

Customer Data Platforms

Unifying Customer Data for Targeted, Personalized Marketing

Data-driven personalization is at the heart of every successful customer-centric financial services firm.

With FinTech, BigTech and other new-age financial services firms deftly leveraging data to deliver targeted, personalized customer journeys, it's no surprise that incumbent firms must do the same to retain market share.

Moreover, as COVID-19's impact drives customer engagement and transacting primarily through digital channels, FS firms will have to compete with savvy digital competitors who are all angling to attract consumers. In fact, 36% of consumers have found a new financial services provider during the pandemic and plan to stay with the provider in the future.¹ Additionally, with the current climate creating stress on operational budgets, it's imperative that firms optimize marketing and advertising spend, while generating revenue streams from new audiences.

But currently, many financial services firms struggle to deliver real-time personalized experiences across channels, largely due to major challenges in effectively leveraging both their marketing technology stack and the data they have collected. These challenges include

- **Fragmented logic** – communications and their trigger logic are built into each marketing tool, with no unification across tools, resulting in “spamming” customers with frequent communication.
- **Fragmented preferences** – communication preferences are set for each marketing tool, with no way of managing customers' communication preferences.
- **Duplicated effort** – executing campaigns requires moving and maintaining the same data and rules across multiple systems. As a result, marketers spend time building the “same campaign” multiple times instead of creating a higher number of unique campaigns.
- **Incomplete picture** – No single tool has access to all of the customer's data and history across multiple interactions. Marketers wanting to leverage emerging technologies such as artificial intelligence have trouble making intelligent decisions to personalize content in real-time.
- **Lack of tools for the marketing team** – No tool enables marketing operations to build and deploy cross-channel journeys.



¹ https://www.capgemini.com/in-en/wp-content/uploads/sites/6/2020/05/COVID-19-and-the-financial-services-consumer_V5-2.pdf

How can financial services firms address these challenges?

By implementing **Customer Data Platforms (CDP)**.

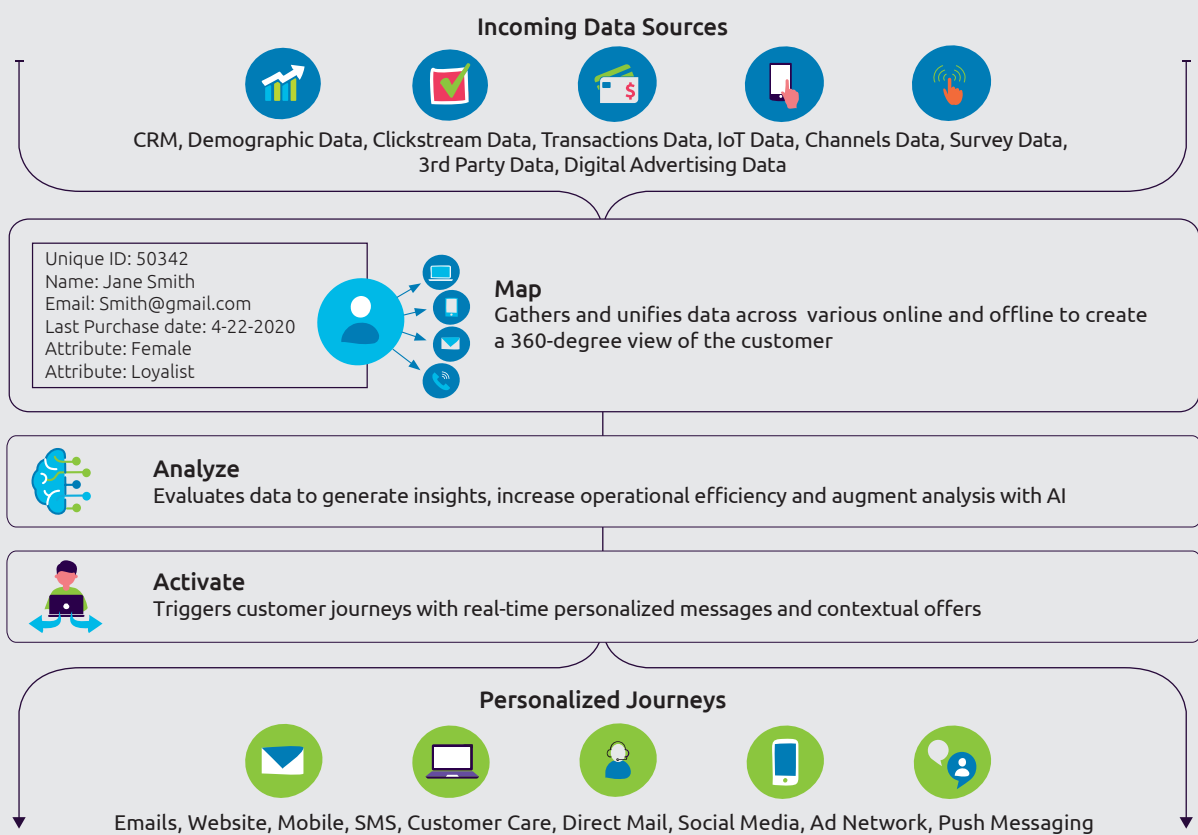
CDP is a packaged software solution that can easily integrate with other systems and ingest unique customer data emanating from multiple data sources including CRM, clickstream, transactions, third-parties, digital advertising, IoT, demographic, and channels. The platform then seamlessly **maps** and unifies the data to generate a single 360-degree customer view. This, in turn, helps financial services firms **analyze** and create customer segments, generate attribution and market mix models, and create configurable UI for managing user permissions and data controls. Real-time analytics is also leveraged to better target customers and **activate** end-to-end customer journeys with real-time **personalized** messages and offers through their channel of choice (e.g., emails, website, mobile, direct mail, social media, ad network, and more). CDP also can provide **automated campaign execution** across all channels, as well

as **automated measurement and reporting** to determine which offers resonate with customers.

Unlike data management platforms (DMP), which are primarily used by marketing teams in financial services for customer acquisition via digital ad targeting and optimizing media buys, CDP offers additional business outcomes. It can enable **customer lifetime value** (e.g. loyalty, cross-sell/up-sell opportunities) growth, offer an **enhanced customer experience** through offline and online channels, increase **customer conversion** and **retention** (e.g. offer optimization, high-value direct outreach) via omnichannel marketing, customer service and ecommerce, provide a higher **return on ad spend, increase agility** due to single-use segmentation and omnichannel messaging, and **improve operational efficiency** by leveraging automation and creating real-time, up-to-date customer profiles.


But for others getting started on their CDP journey, how should they choose the CDP that is right for them?


Core CDP Capabilities





Many financial services firms are already leveraging CDP to drive business outcomes. In fact, 44% of organizations report CDP help drive customer loyalty, while 62% successfully enable individualized personalization on emails.


Here are some points for financial services firms to consider when evaluating and implementing a CDP platform:


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• **Does it have Data Management Services?** The platform should be able to ingest first-, second- and third-party data (structured and unstructured) from multiple sources, as well as store large volumes of data in a usable format that shows relationships and connections. It should also harness machine learning to provide deduplication, cleansing, normalization and other aspects of data management.
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• **What type of Customer Profile does it provide?** The CDP should have the ability to create unified profiles (and allow the user to chain and append data) that bring together disparate data about each customer.
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• **Does it provide Data Segment Management?** CDP should allow rules-based segment creation as well as advanced customer segmentation featuring automated segment discovery, predictive analytics, and propensity models.
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• **Does it offer a multifaceted Analytics & Reporting functionality?** The platform should leverage machine learning and artificial intelligence; behavioral, sentiment and predictive analytics; as well as attribution modeling and next best action feature to generate actionable insights on the customer.
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• **Does it offer Data Privacy & Governance?** The platform should be compliant with data privacy regulations (e.g. GDPR, CCPA, etc.)
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• **Is it cloud-based or On-Premises?** Cloud-based will help enhance security, scalability and also improve compliance.
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• **How does it handle integrations?** CDP should be able to integrate within both the internal and external partner ecosystem (e.g., Excel, MySQL, Google Data Platform, Amazon Web Services, etc.), as well as handle extensions to BI software and have a web interface for easy access. Additionally, it should offer out of the box APIs and also allow easy integration with workflow automation tools to improve efficiency and agility.
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• **Is it easy to use?** The platform should be intuitive and efficient when gathering and analyzing data to provide the 360-degree view of the customer.

With the right CDP platform, financial services organizations can obtain a single view of the customer, leverage emerging technologies and their larger ecosystem and deliver an excellent personalized customer experience.

To learn more about CDP and how Capgemini can help you on your CDP journey, please email: financialservices@capgemini.com



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