

Survey: PIM awareness and implementation in Japan

The adoption of product information management gains momentum with the digitalization wave

Market Research Report
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Survey: PIM awareness and implementation in Japan

Introduction

Product information is broadly classified as master data, mainly consisting of product attributes and promotional information used in sales and marketing. It's often managed in various systems and spreadsheets within a company. As companies undergo a digital transformation in response to diversifying customer needs, marketing and sales professionals are expected to provide consistent information via digital touchpoints such as marketplaces, ecommerce sites, and apps.

This survey targeted employees involved in product information management in manufacturing and retail companies in Japan with more than 10,000 products. It aims to identify issues related to PIM in the increasingly digitalized manufacturing and retail industries, and to report for the first time in Japan on the state of PIM, one of the most important elements in digital transformation efforts today.

The survey revealed that, while there is a need to respond quickly to rapidly changing business needs such as ever-increasing data, diversifying sales channels, and increasingly complex customer needs, there's general concern about the "lack of centralization" when it comes to managing product information, as well as a need to improve business efficiency through integration with existing systems. PIM has become popular mainly among European and US companies. In Japan, PIM is being introduced by technology-driven companies, with PIM's adoption rate at 13%.

PIM (Product Information Management) is a solution that centrally manages various product-related information (master information) and data necessary for sales and marketing (promotion information) held by a company. PIM can help companies import data from enterprise systems, implement a collaborative workflow, and seamlessly integrate with various applications such as websites, catalogs, and ecommerce sites, enabling the distribution of high-quality product content across multiple channels.

Report summary

Japan's PIM adoption rate is over 10%, with 34% of respondents intending to use PIM

76%

of respondents find "the ability to centrally manage product data" an attractive PIM feature.

65%

of respondents say "it's important to convey information correctly" when selling products.

56%

of respondents believe that recovery costs are incurred due to incorrect product information.

24%

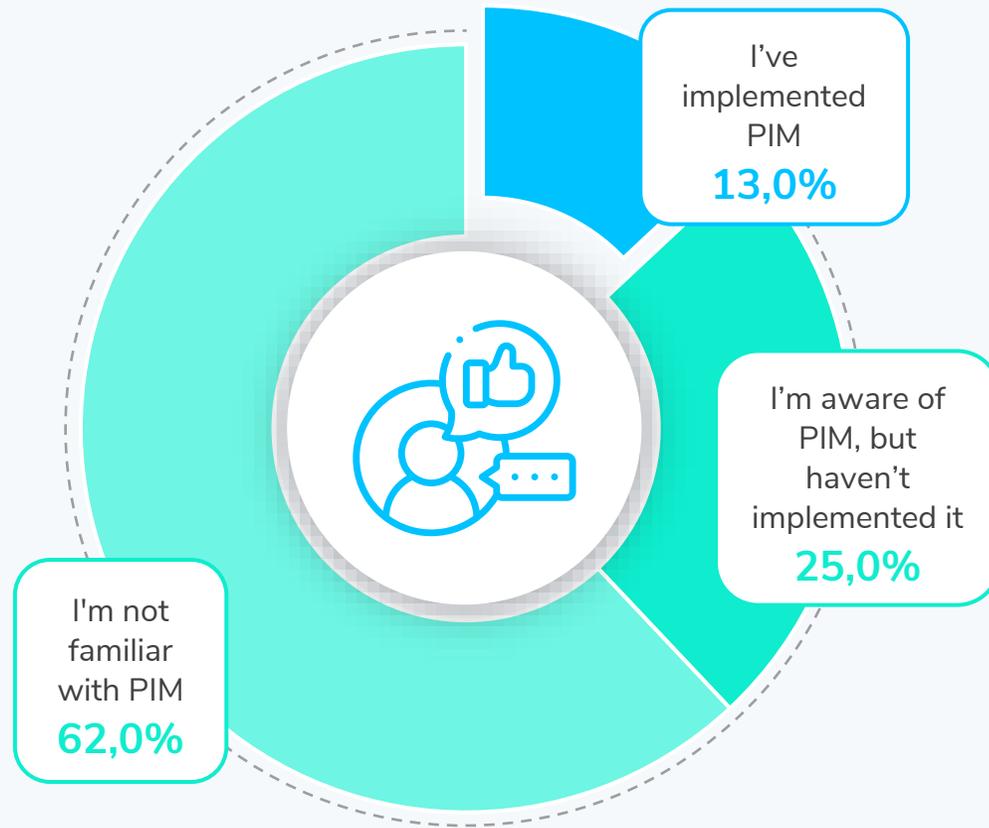
of respondents recognize "word of mouth" and social media posts as product data.

Survey summary

Purpose of the survey: To understand the status of product information management in the manufacturing and retail industries
Survey method: Web-based questionnaire
Audience: Employees from manufacturing and retail companies in Japan handling over 10K products
Number of valid responses: 300
Survey period: January 16-23, 2023

Survey conducted by Contentserv, Inc. on behalf of one, Inc.
Percentage of responses by industry, gender, and age group
Industry: Manufacturing 48%, distribution/wholesale/retail 44%, trading 8%.
Number of employees: 3,000~10,000 19.3%, 10,000 or more 35.3
Gender: 17% female, 83% male
Age group: 20s 4.3%, 30s 11%, 40s 26.7%, 50s 43.3%, 60s 13.7%

Product information management (PIM) adoption rate



(single answer, n=300)

Have you heard about PIM?

When asked about PIM's adoption rate, 13% of respondents said they have adopted PIM. The survey revealed that PIM's adoption is progressing among leading Japanese manufacturers and retailers that are aware that fragmented product information management hinders digital operations. Although the PIM's implementation rate was relatively low in Japan compared to Europe and the U.S., the awareness rate was 38%. When asked if they would use PIM, 34% of respondents said they were interested in using it in the future.

According to a study by Markets and Markets, the PIM market size is expected to grow from USD 12.2 Billion in 2022 to USD 23.8 Billion by 2027. The acceleration of digitalization and the rapid growth of ecommerce sales due to the pandemic has fueled the adoption of PIM in the retail and consumer goods sector to improve productivity, team collaboration, and data integration across channels.

Challenges faced by employees involved in product information management

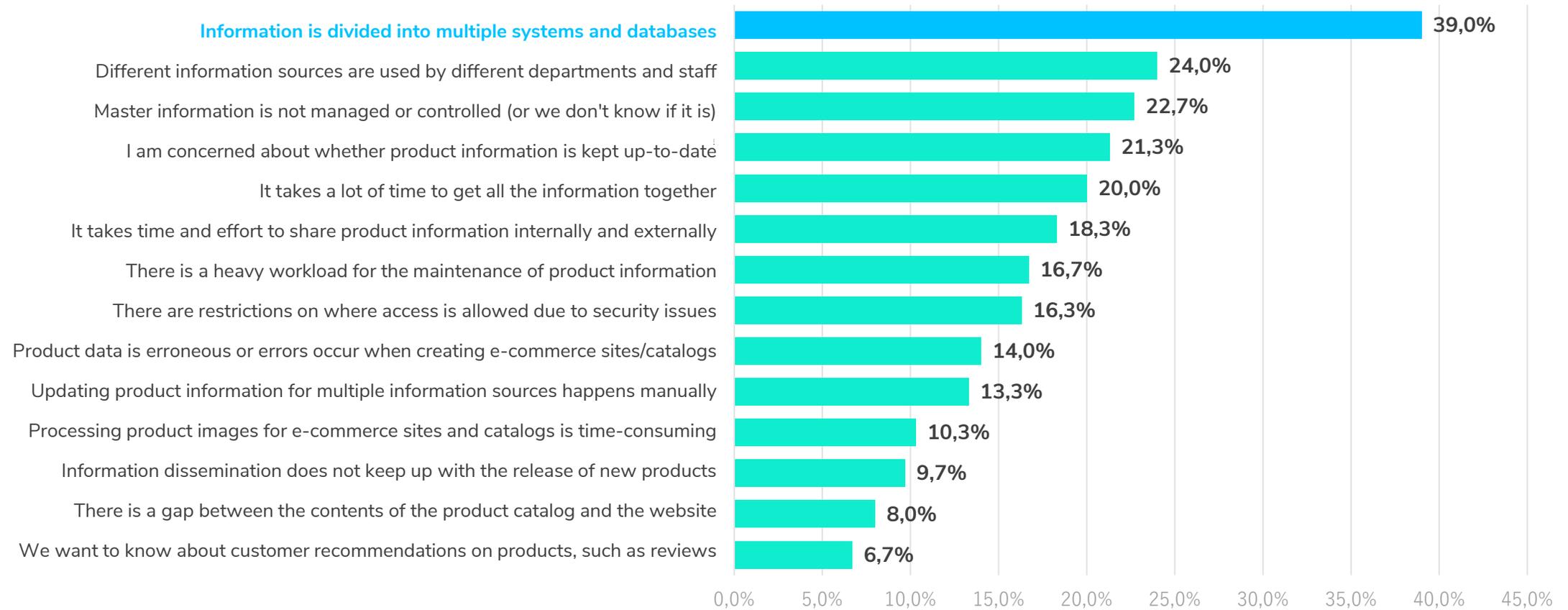
40% of all information is spread across multiple systems and databases



When asked about challenges in product information management, the top responses were "Product information is spread across multiple systems and databases," "Master data is not managed and controlled," "Product information isn't kept up-to-date," and "It takes time to prepare product information." Since product information is fragmented, respondents expressed concerns about the reliability and consistency of the collected information, as well as the time and effort required to create content.

When asked how many tools they use to collect product information, 49.7% said 2-3 or more, 20% said 4-5 or more, and 14.7% said 6 or more. This illustrates the difficulty of maintaining information gathered from different systems up-to-date.

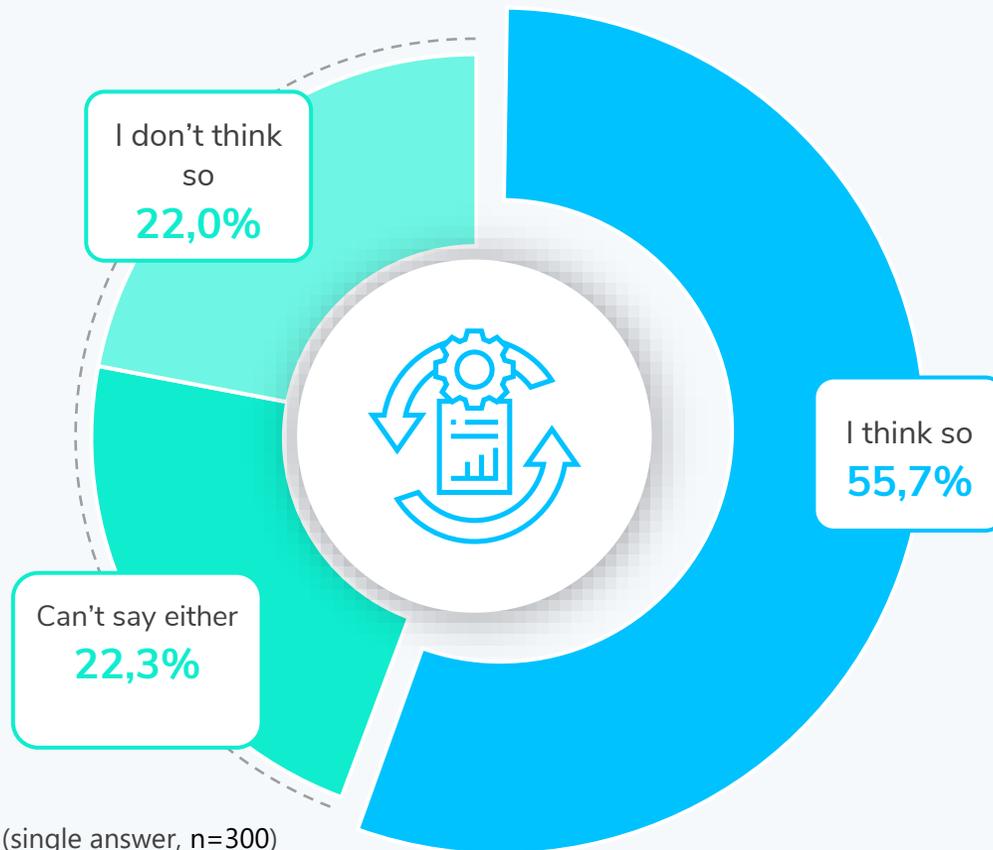
Recurring challenges with product information



(Multiple answers, n=300)

Recurring challenges with product information

56% of respondents have costs associated with incorrect product information



Do you anticipate additional costs with product information management errors?

26% of respondents answered "yes," 29.7% answered "somewhat agree," and 22.3% said "can't say either." More than 50% of respondents answered that they incurred recovery costs (*) due to incorrect product information. If information is not managed and optimized for each system and channel, it can result in outdated information and inconsistent messaging, which can impact brand value. Data governance, including data quality, workflow management, and approval processes, is a key part of brand management.

*"Recovery cost" here refers to the time required to update the correct information or the associated costs.

Recurring challenges with product information

When asked about challenges due to the lack of product information management, the following main problems were mentioned:



We provide outdated information to sales and distribution partners

The information sent out varies from distributor to distributor

We sell products to customers based on outdated information

Collected data isn't shared, so the exact work is being done twice

Recurring challenges with product information

Only 20% recognize "word of mouth" and "social media posts" as product data



When asked about product information management, we found that product attributes such as pricing, product descriptions, spec sheets, and technical details are at the core of the information companies manage. The decision-making factors involved in purchasing products have changed. In addition to the technical information provided by the company, customers now value "emotional" information, such as word-of-mouth, and product testimonials. In this survey, 20% of respondents answered that they consider word-of-mouth and feedback of other users' experiences on social media as part of product information.

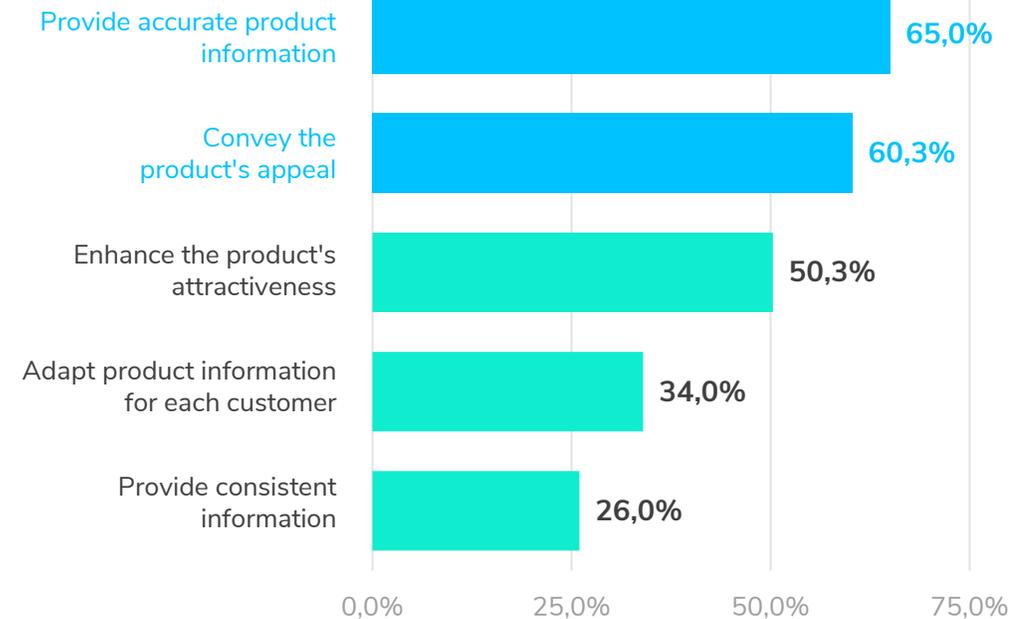
When asked if they thought that the appeal of their products was being conveyed correctly, 32.7% answered "not so much" and 5.3% answered "not at all," indicating that 40% of respondents felt that the appeal of their products was not being conveyed correctly. Without effectively managing and leveraging emotional information, it becomes more challenging to build strong connections with customers.

Intention to manage and use product information efficiently

More than 60% of respondents find it "important to convey information correctly"

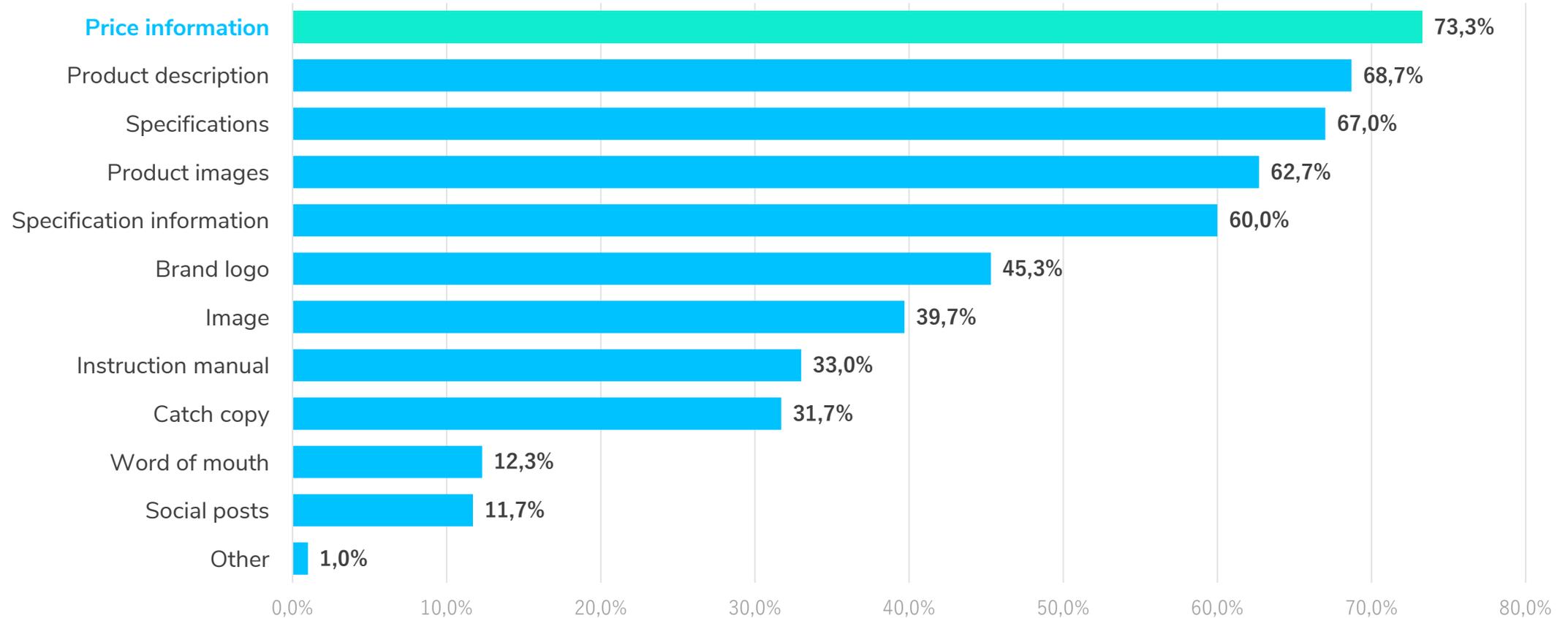
What do you consider important in marketing and sales when selling products?

More than 60% of respondents said "accurately providing product information" and "conveying the product's appeal." More than 30% of the respondents also think it's important to "adapt the product information for each customer". This suggests that in conveying a product's appeal, respondents recognize the importance of providing accurate and compelling product information in sales channels, personalized according to different customer needs.



(Multiple answers, n=300)

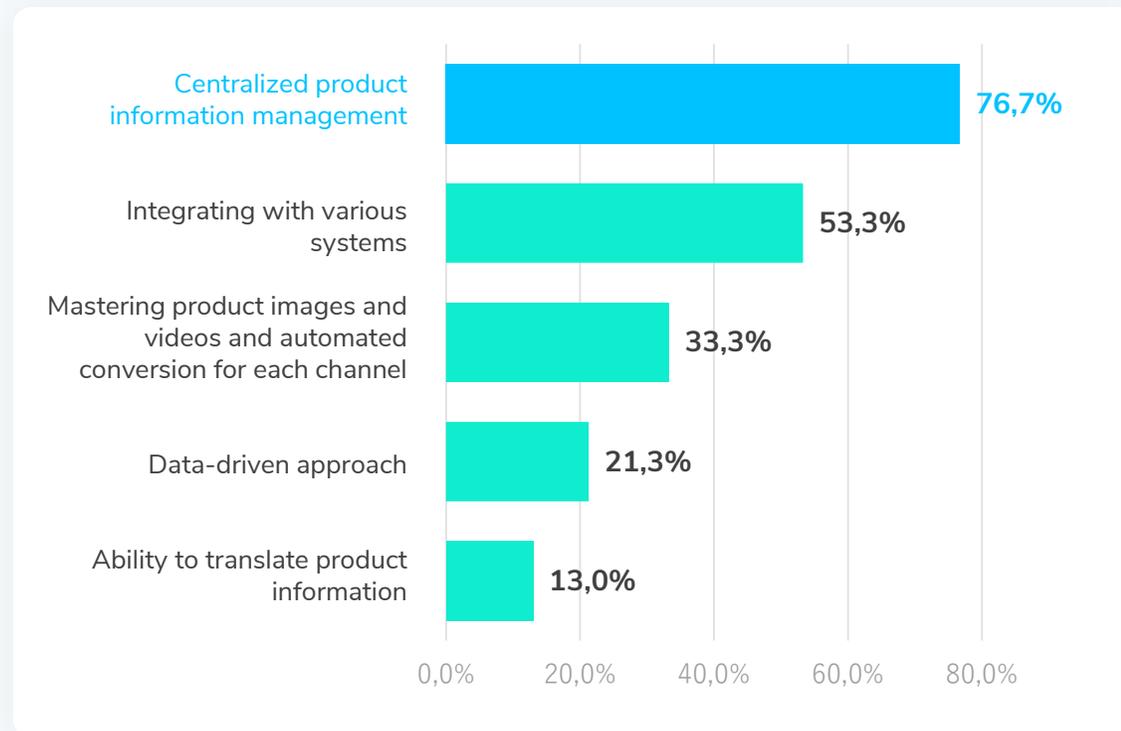
Types of product information handled by the company



(Multiple answers, n=300)

Intention to manage and use product information efficiently

Centralization is the major requirement for product information management



(Multiple answers, n=300)

Which features are key in managing product information?

What elements in product information management would help shorten the time-to-market and optimize the customer experience? The top answers are "centralized product data management," "integration with various systems," and "automatic conversion of master information such as product images and videos for each channel."

In managing product information, it's critical to streamline access to product data, centralize it, and optimize content creation to easily distribute product content on ecommerce sites and better promote the company's products.

PIM for efficient management of product information

An essential element in content management throughout the entire customer journey

PIM supports the delivery of product content across different channels, devices, and contexts by quickly and easily capturing the product information needed for effective marketing, verifying data integrity, and managing integration with relevant assets. It enables a cross-organizational content supply chain, from centralized product information management to streamlined content production.

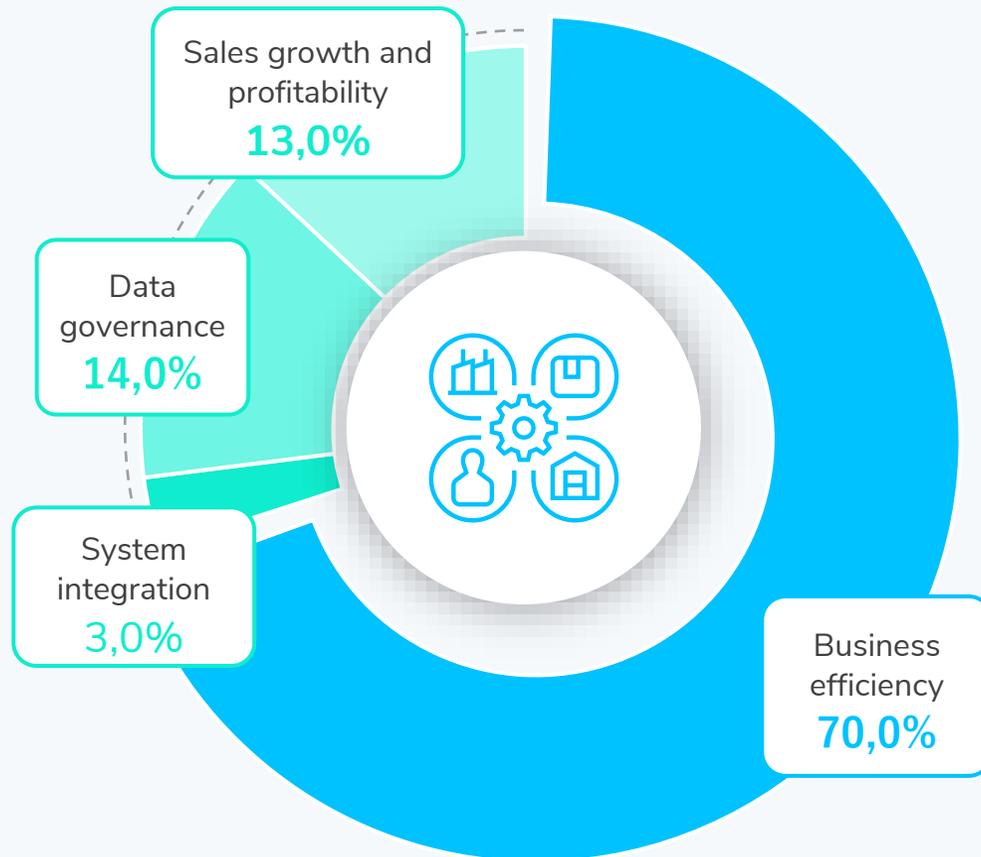
The concept of PIM emerged in the early 1990s when companies were selling mostly via printed catalogs. The impact of the Internet caused a paradigm shift in all industries, including retail, where products were bought and sold online. Then came the era of managing product data in an "item master" in an ERP. However, ERP is not the ideal solution to handle product information as it isn't designed to manage the attributes and digital assets needed for successful marketing and ecommerce initiatives.

Then, as the industry evolved into a multi-channel environment, PIM became more established in the mid-2000s; It emerged as a new centralized repository for all product information. It became clear that effective management of product information was essential for omnichannel marketing.



PIM for efficient management of product information

70% want to use PIM to increase "operational efficiency through centralized product information management"



When those who indicated they would like to implement PIM were asked why, 70% said "Improving operational efficiency through centralized product information management," 14% said, "Improving data governance and branding by ensuring accurate data," and 13% said, "Increasing sales and profitability."

Of those who answered "neither" to the question about whether they would like to use PIM, 70% said "I'm not familiar with the system," and 10% said "I've already introduced PIM," while the rest gave answers such as "It seems costly," "It's difficult to find a suitable system infrastructure and human resources," and "I'm interested in PIM, but don't see the need for it."

PIM for efficient management of product information

Benefits of a PIM implementation

PIM acts as a central hub that enables organizations to manage and standardize product information, improve collaboration with suppliers, and create rich, complete, and consistent product content. It not only simplifies processes and improves data quality, but also provides the flexibility to deliver content to an ever-growing number of marketplaces, resellers, and marketing channels.



Streamline business processes

Automate the workflow of existing processes to increase productivity and operational efficiency.



Reduce time-to-market

Automate quality checks, workflows, and multi-channel distribution to get products to market faster.



Improve data quality

Provide consistent and accurate data at all customer touchpoints.



Promote brand loyalty

Maintain brand consistency and foster an emotional connection with customers and partners.



Maintain compliance

Establish a seamless audit trail to track changes, including who made them, etc.



Provide a superior experience

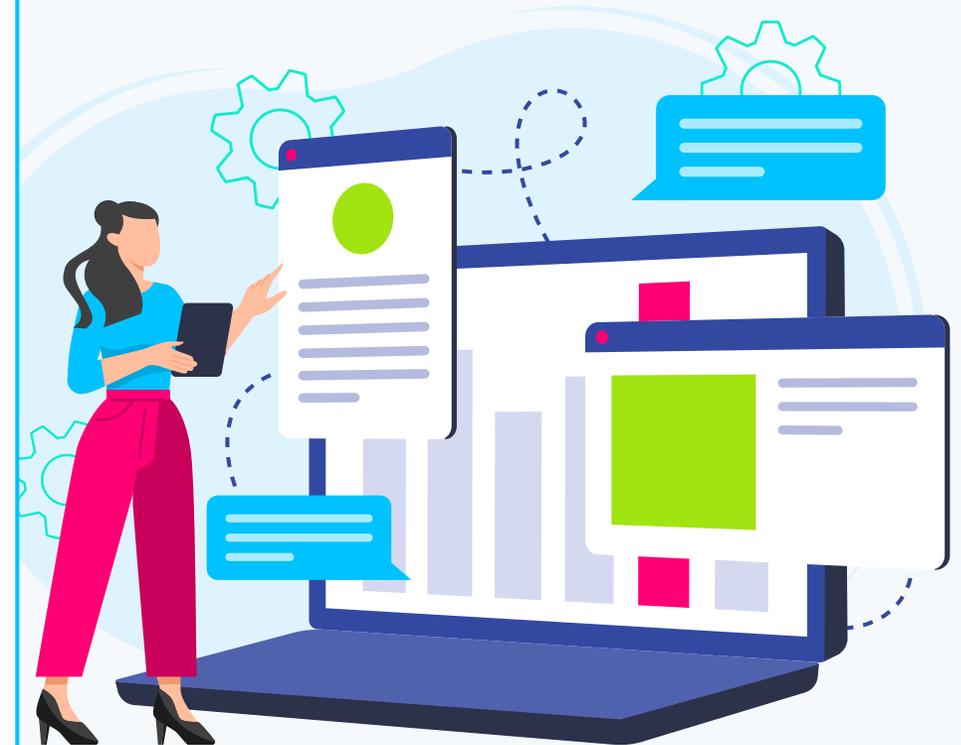
Enhance your omnichannel experience with consistent product data and rich digital assets.

Diversification of sales channels

How to respond to the increasing complexity of customer needs

Ever-increasing data, diversifying sales channels, and complex customer needs have fueled a digital shift. In an increasingly competitive market, a shorter time-to-market and a better customer experience are key differentiators. The survey found that although PIM's adoption rate² in Japan is still lower than in Europe and the U.S., more than 10% of companies have already implemented PIM, and the number of implementations as well as the awareness rate is on the rise.

The survey also found that those in charge of product information management recognize the importance of providing accurate and attractive product information tailored to various customer needs and stages of the customer journey across different touchpoints. If companies can resolve the current fragmented organizational and institutional issues and drive reforms, they can turn this into a competitive advantage.



² <https://researchinaction.de/wp-content/uploads/VSM-PIM-GL-2021-WWW.pdf>

Contentserv's integrated PIM solution

Improve your product content to create engaging product experiences

Contentserv Product Experience Cloud - An integrated PIM platform that centrally manages product data from various departments and systems, enabling a cross-organizational content supply chain while supporting a future-oriented digital business.

What can it do for you?



High volume of product content managed across the organization



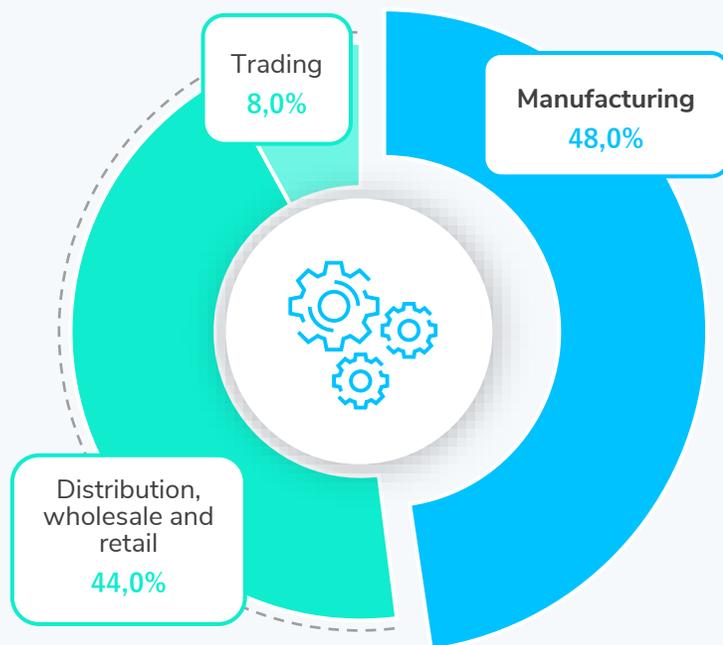
Enhanced collaboration and faster time-to-market



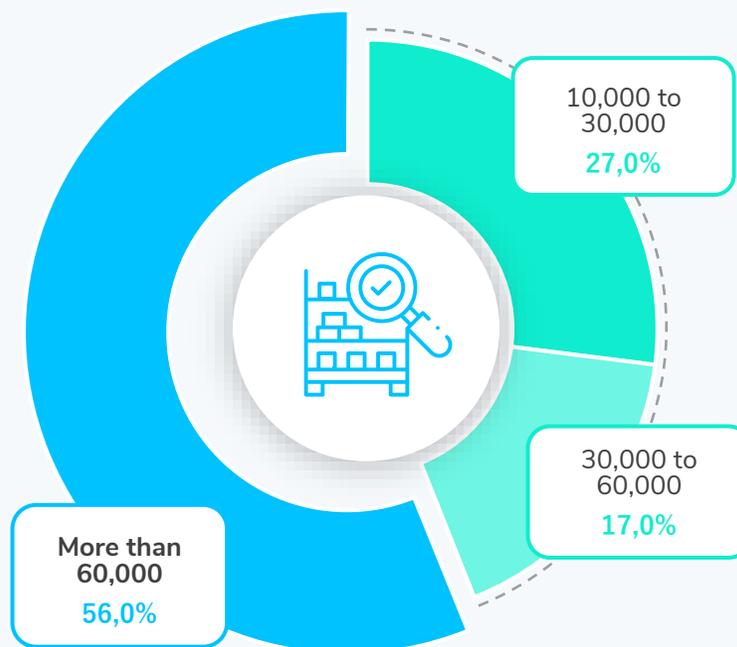
Unified buying experience across all channels and increased brand loyalty



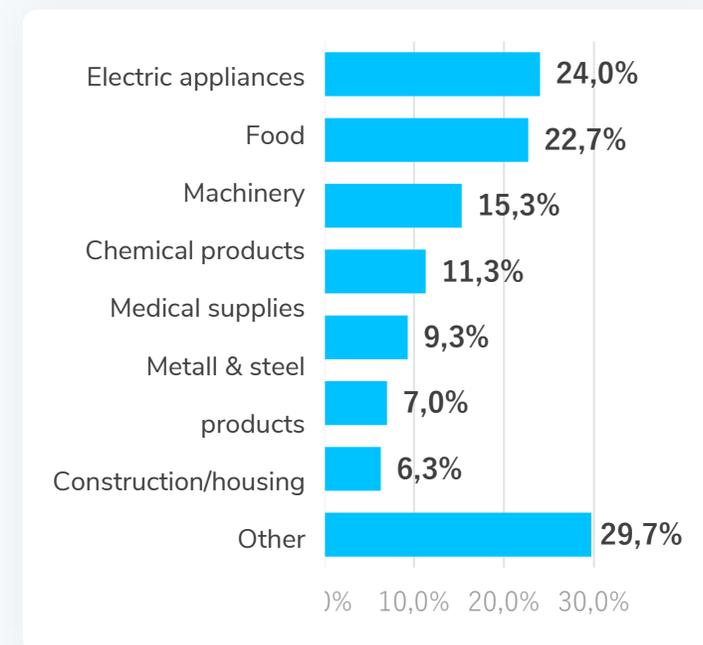
Appendix: Attributes of survey respondents



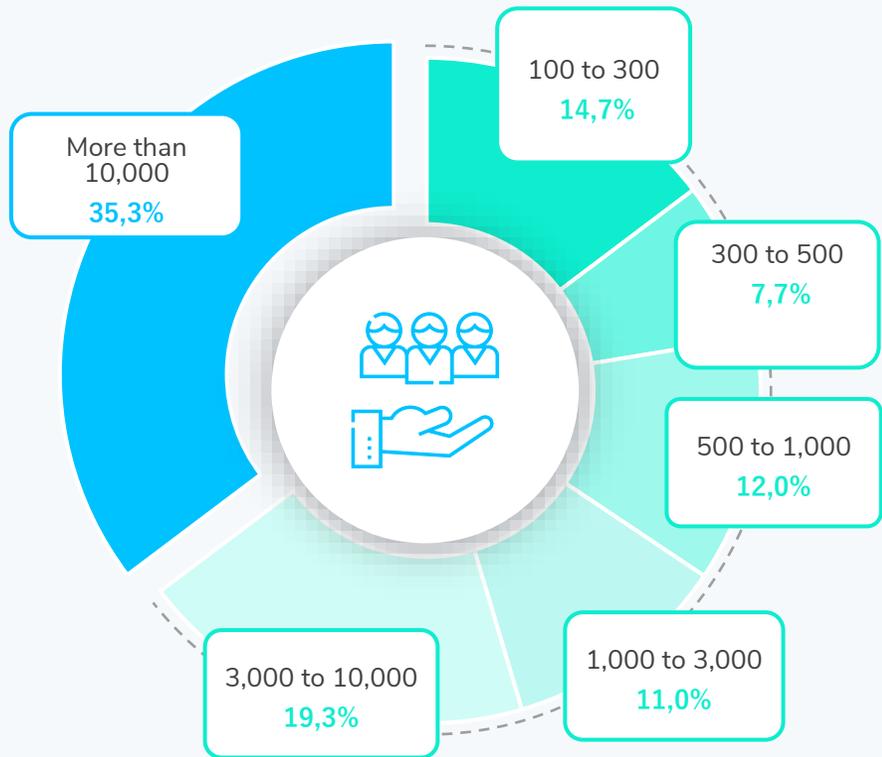
Industries



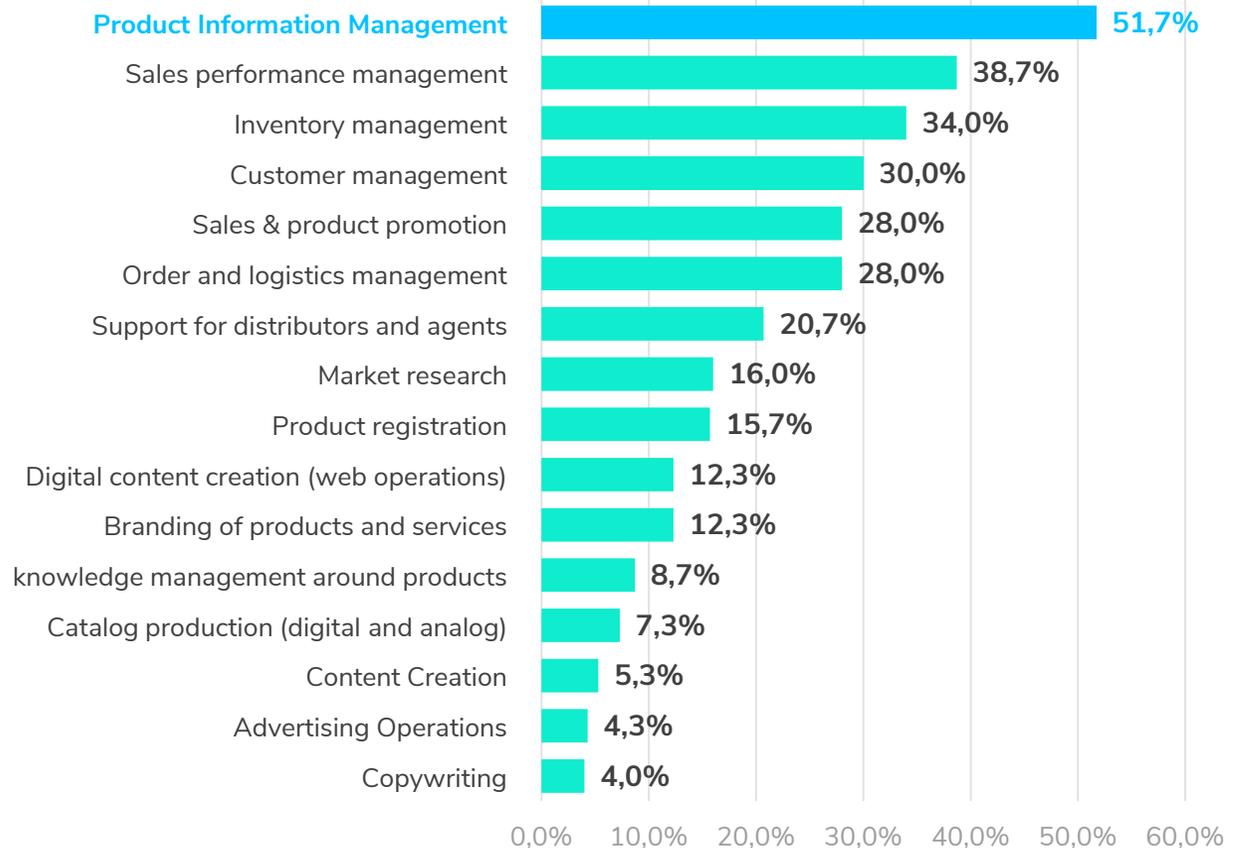
Number of products handled



Products



Number of employees



Specific tasks (multiple answers possible)

Get in touch

Learn how our Product Experience Cloud can help unlock the potential of your product information and deliver a superior customer experience.

Contact us →



