

IDC MarketScape

IDC MarketScape: Worldwide Product Information Management Applications for Commerce 2021 Vendor Assessment

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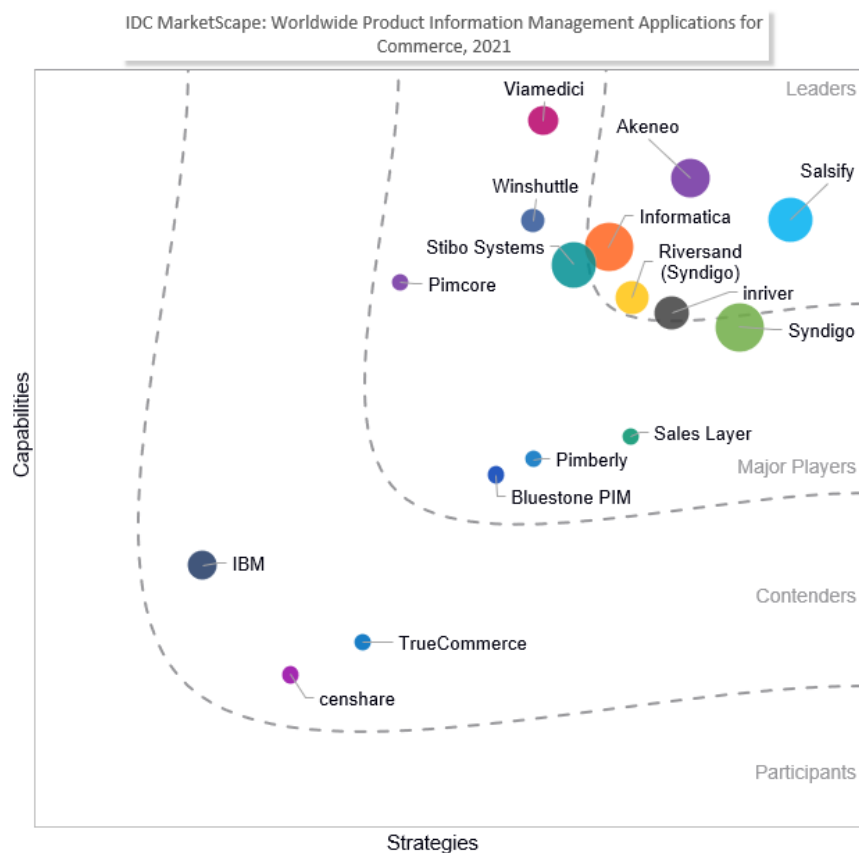
Marci Maddox

THIS IDC MARKETSCAPE EXCERPT FEATURES SALES LAYER

IDC MARKETSCAPE FIGURE

FIGURE 1

IDC MarketScape Worldwide Product Information Management Applications for Commerce Vendor Assessment



Source: IDC, 2021

Please see the Appendix for detailed methodology, market definition, and scoring criteria.

IN THIS EXCERPT

The content for this excerpt was taken directly from IDC MarketScape: Worldwide Product Information Management Applications for Commerce 2021 Vendor Assessment (Doc # US47482521). All or parts of the following sections are included in this excerpt: IDC Opinion, IDC MarketScape Vendor Inclusion Criteria, Essential Guidance, Vendor Summary Profile, Appendix and Learn More. Also included is Figure 1.

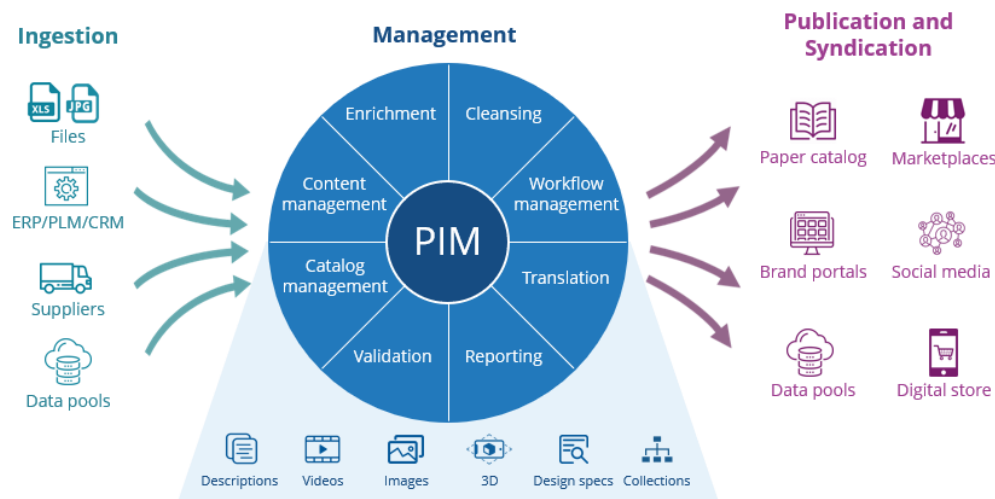
IDC OPINION

- Support content images, video, augmented reality, enhanced content, and other rich content required to effectively merchandize products
- Syndicate product data and content to a myriad of channels, including a proprietary store and digital marketplaces that utilize unique product taxonomies
- Offer portals that facilitate distribution of product data and content to the company's distribution network
- Rank higher in search engine, retailer, and marketplace algorithms
- Provide analytics to make smarter product merchandizing decisions and boost conversion
- Integrate with core commerce services, including inventory management, order management, and marketing automation

PIM applications for commerce (which may be positioned as product MDM, product content management, or product experience management solutions) offer a single system of truth for commerce that remedies these shortcomings. Figure 2 illustrates the key functions of PIM applications.

FIGURE 2

PIM: Better Product Data, Content, and Experiences for Digital Commerce



Note: See the Appendix section for addition details about what defines PIM applications for commerce.

Source: IDC, 2021

Importance of PIM in the End-to-End Customer Journey

Accurate, complete, and compelling product information is critical to all phases of the customer journey, from exploration through purchase and use to advocacy (see Figure 3). IDC believes the importance of PIM systems will only grow as a larger share of all transactions occur online, prompting organizations to seek out stronger customer relationships within both the creation and loyalty loops via engaging product stories.

FIGURE 3

PIM Improves the Entire Customer Journey



Source: IDC, 2021

IDC expects technology buyers will increasingly prioritize PIM applications that readily integrate with adjacent technologies such as digital commerce, content management, marketing automation, product life-cycle management, and ERP. Doing so enables online merchants to deliver modern digital experiences that enable them to tell richer stories about their products across the end-to-end customer journey. In addition, consumer and business buyers have increasingly shown demand for sustainable commerce initiatives, which aim to reduce the environmental and societal impacts of buying products online. PIM systems have a role to play here by improving transparency of the materials used to make products, exposing the carbon footprint associated with product manufacturing, and reducing returns by more accurately displaying products.

IDC MARKETSCOPE VENDOR INCLUSION CRITERIA

The vendor list for this evaluation consists of 16 vendors and was selected to depict the vendors that are most representative of any given PIM buyer's selection short list for digital commerce use cases. Inclusion criteria include:

- The vendor has an active customer base and is reported as seen in deals by other "PIM applications for commerce" vendors.
- The vendor meets IDC's definition for a PIM application for commerce in terms of functionality supported, including the ingestion, management, and publication/syndication of product information (both structured [data] and unstructured [content]) to facilitate digital commerce (see the Market Definition section and refer back Figure 2).
- The vendor's PIM application is qualified as "SaaS or cloud enabled."
- The vendor goes to market as a PIM application for digital commerce, specifically seeking out B2C and B2B online merchants.

ADVICE FOR TECHNOLOGY BUYERS

The need to deliver more engaging commerce experiences will demand more of PIM systems in the coming years. IDC advises technology buyers to look for the following when selecting a vendor:

- A cloud-native architecture, cloud-first strategy, and strong representation of customers that have deployed in the cloud (Cloud-based PIM systems deliver greater business value, faster innovation, and quicker time to market.)
- Intuitive user interfaces for all users who interact with the PIM (e.g., marketers, brand managers, ecommerce managers, data governance teams, developers, administrators, and suppliers)
- A modern, API-first, microservices-based architecture to ensure performance and ease of integration
- Innovation track record and a demonstrated ability to deliver enhancements on a regular cadence in a seamless manner, including automatic and frequent upgrades
- Out-of-the-box integrations to adjacent applications such as ERP, CRM, digital asset management (DAM), CMS, product life-cycle management, digital shelf analytics, and commerce systems to minimize custom code required
- Industry-specific capabilities that align to the buyer's use cases (e.g., retail, manufacturing, distribution, CPG, direct to consumer)
- Support for global commerce for organizations doing business in multiple geographies (e.g., support for multiple languages, currencies and measurement standards, publishing channels, and product data exchange standards)
- Digital asset management capabilities that support image, video, 3D, 360 spin, and emerging formats that are essential for effective merchandizing in today's digital channels
- Financial stability and ability to support future PIM applications for commerce requirements
- A strong partner and developer ecosystem for implementation, support, and technology integrations

VENDOR SUMMARY PROFILES

This section briefly explains IDC's key observations resulting in a vendor's position in the IDC MarketScape. While every vendor is evaluated against each of the criteria outlined in the Appendix, the description here provides a summary of each vendor's strengths and challenges.

Sales Layer

After a thorough evaluation of Sales Layer's strategy and capabilities, IDC has positioned the company in the Major Players category within this 2021 IDC MarketScape for PIM applications for commerce.

Sales Layer is a privately held vendor of PIM software. The company was founded in 2013 and is headquartered in Valencia, Spain, and London, the United Kingdom. The company's PIM offering, Sales Layer, is a multitenant SaaS PIM application built with ease of use and quick speed to market as primary tenants.

Quick facts about Sales Layer are:

- **Employees:** Over 55
- **Industry focus:** Retail, manufacturing, distribution, and wholesale
- **Cloud:** The application is cloud native, offered as multitenant SaaS and is deployed on AWS.
- **Pricing model:** Annual or monthly SaaS subscription fee based on the number of SKUs, users, or channels
- **Largest customer:** Largest PIM customers are managing over 800,000 products (over 3 million when accounting for variants) and over 5TB of digital assets on Sales Layer.
- **Number of customers:** Over 300 PIM customers worldwide
- **Partner ecosystem:** Has over 55 implementation partners and over 25 technology partners
- **Global reach:** PIM customers in over 33 countries

Strengths

- **Ease of use:** Customers and partner organizations we interviewed rated Sales Layer above average for its ease of use/user interface. One implementation partner commented, "I think this is the best thing in Sales Layer. You do not need to train users a lot, they just understand it, it is super easy."
- **Customer support:** Customers we interviewed rated Sales Layer best in class for its customer support satisfaction. One customer commented, "The Sales Layer team are very supportive, easy going, and responsive. I have never waited more than an hour for a customer service response."
- **Marketing focus:** Sales Layer is a PIM built for marketers and line-of-business users in general. As a result, the application is very streamlined and is designed for business user agility.

Challenges

- **Market presence:** Sales Layer is one of the smallest vendors in this evaluation and rarely shows up in deals outside of Western Europe. In addition, Sales Layer has few large enterprise customers at this time.

- **Partner program:** Partner organizations we interviewed rated Sales Layer below average for its partner program. One Sales Layer partner we interviewed said, "They are still developing the partner program, but it is getting better."
- **Workflow management:** Sales Layer's workflow management capabilities are weaker than many of the other vendors in this evaluation. The company has numerous workflow management initiatives on its product road map.

Consider Sales Layer When

Consider Sales Layer if you are a midsize enterprise with over 100 employees or 1,000 SKUs in the Americas or EMEA or if you are looking for a flexible and scalable, multitenant SaaS PIM offering that is business user friendly.

APPENDIX

Reading an IDC MarketScape Graph

For the purposes of this analysis, IDC divided potential key measures for success into two primary categories: capabilities and strategies.

Positioning on the y-axis reflects the vendor's current capabilities and menu of services and how well aligned the vendor is to customer needs. The capabilities category focuses on the capabilities of the company and product today, here and now. Under this category, IDC analysts will look at how well a vendor is building/delivering capabilities that enable it to execute its chosen strategy in the market.

Positioning on the x-axis, or strategies axis, indicates how well the vendor's future strategy aligns with what customers will require in three to five years. The strategies category focuses on high-level decisions and underlying assumptions about offerings, customer segments, and business and go-to-market plans for the next three to five years.

The size of the individual vendor markers in the IDC MarketScape represents the market share of each individual vendor within the specific market segment being assessed.

IDC MarketScape Methodology

IDC MarketScape criteria selection, weightings, and vendor scores represent well-researched IDC judgment about the market and specific vendors. IDC analysts tailor the range of standard characteristics by which vendors are measured through structured discussions, surveys, and interviews with market leaders, participants, and end users. Market weightings are based on user interviews, buyer surveys, and the input of IDC experts in each market. IDC analysts base individual vendor scores, and ultimately vendor positions on the IDC MarketScape, on detailed surveys and interviews with the vendors, publicly available information, and end-user experiences in an effort to provide an accurate and consistent assessment of each vendor's characteristics, behavior, and capability.

Market Definition

PIM applications provide a centralized platform to manage product and service data for digital commerce. Organizations use PIM applications to ensure the consistency and quality of product data and content. PIM applications collect information from a wide array of sources and consolidate/format

it into a single source of product information, identify and fix problematic data, and push product information out to a wide range of digital and physical channels involved in customer journeys.

PIM applications originating from the data integration and intelligence market can be thought of as a subcategory of, or related capability to, product-focused master data management (MDM), PIM applications coming from the persuasive content management market originated to bring rich content to the product experience, and PIM applications coming from digital commerce vendors reflect the need for systems that are more all-encompassing than standalone catalog software.

PIM applications for digital commerce should be able to satisfy the following functions:

- Collect and unify product information from various separate files and systems into one source.
- Identify and fix inconsistent data.
- Automate data and digital commerce business processes.
- Provide search functionality for products/services.
- Create and manage categories to organize products/services.
- Push products/information out to sales, social media, marketing channels, and marketplaces.

In summary, the key functions of PIM applications are:

- **Ingestion:** PIM applications provide user interfaces, connectors, and APIs that enable organizations to import product data and content from a wide array of sources including files, other enterprise systems, supplier systems, and data pools. An important aspect of ingestion is mapping data and content from these sources to product hierarchies in the PIM.
- **Management:** PIM applications enable organizations to define product hierarchies or taxonomies, product attributes, product variants, and relationships between products. They manage both structured and unstructured (content) product information and generally support enrichment for multiple languages, geographies, channels, and so forth. Key capabilities include the ability to set up and enforce data validation rules, deduplicate product records, identify and connect product variants, and manage the data quality process. Generally, PIM applications provide capabilities for task management (review and approval) and potentially more advanced workflow to support the completion of product information along with analytical dashboards/reporting that guide people responsible for product data quality. Vendors are starting to leverage AI/ML to partially automate some of these tasks.
- **Syndication/publication:** PIM applications provide various export options that enable organizations to distribute product information to "downstream" channels and distribution partners. These may include export to files, connectors to digital commerce systems, integrations to data pools and popular digital marketplaces, and portals. A key requirement for customers selling through digital marketplaces is the ability to map export formats to the specific product hierarchies and taxonomies required by the specific marketplace.

LEARN MORE

Related Research

- *Worldwide Persuasive Content Management Applications Market Shares, 2020: Market Leaders Shift as Cloud-Based Solutions Gain Traction* (IDC #US46252521, May 2021)
- *IDC Market Glance: Digital Commerce Software, 1Q21* (IDC #US47124321, March 2021)

- *Worldwide Product Information Management and Syndication Applications Forecast, 2020-2024* (IDC #US45737220, December 2020)
- *Market Analysis Perspective: Worldwide Product Information Management Software, 2020* (IDC #US46875820, September 2020)
- *IDC MarketScape: Worldwide Product Information Management Applications for Commerce 2019-2020 Vendor Assessment* (IDC #US45353419, December 2019)

Synopsis

This IDC study provides an assessment of the primary PIM application vendors for digital commerce use cases. The study also discusses what criteria are most important for companies to consider when selecting a system.

"Recent acceleration in the digital commerce market has raised the stakes for every B2C and B2B merchant to sell online effectively. Product information has a vital role in digital commerce well beyond the standard product detail page. Online merchants rely on PIM systems to inform customers about products, tell brand stories, sell across channels, facilitate collaboration with suppliers, merchandize products, deliver enhanced content, inform customer service reps, and much more," says Jordan Jewell, research director of IDC's Digital Commerce program. "Having the right PIM application enables organizations to achieve these goals and ultimately grow faster than their competition."

About IDC

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