The Right Way to Select CDP Technology

August, 2022
A Different Kind of Analyst Firm...

“the mystical quadrant”

<table>
<thead>
<tr>
<th>INDEPENDENCE FACTORS</th>
<th>REAL STORY GROUP</th>
<th>OTHER FIRMS</th>
</tr>
</thead>
<tbody>
<tr>
<td>CONSULT TO VENDORS?</td>
<td>NO</td>
<td>YES</td>
</tr>
<tr>
<td>SPEAK AT VENDOR EVENTS?</td>
<td>NO</td>
<td>YES</td>
</tr>
<tr>
<td>ACCEPT EXPENSES &amp; HOSPITALITY FROM VENDORS?</td>
<td>NO</td>
<td>YES</td>
</tr>
<tr>
<td>WRITE PAPERS FOR VENDORS?</td>
<td>NO</td>
<td>YES</td>
</tr>
</tbody>
</table>
Shifting Architectures

CDP Marketplace

The Right Way to Select a CDP

Key Take-Aways
## Traditional Stacks

### ENGAGEMENT CHANNELS

<table>
<thead>
<tr>
<th>Ads</th>
<th>Web</th>
<th>Email</th>
<th>Mobile</th>
<th>Social</th>
<th>Print</th>
<th>Alexa</th>
<th>Chat</th>
<th>Call</th>
<th>PoS/F2F</th>
<th>IoT/Product</th>
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### INTERACTION & DELIVERY ENVIRONMENTS

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<thead>
<tr>
<th>Advertising</th>
<th>Sites</th>
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<th>Contact Center</th>
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<tbody>
<tr>
<td>Generate demand</td>
<td>Deliver information</td>
<td>Deliver services</td>
<td>Deliver via channel</td>
<td>Sell things</td>
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### ENGAGEMENT SERVICES

<table>
<thead>
<tr>
<th>Customer Care</th>
<th>CRM &amp; SFA</th>
<th>Social Media Management</th>
<th>Outbound Marketing</th>
<th>WCM</th>
<th>Ecommerce</th>
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</thead>
<tbody>
<tr>
<td>Manage customer inquiries</td>
<td>Automate sales &amp; manage relationships</td>
<td>Engage in social media &amp; communities</td>
<td>Manage campaigns &amp; deliver messages</td>
<td>Manage web content &amp; inbound experiences</td>
<td>Manage commercial activity</td>
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<table>
<thead>
<tr>
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<tbody>
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<td>Data</td>
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<td>Rules</td>
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RSG MarTech Services Reference Model: Composable Stack

**ENGAGEMENT CHANNELS**

- Ads
- Web
- Email
- Mobile
- Social
- Print
- Alexa
- Chat
- Call
- PoS/F2F
- IoT/Product

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**ENGAGEMENT SERVICES**

- **Customer Care**
  - Manage customer inquiries
- **CRM & SFA**
  - Automate sales & manage relationships
- **Social Media Management**
  - Engage in social media & communities
- **Outbound Marketing**
  - Manage campaigns & deliver messages
- **WCM**
  - Manage web content & inbound experiences
- **Ecommerce**
  - Manage commercial activity

**ENTERPRISE FOUNDATION SERVICES**

- **Enterprise Integration**: Data Collection, API Gateways, Eventing, Messaging, etc.

**CONTENT & INFO**

- **Omnichannel Content Services**
  - Manage components fueled with data
- **Digital Asset Management**
  - Manage rich media & brand assets
- **Product Information Management**
  - Manage catalog structure, info, pricing

**DATA**

- **Customer Data Activation**
  - Manage actionable data & segments
- **Customer Data Operations**
  - Ingest, process, and unify customer data
- **Enterprise Data Intelligence**
  - Analytics, Modeling, Reporting

**DECISIONING**

- **Experience Optimization**
  - Omnichannel test & improve
- **Omnichannel Personalization**
  - Customize individual experiences
- **Journey Orchestration**
  - Set decisions for omnichannel engagement
FIRST / ZERO PARTY CUSTOMER DATA
- Profile
- Mobile Activity
- Customer
- Product Interaction
- CRM Records

SECOND & THIRD PARTY DATA
- Statistics
- Income
- Occupation
- Ad Data
- Firmographics

Emerging Large Enterprise Model

CUSTOMER DATA MANAGEMENT
- Ingest
- Transform
- Clean
- Process
- Segment
- Event Handling

CUSTOMER DATA ACTIVATION
- Unify
- Enrich
- Activate
- (Calculate)
- (Personalize)
- (Orchestrate)
- (Test)
- Other…

Data Fabric

CDP

OMNICHANNEL ENGAGEMENT
- Social
- Messaging
- Voice
- CRM
- Site
- Personalizat’n
- Customized Emails
- Ecommerce
- Call Center

TARGETED ADVERTISING
- Facebook
- Google
- Twitter
- Amazon

ENTERPRISE ANALYTICS
- Predictive Modeling
- Statistics
- Dashboard & Visualizations

CUSTOMER DATA MANAGEMENT
- Ingest
- Transform
- Clean
- Process

Data Fabric

CDP

Firmographics
- Location

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What does a CDP do (for you)?

Customer Data Ecosystem

Core Data Services
- Ingestion
- Cleaning
- Aggregating
- Processing
- Quality
- Analytics
- Modeling / Predictions

Enterprise Data Fabric

Customer Data Hub
- Unification / ID Resolution
- Data Enrichment
- Stewardship / Governance
- Compliance / Consent
- API / Queue / Pipeline
- Reporting

IT & Data Ops

Customer Data Activation
- Real-time Processing Lite
- Segmentation
- Activation
- Event Triggering
- Analytics / Models Lite

Marketing / CX Ops

Customer Engagement

Advertising
Ecommerce
Chat / Bots
Call Centers
Web Sites & Apps
Mobile Apps

Email / Outbound
Personalization
Recommendations

Enterprise Service Model for Customer Data

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CDP Scope for Company A

CDP Scope for Company B

CDP Scope for Company C

Potential Scope for CDP
CDP Scope in Your Stack: Options

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**DATA**
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  - Manage attributes & segments
- Customer Data Operations
  - Ingest, process, & qualify customer data
- Enterprise Data Intelligence
  - Analytics & reporting

**DECISIONING**
- Experience Optimization
  - Omnichannel personalization & improve
- Omnichannel Personalization
  - Customize experiences
- Journey Orchestration
  - Set decisions for channel engagement

**No Right Answer...**
Shifting Architectures

CDP Marketplace

The Right Way to Select a CDP

Key Take-Aways
MarTech Suite-Dependent

Microsoft
SAP
Adobe
Salesforce
Oracle
Acoustic
Aquaia

Processing-Oriented Independents

TEALIUM
Amperity
mparticle
ACTIONIQ
celebrus
TREASURE DATA

Engagement-Oriented Independents

blueconic
sessionM
lemnisk
BlueVenn
ALGONOMY
blueshift
dun & bradstreet
Lytics
NGDATA

CrossEngage
QuickPivot
LEXER

CDP Marketplace, Circa 2022
Shifting Architectures

CDP Marketplace

The Right Way to Select a CDP

Key Take-Aways
Term of the Day....

“Design-Thinking”
Business-focused
Team-based
Empirical
Iterative
Adaptive
How to Filter...

EMPATHIZE (30+):
Create Diverse User Stories

DEFINE (6-8):
Create RFP and Vendor Shortlist

IDEATE (4):
Review Proposals and Demos

PROTOTYPE (2):
Hands-on Bake-off

TEST (1):
Optional PoC
Different Ways To Filter

• Based on Data Life Cycle
• Based on Tiers
  • Suites Vs Best-of-Breed
• Industry Vertical/Domain
• Support for Business use cases
• Deployment Approaches
Key Considerations:

- Not all CDP vendors support all use cases, or support them evenly
- Do you want the CDP platform to support or execute?
Generate a “Real” Quadrant

RealQuadrant

Weight the importance of each Scenario (optional)

<table>
<thead>
<tr>
<th>Scenario</th>
<th>Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Outbound Marketing Campaign Support</td>
<td>34%</td>
</tr>
<tr>
<td>Omnichannel &amp; Offline Aggregation</td>
<td>33%</td>
</tr>
<tr>
<td>Digital Advertising Support</td>
<td>33%</td>
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Total Weighting
Must equal 100%
Shifting Architectures

CDP Marketplace

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Key Take-Aways
Key Take-Aways: Responding to Marketplace Shifts

1. CDPs increasingly foundational to omnichannel stack, but not “ends” in themselves

2. Vendors are sorting out into different categories, but in particular the extent to which they will / won’t take on data processing and management services

3. You need to consider proper scope of CDP in your particular stack
   • With respect to enterprise customer data “fabric” or “mesh”
   • With respect to adjacent services like personalization
   • With respect to engagement services like outbound marketing

4. Avoid unifying customer record in a single departmental silo (includes Marketing)

5. Employ an agile-oriented selection process featuring adaptive testing
   • CDP Marketplace likely to remain fragmented for some time
   • Use architecture as filter, but prioritize **business scenarios** as your prime criteria
   • You will still need developers and data analysts in all cases

6. RSG research and advisory will help you make the right decisions
MARTECH STACK VENDOR MAP

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