

Forbes insights

DATA VERSUS GOLIATH

Customer Data Strategies
To Disrupt The Disruptors

IN ASSOCIATION WITH:



TREASURE
DATA

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INTRODUCTION

Media companies provide viewers with selections of their favorite programming after they sign on. Retailers understand shoppers' requirements when they log in, and can display personal messages or offer personalized coupons based on in-store sensors. Doctors and caregivers are directed to appropriate programs and protocols to treat their patients. Manufacturers can predict product features soon to be in demand among customers.

Welcome to the 21st-century digital economy, where customer data reigns as the competitive differentiator of market success. Yet while data is key, many organizations are still mired in 20th-century methods, processes and technology. Companies that are not adapting are finding their customer bases precipitously eroding as data-savvy competitors offer cheaper, faster products and more personalized experiences.

No industry is immune to this wave of disruptive digital innovation. At the core of this disruption—being driven by startups and incumbent players alike—is the ability to harness data generated through customer transactions, engagements and, increasingly, connected smart devices. While business leaders recognize that they must move fast to become customer-data-driven enterprises, they're nowhere close to the finish line. In fact, most are only starting to grasp the power of customer data.

According to a new global survey conducted by Forbes Insights, in association with Treasure Data, only 13% of companies can be considered "leaders" in leveraging customer data. Executives within these leading organizations indicate they are highly confident their companies have taken the necessary steps to ensure they are effectively utilizing customer data. A larger percentage of organizations, however, the "laggards," are only at the beginning of their efforts to convert customer data into actionable insights. Yet it's those who are embracing customer data and analytics who are seeing greater returns on investment and are likely to be disruptive leaders within their markets.

What does it take to succeed in today's hypercompetitive and hyperconnected digital economy? Keep reading to find out.

KEY FINDINGS

- **MOST EXECUTIVES SAY THE RISKS OF DIGITAL DISRUPTION ARE HIGH, AND MANY ARE ALREADY FEELING THE IMPACT DIRECTLY IN THEIR BUSINESSES.** A majority, 51%, of executives surveyed report a high level of risk to their organization (in terms of market share and revenue) over the next five years from technology-driven disruption by startups or innovations by incumbent companies.
- **DISRUPTORS ARE SEEING GREATER RETURNS.** While a majority, 79%, say their organizations are bringing about some disruption in their respective markets, only 37% consider their companies to fully be disruptors. A total of 81% of executives who see their organizations as customer-data-driven leaders report increased revenue over the past three fiscal years, compared with 61% of those who have yet to fully engage with customer data analytics.
- **CUSTOMER DATA AND ANALYTICS ARE KEY ENABLERS OF DISRUPTION.** Executives prefer to see themselves as disruptors in their sectors, and a majority are looking to shift their business models using technology-driven products and services, or by linking up with digital-savvy players. A majority of executives, 55%, indicate that along with creating new markets and acquiring or partnering with disruptors, disruptive innovation is also achieved through leveraging their knowledge and insights into their customer bases.

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- **LARGE PARTS OF THE CUSTOMER DATA UNIVERSE ARE STILL OUT OF REACH TO DECISION MAKERS.** Most executives are lukewarm as to whether they have a single view of their customer aggregated from all of their systems and applications data. Only 34% agreed they had such a capability.
 - **A CUSTOMER-DATA-DRIVEN ENTERPRISE IS ABOUT EMPOWERING EMPLOYEES.** However, only 14% have given employees full autonomy to act on data insights.
 - **CUSTOMER DATA INITIATIVES DON'T JUST BENEFIT EMPLOYEES AND CUSTOMERS—THEY ALSO HELP MEMBERS OF THE ECOSYSTEM—PARTNERS AND DEVELOPERS.** The leading benefit of customer data initiatives cited by a majority of executives, 57%, is better-quality and more-targeted interactions with partners and vendors. Another 54% seek a common enterprise view of customers through their analytics efforts.
 - **ONLY 13% OF ORGANIZATIONS EXPRESS A HIGH DEGREE OF CONFIDENCE THAT THEY ARE MAKING THE MOST OF THEIR AVAILABLE CUSTOMER DATA.** Customer data is still siloed, or accessible only to select decision makers or analysts in most organizations.
 - **A MAJORITY OF ORGANIZATIONS ARE TURNING TO CUSTOMER DATA PLATFORMS.** A total of 78% either have, or are developing, a customer data platform that is a dedicated environment managed by their marketing organization and is separate from other databases or platforms.
 - **A SIGNIFICANT PORTION OF EXECUTIVES REPORT POSITIVE RESULTS FROM THEIR CUSTOMER DATA PLATFORM.** Executives are expressing cautious optimism that their customer data analytics will deliver enhanced capabilities in the near future. Forty-four percent report that a customer data platform is helping drive loyalty and ROI in their organization.
 - **GDPR LOOMS LARGE.** For the most part, executives do not feel prepared to manage the requirements around the European Union's General Data Protection Regulation (GDPR). Only 40% consider their organization at least somewhat capable of handling the intricacies of the new regulation.
 - **SOFT SKILLS MATTER AS MUCH AS TECHNICAL SKILLS.** Statistical skills are in demand, but so are presentation and sales skills (ability to sell concepts and new ideas), which ranked as the top skills required for both users and implementers.

DIGITAL DISRUPTION

Digital disruption is much more than an abstract concept promoted by analysts and vendors; it is now an on-the-ground reality for most every organization. It's no surprise that many aspire to be digital disruptors themselves, and it's ultimately data-driven capabilities that will lead the way.

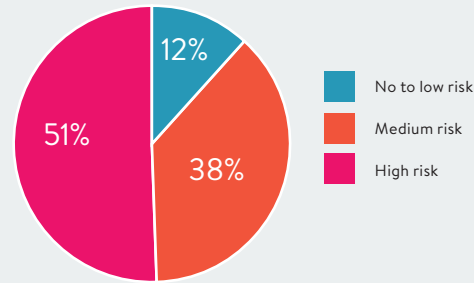
In today's digital economy, "customers buy experiences, not products," states Mark S. Hoplamazian, president of Hyatt Hotels. This is where data comes in. Now more than ever, customer data holds the key to providing a superior customer experience, which helps propel leadership within both current and new markets.

DISRUPTION IS HERE

A majority of executives say the risks of digital disruption are high, and many are already feeling the impact directly in their businesses. A majority of executives surveyed, 51%, report a high level of risk to their organization (in terms of market share and revenue) over the next five years from technology-driven disruption by startups or innovations by incumbent companies (Figure 1).

Already, more than one-third (35%) report a high degree of competitive disruption taking place within their sector due to the entry of technology-driven startups or technological innovations from incumbent companies (Figure 2). In addition, only 40% would consider their organization at least somewhat capable to handle the intricacies of GDPR, the European Union directive that requires companies to rethink their customer privacy policies and procedures when doing business with EU citizens (Figure 3). Only 6% would consider their marketing and sales functions to be fully ready.

Figure 1. Level of Risk From Technology-Driven Disruption



Note: Some charts may not add to 100% due to rounding.

Figure 2. Degree of Technology-Driven Disruption Faced by Respondents

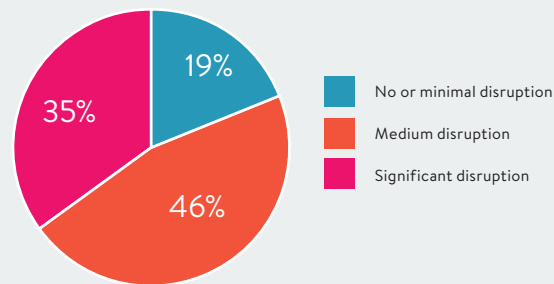


Figure 3. How Executives Perceive Disruption

Our customer base is changing in terms of their expectations and the ways in which they engage with us

65%

A customer data platform is helping drive loyalty and ROI in our organization

44%

Our company's marketing and sales tactics are completely prepared for GDPR

40%

Disruptors have a competitive advantage over incumbents because they are more savvy with customer data

31%

DISRUPTORS SEE GREAT RETURNS

Executives prefer to see themselves as the disruptors in their sectors, and a majority are looking to shift their business models using technology-driven products and services, or by linking up with digital-savvy players. While a majority, 79%, say their organizations are bringing about some disruption in their respective markets, only 37% consider their companies to fully be disruptors (Figure 4).

Yet it's the disruptors—the identified leaders in the Forbes Insights/Treasure Data survey who have embraced customer data analytics—who are seeing greater returns. A total of 81% of executives who see their organizations as customer-data-driven leaders report increased revenue over the past three fiscal years, compared with 61% of those who have yet to fully engage with customer data analytics (Figure 5).

Leveraging customer data is also seen as one of the leading strategies for successfully achieving disruptive innovation. The most prevalent form of disruption has been through the actual monetizing of information technology: 59% of companies delivering at least some degree of disruption say they are doing so by leveraging data or software as value-add products or services. Another 57% are facilitating innovation by going outside of their organizations, either through partnerships with, or acquisitions of, innovators, startups or disruptive companies. A majority also see disruptive innovation being achieved through the deployment of customer data analytics and insights, to provide a customer experience that exceeds that offered by existing companies in their markets (Figure 6).

THE MAKING OF A CUSTOMER DATA-DRIVEN ENTERPRISE

For a majority of companies, the path to disruption is by employing technologies, data and people to move forward. Ultimately, as shown, most see the effective deployment of customer data as a way to achieve disruptive innovation. So,

Figure 4. Do You Consider Your Organization a Disruptor in Your Market?

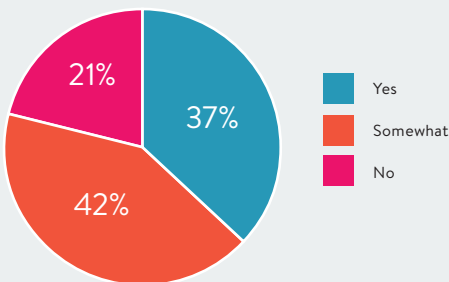
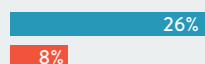


Figure 5. Revenue Growth Among Leaders vs. Laggards

Greater than 10%+ increase

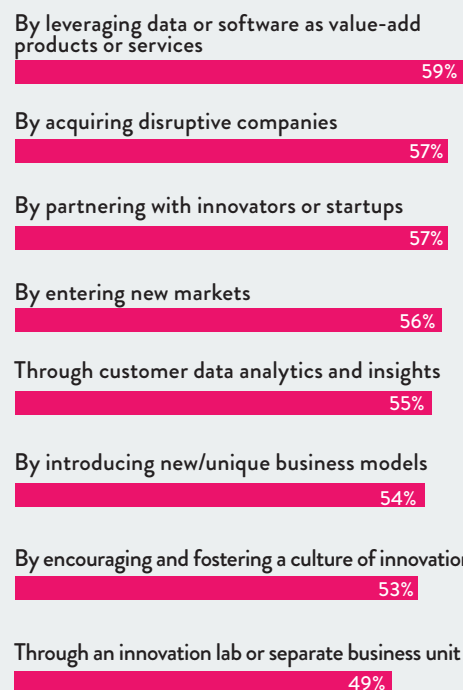


1% to 10% increase



Leaders Laggards

Figure 6. How Disruption Is Being Achieved



what does it take to become a customer data-driven enterprise?

To most executives, a customer-data-driven enterprise is about empowering employees. A majority, 54%, say their vision is one in which employees are rewarded for identifying and acting on opportunities identified through analytics. Similarly, 47% say that their ideal data-driven enterprise enables all employees to become data analysts to some level, with fewer lines of authority when making decisions backed by data (Figure 7).

At the same time, employees are constrained when it comes to acting on customer data insights. For the most part, employees can act on insights only with management approval, as stated by 48%. Another 37% have a bit more leeway, empowered to act after consulting with managers. Only 14% have full autonomy to act on data insights without management oversight (Figure 8).

Leaders in the survey are somewhat more inclined to support empowered decision making, but even there, autonomy still lags. Seventeen percent of leaders allow for employee autonomy, compared with 14% of the laggards. The next step up, ability to act with consultation, is seen among 42% of leaders, versus 35% of laggards (Figure 9).

Figure 7. What Does Becoming a Customer Data-Driven Company Mean to You?

Employees are rewarded for identifying and acting on opportunities identified through analytics

54%

All employees have the opportunity to become data analysts to some level

47%

There are fewer lines of authority when making decisions backed by data

47%

Innovation and experimentation is promoted and rewarded

47%

Employees are empowered to act on insights gained from customer data analytics

45%

Decision making is collaborative

45%

Business and analytics teams work collaboratively on all projects

44%

Employees can access all data sources via self-service

44%

Decisions are made based more on data and analysis than instinct

43%

Data is managed as a strategic asset of the business

43%

Analytic insights are embedded into customer interactions and related processes

43%

Analytics is considered a core competency of the organization

42%

The organization has the capacity to pivot based on data-driven business insights

40%

Figure 8. Degree of Employee Empowerment to Act on Customer Data Analytics

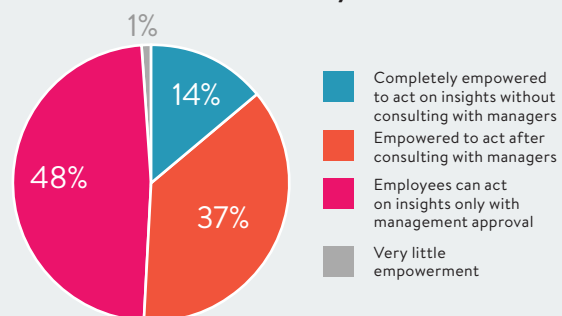


Figure 9. Degree of Employee Empowerment—Leaders vs. Laggards

Completely empowered to act on insights without consulting with managers

17%

14%

Empowered to act after consulting with managers

42%

35%

Employees can act on insights only with management approval

42%

50%

Very little empowerment

0%

1%

Leaders

Laggards

Customer data analytics and other initiatives don't just benefit employees and customers though; they also help members of the ecosystem—partners and vendors, and likely, developers—function better with more information. The leading benefit of customer data initiatives cited by a majority of executives, 57%, is better-quality and more-targeted interactions with partners and vendors. Another 54% seek a common enterprise view of customers through their analytics efforts. A majority, 53%, also seek to be able to react more quickly to market changes and customer preferences, or improve and streamline internal support operations (Figure 10).

EMBRACING CUSTOMER DATA

Customer data is seen as the fuel for digital-driven innovation; however, most executives report they are having difficulty identifying and incorporating vital data segments into their decision-making processes. More than ever before, successful disruption and transformation is built on successful delivery of a superior customer experience. Enterprises need to provide the right combination of leadership and technology that not only preaches disruptive innovation, but also engages and entices their entire workforce to participate in the journey. Without full employee involvement, such efforts will amount only to fancy-sounding mission statements, while competitors continue to gain the upper hand in their markets.

THE RISE OF DEVICE DATA

A superior customer experience is based on how customers perceive a company is attending to their needs and requirements, and whether this is being done in a timely way. This hinges on the ability to deliver timely and personalized experiences, which come from effectively collecting, integrating, managing and acting on data from a variety of sources, including transactions, call center interactions, connected device data (the Internet of Things), product usage data, social media, cross-channel interactions, website visits and more.

There are myriad ways enterprises obtain or gain access to customer data. Much of this data is user-generated, but an increasing amount is device-generated. Executives were asked about the strategies their marketing organizations are using to acquire more data that will generate new revenue, improve customer experience and/or provide customer insights. The most pervasive form of data gathering, cited by 73%, is data collection built into products and automatically shared. Another 68% pursue gamification strategies to encourage customers to

Figure 10. Primary Outcomes Sought From Customer Data Initiatives



provide data, such as offering rewards for completed information. Additional strategies include creating new free or paid products/services that encourage customers to provide data, as well as simply purchasing or licensing third-party data (Figure 11).

CUSTOMER DATA STILL OUT OF REACH FOR MOST

With these sources, it's no surprise that many, if not all, organizations suffer from data overload, which ultimately makes it difficult to determine which nuggets of information have the most profound impacts on customer experience. Thus, one of the greatest challenges in evolving into a customer-data-driven organization is the fragmentation and separation of data across many silos, both inside and outside enterprises. There is much room for improvement, as only 13% of organizations express the highest level of confidence that they've taken the necessary steps to ensure they're making the most of customer data.

While upper management may have access to the tools and data needed to transform their operations, this is typically not shared across all levels of the enterprise. A majority, 81%, report that executives analyze and employ customer data

Only **13%** of organizations express the highest level of confidence that they've taken the necessary steps to ensure they're making the most of customer data

Figure 11. Strategies to Acquire Customer Data

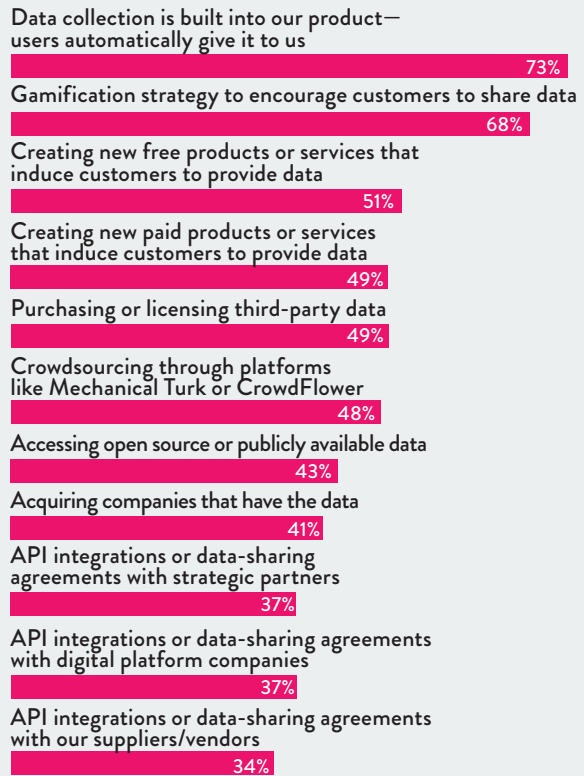
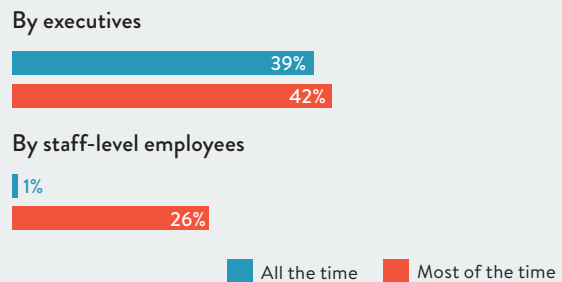


Figure 12. Frequency of Customer Data Analysis to Guide Strategic and Tactical Decisions and Actions



to guide strategic and tactical decisions and actions. By contrast, however, only 26% of staff employees work with customer data all, or most of, the time in their jobs (Figure 12). While executive data analytics typically has been historical, meaning viewed through a “rearview mirror,” there is impetus to increase the levels of real-time data. Half of the executives in the survey indicate they seek to enable real-time decision making as part of their customer data analytics.

Only one in five executives (21%) consider their organizations to be leaders in customer data management, reporting that the majority of their organization’s decision making is customer-data-driven, meaning marketing and sales decisions need to be supported by substantial data and analysis.

For some organizations, the ability to understand the customer experience requires delving deep into the data and asking questions that may have not been asked before. At Pearle Vision, the challenge was in having a customer base that tended to visit only once every year or two, says Doug Zarkin, vice president and chief marketing officer for Pearle Vision, a division of Luxottica. “We wanted to understand from a customer and patient attrition perspective why we were losing people, and from a customer- and patient-retention perspective, what were the key drivers for retaining people? What attracted people to trust their eyes to Pearle? We started to look at the data, and what it told us was, those

folks that stayed with us really were driven to the brand for the quality of care that we delivered from the exam room to the retail floor. So, for us, one of the first things we needed to do was to ensure that we were setting ourselves up to better understand our current customer base, in order to build on those small moments of care that drove the trust in order to leverage it for attracting new patients and customers.”

To address these requirements, Pearle Vision implemented a platform that went well beyond the confines of a typical customer relationship management system. “We built a platform that wasn’t just about driving top-line growth. More important, we wanted to drive trust,” says Zarkin. “We began to develop a customer and patient journey life cycle that allowed us to better understand our consumer, their wants and needs, and most importantly, what we weren’t delivering for their wants and their needs.” A starting point was to “embrace a programmatic approach to



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DOUG ZARKIN,
VICE PRESIDENT AND CHIEF
MARKETING OFFICER, PEARLE VISION

facets of our digital media buys,” he continues. “Programmatic buying is about developing profiles and modeling. What we’re doing is using data for good, helping us identify trends, which then help us acquire new patients with messaging that’s meaningful. We are doing it at the national level as well as at the neighborhood level.”

DATA ACCESSIBILITY

While Pearle Vision is finding new ways to leverage its data, as the Forbes Insights/Treasure Data survey finds, large parts of the customer data universe are still out of reach for most decision makers. Only 43% report having a high degree of capability to create and segment custom audiences for analysis and targeted marketing efforts, which is one of the most basic and fundamental aspects of digital marketing. Most executives are lukewarm as to whether they have a single view of their customer aggregated from all of their systems and applications data as well. Only 34% could agree that they have such a capability (Figure 13). Overall, when looking at major data sources across the board, only about one in four executives report they are able to fully leverage the data that is available. Leading sources include data on call center interactions, sales data, connected device data (IoT) and customer product usage (Figure 14).

Only about
1 in 4
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available



Figure 13. Where Respondents Have Deep Relationships With Customer Data

I can create and segment custom audiences for analysis and targeted marketing efforts
43%

I have a single view of my customer aggregated from all of my systems and applications data
34%

The systems I use constrain my ability to get insights from my data
20%

Figure 14. Data That Is Fully Leveraged for Analysis and Action

Call center interactions
26%

Sales data
26%

Connected device data (IoT)
26%

Customer product usage data
26%

Customer life cycle trends
25%

On-site interactions (retail)
24%

Customer behavior data (for predictive insight)
24%

Customer social media interactions
24%

Campaign responsiveness
24%

Cross-channel interactions
24%

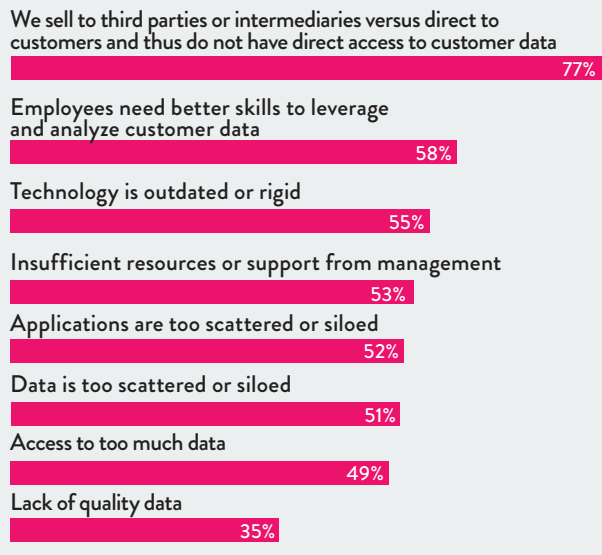
Transaction data
21%

Demographic data
21%

One of the greatest challenges executives face in better understanding and connecting with their customers is the fact that they sell to third parties or intermediaries versus direct to customers and thus do not have direct access to customer data—more than three-fourths, 77%, have this issue. A majority are also challenged by skills shortages, with 58% reporting a need for developing employees' skills to be able to leverage and analyze customer data. Additional issues high on the list include dealing with outdated or rigid technology, and a lack of support from management (Figure 15).

The ability to act on new opportunities in today's disruptive economy calls for breaking new ground when it comes to seeking out customer data for analysis. Purch Group, a digital publishing company, set out to dig deeper into audience reading trends to understand what was catching the most attention. The company developed what it called an "engagement index" that goes beyond page-level readership analysis or time-spent statistics to measure the depth of engagement based on approximately a dozen differently weighted criteria, says Greg Mason, CEO of Purch. While many publishers continue to depend on separate content and analytics systems to determine interest levels and profitability, Purch maintains end-to-end measures within a single environment, he explains. "What's unique about our platform is that we've tied all that to revenue, so we can see at the user level, at the page level and at the article level exactly how much money we have made from that, so we can tie everything together in a very granular way."

Figure 15. Obstacles to Better Understanding Customers



TOWARD A CUSTOMER-DATA-DRIVEN ENTERPRISE

Customer data platforms are seeing widespread adoption and interest, but organizations need to evolve their thinking, management practices and training. There is still a great deal of integration work ahead for enterprises, especially if these platforms are to deliver the anticipated analytics punch.

Thanks to data analytics platforms and tools, marketers and other executives have almost instantaneous access to customer experience information to help grow sales and market share. "It takes patience and guts to train an organization to see the world through the customer's eyes and to redesign functions to create value in a customer-centric way," according to McKinsey. "The management task begins with considering the customer—not the organization—at the center of the exercise."

RISE OF CUSTOMER DATA PLATFORMS (CDPs)

Customer relationship management and business intelligence solutions have provided intelligence about customer trends, but times have changed. Customer journeys have become impossibly complex, and the resulting insights are increasingly informed by disconnected data sources, and by explosively growing sources such as device data (IoT). **Enter the customer data platform, or CDP.** These are systems that provide business teams unified, real-time, self-service access to customer data that is typically spread across systems in different lines of business, such as sales, support or product.

Traditional CRM systems are designed to enable management and analysis of a particular customer channel, but CDPs are intended to be more comprehensive. These platforms bring customer data from a variety of sources into a single environment, including call center interactions, connected device data, product usage data, sales data, mobile apps, customer life cycle trends, websites, social media and email. CDPs also pave the way to greater personalization and measurement.

“Marketers need to drive and integrate all systems together to get a holistic view of their customers and better serve them,” says Kevin Schofield, lead digital marketing consultant at customer experience agency Verndale.

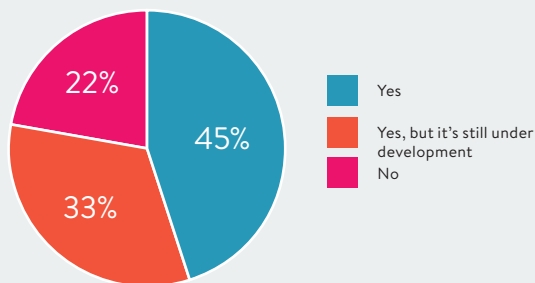
“Most CDPs are based on first-party data, so marketers integrating CRM, CMS or sales data from other platforms—which contain additional third-party data—with their CDPs are helping to develop that fuller picture of the individual customer. Those data sources work better when utilized together. Like putting the puzzle pieces in place, a CDP allows you to provide concrete data connections between and among your martech stack, allowing brands to be better equipped to make strong, data-driven business decisions.”

“

Marketers need to drive and integrate all systems together to get a holistic view of their customers and better serve them.”

KEVIN SCHOFIELD,
LEAD DIGITAL MARKETING
CONSULTANT, VERNDALE

Figure 16. Does Your Company Have a Customer Data Platform Dedicated to Marketing Requirements?



The Forbes Insights/Treasure Data survey finds that a majority of organizations are turning to customer data platforms to bring valuable customer data into one place and allow teams to act on it. A total of 78% either have, or are developing, a customer data platform that is a dedicated environment managed by their marketing organization and is separate from other databases or platforms. Forty-five percent already have such systems in place (Figure 16).

“I would argue that customer data platforms are a result of a data-driven culture, not the other way around,” says Barry Libenson, global chief information officer for Experian. “Insights into customer behavior are not new, but the amount of information and the ability to process it has made that data increasingly valuable. The data-driven culture we live in has been accelerated by the ability to process larger and larger data sets and draw meaningful insights from it. Without the ability to process this information, customer data

platforms would have little value. They have emerged because companies have been able to mine data more effectively, creating the demand for more information.”

CUSTOMER DATA PLATFORMS DELIVER

A significant number of executives report positive results from their customer data platform but express cautious optimism that their customer data analytics will deliver enhanced capabilities in the near future. Forty-four percent report that a customer data platform is helping drive loyalty and ROI in their organization. When asked if the employment and analysis of customer data in decisions and campaigns created a noticeable shift in their ability to meet disruptive and competitive challenges, most, 65%, say customer data analytics has not yet enhanced their competitive capabilities. Within the next two years, 53% expect to see moderate shifts in some areas, with 40% anticipating a significant shift (Figure 17). Among leaders, 49% expect to see a major shift toward competitive advantage. This is an increase from only 1% currently experiencing a significant shift in their capabilities.

At Experian, customer data platforms are now facilitating answers “to questions that were previously impossible to address,” says Libenson. “As such, we’re able to help companies unlock the true potential of data to have meaningful interactions with people. For example, our Audience Engine platform allows businesses to overlay demographic and lifestyle information to better understand a person’s preferences. This means more relevant messages and a better experience for the consumer.”

STILL THE EARLY DAYS FOR CDPs

CDPs have been making inroads in terms of implementations. Among the 45% that currently have customer data platforms in place, 20% have had such platforms for more than three years. A large segment, 44%, have had their customer data platform for one year or less (Figure 18). The leaders in the survey group report greater maturity with their CDP implementations—58% have had such capabilities for more than two years, versus 43% of laggards, suggesting that as these capabilities mature, confidence in the ability to compete in customer data also increases (Figure 19).

Figure 17. Impact of Customer Data Platforms in Meeting Competitive Challenges

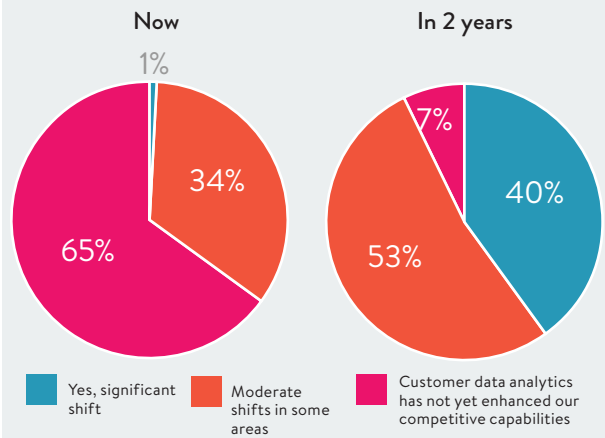


Figure 18. Length of Time Customer Data Platform Has Been in Place

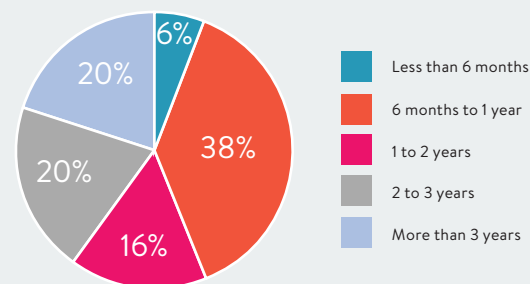
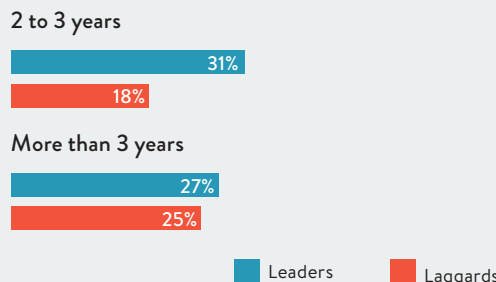


Figure 19. Customer Data Platform Maturity: Leaders vs. Laggards



While some leading-edge companies are seeing benefits from their data platforms, for the most part, customer data analytics is still relatively immature, the survey shows. It still takes time to analyze and draw conclusions about the success of a marketing campaign or a change to the customer experience—close to half, 47%, say it takes more than a week to analyze the results of such efforts (Figure 20).

In today's hypercompetitive digital economy, leaders are acquiring the ability to analyze marketing campaigns as they are ongoing, in close to real time. As a result, they are able to respond quickly to customer preferences or trends. The tools and solutions to accelerate CX development still need to be put into place, though. A majority, 52%, report that while they are leveraging a variety of tools and technologies in functions or lines of business, there is little coordination or there's a lack of the right tools. Only 19% report having a robust set of analytics tools and technology services supporting customer-data-driven decisions and campaigns (Figure 21).

"Active adoption of customer data platforms is still low largely because it is such a loosely defined capability," says Vimal Vel, vice president and global head of Master Data Solutions at Dun & Bradstreet. Add to this emerging use cases for IoT and things get more complex. "Customer data platforms should be viewed as marketing-driven supplements that help marketers access, manage and use customer data in a marketer-friendly user experience. That doesn't take away the need for existing systems that serve other needs, such as CRM and customer experience."

To compete in today's economy, it's critical for companies to begin leveraging these platforms, but many are still exploring and learning how to move forward. "Customer data platforms are crucial tools for clients that have a business need for it, but many industries and clients have not yet reached the level of digital marketing maturity where a CDP would be able to provide action and relevant insights," says Schofield. "Many are still struggling to clearly align their business goals and objectives with how they measure their digital actions, and that needs to be accomplished before working with a CDP. However, for organizations at that maturity level, CDPs can be utilized for further personalization, enhancing audience information for clearer segmentation, and developing content marketing and campaigns."

Figure 20. Length of Time to Measure Results of Marketing Campaign or Customer Experience Deployment

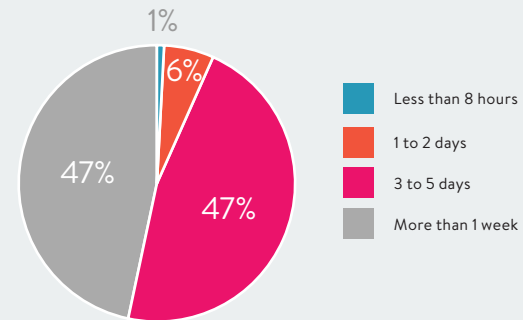
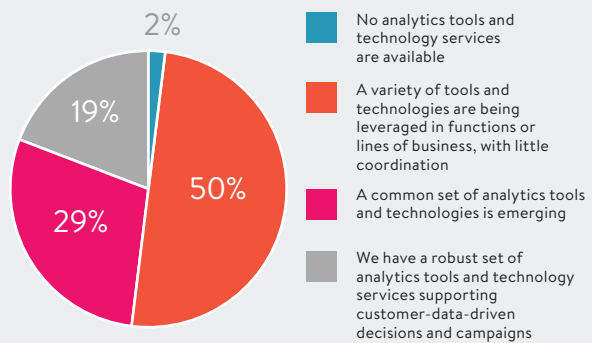


Figure 21. Use of Analytics and Technology to Support Customer-Data-Driven Decisions and Campaigns

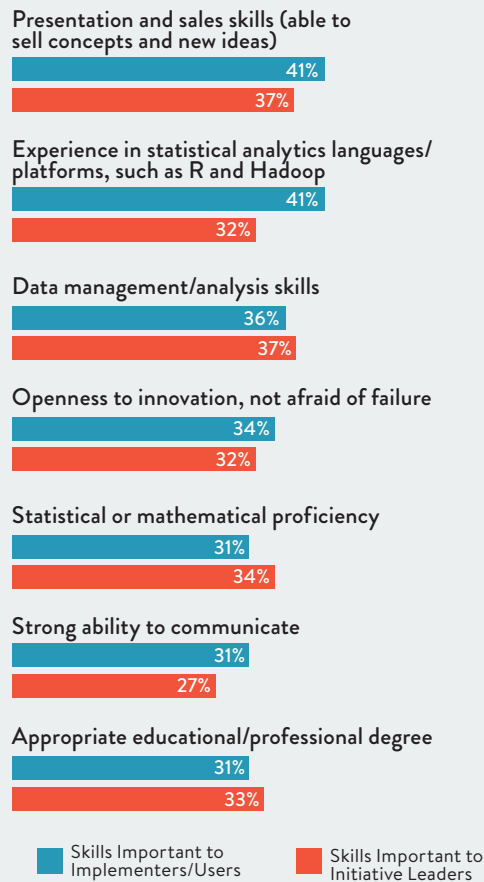


MEETING THE CDP SKILLS CHALLENGE

For building and managing a high-performing customer-data-driven culture and employing a robust customer data platform to support it, soft skills are needed as much as technical skills. Presentation and sales skills—the ability to sell concepts and new ideas—ranked as the top skills required for both users and implementers, cited by 41% as a key skill for users and 37% for implementers. Another 41% of executives say users need greater experience in statistical analytics languages/platforms, such as R and Hadoop. Data management/analysis skills was sought for both users and implementers among 36% and 37% of executives, respectively (Figure 23).

As the urgency of superior customer experience becomes a concern for everyone across the enterprise, training and education—along with access to tools and platforms—will be essential for helping employees achieve leadership. “Improving enterprise-level data literacy or a data-driven culture spans beyond the marketing function and the customer data platform,” says Vel. “Customer data platforms are an example of a larger trend toward a federated approach to data management—from a centralized IT-driven function to a distributed business user-driven function. Data culture in organizations is already transforming enterprises to more objective, data-based decision making, and customer data platforms represent the trend towards democratization of accessing, managing and using data.”

Figure 22. Essential Skills for Maximizing the Value of Customer Data Platforms



LEADING THE WAY WITH CUSTOMER DATA

Disruptors are waiting around the corner with the next customer-pleasing innovation, and there is urgency in fostering a deep, corporate-wide understanding of the customer journey. With an increasing focus on marshaling all resources and data to deliver a superior customer experience, it's imperative that organizations be prepared, and willing, to undergo structural and cultural changes. This involves measuring customer satisfaction and input, as well as empowering employees to not only use the latest analytics tools but also to be able to act on the insights delivered. In addition, business leaders need to make customer data analytics part of their strategic vision going forward.

Here's how companies can start the journey to disruptive innovation through customer data:

- **Bring all your customer data into one place.** Critical data that can open up new vistas for the business is likely still locked away in silos or proprietary systems.
- **Open up data-driven decision making.** True disruption is possible when all employees, regardless of title, have access to the tools and platforms to identify new opportunities.
- **Support training, education and knowledge-sharing.** Sharpening both analytics and organizational skills will boost the capabilities of everyone across the board and increase opportunities to surface disruptive ideas.
- **Establish a special team or "lab" to foster innovation.** Establishing a team outside of the constraints of the organization will help bring about new ideas and ways to leverage data to improve the customer experience. As innovations are developed, bring them into the main organization.
- **Encourage responsible experimentation.** With holistic customer data, it will be possible to run tests and pilots at relatively low costs. Encourage as much experimentation as possible, and even failure—this is part of the learning experience.
- **Enhance customer trust and participation through privacy guarantees.** The European Union's General Data Protection Regulation (GDPR)—enforceable as of May 25, 2018—impacts any company doing business in Europe or with European customers. The mandates introduced—calling for guarantees of consumer privacy—may be a compliance concern, but ultimately, it adds a level of assurance to customers that their data is being handled properly. No customer-data-driven innovations will achieve long-term viability without proper consumer privacy built in.

METHODOLOGY

This Forbes Insights and Treasure Data survey includes the views and experiences of 400 executives across key industry segments. The survey was global, covering North America (44%), Europe (38%), Asia-Pacific (6%), Latin America (6%) and the Middle East and Africa (6%). Leading industries represented in the survey include media, entertainment and gaming (25%), retail and e-commerce (25%), manufacturing (9%), automotive (8%) and consumer electronics (8%). All respondents were from organizations with more than \$1 billion in annual revenue, and respondents' titles include chief marketing officers or heads of marketing (44%), chief data or analytics officers (44%) and heads of customer experience (12%).

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ABOUT TREASURE DATA

With strong roots in the open source community, Treasure Data has engineered an enterprise - grade customer data platform that unifies any type of data – structured or unstructured – it is designed for scale and security, and employs advanced machine learning for fast, actionable insights that help transform and drive growth for your business.

We empower you to better know your customers and engage in meaningful ways along the entire customer journey. We've helped some of the largest companies in the world build and enhance their competitive advantage. Let Treasure Data manage your data so you can manage your business. www.treasuredata.com

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