Today's localization challenges are enormous. The opportunities are unprecedented. Is the industry ready for the mayhem?

GIVING VOICE TO CHAOS

SECURITY SOLUTIONS
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WORKFLOWS AND THE CLOUD
Much has changed in the way we track, access, move and store everything we deal with.

SMART CONTENT
The many ways the industry adopts new technologies to make content smarter.

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INTRODUCING THE COMPOSABLE CUSTOMER DATA PLATFORM (CDP)

And think of the CDP as an extension of your broader data management strategy

ABSTRACT: As we move toward a cookie-less world with customer expectations that entertainment will be available everywhere, companies that want to engage their customers effectively must build actionable intelligence on top of their first-party data. There are three challenges to achieving this, all difficult: build a rich, behavioral data set of customer interest and intent; then use that data to make meaningful inferences and predictions about individual customers at scale; and activate that intelligence across a myriad of customer touchpoints and marketing channels. As a result, many companies are turning to composable customer data platforms (CDPs) to bridge these gaps and overcome these significant challenges.

By Dan Morris, Senior Industry Solutions Director, Databricks

There has never been more competition than there is today when it comes to the war for attention. Whether it's video, news, games, audio, or even in-person experiences, consumers have more choice than ever before.

As a result, as companies vie for consumer attention, it's essential that they remain hyper focused on managing all aspects of the customer lifecycle, delivering an extremely personalized and relevant user experience, and ultimately meeting fans wherever they may be. That makes first-party customer data one of the greatest assets for a modern digital organization. Compounding the value of this data, the rapid rise of the privacy-centric consumer has led to a monumental shift away from third-party tracking methods. Organizations are now scrambling to implement a data infrastructure that, leveraging first-party data, can enable the personalized experiences that customers expect with every interaction.

Recognizing this need to use first party data for competitive advantage, many organizations have sought out a customer data platform (CDP) to construct a "single view of the customer" that they could then use to boost engagement and retention. These CDPs have traditionally included the following components:

■ *Data collection.* CDPs are designed to collect customer events from several different sources (onsite, mobile applications and server-side) and append these activities to the customer profile. These events typically contain metadata to provide detailed context about the customer's specific digital interactions. Event collection is typically designed to support marketing use cases such as marketing automation.

■ *Data storage and modeling.* CDPs provide a proprietary repository of data that aggregates and manages different sources of customer data collected from most of the business's SaaS and internal applications. The unified database is a 360-degree view of each customer and a central source of truth for the business. Most CDPs have out-of-the-box identity stitching functionality and tools to create custom traits on user profiles.

■ *Data Activation.* CDPs offer the ability to build audience segments leveraging the data available in the platform. Thanks to a wide array of pre-built integrations, these audiences and other customer data points are then able to be pushed both to and from various marketing channels.

Many companies continue to struggle with their CDP implementation, which in turn prevents them from maximizing the return on their investment. The root cause for many of the challenges that these companies face stems from treating the CDP as a standalone solution, off to the side of the organization's data and tech stack. As a result, data engineers express concern about having to use ETL tools native to the CDP, analysts fear having to manage audience segment defi-

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nitions in multiple places, and data scientists question how they will use the data for use cases adjacent to the CDP and/or integrate their machine learning models.

The solution is to think of the CDP as an extension of your broader data management strategy, not a system that sits off to the side, disconnected from the organization's core data platform.
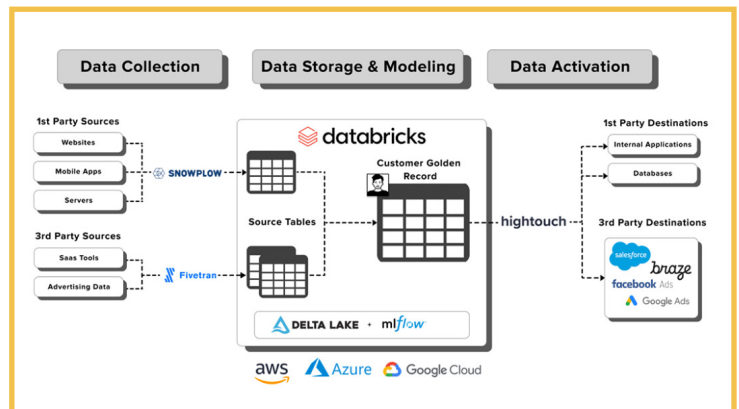
ENTER THE COMPOSABLE CDP

A composable CDP consists of the same components as a traditional CDP but is "composed" using the best-in-class product for each component, opposed to relying on a single solution for it all. Using this architecture there is no need to start from scratch. Instead, you start with the data that you already have in your Lakehouse and then use that data directly for activation with a tool like Hightouch. Additionally, using a tool like Snowplow, you can easily add in high quality, first party data for robust audience segmentation, and with Fivetran,

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importing return path data from marketing platforms is turnkey, making it easier than ever to monitor campaign performance.

BENEFITS OF A COMPOSABLE CDP

By harnessing the power of best-in-class tooling to create a composable CDP, there are four key benefits over a traditional CDP.

■ *Better data governance.* In today's privacy-conscious world and with ever-evolving data legislation, taking ownership and having full control of your customer data is paramount. A composable CDP provides you with full transparency, assurance, and auditability at each step of your customer's data architecture.

■ *Better results with better data quality.* Advanced personalization and segmentation of your campaigns rely on a consistent source of well-structured, reliable, accurate, explainable, and compliant behavioral data describing what customers are doing minute-by-minute. With a composable CDP, you can determine the events and entities that match your business and decide how your data is modeled for activation.

■ *Future-proof and modular by design.* Composable CDPs are future-proof by design. With every element in a composable CDP modular, you can choose the best-in-class collection, storage, modeling, and activation tools that fit the requirements of each of your teams. As the requirements of the business evolve, you can easily augment your existing architecture to meet the emerging needs opposed to implementing a new stack from scratch, which has high risk and cost to the business.

■ *Single source of truth across marketing and other teams.* With the lakehouse as the single source of truth for the composable CDP, all teams have access to the most comprehensive customer profiles and insights from across the business and can activate it through Hightouch with an easy-to-use UI and workflow. ⊞

Want to learn how to effectively implement a CDP in your organization? Read the whitepaper: dbricks.co/3tnEQ2V.

The best data platform for Media & Entertainment is a **lakehouse**

The Databricks Lakehouse for Media & Entertainment is the only enterprise data platform that allows you to extract the full value of your data to power breakthroughs in audience engagement, monetization, and advertising optimization.

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