



## **Digital marketers discover the power of product data**

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As I stated in a [previous blog](#), it now looks like data now rules the roost in marketing. Success no longer depends on creative events or content, or persuasion by charismatic sales people - marketing success is now data-driven. I was talking about customer data management (in B2C and increasingly in B2B too) and the B2B marketing's own ABM process – in the context of Vendor Selection Matrix™ reports earlier this year.

The ABM work led me to talk to several marketers working in manufacturing companies and those conversations pointed me to one important other flavour of data – product data. The recent acceleration of digital marketing and eCommerce investments has increased the need for marketers to be involved with product data, usually managed in a Product Information Management (PIM) system, which is why I have decided to reviewed this landscape for the first time.

Many manufacturers must now incorporate eCommerce into their sales strategy much more than previously, and the marketers usually discover a mix of eCommerce channels: direct on their own websites, plus third parties such as marketplaces and distributors. The only way they can optimize the customer experience through all those channels is to pay much more attention to the PIM process, which was previously scoped only by IT and product management.

I did my usual survey of 1,500 business decision-makers, presented them with my definition of PIM and asked them to name and score their feedback about the vendors they knew enough about in that context. The survey discovered fifteen vendors that were rated often and highly enough in our survey to be included in the report.

### **Do you need a PIM Application or an MDM Vendor?**

Now, the overall data-management process in companies is historically called Master Data Management (MDM) and is usually a family of processes managed out of the IT department. Those companies who do not even have MDM set up usually manage their product data within their ERP system.

Indeed, many of the vendors we discovered in the survey do still market their solutions as an MDM solution and are more focused on covering the requirements for data projects as specified by the IT department. Indeed, I have emails from vendors telling me that should not be covering them in my report on PIM because they “provide an Enterprise multi-domain Intelligent Data Hub”. Also, from the ERP vendors named by some of the respondents denying they do any PIM at all. But then again, the customers of these vendor seem to think that they do. And isn't the customer always right ???

My research clearly found that Marketing professionals are now much more involved in using PIM for digital marketing and eCommerce to complete the digital experience. This is a much more business-oriented population, with job titles such as eCommerce brand managers and merchandise designers. So even those vendors who have been selling PIM for decades should extend their solutions and messaging to match the new needs and, most importantly, the different language of these users – and I paid particular attention to this in my briefings with the



vendors. Plus, PIM must now integrate to other enterprise systems such as eCommerce and DXM.

There is going to be significant churn in the PIM software market: 29% plan to consolidate their PIM systems; 29% plan to replace what they have; and another 17% are investing in PIM for the first time. This varies across regions: 43% of North American respondents are in replacement mood while 45% of European companies, where PIM is more mature as a process, are planning consolidation projects.

### Who is in the PIM Vendor Landscape ?

Within the fifteen vendors scored by the 1,500 survey participants, these vendors ended up in the Market Leaders category, having both their Strategy and Execution score of over 4 out of 5:

*CONTENTSERV, INFORMATICA, PROFISEE, RIVERSAND, SEMARCHY, STIBO SYSTEMS, TIBCO, and VIAMEDICI.*

The full list was completed by these vendors: *AKENEO, ATACCAMA, IBM, INRIVER, RELTIO, SAP, and WINSHUTTLE.*

The major reasons why Marketing is getting more involved with PIM are summarised in the graphic below.

**THE TOP REASONS WHY PRODUCT INFORMATION MANAGEMENT IS BECOMING A MARKETING PROCESS**

The PIM process was traditionally managed by data managers in IT and product management teams. Marketing is now involved in using PIM for digital marketing and eCommerce to complete the digital experience, bringing new requirements to the process.

- **Leveraging product complexity for a superior customer experience.** Many products are best experienced in combinations (an outfit of pants, shirts plus shoes) or in a variety of colors and sizes. Marketers need to ensure all these asset configurations can be managed efficiently, and then communicated it through all possible marketing/eCommerce channels. A vital theme within eCommerce is relationships and dependencies between the products. Marketers will expect the PIM system to maintain the relationships between, say, spare/replacement parts, options, and accessories to support after-sales business.
- **International product classification systems.** Products have manufacturer-specific characteristics but are also often classified by international standards systems like GS1 and eClass. These classifications enable product offerings to be more easily marketed across external systems, such as marketplaces and distributors. Marketers also want to use the classification structures to import product data from external repositories, to provide buyers as much product information as possible and improve conversion-rates.
- **Increasing globalization of business.** eCommerce blurs country boundaries and many companies now market internationally. Marketers will expect a PIM system which tracks localization workflows and help manage translations and other regional adaptations such as legal requirements.
- **Increasing omni-channel deployment.** Modern marketing and eCommerce works in an omni-channel environment. Marketers will want a PIM system that is able to adopt the vital role of managing the “single point of truth” for all product data; often taking over this role from the ERP system.

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We plan to publish the PIM Vendor Selection Matrix™ at the end of May.

Always keeping you informed!

Peter O’Neill