

## GETTING TO KNOW CUSTOMER DATA PLATFORMS

As we continue our venture into the language of innovation, it is important to keep your customer at the forefront of your decision-making and efforts to improve your business practices. Customer Data Platforms (CDPs) are an important tool to consider when improving customer experience as they improve upon current marketing and data collection tools to help deliver a direct view of each customer. We've provided the top 10 things you need to know about CDPs below.

### WHAT IS CDP?

CDPs are a type of software that aggregates **real-time customer data** from a wide range of third-party platforms, like Facebook and Google, and combines that with the data you've already collected to create a single, easily accessible customer profile.

### HOW DOES IT WORK?

CDPs pool data from a variety of sources to **track a customer's journey** with your brand or similar brands both on and offline. The data is linked from all those sources to each individual customer, creating customer profiles.

### WHAT ARE THE BENEFITS?

Some of the **key benefits** of using CDPs include:

- Elimination of data silos
- Aligned marketing efforts
- Individual view of customers
- Flexibility
- Improved efficiency
- Accessibility for third parties

In 2019, global chocolate brand, GODIVA retired their old CRM platform in favor of a new CDP platform, [Acquia](#), to improve their marketing efforts to better engage their audience and drive sales. With the help of the CDP platform, GODIVA was able to improve customer engagement



and outreach, retargeting efforts, and content development that significantly improved ROI, sales, and engagement across digital platforms.

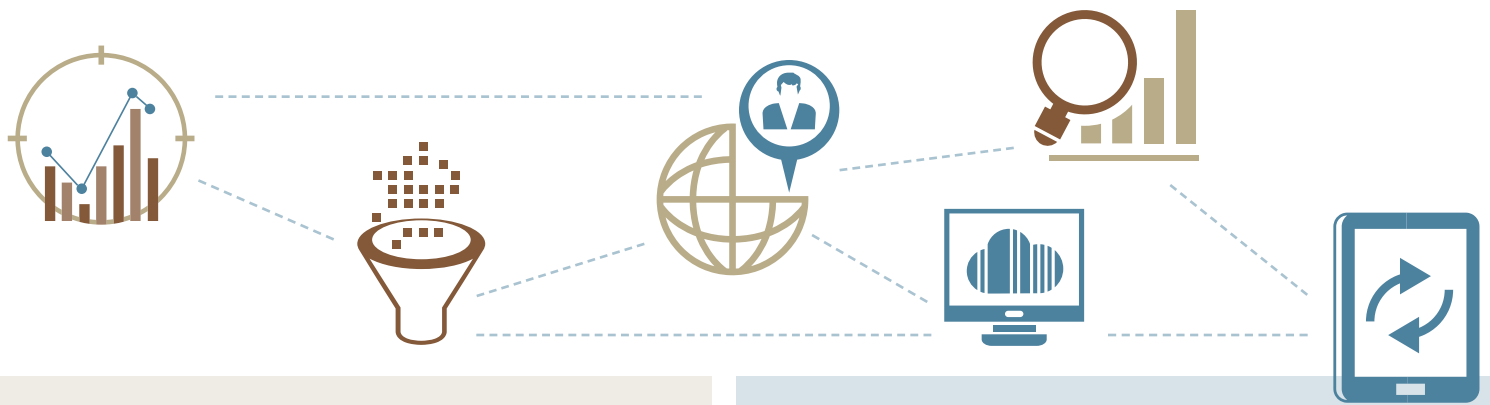
### WHAT CAN CDPs BE USED FOR?

CDPs can be used to **improve product recommendations**, conversion rate optimization, retargeting and advertising optimization, A/B advertising testing, email deliverability enhancement, and reviews optimization.

### WHAT KIND OF DATA DOES IT COLLECT, AND HOW?

CDPs prevent information from being siloed by storing all data in one place. The four main types of data CDPs collect, include:

- 1 Identity Data:** name, address, birthdays, etc.
- 2 Descriptive Data:** career, family, entertainment, etc.
- 3 Quantitative Behavioral Data:** online activity, transaction history, etc.
- 4 Qualitative Data:** opinions, preferences, values, etc.



## WHAT IS A CUSTOMER PROFILE?

Customer profiles allow you to **view a customer's activities in a singular view**, rather than separately analyzing their behaviors across platforms. This makes it easier to create a consistent, cohesive experience for customers and avoid unnecessary, time-consuming analysis.

## HOW IS IT DIFFERENT FROM EXISTING MARKETING TOOLS?

There are several tools that are comparable to CDPs, the most similar being **Customer Relationship Management (CRM) tools**, which are more limited, only collecting data from identifiable customer interactions with your business specifically, requiring that any offline data is input manually.

## HOW DOES IT INTERACT WITH EXISTING MARKETING TOOLS?

Depending upon your goals, you may be able to replace your current technologies entirely with a CDP, or you could pair it with the existing tools in your data stack. The most important thing is to consider what is most useful to **achieving your goals**, and which tools will grow with your business over time.

## HOW DO YOU IMPLEMENT THE SOFTWARE?

You'll need to audit your current customer data tools and communications channels to ensure that the **transition is comprehensive and smooth**. Then, ensure that you have all key stakeholders on board for the transition, including your IT team, marketing team, and customer service teams.

## WHAT ARE SOME CHALLENGES TO BE AWARE OF?

If you do not conduct the necessary **research to understand** what CDP will work best for you, you may end up with a CDP that cannot handle your volume of data, is not fast enough for your needs, or cannot scale with your business over time.