

A man and a woman in business attire are looking at a laptop in a warehouse setting. The man is on the left, wearing a blue suit jacket and a light blue shirt. The woman is on the right, wearing a patterned blazer. They are both looking intently at the laptop screen. The background shows warehouse shelves with various items, including boxes and equipment. A yellow vertical bar is on the left side of the image.

HOW TO TAKE OWNERSHIP OF YOUR PRODUCT EXPERIENCE

Create a single source of truth with PIM

THE CUSTOMER EXPERIENCE STATUS QUO ISN'T ENOUGH ANYMORE

The complexity of accurately distributing product information and managing an increasing number of channels poses a major challenge. This is especially true for companies looking to get past the cutthroat competition in a global marketplace with new digital challengers and sell premium products in the digital age.

The transition from traditional to digital sales processes has been underway for a while. However, advances in B2C digital experiences are setting customer expectations higher across the board, for B2B as well. This has competitive implications, because if you are easily able to find all the information you want online when ordering a certain product such as a consumer item, you naturally expect the same when ordering other products, such as those for your business. Research by Accenture confirms that most B2B customers want better experiences – on par with B2C.



B2B customers demand better experiences

84% of B2B companies believe their customers expect and value better experiences¹

73% of B2B buyers want a personalized customer experience similar to B2C²

*¹ "Make Music not Noise" by Accenture
² "Industrial Consumerism" by Accenture*

To provide a better experience, information needs to be more accurate and available faster. This means that you can no longer afford to have incorrect product information and slow times to market. As a result, many digital marketing managers are looking into product information management (PIM) solutions to build a single, coherent commercial product catalogue from which to manage all their products and channels and create better experiences.

But to be able to truly take ownership of the product experience, we first need to be clear about what PIM really is and how it works. Then we can consider what you need to get the most out of a PIM solution.

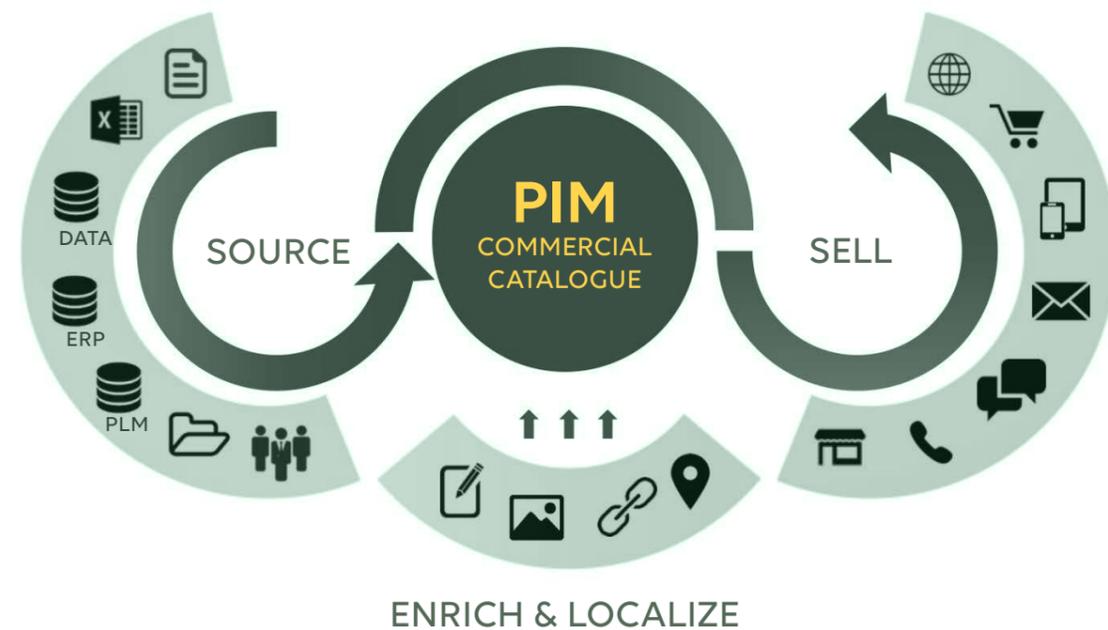
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A premium product costs 20% more than the average category price. It leads the market in quality, design, capabilities and documentation of performance. It often builds on a legacy of historic references and high brand recognition in either B2C or in an industry-specific segment.

WHAT YOU NEED TO KNOW ABOUT PIM

- **PIM – Product Information Management** – is a technical platform that sources, organizes and distributes all relevant product data, including both technical and commercial information, to all customer-facing channels.
- PIM empowers the organization to effectively enrich, validate, mass-update and relate digital assets, bundle products and localize information to create an outstanding buying experience.
- The right PIM provides the organization with a single source of truth for all operations, called a commercial catalogue, which provides the organization with the capacity to deliver compelling experiences at scale.



CASE IN POINT: WHY COMPANIES NEED PIM

In an interview with Business Insights, Hans Troiza, Head of On-Line Sales at Alfa Laval, lays out the challenges that prompted Alfa Laval to go for a PIM solution:



We chose a strategic investment in PIM because our challenge was that the specific knowledge about how the products are used was only documented in a mix of freestanding documents and databases. In some cases, this highly important knowledge was only in the mind of the individual salesperson, which can be difficult to transfer to the digital customer journey. Digital purchasing was often too difficult and required too much insight from the customer and their knowledge of product configurations.

FOUR PIM MUSTS TO OWN YOUR PRODUCT EXPERIENCE

To gain control over the product experience, companies need to ensure consistency across touchpoints and contextual relevance for the individual with centralized, enriched product information via PIM. This requires overcoming the challenges of cutthroat competition, having too many inefficiencies and being too slow to market. Any PIM solution you deploy to meet these challenges must also have a holistic and strategic orientation or you risk missing the real ROI over time.

1. Compete with premium products using enriched product information

How do you expect to compete with cheaper knockoffs on Amazon and Alibaba if buyers can't tell the difference between your products? Customers are only willing to pay more money for products that they believe are better. But if they don't see relevant product data, they won't see how your product solves their problem better than the competition.

To stay competitive in the information age, your product information must be relevant across a growing number of touchpoints. This is done by enriching the product information with data about product qualities. These range from market-specific certifications and uses to dimensions and localization. For instance, you could produce a water heater that can be used for both swimming pools and tap water or a floor heating product for which different dimensions and certifications are applicable and important in different markets.

The data for these specifications usually comes from legacy systems and is prone to slow lead times and human error due to manual data transfer. To get a handle on this, you'll need to gain control of all digital assets in one place. While human sales staff could previously fill in the blanks left by inefficient digital product data, you may not have that luxury anymore in digital sales processes.



Most B2B buyers have come 57% of the way through the buying process before the first meeting with a representative.

– "Make Music not Noise" by Accenture

The leading reason for limited customer engagement with B2B companies is too much irrelevant content.

– "The State of Engagement" by Marketo

Given the research that B2B buyers are now more than halfway through the buying process before they meet with a human, and that irrelevant content causes poor engagement, there is now a much greater risk of losing buyers. Therefore, if your digital content is irrelevant, buyers are liable to write your company off without even giving your human staff a chance.

Relevance is also crucial in aftersales as customers increasingly want to find related products and services online. This is where efficient data enrichment is crucial to ensure bundled products are specified correctly and that spot-on related product recommendations are given.

To serve up the relevant content that builds stronger product experiences, you'll want to deploy a PIM solution that gives you all the tools you need to improve the product data enrichment process. These tools should make it easy to

- Localize product information for each market (language, market requirements and standards)
- Distribute tailored product information to each channel from one place
- Make context-specific recommendations in the business taxonomy

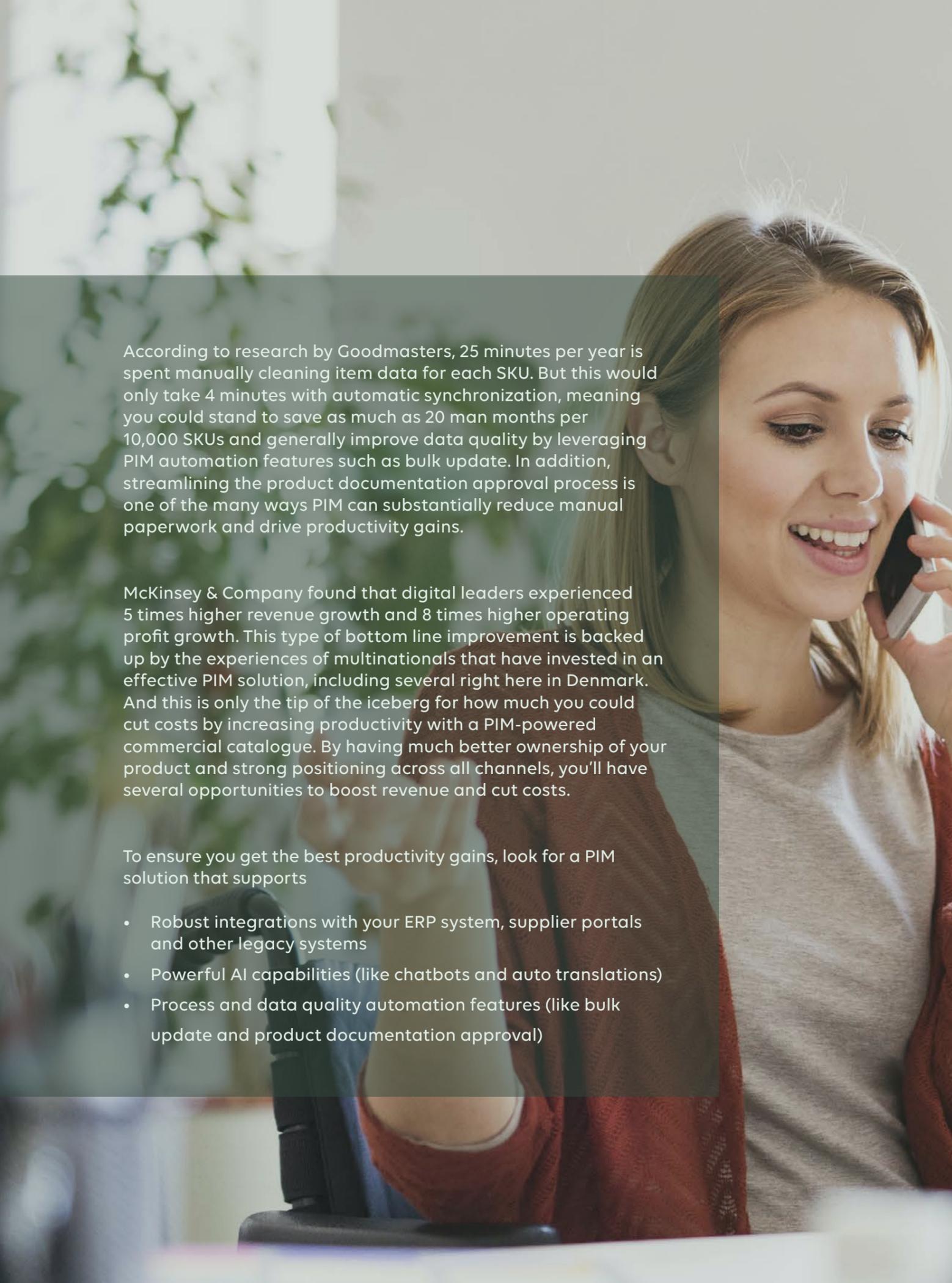
2. Improve your bottom line by eliminating inefficiencies

Consider how much effort it takes to sell a premium product on a digital marketplace when it only exists as a line in your ERP system. How much time does your team spend gathering all the digital assets and documentation of performance required, entering data into a hodgepodge of Excel spreadsheets, updating various product documents scattered in different locations, and copy-pasting translations back and forth?

This is compounded by the added complexity of having to distribute product information in formats specific to each marketplace, partner portal, reseller and direct customer. As a result, you end up having to maintain several versions of the same information in even more locations and spend extra time to coordinate and correct errors manually. This can be costly, given that nearly 30% of the item data in catalogues is incorrect and correcting them costs around DKK 500 each, according to research by A.T. Kearney.

Instead of spending so much time manually maintaining data in so many locations, your team could be freed up to focus on more value-adding activities by creating a single source of truth with a PIM solution that integrates with your ERP and other key systems to cut down on manual data transfer. This would allow you to consolidate all relevant commercial product information in one place and make it much easier to manage. In addition, powerful AI capabilities like chatbots and auto translations could go a long way towards giving your team a huge productivity boost.





According to research by Goodmasters, 25 minutes per year is spent manually cleaning item data for each SKU. But this would only take 4 minutes with automatic synchronization, meaning you could stand to save as much as 20 man months per 10,000 SKUs and generally improve data quality by leveraging PIM automation features such as bulk update. In addition, streamlining the product documentation approval process is one of the many ways PIM can substantially reduce manual paperwork and drive productivity gains.

McKinsey & Company found that digital leaders experienced 5 times higher revenue growth and 8 times higher operating profit growth. This type of bottom line improvement is backed up by the experiences of multinationals that have invested in an effective PIM solution, including several right here in Denmark. And this is only the tip of the iceberg for how much you could cut costs by increasing productivity with a PIM-powered commercial catalogue. By having much better ownership of your product and strong positioning across all channels, you'll have several opportunities to boost revenue and cut costs.

To ensure you get the best productivity gains, look for a PIM solution that supports

- Robust integrations with your ERP system, supplier portals and other legacy systems
- Powerful AI capabilities (like chatbots and auto translations)
- Process and data quality automation features (like bulk update and product documentation approval)

3. Get operational scalability with the cloud

To manage all the complex, market-specific processes associated with product launches, companies have often been forced to launch in only a couple of markets at a time. This sequential approach is partly due to strategic decisions but also a consequence of the complicated process of preparing and distributing updated and localized products down to the individual format and structure. But imagine if you could launch on all markets simultaneously and get syndicated product information in relevant marketplaces without any extra hassle? And if you could pump out new products faster without as much lead time in between launches?



Companies leveraging the cloud saw an **average improvement of 20.66% in time to market.**

– Vanson Bourne

A PIM built on a high-capacity cloud service architecture reduces the need to add more processes and more complexity to scale for more markets and touchpoints. This allows the company to focus on building critical business services instead of investing in infrastructure. It can also provide the company with new digital capabilities and operational scaling in response to market changes. One example is the ability to distribute a large catalogue of thousands of variants in multiple localized versions using cloud services. Previously this could be tedious and time-consuming to execute in all markets. The right cloud architecture should focus on scaling this process and can enable the organization to automate and update relevant information through optimized services.

According to Forrester, PIM solutions that are cloud-first have demonstrably better time-to-value than on-prem solutions. And with customer expectations soaring sky high and the competition always looking for a chance to close the gap, better response to market and faster campaign launches could make or break your business in the medium term. Additionally, the cloud ecosystem serves as a gateway to use new services for intelligent applications to improve, localize and promote products.

To get better organizational scalability and response to market, you'll want to deploy a cloud-first PIM solution with

- A cloud service architecture combining the storage space and capabilities needed to scale operations
- Powerful processing of business-critical product information for additional touchpoints and markets
- The capability to quickly respond to market changes and leverage new innovations and campaigns

4. Create lasting value with a strategic orientation

Even if you have the best technology on earth, you won't go far without a clear long-term strategy to create value. Much like other IT projects, PIM implementation must go beyond a strictly tech focus and be well aligned with your current and future business needs. You want to build business capabilities, not just a system. This represents an organizational change and must be managed just like any other change project to succeed. For instance, you'll need to get your team to adopt new ways of working and leverage all the new technical capabilities to their advantage.

It's important that you test whether the solution adds value and meets your needs early on and at each stage of development, and the minimum viable product (MVP) project approach is the best way to do that. PIM success requires a dual focus on the strategic orientation and a delivery model based on MVP principles, which includes, at the very least, the following six steps for the best results.

Six steps for a successful PIM implementation project

1

Set a guiding target for a rich commercial product information model in support of your customer experience across all key touchpoints and get alignment on it. Be specific in order to demonstrate existing shortcomings and consequences.

2

Define a future digital target architecture by assessing existing data repositories, available documentation and information improvement needs to deliver scalable product information services.

3

Decide on a PIM system approach, which will deliver prioritized functionality to onboard key stakeholders and optimize how enriched customer-centric information is processed.

4

Use MVP principles to roll out with a focus on delivering tangible value in smaller and agile scopes of implementation with ongoing learnings to ensure successful onboarding of additional touchpoints.

5

Focus on the need for change to continuously onboard the organization and migrate or shut down parallel tracks of product information to deliver on the business case for PIM.

6

Stay true to the strategic direction by measuring results and improve the commercial product information model to increase localization and relevance in the marketplace.

GEARING UP

Look for a PIM solution that makes it easy to enrich your product information in one place and distribute relevant information to all channels. You'll also want the right integrations to give your efficiency a real boost by cutting out the waste and guesswork of manual data entry. In addition, a high-capacity, cloud-first architecture is your express ticket to market with the best in scalability. When implementing PIM, be sure to maintain a strategic orientation and employ MVP principles to stay on course and focus on business value.

The further perspective of having a PIM is the ability to utilize the inbuilt data structure to automate processes. PIM can be enabled to achieve operational excellence through the use of AI and Machine Learning to localize and optimize product catalogues. Many companies with PIM are starting to realize this potential, which can effectively boost the business model by providing both relevant product experiences and new upsell opportunities for after-sales services.

Once you have an effective PIM solution in place, you'll be in the product experience driver's seat. Then it's time to leverage all of the powerful features at your finger and put your digital sales into high gear to create impressive experiences that will keep getting better and withstand the test of the time.



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IMMEO AT A GLANCE

Immeo is a consultancy firm specializing in digital business development. The firm provides consulting and implementation for digital services in fields including Digital commerce, PIM and the Intelligent cloud data applications. The company was founded in 2014 and currently has more than 75 employees with offices in Copenhagen and Aarhus. Immeo was named the Danish Partner of the Year for Cloud Infrastructure by Microsoft in both 2019 and 2020.

