

How To Select The Right Customer Data Platform: A Guide



By: Express Analytics

What Is A Customer Data Platform (CDP)?

Of late, a buzzword in marketing and analytics circles is CDP or Customer Data Platform.

A CDP is a “data unifying software”. Adding it on top of your martech stack helps manage your customer experience across every touchpoint – marketing, customer service and product. It absorbs an enterprise’s data from all sources – batch, streaming, structured or unstructured, transaction or demographic - and makes it available 24X7 to all users within the enterprise.

According to the CDP Institute, a CDP creates a persistent, unified customer database that is accessible to other systems, putting marketing in direct control of the data unification project. No, a CDP is not to be mistaken for a CRM, a data warehouse or a data lake; the latter are where data is merely stored. A CDP is much more than that. It’s a sophisticated data hub where all things related to data converge – from data sources to customer information.

Okay, but what does it really do? To cut a long story short, a CDP enable brands to make intelligent decisions around the right audience, giving them the right content at the right time using the right channel for the purpose.

Here’s one example - A CDP helps marketers to customize highly personal marketing messages across engagement channels from email to social media.

As every CMO will vouch for, one of the main challenges in one-on-one marketing is the requirement to activate huge data volumes when you scale to millions of customers across multiple touchpoints, and that’s something that CDP handles. It is, in fact, the perfect medicine that the doctor ordered for those who are under-utilizing their big data



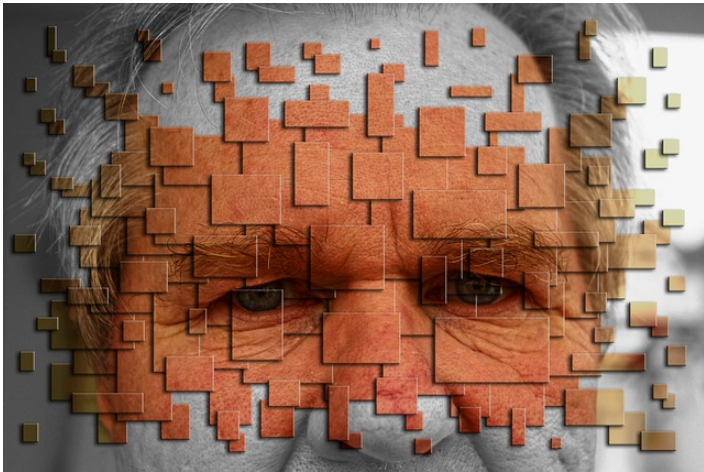
So what do I need to do to get it? Getting a CDP for your enterprise’s digital transformation requires some serious thinking. We call it the 4-step process that will act as a guide for you to eventually select the right CDP for your marketing team. First and foremost, you need to understand if your enterprise is ready for a CDP.

Here’s a quick checklist for that:

1. Are your business goals in place?
2. Do you want to meet these goals with technology such as data analytics?
3. Does your data sit in silos?
4. Is your data accessible to a majority in your organization? If no, can you make it accessible?

A CDP and Identity Resolution

A CDP will eventually become the mainstay of an enterprise and its digital transformation, enhancing customer engagement strategies. This deep customer understanding enables brands to deliver consistent, relevant, and highly personalized customer engagement.



Without doubt, the one *mantra* that all digital marketers today must follow is, "Know thy customer".

Confusion over identity of same customer

For example, ask yourself this: how many times have your team members or you thought "Mobile Customer Jean" and "Desktop Customer Jean" were two different people?

In one sentence, it means establishing a customer's identity across all the channels he uses, and creating a unified view of his/her profile. Identity resolution means not leaving any ambiguity about a person's identity. Going back to the above example, it means knowing fully well that Jean on the mobile who's shopping on your e-commerce site now is the same Jean who was browsing your site on her desktop yesterday.

What is identity resolution and why is it so important?

Omnichannel marketing may present countless opportunities for consumers, but at the same time, it poses a challenge for retailers, particularly because no two consumers are alike. Marketers, thus, need to be aware of the journey each customer takes to buy across all channels, be it offline or online.

How does identity resolution really work?

That's the challenge [omnichannel shopping](#) presents today. A customer, lead or prospect no longer uses a single channel to browse or shop. In their online journey, he/she switches between channels like a website, social media account or even devices.

That's why identity resolution - tying someone's online behavior to a unique identity - has become very important.

How Does Identity Resolution Work?

Data points, that's the simple answer. The more you know about your customer and his/her habits, the better. You need to collect and merge all available data points of Customer X in order to build a comprehensive profile. This includes data collected by first, second or even third-parties, although now, the latter is legally frowned upon in many parts of the globe. Once these data points are reconciled, a composite that provides a 360 degree view of your customer is built, along with his/her journey.

At the center of identity resolution is the identity graph or ID graph. It involves the plotting of a customer journey against other data such as patterns or what are called "identifiers" for individual customers.

An ID graph has no standard modeling. On their journey, every customer gives his/her approval for various pieces of marketing information to collect, like email address, phone numbers, loyalty scores, and so on. He/she also leaves behind signals like the number of website visits or pages opened. This is the information that makes up one axis of the ID graph, to be matched with the identifiers on the other side.

Essentially, the ID graph is a database which is part of your [customer data platform](#) (CDP) that has all your customer profiles and their known identifiers.

How does identity resolution help?

In order to be successful in marketing, there's no doubt left that you need to adopt a customer-first approach. Management of every individual customer is the other vital component of successful marketing. For both, the start-off point is identity resolution.

More and more businesses online are veering around to the fact that if they have to remain competitive, the one thing that will keep them ahead of the pack is a complete understanding of their customers.

Features and functions of a CDP

A CDP is not a CRM, a DMP, a data warehouse or a data lake; the latter are where data is merely stored. A CDP is much more than that. It's a sophisticated data hub where all things related to data converge — from data sources to [customer information](#).

First and foremost, it sucks the guesswork out of a marketing strategy. It also allows a marketer to send out customer-centric messages to individual customers.

Another very important fallout of identity resolution is to accurately track leads, prospects or customers along their journey, thus helping the marketing team present personalized offers or even individual-centric content at relevant points in that journey. Last but not least, marketers can extract much more meaningful insights from the CDP, which, in turn, helps them in better customer segmentation.

Features And Functions Of A CDP

To cut a long story short, a CDP enable brands to make intelligent decisions around the right audience, giving them the right content at the right time using the right channel for the purpose.



What are the main features of a CDP?

- Identity resolution
- Data cleansing, transformation and enrichment
- Data centralization
- Audience and segmentation
- Data integration & analytics

What kind of data does a CDP handle?

Every customer inevitably leaves behind information while interacting with a brand. When they surf the Internet or interact with companies using other online and offline channels like websites, e-commerce platforms and in-store interactions, their footprints can be tracked.

Here's some of the data that a CDP uses:

- Transactional data: Includes information such as items purchased, number of abandoned carts, returned products
- Customer attributes: Includes name, gender, contact information
- Customer service info: includes customer communications, live chat, number of interactions, and so on

Why a CDP is not a CRM or a DMP?

Yes, it is a fact that a customer data platform and a customer relations management (CRM) tools both collect customer data. The similarities end there, period.

Here are some of the differences between a CDP, a CRM and a DMP:

Why You Need A 360° Customer View

- A CDP collects data on anonymous visitors, but a CRM gathers data around known customers or leads
A CRM has limited purpose: it analyzes only the sales pipeline while a CDP analyzes lifetime customer behavior and customer journeys
A CDP can track online and offline customer data. In the case of a CRM, it cannot collect offline data unless someone manually enters it
- A CDP influence deals with all types of marketing while a DMPs largely influences advertising
- A CDP collects mostly first-party data, which means straight from the source but a DMP collect mostly third-party data.
- A CDP retain data over a long period of time unlike a DMP

What is single unified view?

A 360° 'Customer View', or a 'Unified Customer Experience' means we have enough information to have a holistic understanding of a buyer, and can better model their buying behavior, thus increasing the success rate of our marketing to them. The other half is to have a unified customer experience.

A unified Single Customer View holds all the most relevant data about the past, present, and expected future behavior of every single customer. Using a single source of customer intelligence, you can easily scale personalized customer experiences across all customer touchpoints.

How can a CDP help with customer personalization & segmentation?

A CDP can help you catch and visualize instant insights from your data in real time. You may drill down as much as you want to capture the "connect" between what looks like unrelated data.

Because we have an identity that links a person's persona across all devices, we can provide the same quality of customer experience via mobile devices that we might give them in a face-to-face environment. The full process of creating a 360° customer profile and using it to provide a unified customer experience is referred to as identity resolution.

Customer segmentation can help you in many ways: It helps a business develop focused strategies to hold on to its top-paying customers. Or, to re-engage those clients who haven't purchased in a while. It is also used to provide a heightened customer experience.

Advantages of customer segmentation

- Helps identify least and most profitable customers, thus helping the business to concentrate marketing activities on those most likely to buy your products or services
- Helps build loyal relationships with customers by developing and offering them the products and services they want
- Helps improve customer service
- Helps maximize use of your resources
- Helps improve or tweak products to meet customer requirements
- Helps increase profit by keeping costs down

Why Choose CDP Oyster

Reasons why you must get Oyster



Customer Data Platform Oyster Is Your Marketing Ally

You will simply fall in love with the simple yet efficient architecture of Oyster. Our CIP is a development-progressive data management platform with all the necessary components in place built with years of experience. But at its center is your customer. Always.

The AI-infused Oyster has automation capabilities that make your day-to-day marketing tasks perform better.

The agility and brilliance of analytics is coupled with the simplicity of launch, integration and upgrade of Oyster, all of which will propel your marketing stack into a new orbit altogether. Oyster is not just a standalone CDP but goes beyond just merely integrating various sources of data, providing actionable intelligence, obtained from various data points that can be integrated in all your business cells.

Its AI-driven algorithm auto-checks incoming data quality

On this incoming data the identity resolution algorithm is deployed to identify customers

On an ongoing basis the addresses, emails, phone numbers and other aspects of a customer profile are updated

Oyster's recommendation engine provides suggestions to your marketing team at every step of the way

For example, one of Oysters' features is the individual graphical element or GUI that allows it to track and personalize the user interface at an individual customer's level.

Oyster's ML analytics /algorithms have evolved over time and have a very high level of accuracy. We assure you a strike rate of over 90 percent.

Advanced analytics with several proven models:-

- *Estimating Customer Lifetime Value
- *Look alike models
- *RFM and purchase propensity models
- *Product preference models

Another of Oyster's features includes natural language querying vis-à-vis the analysis of emails and context of customer content. It is proven that when questions are asked in a more "natural" way, and the replies come in a readily understandable manner, it exposes data analytics to even non-C-suite workforce.

Why Choose CDP Oyster

How soon can you get going with Oyster?

Nobody likes complications in their lives. Even engineers and developers. In the world we live today, the copious inflow of customer data and broad swath of data management options can make life very complicated, very quickly. Oyster's tech and licensing structure is plug-and-play. It's available as a single product or one that can be built over time adding one module at a time, each dovetailing into the other. Upgrading because of changed business needs or a re-designed architecture is a breeze with no requirement to undertake the entire procurement.

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For queries, you may get in touch with us at:
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