

A Comprehensive Guide on What Is Product Information Management (PIM)



Clear and simple product information is a basic component of effective e-commerce. While brick-and-mortar facilities allow buyers to try and test goods right on the spot, e-commerce is governed by different rules. Online stores present their products relying solely on visual and textual data. Therefore, it's essential for e-commerce businesses to provide accurate and exhaustive information to their buyers.

When an online store has thousands and thousands of items, it becomes quite challenging to manage all the product data manually or in the apps barely adapted for that. That's where Product Information Management (PIM) software becomes a real life-line for e-commerce companies.

In this article, you'll learn what product information management is, how these systems work, and who needs to use PIM in their daily activities.

What is Product Information Management (PIM)?

Product information management (PIM) stands for the process of gathering, managing, and sharing product information across various channels from a single spot. With PIM apps, companies can create the data both for internal use in the company and for providing it to customers and third-party organizations. PIM systems help businesses improve the quality of the data they gather and keep it timely updated.

Why do companies need a standalone system for product information management if they can create spreadsheets in Excel, utilize catalogs, or use various platforms that include product data?

Today's product data management is more than just filling out lines of goods descriptions in spreadsheets. It involves deep and detailed data analysis that results in the creation of specifications, descriptions, images, and video reviews. Moreover, this data is required by various channels, including suppliers, e-commerce platforms, customers, and diverse company departments, e.g. resource planning, business analysis, marketing department, and others. As a result, the product data should be inclusive and simply adjustable to various data requesting channels.

Who uses PIM systems?

There are several users that refer to PIM systems daily in their work. Let's have a look at the most common uses of PIM in e-commerce.

- **Product managers** implement PIM to ensure the most accurate and recent data on the products which they provide to a marketing team. If manufacturers change any item characteristics through its lifecycle, product managers can quickly update the data in the app, sending automated alerts to the users logged in to the system.

- **Suppliers** can use the PIM systems of their client companies for adding and updating any product details, starting from price to delivery dates, etc. Moreover, PIM allows suppliers and distributors to more effectively manage the variety and volume of goods they provide as well as effectively manage the challenging demands of their customers.
- **Product marketers** utilize PIM to create a complete and consistent image of the products they sell. Using PIM solutions combined together with other marketing systems such as DAM or CMS they can easily assign tasks for copywriters, photographers, and video makers to create up-to-date content for presenting products.



- **E-commerce managers** use PIM systems for adjusting product content to the needs of a particular selling channel whether it's a social media site or an e-commerce platform. These systems help managers to consolidate data into a centralized hub where they can simply update goods descriptions, introduce new ones, or handle products with complicated combinations. PIM largely automates routine product management operations, streamlines workflows, and allows creating inroads to new marketplaces and across various selling channels much faster.
- **Manufacturers** can keep a single version of their product data in one place which leads to a significant increase in production efficiency as well as faster time-to-market.
- **Customers** often add item reviews and comments in diverse selling channels. PIM systems can gather all the customer feedback in one place, allowing e-commerce managers to improve product-related information with the latest data from customers.

What Information Does PIM Store?

Every product accumulates a lot of information during its lifecycle. An effective PIM software is able to deal with incoming, outgoing, and cross-department product details information like:

- Channel-specific information: Amazon titles, Google categories, mobile descriptions;
- Design specifications: designer notes, style sheets, assembly instructions;
- Digital assets: videos, images, product guides, sell sheets, logos, etc.;
- Localized information: translations, multilingual copy;
- Marketing data: digital personas, keywords, SEO elements, brand guidelines, etc.;
- Product data: SKUs, UPCs, names, titles, descriptions, etc.;
- Sales information: testimonials, prices, customer reviews;
- Supplier & manufacturer data: certifications, spreadsheets;
- Taxonomy & relationships: labels, categories, variations;
- Technical specifications: materials, measurements, ingredients, warranties.



How PIM Optimizes Company’s Internal Processes

Any e-commerce business strives to provide the best brand experience to their customers. For this, they should share the most accurate and latest information on their products with everyone involved in the purchasing/selling process.

PIM software enhances the operational efficiency of e-commerce businesses, bringing their staff and customer experience to a new level. Here are the main benefits PIM users can gain from utilizing this type of software.

Shorter Time-to-Market

The majority of businesses operate in a dynamic market where both conditions and customer demands change rapidly, so time-to-market is a key competitive criterion. By optimizing the product's path, from development to marketing and sales, PIM software accelerates the delivery of the goods to the end-user.

For example, employees from many departments can work on their products at the same time in PIM software. Marketing specialists can start creating catalogs, even if the goods' specifications have not been finalized yet. Once the production department updates data in the central database the information in the respective catalog is updated as well. Apart from allowing collaborative work on products, the PIM software streamlines manual tasks that otherwise would slow down the process of launching a new product.

Easier to Sell Through Other Channels

It is much easier to find and send product information to price comparison websites when all the data is well organized in the product information management software. If any data is stored unstructured and scattered across databases, companies have to locate the necessary information first, get it organized into a structure, and finally, save the data in the correct groups.

PIM allows structuring the data so that it can be quickly exported to other channels. Companies can even use third-party tools to provide product details to the relevant websites.



Better Efficiency and Less Manual Work

Many questions can quickly arise when a new product is about to be launched on the market. It can take a long time to clarify them if a company doesn't have a well-established process. PIM software helps minimize all back-and-forth communication between departments, making product-related operations much faster.

With PIM, delegating responsibilities becomes simpler, and teams can fully concentrate on their main duties and make sure that the rest of the organization can do the same. Moreover, PIM functionality allows creating workflows that provide a visual overview of how far the different elements have advanced in the process so that no information is lost along the way.

Fewer Product Data Errors

The elimination of the chaos of Excel or Google sheets that many businesses use to store their product data is one of the key reasons why they implement PIM software.

PIM allows businesses to create a structure that ensures the most secure route without errors. In other words, by replacing the Excel sheets with a central database, PIM prevents errors, meaning that all the information is correctly updated on all the channels.

Enriching Products With Additional Data

Many e-commerce businesses sell products where buyers can find identical items offered by competitors. Therefore, it is crucial for e-commerce businesses to enrich product descriptions with unique information to make their products stand out.

To avoid the case when they and their rivals offer the same goods in the exact same way, companies can diversify their product descriptions with additional details in PIM, differentiating themselves from their competitors.



Better Marketing Campaign Management

Any marketing campaign basically consists of a range of products to be presented in a particular way to customers. This is exactly what PIM software can do.

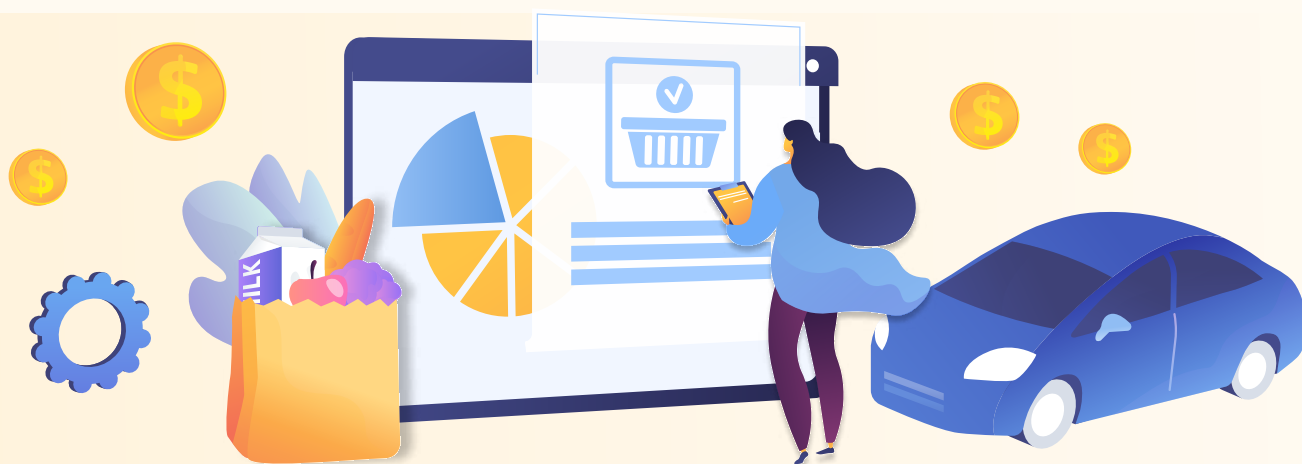
With PIM software, e-commerce businesses can model their product groups and monitor which data will be presented and in what context. For example, different points of focus aimed at different geographical regions.

This facilitates the process of setting up and running campaigns. It also makes it easier to adjust product data along the way, since marketers just need to change the information in a single location.

Faster Product Catalog Production

Although we live in a world that is increasingly digital, a traditional printed catalog is still relevant in many spheres.

As a genre, however, the catalog is pressured by the incredible growth of the market. It's quite challenging for marketers to maintain printed catalogs as they quickly become outdated. PIM significantly speeds up the paper catalog creation process as specialists can start adding the products to it, even though not all the details have been finalized.



What Types of Companies Should Use PIM Software?

Retailers and e-commerce businesses of all sizes can benefit from using PIM software. However, it does become an essential tool when your organization:

- Promotes products on several different channels. PIM helps to provide consistent item information across various selling channels.
- Operates in multiple markets and communicates in many languages. Each new language adds difficulty, making it hard to efficiently manage marketing manually.
- Pursues growth targets, which makes it imperative to increase the marketing activities. High activity means that there are multiple activities to organize and optimize, and this is the case when PIM software can demonstrate a high ROI quickly.
- Has complex product information. For example, this could be due to a large volume of data and descriptions, the use of metadata, or complicated data relationships.
- Wants to enrich the data you have or receive more product information from suppliers. Without PIM software, it may be time-consuming to manage the importation of information from several suppliers. What is more, the data is often provided in different formats, with inconsistent quality.
- Has to copy and paste information and send it from one system to another. PIM software can automate some of the manual processes.

You Can Only Win With Custom PIM Software Development

There are a variety of ready-made PIM apps that can be used for selling various products and creating an effective workflow for an e-commerce company. However, many retail businesses still choose to build their own PIM solution, and here is why:

- Custom PIM software is developed with a particular company's needs in mind. It means that all the features integrated into the app will correspond to the tasks and activities the company performs on a daily basis.
- Unlike off-the-shelf solutions, custom PIM apps can be adjusted to integrate with certain apps. Moreover, app owners can scale up/down their solutions by adding/removing their features, or add more computing power and expand databases with the growing number of users.
- Custom PIM creation requires major investments only during the project development. Whereas ready-made software is available only via subscription and the fee grows if a company adds more features or wants to scale up their solution to a limited extent.
- When requesting PIM creation from a software development company, app owners obtain the source code of the app. It means that they acquire full rights over the digital solution and all the experience and information gained through many years won't disappear if a ready-made PIM provider will stop delivering their app as a service.

Final words on PIM

Product data is the core element of any e-commerce marketing. Using a detailed and consistent product description allows online retail businesses to retain existing customers and attract new ones, effectively increasing their revenues.

However, supporting product data manually is a challenging task, especially if the volume of goods grows exponentially and companies use several selling channels. Therefore, many businesses opt for e-commerce development to build their own PIM solutions.

PIM software helps companies to simplify their product data management as well as supports the entire process of designing, preparing, enriching, and launching products. If you think that you need a custom PIM solution, the SCAND team provides PIM software development services for companies that want to manage their product information and deliver a great customer experience.

Feel free to contact us and ask any questions: info@scand.com