

# The Role of Customer Data Platforms in Digital Transformation



Digital transformation is sweeping across industries today, with digital disruption shaving 45 percent off incumbents' revenue and 35 percent off their earnings.<sup>1</sup> This challenge will grow significantly in the next few years, as digital transformation has only reached mainstream penetration in one of ten industries likely to be impacted, per that same research.



This level of transformation requires changes to a company's traditional operating model, as customers are demanding that organizations engage with them in a consistent and contextually relevant way across all interaction touchpoints and technologies. It is no longer acceptable to run linear, offline customer journeys that have a cadence measured in weeks or months. The increased customer expectations and dynamic customer journeys in the digital era are putting pressure on organizations that have disconnected customer data, distributed piecemeal across a multitude of engagement systems.

Consumers want to remain constantly connected to the people, brands and things that matter most in their lives. From wearable fitness devices to Wi-Fi accessible programmable home thermostats and smart refrigerators, consumers expect aspects of their daily lives to connect digitally to products and services in ways that are highly relevant while being seamless, frictionless and, at once, non-intrusive. Organizations operating in this digital world need to deliver contextually relevant and highly personalized engagement across all touchpoints. An organization's ability to achieve this level of relevance and personalization is directly dependent on its ability to ingest, connect and make available all of the data all of the time.

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70 percent of marketers have suboptimal to no ability to integrate online and offline customer data.

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*A Customer Centricity Paradox, Acxiom and Digiday*

## The Data Challenge

The first and biggest challenge in effectively carrying out digital transformation is to operationalize the data at the speed, accuracy and depth required to drive new levels of engagement. Consumer technology in the form of mobile apps, IoT devices and other digital touchpoints are outpacing organizations' abilities to use all their data to affect customer engagement in a positive way. Data is being generated in unprecedented volumes, velocity and variety, yet organizations are challenged to ingest, connect and access the data to drive meaningful outcomes for both the consumer and the brand.

- **The Data Ingestion Challenge** – In ingesting data, enterprises need to consider batch and streaming data that may be coming from a wide variety of systems and types as the first challenge to solve. As companies race to meet customers everywhere those customers engage, they constantly add systems to manage new channels and touchpoints: not just email and websites, but display ads, search ads, mobile apps, in-store kiosks, text messages, blogs, review sites, Facebook, Twitter, YouTube, Instagram, Pinterest, LinkedIn and whatever comes next. And that's just digital channels: don't forget telephone, TV, radio, print, direct mail, outdoor and other offline channels that remain important. When adding contextual information related to location, weather, drive-time, etc., it is easy to see that enterprises need strategic agility to not only ingest data from an ever expanding set of data sources, but also accommodate emerging innovations when yet another new channel, not to mention IoT, emerges.

<sup>1</sup> Think digital is a big deal? You aint seen nothing yet. March 15, 2017

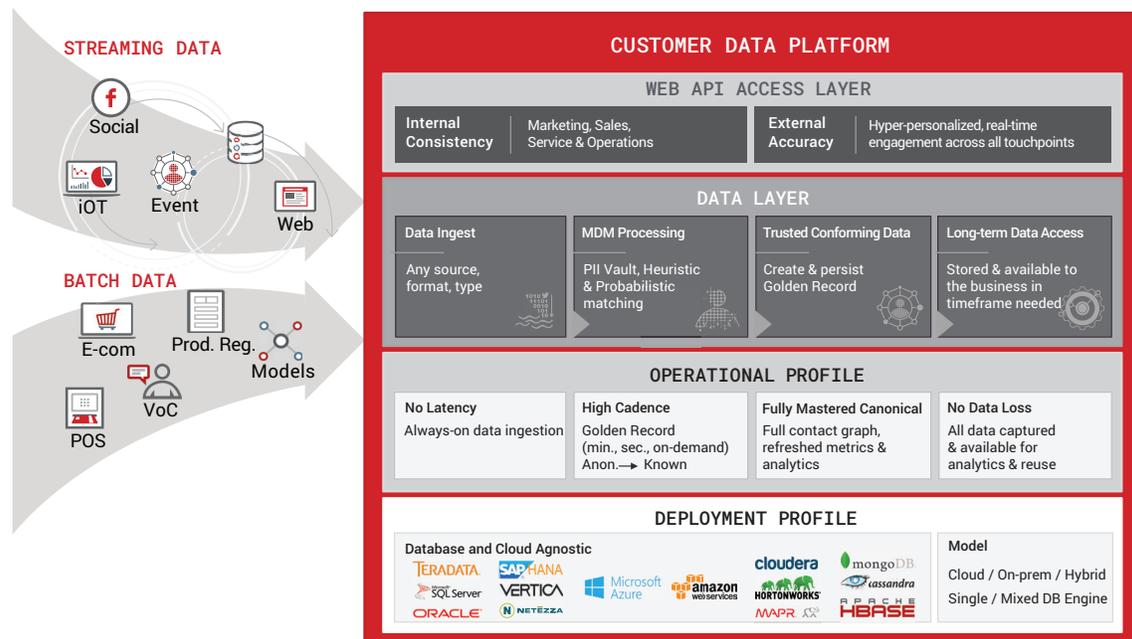
- The Connected Data Challenge** – Linking the data to create meaningful information and insights presents a second, and even bigger challenge, which requires unifying data, automating data quality and mastering data across all sources for the enterprise to leverage. It isn't enough to just grab data from the different systems and dump it into one place, as disconnected data without context creates limitations for downstream use. Companies need to build a complete customer view by linking all records that belong to the same customer. This is hard because different systems use different identifiers: a phone number here, an account number there, an email address, a mailing address, a browser cookie, a device identifier, a social media handle and so on. Correctly linking those identifiers over time is a complicated process at the foundation of creating a consistent personalized customer experience and often suffers from poor data quality such as inaccuracies, incomplete records, redundancies and latency. These pervasive and persistent errors diminish relevance delivered to the customer and result in missed opportunity for an organization.
- The Data Availability Challenge** – A third challenge is operationalizing the data. That is, making the canonical data available and accessible at low latency, across the enterprise, both to drive real-time decisioning and optimize personalized customer engagement. In addition, business users need access to master the customer data, using data governance and curation capabilities that are highly responsive to business needs and leading to internal consistency and external accuracy.

## The Redpoint Customer Data Platform (CDP) Solution

The Redpoint rgOne platform is a new species of operational data environment that ingests any and all of an enterprise's data. Regardless of source – batch or streaming, internal or external, structured or unstructured, transactional or demographic, personal or general – Redpoint's rgOne provides an always on, always updating golden record and makes it continually available at low latency to all touchpoints and users across the enterprise when needed and ready for purpose.

Key performance characteristics of rgOne include agility, precision, scale, speed and accessibility needed to be the data engine driving digital transformation:

- Agility** – Support for all data sources and unparalleled flexibility: The Redpoint rgOne platform is architected to work with all sizes and types of data whether structured, semi-structured and unstructured data. It also provides out-of-the-box connectors to any environment spanning traditional databases, applications and advanced Hadoop/data lake and other No-SQL environments. We integrate first-, second- and third-party data to create an enhanced view of a customer that can be leveraged in a real-time cadence for analytics and customer decisions. There are no limits on the types of data or data structures, making it easy to consume new sources at any time.



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## Bad data or poor quality data costs organizations as much as 10-20% of their revenue.

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<https://lemonly.com/work/the-cost-of-bad-data/>

- **Precision** – Advanced data processing and matching algorithms: Redpoint incorporates sophisticated data transformation features including advanced parsing, complex processing rules and computation, address and other data standardization, geocoding and spatial analysis. It performs deterministic and probabilistic identity resolution, persists unique superkeys and sub-keys and provides customizable levels of groupings including: individual, household, segment and business.
- **Scale** – Production scale with drag-and-drop ease-of-use: Users can set up automated workflows with error handling alerts, checkpoints and restart mechanisms, version control and job monitoring to go from design to production with ease. Graphical representations make it easy to create, review and modify workflows without writing code. The Redpoint CDP integrates seamlessly with legacy and new enterprise systems including: operational systems, data lakes, business intelligence and reporting systems, synchronous and asynchronous engagement systems.

- **Speed** – Real-time data ingestion and integration: Redpoint processes data at a speed and scale that's superior to any other provider in the market, whether batch or streaming. Data loaded into the CDP is immediately available for consumption, whether that is for analysis, decisioning, or to drive operational systems. Third-party benchmarks show that Redpoint is 5x-20x faster than other solutions for like processing tasks. Redpoint uniquely does this through native data access that reduces latency across all data processing topologies.
- **Accessibility** – All business applications in the enterprise are able to access the detailed and current canonical data through a streamlined services layer, at speeds that support real-time operational use. WBusiness users are able to curate data through master data management (MDM) processes and user interfaces that place the data closer to the point of need.

Digital transformation is fast becoming a significant part of the business landscape today, but the disruption it causes over the next three to five years is difficult to fully imagine. One thing is for sure, none of it will be possible without a new level of fluidity and accessibility of clean, continually refreshed, connected, low latency customer data, available on demand across the enterprise. Thus, Redpoint has developed and successfully deployed a new type of data machine: the Redpoint Customer Data Platform. It is the digital heartbeat that will enable the transformative levels of engagement which will both delight end customers and define the winners in the ever-expanding digital economy.

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### About Redpoint Global

With Redpoint's software platform, innovative companies are transforming their customer experiences across the enterprise and driving higher revenue. Redpoint's solutions provide a remarkably unified, single point of control where all customer data is connected and every customer touchpoint intelligently orchestrated. Delivering more engaging customer experiences, highly personalized moments, relevant next-best actions and tangible ROI—this is how leading marketers lead markets. To learn more, visit [redpointglobal.com](http://redpointglobal.com).



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