



Why do **Retailers** need a CDP?

Learn how a CDP will drive growth for retailers

Table of Contents

01. Retail Market Overview	3
02. Retailer Market trends in a nutshell	5
03. What is a Customer Data Platform?	6
04. How Does a Customer Data Platform Generate Business Outcomes?	7
05. How CDPs Will Drive Growth for Retailers?	8
06. Use Cases for Retail	12
07. Why Zeotap CDP	22

01. Retail Market Overview

The retail industry has faced numerous challenges in recent years, including balancing physical and online presence, adapting to changing consumer attitudes, and navigating product availability issues. Amidst this landscape, the continued expansion of online shopping has become a key trend, fundamentally shifting consumer shopping habits towards convenience and variety. Retail giants are leading the omnichannel retailing movement, integrating online and offline channels to offer seamless customer experiences. This strategy boosts customer satisfaction, loyalty, and repeat business.

Sustainability concerns are driving the recommerce revolution, with the resale of used goods becoming increasingly mainstream. Meanwhile, platforms like TikTok are pioneering live video shopping, providing an interactive and personalised shopping experience. The rise of QR code payments, offering a contactless and convenient payment option, is further transforming the retail experience. As consumer expectations for rapid delivery grow, same-day delivery is becoming the norm, putting pressure on retailers to streamline their fulfillment processes.



In this evolving market, the ability to quickly access and use real-time data has become essential for retailers' success. The modernisation of existing data infrastructure for analytics and AI applications is a prominent trend. Retailers are focusing on operational efficiency, cost reduction, and enhanced collaboration, all requiring robust data tracking and analytics. Generative AI is also gaining momentum, addressing challenges like labor costs and supply chain disruptions, and transforming operations across customer support, inventory management, and supply chain optimisation.

Retailers are adopting hyper-personalisation strategies to meet customer demands for tailored experiences. Data and analytics play a crucial role in delivering individualised shopping experiences and targeted marketing, driving revenue growth and customer loyalty. As customers' shopping journey became more and more seamless, the ability to quickly access and use real-time data became essential for retailers' success. By making the pivot to using real-time data, retail chains can make smarter decisions faster, preserve and expand customer loyalty, and stay ahead of the competition.

Fortunately, the retail category is inherently data-rich: varying from online shopping pattern details to customer history and preferences, retail has an incredible amount of first-party customer data that can enable all retailers to capitalise on personalisation and loyalty programmes if the data is collected, unified, segmented and activated in the most efficient way to gain a complete view of customer buying habits and preferences.



To stay ahead of the curve, therefore, retailers need to adopt modern data analytics pipelines so they can process and understand the data coming at them in real-time and activate their data to make customer-centric decisions. Personalised experiences across all customer interactions are essential for improving customer engagement and fostering loyalty. To achieve this objective, retailers can utilise a Customer Data Platforms that integrates data from various channels to provide a comprehensive understanding of customer behaviour and enables the evaluation and activation of the data.

02. Retailer Market trends in a nutshell



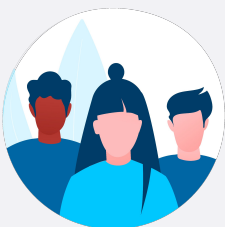
Omnichannel and E-commerce Dominance: The retail landscape is being reshaped by the integration of online and offline channels and the significant growth in online shopping.



Sustainability and Innovation in Shopping: Trends like the *e-commerce* revolution and the advent of live video shopping are influencing consumer behaviour and retail strategies.



Advanced Technology Integration: The increasing use of generative AI and QR code payments are transforming retail operations and customer experiences.



Data-Driven Personalisation: Retailers are leveraging real-time data and customer data platforms for hyper personalisation, enhancing customer engagement and loyalty.

03. What is a Customer Data Platform?

Customer Data Platforms (CDP) are the type of software that aggregate customer data collected from a variety of sources, structure it into central customer profiles and then share data with other marketing technology systems.

CDPs build these customer profiles by combining data from a variety of stores across different data types, including first, second and third-party sources. That means that they can collect and organise data from the Company's CRM, DMP, data lakes or warehouses, websites or mobile apps, and/or POS systems.

With these profiles created, marketers can then create audience segments, and activate them across other channels such as paid media, SMS marketing, customer service tools and even website personalisation.

The end result is the ability to not only manage data in a compliant and structured way, but also to be able to efficiently deliver targeted, personalised experiences at scale across the whole of the customer journey, bringing commercial outcomes in no time.



04. How Does a Customer Data Platform Generate Business Outcomes?

Marketer interest in CDPs increased significantly, by 32%, between 2021 and 2022, according to Gartner. One factor driving this trend is the increasing importance of customer experience. CDPs, in fact, allow companies to gather data from various sources and create a comprehensive view of the customer. The need for timely data gathering, AI-assisted segmentation, and personalization of interactions is increasing. As third-party data becomes less reliable, businesses are turning to CDPs to strengthen their first-party data and comply with privacy regulations by sharing data through clean rooms. CDPs allow for cross-device identification and identity resolution, consolidating and normalising data from multiple touchpoints to create a single customer profile. This is essential for providing an optimal customer experience across all interactions, including marketing, sales, and customer service.

Finally, CDPs make data readily available to other systems to improve the efficiency of marketing campaigns.

CDPs provide a valuable tool for staying ahead of evolving customer expectations and competition, offering a broad range of benefits, including:

- Expanding enterprise collaboration and improving data accessibility;
- Delivering unified views of customers and their interactions across every touchpoint;
- Creating the ability to activate customer data to deliver personalised experiences across every marketing and service channel;
- Maintaining strict compliance and privacy standards in the handling of customer data;
- Increasing marketing accuracy and efficiency through automated manual tasks.

05. How CDPs Will Drive Growth for Retailer?

In the past two years, there has been a rapid and widespread transformation within the retail industry, moving away from traditional physical retail practices to omnichannel retail and digital commerce. This trend is projected to persist. In order to overcome the challenges posed by evolving consumer expectations and complicated supply chains, which have been exacerbated by the COVID-19 pandemic, brick-and-mortar retail must utilise data effectively. However, given the increasing number of data sources, channels, and direct-to-consumer options, retail brands must onboard new technologies and data management capabilities to cope with exponentially growing customer data silos.



A Customer Data Platforms can be the solution to stay relevant. Getting in more specific details, CDPs for retail brands are crucial for:

1. **Create a 360-degree view of the customer stitching online/offline data to be able to leverage personalisation to delight customers**

The retail industry has seen significant growth in e-commerce, social commerce, apps and fidelity programs which determined a great increase in first-party data assets. Purchase volumes and frequencies are usually high and customers can be driven by value or price. With a great deal of actionable customer data, retailers must focus on improving the efficiency and addressability of their existing data by using Customer Data Platforms (CDPs) to create a 360-degree view of the customer. **CDPs can help break down legacy data silos and bring together various data points, such as online behaviour, loyalty program and membership data, and offline data from CRM and POS systems.**



2. Create a better segmentation of the target audience to be able to offer unique customers' special moments on each preferred media platforms

Another benefit of using Customer Data Platforms for retailers is to create different audience segments based on different customer signals across the marketing funnel. Behavioural data collected through web and app data sources can be used to tailor messages and personalise branding campaigns. Using CRM data can help identify high spenders, loyalists, collectors, and dormant past brand enthusiasts. This information can be used to create segments based on purchase recency, frequency, and lifetime expenditure, and activate them across preferred marketing and advertising channels.

When it comes to activating these segments, CDPs can make the process seamless by providing native channel integrations such as TikTok, Snapchat, Facebook, and YouTube. They should also have the capability to achieve substantial match rates when pushing out first-party data, and have features that handle consent orchestration and privacy in accordance with GDPR regulations, or other data protection protocols, allowing customers to choose how, where and which data is being used.



3. Create time to value commercial outcome, leveraging on customers' data and optimising the media budget

Many e-commerce and retail advertisers allocate a significant portion of their paid media budget to the Google advertising ecosystem. **To optimise this spend, it can be beneficial to find a Customer Data Platform (CDP) that has a partnership with Google.** These CDPs use partner APIs to populate matched segments directly in brands' Google advertising accounts. **This allows for faster data onboarding using a user-friendly interface and native connector,** without the need for building an in-house Google Ads API or managing login credentials. Additionally, these CDPs can use additional first-party customer information, such as email addresses, phone numbers, and alternate emails, to increase the segment size. An example of such CDP is Zeotap, which uses proprietary identity stitching and extension capabilities to find emails corresponding to customers' phone numbers and email addresses, and append these emails to the existing email list prior to uploading.

4. Guarantee Data Security and Customer Privacy

With the increase of digital data, customers are becoming more aware and concerned about data security breaches. Regulations such as GDPR in the EU are changing how organisations handle customer data. Failing to comply with these regulations can result in significant consequences for businesses. It is essential for retail brands to ensure data security across all systems. CDPs can assist in creating secure, compliant lists to adhere to the diverse data protection protocols, activating customer data putting consumer privacy and compliance front-and-centre.

5. Improve data-driven marketing through machine learning

In the digital world, companies collect and store an enormous amount of data that surpasses human capacity to process and comprehend. The automated ML models natively integrated in CDPs help to identify patterns and make it easy for marketer to create segments without depending on any technical team.

06. Use Cases for Retail

1. Recover Abandoned Carts

In e-commerce, retailers are faced with large volumes of data from diverse sources. Understanding their customers' intricate patterns of online shopping behaviour helps them understand why some complete purchases while others abandon their carts. Retailers aim to reconnect with cart abandoners by offering personalised incentives to encourage them to finalise their purchases.

Strategies to Address Cart Abandonment

Looking at the customer data often reveals a significant number of visitors who add items to their carts but fail to complete the purchase. By analysing cart abandonment, retailers can pinpoint the specific pain points in their customers' online shopping journey. This enables them to devise personalised follow-up approaches, such as email reminders or incentives, aimed at re-engaging potential customers and nudging them towards completing their purchases. Additionally, leveraging a CDP allows retailers to identify events that correlate with purchase intent and trigger messages when high-intent actions are detected, thereby facilitating conversion.

How can Zeotap CDP be useful

Zeotap CDP collects and consolidates user behaviour and purchase data from various touch points, creating a holistic 360-degree view of each customer. Through consideration of this enriched customer profile alongside additional data points and calculated attributes, retailers can craft highly precise personalised journeys. With a user-friendly interface that requires no coding skills, retailers can build personalised journeys aimed at re-engaging inactive users based on their behaviour, demographics, and purchase history

For instance, imagine a scenario where a customer adds a high-ticket item to their cart but doesn't complete the purchase. Using Zeotap CDP, retailers can re-engage customers across multiple channels such as email, SMS or push notifications. They can set up automated triggers to send personalised reminders or incentives, thereby encouraging customers to finalise their purchases. These reminders could be strategically timed, such as sending an email reminder 12 hours after the item was added to the cart, followed by a special discount offer after 36 hours, and culminating in an urgency-driven message after 72 hours.

What you can achieve

- 15% - Increased Conversion Rate
- 42% - of Inactive users returned to complete their purchases



What the Retailer wants

Recover Abandoned Carts

Challenges faced

Understanding customer behaviour and recovering lost sales

How Zeotap CDP can help

Uses comprehensive profiles for personalised re-engagement journeys

Success Story

Personalised journeys boosted conversions by 15% & re-engaged 42% of inactive users

2. Increase Average Order Value (AOV)

Retailers facing challenges in meeting their upselling goals often seek to boost the average order value of each transaction by encouraging customers to add more items to their shopping carts. Leveraging product recommendations proves highly effective in enhancing the overall shopping experience. By guiding visitors to relevant and appealing products, retailers not only increase the likelihood of conversions but also achieve higher AOVs. Such recommendations play a pivotal role in driving sales and fostering customer loyalty, ultimately driving revenue growth.

Strategies to Increase Average Order Value

Retailers can deploy personalised strategies to upsell or cross-sell complementary products to customers. This may involve suggesting related items or offering incentives like discounts or free shipping upon reaching a certain order value. By harnessing algorithms and customer data, retailers can tailor product recommendations to individual preferences and purchase histories, encouraging customers to explore additional items aligned with their interests, ultimately resulting in higher average order values.

Using a CDP, retailers can track customer behaviour and pinpoint high-intent actions that indicate purchase readiness. This enables them to trigger targeted messages or promotions at the opportune moment, nudging customers to add more items to their carts and facilitating conversion.

How can Zeotap CDP be useful

Zeotap CDP serves as a comprehensive solution for retailers, consolidating user behaviour and purchase data from various touchpoints to create a holistic 360-degree view of each customer. With data ingestion capabilities extending beyond customer-centric identifiers, Zeotap CDP incorporates Non-Customer Entity Data such as product catalogue, order data, feed data, campaign data and account data, enriching the unified customer profile with diverse data points. This enriched profile equips retailers with deeper insights into their customers and their behaviours. For instance, the intuitive Audiences module facilitates the

creation of segment comprising high-value customers based on specific campaign criteria, such as recent purchases with an average cart value exceeding €250. Leveraging Zeotap CDP's Out-of-the-Box (OOB) Integrations enables retailers to activate cross-channel targeting for high-value customers, personalising offerings such as high-priced products and member programs to further increase AOV.

What you can achieve

- 30% - Increased Cost Order Turnover Ratio
- 46% - Increase in Average shopping Cart Value



What the Retailer wants

Increase Average Order Value

Challenges faced

Enhance shopping experience and drive higher conversions

How Zeotap CDP can help

Utilise algorithms and enriched profiles for cross-channel targeting

Success Story

Cross-channel targeting led to a 30% increase in the Cost Order Turnover Ratio & a 46% surge in Avg Shopping Cart Value

3. Re-engage Inactive Users

Understanding why users become inactive is paramount for retailers, who must then devise effective strategies to re-engage them. These inactive customers, once active and valuable, pose a significant risk of churning completely if their reasons for disengagement are not addressed promptly. Retailers aim to reconnect with customers who abandon their carts by offering personalised incentives to encourage them to complete their purchases.

Strategies to Win Back InActive Users

Analysis of customer data reveals that some customers exhibit strong interest in products by adding items to their carts but fail to complete the purchase. Additionally, long-time customers who once made regular purchases have become inactive in recent months. To re-engage these inactive customers, retailers can deploy targeted campaigns offering incentives or personalised recommendations to encourage them to revisit their carts and finalise their purchases.

Leveraging a CDP, retailers can identify high-intent actions correlating with purchase intent and trigger messages to guide inactive customers towards conversion. Automated triggers can be set up to send personalised reminders or incentives, prompting users to return and complete their purchases.

How can Zeotap CDP be useful

Zeotap CDP integrates an SDK into the retailer's website to gather user behaviour and purchases across various touchpoints, creating a holistic 360-degree view of each customer. By harnessing this unified customer profile enriched with real-time data, Zeotap CDP empowers retailers to analyse the browsing behaviour of inactive users who were once regular customers.



For instance, if a previously active customer has not made a purchase in the last 6 months, Zeotap CDP enables retailers to identify their browsing patterns and preferences. Based on this insight, personalised recommendations or promotions tailored to the customer's interests can be created, such as suggesting new products or offering loyalty rewards for returning customers.

What you can achieve

- 20% - Increased Conversion Rate
- 35% - of Inactive users returned to make a purchase



What the Retailer wants

Re-engage Inactive Users

Challenges faced

Preventing churn and regaining lost revenue

How Zeotap CDP can help

Analyse customer profile to deploy targeted campaigns

Success Story

Personalised recommendations boosted conversions by 20%, with 35% of inactive users returning to buy

4. Retain Customers and Improve Loyalty

Retailers often prioritise repeat purchases over genuine customer loyalty with outdated loyalty programmes. To truly cultivate loyalty, retailers can strengthen bonds and enhance loyalty by tailoring digital content and experiences to individual preferences and behaviours. This involves offering personalised incentives and rewards through renewal programs or other strategies. By aligning efforts with the unique needs and desires of their customer base, retailers can foster stronger bonds and enhance long-term loyalty.

Strategies to Improve Customer Retention

Retail shoppers enjoy the convenience of finding and purchasing items on the go, yet they often find the shipping process less appealing. Loyalty programmes, fuelled by tailored content such as rewards, incentives, and personalised preferences, serve as a means to enhance the customer's shopping experience and encourage repeat purchases.

With a CDP, retailers can track customers' web/app usage data, in-store purchases, loyalty status, points balances, redemptions, and more. By leveraging these data points alongside a personalisation strategy, retailers can identify the most suitable offers for their customers and deliver relevant messages across channels.

How can Zeotap CDP be useful

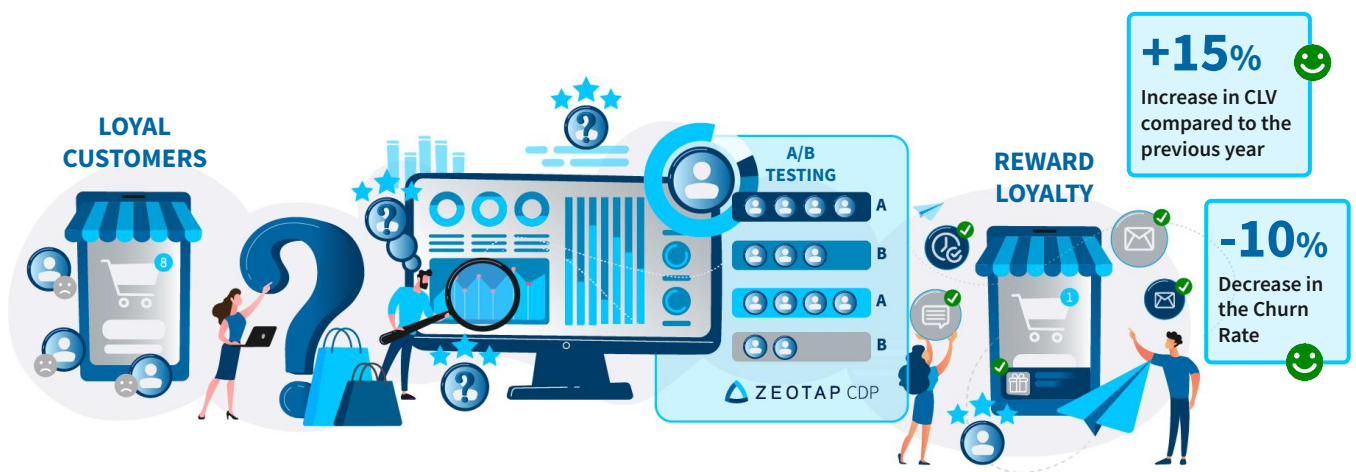
Zeotap CDP synchronises data across the retailer's online store, website, mobile app, and brick-and-mortar locations and gathers real-time, online conversations with their customers. This consolidated user behaviour and purchase data from various touchpoints are used to create a comprehensive 360-degree view of each customer, breaking the data silos. The Audience module facilitates effortless creation of customer segments, and A/B testing functionalities and Audience insights enable analysis of each segment's behaviour. Retailers can then craft real-time personalised communications for subscription renewals or loyalty programme benefits tailored to each segment's preferences and needs. For instance, customers who frequently purchase organic produce may receive personalised offers for discounted subscription boxes or exclusive access to

cooking workshops on healthy meal preparation.

Additionally, retailers can use Calculated Attributes to aggregate customer event data across a designated time frame. For example, customers who reach a certain purchase threshold over a predetermined period qualify for automatic upgrades to expedited shipping at no extra cost.

What you can achieve

- 15% - Increase in Customer Lifetime Value
- 10% - Decrease in the Churn Rate compared to last year



What the Retailer wants

Retain Customers and Improve Loyalty

Challenges faced

Outdated loyalty programs and lack of customer bonds

How Zeotap CDP can help

Sync offline and online data, break silos, drive A/B testing on customer segments

Success Story

Real-time personalised communications led to 15% increase in CLV & 10% decrease in Churn Rate

5. Suppress Existing Customers from Irrelevant Ads

Retailers aiming to optimise their marketing efforts prioritise ensuring that ads are targeted and relevant to existing customers, thus avoiding annoyance and unnecessary engagement. Outdated systems often lead retailers to serve irrelevant ads to customers, posing a significant challenge to their marketing strategy. A prominent issue is ad spend being wasted on displaying ads for products that customers have already purchased, resulting in customer annoyance and diminishing the effectiveness of future ads. Implementing mechanisms to suppress existing customers from irrelevant ads enables retailers to enhance customer satisfaction and maximise the impact of marketing campaigns.

Strategies to Suppress Existing Customers from Irrelevant Ads

To mitigate the issue of serving irrelevant ads to existing customers, retailers can employ personalised strategies aimed at suppressing such ads. Leveraging a CDP and advanced algorithms, retailers can identify and exclude customers who have already purchased specific products from receiving further ads promoting those same products. This targeted approach ensures that marketing efforts are directed towards potential customers more likely to engage with the ads, thereby reducing annoyance and enhancing overall campaign effectiveness. Additionally, retailers can track customer behaviour and detect high-intent actions indicating readiness to make a purchase, enabling them to deploy targeted messages or promotions precisely when customers are most receptive, thereby encouraging additional purchases without bombarding them with redundant ads for products they've already bought.

How can Zeotap CDP be useful

Zeotap CDP collects and consolidates user behaviour and purchase data from various touchpoints, creating a holistic 360-degree view of each customer. Our state-of-the-art technology stitched together the online and offline data to identify unique customer profiles for suppression. In our Audience module, you can effortlessly create suppression audience segments to exclude them from digital advertising campaigns on leading Adtech and Martech platforms.

With Zeotap CDP's capabilities, the retailer can suppress customers like Sarah, who have recently purchased a new smartphone, from receiving ads promoting smartphones for a certain duration, preventing them from being bombarded with irrelevant ads for products they have already bought. This targeted approach enhances Sarah's shopping experience, reducing her annoyance and increasing the likelihood of her engaging with future ads for complementary products or services.

What you can achieve

- 38% - Increase in Click-Through Rate (CTR)
- 20% - Decrease in Cost Per Order (CPO)



What the Retailer wants

Suppress Existing Customers from Irrelevant Ads

Challenges faced

Outdated systems leading to ad spend wastage

How Zeotap CDP can help

Accurately identify and exclude customers who have already made purchases

Success Story

Effective suppression strategies resulted in a 38% increase in CTR and a 20% decrease in CPO across channels

07. Why Zeotap CDP

Customer Data Platforms (CDPs) as a powerful tool for managing customer data, are not all the same. CDPs can vary in terms of their capabilities, ease of use, and cost. Implementing a CDP can be a challenging and a time-consuming process. Additionally, not all CDPs are equipped to handle the same types of data or to integrate with the same martech stack, so it's important to carefully evaluate your options and choose a CDP that is well-suited to your business.

Zeotap CDP is an easy, secure and impactful Customer Data Platform that empowers brands to integrate, unify, segment and orchestrate customer data now and in the cookieless future, all while putting consumer privacy and compliance front-and-centre. It makes it easier than ever for businesses to gain commercial success with minimal effort, thanks to an intuitive interface which prioritises simple use cases that drive results in only 8 weeks. Zeotap easy-to-use platform, made for marketers, ensures a frictionless deployment and quick value impact.

On top of that, Zeotap CDP provides powerful identity stitching strategies so marketers can build segments without coding or technical skills required on Google Cloud Platform which offers the advantages of low latency and cost efficiency, all wrapped up by their commitment to privacy above all else!

Zeotap CDP can be the best solution to boost luxury retail growths thanks to:

- Immediate value within a 4+4 framework to realise commercial outcomes in 8 weeks
- Easy deployment with turnkey integrations to make existing tools better
- Natively built on Google Cloud Platform
- Intuitive interface that is built for marketers to achieve quick results with minimal effort
- Best-in-class ID stitching
- Privacy compliance, developed for stringent European regulation, adaptive to other data protection protocols.



Founded in 2014, Zeotap's mission is to make customer data easy, secure, and impactful. It empowers the world's most innovative brands to deliver personalised omni-channel customer experiences more efficiently while ensuring compliance.

Today, Zeotap owns three data solutions.



Zeotap CDP is a customer data platform for hands-on marketers to achieve meaningful business outcomes. It has been designed for comprehensive 360 customer identity, rapid deployment, low-latency real-time performance, and superior out-of-the-box connectivity, in a privacy-first world. **Zeotap Data** offers persistent, people-based and deterministic audiences built from over 500 million unique IDs, with more than 1bn data points refreshed daily. Leveraging exclusive data partnerships from the telecoms sector, Zeotap Data is fully-consented, GDPR and ePrivacy compliant and is not reliant on third party cookies for scale or reach. **Zeotap ID+** is a universal marketing ID initiative that paves the way for addressability in the cookieless future.

Zeotap works with the world's top brands including: **Virgin Media O2, Rewe, Douglas, and TIM.**

Privacy and Security is in our DNA

Designed in Germany and developed for stringent European regulation



Industry Recognitions



Best Data Enabling Technology

ADEXCHANGER



Best in 1P Data Integration

ADWEEK READERS' CHOICE



Certified CDP

CDP INSTITUTE



RealCDP Certificate

CDP INSTITUTE



Cool Vendor in Advertising

GARTNER



Tech Pioneer of the Year

CAMPAIGN TECH AWARDS

Contact us

info@zeotap.com - www.zeotap.com