

# Digital Transformation with a Customer Data Platform (**CDP**)



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## CHAPTER 1

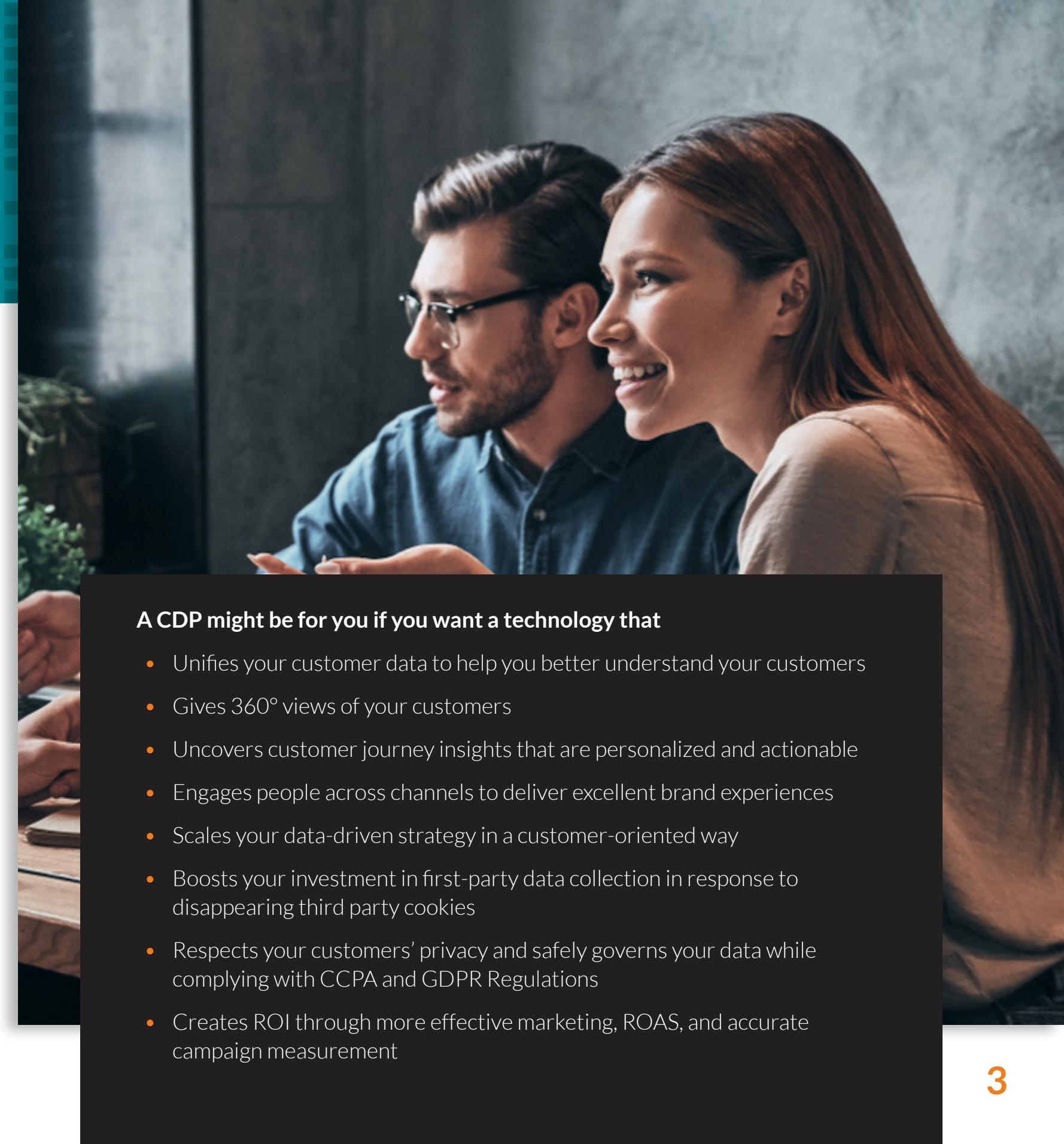
# Do you absolutely need a customer data platform?

**First, CDPs are in high demand for a reason—they do a lot of work to help you identify, segment, and activate your customers.**

**Second, you might not need a CDP, say, if you have your own data warehouse and you build your own cross-channel custom identity resolution queries and marketers can easily use those queries.**

CDPs are a packaged customer data solution designed so marketers can easily gain insights and act to deliver data-informed experiences. Whether you're a director in marketing or a C-level decision-maker, if you're running a customer-focused, data-driven organization, you want the right tech to be in place to empower your marketing team to easily get the most from your data—especially, moving forward, your first-party data.

Across industries, companies with large pipelines of sales transactions and large customer bases are utilizing CDPs to remove data silos and accomplish these tasks.



### A CDP might be for you if you want a technology that

- Unifies your customer data to help you better understand your customers
- Gives 360° views of your customers
- Uncovers customer journey insights that are personalized and actionable
- Engages people across channels to deliver excellent brand experiences
- Scales your data-driven strategy in a customer-oriented way
- Boosts your investment in first-party data collection in response to disappearing third party cookies
- Respects your customers' privacy and safely governs your data while complying with CCPA and GDPR Regulations
- Creates ROI through more effective marketing, ROAS, and accurate campaign measurement

## CHAPTER 2

# CDP: What it is and isn't

**A Customer Data Platform is software that integrates, harmonizes, and unifies your customer data, turning it into a strategic asset and enabling you to create more compelling, excellent customer experiences.**

-  **CDPs are powerful marketing tools** that combine the features of a Customer Relationship Management (CRM) and a Data Management Platform (DMP) to do more than either of those tools do alone.
-  **A CDP is not a CRM.** A CRM captures customer-facing information for direct interaction with customers. CDPs exist to automate tracking and understanding of customer behavior for better customer engagement.
-  **A CDP is not a DMP.** A DMP relies on third-party, anonymous data, like cookies, device IDs, and IP addresses, and they retain data for less time.
-  **CDPs are not a replacement for data warehouses.** A CDP manages just customer data, while your data warehouse stores all company data. A CDP is not a system of record or an enterprise data solution. Also, a CDP works for marketers out of the box with nifty advantages like machine learning to continuously update and connect various systems for identity resolution, customer experience enrichment, and personalization. Marketers can easily see and act on complex customer data. On the other hand, a data warehouse requires add-on tools to provide the same level of data usefulness, and marketers have to rely on IT help to inform marketing actions.



## CHAPTER 3

# CDP features and benefits

Some CDPs are super fancy. Keep in mind that the CDP that's right for your business is the one that will create the most value based on your business goals.



## Core Features

- **Ingestion Data Connectors** - No matter how many data connectors you've got, you likely won't max out your CDP's abilities.
- **Data Storage** - We mean massive amounts of data.
- **Single Customer View** - Lots of data from numerous connectors give you a single source of truth for customer data.
- **Identity Resolution** - Create a person ID that's universal across all your data sets. See also "What is Identity Resolution."
- **Audience & Segment Building** - Building these helps marketers understand and reach customers with relevant content to provide excellent customer experiences.
- **Output Connectors/ Bi-directional Data Sharing** - Activate audiences and segments by pushing data out to a marketing platform, Facebook, Search Ads 360, etc.

## Additional Features

- **Data Governance** - Your CDP can scan your data, understand data types, classify those, and help you comply with your industry privacy standards.
- **Privacy Compliance Features** - You can create controls to flag & manage PII and procedures to handle GDPR and CCPA-related requests.
- **Journey Orchestration** - Some CDPs can further segment the audiences you build based on criteria you select, a/b testing, and more.
- **Machine Learning** - You can build out lead scoring or propensity modeling, etc.
- **Insights & Monitoring** - CDPs have easy-to-understand UIs, so marketers can easily access, monitor, and track insights for various metrics.

## DATA SOURCES

Web  
Mobile  
Email  
Call Center  
Store  
IoT  
Social  
DMP  
Data Warehouse  
CRM

## CUSTOMER DATA PLATFORMS

**101001  
011101  
110001**

Raw Data

Data Integration

Data Cleansing  
Session & Device Stitching  
Identity Resolution



Operational Data

AI Workbench  
(Custom data models)

Customer Profiles  
Audiences/Segments  
Predictive Scoring  
Recommendations  
(e.g., NBA, NBD)

ACTIVATION

ANALYSIS

## CHANNELS

Web  
Mobile  
Email  
Call Center  
Store  
DMP  
Etc.

Customer Journey  
Attribution Modeling  
LTV  
Reporting

## CHAPTER 4

# Major use cases for CDPs

CDPs deliver personalized experiences, experimentation opportunities, a thorough understanding of customers' journeys, real-time omnichannel activation, mitigation of third-party cookie loss, and privacy compliance.

**Any of those deliverables are strong use cases!**

Additionally, our charts to follow break down some major use cases (there are certainly others!) by what goals you might have for your team—whether you're looking to acquire customers, act on data to personalize experiences, retain customers, or grow your customer base.



## CUSTOMER ACQUISITION

Use Case	Description
Lower customer acquisition/campaign costs	CDP driven campaigns reduce campaign cost and increase click-through rate and increase ROAS
Improve average orders from new customers	Targeting high LTV lookalike audiences
Enable cross-channel acquisition	Allow customer acquisition across channels

## CUSTOMER RETENTION

Use Case	Description
Re-target abandoned cart users	Target customers with an abandoned cart with real-time personalized messages
Real-time personalized product recommendations	Segment customers by purchasing patterns and enable campaigns to allow personalized offers with preferred products

## ACTIVATION & PERSONALIZATION

Use Case	Description
Improve brand engagement with a personalized journey	Build deeper customer relationships with cross channel journey
Segment customers	Segment customers at spend level and other attributes. Allow suppression of existing customers from new customer acquisition campaigns.
Real-time messaging	Trigger real-time messages through CDP based on prospects for faster sales conversions

## GROWTH & EXPANSION

Use Case	Description
Upsell products at scale	Deliver personalized web, email, mobile journeys based on product usage
Re-use campaign data for customer retention and engagement	Learn from previous campaign outcomes to create and maintain complex journeys
Leverage AI for marketing automation	Leverage data science model for personalized content recommendation

## CHAPTER 5

# Where is all this going? The future of CDPs

### An essential part of the Tech Stack

With the deprecation of third-party cookies, CDPs will become an essential part of every organization's tech stack.

### Machine learning

CDPs are currently leveraging machine learning for identity resolution or predicting lookalike audiences. Machine learning will become an essential part of the CDP product to allow marketers to predict insights into customer behavior.

### Customer trust and data governance

With stricter and stricter privacy regulation laws, CDPs will help brands honor customer data privacy preferences. CDPs have started handling data erasure requests for customers to remove or control any data from connected systems.



### Leveling up customer experience

CDPs are now even more focused on creating customer experience solutions instead of just being available for data consolidation and identity resolution. More CDPs are acquiring products on the customer engagement end to offer one-stop-shop marketing solutions that offer features like journey orchestration, recommender systems, and hyper-personalization.

### B2B Experiences

[Forrester predicts](#) that in 2022, "75% [of B2B] efforts to create automated, personalized engagement won't meet ROI goals because of inadequate buyer insight." CDPs can upend this statistic for B2B players who want to put customer insights at the center of their business.

## CHAPTER 6

# How a CDP consultant like Search Discovery can help you take full advantage of a CDP

**There are currently over 150 different CDP companies to choose from, all with different strengths and different features that might help you achieve your marketing objectives.**

At Search Discovery, we help clients assess their technology stack and business needs to determine whether they need a CDP. Then, from scads of choices, we help clients evaluate which CDP best suits their needs. We leverage our extensive experience, training, and partnerships with multiple CDP vendors to find the missing pieces that make marketing teams stronger.

We also help clients quickly navigate into CDP implementation. We focus on removing any clutter, and our design and development efforts are solely based on what is best suited for our client's needs.

Working with Search Discovery is different than working with a CDP vendor because we can help you score a range of options to find the tool that's best for you. And, working with us is different from working with another agency because Search Discovery provides solutions across a broad range of data transformation services—beyond digital marketing and across data strategy, data engineering, business intelligence, analytics, and optimization. Your investment in a CDP will go further with Search Discovery's guidance and expertise.

[Learn more about our evaluation and implementation approaches.](#)

## ORGANIZATIONAL ENABLEMENT

Integrated Data

Centralized Data Access

Faster Activation Time

Governance

## CONSUMER KNOWLEDGE

Enhanced Profiles

More & Better Insights

Privacy

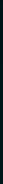
Customer Journey Analytics

## RETURN ON INVESTMENT

More Effective Marketing

ROAS

Accurate Campaign Measurement



SEARCH DISCOVERY

[www.searchdiscovery.com](http://www.searchdiscovery.com)

