

EVOLUTION OF THE DMP

A guide to data
management
platforms



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Executive summary

More than ever, enterprise businesses across a range of sectors need a 360-degree view of their customers, and a reliable way of keeping track of their ever-expanding digital footprint.

The data management platform (DMP) has evolved significantly from a tactical tool used exclusively in the display advertising arena to a more strategic technology at the heart of customer intelligence.

The DMP pulls together data from an array of touchpoints to create a unified view of each profile the business holds data on, sending relevant aspects of that profile to other systems as insights that can be actioned. Beyond its original remit of more targeted advertising, the modern DMP is able to ingest first-party data, in addition to second- and third-party data, and to translate data into the right actions and engagements in real time through its integrations with adtech and martech systems.

The evolution of the DMP reflects the growing importance of customer-centric marketing and the increased expectations of consumers who expect a relevant and personalised experience irrespective of channel and device. While there is much hype about customer data platforms (CDPs), they should be regarded as complementary to DMPs, rather than as a replacement.

As well as enabling companies to segment their audience in both simple and sophisticated ways, best-of-breed DMPs can stitch together different types of data (including data from CRM systems and CDPs) and bridge the gap between anonymous and authenticated customer information.

This guide explores in more detail how the DMP's real-time activation capabilities mean that it is increasingly being seen as a linchpin of the customer experience. Additionally, this guide also looks at the types of questions that businesses need to ask themselves in order to harness the full power of DMPs, as well as the questions they should be asking their vendors to ensure that they deliver against their requirements.



Jargon buster

AI

Artificial Intelligence; computer systems that can perform tasks previously restricted to humans.

CDP

Customer Data Platform; a database of customer information pulled from multiple sources across the business. Unlike a Data Management Platform, it is usually based on CRM data.

CX

Customer Experience; the sum total of the customers' interaction with a brand at every touchpoint.

DMP

Data Management Platform; a database of customer information pulled from multiple sources across the business and its partners, integrated to provide a single view of the customer to inform marketing communications. Historically based on behavioural data for media buying.

DSP/SSP

Demand-Side Platform/Supply-Side Platform; the technologies on either side of the automation of media buying. The DSP handles which impressions advertisers want to buy, the SSP which impressions publishers have to sell.

GIGO

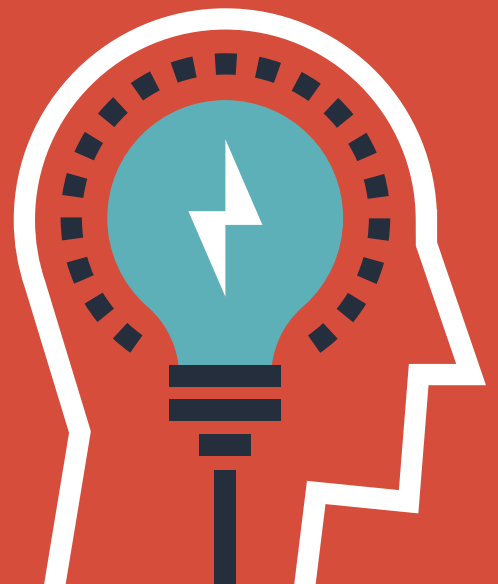
Garbage In, Garbage Out; a phrase originating from the early days of the computer industry to illustrate that the quality of the outputs of a system can only ever be as good as the quality of the inputs.

Machine Learning

The algorithms that support making machines more intelligent.

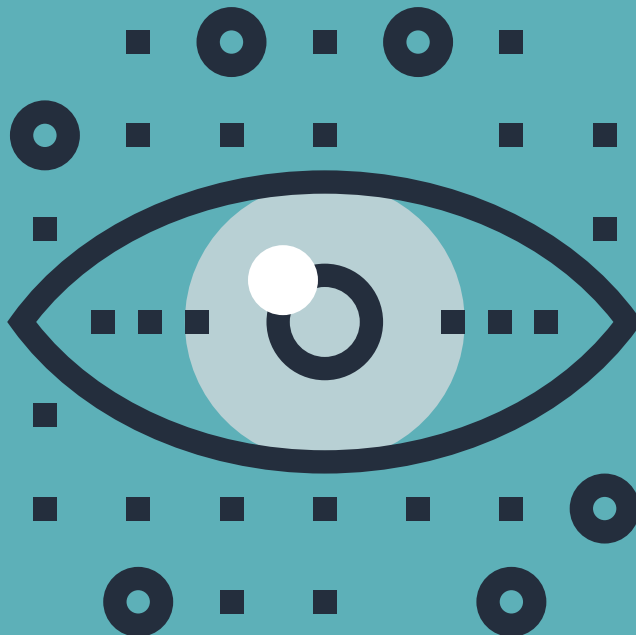
Martech

Short for marketing technology; the software that automates the marketing and advertising process. A company's collection of marketing technology is known as a "stack", since some technologies are conceived of as sitting on top of each other, using the outputs of the layer below as their inputs.



1 Introduction: Customer experience and the DMP

With consumer expectations growing all the time, the data management platform has become an increasingly important tool for companies seeking to improve the customer experience.





Consumers are now more demanding and more fickle than ever before. They measure their every online brand experience against the best in the world.

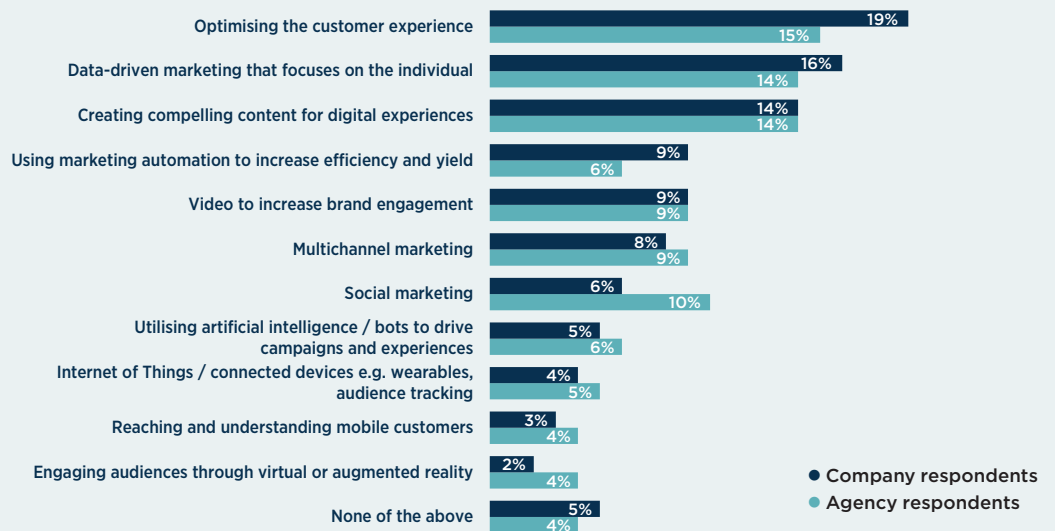
One of the most significant challenges facing businesses today – and one of the most exciting opportunities – is that of meeting the growing expectations of customers.

Of course, companies have always said they put the customer first, but what that means has been changed irreversibly by the internet. Consumers are now more demanding and more fickle than ever before. They measure their every online brand experience against the best in the world. They expect those experiences to be personalised and to recognise the history of their interactions with the brand, across all channels, and delivered seamlessly on whatever device they happen to be using at the time. And if the experience doesn't happen in milliseconds, the fickle consumer will click away to another brand.

And if that sounds like science fiction, you don't have to take our word for it. According to Econsultancy's 2018 [Digital Trends report](#), published in association with Adobe, the biggest opportunity for marketers today is to optimise the customer experience. That's the choice of one fifth of the in-company marketers surveyed (Figure 1).

FIGURE 1
Which one area is the single most exciting opportunity for your organisation (or your clients) in 2018?

Source:
Econsultancy /
Adobe 2018 Digital
Trends report



49%

of marketers think the quality of their customer experience is the thing that will drive their business forward this year.

Look a little further down the graph, and you'll see that the number-two choice is "data-driven marketing that focuses on the individual" (16%), and at number three is "creating compelling content for digital experiences" (14%). All this means that around half (49%) of marketers think the quality of their customer experience is the thing that will drive their business forward this year.

The common perception is that the key to delivering a great customer experience is data – but that's only half right. Sure, you need data as your starting point, but unless you can bring it together and use it to understand your customers, where they are, what they want, their history with you, how you should be talking to them and about what, it's just a bunch of 0s and 1s with no actionable insights.

Equally, looking at things the other way, there's masses of marketing technology out there (from 6,289 vendors, according to Scott Brinker's Chief Marketing Technologist blog) promising to make your life as a marketer easier, and to make your budget go further. But unless you can provide that tech with the data it needs, in the form it needs it, at the very point in time when the customer is interacting with you, it's not going to deliver business value.

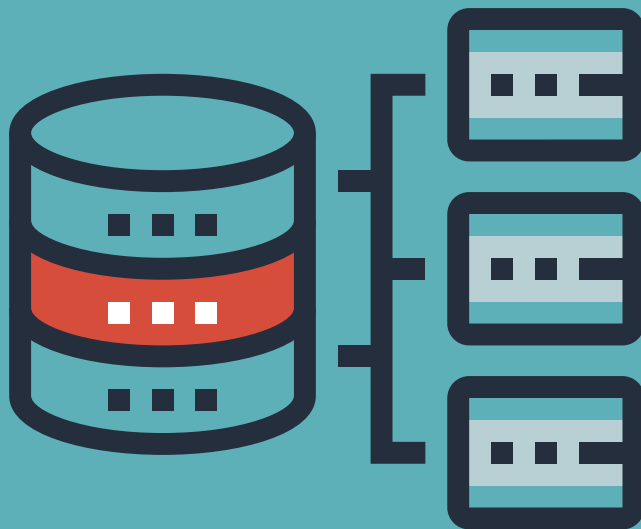
This is where a data management platform (DMP) comes in. A DMP is the tool that pulls a business's data together, organises it in one place, and pumps it out into all the other marketing technologies so they can do their tricks. More importantly than that, it's what takes all the information about customers that a company collects across all its various touchpoints and departments, and turns it into comprehensive marketing portraits of people so that you can deliver them the experiences that you need to, and that they crave.

And, in our post-GDPR world, companies must also be able to show customers what data they hold on them on demand. A DMP makes fulfilling that requirement simple and straightforward.

So, this guide sets out to do three things. (1) To explain, in a non-technical way, what a DMP does, what benefits it can bring to a business, and what it will be able to do in the future. (2) To highlight the organisational and operational issues you need to consider when buying and installing one. And (3) to suggest some questions you should ask yourself – and your potential suppliers – during the purchase process.

2 What DMPs are and what they do

DMPs have become much more sophisticated and powerful, helping companies to turn data into insights and actions in real time through integrations with other technology platforms.



50%

of enterprises currently use a DMP, either their own or through an agency.

According to Gartner's 2017 Marketing Technology Survey, more than 50% of enterprises currently use a DMP, either their own or through an agency. So, what is a DMP, and why do so many businesses have one?

In simple terms, a DMP pulls together data from across a business, from all the different departments and in all different formats, to create a unified view of each person the business holds data on, sending relevant aspects of that profile to other systems as insights that can be actioned. This is what businesses mean when they talk about having a single customer view. The second part of what a DMP does is to turn data relating to individuals into exactly the right marketing actions in real time, by segmenting the total audience in both simple and, increasingly, sophisticated ways.

For example, imagine someone comes to your website and browses through a few pages. Your web team will collect data on that visit in the form of web logs. The site will place a cookie on the person's browser – after obtaining informed consent, of course – which means your web team will also know when that person comes back to the site, and what sites they visit before and after yours.

If they sign up for your email newsletter, your email team will have some identifying data about them and will also start collecting details about how often they open your emails and whether they respond to the content. Then if our imaginary person buys something from your site, your ecommerce team will collect data about their transactions. And if they post a review of what they've bought on your site, their comments will be recorded and filed by the social media team.

That's a fairly simple example, with only four touchpoints. But if your business is still operating in silos, the worst-case scenario is that the data collected at each touchpoint will be held by a different team, in a different database, in different formats and using different software.

Such fragmented data has two main effects. Firstly, it prevents the delivery of a consistent, coherent user experience; instead, customers get a different experience at each touchpoint, and none of them relate to the totality of that customer's previous interactions with the business. And, secondly, it also reduces the efficiency of the company's marketing efforts. It's long been observed that the more channels a company uses to communicate with its customers and prospective customers, the more likely those customers and prospects are to transact. But if messages being sent through different channels are inconsistent or contradictory, that multichannel benefit is lost.

Retargeting is a great example. The promise of retargeting was that if someone looked at a product or service but didn't buy, targeted advertising could be used to remind them of their interest. But we've all experienced the frustration of adverts for products we've already bought following us around the internet, simply because the company in question's ecommerce site wasn't sharing purchase data with its automated ad buying (known as suppression targeting).

This is the problem the DMP is designed to solve. And by creating a single real-time customer view, it takes the business a big step closer to the 21st-century ideal of being truly focused on the customer experience, something that has consistently emerged in recent years as the single most important theme from the annual Digital Trends report, produced by Econsultancy and Adobe.

Online Product	Online Publisher	DMP Segment	DMP Segment ID	Impressions	Clicks
Sky Sports	AppNexus	Matched - Without Sports Football High (EPL)	9246720	300,343	171
Sky Sports	AppNexus	Matched - Without Sports Football High (EPL)	9246720	6,931	9
Sky Sports	AppNexus	Matched - Without Sports Football High (EPL)	9246720	30,330	18
Sky Sports	AppNexus	Matched - Shop Visitor Without Sports SPM Football HIGH	9246720	22,704	14
Sky Sports	AppNexus	Matched - Shop Visitor Without Sports SPM Golf HIGH	9245423	7,083	3
Sky Sports	AppNexus	Matched - Shop Visitor Without Sports SPM FL HIGH	9245423	7,021	5
Sky Sports	AppNexus	Matched - Shop Visitor Without Sports SPM Rugby HIGH	9245446	6,581	5
Sky Sports	AppNexus	Matched - Shop Visitor Without Sports SPM Football HIGH	9245452	16,216	7
Sky Sports	AppNexus	Matched - Without Sports Football High (La Liga)	9246721	193,217	113
Sky Sports	AppNexus	Matched - Without Sports Football High (La Liga)	9246721	24,088	12
Sky Sports	AppNexus	Matched - Without Sports Football High (La Liga)	9246721	12,126	6
Sky Sports	AppNexus	Matched - Without Sports SPM Football HIGH	9214910	271,741	161
Sky Sports	AppNexus	Matched - Without Sports SPM Golf HIGH	9214945	16,220	14
Sky Sports	AppNexus	Matched - Without Sports SPM FL HIGH	9215018	46,126	33
Sky Sports	AppNexus	Matched - Without Sports SPM Rugby HIGH	9214987	24,876	17
Sky Sports	AppNexus	Matched - Without Sports F1 HIGH	9246721	12,303	13
Sky Sports	AppNexus	Matched - Without Sports F1 HIGH	9246104	160	0
Sky Sports	AppNexus	Matched - Without Sports F1 HIGH	9246105	172,269	105
Sky Sports	AppNexus	Matched - Without Sports F1 HIGH	9246106	146	0
Sky Sports	AppNexus	Matched DIV LIMA - Basket - Sky Sports Golf AND NOT purchase	9246108	166	0
Sky Sports	AppNexus	Matched DIV LIMA - Basket - Sky Sports Premier League AND NOT purchase	9246094	381	0



⬆️
Sky: personalising to targeted audiences



⬆️
Sandy Ghuman, Audience Targeting Capabilities Consultant, Sky Digital Decisioning

SKY

Media giant Sky started using a DMP over three years ago. The driving force behind the decision was the desire for greater media efficiency, and in particular to make sure the company was not advertising Sky to people who were already Sky customers and was providing relevant experiences to existing customers.

Sky was able to take data variables from its rich dataset of 11m UK customer records, put them in the DMP, blend them with online behavioural and event signals from interactions on its digital estate collected in the DMP to create bespoke audience segments and use them to inform programmatic advertising.

Sky's DMP segments now also feed into the martech system that sits on top of the DMP – in this case [Adobe Target](#) and Google Cloud Platform – enabling

its messaging to customers on Sky-owned properties and Sky apps to be relevant and personalised. And the company is also able to pull data back from its marketing campaigns, or from brand and social activity such as polls on third-party sites, to enrich the customer profiles created by first-party data.

According to Sandy Ghuman, Audience Targeting Capabilities Consultant, Sky Digital Decisioning: “The biggest initial use case was the media efficiency gain, where we are not wasting paid impressions to sell Sky to customers who already have Sky. The ability to identify those people and exclude them from any prospect activity did not just drive efficiency but also led to improved brand metrics. Being able to identify our customers online wherever they are also enabled us to customise their digital experience.”

Understanding the customer journey

The DMP's ability to stitch together data from different sources to create a single picture of each customer or prospect is the first half of the story. The second half is the way this information can then be used to segment the audience, as touched upon previously. These segments then form the input for other marketing technologies to work on to deliver communications relevant to groups of customers. And data flows back from these technologies to be added to the profiles in the DMP, improving its performance in a virtuous circle.

This also means that, combined with analytics, a DMP is a powerful tool for analysing attribution, working out which touchpoints on a customer's journey had the most impact on their purchase decision, and therefore where marketing budget could be ideally spent to deliver the best results.

Attribution is one of the knottiest problems in marketing. Before the internet, customer journeys were largely invisible; it was impossible to tell if the person who saw an ad was the same person who then made the purchase. The internet made it possible to see that link if both seeing the ad and buying the product happened online, but until recently the complexity of the journey between the two was usually reduced to either “first click wins” or “last click wins”. In other words, credit for the sale went either to the first communication the customer saw – usually an ad – or the last – usually the result of a Google search.

Bringing together all the data the business holds about its customers, together with that held by its media partners, means it is now possible to see the entire customer journey, to understand the points in that journey where customers fall out of the process, and to experiment with altering the amount spent at different touchpoints to see what combination delivers the best results.

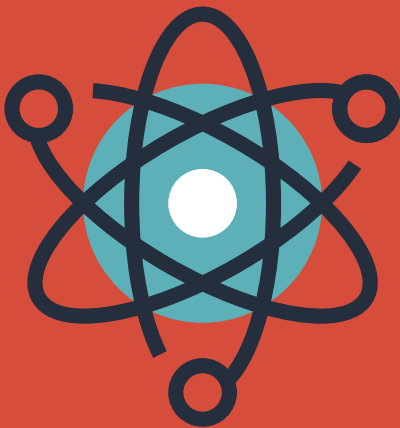


It is absolutely imperative that any business considering buying a DMP also reviews what data it collects and how it's collected.

Garbage In, Garbage Out

In among all these benefits, however, there is one crucial thing to bear in mind. There's an old phrase in the computer industry: Garbage In, Garbage Out, or GIGO. A DMP is a powerful tool for turning raw data into information that the business can use. But the quality of that information can only be as good as the quality of the data on which it's based. It is therefore absolutely imperative that any business considering buying a DMP also reviews what data it collects and how it's collected. Otherwise the DMP will simply be a container for data that does absolutely nothing of value for your business.

It should also be noted that segments are not eternal, and need to evolve based on clearly defined rules governed by the organisation. People will move in and out of different segments during the customer lifecycle, over a purchase journey and even within a single internet session. A good DMP will facilitate the easy entry and automated removal from segments, based on rules including recency and frequency.



EVOLUTION OF THE DMP

Data management platforms have evolved from tactical media-buying tools into far more sophisticated and strategic platforms at the heart of enterprise customer intelligence.

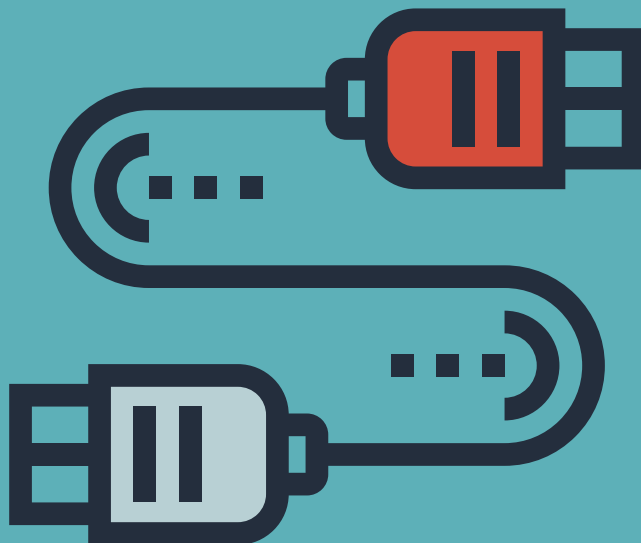
Initially focused exclusively on paid media to target advertising more effectively, the marketing DMP has now evolved into software that is at the heart of attempts by enterprise businesses to provide better experiences throughout the customer journey.

The modern DMP can ingest first-party, second-party, and third-party data, bridging between anonymous and authenticated data.

Crucially, through integrations with a company's full adtech and martech systems, DMPs allow companies to turn data and insights into actions in real time, helping them provide the most relevant and personalised content and messaging at every digital touchpoint.

3 Integrating a DMP into the business

DMPs need to be properly integrated across organisational departments for maximum benefit. Irrespective of who leads the implementation project, IT involvement is crucial for success.



If you're thinking of buying a DMP, you might think the important issues to consider concern data. That's only half true. Organisational issues are just as crucial to success.

The first thing to consider is making sure you can get hold of the data from across the business. A DMP can actually help with this process, since the capital expenditure involved usually means board-level sign-off, and therefore considerable board-level pressure to show results. Contrast this with companies trying to pull together data without board backing, where the data team will find itself repeatedly running small projects to demonstrate to individual data holders what analytics can do and the value it can deliver, and to convince them to share their data. It's an approach that can work, but it's much slower and more laborious.

Who's in charge?

It's still vital to appoint a key stakeholder to run the DMP project because, by its very nature, a DMP cannot function in isolation. On the input side, the head of the project needs to know – or find out – where all the company's data is held, and make sure it's fed into the DMP. They need to know which of the organisation's partners – such as media agencies – hold data, and to make sure that data is also brought on board.

The project head must understand not only how a DMP works, but also how the company operates, including its goals and procedures, in order to configure the DMP properly to match its needs.




Thomas Vaarten,
Digital Director,
A.S. Adventure

A.S. Adventure

A.S. Adventure is a Belgium-based outdoor clothing and equipment retailer which also has stores in Luxembourg and France. The brand is part of the A.S. Adventure Group whose brands also include Cotswold Outdoor and Snow+Rock.

A.S. Adventure decided to invest in a DMP in November 2017, because it wanted to increase customer value in an increasingly competitive marketplace, and to maximise returns from its marketing investment. It was already using a content management system, an email platform, a system for personalisation and an analytics package, so it wanted a DMP to allow it to build a single customer view and to segment its customers, and then use those segments as the basis for the operation of the rest of its martech systems.

The DMP was up and running in Belgium in the spring of 2018, and the company now plans to roll it out in its other markets, and to make it the cornerstone of its entire communication process with its customers.

According to Thomas Vaarten, Digital Director, A.S. Adventure: "At this moment, at this juncture, the DMP is just a tool, and in my opinion the DMP needs to evolve not only to be a tool but to be the centrepiece in which communication is starting with a customer across all departments, so not only the performance marketing team, but also CRM, customer service, and so on."

And on the output side, he or she needs to understand the rest of the company's martech suite, to make sure the DMP works seamlessly with all the other tools being used. The project head also needs to know what outputs need to go back to the company's partners, to power programmatic media buying, for example.

All of this requires a formidable blend of technical understanding, business savvy and political skill. Where this person comes from will also be influenced by the existing structure of the company. For example, in the Sky example we saw earlier, the DMP project was originally led by digital marketing, but once it was up and running, responsibility moved to the insight and decision science team, although the digital, commercial and marketing teams remain stakeholders. Conversely, for A.S. Adventure (see also box-out on page 13), the decision to go for a DMP was taken by the ecommerce team and IT but, as the implementation progressed, the CRM, marketing, and sales teams all became involved.

For many companies, this process leads to another, perhaps unexpected benefit of a DMP; they turn out to be powerful tools in helping to break down silos within the organisation.

The CIO/CMO relationship

The other organisational question raised by the adoption of a DMP centres on the relationship between the chief marketing officer and the chief information officer (and/or, in some cases, the chief digital officer). In most organisations, the drive to invest in a DMP will come from the CMO, who will have a clear idea of the benefits on offer to the marketing department. But the understanding of the technology – and of how it should be integrated into the rest of the company's marketing technology – resides with IT. Despite Gartner's famous 2012 prediction that, by 2017, CMOs would be spending as much on technology as CIOs pretty much coming true, the success of such a foundational piece of technology as a DMP depends as much on the input of the CIO as the CMO.

The other reason why it's crucial to involve the IT department is that, as we've seen, the use of the DMP will almost certainly extend beyond the marketing department. Once again, proper integration with other departments' systems is vital for the DMP to work properly.

Indeed, some experts go further than that, suggesting that as all businesses respond to the shift in power towards consumers by becoming data-driven, a DMP will become the basis of the entire business, with companies organising their structure, people and processes around it, rather than trying to fit it into existing structures.

Privacy post-GDPR

The other aspect of a business's activity where a DMP has a big part to play is in compliance with General Data Protection Regulation (GDPR). One of the key requirements of the regulation is that companies must show consumers what data they hold about them on request. If all a company's data is held in different places, this becomes a hugely time-consuming exercise. The first function of a DMP, to consolidate a company's data in one place, simplifies the process dramatically.

But a DMP also helps companies manage how their data is shared, and the rules and permissions around its use, not just internally but with external partners as well. This means that when marketers want to know which customer segments to target with new campaigns or offers, the DMP can tell them not only who to contact, but also whether they have permission to contact them.

4 The past, present, and future of the DMP

The modern DMP can ingest first-party data as well as harness second- and third-party data. While there is overlap with customer data platforms, the DMP and CDP are complementary.





You want a seamless customer journey, and to understand both the touchpoints and content consumption. With the use of attribution modelling and really deep insights around content consumption, it feels like the DMP data sets plus the CDP data sets give you a much more joined-up journey. And if you can join up that jigsaw, you've got to be in a position to make better media-buying decisions at the front end.

Andrew Campbell, martech director, First 10 Digital

The DMP emerged as part of the growth of programmatic advertising. As more and more ad buying was automated, demand-side and supply-side platforms (DSPs and SSPs) emerged to handle the two sides of the deal. DSPs told the advertising exchanges – where the deals actually happened – what audience attributes the advertiser wanted to buy. SSPs told the exchanges what attributes publishers had to sell.

So, the first role of the DMP was to bring together behavioural data to increase the efficiency and effectiveness of media buying, acting as both the buy- and the sell-side platform. First-party audience and campaign data from the business was augmented with second-party data from media partners (their first-party data) and anonymous behavioural or intent data bought from third parties.

Since then, the role of the DMP has grown to encompass building a single view of the business's customers based on all this data, and to segment the resulting profiles to enable better targeting, initially for online advertising, but increasingly for other marketing and enterprise technologies too.

Indeed, one of the key ideas of recent years has been the data ecosystem, the network of marketing tools that use the outputs of the DMP as the basis for their own activities. Crucial within that is the coupling of the DMP and analytics, so that the data and analytics team can draw on the most up-to-date information.

DMPs and CDPs – the key differences

A recent development in the marketplace has been the emergence of the customer data platform (CDP).

While CDPs come in different shapes and sizes, with vendors from a variety of backgrounds such as tag and data management now pushing this technology, they can broadly be described as marketing systems that unify a company's customer data from

marketing and other channels to help optimise the timing and targeting of messages and offers. They can be seen as being like a modern CRM system.

While there is some overlap of CDP and DMP functionality in terms of their ability to aggregate data and then to facilitate segmentation and personalisation as part of a more coherent cross-channel experience, there are also some crucial differences.

A principal difference between the DMP and CDP is their primary source of data. While DMPs have historically drawn on behavioural data to build profiles of anonymous audience members, then enriched them with second- and third-party data, CDPs have been targeted at businesses that have a database of opted-in customers, and use CRM data as the basis of their targeting.

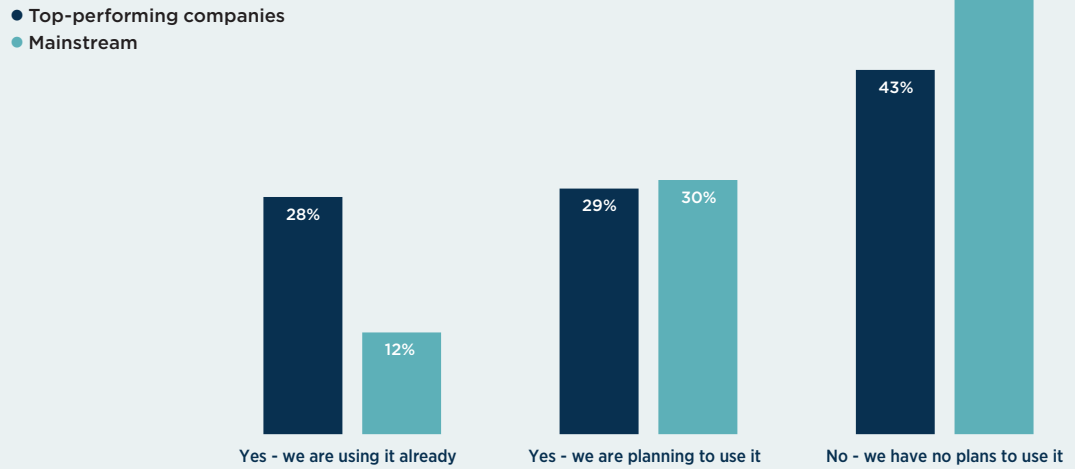
As well as harnessing the second- and third-party data that is typically outside the scope of a customer data platform, a modern enterprise-level DMP can ingest the first-party data that CDPs support, or take in CDP first-party data directly. In fact, despite the strong heritage DMPs have in third-party data, they are now sometimes used without third-party data.

That said, while CDPs typically focus only on 'known' customers (based on personally identifiable information), DMPs are still widely used to optimise paid media activities, based on second- and third-party data usage, while also ingesting hashed PII data.

There is also an important difference in the context of marketing attribution. Given that CDPs only work in the world of known data, media exposure data is outside their scope. With DMPs able to accommodate media exposure data via pixels or actionable log files, they can help marketers gain a deeper understanding of key segment behaviours across paid media investment, and then optimise spend accordingly.

FIGURE 2
Is your organisation using or planning to use artificial intelligence (AI) in the next 12 months?

Source:
Econsultancy /
Adobe 2018 Digital
Trends report



Integration of DMPs and CDPs

A CDP should be seen as a complementary technology that can help to inform DMP activation across channels, but without offering the same ability to connect with other parts of the marketing and ad technology ecosystem in real time.

As a consequence of the differences between these technologies, an emerging trend has been the integration between CDPs and DMPs, as companies start to think about content in terms of attribution, and apply learnings from the DMP within the CDP, and vice versa.

For example, a brand might personalise the content on its site to a visitor depending on the ad they clicked on to bring them to the site.

The rise of the robots

Perhaps the most talked-about technology at the moment is artificial intelligence (AI). It's seen by many as the next logical step in the automation of marketing, as machines take on the next set of tasks that were previously the preserve of human beings. And it's being adopted rapidly by companies looking for the next competitive edge.

The 2018 Digital Trends report revealed that top-performing companies were more than twice as likely as their mainstream counterparts to be using AI for marketing (28% compared to 12%, Figure 2). It also showed that almost a third (31%) of all companies were planning to start using AI in the next 12 months.

The promise of AI is that it will enable real-time prescriptive analytics. Analytics used to be purely descriptive; explaining what happened as a result of a particular action, such as a marketing campaign. They are now increasingly predictive; able to say what is most likely to happen as a result of an action.

The goal is prescriptive analytics; the ability to say what the best next action is for a marketer at each point on a consumer's journey, in order to move them closer to the final desired action. And this needs to happen across multiple channels, in real time, at scale, so it can only be delivered by machines.

At the moment, AI technology is being introduced into DMPs, looking for patterns of behaviour within the data that can then be used as the basis for better segmentation of the audience and for smarter lookalike modelling. It also allows marketing segments, which used to be seen as static, to be changed and updated as the data changes. But as the Digital Trends report showed, such approaches are currently the domain of high-performing, tech-savvy companies.

There is also the question of resourcing. It's all very well to be able to say what the best next action should be, but the marketing department then has to be able to take that action for the insight to be worth anything. And as personalisation becomes more precise and segments become smaller, the number of them increases, placing ever-heavier demands on the creative and production teams. One of the key challenges for businesses going forward will be to find the creative resource to match the level of insight being delivered by AI-driven analytics. We're still a long way from AI being able to work out how to target a particular segment, with which offer, using which creative, and to co-ordinate that across multiple channels.

5

Is a DMP
right for your
company?

This section contains questions that companies should ask themselves before implementing a DMP, and also questions they should ask of potential vendors.



The new battleground for business growth is the quality of customer experience. The most successful businesses are the ones that are delivering a coherent, consistent and relevant customer experience across multiple channels. According to the report Customer Recognition: How Marketing is Failing at its Top Priority, published by Econsultancy in 2016, “84% of marketing executives describe identifying users, personalising messaging and measuring impact as ‘very important to growth.’”

But the challenge doesn't end with online marketing. The ability to include offline touchpoints into the customer journey has long been a goal of marketers, while sales and customer service are obviously crucial elements and need to be included in any meaningful customer experience strategy. Even GDPR compliance, which sounds at first like a job

for the lawyers, is actually at heart a consumer experience question because it is about permission-based marketing and appropriate use of data to enable more personalised engagement.

The key to delivering a world-class customer experience isn't just data; it's how you use that data. The quality of your data management will ultimately determine the quality of your customer's experience. That's why so many companies have already invested in DMP technology, or are working with partners who can provide DMP functionality.



Questions to ask yourself

A DMP isn't the only game in town. There are other approaches and other data management tools, so how do you decide whether a DMP is the right buy for your business?

There are a number of factors to consider:

- 1. Scale.** DMPs aren't just the preserve of big businesses, but the cost involved means it's harder to deliver ROI for smaller organisations.
- 2. Resourcing.** Linked to scale is how well your business is equipped to handle the technological challenge of installing and configuring a DMP.
- 3. Customer-centricity.** While a DMP forms a crucial underpinning of a customer-centric business, just installing one won't make a business customer-centric. If a company doesn't see the value of being customer-led, a DMP could end up only delivering a fraction of its potential value, or worse.
- 4. Business focus.** As we saw in a previous section, DMPs are usually used initially for ad targeting and media buying, and are based on behavioural data. If your business is more focused on CRM data, a CDP might be more appropriate, although the two technologies are converging.
- 5. Speed.** What is the timeframe within which your customers operate, and can a DMP deliver within that time? A best-of-breed DMP enables you to target content and information in real time, by translating data into insights and actions.
- 6. Scope.** How many of your customer touchpoints can be customised easily and efficiently? If your

main reason for installing a DMP is to improve the quality of the customer experience, you need to be able to deliver personalised messages based on the outputs of the DMP at as many touchpoints as possible. Linked to this is the more general question of whether your marketing team has the capability to create the number of different messages implied by the degree of personalisation. If you're unable to personalise the messaging to match the level of segmentation delivered by the DMP, then you won't be taking full advantage of the platform.

Questions to ask potential suppliers

Once you've decided that a DMP is appropriate for your needs, there are some key questions you should ask any potential technology supplier.

- 1. Scalability.** Will the technology scale to meet your needs in the future?
- 2. Training.** How much training will be needed across the organisation to make sure you get the most out of the DMP, and how much support is available from the supplier in that training?
- 3. Reporting.** Will the DMP produce reports that allow everyone in the business to understand what's going on, not just the analytics team?
- 4. Integration.** How easy is it to integrate the DMP with any other martech products that you use or may want to use, from both the same supplier and others?
- 5. Future-proofing.** What does the supplier's roadmap for their DMP look like and does it match your company's goals and ambitions?

6

Conclusion

The DMP ultimately helps companies see the world through a customer-focused lens, helping to erase channel-based silos.





Twenty-first century business is defined by the growing power of the consumer.

Twenty-first century business is defined by the growing power of the consumer. If the much-used phrase “digital transformation” means anything, it means the move by companies to be led by their customers and, by extension, by the data footprint of their customers.

That, in turn, means that the structures – and infrastructure – on which companies have been based for the past 50 years are breaking down. If you want to personalise messages to a customer, or a group of customers, you need to know as much about them as possible. That’s a challenging task at best, but it’s made all but impossible if different pieces of data about those customers are held in different places around the company.

This is why a DMP is increasingly seen as a core strategic underpinning of a business. By pulling data from across your company and stitching it together, it can create a single view of your customer based on all his or her interactions with you. And it can use all those profiles to build marketing segments that allow the rest of your martech stack to do its job better and more efficiently.

But a DMP is not just a piece of software. It’s also a driver of organisational change. Because the reason it exists is to consolidate data from across all the different silos in one place, it requires those silos to be broken down – or at least cracked. Because it organises that data into customer profiles, it requires the business to see the customer as the fundamental unit of information, rather than the click, the like or even the sale. And because it sees the world through a customer-focused lens, it erases the channel-based approach of most companies. Customers see no distinction between a brand’s presence on the web, on mobile, in an app or on social media; neither does a DMP.

For this reason, the challenges around choosing and installing a DMP are as much organisational as they are technological. People are scared of change. They worry that they won’t be able to adapt to new ways of doing things, or that the new way won’t work as well as the old way, making it harder for them to succeed. They worry that the new way will mean other people will succeed at their expense. And sometimes they just worry.

So, while this guide has concentrated on giving a non-technical view of what DMP technology can deliver, the one question you must always ask when auditioning potential DMP suppliers is an organisational one. How much support will each supplier provide in educating your people in what a DMP can do, and how to use it to make their lives better? Because no technology can deliver value if people won’t use it.

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