Customer
Data Platform:
Your Complete Guide

– Understanding Customers in a 2022 Perspective

raptor™

Table of contents

The world of data is changing

The wave of privacy has turned into a powerful storm - one with many fluctuations, wild and unpredictable waves, yet no definite endpoint.

Over the last decade, new regulatory laws and privacy initiatives have arisen, forcing organizations worldwide to re-invent their data strategy and technological setup. Not only to track and understand buyers' online behavior in the future but also to transform their business into one that values privacy and keeps up with performance levels - all under one roof.

The new transitional zone between what we know and what is well on its way captures customer data in the storm's eye. It is what you need to continue forward if you want a secure and valuable way to both store and activate customers' insights.

> **According to a 2020 IBM study,** 78% of customers value that a company's ability to keep their data private is extremely important. 77% consider data safety as a determining factor in their buying decision.

"A Customer Data Platform is a transformational technology that will secure business' success for many years to come. Data-driven marketing combined with strict data governance makes your brand more trustworthy in customers' eyes. This is a demand no organization should turn their blind eye to."

Kenneth Boll
CEO
Raptor Services

CDP: A Platform that grows with you

A Customer Data Platform (CDP) solves one of the most complex challenges facing businesses today: Unifying and activating customer data across the organization to benefit customers' experience on all the channels and platforms where they interact with your brand.

If you want to meet this rising challenge, you need a single operational platform that stores all your customer data, updates in real-time, provides a complete overview of your customers, and enables you to operationalize that knowledge into tangible marketing and sales efforts – voila!

A CDP makes it possible to create a truly personalized experience for each customer, but the system also gives you a stable "arena" from which to grow. When your customer base expands, the CDP will follow and make it possible to keep managing data and adding new channels as you go.

The Guide you need to make a decision

The following guide takes you around the CDP, from purpose and functionalities to implementation and prediction. You get a comprehensive understanding of how the CDP will contribute with value in both marketing campaigns and your tech setup to essentially increase the bottom line and deliver excellent, real-time customer experiences.

What is a Customer Data Platform?

The primary purpose of a CDP is to seamlessly collect customer data in real-time from various data sources, consolidate that data into a Single Customer View and use all customer insights in audiences deemed relevant for specific channels with targeted offers or messages.

Every piece of data you have is streamed into the platform from every channel and customer touchpoint – your CRM, website, e-mail marketing platform, advertising campaigns, SMS, POS systems, social media, call center, etc. is connected, unified and activated to reach overall business goals.

A CDP allows you to develop a meaningful customer view in real-time, a so-called Single Customer View. You get to know and understand your customers' behavior and unify their journey from one source only.

80%

of consumers are more likely to make a purchase when brands offer personalized experiences
HubSpot

CDP defined by Raptor Services

A Customer Data Platform is a single operational platform that dynamically collects, combines, and integrates customer data from all customer touchpoints. All to make data available in all activation channels and create a 360° view of all customers in real-time.

From Silos to Single View

Today, the fundamental hurdle to many companies is uniting customer data from multiple sources to create long-term value. That is why building and maintaining the many connections and integrations required to gain a single view can seem like a great deal of trouble for many organizations.

The CDP gives you a foundation that ensures that your customer data is consistent across every tool, platform, and channel. It tracks the primary identifiers from your different channels through keychain technology and unifies them in a Single Customer

"Creating a single view of the customer must start with a 360° view of the customer. This is the biggest blind spot for retailers dealing with the disrupted marketplace"

Forbes

View. These primary identifiers include e-mail address, Cookie-ID, device-ID, Customer Club-ID, Token-ID, and other user-idents. The CDP automatically removes duplicated idents and eliminates any conflicts between ids in this process.

Alice

26 years old

Lives near Copenhagen

Abandoned basket 2 days ago

Opened 3 of 5 e-mails this month

Made a purchase in-store 4 weeks ago

... and 900+ additional data points

The many shapes of a CDP

CDPs are growing in numbers, but that doesn't mean they are similar in shape. In fact, the CDP is not an exact science, which results in an often ill-defined category that can be hard to navigate.

Check out Gartner's definition of four types of CDP

A CDP is best defined by the quality of its functionalities – what does a CDP do best? The strengths and weaknesses of a CDP range from unification logics, tracking, integration (both ingest and activation), and the ability to create dynamic audiences. The quality of these functionalities is what varies between CDP vendors.

To make this jungle a little easier to navigate, here is our definition of the most common data platforms out there: CDP, DMP, and Data Lakes (also known as the DIY CDP).

CDP

The CDP is recognized as the most complex and advanced of the three, as it is a system that orchestrates marketing and personalization efforts from one single interface. Here, customer data based on behavioral, CRM, and transactional data are ingested into the CDP to achieve a smarter segmentation process and advanced personalization capabilities. Depending on your chosen vendor, a CDP can be customized to your needs, so it can help you achieve whichever strategic targets your organization has.

CDPs also vary immensely in overall technical demand, meaning that some CDPs are perfectly manageable for most marketing teams, while others are more technically taxing.

DMP

In some ways, a DMP (Data Management Platform) is similar to a CDP but without the element of profile unification.

DMPs are closely tied to acquisition marketing, and they primarily use 2nd and 3rd party data to help marketers understand their audience better to target their ads better. Facebook is a well-known example of a DMP: They collect data on their users and allow advertisers to use that data to target Facebook users with relevant content.

However, the platform cannot accept and store 1st party data, and it works almost exclusively with anonymous information like cookies, devices, and IP addresses. What's more, most DMPs create temporary profiles based on

user data that is only retained for a couple of months tops. This makes the DMP able to develop a clear view of a specific audience, but it doesn't understand users on an individual level.

In contrast, a CDP collects much more detailed customer data, which can be used in many different arenas for advertising and e-mail marketing, website personalization tools, CRMs, and many more.

Data Lakes (The DIY CDP)

A Data Lake is an information system capable of storing large volumes of data from any area of the company, not restricted to customer data. It's an empty lot you buy from data warehouses like BigQuery or Snowflake on which data unification logics are built from scratch. This makes the most apparent advantage of a Data Lake its unlimited customization and open-source format.

It's often one person within an organizations who choose to build their own data platform, and only with extremely specific use cases that existing CDPs cannot fulfill. This can create bottlenecks, as the DIY CDP rarely is user-friendly and requires a lot of effort and resources. A lot of knowledge "sticks" to the person designing the CDP, which

also means that the time-to-market with a DIY CDP is often longer because of the significant technological resources it demands.
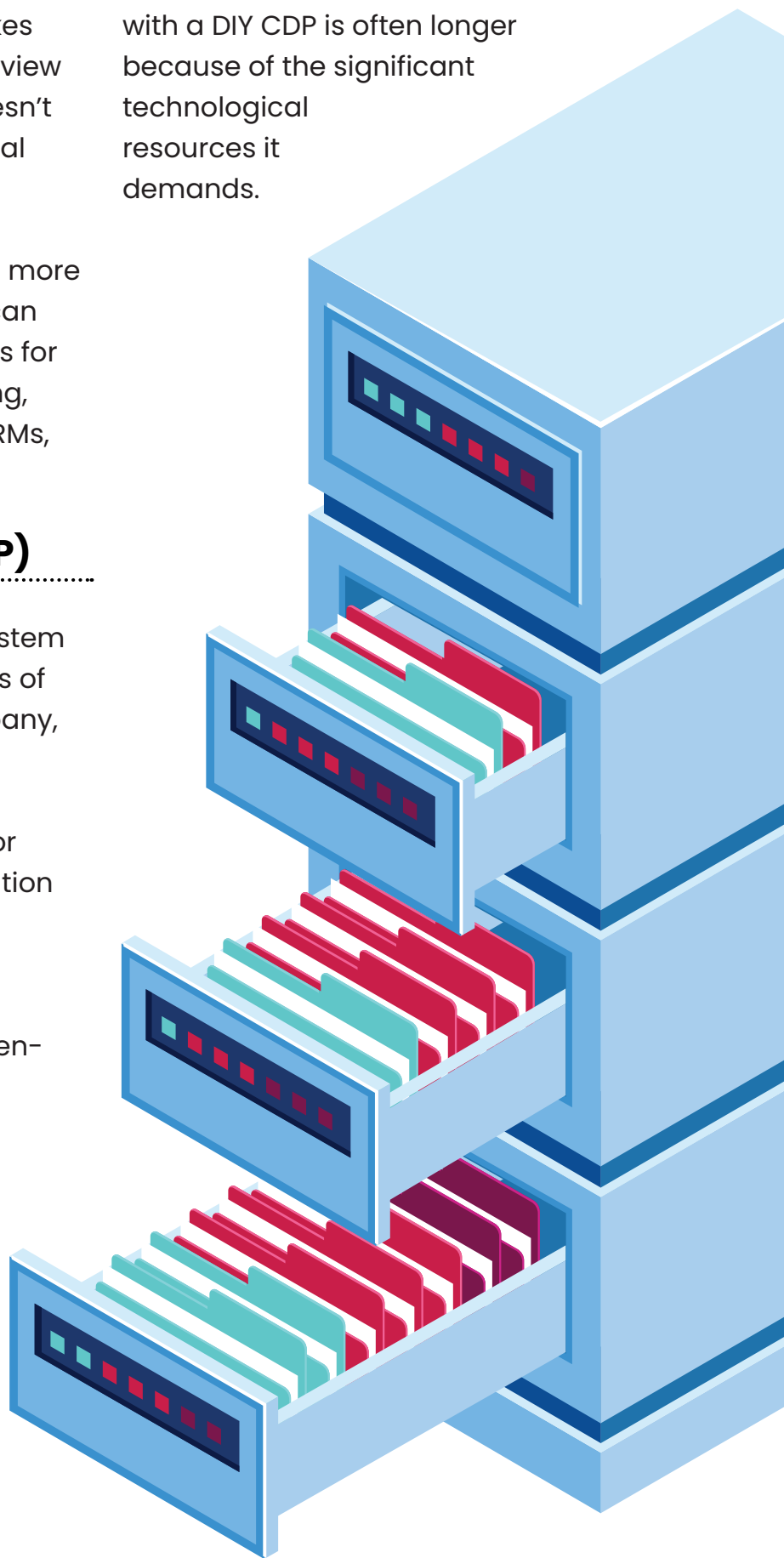
5 Key Benefits of a Customer Data Platform

1

You understand customers through a Single Customer View

A CDP enables you to understand your customers on a 1:1 level. You can act on the data you get from all channels and customer touchpoints to manage your customer relationships.

Use a CDP to build actionable audiences directly from customers both on- and offline, website visitors, social media followers, and subscribers. This is the best type of data to collect if you want to personalize their experience and communicate consistently and personally on all your channels.

2

You collect data directly from your audience

3

You get rid of Data Silos

Isolated and siloed data can block your efforts towards scaling personalization. A CDP gives teams the ability to access and leverage customer data across departments – tearing down data silos that prohibit growth and transparency.

A CDP enables you to handpick the best-suited technology (or keep the one you already use). Audiences and predictions are set up centrally in the CDP and applied across various technologies, saving you time and energy if you want to replace one technology with another.

4

You get to design your own tech-stack

5

You accelerate in the Time-To-Market Discipline

With a CDP, your time-to-market on marketing campaigns is executed effortlessly. You reduce the otherwise normal friction from manual processes handling customer lists or audiences. You simply have no maintenance as your audiences are updated automatically.

Shoe-D-Vision increased their overall conversion rate by 19% using personalization

When Shoe-d-vision (also known as Skoringen) activated personalization solutions by Raptor on web, e-mail, and paid media ads, their results were instant. They quickly saw in increase in overall conversion rate by 19% - and users who engaged with personalization generated 21% higher avg. revenue than than those who did not.

By activating their Customer Data Platform, they were able to collect data and built actionable audiences from all customer touchpoints. For example, they were able to create audiences of customers with a high Customer Lifetime Value (CLV) or people who visited without making a purchase. This way, they have a much better foundation for personalizing their advertising campaigns towards look-a-like audiences.

21%
higher avg. revenue than non-Raptor users
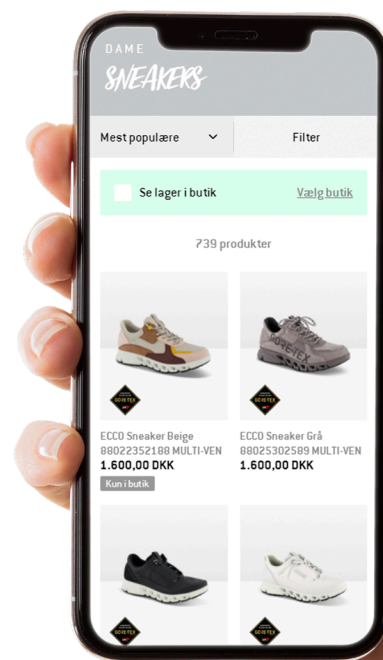
Read the case

Your customers are anything but linear

People don't follow linear customer journeys – and probably never did. Instead, we use a variety of entrances at all given times to connect with your brand and the services or products you sell.

A Customer Data Platform collects that data about your customers' interactions to create accurate customer profiles that are accessible for technologies in your tech stack. These are dynamically included or excluded as customers step in or out of a given audience.

The future of marketing lies within data – real-time, accurate, inter-connected data enhanced by machine learning and AI.

A CDP works in synergy with other technologies – making it a genuine team-player tool. The outcome of having technologies come together is a coordinated and strategically superior data platform from where all data is activated.

Is it necessary, you might ask?

If you want to futureproof your data, then yes. Besides collecting, organizing, and extracting meaning from data automatically, a Customer Data Platform also ensures that the data you are using is correct, updated and reliable. This is still a big problem for companies in 2022, who deal with processing large amounts of customer data.

"Today, I believe most companies are motivated to work with customer data - or will be soon. Many companies are well on their way, but in rather simple and static set-ups that are either outdated or manually heavy."

**Anders Spicker
Omnichannel Director
Raptor Services**

6 reasons why you need a CDP

1

To create a master set of customer data

All your siloed data sources become synchronized and harmonized across all your channels. CDP users can consolidate all their customer data in a single platform.

2

To meet customers' expectations

A CPD lets you address and recognize your customers based on past actions. The unification of the individual user's different IDs (email address, cookie ID, etc.) happens through keychain technology.

3

To remove irrelevant communication

Audiences built in the CDP user interface are automatically maintained with your customer's latest actions across the channels they meet you. This lets you avoid irrelevant communication based on expired information.

4

To achieve clean data and make strategic decisions

Strategic decisions, driven by data, require all channels to communicate flawlessly. If a single data source is not synchronized, data validity decreases. The ingest function in a CDP ensures hygienic data in your database.

5

To connect with customers through 1st party data (others are way ahead)

Behavioral data is crucial when building customer loyalty. You need to show your customers that you understand their needs and provide a more personalized customer experience to compete.

6

To gain a CDP as a resource for your team as well as your entire company

A customer platform is useful for orchestrating a personalized customer experience in all marketing channels, but it can also provide insights for other departments. For example, based on Churn Prediction algorithms and Customer Lifetime Value Prediction, the platform can also help your sales and e-com team make decisions.

What a Customer Data Platform does best

Improve customer trust

Customers are more comfortable sharing data in exchange for personalized experiences. However, they expect you to protect that data. 81% of customers say that trusting a brand is a deciding factor in their purchase decision, EY.

Understand your customers

With a CDP, you take data from any source, both online and offline, and create the Single Customer View that fosters quality personalization.

Predict your customer's next move

Instead of guessing what a visitor is likely interested in on your website, former behavior can predict their future choices thanks to AI and machine learning technology. Better predictions shape a better outcome and customer experience.

Secure customer-centric marketing

To perform customer-centric marketing, you need to know your customers. A Single Customer View always provides you with that knowledge in real-time by automatically ingesting data from all sources.

The exit of 3rd party cookies makes a CDP crucial

With the impending loss of third-party cookies, along with other tracking changes, the importance of customer data security has never been more critical. Google Chrome declared exit on cookies in 2023, forcing advertisers to change tracking tactics away from 3rd party cookies. This means a loss in conversion tracking or ROAS and targeting.

One way to overcome the fast-approaching loss in tracking is to collect first-party data and use the CDP to target customers across sales, marketing, and advertising channels.

First-party data include e-mail address, token ID, device ID, etc., that are stitched to the customer IDs in the CDP.

Many worry about acquiring new customers in paid media channels after the exit of third-party cookies. The best way to tackle this issue is by crafting a strategy for handling marketing consent.

First-party data given by consent from visitors on your website is stored in your Customer Data Platform and can be activated in channels such as Google and Facebook to create lookalike audiences and keep your conversion rates high.

With the CDP you can reach new potential customers who don't know your brand and products yet with the use of 1st party-cookies.

"Surviving the loss of third-party cookies is about realizing the power of owning first-party data. A CDP lets you collect and connect all stitched data to create better insight into the choices and behavior of your customers. This is not only a nice-to-have but the path forward if you want to target potential customers in the future."

Jan Skov
COO
Raptor Services

How SPORT 24 achieved a 92% ROAS increase with the CDP

SPORT 24 had come a long way by using Facebook's pixel for retargeting website visitors; however, that did not provide a complete overview of customers in terms of how they behave across platforms and channels.

Before using audiences created in the CDP, SPORT 24 usually achieved a ROAS of 17-20, which is considered a high-performance level to many.

Today, SPORT 24 is using Raptor's CDP to create all audiences based on their customer data to reach both existing customers they are hoping will repurchase but also first-time customers who have interacted with SPORT 24 across channels.

The result? Modeling their audiences around customer data from Raptor's Customer data platform has led to an increase of 30-35 in ROAS – **a performance lift of 92 %.**

Why? The lookalike audiences created by the CDP reach more customers and contain more details about their behavior that match the original specifications. A manually conducted segment would never be specific and significantly lift the performance level.

92%
increase in ROAS on Facebook marketing

"We don't need to sell anything right away. First, we need to know who you are"

René Iversen
Marketing Automation Specialist
SPORT 24

What to look for before you buy

Before you dive into a thorough vendor selection, you will benefit from turning the CDP project inwards and consider your business' readiness to scope the project properly.

> "*Many organizations reach the conclusion that a CDP makes sense, however a great amount hesitate to match their words with actions. They simply don't know how to get started*"

**Jeppe Godske
Partner Director
Raptor Services**

1. Your business use case

The best place to start in any investigation phase is to address your business pain and the extent of the challenges you face. Are you missing opportunities to communicate with people from your subscription list? Do you need a proper way to ingest data from different channels, such as Facebook, your e-mail marketing system, and POS data from the physical store? Depending on your use cases and the challenges you face

from different departments can help decide whether you need a CDP or not.

2. Your technological setup

A CDP is more than anything about minimizing silos and letting data flow between your tech stack. The issue is often not that the organizations are missing technology but that they don't know how to leverage the full potential. A future-proof CDP works with all the customer data-dependent technologies you have today, so you don't need to make new investments.

3. Your organizations' readiness

A CDP is a project that requires a certain amount of readiness from your organization to succeed. By readiness we mean an attitude towards change across departments that will handle the CDP once activated. Our advice is to have a "strategic owner" or "superuser" who works with the CDP and its functionalities. This person is also the gatekeeper between the CDP provider and the organization. You need to agree on targets and process to make your organization ready to drive the CDP project forward.

This might hurt: How many pains do you recognize? ☑

Your customer data is placed in silos

- ☐ Your customer data from physical stores or ERP systems is rarely made useable for marketing efforts– and if a visitor doesn't complete a purchase on these platforms, the data goes to waste.

- ☐ You don't have a platform to re-activate subscribers in other channels, such as Facebook, or Google ads.

- ☐ You don't recognize your customers across channels.

Your customer insights are often fragmented

- ☐ Your marketing campaigns are based on answers from outdated surveys and customer reviews, causing a delay in setting up campaigns that will perform.

- ☐ You don't know enough about your customers to deliver a personalized experience.

- ☐ You use too many channels for marketing your products to customers.

Your customer journeys are not developed across digital touchpoints

- ☐ Your customers' journey takes place across many different touchpoints, which creates a challenge if these are not clearly connected.

- ☐ Your KPIs are defined within each channel and not as shared metrics that involve the organization's entire performance.

- ☐ You want to personalize customers' experience wherever they meet your brand in their customer journey, either on social media, website, in-store, app etc.

The IT department is always involved

- ☐ Your IT department is often involved in data integration processes which makes you vulnarable to change in the organization.

- ☐ The process of pulling and uploading data is a manually heavy task that is hard to prioritize for IT during a busy week.

- ☐ You miss out on immediate trends because only IT can make the necessary tweaks.

7 steps: How to land the CDP project in your organization

Deciding to buy a Customer Data Platform resembles the process of replacing any other technology solutions you might have in your tech stack. This involves:

1. Build your business case

2. Settle on your goals – What do you want to achieve?

3. Get buy-in

4. Your team and its resources

5. Evaluate vendors

6. Go through procurement

7. Start implementing and activating

1. Build your business case

A CDP should serve as a long-term investment for the entire organization. This requires detailed considerations about the scope and total costs of the project – both implementation costs and any annual license.

If you plan on "selling" the idea of a CDP to your CEO, you need to break down the project into understandable pieces that often answer the following questions:

- **What are the costs?**
    - CDP solution and system requirements
- **What are the expected outcomes?**
- **What resources do you need internally?**
- **What resources do you need externally?**
    - External partners
    - Consulting costs

A thorough business case makes it easier to achieve buy-in at any level of your organization.

BENEFITS

RISKS COSTS

What does a business case do?

A business case takes both benefits, risks, and costs into account and enables your organization to make the right decision based on facts.

2. Get executive buy-in

Once your business case and scope of the CDP project is in place, involving teams in your organization will become less of a hassle – why? Because you can present what expected value a CDP will serve and how you get there.

> "*Having the right people on board to begin with is pivotal to measuring success. Who do you want to carry the transitional process and support meeting business goals?*"

Jeppe Godske
Partner Director
Raptor Services

However, you still need to consider how you approach different roles within the organization and their use cases. Ask the question: What are the specific obstacles your team faces that prevent you from lifting marketing efforts or developing your customer experience?

Have in mind; A CDP will mean many different things to different people in your organization. However, what unites them is their eagerness to know

how their job is made easier, more automatic, strategically rooted, etc. Both in single teams and in cross-functional roles.

> **"Unless you win support for your ideas, from people at all levels of your organization, big ideas never seem to take hold or have the impact you want"**

Forbes

According to Forbes, **70%** of all organizational change efforts fail. One reason for this is a lack of executive buy-in on good initiatives and ideas.

Your CEO might be more interested in macro outcomes and the impact on your company's strategic goals than what matters to your IT manager or salesclerks at the physical counter. Buy-in from the CEO is crucial, though, as it also wipes out potential silos within the organization and prevents counteractivities from succeeding when going forward with the Customer Data Platform.

On the next page, you'll get insights into what you should focus on when pitching the CDP to different roles within your organization.

🔴 Role	🔴 What to focus on
CEO	Focus on bottom-line metrics: How will the CDP help realize business goals and increase revenue? Which problems does the CDP solve across the organization, and how does it impact growth prospects?
Marketing team	What will make customers return and leads become invested in your brand? A marketer, especially a CMO, is interested in knowing how a CDP can help you target campaigns to the right audiences and make personalized experiences from your activation channels. Asking how a CDP can help increase Customer Lifetime Value (CLV) and generate both Marketing and Sales Qualified Leads will be your best way to get buy-in.
IT department	In many organizations, Tech is seen as a cost center requiring many resources. A CDP will release some of those resources to other tasks, which should serve as your argument: How will a CDP help your tech department? To add, IT is often interested in governance and security – that is, how data flow through integration and data validation.

3. Get settled on your goals – What do you want to achieve?

Any decisions to buy a CDP can quickly drown in theoretical speculations about outcomes, visions, and missions that few would know how to practice, let alone evaluate.

To know how your investment will turn out as money well spent, you need to be specific about the issues you want the CDP to solve or the targets you want to reach.

The point in being so specific with your metrics and level of performance is to make people working with the CDP aligned on shared goals. This will motivate employees in all layers of the organization to take responsibility.

Examples of popular KPIs to work towards with the CDP

By 2023, 50% of our customers should join our Customer Loyalty Program

The CDP should convert 2% of our window shoppers into actual customers

The CDP should make data available across channels

We want to activate 40% of our collected customer data

By the end of 2022, we want to be able to identify 35% of users visiting our webshop or app.

Reduce customer churn by 14%

4. Secure your team and its resources

A CDP acts as the foundation for your customer overview, and it makes you far more likely to succeed in delivering seamless customer experiences across all channels and platforms.

Firstly, settling on shared goals in your team is pivotal to finding value in the CDP. From the previous section, you have hopefully already agreed on what you plan to achieve with a CDP, which makes finding the right people to involve in the project more manageable.

Secondly, the role of your team is the operation itself. After you have implemented the CDP, the activation of audiences happens automatically with the integrations in the different channels.
However, the effort lies in defining the flows, creating the campaign audiences, testing, and monitoring and analyzing performance. Therefore, you need to define clear roles for the employees involved, such as:

- The CDP project owner: A person securing alignment and who is the primary contact to your CDP provider
- Technical roles related to integrations and implementation
- User/marketing roles related to creating audiences and activating campaigns
- B2B/B2C roles related to e-commerce, marketing, and sales

Remember, a CDP operates on several levels of your organization: business and tech, strategic and operational.

> *"You will need skilled people to utilize the possibilities provided by a CDP. Implementing a CDP is a fundamental shift in how data is owned and accessed across the organization. However, the most important ingredient is the people operating the platform, and not the technology itself."*

Jeppe Godske
Partner Director
Raptor Services

5. Evaluate CDP vendors

At this point, you hopefully know what you need and why you need it, but not who you need. Finding the right CDP provider often takes time and involves stakeholders, partners, and networking across your industry - all to settle on the CDP that helps your business meet targets and deliver excellent customer service.

Local provider VS International provider

Ask yourself whether you need help in any stages of the CDP process or if you have the resources to handle all from implementation, activation, and maintenance in-house? If not, choose an accessible vendor who has the resources to guide you towards your goals - and in your own language.

Fixed price model VS Scaled price model

Depending on your budget and growth expectancies, consider the price model that works best with your plans. You often find two models: 1. Vendors with a low "buy-in price" that scale your expenses the more add-ons you activate. 2. Vendors with a higher entry price that have all integrations and solutions available without further expenses.

Easy-to-use CDP VS Tech-savy CDP

Not all CDPs are easy to use, and that isn't necessarily an issue if you plan on hooking external resources to the project from the beginning. However, it might still be helpful to have some skilled people in your organization who can handle bugs and errors, so you avoid too many bottlenecks.

Pure-player VS Suit-vendor

In other words: Do you want a provider who specializes in CDP or one that offers other tech solutions as well? Maybe you need more marketing automation tools in the future? Or maybe you already have what you need and are exclusively looking for a platform to activate your customer data? Your choice should reflect your needs.

Pre-made integrations VS Build as you go

Many CDP vendors offer a list of pre-made integrations. This is valuable if the list contains the exact integration you need. However, many benefit from a customized CDP with integrations built on-demand to avoid shifting CDP vendor due to integration limitations. Get an overview of your entire tech stack to know which integrations you need before choosing a vendor.

What you should expect from a CDP

- The CDP should consolidate profiles on a personal level and connect attributes to identities.
- The CDP should be able to link multiple devices to a single individual – once they've been personally identified – and deduplicate customer records.
- The CDP should use both probabilistic and deterministic matching strategies.

6. Go through procurement

Finding and agreeing to terms and conditions with a CDP vendor is an essential final step in your purchase process.

To simplify what can seem like a complicated step: A procurement phase usually involves negotiating terms and conditions such as licenses/prices, what is included in the contract, the termination of the agreement, and usually also a Request for Proposal (RFP).

Whether you are working in a smaller business or a major corporation, you will probably need to fill out an RFP for choosing a CDP vendor. An RFP is your internal document in which you agree on deliveries, when, and for how much.

Check out HubSpot to get a complete template on an RFP and what to include.

Remember that an RFP is always specific to your business needs, so you might have to add a section or two to make it work for your organization.

7. Start implementation and activation

Implementation and integration

Once you understand your business goals, have chosen a CDP vendor, organized your responsibilities in your teams, and pen has been put to paper, you are ready to start integrating data into the CDP.

Remember, a Single Customer view allows you to deepen the understanding of your customer and it ensures that no data is overlooked. Every interaction adds a new layer, making your profile detailed valuable for future activities.

Begin with what you already have

Start by streaming behavioral data from your website, your sales transactions from physical stores, and your online stores, and your call center data, if you have any. You can choose to ingest data in batches or stream it in real-time. Remember to consider what kind of update level is required to fulfil the commercial business cases. There is no point in uploading a batch of data every 24 hours if you need data every 5 minutes.

All the data can then be integrated into your activation channels through a generic API.

Depending on your vendor, you will also have the option to do channel-specific activations.

At Raptor Services, we have dozens of premade integrations with Salesforce, HubSpot, Umbraco, Facebook, Google, and more, allowing customers to start integrating data here and now. More importantly, we build any integrations our customers might need to meet specific needs and grow alongside their business.

DEVICE · DMP · CRM · TRANSACTIONAL · BEHAVIORAL

A Customer Data Platform complies

A Customer Data Platform makes complying with GDPR, CCPA, and other privacy legislations a much simpler process. The solution gives you a key point of reference to handle those requests through the Single Customer View.

With a CDP you get a complete overview of the data you possess, and it will be much easier to comply with requests for changes to a customer's privacy.

You can ensure that a user who opts out of marketing through your customer service will neither receive e-mails nor ads in banners and social media, and you can manage who has access to what on your account.

A Customer Data Platform delivered by Raptor stores and displays the personal data of end-users – including IP addresses, names, addresses, phone numbers, e-mail addresses, purchase history, etc.

This is why we value responsible data management by ensuring:

- Encrypted data hosted on a secure cloud solution from Microsoft Azure Internal and external security evaluations
- Data that is stored in EU and under European regulations
- Role-based permissions (Incl. Read-only)
- Single sign-on and two-factor authentications
- Data privacy features (GDPR)

How a Customer Data Platform affects ROI

Data activation happens in your channels, so performance reporting continues in those respective channels. For example, a SoMe campaign sent to a CDP audience will likely have a higher engagement rate than your regular campaigns due to its increased relevance.

However, the CDP does not report audience performance since the development occurs in your activation channels - e.g., webshop/analytics, e-mail and automation, SoMe, app, and ads.

To the right you can find an ROI model for a Customer Data Platform.

The model highlights increased data asset value, performance lift, and operational savings. If you subtract these increases from your CDP-related costs, you will end up with your Return on Investment.

Data Asset Value

- Market value for your audience
- Data required for AI & transformation initiatives
- Potential data products

Performance Lift

- Incremental new business
- Improved retention
- Upsell / Cross-sell
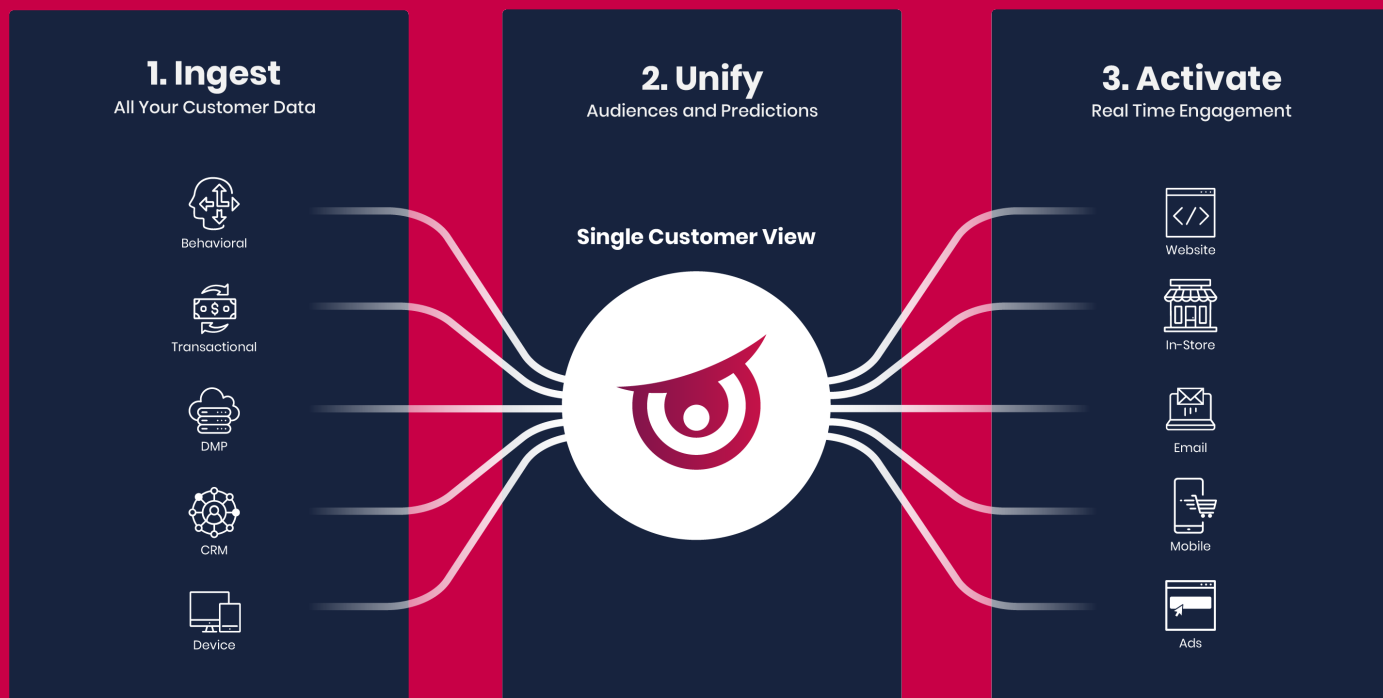
Operational Savings

- Automated sales / Marketing
- GDPR-compliance
- Media savings: Targeting & Data

Direct & Related Costs

- Customer Data Platform
- Professional services & team training
- Maintenance costs & data enhancement
- Other external ressources

The Customer Data Platform: Bit by bit

1. Ingest
All Your Customer Data
- Behavioral
- Transactional
- DMP
- CRM
- Device

2. Unify
Audiences and Predictions

Single Customer View

3. Activate
Real Time Engagement
- Website
- In-Store
- Email
- Mobile
- Ads

1. Start ingesting your data

Data can and should be your most significant competitive advantage in today's world. A CDP lets you collect data from every customer touchpoint across your channels and platforms. These customer touchpoints can be online behavioral tracking data, programmatic data, POS data, Customer Club data, CRM data, etc.

Data from all your channels and platforms are automatically ingested

into the CDP, which mainly consists of first-party data but also second- and third-party data. The data ingestion happens in real-time and in batches, without any storage limitations.

Data collection must include first-party identifiers such as e-mails and attributes such as demographic information. But customer data such as real-time behavioral interaction data are just as important since they

enable you to deliver precise and personalized communication across your channels and platforms.

Profile unification in a Single Customer View

All the relevant data sources ingested consolidates into a profile unification which provides you with a Single Customer View.

The Single Customer View is a database where all your customer data is stored in one place to get a complete overview of a single customer. This has many advantages, including simplifying GDPR compliance and, most importantly, creating a true 1:1 personalized customer experience.

The Single Customer View is also your opportunity to see all historical data on a given customer. When an audience is created in the audience builder that audience will be assigned to the respective customers, along with any traits defined in the audience.

Alice

- Age
- Gender
- Language
- Location
- Created

Behavior   Channels
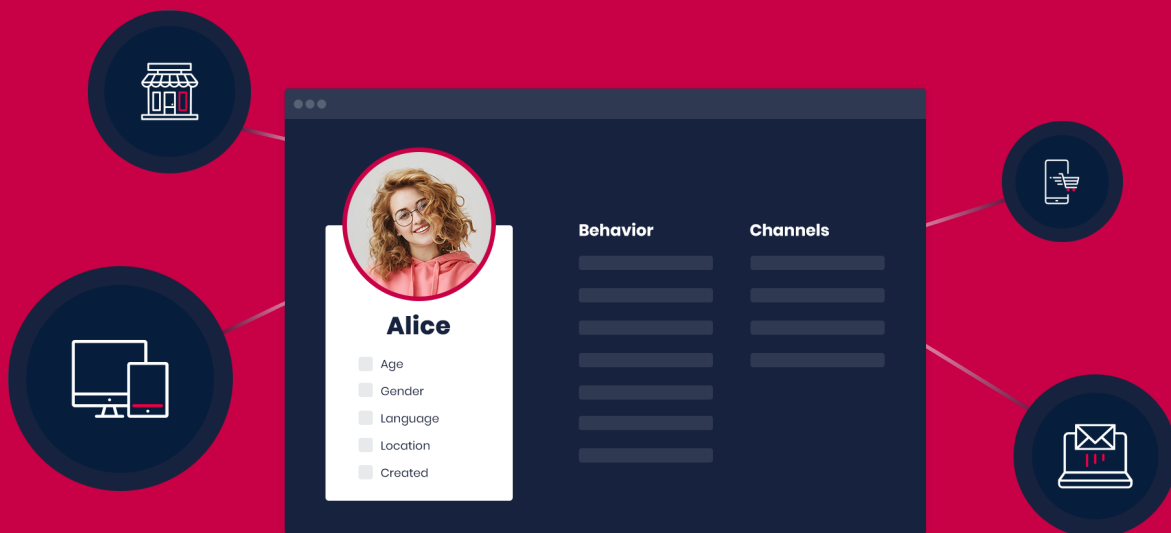
"A Single Customer View is the most powerful overview of every action your customers have performed – on their mobiles, your website, social channels, and even from their in-store activities. It's the total overview of your customers' journey today and most predictive model of their future activities."

Jan Skov
COO
Raptor Services

2. Create dynamic audiences that update in real-time

The audience builder is your operational access to the Customer Data Platform. This is where strategic business logics are incorporated and defined in advanced audiences from every available data source.

Every created audience is dynamic, which means it updates in real-time. Only users who contain the right requirements when the audience is created will be placed in the audience.

Any technology that claims to solve CDP-oriented use cases, such as re-engaging customers, must help solve the more significant problem of delivering experiences that meet customer expectations and deliver business value. This means managing the data more effectively, but it also concerns the following:

- Segmenting audiences and personalizing offers
- The CDP must contain the ability to create and manage rule-based audiences/segments
- Orchestrating cross-channel campaigns
- Activating audiences in real-time through every available channel and platform
- Advanced segmentation features may include automated segment discovery or propensity models

People who bought a specific product online

People who bought the same product in a store

One consolidated audience
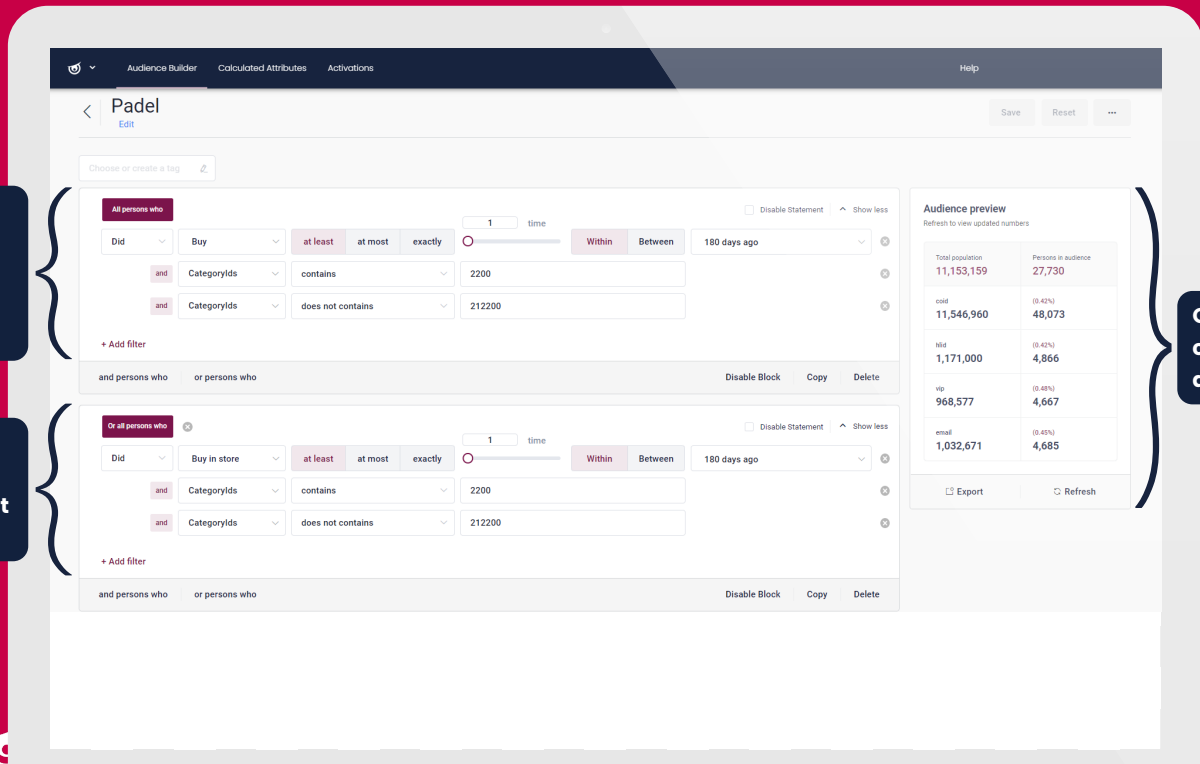
3. Activate data from everywhere

A CDP can be categorized as an engine for automated triggers that make up the primary communication with your customers in every life cycle and touchpoint. However, the CDP also involves other disciplines, such as calculating attributes, profile unification, data management, etc.

When an audience has been specified and built in the audience builder, that audience is activated on your different communication channels, such as e-mail, display banners, social media, and SMS.

Activating customer data gives you:

- The ability to push audiences to specific marketing tools and create effective e-mail campaigns, mobile messaging, advertising, and other activities (marketers still need execution tools for the last mile).
- The ability to include activation features such as next-best recommendations, dynamic creative optimization, testing and self-optimization capabilities.

"Technology has finally advanced to the point where marketers can use real-time data in a way that is both meaningful to customers and profitable for companies."

McKinsey

Marketers can define what will happen to the individual audiences in the different flows, such as creating triggers for e-mail marketing campaigns, activating audiences in channels, through messages and much more.

Let's say the goal of one of your audiences is to maintain VIP customers and prevent them from churning, then you should show them personalized content or products based on their previous behavior and preferences. Similarly, two different customers that are in a churn risk flow should not receive the same content. Instead, each message should be tailored to their needs and preferences, which is exactly what your activating audiences will help you achieve.

4. Predicting and Machine Learning

Machine learning prediction is powered by customer data and the insights you gather across customers' touchpoints with your channels and platforms.

The integration of prediction and machine learning in your targeting will allow you to be proactive, without using any manual resources since your created audience will update in real-time.

In product recommendations on websites or in e-mails, the algorithm finds the most relevant product for the individual customer. In the CDP, the goal is to create advanced audiences that are the most relevant for a product, a piece of content, or a campaign either by using prediction functionalities in the CDP or load results from prediction models made in BI or another analytical tool.

Consider a product you want to clear from stock. The CDP makes it possible to define an audience most likely to purchase that product. From the audience, you get accurate insights into potential behavior and you can setup a "clear from stock" campaign targeting people who are most likely to purchase.

"In particular, CDPs with artificial intelligence and machine learning capabilities can help organizations act on key trends faster, in part by making marketing more efficient."

Forbes

5. Calculate Customer Lifetime Value and Churn Risk

One of the most unique and valuable features of Raptor's CDP is the Customer Lifetime Value (CLV) Model. It's a priceless calculator that helps you identify your best customers, customers with a high churn risk, and lots of other valuable parameters. For example:

High Future Value

If a customer has bought from you often and has a high average order value, the CLV Model will spot them as High Buying Potential. Simply put, the model predicts which of your customers will be the most valuable for your business in the next 365 days. This segment is well worth your marketing spend as you want to keep these high-value customers close. With the CLV Model, it's much easier to identify this customer type.

High Churn Risk

On the other hand, some of your customers may have changed their behavior significantly. Maybe the number of days between orders is falling, they don't make a purchase when you expect them to, or they have stopped interacting with your e-mails. Churn alert! By segmenting customers

with a high churn risk, you can tailor campaigns with special discounts directly to them.

Changed Purchase Pattern

Imagine a loyal customer visiting your physical store and your online shop regularly. Now, what if she suddenly stops visiting your physical store entirely? Many CLV features would categorize this change in behavior as of high churn risk. But what if the customer is a new parent unable to visit your physical store for some time? You should target this customer type with special online campaigns to meet her needs rather than serve her the high churn treatment.

> "Churn prediction enables you to identify users that are unlikely to repurchase or purchase in the future. You can use this insight to engage these customers with win-back or reactivation programs. At the same time, you might identify an audience of customers that you do not want to spend your resources on"

**Anders Spicker,
Omnichannel Director
Raptor Services**

Where to go from here?

With customer data coming in from more channels and formats than ever before, the demand for a platform to store and activate insights ascending from web, apps, social media, in-store transactions, and call centers has never been greater.

Any marketer will soon have to find a way to turn the messy amounts of data into valuable insights for strategic marketing activities that increase customer loyalty and experience with your brand.

To make the issue even more pressing, new privacy standards such as Apple's ITTP protocol and Google Chrome's phase-out of 3rd party cookies have caused historical changes and increased the need for a platform that complies.

Access to customer data has never been more crucial to the survival of modern businesses.

It's your key to understanding what your customers seek and desire, how they behave, and their purchase preferences now and in the future. If you want to win customers' loyalty, your access card to their interactions is the gateway.
A Customer Data Platform helps you in all phases of understanding your customer.

In other words, A CDP helps you start collecting data and unifying data from all your data sources. It makes it possible to develop a 360-degree Single Customer View for complete insight. It also allows you to activate all your knowledge in strategic marketing campaigns in the channels of your choice. And when you start predicting customers' future activities and develop any marketing campaigns from customer data, you become truly personalized in all your efforts.

The customer demands it, and you need to deliver it.

Raptor Services connects all your data sources to create a 360° Single Customer View

Raptor Services' Customer Data Platform is a single operational platform that ingests, connects, and unifies customer data to create a 360-degree view of your entire customer database.

To create a Single Customer View, customer data is ingested from your CRM, website, e-mail marketing platform, advertising campaigns, SMS, POS systems, social media, call center, etc. In Raptor's CDP, data is made available to all marketing systems. We build any integrations you need to make you succeed.

Target audiences at the right time through the right channels with the right message. You can unify all your customer's touchpoints and make data available to all channels in your tech stack.

Raptor's Customer Data Platform solves one of the most complex challenges facing businesses today: Unifying customer data across your organization and delivering truly consistent customer experiences across all channels.

> *"At the end of the day, customers everywhere have one clear expectation; A seamless customer experience personalized to their own tastes on multiple channels. A Customer Data Platform is key to fully understanding your customers and meeting them where they expect to be met"*

Kenneth Boll
CEO
Raptor Services

Contact us today

For more information, or if you have any questions, please feel free to contact Raptor Services' data and customer experience team.

Anders Spicker
Director, Omnichannel Excellence
Raptor Services

✈ **asr@raptor.dk**   📞 **+45 53 67 57 55**

Jonas Skytte Madsen
Director, Commercial Engagement
Raptor Services

✈ **jsm@raptor.dk**   📞 **+45 51 62 82 86**

Jeppe Godske Olsen
Director, Partner Management
Raptor Services

✈ **jgo@raptor.dk**   📞 **+45 51 20 88 21**

Book a meeting

Published by

🦅 raptor™

Sources

https://www.cdpinstitute.org/actioniq/how-to-improve-customer-data-security-privacy-for-a-cookieless-world/

https://newsroom.ibm.com/IBM-security?item=30435

https://www.the-future-of-commerce.com/2021/07/16/types-of-cdp-customer-data-platform/

https://www.forbes.com/sites/forbesinsights/2017/11/10/a-single-view-of-the-customer-is-the-foundation-for-an-effective-retail-digital-customer-experience/?sh=269196c84398

https://www.forbes.com/sites/forbescommunicationscouncil/2021/04/16/whats-next-for-the-customer-data-platform-cdp-in-2021/?sh=6cf79aa067b9
McKinsay