

White Paper

7 REASONS WHY PIM IS CRITICAL TO DIGITAL COMMERCE SUCCESS



AGILITY[®]
MultiChannel
BY MAGNITUDE

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SYNOPSIS

Aggregating and managing product information is cornerstone for any digital commerce strategy. In the many years since we saw a need to better manage product information and developed the first version of the [Agility software](#), PIM has become a critical technology investment for both IT and business executives. A solid PIM solution helps companies to dramatically improve data quality and govern data access and usage. It enables portfolio expansion as the business grows. And, effective product information management provides the flexibility to respond to changing market conditions.

Major B2B and B2C digital marketers utilize a **Product Information Management (PIM)** system for eCommerce. In this paper, Agility Multichannel explains the real value of a PIM to a company's digital commerce strategy. Agility® also offers guidance on points to consider for companies who are evaluating PIM products.

7 MAJOR FACTORS SUPPORT THE CASE FOR PIM

1. ENHANCE DATA QUALITY

Whether they realize it or not, most eCommerce companies have existing data quality issues that are impacting their customers' ability to easily interact with them.

[Data quality](#) is critical for eCommerce.

Consistently populated attribute values drive search and refinement while rich, robust content drives SEO. And, in the face of constantly changing regulations and legal requirements, maintaining compliance with industry mandates and global laws is challenging.

PIM helps a company to address issues and eliminate incomplete attribution, inconsistent

attribute values and uncontrolled choices. With a good PIM, the company can enforce data completeness and compliance with regulations and legal requirements. A PIM facilitates consistency through choice lists and inherited values. In-field validation methods help prevent non-compliant data from being entered into the system. A versatile PIM offers strong data integration capabilities to detect, correct and quarantine unwanted content on import. And, with [embedded reporting and analytics](#) content managers can easily identify and resolve gaps in data completion, such as incomplete attributions or missing images.

2. ALIGN CHANNELS

A PIM helps the business to align its content across channels. Since potential buyers will size up a brand from many angles and touchpoints, it's absolutely imperative that a company's message, branding and product data are flawlessly consistent. By creating a single repository of product information for multichannel publishing, a company helps ensure that its customers will find impeccable consistency no matter where they look. And, while a PIM provides the team with a single entry point for managing its product data, it also allows them to output it in different ways to meet the differing data requirements, governance rules and hierarchies of the various output channels. A well-designed PIM allows a balance of consistency with relevancy by localizing elements of the product content to meet the needs of different audiences and downstream channels.

3. ELEVATE CUSTOMER EXPERIENCE

Customer satisfaction and loyalty have never been harder to maintain in the face of growing competition across multichannel commerce. And, free shipping and hassle-free returns have led to average return levels of 33%, which coupled with increased handling costs, can be crippling for some businesses. It's more critical than ever to enhance the customer experience by providing fuller, richer and more accurate product data. This, married with rich digital images that bring products to life, will help reduce returns. By feeding commerce with more granular content, the company can facilitate

individualized digital experiences, taking advantage of the personalization capabilities that the eCommerce platform provides. A PIM will also aid in improving relevancy by maintaining a single golden record for each product, eliminating inconsistencies between marketing channels and touchpoints, but allowing for channel-specific or even demographic-specific descriptions. Finally, when data errors are detected and reported, a PIM helps to improve future customer experiences by quickly correcting the issues and then immediately pushing the changes to all channels.

4. IMPROVE SEARCH

Accurate, extensive, detailed product information represents more than 90% of the content seen by users and Google's bot. Not only is content is crucial to drive site traffic, but it also improves site search and faceted navigation.

A robust PIM supports this by making it easy to enrich product content, which increases page density and appeals to search engines. A PIM also allows a company to manage unlimited cross-sell and upsell relations to increase page richness, improve page views per visit and time on site and, ultimately increase revenue opportunities. By concatenating attributes, title tags, image alt tags and other meta tags can be created automatically; these still play a big role in a site's SEO. And, with content completeness dashboards, users can easily spot opportunities to improve their product pages.

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Consistency is also critical because consistent attribute values support faceted navigation and search refinement within a web site. According to a recent Gartner study, by 2020, 5% of digital commerce transactions will come from a smart device, like Amazon Echo or Google Home. The importance of data quality and consistency will only accelerate as customers engage with these devices, where missing and inconsistent data has a far greater impact than it does in traditional print publications and eCommerce sites since there are no visual clues to help a customer find the right product.

5. EXPAND AND GROW

To expand and grow, companies need to be able to quickly react to market opportunities as they arise. Whether it's acquiring new customers or mining a new channel, marketplace, or even a country, a PIM can help. With robust data integration tools, a good PIM will reduce the time and effort required to onboard new products from untapped sources, allowing the seller to extend far beyond the core product portfolio to offer whatever its customers want.

Translation and localization are key to geographic expansion and a PIM will help manage content in multiple languages, delivering content en masse to translators and notifying them when changes are made to content in the master language and the localized content must be reviewed and updated. By connecting to InDesign and eCommerce platforms, a PIM allows easy localization of marketing materials and websites for language, currency or message.

With a PIM, a company can easily syndicate content to new marketplaces and channels as opportunities arise.

6. BE MORE INFORMED

Aggregating product data, sales metrics, inventories and website analytics for smarter decision making can be challenging and time consuming. PIM provides an open system for integration, so that marketers can expand their focus and connect rich product data to transactional, interactional and analytics data, achieving a much more holistic view of their

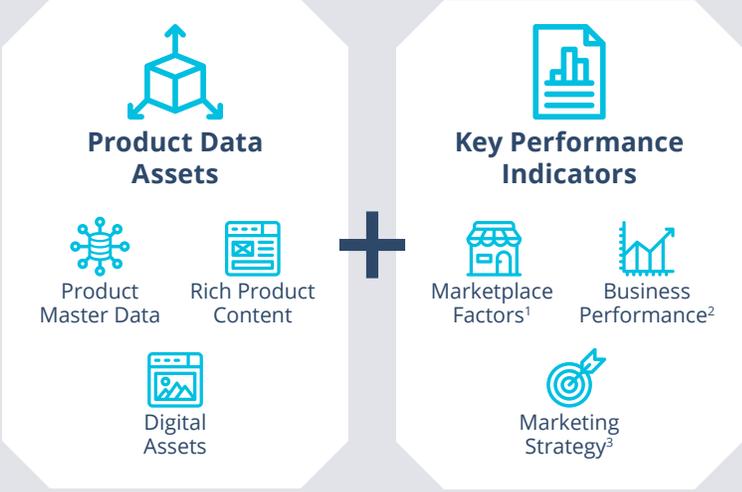
products. By connecting product data in the PIM to analytics, data warehouses, spreadsheets and other systems such as Order Management Systems, Warehouse Management Systems and ERPs, marketers can build mineable data cubes. A PIM with strong data integration capabilities will render data from other sources, aggregating it within the PIM dashboard for a graphical 360° view of products. A well-designed PIM should also generate dynamic reports, allowing internal reviewers to assess content completeness and easily identify and address missing information.

THE 360° PRODUCT VIEW EXPLAINED

A PIM helps a company to achieve Product Information Intelligence (PII) — the ability to integrate all key product data assets with key performance indicators to develop a holistic view of its products. PII is:

A robust PIM can help a company to synthesize these two baskets of product information into a comprehensive and complete picture of a business' marketing effectiveness and business operations.

1. Price sensitivity, customer reviews, social media volume
2. Returns, inventory, sales trends, revenue per product
3. Sales by channel, page views, SEO, click-thru conversions



7. BOOST PERFORMANCE

And finally, PIM isn't just about data, it's about maximizing the productivity of the content team while improving worker satisfaction. An efficient PIM will help reduce redundancy, rework and repetition and stop relying on error-prone, complex spreadsheets. By simplifying workflows, eliminating manual tasks and automating core processes, like new item creation and asset linking, managers can create time for value-add activities within the team. A PIM will help streamline market launch activities and keep workflows moving step by step with task lists and notifications. By maintaining the product content in a single, trustworthy source, content users will spend less time searching for the latest update. And, robust, real-time content can be fed to more channels, increasing market reach without significantly increasing the work effort and boosting the overall performance of the PIM team.

"Organizations need to evolve from product information management to product information intelligence. In doing so, data and analytics leaders will unlock greater business value through their programs by connecting master data to product data assets in support of customer centric experiences."¹

— Simon Walker and Michael Moran,
Gartner Research

CHOOSING A PIM: WHAT TO WATCH FOR

The PIM provider field is crowded with many competitors vying for business from companies seeking a PIM product. For the seekers, the process of evaluating and choosing a PIM solution can be daunting. Even the first steps — knowing one's needs and what questions to ask — require careful thought.

As a high-level general guide, a company shopping for a PIM should take these steps:

1. Assemble the decision makers — The core team will typically consist of the CMO, the CTO and their key lieutenants. Cross-functional expertise is critical

because not everyone "speaks IT" and a group is less likely to overlook an important factor.

2. Consult stakeholders — Content developers, your analytics team, vendors, designers, other end users. Ask: What do you need in a PIM?
3. Identify the Dream State — What ideally will the PIM be able to do for the company?
4. Set a budget.
5. Do research — To narrow the field of providers. Not every PIM is a good fit in all cases.

1. Walker and Moran, Gartner Research, *Create Powerful Customer Experiences With a 360-Degree View of Your Products*, 17 October 2017
<https://www.gartner.com/en/documents/3816764>

CHOOSING A PIM: WHAT TO WATCH FOR (CONTINUED)

6. When talking to providers, have them:
 - a. Demonstrate how easy the system is to use.
 - b. Explain how the PIM will interface with existing systems.
 - c. Demonstrate scalability to meet future needs.
 - d. Explain how data transfer into PIM will happen (either from the old PIM or from scratch).
 - e. Map a timeline for completion.
 - f. Explain basic PIM functionality and options.
 - g. Demonstrate how the PIM feeds output channels (print, web, other).
 - h. Explain ongoing support after the installation.
 - i. Provide references from clients who previously purchased the PIM.

WITH THESE QUESTIONS, A PIM-SEEKING COMPANY HAS A ROAD MAP FOR THEIR PRODUCT INFORMATION JOURNEY.



Watch this webinar on demand to learn why PIM is the logical next step in a company's digital commerce journey.

FOR MORE INFORMATION

To learn more about the value PIM can bring to your business, consult the product information experts at [Agility MultiChannel by Magnitude](#).

Complete our [complexity calculator](#) to help you decide the potential value a PIM solution can bring your business or [request a demo](#) for your team.

Agility MultiChannel, a Magnitude company, has been ranked #1 for Customer Satisfaction for five years in a row in *The Information Difference MDM Landscape Report*. The Agility MultiChannel team has more than 1000 years of combined experience designing, developing and implementing Product Information Management systems to support Commerce.



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Magnitude Software's Agility[®] is a simple-to-use but highly sophisticated Product Information Management (PIM) solution that puts your most valuable product data at the stable core of a go-anywhere, sell-everywhere commerce strategy. Agility Multichannel is the only major PIM vendor focused on fully integrating Product Management, Experience Management and Commerce. Agility services customers both directly and through integration and reseller partners around the world.

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