



Everything you need to know about PIM

- What is PIM?
- How a PIM system can benefit your organization
- How to choose the right PIM solution
- How to sell PIM to your internal stakeholders

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Introduction

PIM stands for Product Information Management. It's a hot topic in B2B and B2C Commerce, and as an industry it is growing at an exponential rate. According to Ventana Research, 50% of product-centric organizations will use a modern dedicated PIM environment to manage product processes and provide high-quality product experiences by 2021.

PIM tools enable you to create **a central hub to collaboratively manage all your product information**. This radically simplifies the process of creating, maintaining, and using product descriptions and specifications for online and offline product catalogs.

While PIM can make your product information processes more efficient, it's also a foundational technology that powers:

- Superior product experiences
- Omnichannel marketing
- Increased conversion rates
- Decreased product returns
- Faster time-to-market
- Increased product assortment
- Expansion to new markets
- Making cool new ideas like retail chatbots actually work

Sounds awesome, right? Let's dive in.

What is PIM?

Product Information Management (PIM) is a set of business practices and a category of business applications focused on managing product information for use across an organization from the supply chain to commerce to customers.

A PIM solution provides a single place to collect, manage, and enrich your product information, create product catalogs, and distribute information to your sales and eCommerce channels. With PIM, marketers can dramatically improve product data quality, accuracy, and completeness while simplifying and accelerating product catalog management. As a result, enterprises who use a PIM solution can more easily and rapidly create and deliver the compelling product experiences needed to drive good customer experiences, reach more markets, improve sales conversion rates, and take advantage of new sales channels.

Figure 1 depicts an easy way to visualize how PIM works at a high level.

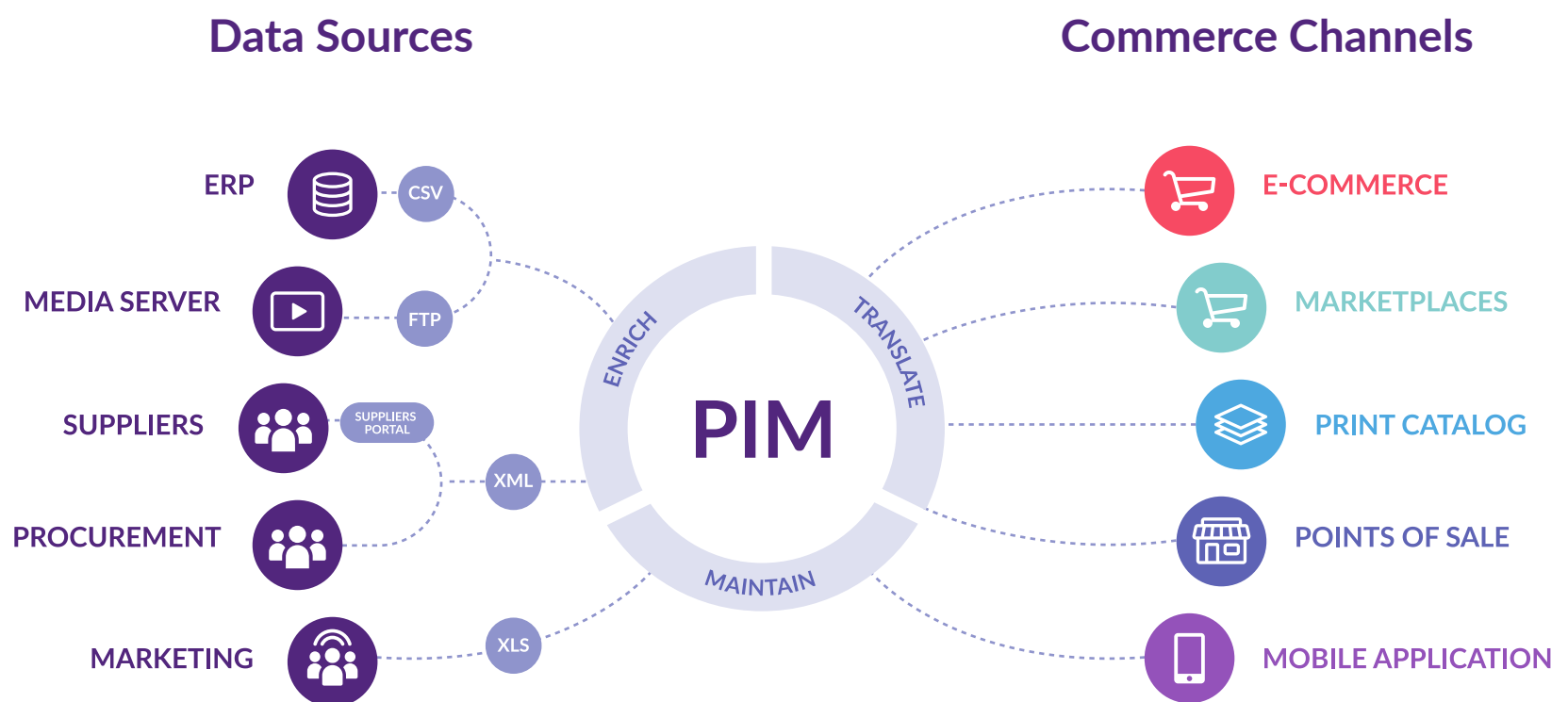


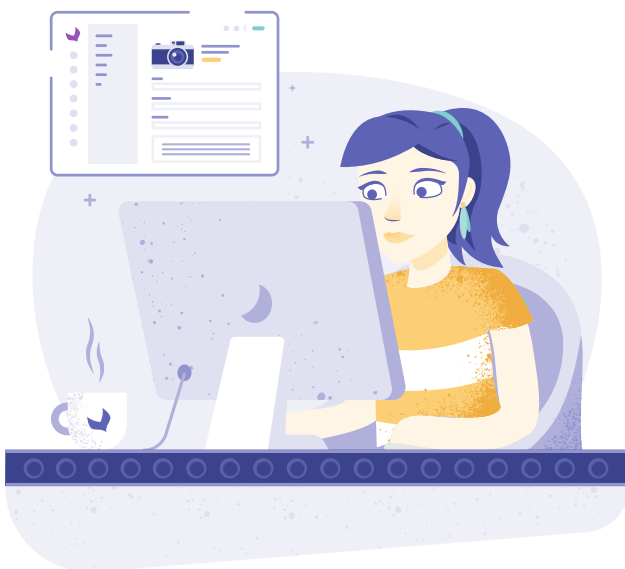
Figure 1: A PIM tool streamlines processes and delivers better quality product information across all channels

- Product information is collected from a variety of internal and external sources and loaded into the PIM solution.
- Marketers, eCommerce managers, brand and category managers, and other product data experts can enrich, classify, and localize product information inside the PIM. Business rules and validation workflows, as well as user management tools, enable you to maintain control over your enrichment and localization processes.
- The enriched, localized data can be spread to eCommerce platforms, marketplace listings, print catalogs, points of sale, mobile applications, chatbots, and all other channels.

A PIM can be used to manage different types of information:

- **Technical information:** product specifications like size, color, weight, material, and ingredients
- **Usage information:** product descriptions with where-used, how-to, and sample usage suggestions
- **Emotional information:** rich product descriptions, stories, and imagery that helps create emotional connections with buyers

Note: A PIM is focused on the product descriptions and specifications. Transaction information such as inventory levels and pricing are *not* managed in a PIM solution.



“PIM is a critical foundation for virtually every strategic initiative in eCommerce and product merchandising today for both B2C and B2B organizations.”

Why is PIM so hot?

The PIM category will grow at a compound annual growth rate of **25.3%** to **\$15.8 Billion dollars** by 2021 according to MarketsandMarkets.

Why are so many companies adopting PIM so quickly?

The top reasons surveyed companies cite are:

#1 - Customer expectations about data quality

Customers expect thorough and accurate product information along with images and other digital media. If they don't find what they want or can't get the information they need from one retailer/distributor, they go to another site or catalog. Enterprises know this and are eager to invest in solutions that make it fast and easy to collect and distribute complete and accurate product information.

#2 - Data governance

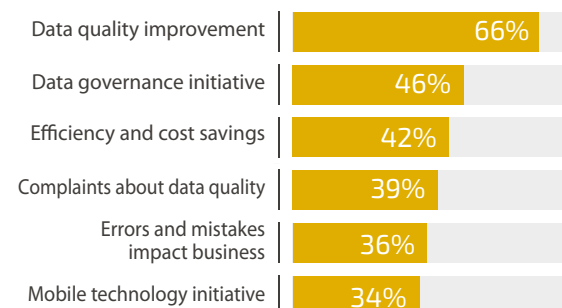
Creating high-quality and complete product information can't be done without an eye towards the process – who is involved, who can validate the data, who can decide if the information is complete, etc. Enterprises are using PIM solutions to manage, control, and track the process of creating product information, and increasingly are using it as a part of their larger data governance initiatives.

#3 - Rapid ROI from efficiency gains and cost savings

Compared to the much more expensive IT-led master data management (MDM) initiatives, a PIM project is business-led and is relatively faster and less expensive to deploy with business benefits that are easy to measure. Hard numbers from increased sales conversion rates and decreased product returns generally provide payback periods of less than a year and can be even shorter when taking into consideration the increased agility and scalability of the marketing team.

Why Change Managing Product Information

Data issues are primary drivers



Source: Ventana Research Next Generation of Product Information Management Benchmark Research © Ventana Research 2017; All Rights Reserved

Why do I need PIM?

Beyond these focused objectives on improving the product information itself, the larger business context is also a driver for increasing interest in PIM.

If your enterprise is struggling with any of the following, you should be looking at what PIM could bring to your business:

The imperative to grow

Companies across the globe are seeing markets consolidate as economies of scale become ever more powerful. Effective product expansion has become a bottleneck for many companies seeking to grow with new product offerings across new markets and channels. PIM allows these companies to easily scale their catalogs and spread product information to additional channels.

Customization and localization

Global scale is only effective when matched with the ability to granularly customize the product experience for every customer. PIM enables global teams to create highly targeted product experiences tailored to different locales, channels, and languages.

The go-to-market need for speed

Victory doesn't always go to the biggest players. The race to be first to market is more critical than ever. PIM tools empower companies to streamline their product creation and enrichment processes to bring new products and seasonal collections to market much faster compared to wrangling product information in spreadsheets or other unfit-for-purpose systems.

Business benefits from PIM

Products are at the core of your business, and therefore it makes sense to ensure your product information is as accurate and complete as possible, and makes an emotional connection with buyers. There is no great customer experience without a compelling product experience.

With the efficiencies it delivers, PIM is a force-multiplier that gives your marketing team the time and ability to **ensure that your product information is compelling, up-to-date, consistent, and that it can be personalized across every channel**. With a robust PIM in place, you'll be set up to craft the superior product experience you need to deliver a great customer experience.

There are three main benefits your business can get from PIM:

#1 - Sell more with fewer returns

Increase sales conversion rates

Higher quality and more comprehensive product data that includes impactful emotional information converts customers at a higher rate. When that data is made contextual based upon the channel — providing media and product descriptions that are specific to the channel — it further contributes to higher sales conversion rates.

Decrease product returns

Incomplete and incorrect product information is a primary driver for product returns - if customers don't get what they thought they bought, they'll return it, costing you money and potentially future sales. PIM helps reduce return rates by eliminating manual data errors, highlighting incomplete product information, and putting in place validation processes to ensure you deliver complete and accurate product information every time.

Enable new technologies and personalization

We all know that there are big changes coming to both B2B and B2C commerce: voice, chatbots, augmented reality (AR), artificial intelligence (AI) and smarter customization. What these new technologies share is a voracious need for structured data. Lots of data. PIM centralizes and structures product data making it instantly available for these new technologies while vastly simplifying the process of deploying these new sales and marketing initiatives.

#2 - Boost team productivity

Your product marketing team is being paid to craft and maintain evocative product descriptions that turn browsers into buyers. Yet, without a PIM, your team will spend most of their time going between multiple applications and platforms doing manual, tedious and repetitive tasks in a desperate attempt to keep up with ever-changing specifications and models across multiple channels and regions.

PIM automates up to 80% of these previously manual tasks so that your team can do the job that you're truly paying them for — making your products as desirable as possible, and creating a dynamic catalog well-suited to organize promotional events or seasonal sales.

PIM automates the import of raw product data from your source systems as well as the export of the enriched data to every channel. All that's left for your product team is to create seductive product descriptions.

PIM can also transform the often chaotic product enrichment process with built-in workflows that clearly guide each team member through their next steps. This enables better productivity and allows for more collaboration across divisions, departments, and regions.

Speed up time to market by 3X to 4X.



#3 - Expand your products, channels, and markets while increasing product assortment

PIM lets your team spend less time managing your current products and onboarding new products. Products can be quickly organized into families that automatically share attributes and descriptions. Marketers can use bulk actions to mass enrich and edit product information, and use business rules to automatically assign values to products, groups, or categories.

Do more with less.

Power omnichannel marketing

In today's hyper-competitive environment every company wants to be everywhere their customers are. Unfortunately, every channel and every platform has different product data requirements in order to achieve optimal sales results. PIM gives your team the tools they need to seamlessly export optimized product descriptions for every platform and every channel.

Be wherever your customers are.

Expand into new markets

PIM revolutionizes the highly manual product enrichment and localization process, and replaces it with a highly automated and structured process optimized for distributed teams. Teams can connect to translation tools, review and approve localized product information, and publish catalogs in new regions — all without ever leaving the PIM!

Organize global teams.



How does PIM compare to MDM, DAM, and PLM?

The data management world is full of acronyms and it can be confusing when dealing with adjacent technologies. Here's what you need to know:

PIM vs. MDM:

MDM (Master Data Management) is an IT-led initiative focused on creating a centralized “golden record” of master and reference data across many domains: customer, product, location, supplier, financial, etc. The objective is to create accurate and consistent information accessible to everyone and every system across the entire organization.

PIM (product information management) is a subset of MDM that focuses on delivering high-quality and accurate product information and is most frequently used to support merchandising and marketing.

As a business-led solution rather than an IT-led initiative, PIM typically has a much easier and more cost-effective implementation process than a more ambitious and organization-wide MDM deployment.

PIM vs. DAM:

DAM (Digital Asset Management) is focused on the management of digital media files such as images, video, etc. DAM provides specialized version control and search functionality that allows organizations to maximize their existing digital assets.

Many PIM solutions include the ability to manage digital assets like images, videos, PDFs, etc. that are used to provide complete product information. An enterprise DAM manages a much wider range of digital assets and is used for more than just product information. An enterprise DAM system is complementary to a PIM solution and many integrations exist that link popular PIM and DAM systems.

PIM vs. PLM:

PLM (Product Lifecycle Management) is a repository for the entire lifecycle of a product from design through end-of-life support. PLM allows manufacturers to track sketches, CAD files, parts, inventory information, disposal details, etc.

A PLM is focused on internal stakeholders and does not contain much, if any, customer-facing information. However, PIM can pull relevant specifications and other product information from PLMs to prepare products for customer-facing merchandising.

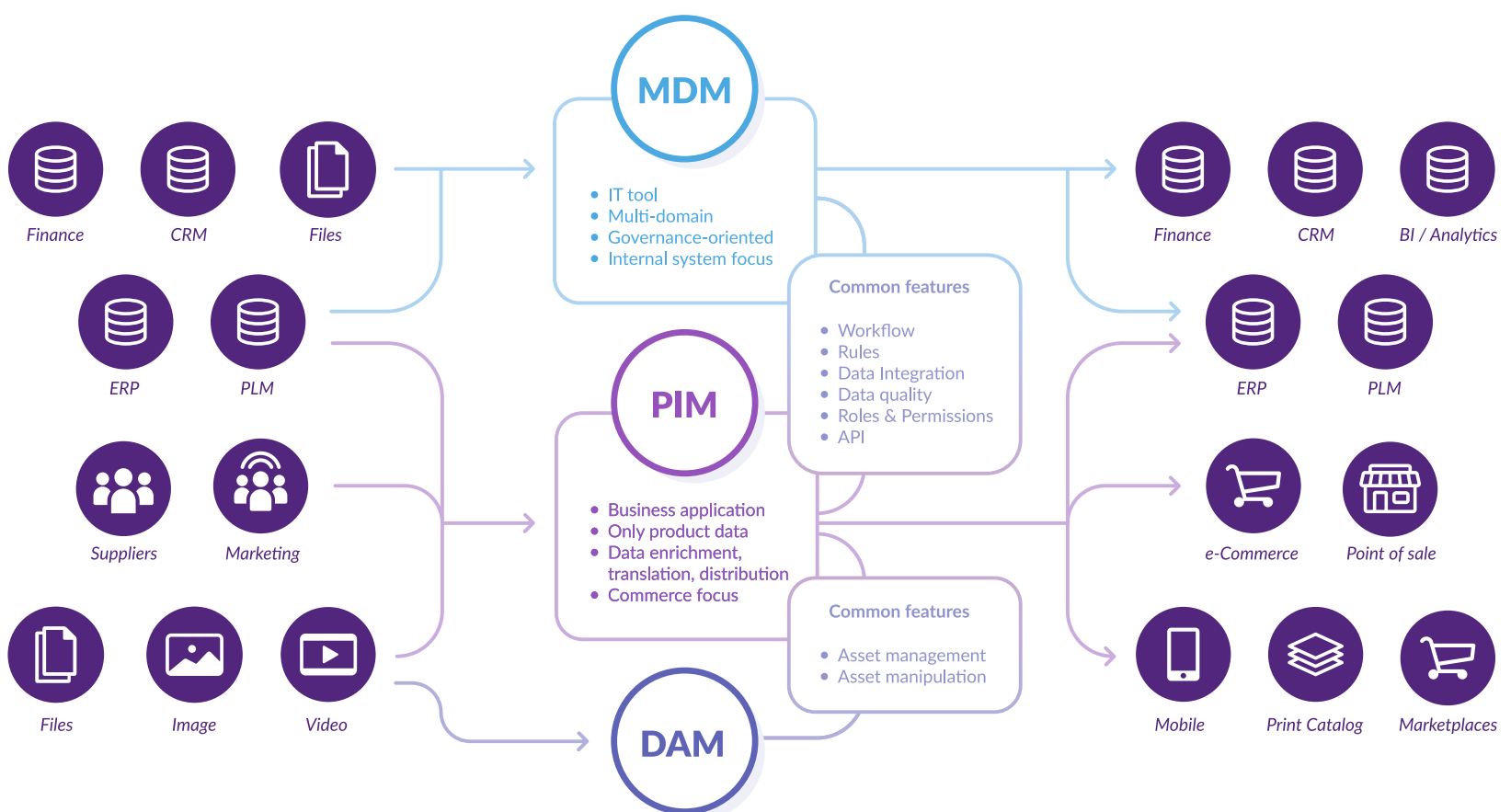


Figure 2: The overlap and differences between PIM, MDM, PLM and DAM systems.



How to choose the right PIM solution

There are many PIM tools to choose from in the market, each with their own strengths and weaknesses. It is important to select a PIM solution that will meet your specific needs today, and be able to adapt to your future needs. With that in mind here are some guidelines to help choose a PIM that will unleash your team's creativity while conforming to - or defining - your product information management processes.

Let flexibility be your guide.

PIM delivers value because it is a critical component among and between other systems. That's true both in terms of technical interoperability and human processes. The only thing that you can say with certainty about your technical infrastructure and processes is that they will evolve, perhaps frequently, over the coming years. That's why you need to make sure that your PIM can change with your evolving business.

Interoperability

A key requirement for any PIM system should be whether or not it can interoperate with your current and planned information sources and destinations. If your PIM can't easily connect with your internal ERP system and your suppliers' product data systems as well as your online storefronts, mobile apps, POS systems, and print catalogs then you're missing out on the primary benefits of a PIM. Your ideal PIM will include connectors to facilitate interoperability among all systems for streamlined operations.

Keep in mind that internal changes, as well as acquisitions, are a fact of life, so the larger the list of supported systems the better. We address the issue of unusual and homegrown systems further in the open source section (see [page 16](#)).

Ecosystem

The size and strength of the overall ecosystem of a PIM is a huge factor in the long-term viability of your solution. PIMs are not one-shot development efforts. They must constantly grow and adapt to support evolving connected systems and technologies. Look for a healthy and self-sustaining community of integrators, developers, and technical partners supporting any prospective PIM.

Usability

PIM requires adoption and daily use by numerous users at a range of levels. Much like an operating or file management system, the best user interface for PIM is one that feels so intuitive that it feels nearly invisible.

At the same time, the sheer volume of product data can be overwhelming, so a PIM's interface must provide clear guidance to users on what they should do next as well as the overall status of the product catalog. As a general rule of thumb, if users feel that they need a separate project management tool for product data enhancement, the PIM interface has failed.

Automation

Does the PIM simply provide you a different place to enrich data and fill in missing fields? Or does it automate repetitive tasks and streamline processes? Look for a PIM solution that can do some of the work for you, validate your work, keep track of completeness before publishing the catalog, and free your marketing team to do more value-add activities.

Customizability

Many companies have highly complex processes and systems for the acquisition, organization, and merchandising of their products. Your PIM needs to support your current systems and processes as well as future ones.

It's critical that your PIM can adapt to your systems and processes and not force you to go the other way around! This often means extensive customization in terms of importing/exporting data as well as changing UIs. (See the "Open source or proprietary solution?" section on page [16](#) for more details about these issues.)

Localization

Are you doing business in regions that use different languages? Make sure your PIM can accommodate and facilitate your ability to go to market in those regions and can conform to the requirements of those channels.

Deployment flexibility

Do I run my PIM in my data center, or do I run it the cloud? Depending on your IT strategy, you'll want a PIM solution that can support either deployment option and will be able to fit in with your IT landscape as it evolves. For clarity here are some quick definitions:

- **On-premises:** The organization deploys and maintains all applications and data on their own servers—usually behind their firewall. In this traditional configuration, the organization is responsible for all maintenance and underlying infrastructure. This allows maximum flexibility and control but requires the most IT resources.
- **PaaS (Platform-as-a-Service):** The application and data are hosted by a third-party. Typically, the deploying organization still maintains the application and data but the third-party host takes care of the underlying infrastructure. This allows for an extremely high level of application customization but does not require as intensive IT support for basic plumbing.
- **SaaS (Software-as-a-Service):** Everything from the application to the underlying infrastructure is maintained by the primary application vendor. This provides maximum ease-of-use but usually requires some compromise on flexibility.

As outlined above, there are advantages and disadvantages to all of the various deployment options. When picking a deployment style, make sure that the PIM can match your organization's needs.

The best products evolve with your organization

Since PIM requirements can change radically over time, the best solution for your organization may well be one that enables changing deployment options and that can evolve to match your organization's resources and needs.



Open source or proprietary solution?

In terms of open source vs. proprietary software, here's where we think you need to focus when it comes to PIM.

Vendor lock-in: If you ever need to be able to customize your PIM to develop new feature sets or modify existing ones, open source clearly has an advantage. Being able to freely access contributions from the community and modify source code gives maximum flexibility. On the other hand, a proprietary PIM may suffice if you're certain that a proprietary PIM will keep pace with your needs and you'll never need any features that don't come out of the box.

Interoperability: Most PIMs have connectors or other interoperability capabilities for major ERPs, eCommerce platforms, print catalog tools, etc. However, if you have (or might inherit via an acquisition) systems that are obscure, heavily customized, or home-grown then you will likely have to build or customize some connectors yourself. Access to source code and the full range of customizability may be helpful versus having to rely on rigid – or non-existent – APIs.

Community: Are there resources available to help if you need it? Commercial open source solutions, in addition to the vendor's technical support offerings, typically have large vibrant communities of developers, contributors, implementers, and other resources who actively work with the PIM solution and help others. Proprietary vendors typically have a much smaller community of resources available to you, and instead, rely on commercial partnerships with integrators to provide customizations and implementation assistance.

Total Cost of Ownership: The cost of ownership for a large PIM deployment is not only annual licensing fees. It includes the customization, deployment, and maintenance of the system. As noted above, one advantage of open source is the avoidance of vendor lock-in where your organization faces massive switching costs if your vendor's development starts to stagnate or maintenance fees skyrocket.

If your PIM deployment is not heavily dependent upon customizations, staff training, integrations, etc. then proprietary lock-in is not as big of a deal since you can more easily switch PIMs as needed.

How do I convince my internal stakeholders I need a PIM solution?

CMOs and Directors of eCommerce

Compelling product experiences for enhanced brand identity and growth

PIM supports top-line growth and business expansion by enabling better and more efficient product information — which in turn creates better customer and brand experiences across all sales channels. The ultimate result is higher conversion rates, reduced returns, and a greatly enhanced capacity to scale.

Unify product experiences across channels and accelerate time-to-market.

 Give them this book.

Other C-Level Decision Makers / General Management

A 21st-century sales experience

PIM is a business application. It enables efficient and continued expansion of the business with more product offerings, available in more markets, and across more channels. It powers the product experience and meets today's customer requirements for product information. ROI can be quickly proven in increased sales conversions, reduced product returns, and superior product experience across new channels including voice-activated search.

PIM provides rapid ROI.

 Send them a copy of [Scaling eCommerce](#).



Product Marketing & Catalog Managers

A productivity game changer

PIM is a productivity enabler allowing product marketing teams to up their game by doing more with less. More marketing, less grind. By eliminating the repetitive, manual drudgery of tedious product information management routines, it shifts the focus from cutting and pasting out of error-laden spreadsheets to creating high-quality product data with emotion-laden descriptions and media. Product updates can be largely automated cutting the time needed to hours instead of days or weeks. PIM will improve and accelerate your current processes.

Increase productivity by 50% or more.

▶ Send them a copy of [Kill your Spreadsheets Before They Kill You.](#)

IT Decision Makers

Give marketers tools they can use

PIM is like a CRM for products. Deploying a formal PIM will introduce product data governance across the organization, give you control over who does what, and sync with other enterprise systems and applications. Eliminate the bandages and duct-tape approach that many organizations adopt to fill in the gaps between ERP systems and eCommerce platforms with a formal PIM system. PIM offers out-of-the-box solutions and flourishing ecosystems of implementation consultants that will create elegant, supportable, and scalable product information solutions.

PIM is the CRM of Products.

▶ Have them read [PIM is the New CRM.](#)



Additional Resources

Akeneo Business Blog:

<https://www.akeneo.com/blog/>

Ventana Research:

<https://www.ventanaresearch.com/focus/salesproductinformationmanagement>

Ventana PIM Online Self-Assessment:

<https://bonjour.akeneo.com/ventana-self-assessment>

Forrester Product Information Management Landscape:

<https://www.forrester.com/report/Vendor+Landscape+Product+Information+Management+PIM+Q3+2017/-/E-RES139393>

G2crowd Product Information Management Software:

<https://www.g2crowd.com/categories/product-information-management-pim>

Take the next step

[Request a tour of Akeneo PIM](#) to get a better sense of how PIM could impact your organization.

Or, if you're ready to speak to a local PIM integration expert about your specific needs, let's set up a free consultation.

Give us a call:

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About Akeneo

Akeneo is a global leader in Product Information Management (PIM) solutions that enable retailers and corporate brands to deliver a consistent and enriched customer experience across all sales channels, including eCommerce, mobile, print, and retail points of sale. Akeneo's open source enterprise PIM dramatically improves product data quality and accuracy while simplifying and accelerating product catalog management.

Leading global brands including Sephora, Shop.com, Auchan, Jabra, Sunbelt Rentals, and Fossil trust Akeneo's solutions to scale and customize their omnichannel initiatives. Using Akeneo, brands and retailers can improve customer experience, increase sales, reduce time to market, and boost marketer productivity. Akeneo is based in the United States, France, Germany, United Kingdom, Spain, and Israel.



About Christel Grizaut

Christel Grizaut Billault is an accomplished marketing executive with 20 years of experience and a successful track record in creating powerful integrated marketing strategies for Fortune 1000 companies. Prior to joining Akeneo, Christel held multiple senior marketing positions at Acronis, a leading hybrid cloud data protection company. Before that, she managed the corporate marketing and communications programs for global technology companies that included Altiris, a Symantec company, Tripwire, and Baltimore Technologies. When not at work, Christel enjoys trekking in exotic places, reading, and spending time with her family.