

Report

How to Get the Best Customer Data Platform for Your Business

Six key steps to successfully managing the CDP RFP process



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Introduction

By now, forward-thinking business leaders in every industry have recognized the power of data-driven marketing—how it increases engagement and helps you better understand your customers’ desires, preferences, behaviors, and intentions. Yet creating a unified and complete view of the customer continues to be a challenge for even the most advanced companies. Before the advent of customer data platforms (CDPs), which unify data coming from many streams to create a complete picture of every customer’s behavior, marketers were held back by inefficient integrations and data silos. Most solutions simply weren’t designed to hold the massive amount of data being generated through today’s cross-channel marketing operations, and most of them didn’t have the most current artificial intelligence (AI) and machine-learning capabilities to deliver the insights you need.

Customer data platforms can increase customer sales, improve customer retention, reduce marketing costs, and improve operational efficiency—to name just a few benefits. In short, a CDP can transform your business like never before. And today’s enterprise customer data platforms solve the thorniest problems for marketers, automating customer data accuracy and integration, busting down marketing technology silos, and improving data accessibility for your organization. Using a unified customer profile, CDPs help marketing, product, support, and service teams to personalize and create connected customer experiences, as well as driving revenue growth, business efficiency, and increased loyalty. Moreover, CDPs help enterprises navigate the complexities of managing customer data securely on a global scale, with capabilities to help navigate a wide scope of changing data privacy, security, and governance requirements. CDPs have become essential for delivering a new level of experience, personalization, and convenience, and the question is no longer whether to implement one, but how.

So how do you select the best customer data platform for your business? The request for proposal (RFP) is one way to make sure potential vendors can meet your business goals, align with your scalability and security requirements, and put you on the right path to business value. This guide will equip you with the knowledge and strategies necessary to create an RFP that will attract the best CDP vendors and streamline your selection process. From defining your objectives and scope to developing clear evaluation criteria, we will walk you through each step, sharing invaluable tips and best practices along the way.

77%

of respondents say
customer engagement is their
#1 CDP objective

Source: Advertiser Perceptions, 2020

Want to know how a new solution will align with your processes and existing systems? Download our comprehensive CDP RFP template for a detailed breakdown of more than 200+ discovery questions across seven vital CDP evaluation categories

[Get the template](#)

How our RFP template will ensure business value

With multiple solutions on the market and numerous stakeholders across teams, running an RFP for a customer data platform can seem like a daunting process. How do you ensure you get the right CDP vendors in your initial selection? How do you enable all stakeholders throughout the process so that they feel their needs have been taken into account? And how can you make sure the CDP you select will deliver fast time to value (TTV) now, and sustained return on investment (ROI) for your long-term business goals?

Covering more than 200 questions split across six critical evaluation categories, our detailed template walks you through a discovery process that will ensure that you select the right CDP for your organization.

Company profile and project team (28 questions)

Knowing the firmographics of your suppliers inspires confidence that their organization is enterprise-capable and that they have the capacity to fully support your business. These questions also cover the project approach and the training provided, as part of the process to make sure your teams can quickly take advantage of the new capabilities.

Data management (38 questions)

One of the key sections within the document, the data management section, asks questions about how the vendor collects data. These questions ensure that the quality of the data is high. They also give you the right operationally focused information about the data platform itself, so that you can rest assured of the CDP's ability to support your business.

Identity resolution (42 questions)

The ability to see the bigger picture across silos and to connect disparate data points into a unified customer profile is key to keeping up with the market, driving customer loyalty and engagement, and staying ahead of the competition. It's important that ID matching and stitching is handled in a way that supports your current martech stack and provides data that is able to be utilized across the business.

Audience management (32 questions)

The CDP's data models and segmentation techniques need to be reflective of the needs of your business. Journey orchestration is also key to the success of your campaigns as well as how your audience is activated. You want a solution that can collect and analyze data about the customer's behavior, preferences, and needs at each stage of the journey, so you can then use that information to provide relevant and timely interactions and content.

Machine learning, artificial intelligence, & reporting (29 questions)

Predictive features and algorithmic models used within the platform should be key requirements for your business, as well as the ability to load your own algorithms and data tables. While AI and ML are typically less important at the beginning of the CDP journey, they become more important along the CDP maturity curve.

Security & administration (36 questions)

Security, global compliance, encryption, auditing, and access control are all key to ensuring your customers and reputation are protected. Organizations need a solid strategy to address these issues. Best practices include properly identifying sensitive data, ensuring data storage security, and establishing security safeguards.



Which security certifications/attestations should a CDP have?



Your customers trust you with their data and that means security should be a top priority. In your customer data platform vendor comparison, see if they are certified by relevant and authoritative institutions. Also, check whether they are implementing the latest security best practices when handling customer data.

Managing a successful RFP process

We've identified six key steps to ensuring your RFP process runs as smoothly as possible and provides the utmost value for your business. With an anticipated timeline of 4-6 weeks, this comprehensive process will quickly cover significant ground and enable you to make informed decisions. The end result will be a CDP that can address your immediate use cases and can scale as your needs grow.



How long before I see value?

According to [research](#) from Advertiser Perceptions and Treasure Data, the average length of time to see the full value from a CDP once it's up and running is eight months. As you evaluate CDP vendors, make sure you have a clear picture of time to value.

Step 1: Gather business requirements and define your use cases

Martech RFPs tend to span more than one team so it is important you ensure you are collecting the business requirements from all parties involved. For CDPs, stakeholders would typically include marketing, analytics, marketing operations, the IT team, the web team, and the CRM team. Collate their goals and objectives and understand what they want from the CDP, then discuss how best to score those objectives.

Defining key CDP [use cases](#) upfront aligns your company, ensuring success. Find a use case or use cases that span departments to ensure you get the most benefit from your CDP implementation. Align priorities with business goals and digital maturity. Use cases will vary and differ not only by vertical, but by the overall digital maturity of your organization (see Figure 1). You want to make sure that your CDP can scale as your use cases develop.

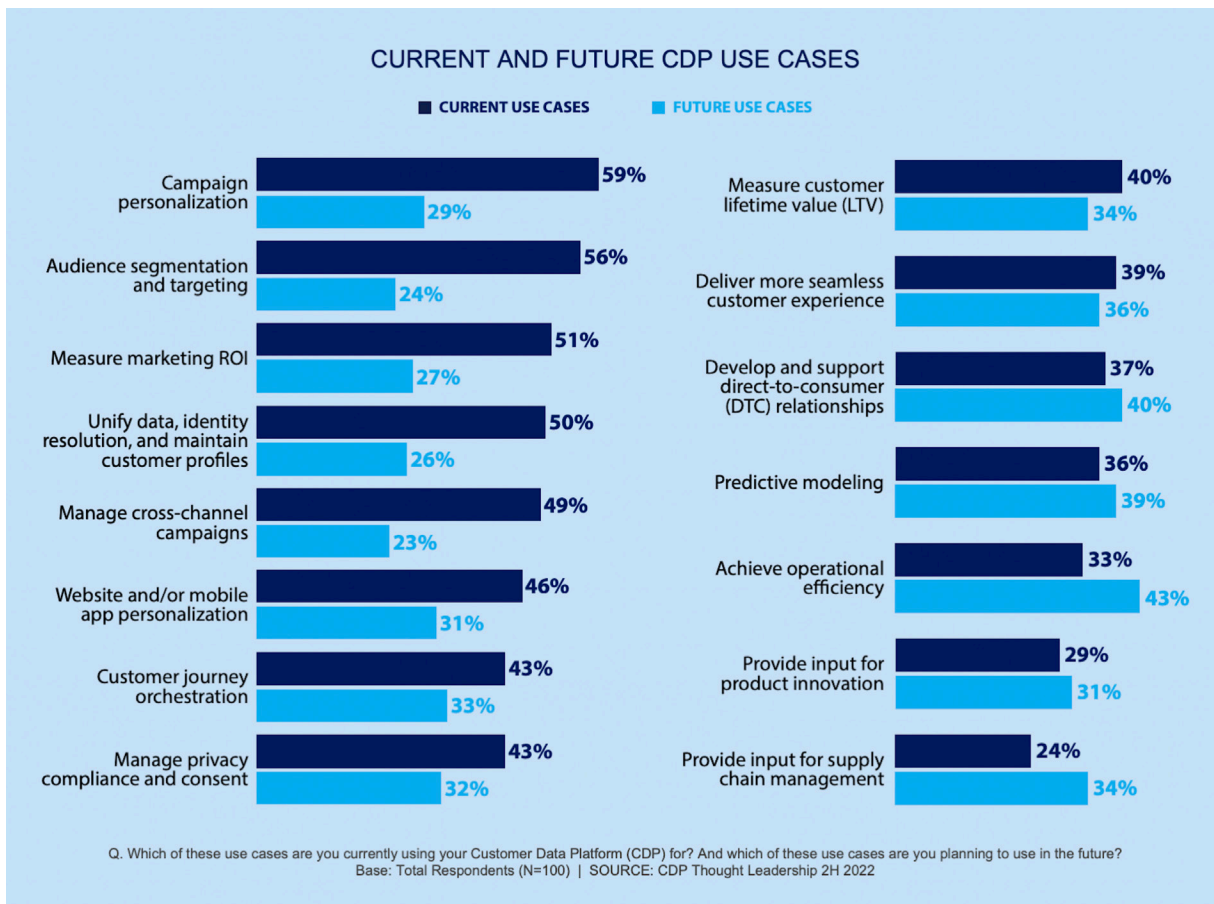


Figure 1. Current and future CDP use cases. [Source: Advertiser Perceptions, 2022](#)

2. Create your RFP document

Once you've identified your stakeholders, use cases, and priority business requirements, [download our industry-recognized CDP RFP template](#) to create your working document to share with potential vendors. The template includes over 200 questions you should ask during the RFP process to ensure you select the right vendor for your needs.

3. Identify potential vendors

When choosing the best CDP partner for your organization, consider raw processing power, but also security, ease of integration, scalability, and continued support to help you adapt to a dynamic market landscape. By focusing on these critical aspects, you can confidently choose the CDP that aligns with your company's objectives and empowers your marketing efforts. As you identify potential vendors, ask the following initial questions:

1. **Data integration.** Can their solution seamlessly aggregate and unify your diverse data sources?
2. **Scalability.** Can their solution adapt to your growing business needs and accommodate future data expansion?
3. **Security.** Is there a focus on privacy, security, and compliance to guarantee the protection of sensitive customer information? Does the vendor meet key security certifications?
4. **Analytics.** Will their solution enable you to derive valuable insights and execute targeted marketing campaigns?

5. **Audience.** Modern marketers manage cross-device and cross-channel marketing programs. Does the solution have the foundation to support increasingly complex customer journeys?
6. **Continued support.** Can they scale with your business? Do they work with similar organizations? Can they support businesses of your size? Do they store data persistently? Can you use the data they collect and store?

There's a lot of information to digest, so make sure you focus on what is critical to your business imperatives. Invite those that most closely match your business needs to fill out the RFP template and schedule a presentation/demo based on their responses.

Ready to take the next step? [Click here](#) to discuss your use cases and requirements with one of our experts and get a demo of Treasure Data CDP.

4. Create a vendor shortlist based on demos and overall fit with your organization

Your goal during the RFP process is to select a vendor that will genuinely benefit your business. To streamline the process, collect RFP responses before scheduling demos. Some responses may disqualify vendors early, allowing you to eliminate unqualified options and make demos more efficient.

It is important that RFPs are carried out fairly and with respect to all parties taking part. During demos—which should be free of charge—it's important to remember that this is your time, so don't hold back if you have questions or concerns. You're making an important selection that will impact your entire organization. Be sure to:

- Tell the vendor about you and your business
- Check for positive interactions between the presenters and your stakeholders
- Be clear on your needs and cover use cases, scope, budget, and KPIs
- Ask questions related to your business needs
- Be open with your decision criteria and share how you're scoring
- Be transparent about the process length and decision process
- Ensure the technology can actually deliver what is being promised

The demo also gives you an opportunity to see how the vendor might approach your working relationship. For example, did they personalize the demo? Is it tailored to your specific needs or requirements or is it a one-size-fits-all approach? Are you satisfied with how they answered your questions? All of these factors should be taken into consideration as you go to the next step: vendor selection.

5. Choose the best CDP for your business

When you're ready to select a vendor, the main stakeholder group should score each vendor side-by-side based on previously determined scoring methodology to provide a winning vendor. The critical business requirements should be weighted more heavily than other capabilities. Performance in the demo and RFP presentation should also be taken into account. If it is still unclear, a final interview round is appropriate if required to overcome any final challenges.

6. Create the final contract

Once the vendor is selected, all scores must be passed to your legal department to store for future reference. A draft statement of work (SOW) is required to enable the selected vendor to understand the state of play and expectations on their performance in terms of KPI's and obligations. It should also include review points and a project plan to include initial setup, onboarding and training. This SOW can be used to validate initial pricing considerations and provide a framework for a successful partnership.

Top five criteria when selecting a CDP

1. Data security

2. Clear view of customer interactions, journeys, predictions, recommendations

3. Ease of use

4. Value (costs vs. benefits)

5. Good reporting and analytics

Source: Advertiser Perceptions 2022

Vendor comparison–capabilities checklist

Are you selecting a CDP that will be there in the long-term so you get to a higher maturity level? Your CDP vendor should be a trusted partner who helps you succeed in the long term. To take advantage of the CDP's exponential power, you should purchase a CDP that will evolve with you beyond marketing use cases to benefit IT, sales, customer support, data science, product and supply chain logistics, inventory management, and more. Here, we outline ten capabilities that should be on your customer data platform vendor comparison checklist.

1. Enterprise-grade security

Verify that the CDP has security credentials and governance practices to meet enterprise compliance, plus privacy regulations such as GDPR and CCPA. Ensuring customer data is being encrypted at rest and in transit is table stakes. Focus on protecting your customers and their privacy against data loss, theft, and corruption.

2. Robust integrations

Your CDP must integrate with all of your data sources, both online and offline, regardless of complex environments. This includes—but is not limited to—web visits, mobile interactions, paid media, e-commerce browsing and purchases, loyalty apps, in-store POS, CRM data, customer service history, and more. The majority of your integrations should be turnkey and provide out-of-the-box value.

3. Fast time to value

Your CDP should be able to effectively deliver on desired use cases, in support of each unique business environment—resulting in short-term ROI, with the ability to scale over time. Added professional services and support from your enterprise CDP should easily handle any customizations you need.

4. Global scalability

Don't get stuck with a CDP that can't grow with you as your business grows. Enterprise scale is imperative. For global enterprises, ensure the CDP has specialized expertise, distributed data centers, and support teams around the world.

5. Flexibility

Let's face it, doing business at scale is complex. You need a CDP that enables your business to grow, adapt, and change as the market does. A one-size-fits-all approach will not deliver a competitive advantage.

6. Reporting and analytics

Take your analysis to an entirely new level by using AI and machine learning to discover actionable insights about each individual customer. You can leverage machine learning for predictive outcomes and advanced analysis, and direct targeted responses that would be otherwise impossible.

7. Data complexity

Customer data can be messy and understanding customer journeys requires advanced techniques. Make sure you consider these factors in your customer data platform vendor comparison: flexible data unification, segmentation, and profile activation. Can they onboard customer data with schema-flexible data ingestion and built-in query engines that provide fast access to persistent, historical customer views?

8. Dynamic profile segmentation

Dynamic profile segmentation lets you define (slice) your customer data in different ways with great insight, intricacy, and refinement. Artificial intelligence (AI) and machine learning (ML) provide a powerful workbench to understand customers that have a higher propensity to buy or churn, as well as which customers will yield a higher lifetime value. Predictive scoring provides actionable insights such as next-best channel, product, or action based on each individual customer. This allows marketers to target every customer with personalized messaging.

9. Persistent data

All data should remain available to your campaigns indefinitely and not be purged. Many CDP vendors purge data after 90 days. You want the ability to query your data for insights without limitations of scale or data history. For example, in retail, customer insights from last year's holiday season are critical when creating engagement strategies for next year's campaigns.

10. Personalized engagement

To reach customers or prospects in a timely manner, you want to take action immediately and deploy a targeted response based on customer interactions, preferences, and interests. This empowers you to use every bit of data to delight your customers every time. Engage with customers and prospects at the best time, on the best channel, with the best message to optimize driving conversion across every communication channel.

Accelerating business transformation with a CDP

For many companies, a CDP can transform their organizations from running on fragmented, siloed systems to companies that easily use customer data to automate personalized customer journeys that build loyalty and CLV and deliver substantial business outcomes. Here are three consistently recognized themes through which a CDP accelerates business transformation.

1. Data collection, permissions management, and safe storage—making it easier for your business to comply

A CDP helps you collate and store your data, collecting it from the myriad of omnichannel customer touchpoints. It's stored securely, with built-in permission management to help you satisfy all legal prerequisites for each individual country, thus making security and compliance easier for your business.

2. Faster decisioning across all channels—personalize every moment

It's imperative that you understand your customers and are able to remain relevant, especially in the current climate, when consumers spend more time online. A first-rate CDP will have prebuilt propensity models, so your marketers know in real time which customers are the most important, high-value, or likely to churn. Use this information to create personalized campaigns, with the right message timed perfectly, on the right channel to reach your customers, for the greatest possible impact. With a 360-degree, unified customer view you can target prospects more effectively, segment buyers efficiently, and increase the ROI on digital spending. Consequently, interactions become more personalized, fostering a truly connected customer experience.

3. The art of doing more with less—target spend effectively

All industries are seeing budgets under increasing scrutiny. It is imperative that you are able to both track the impact of your marketing and forecast accurately. You need to know your return on investment so that you can allocate spend accordingly through each channel. A strong CDP foundation forms part of the blueprint for accurate attribution, which will enable your business to track the impact of marketing efforts. And if it is being tracked accurately, it makes forecasting much more effective—which essentially means you can do more with less.

“Thanks to Treasure Data CDP, we have a more complete, unified view of each customer. And we’ve used those unified profiles to evolve our suite of predictive and prescriptive models, improving our customers’ experience.”

—Sr. Manager, CDP Program, [Global Automaker](#)

Key Treasure Data capabilities

At Treasure Data, we're on a mission to radically simplify how companies use data to create connected customer experiences. Our sophisticated cloud-based customer data platform drives operational efficiency across the enterprise to deliver powerful business outcomes in a way that's safe, flexible, and secure. With [Treasure Data CDP](#), companies can overcome the data disconnect to responsibly collect and analyze massive amounts of data, transform their businesses, and create new, targeted experiences across the entire buying journey. Flexible, tech-agnostic, and infinitely scalable, Treasure Data Treasure Data CDP is central for enterprises who want to deepen customer engagement, reduce churn, and increase fast time-to-value even in the most complex environments (Figure 2).

	CPG	Retail	Gaming	Automotive	E-commerce
Value	36% ad spend savings	Conversion rates increased by 10%	13% increase in sales	\$69M in overall annual revenue	\$15M savings in annual ad spend
Time to initial value	6 weeks	8 weeks	14 weeks	14 weeks	16 weeks
Profiles	53M	3M	500M	240M	31M
Data Sources	6	8	14	16	11
Data ingested	200B+	6B+	300B+	36B	100B+

Figure 2. Some examples of Treasure Data CDP time to value.

Data management

Treasure Data is an expert in managing data complexity at scale. We quickly onboard customer data with schema-flexible data ingestion and built-in query engines that provide fast access to persistent, historical customer views. Treasure Data CDP enables access to up-to-the-minute real-time customer analysis as your customers shop, browse the web, post on social media, and use mobile apps.

- Data sources include online and offline data sources, as well as first-party, second-party, and third-party data, web visits, mobile app interactions, email, paid media, e-commerce, and loyalty apps. Treasure Data also ingests in-store POS data, CRM data, direct mail, backend system data, custom application data, call-center interactions, and more.

Identity resolution

In order to maximize results, Treasure Data CDP is able to support both probabilistic and deterministic approaches to identity resolution, depending on the marketer's needs. Our pioneering work with sophisticated algorithms delivers accurate identity unification at scale, while minimizing the number of direct comparisons needed. An additional benefit to identity stitching is the ability to do more accurate predictive modeling, producing the "training data" necessary to identify "lookalikes" within other customer sets. With automated predictive modeling, the model-building engine correlates hundreds of profile attributes to provide a recommended list of the most meaningful profile features.

Audience management

Treasure Data CDP easily deals with complex customer journeys that include high volumes of customers and multiple interactions. Additionally, Treasure Data Journey Orchestration helps you automate customer journeys by connecting campaigns and activations to the buying cycle. It identifies audiences along the buying cycle, working across channels and devices to deliver the right campaigns at the right time. The new Jump feature enhances journey orchestration by addressing customers' non-linear journeys.

"We wanted a platform that could scale to our growing use cases, data needs, and security requirements. And we have been amazed at how Treasure Data has scaled as we have continued to grow."

—Director of Marketing Technology, [Global Retailer](#)

Machine learning, artificial intelligence, and reporting

With Treasure Data CDP, you can achieve greater targeting precision and operational efficiency by automating data collection, storage, and analysis. By bringing all data sources together in a single place, TD enables a cohesive and complete view of the customer. This comprehensive view, in turn, can be leveraged by artificial intelligence (AI) algorithms to identify customer behaviors and ideal contact methods. Additionally, machine learning (ML) is used to create customer personas, enabling businesses to better understand customers' investment preferences and readiness for change.

Privacy, security, and compliance

Treasure Data CDP provides companies with the highest level of data privacy and data security around the world. Treasure Data CDP is trusted by Fortune 500 and Global 2000 companies around the world to keep data private, secure, and privacy-regulation compliant.

Additionally, Treasure Data maintains compliance with the latest regulations (Figure 3) and continually builds on a strong data foundation. Visit the [Treasure Data Trust and Security Center](#) to learn more about our security posture and request access to our security assurance documentation.



Conclusion

Over the past few years, CDPs have developed a set of sophisticated features that advance them beyond their original charter to unify customer data from multiple sources. As consumers add new devices and touchpoints to their buyer journeys, CDPs have become a vital tool for customer data management—unifying and normalizing first-party customer data, improving data accuracy, targeting relevance, driving segmentation and personalization, and boosting marketing campaign velocity.

The right CDP empowers you to unlock valuable customer insights, execute targeted marketing strategies, and drive connected customer experiences. It enables efficient data integration, scalability for future growth, and robust data security, privacy, and governance measures. By choosing the right CDP, you can enhance operational efficiency, improve data-driven decision-making, and achieve immediate ROI. Investing time and effort in selecting the ideal CDP tailored to your unique requirements will pave the way for long-term growth, competitive advantage, and customer satisfaction.

Ready to take the next step?

[Click here](#) to discuss your use cases and requirements with one of our experts and get a demo of Treasure Data CDP.



Treasure Data's easy-to-use RFP template helps you get from zero to done—fast.

To see all the questions you should ask vendors before you make your choice, [click here](#).

Treasure Data empowers the world's largest and most innovative companies to drive connected customer experiences that increase revenue and reduce costs. Built on a big data foundation of trust and scale, Treasure Data is a customer data platform (CDP) pioneer and continues to reinvent the CDP by putting AI and real-time experiences at the center of the customer journey.

Our CDP gives customer-centric teams across Fortune 500 and Global 2000 companies – marketing, sales, service, and more – the power to turn customer data into their greatest treasure. Visit www.treasuredata.com to learn more.

Join Treasure Data's global CDP community at [CDP World](#), its annual summit for marketing and data leaders.

Request a demo

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