



Why CDPs* are the name of the game in customer experience optimization

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*CDP: Customer Data Platform



The value of first-party customer data

Today's consumers have a different perspective than in the previous years. The market is being constantly transformed, considering the crucial discussion for the collection of customer data and the transformations of the landscape the COVID-19 lockdown induced. Marketers need to understand the whole consumer mindset, including all their different priorities and needs, and that starts with understanding their purchase journey.

Those retailers who will come out of the pandemic the strongest are the ones who keep closest to their customers, both with what they are doing and what they are saying.

Customers are always connected and well informed, so they need to feel special during their shopping path. And what else? They need to feel safe and that their privacy is on top of brands' priorities. Thus, brands should relate to their consumers in privacy-safe, reliable, and accurate ways, delivering performance across the customer journey.





Reaching today's customers is challenging, but if done right, brand marketers can transform the typical give-and-get relationship and create an ultimate customer experience. Let's face it, knowledge is power, and the collection of customer data is making it possible for brands to understand what makes their customers tick. No matter what changes have come along, **it's still crucial to create effective marketing campaigns that resonate with consumers, increasing their likelihood of converting**, whether that means a purchase, a click, or a sign-up.

For years, the most common way to do this was by using third-party cookies and gathering insights from consumers' browsing behavior. However, despite Google's delay, third-party cookies have an expiration date, and marketers need to reconsider and redefine their strategy in new cookie-less normality. **In a world without third-party cookies**, a first-party data strategy takes the cake. This means that figuring out how to leverage first-party data at scale becomes even more crucial.

The question that comes up is how to leverage first-party data in an accurate, safe, and effective way?

Technology is the answer to all these concerns and the primary driver behind the optimized Customer Experience (CX) that brands need to create to keep pace with empowered consumers.

And more precisely, technological platforms that are compliant with data privacy regulations hold the key to leverage first-party customer data, gain customer insights, and finally satisfy customers' different desires and needs.
Customer Data Platforms are the name of the game!



What a CDP really means

A Customer Data Platform (CDP) is a packaged software system that collects, segments and leverages customer data **to build 360-degree customer profiles**. CDPs collect and integrate demographics, behavioral, transactional, structured, and unstructured data from multiple sources into a single repository that allows a business to build a unified profile around an individual customer.

In that way, marketers gain the ability to form a 360-degree view of their customers. These unified customer profiles can then be segmented into groups for better targeting of valuable audience insights.

Understanding customer behavior across various channels and devices continues to be a challenge for companies. CDPs are the key to unlock this precise understanding and eventually deliver **hyper-personalized customer experiences**, leading to a more mature customer

*Close the **gap** between
offline and online*

Especially during Coronavirus lockdown, the CDP market faced significant growth across major regions, such as Europe, Asia, and North America. **CDPs help the brands develop marketing strategies more efficiently and increase the demand for an omnichannel experience**. An omnichannel experience improves user experience as it uses a customer-centric approach.

Through the usage of a CDP, marketers address many of the challenges they face. More specifically, a CDP provides the ability to store customer data in a single location, analyzing them, optimizing the ongoing customer data management, and leveraging customer segmentation and personalization capabilities in customer communications.

Adopting a Customer Data Platform allows brands to yield more compelling customer engagement strategies, leveraging first-party customer data. CDPs provide a holistic view of each customer across channels, platforms, and touchpoints.

Enhanced personalization, driven by detailed and actionable data points integrated into a unique customer profile, helps brands make meaningful connections with the right customer at the right time through the right channel.

Outlining customer data platforms are the pipes that help the marketing team use reliable and compliant data across all their marketing channels, enabling analysis through artificial intelligence, segmentation, and creating automated targeted marketing campaigns. All these CDPs functionalities finally drive customer engagement, loyalty, and lifetime value.



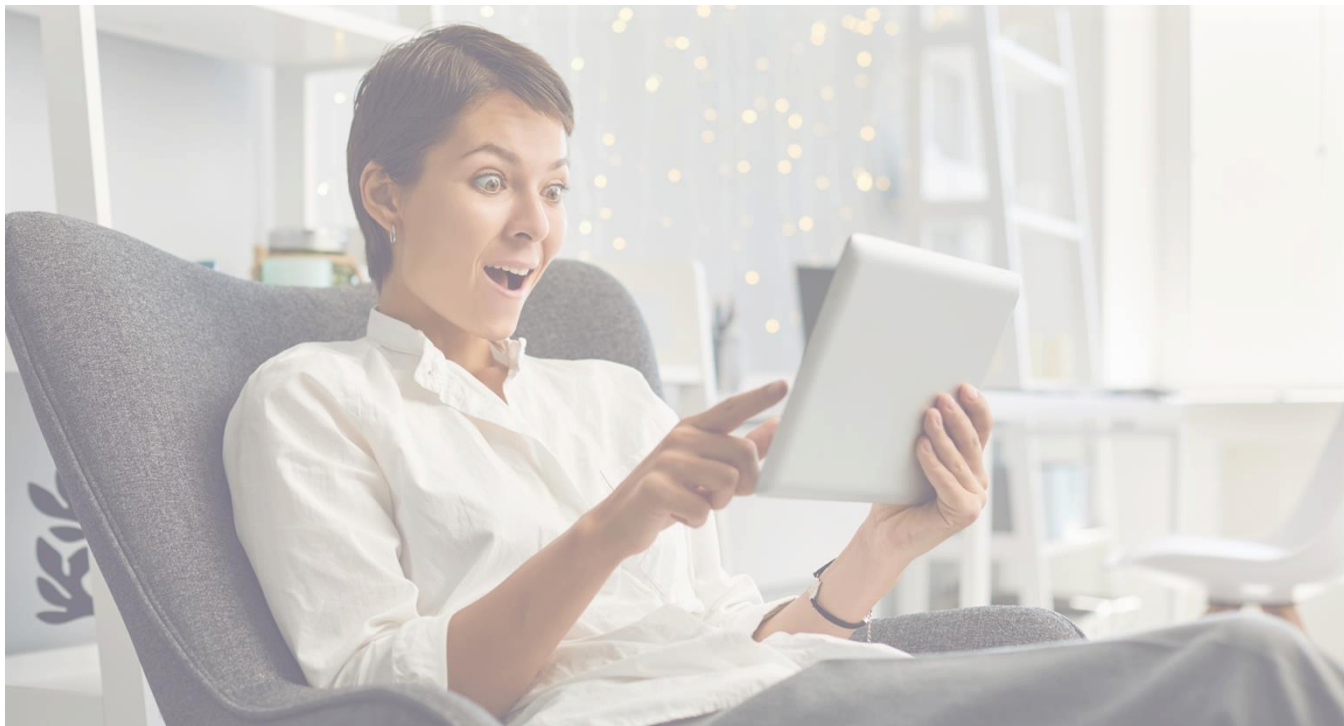
The differences between a CDP and a CRM

Customer Relationship Management (CRM) and Customer Data Platform (CDP) solutions are two major software systems to collect and manage customer data. Sometimes, it isn't easy to distinguish the differences between them. **The most common belief is that we talk about the same thing, but that's not the actual truth.**

CRM stands for Customer Relationship Management and helps manage customer relationships, while CDPs help manages customer data to create stronger customer relationships.

CRMs collect data about the interactions between customers and brands, such as contact details, customers' previous purchases, conversation history, and more, which enables the brands to provide more effective services to their customers. It's a category of integrated, data-driven software solutions that help you manage and maintain customer relationships, track sales leads, and deliver actionable data.

In contrast, **CDP is a packaged software that creates a persistent, unified customer database accessible to other systems.** By collecting, unifying, and analyzing data from all the brands' channels, a CDP provides actionable insights that can be passed on to the whole MarTech stack, creating the next best step in the customer journey.



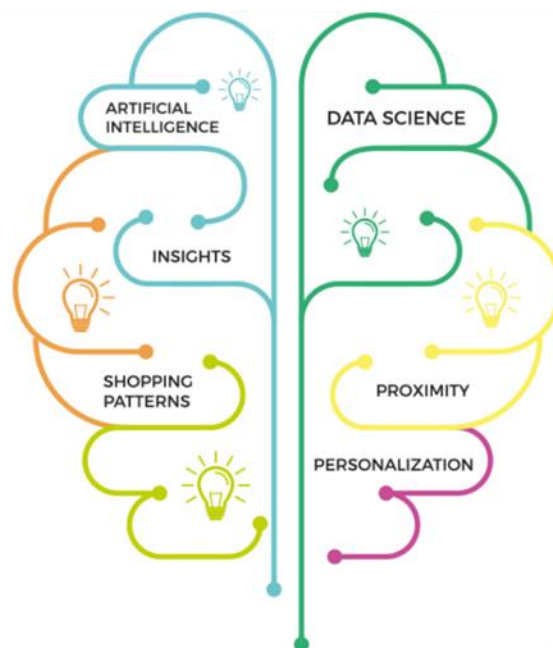


The unique unified customer profile, built by the CDP, allows creating a hyper-personalized, positive, and emotionally driven connection with each customer. Crafting an exceptional customer experience through all the channels and increasing customer satisfaction and loyalty is the CDPs' solution.

CRMs and CDPs are two different marketing and sales technology software systems with differing strengths and capacities.

Customer Relationship Management Systems are valuable for providing access to the historical customer data and, as a result, a more effective and personalized interaction between the brands and their customers. Though, when the brand's goal is to gain more meaningful insights and understand the customers holistically across all channels - in real-time - CDPs consist invaluable tools in the marketers' toolkit.

However, despite and - at the same time - because of their differences, sometimes it's not about choosing CRMs or CDPs. It's about really knowing the difference to apply the right system regarding their needs and their customers' needs. Brands can bring these pieces together if necessary and use CRM systems as an input or output channel to a CDP, while a CDP can be leveraged and provide a better, more holistic database within the CRM. Data is a complex body of customer experiences, and these systems contribute to translate it correctly, in their way.





Benefits of a CDP

How are Customer Data Platforms helping marketers adapt to key challenges in 2021? The benefits of adopting a CDP are:

- Unify all customer data, providing a single repository source of truth.
- Create a complete, unified customer profile based on customer activities across multiple channels.
- Provide a trustful interface, which empowers the consumers to allow access to their personal information.
- Develop market-based segments using a variety of data.
- Respond to each customer according to where they are on their customer journey - hyper-personalization.
- Evaluate the customer data and transform them into actionable insights (via predictive modelling and analytics).
- Improved targeting, which brings new and more customer sales.
- Improved customer retention.





Various factors drive Customer Data Platform solutions and services adoption. Such as increased spending on marketing activities, the changing landscape of customer journey and purchases, and the proliferation of customer channels.

Many brands have already started to see significant returns as their marketing strategies mature by adopting a CDP. According to industry experts, CDPs make the dream of the customer entire lifecycle a reality. How is that happening? By seamlessly integrating customer data across all analytics, measurement, media channels, and marketing automation tools.

The companies that focus on personalization will survive in this constantly changing landscape and outsell companies that don't.

From CRM to CDP





The Qivos Cloud platform

By leveraging your customer data, you'll have access to more customer insights that will allow you to engage customers in a more effective and meaningful way, anticipating their unique needs and desires.

At Qivos, through Qivos Cloud, we create personalized and targeted communications between the brands and the customers. Qivos Cloud is a (SaaS) Customer Data and Loyalty Platform that enables marketers to identify shoppers in the real world, analyze their behavior, and connect with them in real-time like the way they do in the digital world.

Qivos Cloud platform helps brands personalize, distribute, automate, and track promotions, incentives, and other offers across digital and physical touchpoints, delivering a consistent, relevant, and trusted customer experience.



We are living in new normality. Nowadays, personalized offers and discounts, exclusive experiences, and relevant content are key success factors in customer engagement. Improving retention requires customer loyalty, which begins with brands making customers feel appreciated, happy, and valued.



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