



PIM Buyer's Guide



If you've been hearing about Product Information Management (PIM) or have someone in your company championing the notion that you need a PIM solution, you've come to the right place.

This PIM Buyer's Guide will help you understand the challenges and issues that PIM will solve, as well as give you the selection criteria you need to consider when evaluating and purchasing a PIM solution.

What are the challenges that lead us to PIM?

For many companies, the need for a product information management solution can surface from many different places.

You come to the realization that there is a lot of duplicate work going on across your company. Manufacturing, sales, marketing and e-commerce are recreating the same product information, usually in spreadsheets, in their own format. These isolated silos of product data are costing your company precious time, resources – and money.

You've acquired a few companies or product lines and need to merge them into your operations, yet information about the new products is scattered at best and unavailable at worst. And for some, these problems exist even without having undergone a merger or acquisition!

You're opening up new distribution channels and you quickly need to ramp them up to full effectiveness. You certainly don't have time to round up all the product data and repurpose it for this new channel.

You've gone or are planning to go global. Suddenly you need product information in all those languages, currencies and measurement standards, yet organizing it efficiently is a big headache.

You're upgrading your e-commerce or order management systems and things would be so much easier if you could integrate those new systems with all of the product information just one time and allow the product data to flow freely as it's updated or changed.

After close inspection, you realize that you've got a lot of customer-facing inconsistencies in product information. The client or prospect should not need a look-up guide to understand all the differences in specifications and nomenclature; they need you to get more consistent in how you portray your products across different systems and channels.

How important is a PIM solution today?

“Brands and retailers sprint for dominance in a content arms race,” says Forrester Analyst, Bruce Eppinger in The Forrester Wave™: Product Information Management Solutions, Q2 2018.



What is PIM?

Product Information Management (PIM) provides a centralized hub to consolidate, manage, and enhance all of the information about your products. PIM solutions ensure an up-to-date, accessible, and accurate repository of everything that everyone needs to know about your products.

PIM provides for the automated collection and distribution of accurate product information throughout your organization - most importantly to the sales, marketing and digital channels that need it most.

PIM facilitates a great customer experience across all touchpoints.

What is stored in PIM?

Let's look a little more closely at the elements you might need to store in a PIM. It might even be a good idea to do an audit across your company of all of the product data that is being produced and used. Once you remind yourself that a PIM is a centralized repository that is meant to be used by all employees, you might find that you already have even more data than you realized.

We strongly encourage you to conduct a product data inventory to unearth all the disparate, scattered, current, irrelevant, and critical data for your products. It will be more than you thought existed. We promise. We've included a helpful Product Information Audit Worksheet to help you collect and document everything you and your colleagues know about your existing data.

Common Data Elements Stored in a PIM

Technical Specifications – Technical specifications are some of the hardest working data elements for your products. They are used across the company, sharing the sizes, capacities, colors, volume, elemental materials, and much more. They are a reference for sales and marketing and are often used on a product detail page on a website. Often a PIM can be justified simply based on having one sale that falls apart because your sales team provided outdated technical specifications to a prospect.

Photography – Some companies rely quite heavily on photography to communicate product details. If you have a photo-centric product line, you will probably need many different images. Think about different views, different colorways, and even different photo formats. All of these can and should be stored in a PIM solution, never in an Excel spreadsheet or on someone's laptop.

Media Files – You might have short video clips showing the product in studio, a 360 degree rotational video or even an assembly how-to video. While product videos are still in a rapid ramp-up period, we are just scratching the surface of what will come to help show customers how your product looks and operates.

Story Selling Content – For many of us, selling our products is more than just sharing all the technical specifications and showing a few photographs. We must sell each and every product. And selling means promoting our products with persuasive marketing language. No marketer likes recreating this information over and over again, so storing your persuasive content in a PIM and making it available to everyone in sales and marketing is a huge time saver.





Usage Rules and Data – Products can be complicated. There are prerequisites (you have to have this before you can have that), corequisites (you must also get that when you get this) and more. Other products have strict upgrade paths that customers must follow to implement the new product. All of these usage rules and data should be clearly spelled out so that there are no surprises. Sales must be able to explain it, marketing must be able to communicate it and customers must be able to understand it. Unfortunately for many companies without a PIM, critical rules are haphazardly collected and casually stored so that only the seasoned veterans can find it. This is doing a serious disservice to your employees and your customers, and losing you both time and money.

Global Language and Currency – At the outset, we communicated how global requirements alone can propel you into a PIM solution. For those with currency sensitive businesses, having your PIM solution integrated with real-time currency allows you to continuously price your products correctly across all countries.

Integration Connectors – Real-time integrations with other systems in your enterprise means updates occur automatically, with no manual work needed.

PIM Benefits

Whenever you're considering purchasing a new solution, it's helpful to remind your evaluation team of the benefits of a PIM. Here are some of the major benefits:



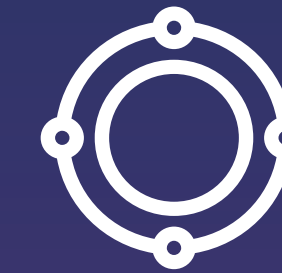
Improve Conversion

Having complete, accurate product information will give buyers the confidence that they need to complete a purchase.



Reduce Returns

Returns are often the result of sharing incomplete or inaccurate information with clients. By providing thorough product data, you'll be certain to reduce returns.



Centralized Information

Everything works better in the company when there is a single source of the accurate product information. There are fewer mistakes and less time lost looking for information.



Improved Team and Partner Collaboration

Collaboration is more important than ever, and PIM provides the linchpin system that allows everyone to work better together.



Easier to spot gaps and missing content

It will be crystal clear which data elements are missing and which ones have fallen out of date with a centralized PIM solution. This will help you avoid the 'swiss cheese' product launches that are sure to raise stress levels across the organization.



Speed to market

Providing transparency across the organization will help you launch products and upgrades faster. Everyone will work toward the common goal of complete accurate information.



Compliance

Many of us operate in a product category that requires some level of compliance. A centralized PIM solution will help you better manage compliance, ensuring that your customers and prospects receive the necessary notifications found in your technical specifications.



Who needs a PIM?

A PIM can benefit many people across the enterprise.

Marketers – Marketers are responsible for generating awareness and interest in your company's products and solutions. By having all of the product information centralized, the marketers will have the building blocks they need to drive demand for your company.

Merchandisers – Merchandisers are often considered the chief storytellers in the organization. Having not only product stories and all of other product information reside on one system, but also having all of the information in context of other products will allow them to merchandise not just products, but full solutions.

E-Commerce Managers – E-commerce staff will love having a PIM! They won't have to chase other employees to get the right product information and photography that they need to get it on your website.

Retailers and Other Partners – If you sell your products to retailers or other channel partners, you can provide access to them or integrate your PIM with their systems so that they are always providing accurate up-to-date information.

Catalog Operations – Producing a catalog is a time-consuming and costly undertaking. Catalog operations staff will have access to the latest product data that they need to get the catalog produced as quickly and accurately as possible.

Security and Compliance – Security and Compliance will be able to assess the impact of changes to product specifications or materials.

Management – Management will want to understand product completeness. A PIM will allow managers to quickly isolate and address any bottlenecks which may keep the data from being updated.

What is important when selecting a PIM?

- ✓ SaaS – A SaaS PIM solution is a secure cloud-based implementation. This means that your company does not need to worry about software maintenance and upgrades. You own your data and your vendor (hopefully inRiver) provides the solution to allow you to store your PIM data. With more companies moving their software portfolios over to a SaaS implementation, a SaaS-based PIM should be a part of the primary selection criteria.
- ✓ Centralized Database – One of the key challenges of life before a PIM is that the data is not centralized. A PIM solution must provide a centralized database from which everyone will operate. With a centralized database there is a single source of the truth – what is up-to-date, where the gaps are and more.
- ✓ Streamlined Data Collection and Input – Entering in product data multiple times is a productivity buster. With a PIM, you only need to enter the data once and it will be available to all within the company. And you can even give your partners and extended supply chain access so there are no delays in sharing the right information with your full team.
- ✓ Flexible Data Elements – Be wary of the solution that does not offer flexible data types and formats. Your business is evolving, and new solutions are continuously being announced that allow you to better showcase your products' capabilities (think enhanced video and simulation). You need flexible data elements to allow you to grow in sophistication over time.
- ✓ Definable Contributor Roles – A great PIM solution will have robust administrator rights to control which users have which types of access/update permissions. This will allow you involve the larger team to contribute.





- ✓ **Easy Output to Target Systems** – A PIM is certainly a centralized repository, but it is not the last stop for the data. The data needs to be made available in e-commerce systems, Order Management Systems and more. You need a solution that will allow you to easily output the data into these target systems and to do this in an automated fashion.
- ✓ **Contextual Product Information** – Most product data doesn't exist simply on its own. If you can incorporate contextual product information such as shop the look or room, you'll be able to easily support cross selling and upselling strategies.
- ✓ **Alerts and Reports** – Alerts and reports allow us to stay on top of what is happening with our product information. A comprehensive PIM solution will have information to help you spot missing content and role-based gaps, alerting you to new content and providing dashboards so you can evaluate completeness.
- ✓ **Global Localization Support** – We've made a case for using PIM to support global multi-lingual, multi-measurement and multi-currency operations. Your PIM solution must support these requirements.
- ✓ **Conversion and Integration Services** – You will certainly want a comprehensive PIM solution, but you might also want extra assistance during set up and implementation. You need a firm or a partner firm who can help you extract data from legacy systems, making that one-time data move happen efficiently and error free. You also need to implement and test ongoing integrations to your other corporate systems including ERP, Order Management Systems, Website Content Management Systems, E-commerce Systems, Call Center systems and other company proprietary solutions. Note that you do not need to have all of these integrations operational from day one. But the more integrated your PIM solution is with your other core operational systems, the more efficient you'll be as a company and the more accurate you'll be with your product data.

The benefits are clear, and the results are far reaching. For many, there are hard dollar justifications that can make a potent business case for the investment in a PIM solution. For others, simply having a centralized system that brings everyone working together toward a common goal of comprehensive, accurate and complete product information makes a PIM solution a worthy investment.

Product Information Audit Worksheet

Use this worksheet to better understand the product data that exists in your organization. A thorough audit might uncover inconsistencies, duplicate efforts or gaps. Better understanding these challenges will help you build a strong business case for purchasing a PIM solution.

Product Data:

What is the product?

Does the product have any alternate or alias names?

What data elements are needed to describe and sell the product?

Then, for each product data element, note:

- Who creates it?
- What format(s) does it need to be in?
- Is the data current?
- Who updates or maintains it?
- Should the data eventually be archived? If so, what are the archive rules?
- What departments need the data?
- What languages/currencies/measurements should this information be in?
- Is this data customer facing? Is the nomenclature consistent across other data elements?
- Is this data used by other outside channels (affiliate or partner channels)? How does this data integrate with their systems?
- Who defines how this data is to be updated?
- How is this data updated?
- What systems use the data?
- Are there any plans to have any other systems use this data? If so, what systems?
- What systems are currently integrated into this data?
- What systems should be (but aren't currently) integrated into this data?
- Are there any plans to create new data attributes?
- Are there any compliance or regulatory issues that need to be housed with the data?

Justifying a PIM solution.

For many of us, we need to provide an estimate of the value of a PIM solution.
Below are eight calculations to help you formulate an estimate for your business case.

Increasing Revenue

- 1 Improved Conversions**
Conversion rate uplift percentage
X Average order size

= Additional revenue
- 2 Reduced Returns**
Return rate reduction
X Average return rate order size

= Reduced returned revenue
- 3 Increase in Global Sales**
Global sales uplift percentage
X Average international order size

= Additional global revenue
- 4 Increase Sales Due to Shorter Product Launch Time**
Average number of days to bring a product to market
X Percent reduction in time due to a central repository for team collaboration
X Average order value

= Revenue accelerated

Reducing Expense

- 1 Reduced Duplicate Data Collection and Documentation**
Number of people duplicating product information data collection
X Percent of their time
X Average annual salary

= Salary dollars saved annually
- 2 Reduced Lost Sales Due to Inaccurate Product Data**
Percent of lost sales (estimated if no CRM data)
X Average order size

= Estimated percent lost due to inaccurate product data
- 3 Reduced Time Doing Manual Data Integration Tasks**
Number of people manually uploading and updating data into other systems
X Percent of their time
X Average annual salary

= Salary dollars saved annually
- 4 Reduced Time to Market**
Headcount salary dollars allocated to new launch
X Percent reduction in time to market due to a central repository for team collaboration

= Salary dollars saved annually due to faster launch

As with any technology purchase, it is imperative to understand the business objectives the technology will enable before evaluating the technology itself. Once the business objectives are fully defined, identifying the essential functionalities, capabilities, benefits, services, or dependencies for implementation are next. Then and only then should the search for the right technology solution begin.

The PIM market can be confusing at first glance. There are many solutions that offer seemingly similar functionality. Each vendor offers something unique and has strengths and weaknesses depending on the various use cases. Map out what matters for your organization, your role, and begin the search with key criteria in mind. Focus on what PIM functionality and PIM integrations are essential to achieve your business objectives and build your short list from there.

Ready to see inRiver PIM in action?
We'll show you how to begin the PIM journey the right way.

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