SKUs, UPCs, technical specifications, digital assets, marketing data, channel-specific information, localized or multi-lingual information, and supplier & manufacturer data.

A robust product information management solution becomes crucial when more sources of product information need to be

integrated and managed efficiently for multichannels and multiple regions. Along with centrally managing product data, it helps reduce data silos and redundancy, improve compliance & verification workflow, improve operational excellence, increase marketing intelligence, and infuse personalized product recommendations. The current trend shows that ecosystem of product information management is evolving fast. With master data management of product information, it is becoming a critical part of the overall enterprise data management strategy.



# Driving Forces



## What You Need to Know While Framing a Product Information Management Strategy?

Certainly, digital capabilities have narrowed down the gap between enterprises and consumers by giving birth to newer platforms and channels. But along with that, new challenges have also surfaced. It holds true in the milieu of product data, too. Here are the reasons:

### 1) Tackling Unprecedented Influx of Product Data

Every day, organizations have to accelerate their existing products and onboard new products faster across channels and devices. This exploding volume and speed of product information creates the case for a flexible and scalable PIM solution that would help in:




- Workflow management, contextual information management and persuasive content management
- Data modeling and import/export complexity management
- Reducing inaccurate product data and misstated availability
- Improving data governance, data quality, accuracy, compliance and security
- Reducing platforms complexity for diverse data sources
- Lowering cost of cross technical skills to integrate and manage the whole product information management ecosystem

*The increase in data volume, variety and velocity means that data and analytics leaders must seek out modern data quality tools with advanced analytics, intelligent capabilities, diverse deployment options and alternative pricing models.*

– Gartner

Source: <https://www.gartner.com/doc/3744118/evaluate-adopt-modern-data-quality>

## Risks of Unmanaged Product Information

-  **Complexity:** Increased product information silos and reduced data quality
-  **Cost:** Higher operational cost
-  **Value:** Reduced brand trust



## 2) Understanding Newer Customer Expectations

Customer expectations are all time high. Product discovery has gone to the next level with AI technologies like Amazon Alexa, Okay Google, Siri, and Virtual Assistants/Chatbots. To align with latest customer expectations, the role of a robust PIM system is critical that would help:

- Enhance product data quality and reliability for improved findability and customer experience across multiple channels
- Create well-formatted product information to make product discovery easier through a voice-only VA interface
- Automate the process of converting product information in the desired format across manufacturers, distributors and retailers
- Reduce time-to-market for products or offerings for driving higher revenue and competitive advantage



## Risks of Ignoring Newer Customer Expectations



**Complexity:** Shrinking opportunities of product visibility and salability across channels



**Cost:** Higher customer acquisition cost



**Value:** Reduced customer experience

## 3) Improving Product Insights and Intelligence

The need for product data is exploding exponentially in tandem with AI, IoT, and Conversational Commerce; all are increasingly being leveraged to sell new and more products. There is a growing need to transform product information from being feature-based to intention-based-- enabling innovative and connected customer experiences, including:

- Build real-time, personalized and conversational experiences at scale
- Enhance product data intelligence for smarter marketing
- Boost multichannel sales (Online To Offline Sales and Vice Versa) and omnichannel sales
- Improve responsiveness and new product onboarding while reducing cost over time
- Increase PIM efficiency and infuse faster & accurate decision-making
- Provide frictionless brand experience across all touch points



## Risks of Poor Product Information Insights



**Complexity:** Greater struggle in entering into new markets



**Cost:** Higher cost on expansion and Route-To-Market (RTM) strategy



**Value:** Losing opportunity in creating brand value innovation

# Plan of Action



## How to Approach Heavyweight Product Data to Thrive in the Digital Wave


Generally, product information streams across the departments like ERP, merchandising system, point-of-sale, warehouse, customer care center, e-commerce, product catalogs, instore or offline, cross-channel operations, franchises, partners, suppliers, and vendors. Thus, it needs to be updated constantly. With an explosion of channels, and diverse demands for product information, a robust foundation for high-quality product information management is critical.


This is where a robust product information management strategy comes into play to facilitate new products on-boarding, maintaining customer service standards while meeting the insatiable demand and expectation of digital-savvy customers.


Here is what to do to improve product information management with inpouring variety and volume of product data. Design an end-to-end product information management strategy keeping in mind your company's business strategy, vision, and metrics.



Source: <https://www.gartner.com/doc/3771364/product-data-syndication-needs-endoend>

 **Consolidation** Get a single of view of your products

 **Automation** Automate the creation of unique product information using master data as a source

 **Governance** Implement product information governance, data management, and quality processes

 **Insight** Turn product data into actionable insight for improved end user experience

# Implementation



## Choosing the Right PIM Enabling Technology

Lots of thought process goes into decision-making while purchasing and implementing a PIM solution. PIM implementation is technical in nature; thus it can be complex, time-consuming, and even expensive. So, the whole idea is to do it rightfully, accurately, and efficiently without any hiccups and delays.

The way complexity and variety pertaining to maintaining and managing product data is increasing, organizations prefer to cloud-based PIM deployments for consolidating their master data of product information. The future trend indicates that the adoption

of cloud-based PIM is expected to grow immensely by 2020.

With cloud-based PIM solutions, organizations can easily minimize their upfront costs, manage data quality, increase their Return on Investment (ROI), and elevate their customer base. It also offers the flexibility and freedom in usage as business needs grow. Open source PIM solutions have more edge over proprietary solutions because of their flexibility, open architecture, innovation, faster-time-to-market, and lower implementation cost.

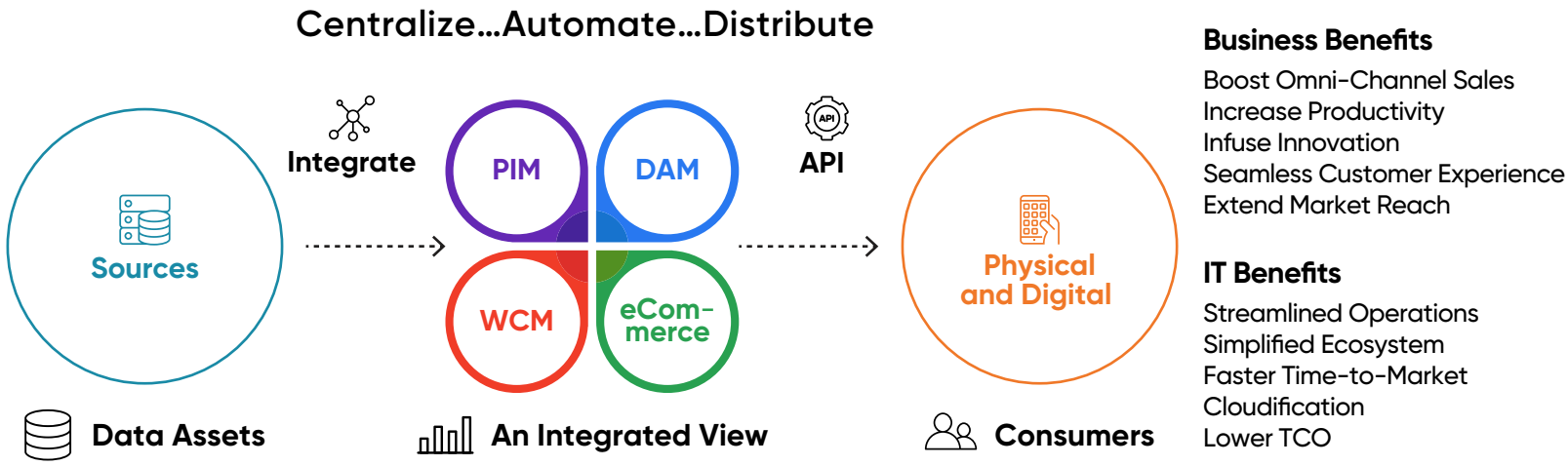
### Organizations can evaluate and implement a PIM system based on the following criteria:

- Manage growth and operational cost of multiple product data sources
- Support rapid SKU introduction by pulling from a trusted source of product content for each of your products (Seamless Data-Export and Import)
- Provide flexible architecture for integrating next-gen technologies
- Give higher performance for rising work loads
- Rapidly deploy and scale across the globe
- Ensure faster adoption curve across the departments
- Reduce overall product data management cost






# Implementation

But now, an integrated product information management strategy is more fruitful to enable better operational efficiency, regulation compliance, 360-degree view of product data, automated display of products across channels, cross-sell/upsell, and enriched overall product experience.

Considering the complexity and sturdiness of your organization's product information requirements, the holistic product data value chain can involve multiple technological capabilities and platforms such as MDM, PIM, DAM, WCM, and e-commerce suites with varying degrees of integration.



## PIM Platform Selection Criteria

-  **PIM Technology:** Open source (Open Architecture and No License Cost) or proprietary (Vendor Lock-in and License Cost)
-  **PIM Software Type:** Single domain (generally includes pre-defined data models for either customer or product domains) and multi-domain (offers a solution for virtually all of the complexities of single-domain solutions)
-  **PIM Deployment Models:** Cloud, on-premises and SaaS
-  **PIM Service Type:** Consulting & system Integration and training, support, and maintenance.
-  **PIM Integration:** Flexibility to integrate with next-gen technologies

# Future Sustainability



## Continuously Improving Product Information Intelligence and Insights

Just implementing a PIM solution is not the end. The PIM ecosystem is continuously evolving with new technological innovation as next-gen applications and consumer technologies are surfacing to bring more engagement with organizations and end-consumers.



There is an influx of PIM vendors who are increasingly spending on technology infrastructure development to enable smooth operation for end users across the world.


The global Product Information Management (PIM) Market to grow at a CAGR of **+17%** during the period **2018-2023**.


In the future, the major focus area is going to be continuously improving Product Information Intelligence and Insights. And, delivering smarter intelligence to enable fast, reliable insights and improved decision-making by integrating Internet of Things (IoT) Artificial Intelligence (AI), Machine Learning (ML), and Blockchain.

According to Gartner, key emerging areas in PIM is:

Product Experience Management (PxM) extends PIM solutions in one or more of the following capabilities:

-  **Product content analytics:** Analyze your product content to reach to more potential buyers
-  **Contextualization:** Put your product information in the right context of customers to boost product search and increase revenue

-  **Personalization:** Enhance personalized customer experience for higher customer satisfaction

-  **Automation and optimization using ML/AI:** Increase data quality, reliability and accessibility of product information for positive business impact

The use of product content analytics, AI/ML, and other personalization and contextual tools would help deliver immersive product information across channels and platforms automatically.

In doing so, chatbots, virtual assistants (VAs), conversational platforms enable businesses to evolve their customer interactions into deeper conversations that will inspire brand new experiences.



## The Conclusion

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The intensifying demand for operational excellence, data quality, compliance, and conversational & connected product experience are driving the PIM market. In the future, the role of a PIM software will grow bigger in crafting the perfect product stories for multimedia mix of customer touchpoints and deeper insights into how products are performing while managing diversified product information regulations and different law of lands present across various territories and verticals.

But how organizations can utilize PIM systems leveraging next-gen technology and as a result what will their experiences be like for their customers and employees, and how will the organization innovate at scale to bring new perspective and amplify growth? This is where the future PIM strategy going to be explored. Right now, we're at the interesting horizon in the PIM ecosystem to paint new digital future for us.

## Awards and Recognition



4.4 out of 5



4.9 out of 5



5 out of 5



Cool Vendor  
for PIM & E-Commerce



MarketScape PIM  
for Commerce 2019-2020



PIM Vendor Landscape,  
Now Tech Report: Digital  
Experience Platforms

### ABOUT PIMCORE

- **Founded in 2013**
- **120+ solution partners**  
such as Infosys, Arvato Systems and many digital agencies and system integrators
- **100+ enterprise customers**  
such as Audi, Pepsi, Dr Oetker, Yamaha

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