

Effectively Managing the Product Experience

Maximizing the Potential of PIM for Customers and Suppliers

Benchmark Research Program



VENTANA RESEARCH



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Research Overview

To provide an effective product experience for consumers, customers and partners as well as throughout the supply chain, organizations must deliver accurate, consistent and actionable product information. Doing this will enhance visibility into and engagement with product information and can help organizations increase revenue and satisfy customers. Moreover, it is impossible to deliver the best possible customer experience without a great product experience; in our earlier benchmark research on this topic, three in five organizations (61%) cited improving the customer experience as a benefit they realized from their investment into product information management (PIM).

Today's businesses must manage a continually expanding array of data, content and digital assets as well as satisfy the demands of consumers for comprehensive product information. Addressing these challenges requires unified processes and automated systems and, most importantly, the ability to augment and enrich product information. Our earlier PIM research found that more than half (52%) of organizations have incompatible tools and almost half (48%) must cope with disparate forms of data. These are situations that lead to wasted time and inefficiency in checking for errors and reconciling data across systems.

Managing product information can be a difficult challenge as industries, organizations and even individuals within them frequently use different names, attributes, images and related information about products for the same purpose. Disparities often exist across departments. Additionally, organizations regularly add suppliers to their business networks and increase the number and variety of products they offer without utilizing already defined and agreed-upon product information. In addition, today's customers expect to be able to access product information on their mobile devices, and commerce across sites and social media introduces challenges for a unified experience. Finally and perhaps most importantly, product information today must have a visual component, from images and video to social ratings and reviews.

These advances not only bring additional content and data into organizations' information systems, they often introduce new inconsistencies in how products and attributes are combined. Yet competitive pressures require that the information presented is not only up-to-date and accurate but engaging in its presentation — in other words, an effective product experience. Organizations also need systems that enable intelligent processes to run continuously and uninterrupted and that use machine learning and analytics to identify issues and opportunities to exploit the power of product information. In addition, analytics can provide insight on the use of product information and where collaborative actions need to be taken for improvement.



In most organizations product information is spread across websites, applications, digital asset management systems, databases, spreadsheets and other systems, each of which can have its own ways of processing and managing it. A related issue is the difficulty of exchanging, integrating and synchronizing product information across the diverse systems and services used by customers and business partners, typically outside of enterprise systems, and in cloud computing environments. Slow and incomplete integration processes prevent organizations from easily gaining a single view of products for controlling and updating the information and for consistent use by employees, partners and customers.

Against this backdrop, Ventana Research will undertake new benchmark research to determine awareness and adoption of a new generation of product information management software that focuses on product experiences and the underlying processes and systems required to meet today's and tomorrow's challenges. The new research will explore organizations' experiences with deployment of PIM systems and issues they have faced in efforts to align business and IT resources and spending with organizational information management objectives. Those efforts often require the integration of supplier and customer information, increased use of online channels and synchronization of updates to product information that may be spread across global markets.

This research will investigate the market performance and maturity of organizations' implementations of PIM or those systems supporting it and their current or planned use of technologies including cloud computing, mobile, collaboration, artificial intelligence and machine learning, big data. It will examine how and to what extent they have addressed the people, process, information and technology aspects of improving data quality, integration and consistency; enabled B2B and supplier integration through online channels and services; provided a single view of products, materials and attributes for business intelligence and analytics; and established a central resource for better control and security of product information.

Research Background

Organizations in all industries face difficulties in providing high-quality and actionable product experiences and managing the underlying product information. Newly developed products, mergers, acquisitions and changes to pricing and promotions in digital commerce for sales and marketing channels have spurred business growth, but at the same time these factors have significantly increased the amount of product-related data and content businesses must manage. As well, global diversification of suppliers, customers and business partners forces them to manage data quality and consistency in multiple locations and languages. Many organizations have successfully implemented applications to manage manufacturing, the supply chain and other processes involved in



building and shipping products, but ineffective information management hampers these processes and slows the pace at which organizations can introduce products into markets. The rapid pace of bringing products into new channels and distributors, as well as seasonal dynamics, make it harder to synchronize and update product information in a timely fashion throughout supply chains and to customer outlets.

Forward-looking organizations are deploying the next generation of PIM and supporting processes and technologies to provide product experiences based on information that is complete, relevant, dynamic and constantly available. They are using PIM systems to manage product relationships throughout the enterprise and improve business performance by automating cross-functional processes such as sourcing, new product introductions (NPI) and digital commerce. Using PIM technology, a company can put in place and then manage processes that make each line of business accountable for its product or item data and enforce common business practices and rules. Having a set of common definitions of product information across the organization promotes efficiency of business processes, which in turn can improve the customer experience.

A product experience requires information that can be dynamically personalized and mediums that are specific to the channel being used. Effective PIM enables organizations to provide superior product experiences in any channel as well as access commonly defined product information that is stored in a master data management (MDM) infrastructure. Like product-specific MDM, PIM provides a way to automatically produce a complete, reliable view of all products without forcing every department and business unit to use the same application or format. As with MDM, product experience management should include a focus on data governance and the underlying needs for data catalogues and data preparation, which are essential to automate and manage the underlying infrastructure.

For IT groups, this sort of deployment provides a way to ensure the accuracy and consistency of data across the organization and to give all departments confidence in the reliability of the data they receive from and pass to other business units. But unlike a focus just on MDM, product information management is about managing the “product information network,” which extends across product information creation or acquisition, assimilation, synchronization and publishing. In the PIM assimilation process, complete, standardized product information is assembled from many sources (such as global data synchronization, manufacturers or content feeds). In publishing, PIM optimizes information structures and content based on the downstream usage requirements of, for example, websites, catalog systems, social media and digital commerce systems.

Growing competition in online channels puts pressure on organizations to synchronize updates to product information across all channels and make it available directly for commerce, social media and websites so that all sources agree. The process also ensures



that no information is released inadvertently (which, for example, might give competitors advance notice of product introductions, new pricing or other strategic changes). In addition, organizations that must track thousands or even millions of products or stock-keeping units (SKUs) need to reduce the burden of managing all this product information. Some are implementing new cloud-based interchanges; others are using industry standards like GDSN and GS1, and data transformation services to replace systems and routines based on older, more proprietary standards and manual code. Others are implementing MDM to improve management of cross-functional and external information integration. In these ways, organizations can increase their flexibility to make changes as needed throughout the information supply chain.

Research Focus

The goal of this new benchmark research on Product Experience Management is to examine organizations' existing and planned approaches to managing the product experience in order to determine best practices and steps for driving improvement, focusing on lessons learned in the last three years but more importantly their plans for today and the near future. The research will assess challenges associated with technology deployments focused on creating and managing product experiences, including how trends such as online channel development, merchandizing, global supply chains, supplier integration, digital commerce for B2B and B2C and the ever-present customer experience, operational process integration and XML standards are impacting implementations. It will examine opportunities to use supporting technologies, among them content management and integration technologies, as well as the operation of PIM software in cloud-based environments and the level of interaction on information through collaborative technologies.

This research will yield new insights into the changes now occurring in business and IT functions as organizations seek to capitalize on product experiences for competitive advantages, revenue growth, cost savings and improvements in the efficiency and effectiveness in managing customer and supply chains and releasing and managing products in global markets. The research will investigate how organizations are implementing PIM applications to support interactions across business processes and with their customers and suppliers. This can include personalization of product content by attributes (such as size and color) or presentation of it through video and images. It also will examine the relationship of PIM with other applications that intersect with marketing, sales, social media, supply chain management, product life cycle management, CRM, ERP and digital commerce.

As well, this research will assess the maturity of organizations' performance in their use of PIM and related technologies. The performance analysis will also assess the ability of



organizations to adapt PIM to business and technology changes that include greater use of online channels like social media, digital commerce, supplier networks, product exchanges and marketplaces, MDM, data governance and analytics.

By determining how organizations are approaching PIM and aligning deployment of processes and technologies with business priorities, this research will give vendors a better understanding of a number of key issues, among them:

- What is the growth potential of the market?
- Who are the key decision-makers and influencers within the organization?
- What is the current thinking of business and IT management on product experiences and use of PIM for improving the presentation and value of product information to interact more effectively with customers, suppliers and consumers?
- How far along are organizations in improving PIM processes and technologies for product experiences to support revenue growth and customer experience objectives?
- How are the needs to support cloud and mobile environments influencing PIM roadmaps and purchase decisions?
- What influence do IT groups and business units have on adoption and improvement of PIM across various business functions, including product development, commerce, sales, marketing, finance and operations management?
- What technologies are organizations evaluating to support product experiences and the specific PIM and MDM requirements?
- How are the advancements of automation through techniques like RPA and intelligence through use of AI and ML changing the needs of PIM?

Research Objectives

This research will identify trends, market opportunities and organizational requirements associated with PIM and related applications, tools and technologies. It is crafted to help you as a supplier of tools, applications and services in this market understand how to communicate and work with IT and business operational management and gain executive buy-in across the organization. To do this requires hard data — authoritative research that delivers insights into trends for product experience management and the PIM technology usage and the states of mind of buyers and stakeholders. This research will determine the current situation and future requirements of organizations that seek to address this critical business imperative along with assessing the decisions and progress of organizations in the last two years and the roadmap ahead.

Specifically, the research will identify:



- the tools, applications and processes that companies are deploying and the employees who will make use of this technology to maximize business innovation for product experiences for the value chain of consumers, customers and suppliers
- the processes by which organizations are determining where to employ PIM across CX, CRM, ERP, SCM and specific needs in marketing, sales, commerce, operations, supply chain, manufacturing and finance
- the growth and potential of the market for tools, systems and processes to support product experiences
- current states of maturity in the use of technologies for product experiences and PIM to meet organizational objectives for digital innovation and operational efficiency of the enterprise.

The research will yield many predictive indicators that will be critical to vendors that develop tools and applications to support managing the product experience. The research will be useful to vendors' marketing and sales groups as they strategize about how to develop leads and convert them into customers. Predictive indicators to be highlighted will include the following:

- organizational characteristics (such as company sizes, geographic regions and vertical markets), levels of interest, planned budgets and time frames for initiatives
- their purchase intentions for augmenting established systems or buying new applications and technologies
- factors that influence buying decisions, including vendors, applications, consultants and personnel
- the awareness level of the target audience, its motivations, concerns and perceptions of solution providers.

The research program will yield a set of recommendations concerning the business and technology elements of product experience management. The program will benchmark maturity levels, which will aid organizations in aligning these technology efforts with broader operational initiatives from digital transformation to customer experience to improve market competitiveness. The program's recommendations will address key stakeholders' motivations and will help create a deeper awareness of the possibilities for product experience management through more effective use of available technology.

Scope and Methodology

This benchmark research will be led by Mark Smith, CEO and chief research officer for Ventana Research. Our objective is to have qualified research input from at least 200 companies with more than 100 employees or annual revenues of more than US\$100 million at the levels of responsibility that are pertinent to this topic across IT and related



business domains. The survey will be conducted in English. The sample will be qualified through the Ventana Research community and research panel and the specific groups that best represent the focus on product information across the levels of individuals in an organization. All qualified participants will receive a report of research findings in return for their participation (US\$12,000 value). Respondents also will have the opportunity to win additional incentives ranging from US\$10 to US\$100 in value.

About Ventana Research

Ventana Research is the most authoritative and respected benchmark business technology research and advisory services firm. We provide insight and expert guidance on mainstream and disruptive technologies through a unique set of research-based offerings including benchmark research and technology evaluation assessments, education workshops and our research and advisory services, Ventana On-Demand. Our unparalleled understanding of the role of technology in optimizing business processes and performance and our best practices guidance are rooted in our rigorous research-based benchmarking of people, processes, information and technology across business and IT functions in every industry. This benchmark research plus our market coverage and in-depth knowledge of hundreds of technology providers means we can deliver education and expertise to our clients to increase the value they derive from technology investments while reducing time, cost and risk.

Ventana Research provides the most comprehensive analyst and research coverage in the industry; business and IT professionals worldwide are members of our community and benefit from Ventana Research's insights, as do highly regarded media and association partners around the globe. Our views and analyses are distributed daily through blogs and social media channels including [Twitter](#), [Facebook](#), and [LinkedIn](#).

To learn how Ventana Research advances the maturity of organizations' use of information and technology through benchmark research, education and advisory services, visit www.ventanaresearch.com.

The leadership team behind this benchmark research includes:

Mark Smith, CEO & Chief Research Officer

Mark is responsible for the overall business and research direction of Ventana Research and drives the global research agenda covering both business and technology areas. He defined the blueprint and methodology for improving business by using benchmark research to provide guidance across people, processes, information and technology. Mark is an expert in enterprise software and business technology innovations including: business analytics, big data, cloud computing, business collaboration, mobile technology



and social media. Mark has held CMO, research and product development roles at research and software companies. Mark started Ventana Research more than a decade ago; he has worked in the software industry for 25 years leading innovations in research and technology. Mark was rated the 2011 software industry analyst of the year by The Institute of Industry Analyst Relations (IIAR). Mark is also ranked as one of the top ten technology influencers in 2012 by Human Resources Executive magazine. Mark can be found on [Twitter](#) at @marksmithvr, on [LinkedIn](#) and can be reached via email at mark.smith@ventanaresearch.com. Read his blog at <http://marksmith.ventanaresearch.com>.

Alan S. Kay, Senior Vice President, Research Management

Alan manages the development, publication and syndication of the company's research projects and other analytic and advisory materials. Alan is a veteran business journalist, newspaper and magazine editor and publication consultant who has written in and directed coverage of many of the areas addressed in Ventana's research agendas. He served as executive editor of Corporate Computing and editor of Knowledge Management, and his writing has appeared in BusinessWeek, CIO, CRM, Datamation, Field Force Automation, Forbes, Fortune, InformationWeek, Mobile Computing & Communications, Small Business Computing & Communications, the Washington Post and Wired. Alan has been a judge for the Industry Solution Awards, has spoken widely on knowledge management issues including delivering an American Productivity and Quality Center conference keynote address, and has chaired sessions at the Seybold Seminars, the Bay Area Knowledge Management Cluster and the Cyber Summit. Alan attended Brooklyn College of the City University of New York and Princeton and Yale Universities. Alan can be found on [Twitter](#) at @alankayvr and on [LinkedIn](#) and can be reached via email at alan.kay@ventanaresearch.com.

Katie Prince, Senior Research Program Manager

Katie manages research programs for Ventana Research. Before joining the company in March 2017, she taught composition and creative writing at Coastal Carolina University and North Carolina State University. Katie has worked as a journalist for newspapers including the Williamsport Sun-Gazette and Scranton Times-Tribune, covering courts, local politics, business and education. She also worked as an associate producer on a television production about unsolved crimes for which she won two Regional Emmy Awards, one for journalistic enterprise and another for best new nonfiction program. Katie received her BA from St. John's College in Annapolis and an MFA with a concentration in poetry from North Carolina State University. Katie can be found on [Twitter](#) and [LinkedIn](#) and can be reached via email at katie.prince@ventanaresearch.com.