



MAKING YOUR BRAND A CUSTOMER DATA PLATFORM WINNER: A GUIDE

CDP GUIDE

ACX IOM


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If you feel like a customer-data platform (or CDP) is about to become your brand's best friend, you're far from alone.

At a time of accelerating digital complexity and sky-high customer expectations, CDPs unify data and empower brands to deliver relevant, personalised, cross-channel experiences that earn loyalty and build valuable, long-lasting customer relationships.

And most brands already recognise CDPs as the way forward, with more than two-fifths (43%) currently using a CDP, and the same proportion considering implementing one, according to our [research](#). With 83% of marketing leaders believing CDPs can address the challenges of cookie deprecation, their popularity is unlikely to wane for the foreseeable future.



“In the next two-to-three years, brands will harden their digital transformation investments with structural disciplines including data management, content management, and loyalty programs. CDPs fundamentally fulfil the enterprise data management need while also creating a mechanism for personalisation. I'm excited to see the evolution of this category.”

— Mike Menzer
EVP, GM of Acxiom International



But simply implementing the first CDP you find is unlikely to be the answer to your problems. Brands that do this often find themselves left with an expensive piece of technology that doesn't deliver the results they were expecting.

Before selecting a CDP you need to do your homework, and find the right technology for your specific use cases and requirements, ensuring it can be aligned with (and fully integrated into) your organisation. A CDP is an important piece of the marketing puzzle, but it will always need to work in conjunction with peripheral tools and capabilities to achieve the desired results.

Perhaps you've only just started exploring CDP options? Or maybe you're already looking to implement a specific platform and just need a little support? Either way, this guide will give you a head start on achieving CDP success.

SECTION ONE: IT ALL STARTS WITH ALIGNMENT

When marketing leaders decide they need a CDP, their approach is often overly product or solution focused. We want a CDP so which one should we pick? How much does it cost? How do we implement it?

But this approach rarely delivers what you want. Before diving in and choosing a technology platform, it's worth taking a step back and considering how you align the implementation of a CDP with wider business strategy and capabilities to achieve your desired outcomes.

By spending some time on this alignment stage, and providing consultants, partners, or vendors with context around your motivations for implementing a CDP, you can ensure that not only do you select the right technology, but that it delivers true business value.



STEP ONE: DEFINE THE OBJECTIVES

First, you must consider what you want to achieve in implementing a CDP. What is your ambition? What issues are you trying to solve? What specific use cases do you need the CDP to support? What does success look like? And what are the main business objectives?

“There’s a CDP out there that’s the best fit for your organisation. Let’s work together to figure out what that is. What are your problems and how do we solve them?”

— Dimitrios Koromilas
Director of Solutions, EMEA, Acxiom

STEP ONE:
DEFINE THE OBJECTIVES

STEP TWO:
IDENTIFY THE GAPS

STEP THREE:
SCOPE OUT THE SOLUTION

STEP FOUR:
SET MILESTONES



STEP TWO: IDENTIFY THE GAPS

Next you must identify the gap between ambition and limitations at a capability level, so you can articulate the need for change across the organisation. What kind of gap exists? Is it a data gap, a technology gap, a business process gap, or a combination of these? You must be able to express the need for a CDP (or any other technology) in a language that data, IT, compliance, analytics, and marketing stakeholders can all understand and support.



STEP THREE: SCOPE OUT THE SOLUTION

Once the gaps between ambition and existing capabilities are identified, you can define all the elements of a target solution needed to fill these. CDPs (and other technology platforms) may well be part of this solution, but they will require other elements such as the data to fuel them, the people to operate them, and a governance model on top to make them successful. You will need to establish how these different elements align with the technologies and capabilities you already have in place.



STEP FOUR: SET MILESTONES

In addition to deciding what you need, you also need to consider when you need it. By considering what milestones are required to close the gaps, support value drivers, and deliver on business objectives, you can create a realistic route to fulfil your ambition.

NOW IS A GREAT TIME TO PARTNER UP

Finding an experienced and reliable partner to help you work through the above four stages is highly recommended.

While there is support available from both consultants and vendors, this is often limited. Consultants may help to define high-level objectives, but are unlikely to provide a gap analysis at capability level. Vendors, on the other hand, will take a narrow, technology-focused view of your organisation's needs.

“We can work with stakeholders across the organisation to understand and align with their needs, but we can also step down into the nitty gritty of use cases, technology, and data. First we find the right direction, then we build the stairs to go down.”

— Dr Jochen Toepfer
Senior VP Services, EMEA, Acxiom

An experienced partner that spans the two and takes the business from high-level identification of ambitions and limitations, right down to platform selection, implementation, and ongoing operational support will help ensure business objectives are met. As a bonus, a partner that is involved at every stage of the process will gain a deep understanding of your data and the way it is used throughout the organisation. Partners should ideally be vendor, platform, and industry agnostic to ensure they are always acting in the best interests of your business.

SECTION TWO:

THE NUTS AND BOLTS OF CDPs

If you've spent some time and energy aligning your ambitions with your organisational capabilities as outlined in section one, your business will be in a much better place to start the process of selecting and implementing a CDP.

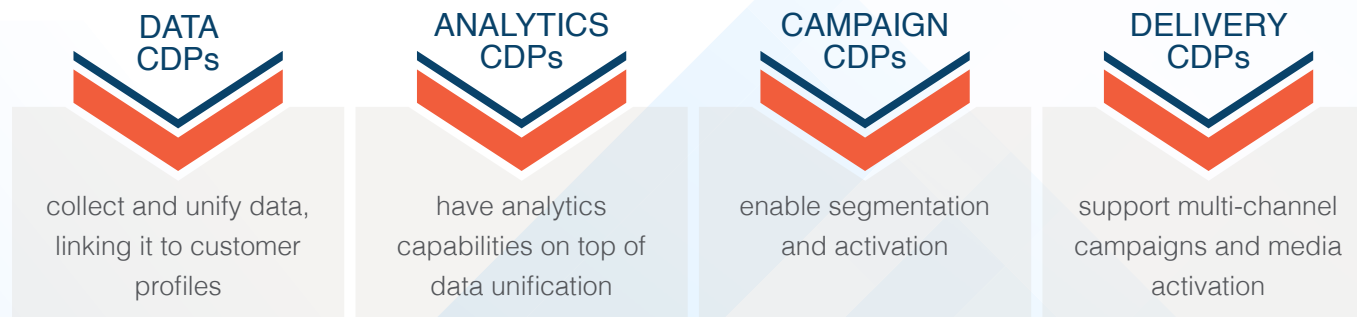
This second section of the guide answers your pressing questions. What is a CDP? Why do I need one? And how can I use it to drive real value for my business?

WHAT IS A CDP?

The [CDP institute](#) defines the technology as “packaged software that creates a persistent, unified customer database that is accessible to other systems.”

While this definition does distinguish the technology from other platforms such as data management platforms (DMPs), customer relationship management (CRM) tools, and content management systems (CMS), it is still relatively broad. There are currently [over 150](#) platforms that classify themselves as CDPs, but capabilities vary widely, meaning not all of them will support your unique business needs.

CDPs fall into four main categories:



Sometimes the best solution for a brand will be to combine multiple CDPs with different capabilities to achieve their business objectives.

CDPS FALL INTO
FOUR MAIN CATEGORIES:

DATA CDPs

ANALYTICS CDPs

CAMPAIGN CDPs

DELIVERY CDPs

And a new type of CDP is also emerging, known as a smart hub CDP, which combines all these capabilities. Within a single package a smart hub delivers a strong data foundation, the ability to create profiles and segmentation, and the possibility to activate owned and paid media while orchestrating the customer journey.



BEST OF BREED OR SINGLE VENDOR?

Rather than starting CDP selection with a clean sheet, organisations that already use ecosystems such as Oracle, Salesforce, and Adobe may be incentivised to adopt these vendor's CDPs as an ecosystem component.

There's a strong chance this is the right answer, but it is still worth undertaking the evaluation process to ensure these CDPs are the right fit for your business and the best tool to solve your problems. In some instances a best-of-breed CDP will be more malleable, and can be easily integrated with existing ecosystems.

WHY DO I NEED A CDP?

There are many reasons to use a CDP, and they vary according to your needs, your use cases, and the problems you want to solve.

You may simply want to fix your data layer, in which case a data CDP will be adequate. Or you may want to do decisioning and personalisation, in which case a more sophisticated platform will be required.

Overall a CDP lets you break down data silos, collect first, second, and third-party data in a single place, unlock insights, and orchestrate and activate in real time on the back of all these signals.

A CDP moves your marketing from a batch-oriented environment to an in-the-now ability to execute personalisation or campaigns in real time, or to trigger events to downstream platforms using the latest information about the individual. It can take you from segment-based marketing to one-to-one communications, tailored to the individual's behaviours and activities.

CDP use cases include:

- Uniting broad data sets from disparate systems to create a single customer view
- Creating and activating segments in both paid and owned channels
- Offering next-best actions based on past purchases or browsing history
- Orchestrating marketing campaigns or user journeys based on events
- Personalising web content such as images, text or CTAs based on user profiles
- Running audience analytics on unified data from multiple systems

VERTICAL-SPECIFIC USE CASES

Now we've explored some of the general use cases of CDPs, let's take a closer look at how they can deliver value in certain verticals:

VERTICAL USE CASE: **HEALTHCARE**

Healthcare professionals (or HCPs) are exhausted, overworked, and under-resourced, so the last thing they need is a bombardment of irrelevant, one-size-fits-all communications from pharma companies.

A CDP helps pharma brands use both first and third-party data to identify what the HCP is interested in, what conferences they have attended, and what drug trials they have taken part in. These insights can be used to personalise face-to-face meetings or digital interactions, delivering value to the HCP and driving brand loyalty for the pharma company. [Check out our healthcare POV](#) to learn more.

VERTICAL USE CASE: **TRAVEL**

Within the travel industry, CDPs are used to offer personalised content that is relevant to the individual. The destinations featured on an airline's home page, for instance, may be selected based on the places the user has previously browsed or travelled.

CDPs can also be used to entice customers down the funnel, using scarcity tactics to indicate there are just a handful of rooms or cabins left, or offering a discount on a hotel they have viewed. Once a traveller has booked, CDPs can also power upsell or cross sell activities, promoting extras such as a bar tab or excursions during the trip.

VERTICAL USE CASE: RETAIL

There are plenty of CDP use cases associated with retail. Following up an abandoned basket with an email reminder or discount is a common one, as is tailoring the content a shopper sees on a retailer's website based on past purchases.

Adding machine learning into the mix can help determine what a shopper is most likely to buy, and enables the retailer to make recommendations or deliver the best offer to drive conversions. Loyalty programme data can supercharge personalisation when it is integrated into the retail experience via the CDP.



VERTICAL USE CASE: FMCG

While FMCG has many of the same use cases as the wider retail sector, there are also specific use cases, such as encouraging the user towards a subscription model.

Using past-purchase data as well as other signals, a CDP can help FMCG brands turn a one-off, ad-hoc shopper into a recurring subscription-based customer. Whether they're selling toiletries or coffee capsules, brands can capture all shopper actions and use them to personalise cross-channel communications and guide that user journey.



THE HYBRID USE CASE

There are times when CDP use cases cross verticals, for example when travel, retail, and hospitality overlap in an airport environment.

Travel data from car park bookings, security barriers, or wifi beacons can indicate a passenger has arrived at the airport, enabling personalised communications from in-terminal retailers or restaurants to be delivered in the golden hour before boarding. Boarding passes are scanned with many purchases, providing more data on which to base future offers and engagements.

Find out more with our [Heathrow case study](#).



SECTION THREE:

MOBILISING FOR CDP SUCCESS

As we've already seen, making your marketing operation a CDP success story is about more than simply investing in technology. The following five pillars will help you mobilise for CDP success.

PILLAR ONE: EVALUATION – WHAT DO YOU NEED?

As we mentioned earlier, understanding what you need your CDP (or CDPs) to do is vital to get the best fit for your ecosystem. Do you need to unify data to provide a single customer view? Do you need a decisioning or next-best action engine? Does it need to work in real time? How scalable and configurable should it be? Who will be using it, and does that bring its own requirements for useability? When choosing one or more CDPs, your organisation needs a tailored evaluation report or score card that enables you to measure vendors against your specific needs.

KEY CDP CAPABILITIES

At Acxiom we evaluate CDPs based on the following key capabilities and then overlay our client's use cases to understand which platforms will be the best fit for the business.

- Platform fit
- Scalability
- Decisioning
- Real time
- Personalisation
- Useability

PILLAR ONE:
EVALUATION – WHAT DO YOU NEED

PILLAR TWO:
USE CASE ROADMAP – KNOW WHERE YOU'RE GOING

PILLAR THREE:
DATA – WHERE IS IT AND CAN YOU USE IT?

PILLAR FOUR:
OPERATIONAL READINESS – GET EVERYONE ON THE BUS

PILLAR FIVE:
PLANNING – PLAN YOUR WORK AND WORK YOUR PLAN

PILLAR TWO: **USE CASE ROADMAP – KNOW WHERE YOU’RE GOING**

A roadmap agreed by the whole business is a key deliverable when selecting and integrating a CDP. The key is to think big but start small, with incremental releases that deliver value to your business within weeks rather than years. Plot use cases on an axis of complexity versus ROI to hit high-value use cases with the least amount of effort. There’s no need to go large from the get-go – you can gradually expand your use-case roadmap.

PILLAR THREE: **DATA – WHERE IS IT AND CAN YOU USE IT?**

Accessing the data to fuel your CDP is a point where many organisations trip up. Just because your business has first-party data, that doesn’t mean it is readily available to be used for your specific use cases. You need to know how and when to access your data, especially if it is being managed by a third party, and understand the permissions attached to it. It may be necessary, for instance, to re-consent customers before you use data for personalisation.

PILLAR FOUR: **OPERATIONAL READINESS – GET EVERYONE ON THE BUS**

A CDP is bound to bring organisational change, with questions not just around skills but also ownership and access. An IT-only implementation simply won’t produce the desired results if the marketing team will be the ones using the tool. It’s important to create hype for the new capabilities and to get stakeholders involved early, especially for a multi-market implementation. Providing clarity on the target operating model will help a smooth and successful implementation.

PILLAR FIVE: **PLANNING – PLAN YOUR WORK AND WORK YOUR PLAN**

CDP vendors will tell you integration is simple. And it really can be, as long as you get your planning in order. Ensure you identify all stakeholders who will either use or support the CDP, brief them on the objectives of the project at an early stage, and include them in the planning.

Interdependencies range widely for a CDP and it’s usual for up to eight separate internal and external functions to be involved in its setup. The definition of use cases, for instance, will likely be driven by marketing, while the data input will mostly come from existing IT systems. At the same time external partners are likely to manage the website and the legal team will be involved in how data is used.

It’s critical that everyone in the ecosystem is mobilised to support the project. This may be by providing approvals (think legal signing off the use of customer data) or giving inputs (perhaps IT providing definitions of data feeds). Once the project kicks off, these same parties should be involved right from the discovery phase, to capture requirements, identify concerns, define dependencies, and build and agree the implementation plan.

SECTION FOUR: IMPLEMENTING THE CDP

Once the project is up and running, the plan should be managed through a formal governance structure to ensure the project achieves its objectives and all stakeholders remain aligned.

CDP implementations lend themselves to Agile implementation as this model allows for flexible delivery of incremental functionality to achieve faster value realisation. A tiered governance model ensures that all involved parties remain aligned throughout the project delivery phase with the right forums for the right audience.

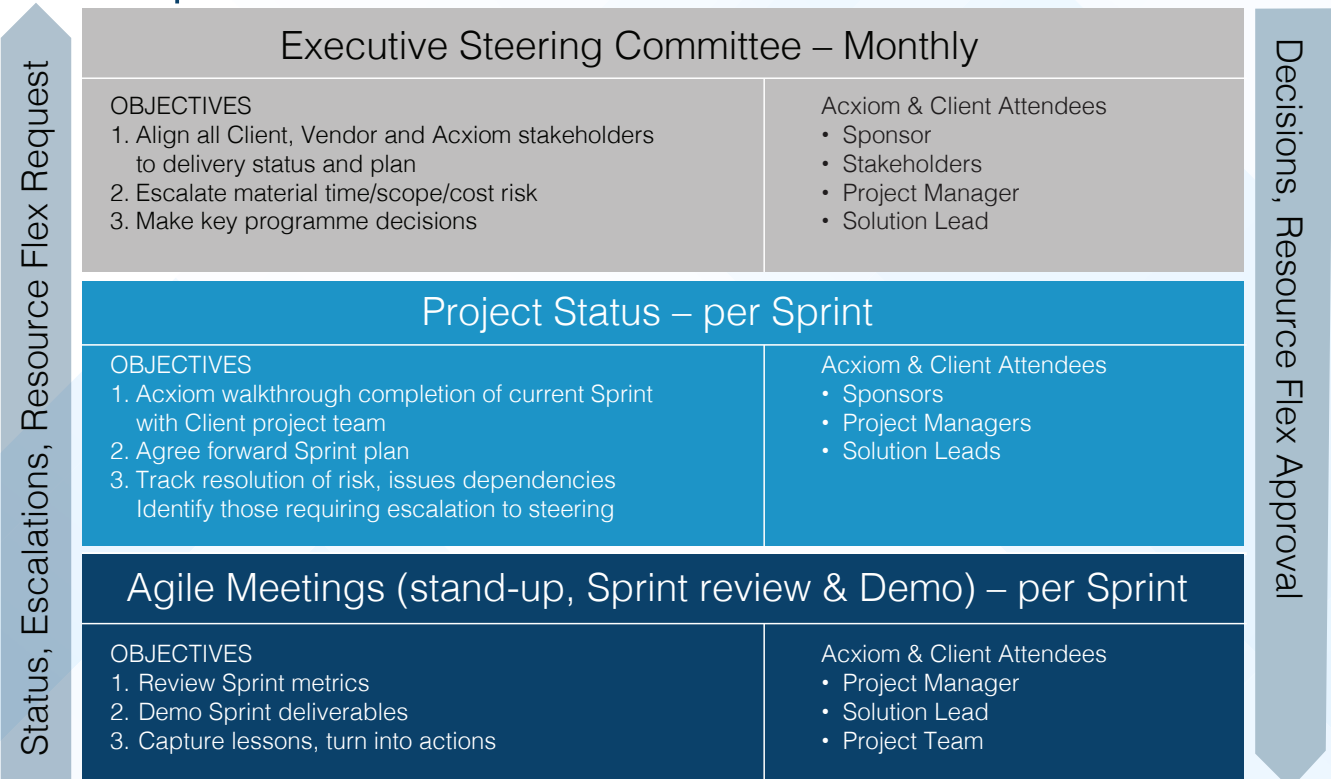
Agile meetings (daily stand-up, sprint reviews and demos) – The technical delivery team has daily meetings to ensure that project deliverables are on track and any issues or blockers are highlighted and information is surfaced upwards to the main governance forums. Sprint review and demo meetings are used to ensure that the project remains on track and deliverables are adhering to requirements.

Project status calls (per Sprint) – The project manager presents the overall project status to the Sponsors. The objective of the forum is to keep the core team aligned and ensure that the overall plan is agreed and actions, risks, issues and dependencies are appropriately tracked and addressed.

Executive Steering Committee (monthly) – The project manager presents the current project status and aligns with the executive team on the overall project delivery status and plan. Any escalations are addressed and key decisions are agreed to mitigate project risks. Decisions are then cascaded to the project team to ensure alignment across all parties.

Once go-live is achieved and the system is in 'business as usual', the definition and monitoring of a clear KPI framework and robust tracking with a ticketing system will ensure you maintain compliance and can respond to any regulatory changes.

Implementation Governance Framework



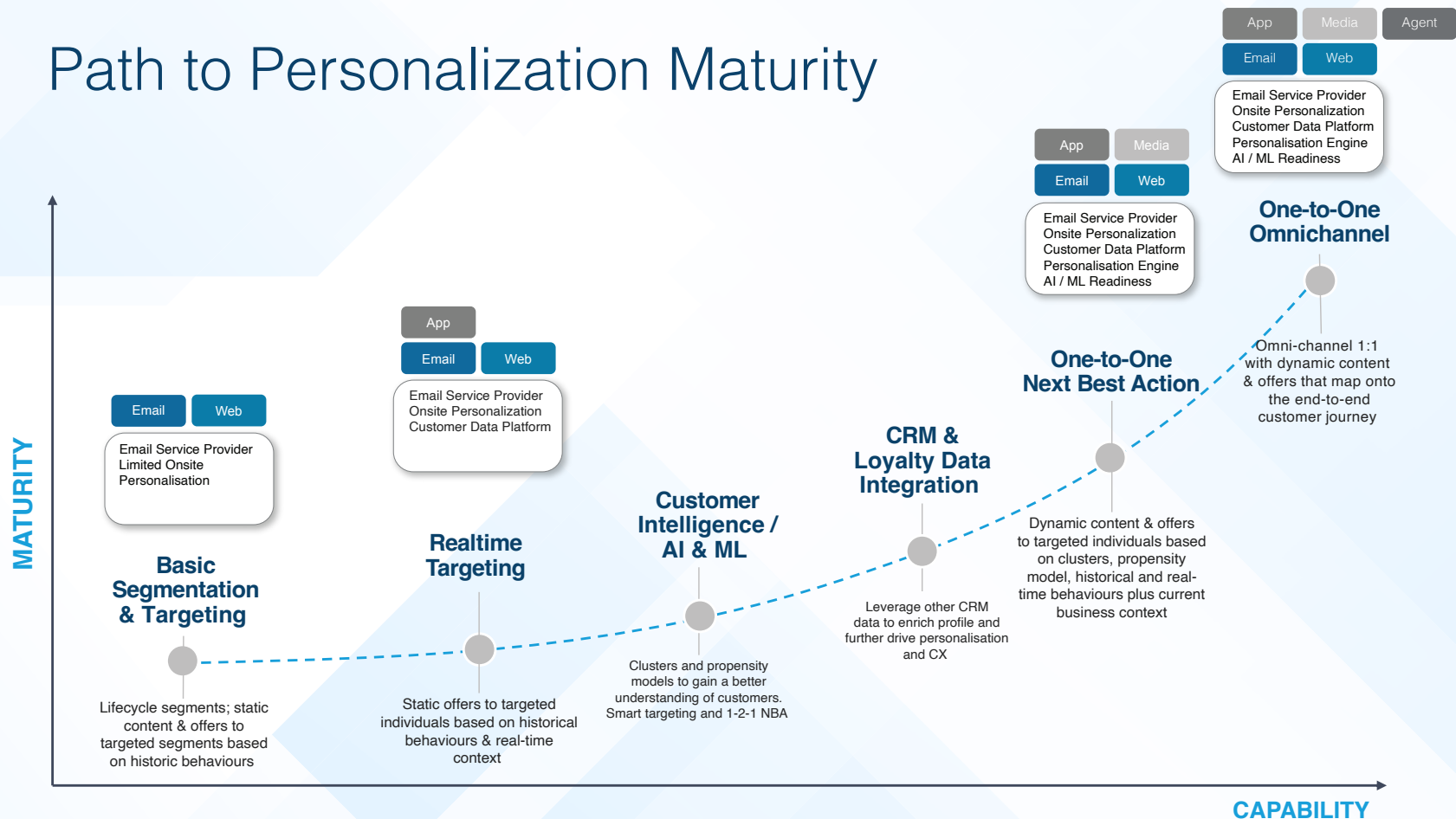
SECTION FIVE:

CONTINUOUS VALUE CREATION

In addition to consultancy on business-specific use cases, assistance with CDP selection, and support with integration and implementation, you may need ongoing operational support to get maximum value from your CDP investment.

This could include technical support – not just keeping the lights on but ensuring the platform is performing as expected and providing insight for issue resolution. It could include the integration of complementary components such as data and identity solutions to enhance the performance of the CDP. Or it could include campaign services such as orchestrating and preparing data, managing content, or campaign execution.

Path to Personalization Maturity



The ever changing customer requirements mean that value creation is an ongoing process that requires constant improvement to ensure that brands properly engage their customers and deliver value from their investment. Additional support is typically required when you start to deliver more sophisticated use cases as the organisation moves up in the maturity curve. Rising up on the maturity curve can be a challenge for organisations as the process might involve consultancy, skills and people that are not present in the organisation to facilitate the transition and deployment of new capabilities.

Depending on the organisations current maturity state, this could be moving from single channel to multi-channel personalisation, designing more complex customer journeys that cover multiple life stages, real-time capabilities or more advanced Desisioning and ML capabilities across the organisation.

Acxiom's Personalisation Service can deliver the support you need, providing you with a retained but flexible and scalable team of value-focused consultants, technicians, and analysts to support the demands of your business stakeholders.

In fact whatever support you need, at whatever stage, Acxiom is here to help. From strategy and selection to integration and implementation, and onwards to optimisation and value creation, we're a vendor and industry-agnostic partner that can help you maximise the performance and business outcomes of your CDP investment.

READY TO FIND
OUT MORE?

**Take a look at Acxiom's
CDP services and
solutions.**



ABOUT ACXIOM

Acxiom provides data-driven solutions that enable the world's best marketers to better understand their customers to create better experiences and business growth. A leader in customer data management, identity, and the ethical use of data for more than 50 years, Acxiom now helps thousands of clients and partners around the globe work together to create millions of better customer experiences every day.

Acxiom also offers a full suite of strategy consulting, predictive and marketing analytics, and marketing measurement offerings to support all facets of the data-driven prospect and customer journey. We help brands evolve their data strategy, understand marketing impact, better know their prospects and customers and predict behaviours.

Visit acxiom.co.uk or email ukenquiries@acxiom.com to get started.

