//Amplifi

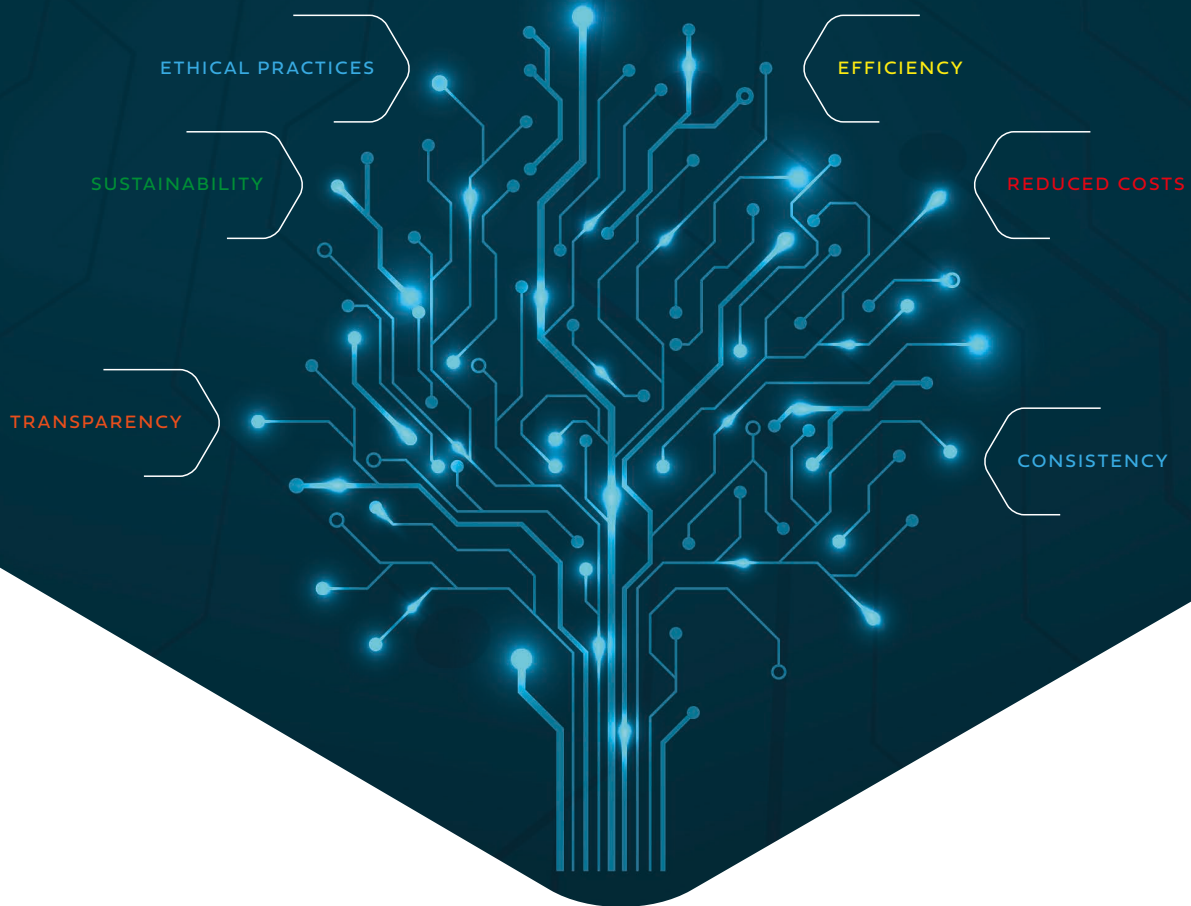# How well do you know **your products?**

A good product can define a brand, but to what extent are brands able to define their products? Are they able to say, for example, where the product was made? What it's made of? Who's making it? And is it worth the price at current market conditions?

ETHICAL PRACTICES

EFFICIENCY

SUSTAINABILITY

REDUCED COSTS

TRANSPARENCY

CONSISTENCY

Without the answer to these questions, brands are at a disadvantage. They can't see through the complexities of their supply chain to create changes that yield financial rewards. They can't guarantee they won't be stuck waiting for an imported product after it's held up at the border due to regulation changes. And they aren't able to ensure their operations are ethical and sustainable, putting consumers' minds at ease.

Brexit and Covid-19 have made it more important than ever for brands to know their products. And by 'know', we mean having a clear, easy-to-manage source of information that ensures data is enriched and shared across all channels.

At Amplifi, we believe that the root of a successful business plan is product data. Therefore, businesses that can effectively track and evidence their products can reduce costs, improve consistency and deliver a better customer experience.

Through our partnership with Inriver, we offer a PIM strategy that offers you a single version of the truth. But what does this mean exactly, and why does product data matter? **Read on to find out.**

Why data matters: rules of origin

What are rules of origin?

Rules of origin are the criteria needed to determine where a product has come from. Customs authorities use rules of origin to identify the 'economic nationality' of goods.

According to the World Trade Organization, rules of origin are used to:
- Determine whether imports/exports meet preferential agreement requirements
- Determine labelling and marking requirements for products
- Implement commercial policy (e.g. highlight anti-dumping duties and safeguard measures)
- Accrue statistics on trade

The problem: Rules of origin can spell disaster for businesses

Brands must ensure that they understand the start of a product journey, to ensure they can:
- determine a product's origin
- adequately prove that product's origin is in line with preferential trade agreements (and thus not susceptible to additional tariffs)
- take action to rethink their imports when rules of origin are affecting them.

No more so is the case than in the UK. Brands breathed a sigh of relief when the UK-EU trade and cooperation agreement was launched, as it ensured zero-tariffs could continue across exports and avoided a reversion to WTO rules.

However, the agreement added an additional layer of complexity for exporters: to qualify for zero tariffs on EU exports, they need to show goods originated in the UK or that materials originating from other countries are 'sufficiently worked or processed' in the UK.

If brands aren't aware of rules of origin and staying on top of where their products come from, they could end up facing tariffs on their products or seeing them held up at borders. This leads to lost sales, overwhelming bureaucracy and a damaged reputation if the brand isn't able to fulfil its orders.

The solution: Identify your product origin with PIM

PIM offers you a centralised source of product data, allowing you to see at a glance whether your products comply with rules of origin or if they don't. This means you'll be able to make actionable decisions about the future of that product. For example, if your exported product is incurring tariffs, you could decide to manufacture it at home if that's more cost-effective, avoiding customs disputes and boosting your bottom line.

Brands also benefit from a data source that offers an easier point of comparison, allowing them to compare with other products on the market, or identify ways to make their current supply chain more efficient. Meanwhile, manufacturers can use PIM to provide the clearest possible picture to buyers on where they source their goods from, making them more attractive to brands and ultimately increasing sales.

Why data matters: sustainability

The problem: Unclear supply chains are pushing sustainability-conscious consumers away from brands

For consumers to think your product is amazing, it's not enough to just hold it in their hands; they need to know how it came to be there in the first place. A study from Adyen found that 52% of UK consumers are more likely to shop with retailers with ethical supply chains, while 62% say a retailer's ethics surrounding the environment or treating staff fairly matters to them more now due to the Covid-19 pandemic.

What's more, Covid-19 has changed the way consumers shop, with 62% of US shoppers saying they shop online more now than they did before the pandemic, according to Bazaarvoice. Although it's much more convenient, online shopping only puts up another barrier between consumers and the product origin.

If companies don't ensure they aren't using unethical working practices or contributing to widespread environmental problems like pollution or deforestation, this could have major consequences – you only need to look at recent media stories to confirm this. However, if they aren't being completely transparent with consumers, that's even worse.

The point is, it's no longer enough for brands to source their products

sustainably – they must make their supply chain as transparent as possible and show consumers that they are doing everything to ensure their products are built on sustainable practices and ethical labour.
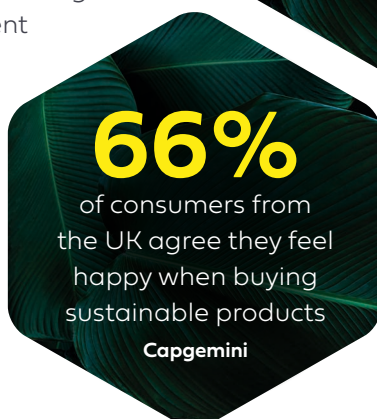
The solution: Source products sustainably and demystify your supply chain

With a PIM strategy that gives you a unified source of product data, you can take a step back and examine your supply chain as a whole, identifying areas that might not be meeting consumers' high demand for sustainability.

From there, you can make changes to your product's manufacturing process to ensure it is being done sustainably. After that, the sky's the limit – you can use product data to support new pr-friendly sustainability initiatives.

Best of all, with a solid PIM strategy, you can better support supply chain transparency across all of your sales channels. When consumers can see where your product came from on your e-commerce website, they'll be significantly more likely to add it to their cart.

31%
of consumers would stop shopping with a brand if they discovered it used unsustainable practices
CGS survey

66%
of consumers from the UK agree they feel happy when buying sustainable products
Capgemini

90%
of consumers in a European study expect brands to be committed to helping them consume better
Oney

Inriver: why data matters

In this interview, **inriver's Chief Product Officer Johan Boström** explains why understanding product data, particularly regarding a product's origin, is vital for retailers and manufacturers today.

How can PIM technology help companies keep track of where their products go to and come from?

When it comes to transparency, a good PIM solution delivers results on both sides of the buying aisle. So, for companies, PIM offers a central source of truth for the information stored on products. When it comes to the supply chain, having a place to manage compliance attributes, such as rules of origin, makes it easier than ever for companies to make sure they have all the information they need to mitigate the risk of hold-ups in distribution.

What role will PIM technology continue to play in giving consumers insight into the sustainability and ethical sourcing of products?

From the conscious consumer's point of view, sustainability is not just a topic of concern, it can also be a lifestyle choice. Accurate product information helps companies provide their customers with the details of the sustainable elements of a product which, in turn, boosts their customer's confidence when making a purchase.

PIM enables companies to collect, manage and consistently communicate their sustainability, ethical and ecological efforts associated with a product in a way that is no different to any other vital attribute. It won't just stop here, either. Consumers are craving more and more information – right now, country of origin and sustainability are of key interest, but what information will be required over the next 3-5 years and how will organisations store and show this information to their customers? The organisations that are prepared for this will have a distinct advantage, both now and in future.

What other benefits can manufacturers and retailers get from better product knowledge?

Better product knowledge and increased transparency help encourage buyers to reconsider the number of purchases they return. With the cost issue of 'serial returners', companies that provide consumers with a greater awareness of the environmental implications of deliveries and returns could save businesses millions and have a positive impact on the environment as well.

But first, brands must provide detailed sustainability information about how a product is made, where materials are sourced, and other eco-practices. The more consumers make purchase decisions based on sustainability, the more transparent brands should be about their efforts and practices. Not only will it help enable buyers to locate eco-friendly products faster and easier, but it also helps consumers make informed purchases and drive loyalty.

"When it comes to transparency, a good PIM solution delivers results on both sides of the buying aisle"

inriver
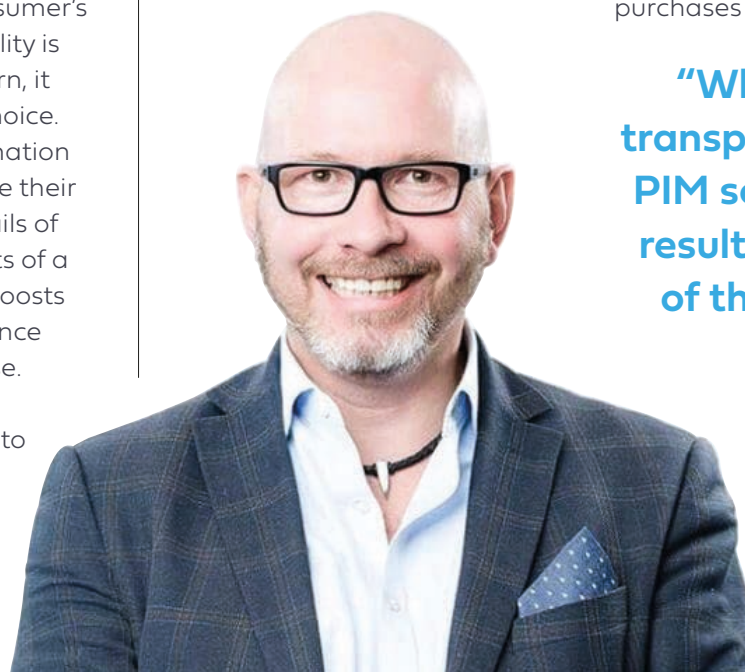
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Need help understanding your products?
Amplifi can help

An award-winning data management consultancy, Amplifi wants to work alongside your brand to give you a comprehensive view of your product's journey from start to finish.

Working alongside our partner inriver, we'll supply you with a best-of-breed PIM platform that aggregates all your product data into a single source of truth for consistent, accurate information. Beyond this, we speak to clients directly to get to the root of their product data requirements, which are at the heart of all our services.

Alongside PIM, we also offer a full suite of data management services, including Data Quality, Data Governance, Data Migration, Integration and Support.

Plant the seed that will help grow your business today.
Head to amplifiuk.com or contact us on +44 (0) 1926 911820.