BearingPoint ®

Customer data platforms with BearingPoint

How to implement visionary use cases based
on future-proof IT architectures

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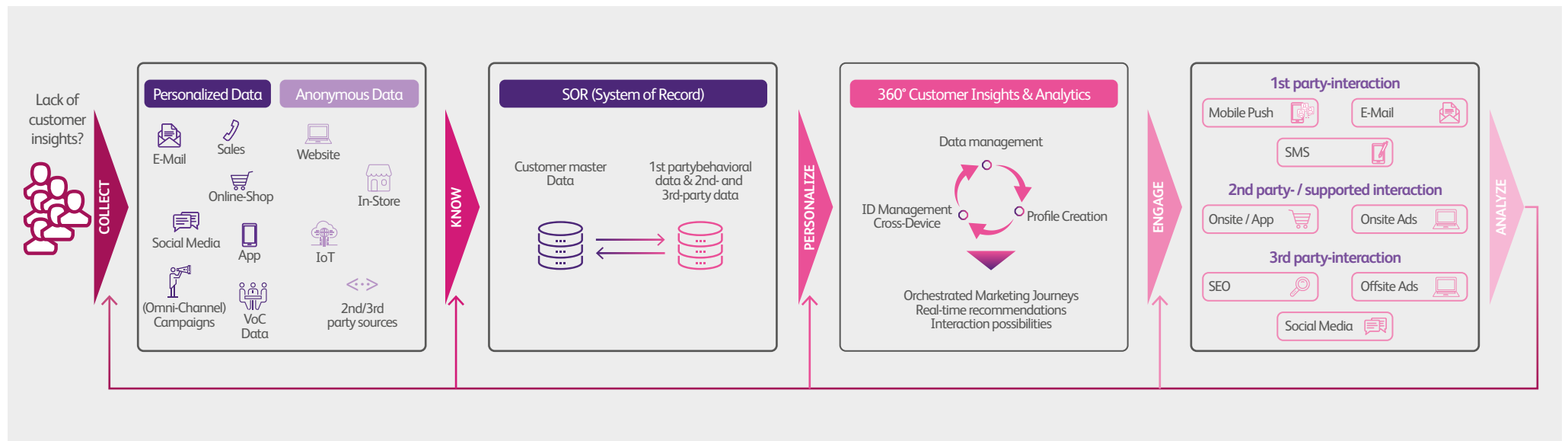**Inhaltsverzeichnis**

What is a customer data platform?

A customer data platform (CDP) is a data processing software that collects and clusters customer data across customer touchpoints. The result of this data collection and processing in real-time are AI-based or context-based individualized customer profiles. These profiles are used across internal software solutions for marketing, sales, and service activities to gain meaningful insights and strategic alternatives for improved customer interactions.

Especially as third-party cookies are being removed from the internet, the importance of CDPs is increasing. CDPs can collect personalized and anonymous data from various online sources such as a firm's website, IoT devices, second or third-party sources, and offline sources such as in-store behavior and surveys. They can absorb the loss of the functionalities of third-party cookies and help to create customer profiles and segmentation.

This BearingPoint whitepaper highlights a customer data platform's functionalities, how it can be designed, introduced, and used efficiently, and how BearingPoint supports its clients in this process. Additionally, use cases for AI-based and context-based CDP usage are presented.

Added values of a customer data platform

With holistic data collection, the CDP analyzes and prepares customer data to create personalized customer journeys. It also orchestrates omnichannel communication, thus enabling 360° insight into the customer while complying with existing data protections laws. Firms benefit from their CDP by using AI-based insights to engage with the customer through several channels. This new form of analysis and engagement improves customer interaction and enhances successful customer journeys.

COLLECT

Lack of customer insights?

Personalized Data
E-Mail
Sales
Online-Shop
Social Media
App
(Omni-Channel) Campaigns
VoC Data

Anonymous Data
Website
In-Store
IoT
2nd/3rd party sources

KNOW

SOR (System of Record)
Customer master Data
1st partybehavioral data & 2nd- and 3rd-party data

PERSONALIZE

360° Customer Insights & Analytics
Data management
ID Management Cross-Device
Profile Creation
Orchestrated Marketing Journeys
Real-time recommendations
Interaction possibilities

ENGAGE

1st party-interaction
Mobile Push
E-Mail
SMS
2nd party- / supported interaction
Onsite / App
Onsite Ads
3rd party-interaction
SEO
Offsite Ads
Social Media

ANALYZE

Who benefits from a customer data platform?

Highly data-driven firms with an extensive need for big data and data analytics can significantly benefit from a customer data platform. Almost every firm has already identified a need for data analytics, more data, and especially improved data. Consequently, any firm selling products and interacting with customers on various channels can benefit from a better understanding of their customers through a CDP.

A CDP extends CRM systems and their functionalities by consolidating anonymous and personalized data from various sources, touchpoints, and systems to create customer segments and profiles based on AI-algorithms.

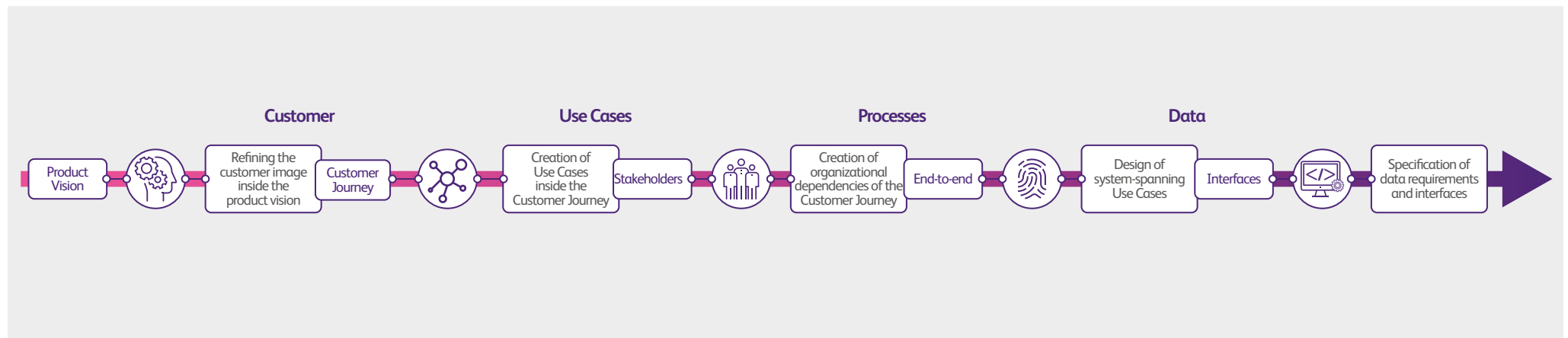# How can goal-oriented customer journeys be created by applying customer data platforms?

For a fitting implementation and application of a CDP, customer journeys need to be created and refined through use cases and a holistic consideration of the existing IT landscape.

As a first step, it is mandatory that the customer's interest and product vision are thoroughly understood. To better define such an understanding, customer journeys are designed based on the qualitative refinement input of the customer. By focussing on the most critical touchpoints amongst different customer interactions, the highest value for the target audience can then be identified and fitting use cases can be derived.

This understanding can be achieved by designing a customer journey with the highest value for the targeted audience under the consideration of the most critical touchpoints along the customer interaction.

Based on the product vision and a first customer journey, use cases shall be derived and designed.

BearingPoint's standardized approach ensures a well-funded creation of use cases inside the customer journey by defining customer profile core attributes and specifying segments, communication channels, and campaign types, as well as a derivation of customer processes to enable an automated CDP campaign creation. Furthermore, we can offer elaborate use cases to enrich the existing vision because of our extensive experience.

Customer — Product Vision → Refining the customer image inside the product vision → Customer Journey

Use Cases — Creation of Use Cases inside the Customer Journey → Stakeholders

Processes — Creation of organizational dependencies of the Customer Journey → End-to-end

Data — Design of system-spanning Use Cases → Interfaces → Specification of data requirements and interfaces

To ensure a cross-functional and cross-data perspective, organizational dependencies of the customer journey need to be created.

These organizational dependencies of the customer journey are determined by identifying isolated data and formulation of department-spanning data demand, which includes:

- the description of involved stakeholders as well as dependencies
- the activation of external sources and the raising of KPIs for customer values added

Next, cross-system use cases will be designed to ensure a holistic, end-to-end perspective of involved technologies and information.

These use cases can be derived from requirements for internal and external processes defined to comprehend customer interactions across touchpoints. That is followed by the creation of functional specifications for external systems.

Finally, data and interface requirements can be specified to obtain a refined customer journey as a basis for a suitable customer data platform.

Data requirements are derived from the customer journey, and requirements for interfaces and used technology are formulated based on the preceding steps. Data areas will be defined to ensure the successful final requirements creation.

Consequently, this process of combining the product vision, customer journeys, use cases, stakeholders, data, and interfaces ensures a successful CDP design and implementation through standardized and structured processes and activities. The product vision is refined with existing templates, and most importantly, established use cases.

How can the necessary data sources and requirements be prepared?

To adequately prepare data sources and the related requirements, customer metadata, transactional, descriptive, and qualitative data (e.g., feedback data such as VoC, eReputation, and Service/CC data) are taken from first, second, and third-party data sources and processed through the customer data platform via APIs to derive personalized customer journeys and orchestrate omnichannel communication to enable 360° insights into the customer which result in improved marketing outcomes and thus, new data.

Four steps are necessary for the implementation of this aspired process:

1) Depending on the product vision, the necessary data areas for the CDP data lake are strategically defined which results in the identification of added values in the respective data areas.

Underlying steps for this design process are the definition and analysis of scenario-relevant required data types as well as the assessment of functional must-haves for marketing and sales. Additionally, requirements for 360° customer insights based on the product vision will be collected.

2) Following the data area definition, adequate data sources need to be identified. A stakeholder analysis will be conducted to obtain a holistic perspective on high-level IT-architecture and organizational requirements of the CDP.
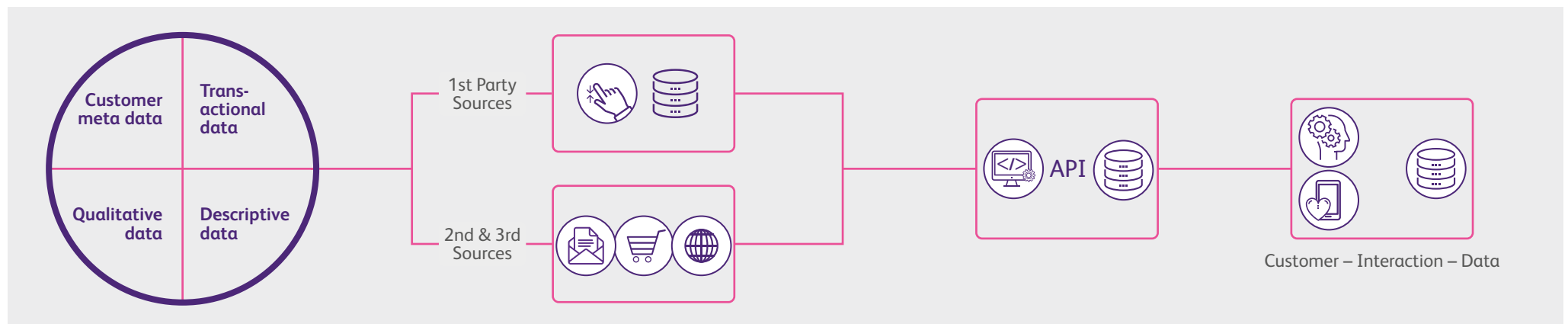
Data sources and streams will be defined, and relevant data inside the accessible sources will be determined. The stakeholder analysis includes the clarification of participating organizations' involvement, and depending on the specific customer journey, other potentially involved systems and applications.

3) Depending on the sources and the stakeholders involved, the data and system requirements are raised whilst taking the existing customer journey into account. In addition, data attriubutes are specified to allow for a greater clarification of data preparation and transmission processes.

These raised requirements include requirements for storage and hosting based on the existing data types, interface requirements, and requirements regarding necessary technologies. Further, the essential actuality of data and events (event streaming) will be determined, including the identification of fragmented data areas to amend these fragmentations.

This process is enabled by clarifying data processing inside the customer journey and data enrichment. Data streams of involved systems are also specified, and functional requirements for marketing and sales processes are defined.

4) In the final step, the necessary data transformation and data streams will be finalized and prepared. The result is that the data streams are visualized and the functional processes for the data delivery into the CDP are specified.

Customer – Interaction – Data

Use Case 1: AI-based customer data platform usage

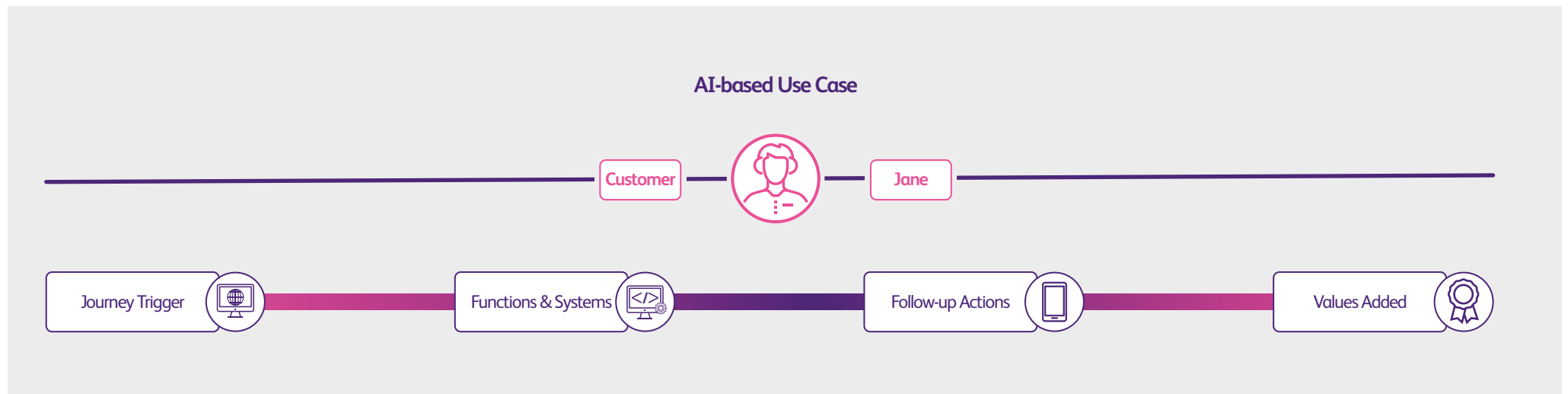Customer: Jane is a user of a specific mobile app of your firm.

Journey trigger: She has previously received personalized offers through several different campaigns. For a certain amount of time, she receives further personalized but randomized offers. AI-based algorithms evaluate the interactions of Jane with the offers and thus determine the best-suited options.

Functions and systems: Jane's interactions are transmitted onto the customer data platform, and AI-based algorithms are used to determine the best-suited offers. Customer affinities are derived and allocated to Jane's profile, and the success rate of future offers is determined based on conversion rates.

Follow-up action: Based on her reaction, tailored offers can be advertised on the app or other additional channels. The feedback gained through these channels then enriches other data areas and the created customer profiles.

Added value:

- Information return of Jane's interactions back to the customer through the CDP
- Improvements of future offerings and sales channels
- Continuous improvement of customer interactions through AI-based algorithms
- Allocation of Jane to the adequate customer segment.

AI-based Use Case

Customer — Jane

Journey Trigger — Functions & Systems — Follow-up Actions — Values Added

Use Case 2: Context-based customer data platform usage

Customer: John holds a mobile phone contract with your firm and frequently uses your firm's mobile app.

Journey trigger: He is looking for men's fashion products on the internet, and the firm's special offers catch his attention. Because he mainly uses his phone's mobile data for the search, he exceeds the 80 percent capacity of his data limit.

Functions and systems: Data concerning John's interactions from connected data sources (second-party data) is delivered into the CDP. His data concerning mobile device usage is tracked in John's specific customer profile. Touchpoint-management and customer identification functions are used to create and identify suitable personalized content on app sites, including metadata (score, priority, profile).
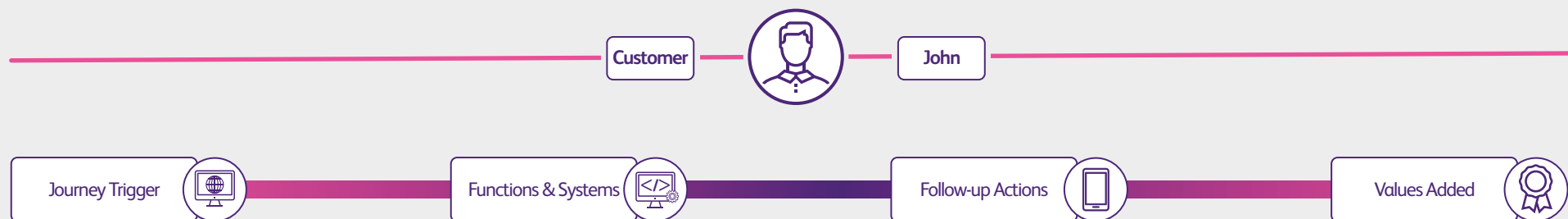
Follow-up actions: Upon John's next interaction with the mobile app, he is presented with new offers in men's fashion. The offer includes uplinks for further services that he has shown interest in. Upon

clicking these offers, he is shown the latest special offers as well as one for a new mobile data tariff. Alternatively, push notifications can be delivered to his phone with the same content.

Added value:

- John is offered further services and products that fit his initial search
- Enhancement of the initial offering through further assets and offers
- More thorough understanding of customer needs due to intelligent context-based rules
- Identification and creation of demand-specific specials and products

Context-based Use Case

Customer — John

Journey Trigger — Functions & Systems — Follow-up Actions — Values Added

The next steps

This whitepaper explained the need for customer data platforms and how they can be applied with optimal efficiency. It shows why you might need a customer data platform to succeed even after third-party cookies have been removed entirely and how BearingPoint can assist you in this process.

Feel free to contact us!

With our extensive experience and standardized processes, we can help you optimize your customer interaction through the conceptualization, introduction, and optimization of your Customer Data Platform.

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About BearingPoint

BearingPoint is an independent management and technology consultancy with European roots and a global reach. The company operates in three business units: The first unit covers the advisory business with a clear focus on five key areas to drive growth across all regions. The second unit provides IP-driven managed services beyond SaaS and offers business critical services to its clients supporting their business success. The third unit provides the software for successful digital transformation and regulatory requirements. It is also designed to explore innovative business models with clients and partners by driving the financing and development of start-ups and leveraging ecosystems. BearingPoint's clients include many of the world's leading companies and organizations. The firm has a global consulting network with more than 10,000 people and supports clients in over 75 countries, engaging with them to achieve measurable and sustainable success.

For more information, please visit: www.bearingpoint.com