

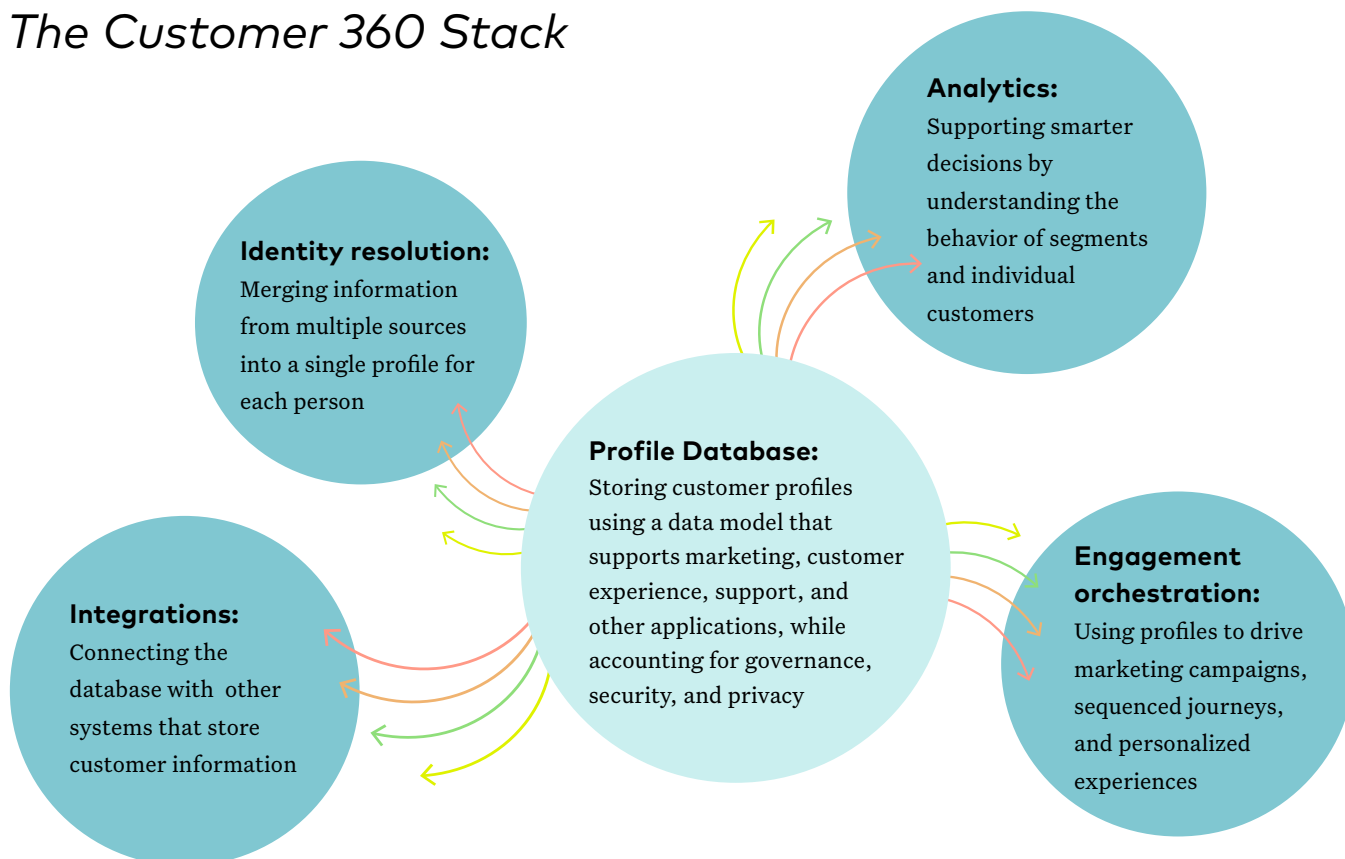


## Building a Customer 360: Choices and Challenges

A Customer 360 system brings all the information about your customers and prospects into a single profile. Better data improves every interaction in marketing, sales, product, service—even in physical locations.

To build the right Customer 360 for your company, you will need to assemble a stack of tools that work together to get the most strategic advantage from your data while protecting your customers' privacy. You can assemble the stack with a combination of general database tools and tools specifically designed to handle customer profiles.

### The Customer 360 Stack



# Tools to Build the Customer 360 Stack



Today, a Customer 360 can be assembled from general tools used for any database application—or they can employ tools designed for creating and using customer profiles.

## Build It with Database Tools

Customer profiles can be stored in a company's existing Enterprise Data Warehouse (EDW) with the other functions built using general-purpose data handling and analysis tools.

## Build It with Customer Profile Tools

The easiest way to get the benefits of a Customer 360 is to build it with a suite of tools designed for the unique challenge of unifying fragmentary data about people. These typically handle the integration, identity resolution, and modeling functions, along with security and privacy. Many have analytics and orchestration capabilities as well. These specialized tools are sometimes bundled together and packaged as a Customer Data Platform (CDP), but can still plug in to larger ecosystems and provide the same functionality.

### Typical Configuration

- **Do-it-yourself.** The profile database is housed in the EDW, typically using platforms such as Snowflake or Amazon RedShift. Integrations with other systems and data modeling are handled internally using general database tools. Analytics may be handled by business intelligence (BI) tools such as Tableau. Orchestration is left to email and other marketing systems.
- **All-in-one.** Specialized tools are packaged together as a CDP, which stores the profiles and also performs all other functions of the Customer 360. This can be the most convenient and economical approach if there's one platform that supports all company needs.
- **Best-of-breed stack.** Customer profile tools are used for the profile database and, often, integration and identity resolution. Other tools are used for analytics (e.g., Tableau) and engagement orchestration (e.g., Adobe Experience Cloud). Combining two or more specialized tools can provide expanded functionality for a modest increase in complexity.
- **Hybrid.** Profiles are stored in the EDW, but many of the other functions are delivered by specialized customer profile tools, including application integration, identity resolution, and data modeling. While this setup may use general-purpose analytics tools, it typically feeds profiles from the data warehouse to other tools for orchestration.

### Advantages

- More customization and control
- Keeps all data in enterprise data warehouse
- Lower total cost
- Faster time to value
- Automatically updated with new integrations and capabilities

### Disadvantages

- Requires development using expertise in technologies that are not strategic (i.e. analytics workstation interface design)
- Constant need to upgrade and adapt to changing requirements
- Significant investment needed in processing capabilities
- May be harder to develop differentiated applications
- Maintaining additional vendor relationships.

# Three hidden costs of building your own profile database

It's tempting to use an existing enterprise data warehouse as the core of a Customer 360 database without using any specialized tools. After all, an EDW is designed to store information drawn from multiple systems. Relying on an EDW and general-purpose database tools, however, will run into some pitfalls you may not expect:

**1** *You'll need a lot more computing power than you think*

A Customer 360 consumes a lot of storage and processing power. And the demands will grow quickly as you accumulate more data. Most database tools charge based on consumption, so a project that seemed very cost-effective at the start can get quite expensive as it grows. If you're designing your own algorithms, you'll also need high-level data scientists who aren't needed on other projects at your company.

**2** *It may be difficult to get IT and business teams to work together*

A Customer 360 draws information from systems controlled by several different teams, each with its own priorities and methods. Not all of them will do the work needed to support the integration with the same level of commitment and urgency. When something goes wrong for an analyst or other user—and things always go wrong—it will be difficult for your internal support desk to figure out the problem. A customer profiles tools provider, by contrast, has a support team familiar with the entire product, monitoring tools to identify problems throughout the system, and access to the team responsible for all integrations.

**3** *You are underestimating the resources needed for ongoing maintenance and upgrades*

All the applications of Customer 360 profiles—marketing, customer experience, personalization, etc.—are highly competitive and evolving constantly. So the one thing you can count on is change. Even if you have the budget to build a Customer 360 today, there's no guarantee that resources will always be available to keep the system up to date. The business model for specialized tools requires vendors to make sure that their products keep up with the state of the art.

## **Learn More**

*For a detailed guide to selecting the stack for a Customer 360 system, download "Building the Customer 360 Stack: How to Select the Ideal Technology to Understand and Delight Customers."*

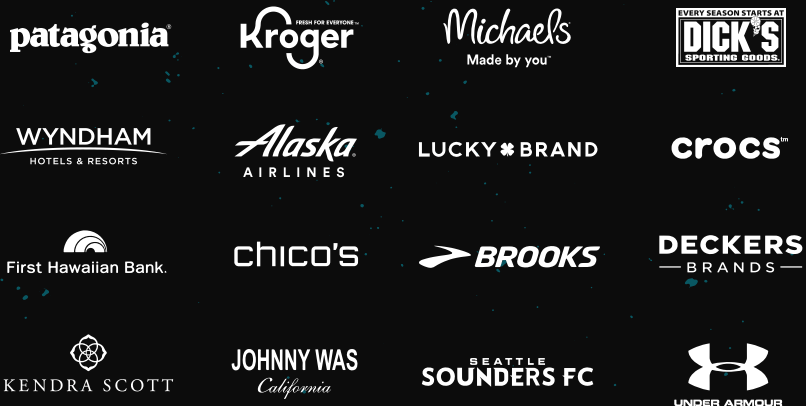
# Amperity &

Amperity is the only specialist in people data that takes a comprehensive approach to helping you use data to serve your customers.

Our suite of enterprise-grade tools addresses the full spectrum of customer data challenges, from identity resolution to assembling and accessing the elusive Customer 360 to uncovering and activating the customer intelligence that matters. Amperity puts you on a fast-track to customer-centricity, builds trust in data, and enables true alignment and collaboration, setting your business on track for dramatic transformation.

Our platform enables organizations to take control of their customer data, systematically improve customer relationships, and foster brand loyalty. We provide the power, flexibility, trust, and expertise to overcome the most daunting roadblocks on the path to customer-centricity at scale.

Amperity works with 100+ leading global brands across industries:



To see if our platform might be the right choice for your brand, contact us at [hello@amperity.com](mailto:hello@amperity.com).