FORRESTER®

Product Data Fuels The Customer Experience

A Comprehensive Strategy And Solution Are Required To Optimize Commerce Success

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Product Experience Expectations Demand A Modern Content Management Approach

As digital increasingly influences commerce, shoppers demand more — and more relevant — digital content during their buying journey. As companies ramp up product content to win and delight customers across the digital shelf, they face two challenges: 1) how to manage product data, rich media, and branded content across complex and often disconnected systems and 2) how to deliver more compelling product content across channels at scale. In the current environment, both are highly manual and ultimately ineffective at many organizations.[1]

Syndigo commissioned Forrester to explore the current state of product content management. In surveying 360 product content strategy leaders, we found that, while many decision-makers understand the importance of product data in executing on top business priorities, the lack of a modern solution prevents them from consistently delivering the right data in the right place at the right time.

Key Findings

Harnessing data to improve product content is key to delivering on digital experience strategies and driving commerce growth.

Companies struggle to efficiently manage descriptive and creative product content across channels due to siloed data sources and changing channel requirements.

Leaders crave an end-to-end solution that centralizes all product data to better deliver engaging product content to their customers, which ultimately drives growth.

The "Must Win" Battleground Is Digital CX

As businesses accelerate their digital transformation efforts, brands must win through experience on digital channels to promote growth. Survey respondents report their organization's top priorities are to drive growth, improve customer experience (CX), and grow e-commerce presence. Winning the experience across digital shelves requires more insight on e-commerce performance, consumer behavior, and competitors. Respondents seek to use behavioral and sales data to understand and replicate what they and their competitors are doing well to engage customers throughout the buying journey.

★ **Winning the digital shelf is a brand priority. Access to analytics and behavioral data is a top need.**

"Which of the following are your organization's top business priorities?"

1 Improve customer experience

2 Drive growth

3 Grow our e-commerce presence

"Which of the following are most important to executing on your top business priorities?"

1 E-commerce analytics data

2 Shopper/consumer behavior data

3 Market/competitive data

FORRESTER OPPORTUNITY SNAPSHOT: A CUSTOM STUDY COMMISSIONED BY SYNDIGO | APRIL 2021

Base: 360 global director+ decision-makers for product content management strategy
Source: A commissioned study by Forrester Consulting on behalf of Syndigo, February 2021

Compelling Product Content Is The Customer Experience

Customers crave compelling, rich content that allows them to become experts in their purchase journeys. This elevates the role of product data in executing digital experience strategies; it lays the foundation for customers to discover, compare, purchase, and engage with the products that best meet their needs.[2]

More than half of respondents (54%) recognize that improving the quality of their product content is the key to e-commerce success. However, improved product content isn't just about the data itself — leaders must refine their understanding of customers' product information needs (52%), as well as modernize (49%) and better integrate (53%) their core product management technologies.

"Which of the following e-commerce-related actions are most important to achieving your organization's top business priorities?"

54%
Improving the quality of our product content

53%
Better integrating our core technologies for managing product content

52%
Improving our understanding of our customers' product information needs and interests

50%
Improving the customer experience on our own e-commerce site

49%
Modernizing our core technologies for managing product content

45%
Increasing our product sales through existing channels/marketplaces

43%
Increasing the number of channels we sell through

34%
Defining KPIs that matter most to achieving our e-commerce priorities

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You Can't Improve What You Can't Measure

Sixty-three percent of respondents struggle to create compelling, rich product content. Many are unable to marry and measure the different data sources required to build effective and engaging product experiences. In fact, 66% of respondents struggle to integrate all data sources to create a more holistic view. And, although only 34% of respondents believe there's work to be done in developing meaningful e-commerce KPIs, 64% report they have difficulty measuring the effectiveness of product content in driving business outcomes.

"Our organization struggles to ..."

● Agree ● Strongly agree

66% Integrate all our data sources for a more holistic view.

64% Measure the effectiveness of product content in driving sales/business outcomes.

64% Keep up with the changing content requirements/standards of our retailer/recipient partners.

63% Create compelling rich product content.

62% Publish rich product content to all our sales channels.

62% Measure real-time performance to prioritize better content.

60% Find and develop skill sets to manage product content.

60% Justify the investment to improve or increase the variety of product content.

60% Understand where our content doesn't meet partner specifications.

59% Understand why partners reject product content.

Base: 360 global director+ decision-makers for product content management strategy
Source: A commissioned study by Forrester Consulting on behalf of Syndigo, February 2021

More Barriers To Winning The Digital Experience: Disjointed Data Sources And Moving Goal Posts

Centralizing product content in the current omnichannel marketplace is a necessity, but many product management approaches are not well-suited for the scale and requirements of today's fast-moving retail environment. Respondents' biggest hurdle to leveraging product data effectively is that it's spread across multiple tools and data sources. Because of these disjointed systems, manual labor is required to upload and update product content. A lack of automated processes and syndication makes a grueling task of keeping up with ever-changing partner requirements and regulations, which is also a top challenge for respondents.

"What are the top challenges your organization faces with leveraging product data as a part of your e-commerce strategy?"

1 Our product data is spread across multiple tools/data sources.

2 Managing different channel/recipient requirements is difficult.

3 We struggle to understand whether content assets are resonating with shoppers.

4 Meeting regulations/ensuring data compliance is difficult.

5 We struggle to validate our retail partners are displaying content correctly.

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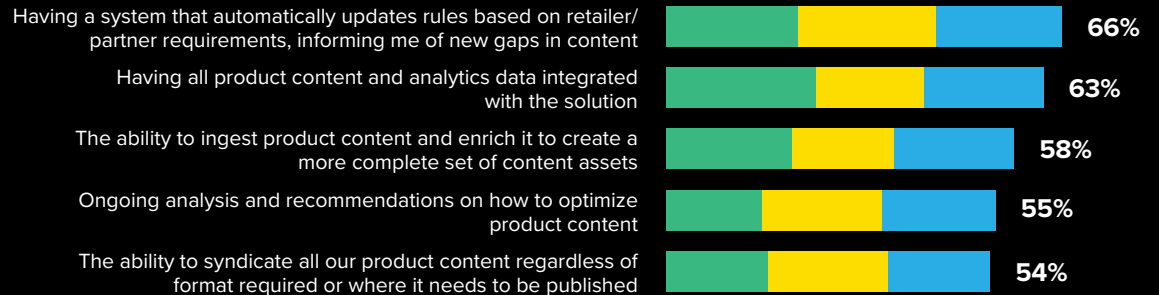## End-To-End Solutions Help Organizations Shift From Managing Data To Optimizing Experiences

Nearly all respondents believe that having an end-to-end solution to create, manage, syndicate, enrich, and optimize product data would be valuable in helping them overcome their integration, measurement, and management woes. The number one capability they seek is the automatic updating of rules based on partner requirements to provide an accurate and complete understanding of current content gaps. Full integration is also important to 63% of leaders and is required to reap the full benefits of a modern, end-to-end solution.

Brands seek content that is ready for retailer integration in an end-to-end solution.

94%

"How valuable would it be to have an end-to-end solution that could create, manage, syndicate, enrich, and optimize all your product content?"
(Showing Valuable/ Extremely valuable)

"Which of the following features of such a solution would be most valuable to your organization?"

(Showing top ranked) ● Rank 1 ● Rank 2 ● Rank 3

Having a system that automatically updates rules based on retailer/ partner requirements, informing me of new gaps in content **66%**

Having all product content and analytics data integrated with the solution **63%**

The ability to ingest product content and enrich it to create a more complete set of content assets **58%**

Ongoing analysis and recommendations on how to optimize product content **55%**

The ability to syndicate all our product content regardless of format required or where it needs to be published **54%**

Base: 360 global director+ decision-makers for product content management strategy
Source: A commissioned study by Forrester Consulting on behalf of Syndigo, February 2021

Modern Product Content Tools Help Drive Better CX — And Ultimately, Growth

Product data fuels the customer experience. Shoppers want information that is accurate, complete, relevant, and accessible.[3] Organizations that adopt a modern platform to manage and syndicate product data — supported by rich media assets and detailed content analytics — can better execute on omnichannel strategies, pivot faster to new revenue streams, and adapt content collections over time to improve customer experiences. In fact, respondents expect that adopting such solutions will enable them to deliver on their top business priorities of driving growth via improved CX (61%), increased profitability (60%), higher sales conversions (51%), and customer retention (55%).

"What benefits have/would you expect to see if your organization invested in implementing and well-integrating modern product content solutions?"

61%
Improved customer experience

60%
Increased profitability

55%
Higher customer retention

51%
Higher conversions/sales

42%
Reduced cost

42%
Faster time-to-market

41%
Improved employee experience

40%
Reduced risk

26%
Fewer returns

Conclusion

Product data is key to delivering on digital experience strategies and driving commerce growth. While not often considered a top driver of CX, product data is integral to how customers discover, compare, purchase, and engage throughout their buying journey.

- Improving the quality of product content is paramount to achieving e-commerce and overall business priorities.

- Many firms struggle to efficiently use product data because of the manual effort and time investment, whether that be tracking down attribute requirements, coordinating descriptions across different systems, or updating content to meet constantly changing channel requirements.

- End-to-end solutions that integrate all product data and processes enable leaders to better deliver engaging product content to their customers, which ultimately drives growth.

Project Director:

Mandy Polacek,
Market Impact Consultant

Contributing Research:

Forrester's Application Development and Delivery research group

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Methodology

This Opportunity Snapshot was commissioned by Syndigo. To create this profile, Forrester Consulting conducted an online survey of 360 senior product content management strategy leaders. All respondents were directors, vice presidents, or C-level executives representing the B2C or B2B2C parts of their business. The custom survey began and was completed in February 2021.

ENDNOTES

[1] Source: "PIM And DAM Are The Power Couple For Your Content Strategy," Forrester Research, Inc., October 29, 2020.

[2] Source: "Forrester Infographic: Focus On Digital Customer Experience Puts PIM In The Spotlight," Forrester Research, Inc., September 21, 2020.

[3] Ibid.

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Forrester Consulting provides independent and objective research-based consulting to help leaders succeed in their organizations. Ranging in scope from a short strategy session to custom projects, Forrester's Consulting services connect you directly with research analysts who apply expert insight to your specific business challenges. For more information, visit forrester.com/consulting.

Demographics

REGION

North America: 41%
LATAM: 29%
EMEA: 29%

INDUSTRY (TOP 5)

OTC pharmaceuticals: 16%
Food and/or beverage: 15%
Consumer electronics: 15%
Other consumer goods: 11%
Technology and/or tech services: 9%

DEPARTMENT

Marketing/advertising: 44%
Sales: 27%
Product: 20%
IT: 10%

COMPANY SIZE

>$5B: 11%
$1B to $5B: 22%
$500M to $999M: 25%
$400M to $499M: 24%
$250M to $399M: 18%

Note: Percentages may not total 100 because of rounding.