







## Introduction

Every product that a retailer sells, from the very simplest to the most complex, carries a constellation of data points. These can range from the basic (SKU, size, color, price) to the highly specialized (e.g., age-based or geographic sales restrictions, warranties, assembly and usage instructions). Keeping all this data clean, correct and consistent was a huge task even when retailers operated primarily in a single channel, but in today's increasingly globalized omnichannel environment, the product information management (PIM) challenges have multiplied many times over.

Fast-changing consumer channel choices are driving retailers' need for a consistent source of product data. Currently, online sales via a retail web site is the number-one sales vehicle for 17% of retailers, and will increase to 23% by 2018, according to the *2014 Retail TouchPoints Omnichannel Survey Report*. Mobile, currently accounting for less than 1% of sales transactions, is projected to rise to 4.3% during the same period. And while the brick-and-mortar store has retained its position as top sales channel for 69% of retailers today, that number will drop to 65% by 2018.

Today's technologically empowered shoppers are driving the need for better PIM, according to Adam Silverman, Principal Analyst at Forrester Research. "When there are customers with smartphones who are comparing detailed data about products, they need to be able to do an apples-to-apples comparison," he said. "Sales associates also need robust product information about what's available both online and in stores. This need is causing a transformation in the retail organization, because retailers need to not only have robust content, but to make that content available to the entire organization."



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**Retail TouchPoints**



But beyond the fact that there are a growing number of channels offering product data, retailers also are contending with the fact that much of that data continues to come from scattered and siloed sources throughout the organization. The many elements that comprise a product's data profile have typically resided in different system databases employing disparate information hierarchies. "Retailers often leverage differing, incongruous technologies, applications and systems" for PIM, according to an April 2014 report from the analyst firm Sophelle. "These include Customer Relationship Management (CRM), Enterprise Resource Planning (ERP), Supply Chain Management (SCM) and the systems that power omnichannel commerce, including e-Commerce and mobile commerce platforms."

The problem becomes particularly acute when retailers need to onboard new vendors and new products, Silverman added. When this occurs, it can highlight the fault lines that put various departments at cross purposes. For example, e-Commerce executives are accustomed to accessing rich content around products, including images and even video, but they often lack the strong vendor relationships

that store-based merchandisers have. For their part, traditional merchandisers' product data systems are geared more toward inventory management than heavily detailed, e-Commerce-friendly product information.

The solution? Use a single data repository for all product information, and make this data available to users throughout the retail enterprise. This is the foundation for today's PIM systems.

This E-book identifies four major business performance benefits stemming from the use of an advanced PIM solution, and also reveals specifics on how PIM works for several business roles within a retail organization.

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**Adam Silverman, Forrester Research**





# 1. Get To Market Faster To Deliver A Quicker ROI

Speed is critical to success in today's highly competitive marketplace, but retailers can't afford to sacrifice accuracy as they shorten time-to-market. This means creating strong data management structures to make sure that products carry the data that both internal departments and customers need, and ensuring that this data is accurate and up-to-date.

The Sophelle report, authored by E-Commerce Director and Practice Leader Milanie Cleere and CEO Douglas Weich, identifies a number of PIM benefits stemming from the creation of a single point of truth. This process "delivers a consolidated, centralized database of product information from which all other channels can efficiently and reliably access relevant data."

Additional benefits from creating systems for managing data both quickly and accurately include:

- **Improving data accuracy** by tying in purchasing and selling systems;
- **Ensuring clean, accurate product data** through embedded business rules applied at the point of data entry;
- **Improving product data maintenance** by facilitating centralized storage for multi-item merchandise; and
- **Facilitating data governance** through a controlled and managed environment.

Examples of how PIM improves business processes are easy to come by. When television manufacturers were transitioning to HD, retailers needed to create an entirely new set of product fields associated with the advanced technology, and apply those fields over a vast range of products and manufacturers. Retailers that already had established, easily scalable PIM systems were in a better position to quickly incorporate data around the HD versions of these TVs, allowing retailers to rapidly move these hot items into various sales channels.



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**Milanie Cleere and  
Douglas Weich, Sophelle**



## CUSTOMER SUCCESS STORY: BODUM

**BODUM®**, a Danish company that manufactures the Bistro coffee press, produces sales and marketing material for 15 different markets using multiple languages and eight different currencies. This presented a major coordination and management challenge and meant that printed catalogs took three to six months to produce. In addition, the long lead times meant that BODUM's sales managers could not produce custom catalogs with tailored assortments, layouts and product placements.

The Perfon solution allows the company to work from a central source of product information that is combined with unified BODUM group price list templates. Catalog generation time has been drastically reduced by pulling data directly from Perfon, and the company can now produce different catalogs for different markets, each with specialized assortments and differentiated prices.

**PIM allows BODUM employees to work from a central source of product information that is combined with unified group price list templates.**



## 2. Improve Customer Service To Create A Better Bottom Line

Accurate, rapidly available product data is a critical building block for retail success. Competitive retailers and product manufacturers use coordinated data to boost customer service across channels and touch points. Once a company has confidence in the accuracy of its product data, it can share that data throughout the enterprise, for example by sending real-time data to mobile devices used by in-store associates or to customers' smart mobile devices.

The need for such cross-channel, cross-device accuracy is increasingly vital. Up to 67% of online shoppers have made purchases in the past six months involving multiple channels, noted the Sophelle PIM report, quoting a Zendesk statistic. In addition, PIM systems "bring web smarts to the stores with online content, such as customer ratings and reviews and customer-created images and videos."

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Sophelle



## CUSTOMER SUCCESS STORY: Weber-Stephen Nordic

**Weber-Stephen Nordic** distributes and markets the well-known Weber barbecue along with accessories and equipment — a product range consisting of hundreds of different models with continual releases of new designs, colors and functionalities. The company wanted to provide faster, more comprehensive service and product information for phone call inquiries as well as online and offline material provided to distributors. However, product data had been stored using a number of different systems and formats, so Weber sought to create a single distributor portal with all product information, marketing materials, prices, discounts and category segments linked via Microsoft Dynamics NAV.

Using Perflon, Weber's complete view of product information now gives distributors faster access to a specific range of updated products as well as downloads of product sheets, catalogs, individual price lists, shelf signs with barcodes, e-Commerce sites, spare-parts lists and advertising materials. The solution provides more effective handling of inquiries from both distributors and customers, and protects brand values across different markets. New markets can now open within days, complete with marketing materials, using a simple translation file imported with Perflon.



**With access to a complete view of product information, Weber distributors have faster access to a specific range of updated products.**



## PIM Q&A: Mitsubishi Electric

Mitsubishi Electric US Cooling & Heating, which serves as a sales arm for Mitsubishi Electric Global, implemented a PIM solution deployed by Junction Solutions in 2013. **Director of Information Technology Chris Osment** revealed how the technology is already streamlining internal processes and improving customer service capabilities.

**Q:** What challenges were you looking for a PIM solution to address?

**CHRIS OSMENT:** We receive product documents and technical data from five factories and then use the information for printed booklets, web sites, and application utilities for customer reference, so our main use of the PIM is managing this flow of information from the factories and into multiple outlets in a synchronized manner. Because information for different products is input on different schedules, the PIM solution enables us to manage workflow and synchronize publishing through a central platform. Prior to implementing the solution, the lack of a synchronized solution resulted in more customer support phone calls and extra efforts by sales team members to identify what was current or

valid information. Synchronizing our outputs increases efficiency as well as reliability for sales and for customers who use this data for construction and installation planning of HVAC systems.

**Q:** How has the PIM solution improved the customer experience?

**OSMENT:** While customers do not directly view the PIM system, the efficiency it provides us in publishing new product information is observed by them. Product information updates are available sooner, and are more reliable, because we are no longer using manual processes to update publications and web sites. With synchronized outputs, customers view updates in all outlets and receive the correct, current response when phoning customer support for assistance.



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**Chris Osment,**  
Mitsubishi Electric



## PIM Q&A: Mitsubishi Electric

**Q:** Do you see the PIM boosting your speed to market with new products?

**OSMENT:** Adding products has become easier and more efficient. The PIM system acts as a guideline for the product information requirements needed to launch a product to the market. Equally important, the system serves as an internal information readiness platform, allowing us to preview and prepare product documents for the market. Overall, the PIM will enable us to manage more products into more outputs.

**Q:** What's the biggest benefit for Mitsubishi Electric?

**OSMENT:** 'Accuracy of information for customers' is the conversation point, but the basis for the conversation itself is the reliability of having up-to-date information in print, web, and electronic product guides, as well as the ease of updating multiple outlets.



**“The PIM system acts as a guideline for the product information requirements needed to launch a product to market.”**

**Chris Osment,**  
Mitsubishi Electric



### 3. Add New Data Sources, Channels And Languages In Real Time To Keep Up With Marketplace Demands

E-Commerce capabilities have broken down many of the barriers retailers and manufacturers had previously faced when expanding into new geographic territories or selling through untried channels.

The challenges of digital globe-hopping include managing product information in multiple languages and currencies; in some cases, this information must also be geared toward multiple cultural sensitivities. In many situations, the retailer that can move fastest in establishing its ability to sell in a new country, or via a new channel, will gain a significant competitive advantage.

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## CUSTOMER SUCCESS STORY: Harken

**Harken**, a Wisconsin-based marketer of sailboat hardware and accessories, uses a network that includes offices in 48 countries. Its multichannel strategy calls for product data to be published both in catalogs and on web sites in more than 10 languages worldwide, but Harken had no central global source for its product information. All data was stored locally for each catalog and web site in different regions, making it nearly impossible to produce new content or to keep existing content up to date.

All content providers in multiple locations needed to be able to contribute and publish locally, but in a controlled manner using templates with corporate branding. Harken sought to create a dynamic, multi-lingual web site with one source of truth for product information, with data launching

instantaneously when content providers produced it. The company adopted a PIM solution, integrating it with the company's ERP system, Microsoft Dynamics AX; this simplified the process of supplying the corporate web site with product data, marketing text and images.

A dynamic integration between a PIM solution and InDesign® gives Harken the ability to produce its catalogs in multiple languages. Working inside the InDesign application, Harken can easily access data and images. In addition, each time product data, text or an image is changed in the PIM solution, the InDesign documents are automatically updated.



**Harken adopted a PIM solution, integrated with Microsoft Dynamics AX, to simplify the process of supplying the corporate web site with product data, marketing text and images.**

**HARKEN®**

## 4. Facilitate Collaboration Among Business Units To Deliver A Consistent Customer Experience

The modern retail enterprise encompasses multiple markets, channels and touch points, but the common denominator is still the product assortment offered to customers. Retailers' merchandising and product selection continue to be defining elements in their ability to differentiate themselves from competitors.

But if products still tie a retail enterprise together, the data surrounding them can be an ongoing source of disharmony. In some retail enterprises, different departments use varying terminology for the same data, or maintain long-standing disagreements over seemingly basic concepts such as how to define an item's price.

PIM solutions can play important roles here, not only by creating a common data repository but as critical tools during new vendor/product onboarding processes. More than any other activity, onboarding forces retail organizations to make critical data governance decisions, defining which department is responsible for specific segments of product data and identifying the single source of truth that all departments and channels agree to use going forward.

**Retailers' merchandising and product selection continue to be defining elements in their ability to differentiate themselves from competitors.**



## CUSTOMER SUCCESS STORY: Chaparral Motorsports

Prior to its adoption of a PIM solution, Chaparral Motorsports managed three sets of data with significant overlaps among them: a web database, an ERP solution, and data residing in InDesign and Quark files for printing. The San Bernardino, Calif., motorcycle accessories and vehicle dealership also maintained two image asset databases (one each for web and print resolution), with two teams managing this same data set differently. This resulted in both resource inefficiencies and data discrepancies. Now, Chaparral makes its PIM solution central to:

- Managing 300,000-plus SKUs;
- Supplying product data to Amazon, eBay and Chaparral-Racing.com;
- Back-office integration with Microsoft Dynamics NAV;
- Maintaining parts information among 15,000 different motorcycle models;

- Publishing an annual 300-page catalog as well as campaign catalogs for specific product categories; and
- Producing in-store signage.

In addition to shortening signage production times from two weeks to three hours, Chaparral's e-Commerce strategy is benefiting from the ability to more precisely manage product information. Product data can now be extended directly to the company's web site and additional unique online markets, and a PIM solution makes it easy to segment Chaparral's data without creating new instances of the data. Chaparral's IT department has also embraced the goal of maintaining a single instance of data; the built-in NAV Release module allows users to seamlessly update data in multiple systems, including its online storefront and ERP, with one simple process.



**Product data can now be extended directly to the Chaparral web site and additional unique online markets, using the PIM solution.**



## PIM Solutions Spread Benefits To Multiple Business Units

Product Information Management (PIM) solutions can serve as centralized, structured data libraries, making accurate data accessible to multiple departments and users throughout the retail enterprise. But while the data itself remains constant, various business units will be interested in different segments of the totality of product information, and will use it to serve a variety of functions.

Following are some of the key benefits stemming from the use of a PIM solution, delineated by roles within the retail hierarchy:

- **CEO:** Chief executives prize PIM solutions' ability to facilitate cohesive collaboration among various departments. In addition, PIM facilitates the creation of unified, consistent marketing messages around brands and products across multiple channels, markets and customer touch points.
- **CIO:** IT departments use PIM to centralize important data and to re-use that data for numerous business functions, cutting down on the time needed to fulfill queries or create integration points. Today's PIM solutions, particularly those offering open, XML-based APIs, typically integrate seamlessly with existing ERP systems.
- **CMO:** Having a consistent library for product specifications, images, prices and other supporting information frees up marketers to quickly create materials that can be tailored to specific customer segments, channels and geographies. The use of templates pre-loaded with accurate product information simplifies marketing processes for field sales managers, allowing them to respond quickly to opportunities in their territories.
- **Product Managers and Merchandisers:** The presence of a central, consistently updated location for all product information offers significant time savings to those most directly involved with product classification, movement and management. Faster speed to market provides a competitive edge and a more nimble, flexible response to fast-changing conditions, such as weather-related events or a competitor's promotional activity.



# Junction Solutions

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## About Junction Solutions

Junction Solutions provides solutions designed specifically to help multichannel retailers innovate, manage and grow their business. The solutions include retailfocused enterprise software leveraging the Microsoft Dynamics AX platform, implementation and strategic services, IT and operational consulting and flexible delivery options including onpremise, cloud and hybrid deployments. These solutions are supported by highly skilled consultants, with a deep understanding of the retail industry, and proven experience helping retailers enhance operational performance, reduce costs, improve customer loyalty and deliver a consistent and high quality customer experience across all their channels. For more information, visit [www.junctionsolutions.com](http://www.junctionsolutions.com).

## About Retail TouchPoints

Retail TouchPoints is an online publishing network for retail executives, with content focused on optimizing the customer experience across all channels. The Retail TouchPoints network is comprised of a weekly newsletter, insightful editorial blog, special reports, web seminars, exclusive benchmark research, and a content-rich web site featuring daily news updates and multi-media interviews at [www.retailtouchpoints.com](http://www.retailtouchpoints.com). The Retail TouchPoints team also interacts with social media communities via Facebook, Twitter and LinkedIn.



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