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# The Future of PIM and PXM:

Trends to Watch in 2025

# INTRODUCTION

Whether you've been in commerce for a couple of years or a couple of decades, one thing doesn't change: the entire industry will always bend to the whims of consumers. The last couple of years have shown that buyers are becoming more diverse and exacting in what they expect from their favorite brands. In a golden age of technology and information, consumers don't just want to be marketed to; they expect to be better informed about the products that catch their eye and for the customer journey to be frictionless from the very first touchpoint all the way to the last. As a brand, retailer, manufacturer, or distributor, this monumental task falls squarely on your shoulders.

How exactly does one keep up with the ever-shifting customer expectations and ideally stay ahead? Well, the answer lies in how you manage product information and product experience. Fortunately, brands and manufacturers can readily turn to Product Information Management (PIM) software to turn raw product data into profitable opportunities and Product Experience Management (PXM) software to create compelling, personalized product stories for every single customer.

However, having the right tools in your tech stack isn't nearly enough to keep up with the volatile digital commerce industry and stay ahead of the competition. Brands also need to anticipate the shifts that will no doubt affect market landscapes, influence technological advancements, and shape consumer expectations. In this guide, we'll explore trends that point toward emerging changes and trends signifying developments that could affect your brand in the long-term.



# INTEGRATION OF **FEEDBACK MECHANISMS**

Customer feedback is a valuable tool that experienced leadership teams can easily turn into actionable insights to improve customer experience. This year, experts are predicting that integration of feedback mechanisms into PIM and PXM systems will take the center stage. Why? Because customer satisfaction and brand loyalty are more important now than ever. Positive and consistent product experiences only help to reduce the friction in the purchasing process.

While having a PIM system can significantly cut down the effort involved in sorting through all this new incoming data, there are other ways to make the process more efficient.



## PICK YOUR **SOURCES**

By far the most challenging part of this endeavor would be selecting which sources to prioritize over any others. After all, there are so many places where feedback could come from—surveys, contact forms, social media mentions, product reviews, on-site activities, etc. At the end of the day, your choice will depend on what data you want to collect and which customer feedback channel works best for your goals.



## CONSOLIDATE **FEEDBACK**

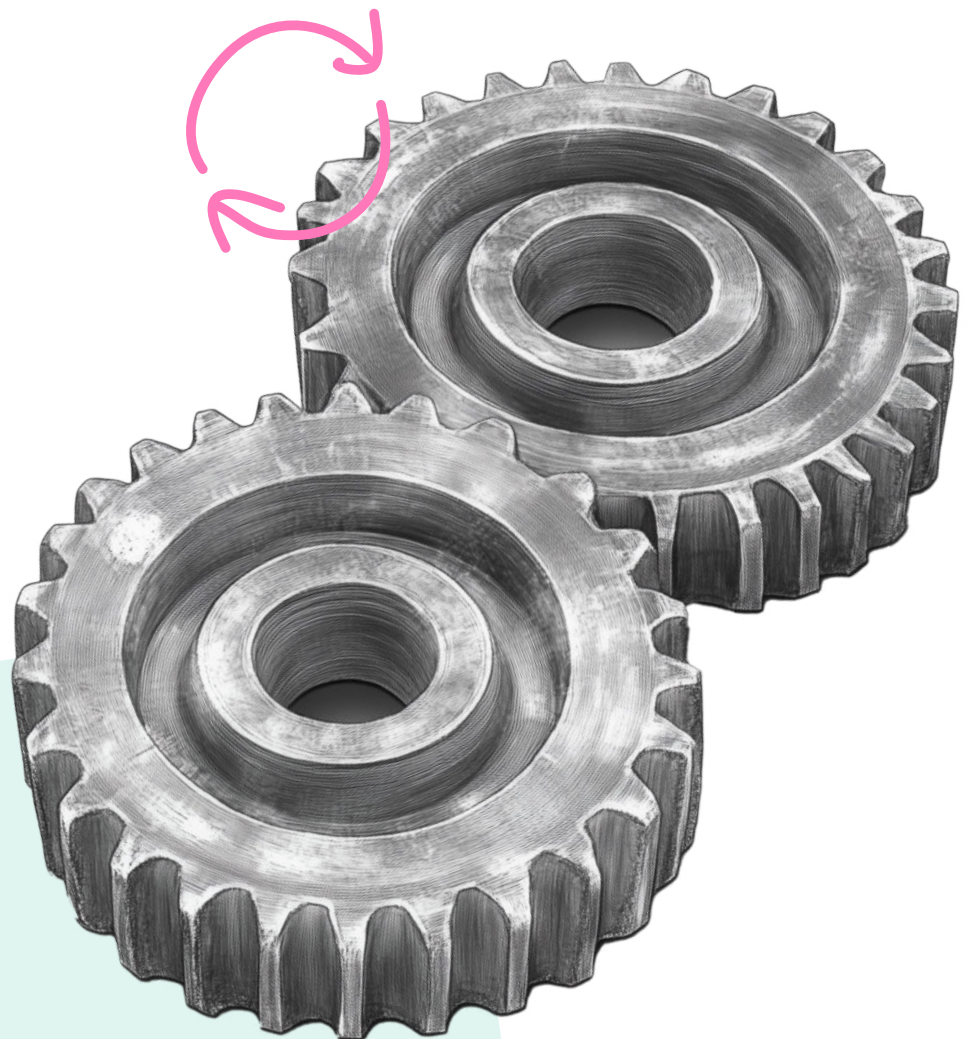
While you should value customer feedback, it's worth remembering that it's all just noise until you can gather all the data into one place. This will help you better understand what you're up against. Typically, most feedback from users just details pain points specific to them. Your team then has to contextualize all the data, find the root problems that need to be addressed, and implement it into the product management process.



## USE DATA TO IMPROVE

There's no reason to gather customer feedback unless it leads to positive change that aligns with your business objectives. For example, let's say that a recent survey has revealed that most users find your e-commerce site's UI confusing. You must be willing to invest resources in fixing the issue. Otherwise, you'll have wasted not just your time, but that of your customers' as well.

Of course, it's also important to remember that feedback gathering shouldn't just be a one-off process; it should be treated as a cycle. Regularly seeking feedback through tried and tested methods fosters a culture of unceasing improvement within your organization and encourages employees to not only take customer input seriously, but act on it.



# RISE OF DATA LAKES

A data lake is a centralized repository designed to store, process, and secure vast volumes of data that can be structured, semi-structured, or unstructured. Compared to data warehouses that rely on traditional hierarchical structures and predefined schemas, data lakes use a flat architecture and object storage to store data. This provides data lakes with a more flexible, scalable, and secure platform that allows organizations to ingest any data from any system at any speed, even before a specific use case has been identified. In the context of PIM, data lakes offer the unique advantage of combining structured, static PIM data with dynamic semi-structured or unstructured data. This is particularly helpful in understanding and optimizing purchasing experiences.

## DATA LAKE VS DATA WAREHOUSE

|               | Data Warehouse   | Data Lake   |
|---------------|--|---|
| Data Types    | Structured data only   | Structured, semi-structured, unstructured (raw)   |
| Cost          | \$\$\$   | \$  |
| Format        | Closed, proprietary format   | Open format   |
| Scalability   | Scaling can become exponentially more expensive dependent on vendor costs  | Can scale to hold any amount of data at minimal cost, regardless of type  |
| Optimized For | Query performance  | Data storage and processing flexibility   |
| Data Quality  | Highly curated data that serves as the central version of the truth  | Any and all data that may or may yet be curated (e.g., raw data)  |
| Processing    | ETL (Extract, Transform, and Load) – data transforms on a separate processing server before being transferred to the warehouse | ELT (Extract, Load, Transform) – data is transformed directly within the warehouse itself, eliminating the need for a staging process |
| Analytics     | Reporting, Business Intelligence (BI), and visualizations  | Machine learning, predictive, analytics, data discovery and profiling,  |

Comparison of data lakes and data warehouses



## ADVANTAGES OF DATA LAKES

### REAL-TIME ANALYTICS

Real-time analytics are invaluable where e-commerce personalization is involved. Data lakes can scale to accommodate high volumes of incoming data, offer low-latency retrieval, and support data diversity, making them highly suited for something like a recommender engine designed to boost sales.

### MACHINE LEARNING AND AI

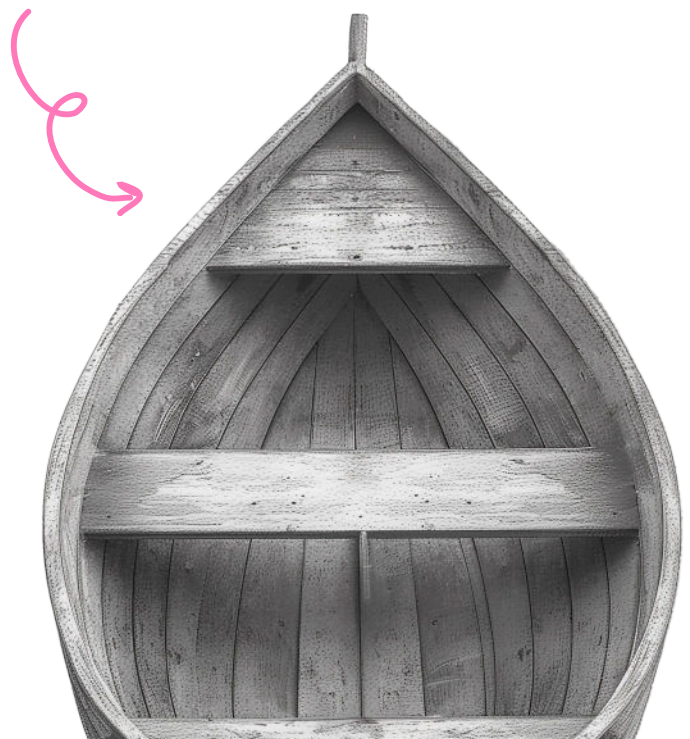
Use of AI and machine learning in product management calls for extensive datasets to train models for prediction and automation. With the data lake's ability to store large amounts of both raw and processed data, it provides the ideal dataset to train AI on. You can then leverage AI to enhance user experiences.

### PERSONALIZED RECOMMENDATIONS

Personalized recommendations require analyzing tons of user data gathered over a significant stretch of time. Data lakes allow companies to store complex and varied datasets that can be used for this specific function.

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While data lakes offer some clear advantages over data warehouses (especially for growing enterprises), it's worth remembering that they should not be treated as two opposing methods. Rather, consider them complementary tools.



# SHIFTS IN BUDGETING AND OWNERSHIP OF IT PROJECTS

Arguably, the most involvement your IT department will have with a PIM system would be during its integration with your ERP system, supplier databases, e-commerce platforms, and any other systems you have in place, and when things go wrong go wrong on the technical side. But as your organization grows more familiar and craftier with the PIM software, it only makes sense that there would be a desire to start exploring and experimenting with said tool to see how it can potentially help you thrive in a customer-first e-commerce landscape. This usually means reallocating budget from other departments (IT in this case) to customer-centric teams.

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## CUSTOMER CENTRICITY

From age-old phrases such as “the customer is always right” and “the customer always comes first,” businesses have always known the importance of maintaining a good relationship with its consumers by ensuring their satisfaction. According to **Forbes**, customer-centric organizations are 60% more profitable than those that aren’t. By shifting your PIM focus to customer-facing efforts like marketing, product management, sales, and customer service, you stand to gain the following benefits:



HIGHER CUSTOMER SATISFACTION AND BRAND LOYALTY



STREAMLINED OPERATIONS AND REDUCED COSTS



INCREASED SALES AND RETURN ON INVESTMENT (ROI)



NEW BUSINESS AND GROWTH OPPORTUNITIES

# AREAS OF FOCUS

Of course, the question of where to redirect your budget would depend on what your organization’s objectives are. Do you want to focus on running synchronized marketing campaigns across multiple channels? Or do you wish to improve sales performance by keeping your team well-informed and well-equipped to answer any question a potential buyer will throw at them? Perhaps a combination of both?

|                                  |   |   |  |
|----------------------------------|---|---|--|
| PIM FOR MARKETING TEAMS          | Access to complete, up-to-date, and consistent product data for marketing campaigns | Automation and synchronization across various marketing and sales channels                          | Extractable data from PIM system for SEO content generation                            |
| PIM FOR CREATIVE TEAMS           | Centralized database for both information and inspiration                           | Digital Asset Management (DAM) as a source for all media files and a repository for finished output | Improved collaboration with other departments through shared and accessible repository |
| PIM FOR SUPPORT TEAMS            | Real-time access to comprehensive and up-to-date product information                | Better response times and resolution process  | Reduced friction in customer service, leading to improved customer satisfaction        |
| PIM FOR SALES TEAMS              | Close more deals by being able to field questions and address product concerns      | Knowledge of what marketing materials are in circulation  | Ability to create personalized catalogs for individual prospects                       |
| PIM FOR PRODUCT MANAGEMENT TEAMS | Always up-to-date data for optimizing existing data or expanding the product range  | Fully automated provision of detailed technical product information                                 |  |





# DEMAND FOR SIMPLICITY IN SOFTWARE SOLUTIONS

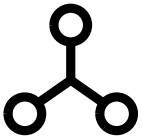
The modern consumer faces hundreds, if not thousands, of choices every day—where to shop, what to buy, how much to spend. While it may seem like a good idea to offer customers a never-ending lineup of products, information, and customizations, decision fatigue is a real issue that has a perceptible effect on your bottom-line. The fact of the matter is simple customer experiences are better customer experiences because there are less hurdles to hop over and hoops to go through for a potential customer to make a purchase decision. So, how can you simplify the customer journey?



## ELIMINATE DATA FRAGMENTATION

With the amount of data your organization generates across different systems, (CRM, ERP, e-commerce platforms etc.) data fragmentation can become a costly problem. Siloed structures distort the knowledge a company has on its own products, customers, and the entire ecosystem. Storing large volumes of redundant and outdated, inconsistent, or unsynchronized data also drives up storage costs, while paralyzing processes and hampering efficient data utilization. Most importantly, it stands in the way of developing a true data culture in a company.

The first step in eliminating data fragmentation is to create a single, centralized repository of all your data using a PIM solution that seamlessly integrates with already existing and established systems within the organization. This helps enforce data standardization, improves collaboration, and streamlines processes within the enterprise.



## TAKE AN **OMNICHANNEL APPROACH**

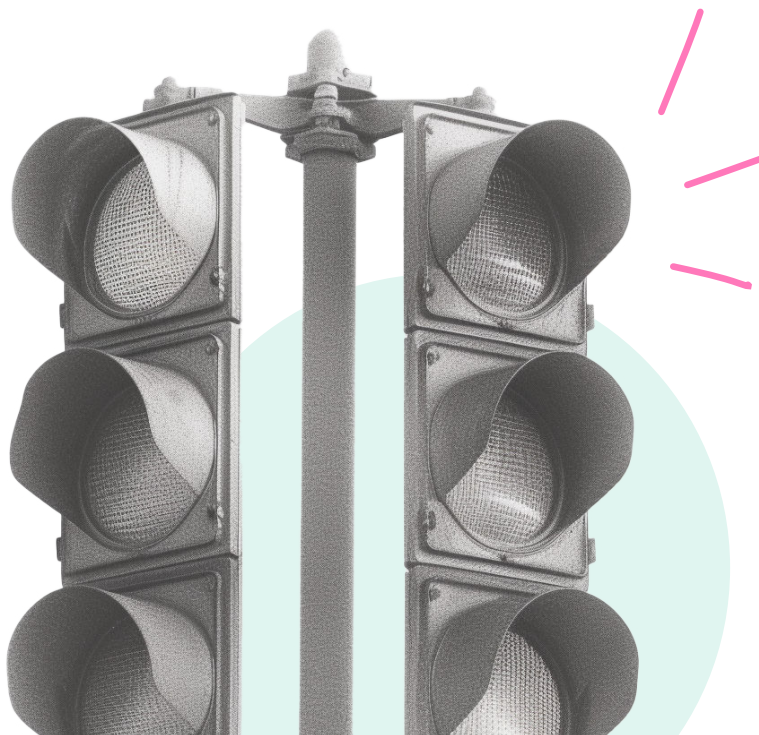
As digital technology becomes more ingrained into everyday life, more and more people are expecting a consumer experience that works smoothly across multiple channels—both online and offline. An omnichannel experience design allows you to bridge the gap between all channels while keeping the overall quality of interactions between your brand and the customer consistent. Much like breaking down silos, the key to omnichannel e-commerce is centralizing customer data and product information data in a single place.



## MVPS AND CONSTANT **EVOLUTION**

Minimum viable product or MVP might sound like a modern concept, but it actually has been around for much longer than you would think. In fact, Amazon, the multi-trillion, multinational tech company can be considered as an MVP, given its humble beginnings as a marketplace of used college textbooks built in a suburban garage. Its gradual transformation into the major e-commerce player it is today is a prime example of a successful MVP at work.

An MVP is a product (or service) at its most basic state, with just enough core functions for customers to use, without it feeling incomplete. Aside from obvious benefits like cost-efficiency and faster time-to-market, launching an MVP helps cultivate a mindset of never-ending growth, improvement, and evolution. By using real world data and consumer insights, MVPs allow companies to test rough ideas and tweak features based on their intended users' needs and preferences as they scale.



# IMPORTANCE OF STRONG DATA MODELS

In a customer-centric, omnichannel marketplace, PIM and PXM have become rather invaluable tools for brands all over the world. However, just implementing a PIM solution is not the be-all and end-all of e-commerce success. To harness the full potential of an advanced PIM system, it needs to be built on an intelligent and robust data model that adheres to an enterprise's principles of data governance and data management.

Put simply, a PIM data model is the blueprint that dictates how product data is captured, organized, structured, enriched, and interconnected within the centralized system. This becomes even more important as your business scales and the product data you handle becomes increasingly complex. Without a well-designed PIM data model, product data can become fragmented, ineffective, and inconsistent. So, how does one ensure that this doesn't occur?



## UNDERSTAND DATA TYPES

On its own, a PIM solution doesn't actually do anything. The data stored within and how you choose to apply that data is what makes it useful.



## ENTITIES

A group of similar objects that differ in their properties, management responsibilities, and context.

- Examples: SKUs, product, supplier, customer, channel, chapter, image.

## ATTRIBUTES

Individual properties—products with the same attributes belong to the same product group and differ by other values in certain attribute fields.

- Examples: Size, dimensions/measurements, color, material, technical specifications.

## MEDIA

Media files like images, videos, audio, and documents, and other similar assets.

- Examples: Marketing visuals (e.g., hero images), user-generated content (e.g., unboxing videos), manuals.

## CATEGORIES & RELATIONSHIPS

This defines how products are structured within the repository and their hierarchical relationships.

- Examples: Categories and subcategories, parent products, variants, and related products.

## LANGUAGES

Localized and/or translated data for businesses operating in multiple geographical regions.

- Examples: Multilingual content, region-specific data, pricing differences.

## CUSTOMIZATIONS

Features specifically tailored to the requirements of your business.

- Examples: Custom workflow rules, GUI adjustments, integration of business logic.

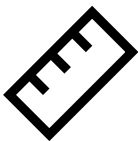




## DEFINE PRODUCT **TAXONOMY**

Taxonomy is the hierarchical grouping of similar products into levels such as product types, families, classes, or divisions. Essentially, it's how brands sort their products into categories and subcategories, assign items that may have different variations, and establish relationships between each. The hierarchy can start quite generic and broad at the upper levels, but can get more complex and specific as each category gets divided into more detailed subcategories.

How these categories and relationships are defined naturally depend on your goals and objectives as a brand. For instance, if you're a luxury fashion retailer, your products may be grouped into categories such as Men's Clothing, Women's Clothing, Accessories, Shoes, Bags, etc. These categories could then be further divided into subcategories like color, price range, features, size, material, and more.



## MEASURE RESULTS WITH **KPIs**

Many companies make the mistake of rushing through implementing PIM software without first defining their objectives for doing so, and determining whether they align with their overall business goals. Key Performance Indicators or KPIs are important measures that tell you how efficient or productive a PIM solution is and what level your PIM processes' operational performance is at. Important metrics to keep an eye on include:

- Average time required to complete enrichment of product data
- Number of products processed and approved in a given timeframe
- Product information workflow efficiency (e.g., number of steps, idle time, roles involved)
- Time spent on providing product information or conducting independent research



# EVOLVING CONSUMER EXPECTATIONS

In an increasingly competitive e-commerce landscape, personalization becomes not just a nice-to-have, but a must-have in a post-pandemic world. According to **Qualtrics' 2025 Consumer Trends** report, an overwhelming 64% of consumers prefer to buy from companies that tailor their experiences to their wants and needs. Additionally, **McKinsey** research shows that 71 percent of consumers expect companies to deliver personalized interactions and 76 percent get frustrated when they don't happen.

## NONPERSONALIZED COMMUNICATIONS POSE A BUSINESS RISK IN A **LOW-LOYALTY ENVIRONMENT**

Loyalty is up for grabs...

...and consumers expect personalization from the brands and businesses they choose.



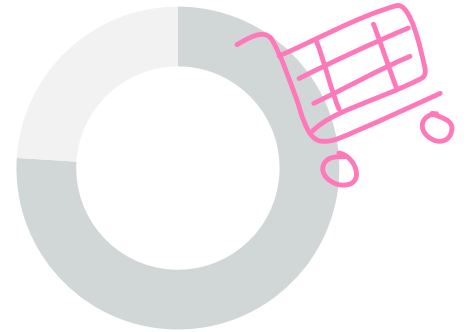
**75%**

of consumers tried a new shopping behavior during the pandemic



**71%**

of consumers expect personalization



**76%**

of consumers get frustrated when they don't find it

Consumer expectations for personalization



## PIM'S ROLE IN PERSONALIZATION

While PIM systems were originally designed to complete static product data, technological advancements have now transformed them into pivotal engines that deliver tailored and meaningful experiences across the entire customer journey in real time. They are particularly useful in the following areas:

- **Unifying product data.** Whether your product data comes from an ERP system, PLM system or a supplier feed, storing it all in one centralized hub will make it all much easier to personalize. This way, you can focus on designing personalized campaigns instead of hunting down the data you need from disparate systems.
- **Segmenting audiences.** PIM platforms allow you to get more granular when it comes to classification of data, making it easier to segment and personalize. This allows the data to be used differently for various customer groups and tailored even further to the specific touchpoint along the customer journey.



## PERSONALIZED TOUCHPOINTS

Today's consumers not only expect personalization in the form of tailored product recommendations, but at nearly every touchpoint. They want brands to demonstrate that they know each individual customer on a personal level, no matter the platform. Using consumer insights you've gathered from interactions with consumers, you can further enhance the customer journey by sprinkling personalization actions along the way—like little pit stops to check in with a buyer. For instance, you can tailor your messaging to each audience segment, offer more targeted promotions, celebrate a loyal customer's milestones with your brand, and send timely communications or triggers based on key moments and behavior.

# TECHNOLOGICAL ADVANCEMENTS

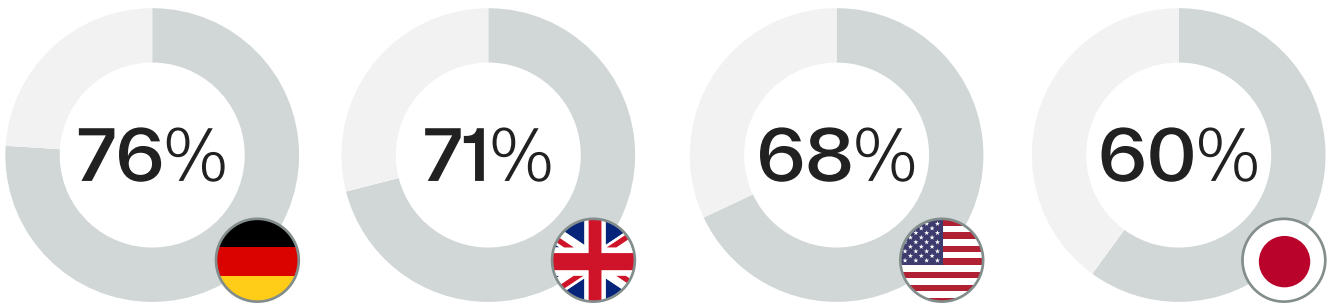
With a near unprecedented adoption rate across the board, most consumers in Western markets are already using AI in their day-to-day lives, and other markets are expected to follow suit in due time. Generative AI, in particular, has seen widespread adoption both in personal and work-related use despite still being in its early days. With AI proving to be more than just the latest fad in the tech space, it only makes sense for enterprises to adopt AI for e-commerce, too.



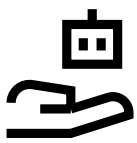
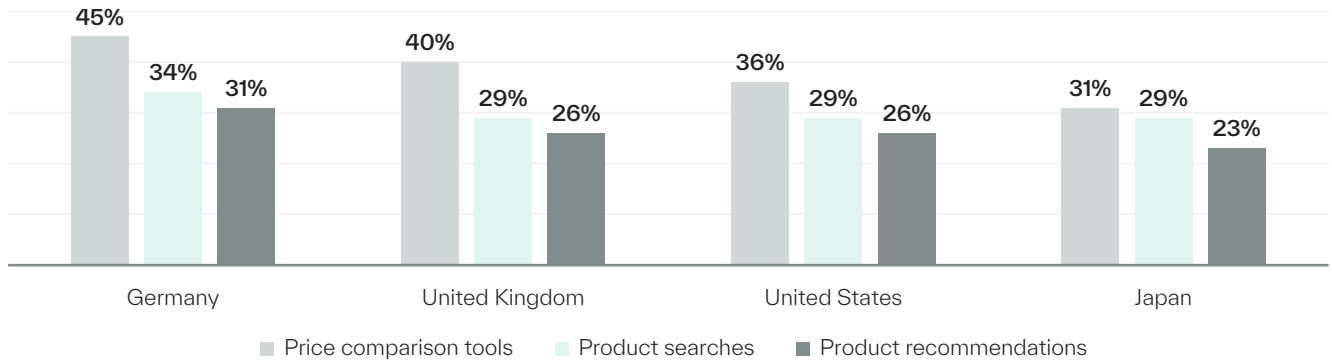
## AI-ASSISTED SHOPPING

As it turns out, AI is revolutionizing the e-commerce industry by being a strong driving force in consumer purchasing decisions. Statista’s **Must-Watch Consumer Trends 2025** report shows that AI-driven shopping experiences are becoming the norm for buyers that wish to make informed choices or consumers that are simply looking for more ways to maximize value. 76 percent of German consumers and 71 percent of UK consumers use AI as a tool for price comparison, more efficient product search, and more accurate product recommendations.

### SHARE OF CONSUMERS THAT WOULD USE AI FEATURES FOR SHOPPING



## WHICH OF THE FOLLOWING AI-POWERED FEATURES WOULD YOU USE **WHEN SHOPPING ONLINE?**



### UTILIZING AI FOR **PIM**

AI is proving to be quite a game-changer on the PIM side of things too, especially if you use data-driven strategies for personalization. If you're thinking of integrating AI into your product management process, here are a few ways to streamline the customer journey:

- **Improve product search and discovery.** AI tools using natural language processing (NLP) and machine learning outperform conventional keyword matching. AI can deliver more tailored search results based on user intent and context, ensuring more accurate results.
- **Recommend personalized products.** Personalized recommendation engines powered by AI analyze a past user's interactions and preferences to offer more accurate suggestions, which opens doors to real-time cross-selling and upselling.
- **Sell products at dynamic pricing.** Dynamic pricing offers a competitive edge for e-commerce brands. AI makes this a viable strategy by analyzing consumer behavior and market dynamics to then offer real-time price adjustments tailored to each buyer.

## CONCLUSION

Looking ahead, with big trends like AI-assisted shopping and even higher demand for personalization, the coming year will surely prove challenging even to already established brands. It is clear, however, that the right way forward is through integrating feedback mechanisms, leveraging data lakes, simplifying software solutions, and understanding evolving customer expectations.

To fully embrace these changes and thrive in an constantly shifting landscape, you need the right tech stack and the right experts to help you reach new heights and achieve your goals. With more than 20 years of digital experience and over 200 successfully implemented projects, Y1 helps e-commerce brands in increasing conversion rate on digital touchpoints by using their existing organizational infrastructure.







Ja!



## Ready to meet the future of PIM and PXM head on?

Get in touch with Y1's experts today and revolutionize your product information strategy.

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