



THE COMPLEMENTARY ROLES OF PIM AND MDM



There is agreement across a wide swath of technology experts that the Digital Universe is enormous and becoming even larger—exponentially so—every day. IDC predicts that the digital universe doubles in size every two years and, by 2025, will reach 163 zettabytes, which is equivalent to 163 trillion gigabytes.¹

Within this context, every enterprise is seeking ways of handling the data that is generated by their operations. A plethora of acronyms—ERP, ECM, PLM, CRM, WCM, etc.—faces CIOs in their quest for a way to manage their organization's data, securely and consistently.

In this paper, we explore the difference between two of these acronyms—PIM and MDM—to uncover when an organization should deploy one program or solution over the other.



¹ <http://www.seagate.com/www-content/our-story/trends/files/Seagate-WP-DataAge2025-March-2017.pdf>



THE NEED FOR PIM

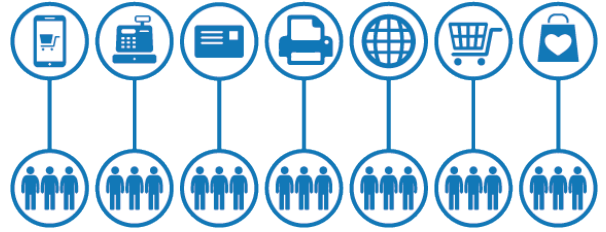
Your products form the backbone of your business. Selling products in the digital age requires a systematic approach and the right system support to become efficient. Being able to provide consistent, correct, and high-quality product data is crucial for getting your products onto the market, managing your product range, attracting and keeping customers, handling information logistics, and managing your marketing and product master data at the same time.

Although it is often not designated as a business department or function, the activities that make up product information management (PIM) are ubiquitous across product-focused enterprises. However, despite its importance to business success, the management and maintenance of product content frequently takes place in an ad hoc, as-needed manner. Product information may reside in disparate systems and repositories—in documents, spreadsheets, images, emails, and on employees' hard drives. Numerous departments and individuals may be involved in the creation, maintenance, and distribution of these product data—from product development and management to marketing and web development. In many cases, these companies are suffering from what we refer to as “Content Spaghetti”—a product information management function that is widely distributed throughout the company, has disparate and varied sources of product data, and is struggling to overcome organizational or informational silos.

It is easy to imagine how this lack of a central repository of product information can lead to version control, data protection, and data security issues. Product marketers may waste countless hours searching for the latest or most accurate information, engaging in “copy/paste championships,” and securing edits and approvals for product information via email. Inconsistency in product information is common, leaving the customer to wonder which version of the “truth” is accurate.

ORGANIZATIONAL SILOS

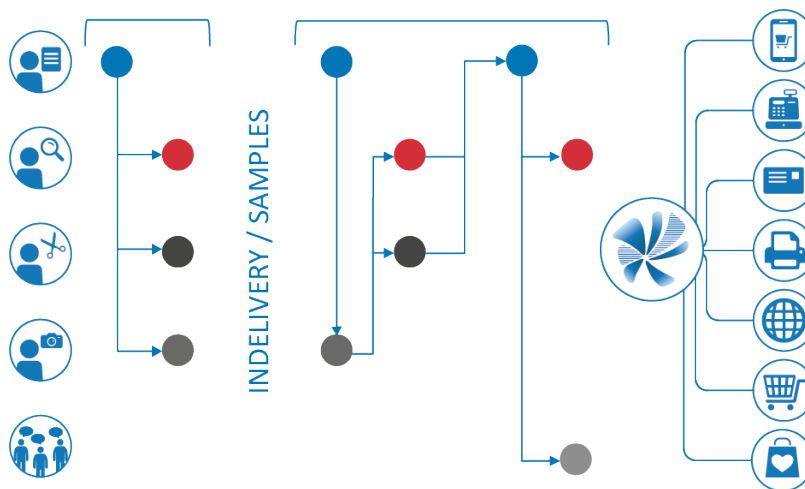
Another common scenario is that product information is handled independently for each sales channel, resulting in silos of information which then need to be coordinated, compared, and synchronized prior to being released to disparate channels. Because each channel requires different content and different types of content, it is common for companies to set up discrete systems, teams, and processes to manage each new channel and the accompanying information. This not only creates duplicate work, but also is a source of product information inconsistency across these channels. This situation is exacerbated as new channels are added and is further complicated when products are sold in different markets and translation is required.



THE PIM SOLUTION

A Product Information Management (PIM) solution is designed to address the challenges outlined above. A PIM is a solution that consolidates product data from ERP, PLM, or other systems with rich product content, such as copy/text, video, audio, and images. A PIM provides the mechanism to integrate with multiple marketing delivery channels. A PIM is, in essence, a business solution for selling, marketing, and merchandising products.

How a PIM differs from many enterprise-wide systems is that a PIM solution puts the ownership and control of product information into the hands of subject matter experts from within the business. A PIM solution handles the realm of enriched product information, unlike an omni-domain MDM that is concerned with all of the business information that is



associated with a business entity, such as inventory, shipping, customer, and transactional data. A PIM serves the needs of marketers, product managers, merchandizers, etc., and prioritizes the roles of those who put products into market. The software helps manage the workflow of onboarding and enriching source data, as well as moving product

information through the approval, publishing, and distribution processes. For global retailers, manufacturers, and distributors, a comprehensive PIM solution also provides automated translation and localization of product content, as well as the ability to manage the syndication of product information to both online channels—e-commerce engines, CMS

solutions, websites, and channel partner websites—and offline channels, such as printed catalogs and product data sheets. Some enterprise PIM solutions also provide tools to plan and execute product introductions, campaigns, and promotions. One key benefit of a PIM is that it does not try to be all things to all people. Product information management is designed for product marketers and others within the organization who touch product information that will be seen by downstream channel partners and customers. PIM is not designed for use by data analysts or data scientists, is not a replacement for PLM or transactional systems, and does not handle transactions or heavy analytics. However, PIM solutions are equipped to support those systems and processes.

“In data management terms, PIM is a data governance application for the business. In business terms, PIM is a merchandising business solution.”

– Michelle Goetz, Principal Analyst, Forrester , from “PIM: MDM on Business Terms.”

WHAT IS MDM?

In contrast to PIM, MDM is primarily a business capability, as opposed to a technology solution.

MDM refers to Master Data Management—that is, the management of the different types of data that are at the center of each enterprise activity and interaction with customers, suppliers, employees, and systems. Data stewards, analysts, and custodians are concerned with Master Data and their integrity, meta-data, elements, and insights. MDM may also be concerned with data governance, standards, and policies, and the tools and processes that are needed to support the management of these initiatives.

Enterprises develop a Master Data Management system of processes and tools to consolidate data elements from several disparate systems, with the objective of creating a single source of data truth, while eliminating duplication or corruption of data. This central repository is intended to create better and more accurate reporting and enable better monitoring and improvement of data quality. In addition, MDM can serve as an abstraction layer between or on top of ERP, CRM, PLM and other systems to make data exchange easier.

MDM is not a solution designed for marketers or designed to assist with the distribution of product information to disparate channels.

WHY PIM?

MDM and PIM are not mutually exclusive.

In fact, Product Information Management (PIM) takes advantage of the single source of data truth that is part of MDM. PIM systems augment product information downstream that have originated from an ERP or PLM that may be part of an MDM initiative. In addition, PIM consolidates product data that originates from external suppliers, internal teams, and that may reside outside of formal systems. PIM can, in fact, augment MDM efforts.

From a product marketing perspective, PIM can assist teams to take products to market faster. Having a complete and consistent source of product information can result in a better product and customer experience, by enabling the creation of better content for SEO, site navigation, and on-site search purposes. PIM also facilitates operational efficiencies within the product marketing and sales processes, reducing internal costs and enabling teams to launch products faster. Providing more compelling product “stories” to the marketplace can also increase conversion rates, reducing the number of product returns.

“Without PIM, the ability to [sell] across a diverse channel ecosystem and ever more complex product catalogs is an impossible task... organizations that don’t adopt PIM will lose their competitive edge.”

– Michelle Goetz, Principal Analyst, Forrester from “PIM: MDM on Business Terms.”

According to Forrester, a PIM application improves marketing efficiency by putting the ownership of product information into the hands of marketers, and by providing a central store of all product-related information and assets. This allows marketers to speed time-to-market and ensure consistency and accuracy across sales channels. An added benefit is the ability of upstream suppliers and partners to feed product data into the system and downstream partners and sellers to efficiently receive enriched, high-quality product information.

In a multi-domain environment, three points are important when managing content and product data:

- Time-to-market of your products
- Marketing your product offering
- Ease of sharing of information across channels

Your product offering is a domain that benefits from being fast and agile. You want your products to reach your customers as quickly as possible. To launch a new product or assortment, and promote it across all your sales channels requires that your product information be easy to consume and easy to distribute.

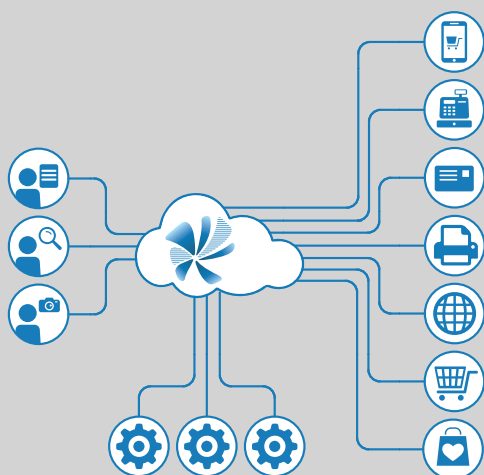
CONCLUSION

Your attracting channels—catalogs, direct marketing, email marketing, searches, ads etc.—are driving the attention of your customers and moving them to your converting channels, such as brick-and-mortar stores, mCommerce, and e-commerce, where they can ultimately make a purchase. By providing consistent information to your customers, you will give them the confidence they need to make that purchase. By managing your master-level product information in a structured and systematic way in one place, your organization will improve its business performance.

The focus of inRiver's PIM solution is to enrich and complete your product offering—making it more compelling for all your attracting and converting channels. inRiver PIM also integrates and works with multi-domain content, such as transactional, customer, supplier, BI and social content. All content within inRiver PIM is product-centric, enabling you to move product content quickly and easily across your sales channels.

inRiver Product Marketing Cloud offers:

Efficient data import: Automated processes for importing data and securing the quality of that data from other systems, suppliers, and users.



Easy integration: Flexible APIs and a micro-services architecture for easy integration to any system.

Excellent control: An integrated, holistic view of a product that is suited to that user's rights and needs.

Audit trail and versioning: A history that tracks field level changes to

existing information and provides rollback capabilities.

Flexible data model: A hub that represents the relationships and entities found in the product information, as well as a flexible and extendable attribution model.

Rapid data syndication: Effortless export of data into multiple file formats for any system, downstream partner, or marketplace.



MORE THAN 300 CUSTOMERS WITH 900 BRANDS AROUND THE WORLD RELY ON INRIVER.

inRiver is the market leader in Product Information Management (PIM) for B2C and B2B multi-channel commerce. Our powerful inRiver Product Marketing Cloud facilitates the creation, handling, and distribution of perfect product information to create a world-class customer experience across channels, in multiple languages.

Founded in 2007, inRiver is an award-winning and rapidly growing company with an extensive partner network. More than 900 globally recognized brands rely on inRiver's PIM platform to control the product flow. The company is headquartered in Malmö, Sweden, with offices in Chicago, London, Amsterdam, and Stockholm, and sales offices in Phoenix, and Istanbul.

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