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Creating an Efficient CDP RFP Process

How to Choose the Right
Customer Data Platform

So, you want to invest in a CDP. How do you get started?

The right customer data platform (CDP) can improve the efficiency of your data-driven marketing campaigns, sales outreach, customer service interactions, and data operations. CDPs also help IT and data teams establish data governance policies, integrate consent management, and handle personal data with compliance.

Since your CDP will serve as the customer data foundation for your organization, picking the right platform is critical to achieving both short-term and long-term ROI.

With so many different options for CDP vendors, it's important to understand that not all CDPs, or CDP vendors, are the same. To achieve immediate value and long-term business transformation, you'll need to select a customer data platform that is built to scale with your data needs and digital maturity. As you think about your needs, it's important to realize that some CDPs were purpose-built for enterprise-grade use cases and global omnichannel campaigns, while others evolved out of tag management solutions or portals, and have more limited functionality.

If you rush into the decision and choose the wrong CDP, or one that doesn't scale, replacing a technology infrastructure decision is no small undertaking. That's why it's important to take the time to make sure vendors you are evaluating have the right experience for your industry, and that their platform will be able to drive real business value for your organization now, and for years to come.

The purpose of this guide is to help you effectively manage the Request for Proposal (RFP) process and ensure to get the most out of every interaction with your vendors. We'll explore the key steps needed to create a successful CDP evaluation and selection process – from the capabilities to consider, to the questions you should ask prospective vendors to make sure you're making the right decision. We'll also explore how to identify and prioritize the right use cases to set your CDP initiative up for success.

You can also download our comprehensive [CDP RFP template](#) for a detailed breakdown of more than 200+ questions across seven vital CDP evaluation categories. _(Read more about what to expect in the "Building Your CDP RFP" section of this guide)._
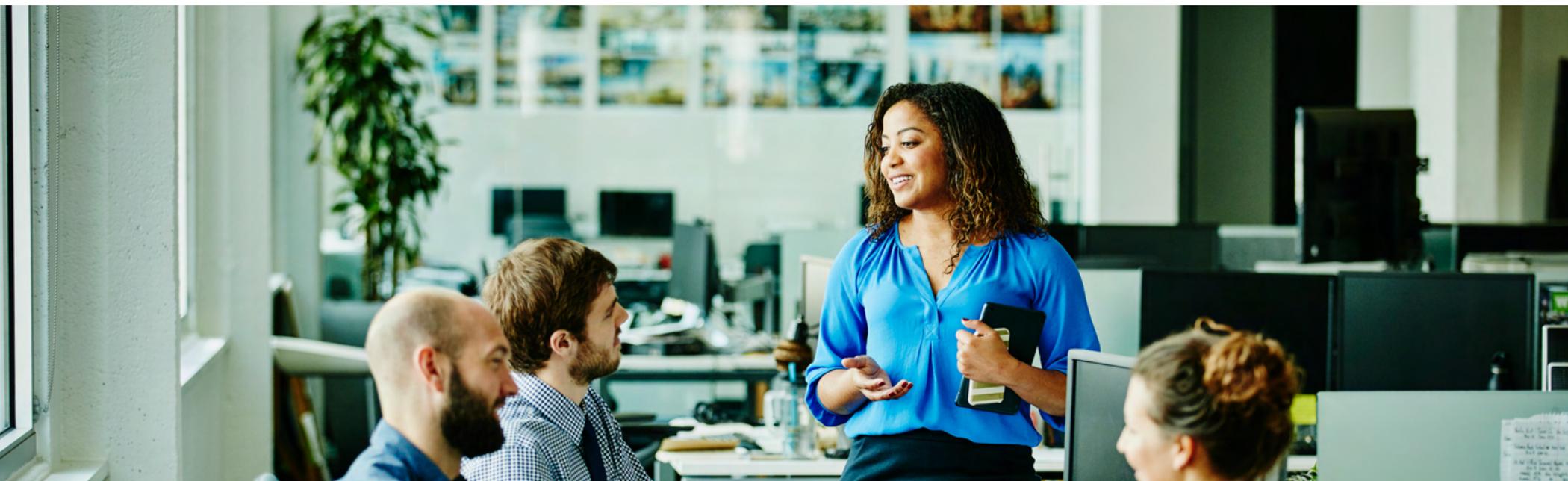
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What Do You Need for a Successful CDP RFP Process?

Eight Key Steps to Creating an Effective CDP RFP Process

The RFP and selection process typically consists of several steps. As you prepare for CDP evaluations, it's important to focus on aligning key stakeholders around criteria and use cases that will provide the most impact for your business. This will help you identify the technology you need, and build an RFP document that will provide the best feedback from vendors to aid in your decision process.

Once feedback has been collected, key stakeholders must evaluate responses to select the right vendor, and work with them to establish a statement of work (SOW) that kicks off the implementation process swiftly and effectively.

We've put together an eight-step process that will walk you through every step of the RFP journey – from building the framework, to kicking off with your selected vendor partner.
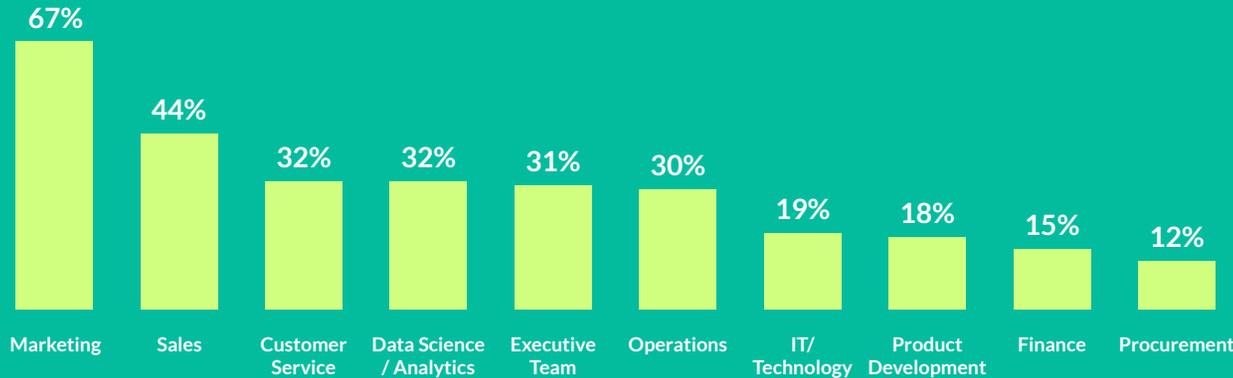
1 Define the Business Case and Stakeholders

Every digital transformation initiative should begin by ensuring alignment with the business vision and engaging the correct stakeholders. In the early days of CDPs, most initiatives were focused on marketing use cases. But now, many businesses are seeing the value of a CDP across the organization to drive better insights, increase operational efficiency, deliver cost savings and ultimately grow revenue.

While marketing may stand to see the most value from a unified customer data foundation, there are significant benefits for sales, customer service, data, operations, IT, product development and the executive team.

To identify stakeholders, begin with the teams that already collect customer data. These would typically include marketing, analytics, sales, customer service, marketing operations, the IT team, and the web team. You may also want to include stakeholders from security, strategy, product, and operations. Align on goals and objectives to understand what each team wants from the tool, then discuss how best to score those objectives. You should also identify use cases that span departments to ensure you get the most benefit from your CDP implementation.

Once the teams and individuals who should be involved have been identified, it's important to align on roles within the decision-making group and prepare to define the RFP requirements. Partnering on defining RFP requirements can be a collaborative win for the CIO, CDO and CMO. CMOs often take the lead on identifying the needs that drive the most immediate business value, while CIOs and other stakeholders help shape the longer-term vision for maximizing the value of the CDP investment across the business.

Who sees the most value from a unified customer data foundation?

Group	Value
Marketing	67%
Sales	44%
Customer Service	32%
Data Science / Analytics	32%
Executive Team	31%
Operations	30%
IT/ Technology	19%
Product Development	18%
Finance	15%
Procurement	12%

Q: If you have a unified customer data foundation accessible to the whole company, which groups will see the most value?
(Source: Advertiser Perceptions)

While marketing teams see the most value from a unified customer data foundation, CDPs have the ability to elevate other areas of the organization too, including sales, customer service, operations, and data/IT teams.

2 Gather RFP Requirements

To define the requirements for your CDP, begin by identifying the initial CDP use cases that have the greatest opportunities to grow the business.

For many organizations, this begins with the marketing team, led by the CMO. The marketing team can identify use cases around improving customer loyalty, reducing ad spend, and driving growth in highly competitive markets.

The CIO and CDO should review the business opportunities, integration needs, compliance factors, and technology capabilities of CDP vendors. The CIO leads the due diligence, evaluating the scalability, security, and flexibility of different CDP solutions. They can also identify opportunities for self-service capabilities, and align solutions around data governance policies and compliance.

Overall, the team should look at market and customer-centric use cases, as well as opportunities to target new markets, pilot new products, and improve customer experiences. Focusing on growth opportunities enables business model evolution, helps the team shift away from legacy business practices, and leads to future investments in quality improvements, automations, and other operational benefits.

While it's important to focus on the immediate requirements you'll need to achieve initial use cases, it's also important to make sure you're establishing the right criteria to ensure you're selecting a vendor that has the flexibility and scale to grow with your needs over time. This will help you achieve your longer term goals around ROI, operational efficiency, innovation, and growth.

8 Months
average time to value for a CDP

How long before I see value?

As you evaluate CDP vendors, make sure you have a clear picture of time to value. According to research from Advertiser Perceptions and Treasure Data, the average length of time to see the full value from a CDP once it's up and running is eight months.

3 Create Your CDP RFP Document

Once you have all your stakeholders together, it's time to begin defining your RFP. Map out key considerations, questions and evaluation criteria that will meet the needs of your stakeholders, and the business.

For a head start, head over to the "Creating a Successful RFP" section of this guide.

4 Identify Participating Vendors

Can a vendor scale with your business? Do they work with similar organizations? Can they support businesses of your size? Do they store data securely, and can you effectively use the data they collect and store? Do they have global experience, capabilities and support?

While CDPs share core functionality, some are more equipped to meet specific business needs than others. There will be a lot of information to digest when meeting with different CDP vendors.

Make sure you focus on what is critical for both your short-term and long-term business goals. To refine your plan, invite those that most closely match your business needs and give a demo of your RFP presentation, so you can get the feedback you need to make sure you're asking the right questions. Some companies also enlist the help of consultants or industry analysts who can assess your goals and make recommendations on which vendors to include based on your criteria.

Instant Download:
RFP Template

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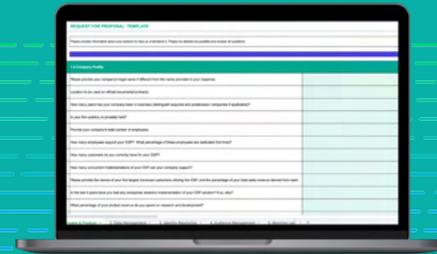
5   Participate in RFP Responses & Demos

It is important that RFPs are carried out fairly, and with respect to all parties taking part. RFPs are designed to ensure you select the vendor most likely to have a positive impact on your business. Open communication and mutual respect can help ensure you have the right information to make this important decision.

It's important to collect RFP responses before setting up demos. In some cases, initial RFP responses may disqualify certain vendors on your list before you even get to setting up a demo. This enables you to spot and remove unqualified vendors early, so you can make demos more efficient.

During sessions with prospective vendors, it's important that you:

Tell the vendor about you and your business.

Check for positive interactions between presenters and stakeholders.

Be clear on your needs, scope, budget, and core KPIs.

Ask questions related to your business needs, including your data maturity and your internal resources.

Be open with your decision criteria and share how you're scoring.

Be transparent about the process length, and the decision process.

Ensure the technology present can actually deliver what is being promised.

The demo is a vendor's opportunity to demonstrate their capability to handle your needs. Ask vendors to demonstrate how they would solve for your key use cases, and give situations of challenges that your organization may face. This helps your team evaluate how the vendor would approach solving a problem, and if their strategy makes sense for your organization.

6 Evaluate Vendors Against Scoring Criteria

Once you have met with vendors and gathered information, the strategic scoring process starts. When evaluating, critical business requirements should be weighted more heavily than other capabilities. Performance in the demo and RFP presentation should also be taken into account here. The main stakeholder group should score and compare each vendor based on previously determined scoring methodology.

7 Select the Right CDP

Evaluating vendors against your scoring criteria lets you to narrow your prospective vendor list down to your top two or three choices. Now, it's time to pinpoint your vendor of choice. If a decision is still unclear, consider scheduling additional interview rounds to tie up any loose ends.

8 Create the Final Contract

Once a vendor is selected, all scores must be passed to your legal department to store for future reference. A draft statement of work (SOW) is required so the selected vendor can understand the state of play and expectations on their performance in terms of KPIs and obligations.

The statement of work should also include review points, and a project plan for initial setup, onboarding, and training. This SOW can be used to validate initial pricing considerations and provide a framework for a successful partnership.

CDP Use Cases

Planning Your Customer Data Platform Roadmap

Seven Popular Use Cases to Scale Your CDP Initiative Effectively

Establishing key CDP use cases at the start of your CDP selection and implementation process will help your company align internally around the goals, processes, and outcomes that will define success. Along with evaluating CDP vendors, it's also important to determine what internal resources, skills, and processes are needed.

When you start the selection process, you'll bring together a core group of stakeholders across the organization. The selection team will outline the primary use cases for the CDP, gather requirements, and prioritize them. These primary use cases help define the transformation roadmap, so it's critical to align prioritization to business goals and the level of digital maturity your organization has today.

Here are seven popular CDP use cases companies should consider when planning their short-term and long-term business transformation goals:

1

Data Integration and Management

This will be the primary use case for many companies who are considering adopting a CDP. The ability to collect data from various channels and systems is a core capability all CDPs should offer. The data a CDP ingests can be structured, unstructured or semi-structured, can be stored without modification, or it can be reformatted and unified to be used in data-driven marketing campaigns.

A unified customer data foundation helps marketing, sales, and customer service teams provide personalized experiences that increase loyalty and lifetime value.

2

Single View of the Customer

CDPs are designed to be a centralized data foundation, and a single source of truth for customer data. CDPs ingest, cleanse, de-dupe, analyze, and sync customer data from across first, second, and third-party sources to create a single customer view. AI-powered identity resolution capabilities help fill in gaps in the process and ensure data is clean, accurate and reliable.

3

Identify and Segment High-Value Audiences

It's imperative that you understand your consumers and are able to remain relevant, especially when consumers spend more time online. A first-rate CDP will have prebuilt propensity models, so your marketers know in real time which customers are the most important, high-value, or likely to churn.

4

Personalize Customer Experiences

Personalization helps businesses create highly relevant experiences across the customer journey. Once segments and audiences are identified, marketing, sales, and customer service teams can tailor messaging that speak directly to target audiences, and delivered through the right channel, at the right time.

5

Data Privacy and Governance

Consumers demand more control over their data and expect companies to provide them with the ability to manage their consent. Add in new and evolving privacy regulations, and it's clear that companies have work to do to ensure personal data is properly managed and used across the organization.

CDPs give IT and data teams more control over data management, with the ability to manage access controls and permissions across teams. CDPs can also integrate with consent management software, which allows data privacy preferences to be shared as part of a single customer view.

6

Marketing Automation

CDPs work in tandem with marketing automation to improve the efficacy and efficiency of your marketing operations. Marketing automation can typically make time-consuming activities like lead qualification and campaign creation much less onerous.

Some CDPs provide advanced artificial intelligence (AI) and machine learning (ML) tools to assist in automating marketing tasks. This could include next-best action recommendations, real-time campaign activations, and customer journey orchestration capabilities.

7

Business Efficiency

All industries are seeing budgets under increasing scrutiny. It is imperative that you are able to track the impact of your marketing spend, and forecast demand to meet consumers' needs accurately. You need to know your return on investment, so that you can allocate spend accordingly through each channel.

A strong CDP foundation forms part of the blueprint for accurate attribution, which will enable your business to track the impact of marketing efforts. And, if it is being tracked accurately, it makes forecasting much more effective – which essentially means you can do more with less.

Your RFP Checklist

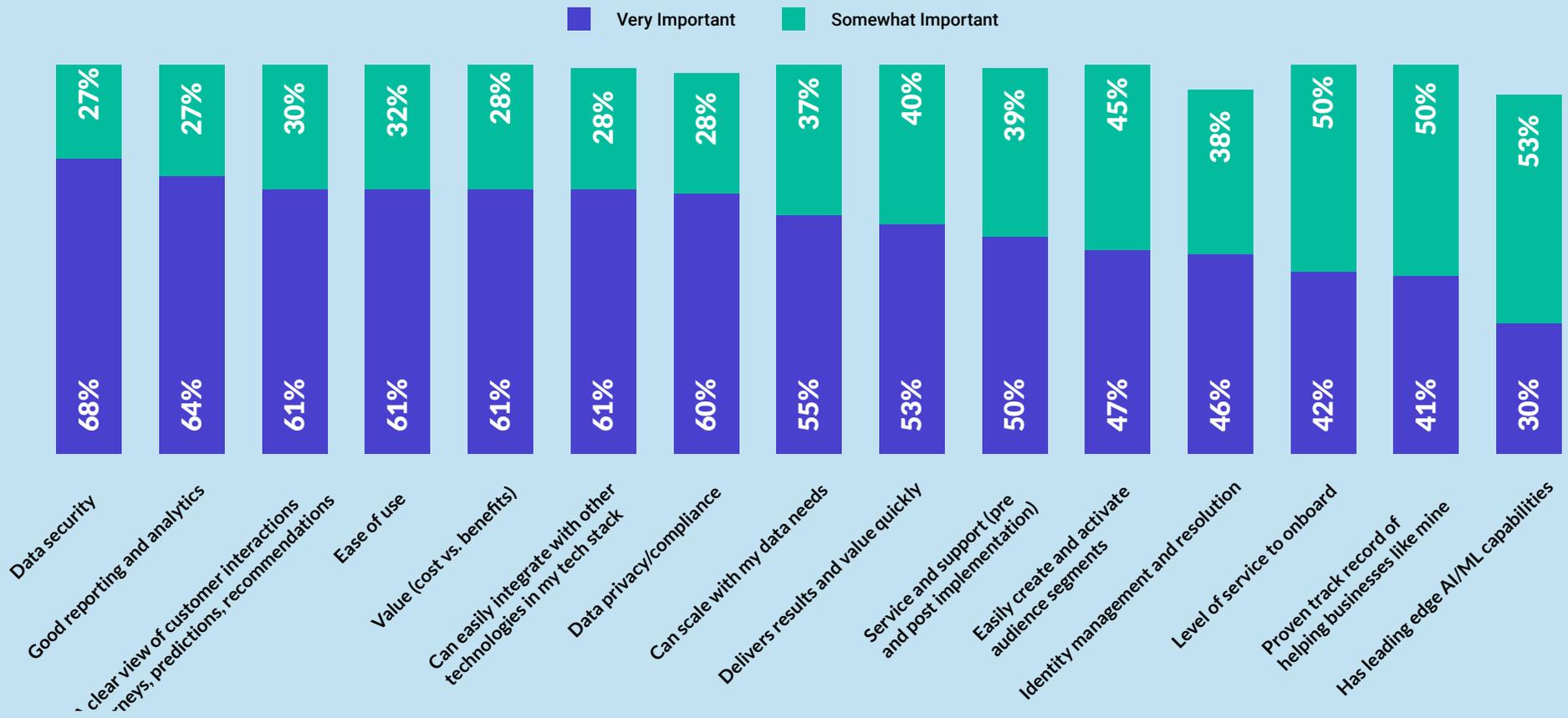# 10 Capabilities You Need in an Enterprise CDP

What Capabilities Do You Need in a CDP?

There are many different types of CDP tools on the market today, and not all are created equal. It's important to evaluate different CDP capabilities and how they could bring value to your overall data management and MarTech strategies.

How are companies evaluating CDPs today?

CDPs can provide incredible business value to your organization. However, companies are starting to prioritize capabilities differently. This shift is reflective of the changing times with; a need to meet recent demands for stronger data privacy and governance practices, a focus on improving customer experiences, and concerns over future-proofing the business to weather times of economic uncertainty.

Important Criteria When Selecting a CDP

Very Important   **Somewhat Important**

Criteria	Very Important	Somewhat Important
Data security	68%	27%
Good reporting and analytics	64%	27%
...clear view of customer interactions ...neys, predictions, recommendations	61%	30%
Ease of use	61%	32%
Value (cost vs. benefits)	61%	28%
Can easily integrate with other technologies in my tech stack	61%	28%
Data privacy/compliance	60%	28%
Can scale with my data needs	55%	37%
Delivers results and value quickly	53%	40%
Service and support (pre and post implementation)	50%	39%
Easily create and activate audience segments	47%	45%
Identity management and resolution	46%	38%
Level of service to onboard	42%	50%
Proven track record of helping businesses like mine	41%	50%
Has leading edge AI/ML capabilities	30%	53%

Q: How important are the following criteria when selecting a Customer Data Platform (CDP) for your company? *(Source: Advertiser Perceptions)*

Keep these 10 key capabilities in mind when looking for a customer data platform for your organization. Map your specific requirements or use cases to these capabilities to understand why they are important and how you will use them in your marketing and support programs.

1. Privacy and Security

As data privacy regulations and consumer preferences continue to evolve, your CDP should support the ability to quickly adapt to data governance and consent management policies across teams.

2. Good Reporting and Analytics

Your CDP should be able to scale data analysis and query processing as you work to employ better customer experiences. Without the ability to easily and quickly scale to meet new customer demands, your experiences will suffer.

3. A Clear View of the Customer Journey

Creating a single customer view is key to creating great experiences. Your CDP must be able to ingest all types of customer data from first, second and third-party sources and systems.

4. Easy Integrations

Your CDP should support the ability to ingest any data without transforming the data to meet a predefined schema in the CDP.

Turnkey integrations and out-of-the-box value are also vital CDP capabilities, along with strong professional services and support teams.

5. Data Scalability

Creating a single customer view is key to creating great experiences. Your CDP must be able to ingest all types of customer data from first, second and third-party sources and systems.

Collecting customer data is critical, but some CDPs don't have the ability for long-term data management and storage. Your CDP should provide a consistent view of all your customer data, with no limitations or data expiration requirements.

6. Service and Support

A good CDP should ease the burden on IT through the implementation and integration process. Your CDP vendor should support these initiatives with skilled professional services teams.

7. Easily Activate Personalized Campaigns

With access to real-time data, workflows and dynamic segmentation, your CDP should allow you to execute campaigns and communications targeted to the right person, at the right time, with the most relevant message.

8. Quick Time to Value

Your CDP should be able to effectively deliver on desired use cases, resulting in short-term ROI, with the ability to scale over time.

9. Proven Track Record

Your CDP vendor should be experienced and knowledgeable about the use cases specific to your business, industry, and needs.

10. Machine Learning and AI

A CDP that offers artificial intelligence (AI) and machine learning (ML) capabilities enables you to derive actionable insights with predictive and advanced analytics.

Creating a Successful CDP RFP

What to Expect In Your CDP RFP Template

How to ask the right vendor questions, and get the answers you need to make the right business decisions.

Now that you understand key use cases and capabilities, it's time to dive into your RFP.

Our RFP template includes more than 200 questions across different areas of evaluation to help your team ensure your CDP RFP details the right requirements for success.

Here's a breakdown of the key evaluation categories, and why they matter during the vendor selection process.
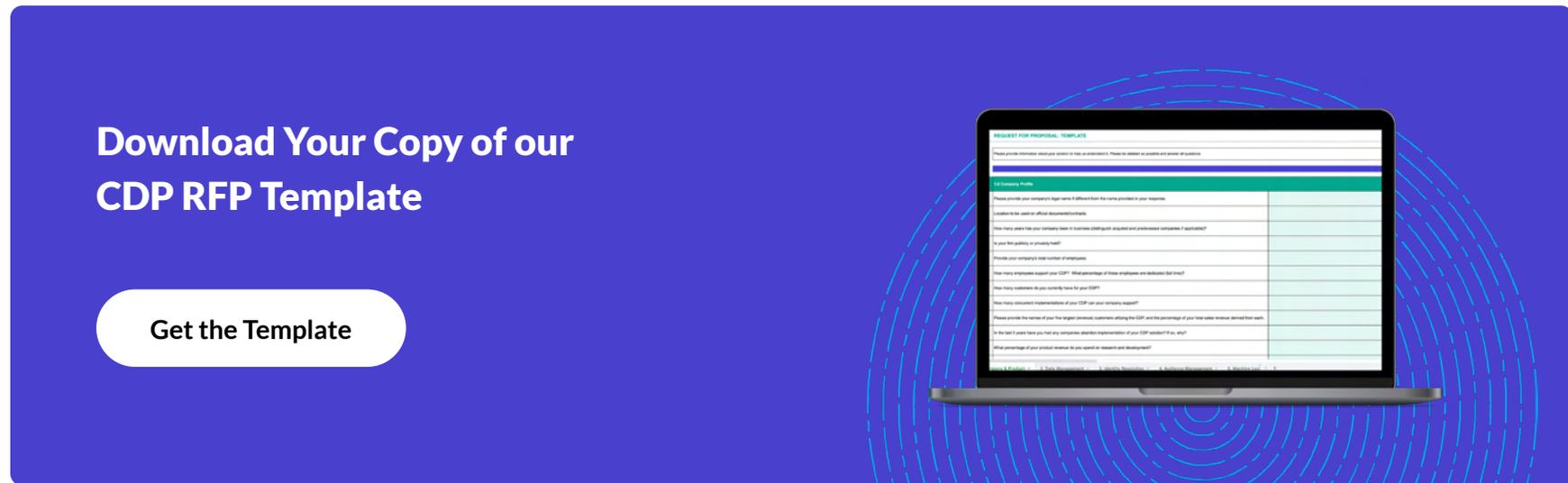
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Get the Template

Company Profile and Project Team (28 questions)

Knowing the firmographics of your suppliers inspires confidence that their organization is enterprise capable and that they have the capacity to fully support your business. These questions also convey the project approach and the training provided, as part of the process to make sure your teams can quickly take advantage of the new capabilities.

Data Management (38 questions)

The data management section asks questions about how the vendor collects data. These questions ensure that the quality of the data is high. They also give you the right information about the data platform itself, so that you can rest assured of the CDP's ability to support your business.

Identity Resolution (42 questions)

It's important that ID matching and stitching is handled in a way that supports your current MarTech stack and provides data that is able to be utilized across the business. Here are five ways marketers and data professionals can use identity resolution solutions to elevate their data management strategy:

Match known customer data with anonymous data

Connect customer behavior even if specific identifiers change. For example, if customers replace their device, you can still link them to a personal identifier. This allows for personalization and improved customer experience.

Build on first-party data

Identity graphs contain information known about a specific customer. With the elimination of third-party cookies, many identity resolution platforms are using first-and second-party data to build this data picture. It can also help you address any gaps in your first-party data in a cookieless world.

Integrate data from across the enterprise

Integrate information such as demographics, lifestyle, behavioral, purchase data, and other information from third-party sources.

Remain compliant with data privacy regulations

Data privacy is another benefit of identity resolution. Anonymized personal identifiers allows companies to share data without violating customer privacy, and remain compliant with personal data regulations.

Create accurate predictive models

An additional benefit to identity stitching is the ability to do more accurate predictive modeling. This involves producing the training data necessary to identify lookalikes within other customer sets.

Audience Management (32 questions)

Data models and segmentation techniques need to be reflective of the needs of your business. Journey orchestration is also key to the success of your campaigns as well as how your audience is activated.

Customer demands are continually evolving, and that means you are regularly dealing with changes to existing customer journeys that cross multiple channels. Your CDP must be able to grow, adapt and change as your market does.

A flexible CDP enables you to easily connect new data sources and integrate with new marketing, sales, customer service and support applications to activate your customer data. Your CDP cannot restrict the types of vendors you can work with. Instead, it must be able to interoperate with many systems through built-in connectors, webhooks, SDKs, and APIs.

Machine Learning, Artificial Intelligence & Reporting (29 questions)

It's impossible to analyze all your customer data manually — there's simply too much. A CDP that offers artificial intelligence (AI) and machine learning (ML) capabilities enables you to derive actionable insights about every customer through predictive and advanced analytics.

Predictive features and algorithmic models used within the platform should be key requirements for your business, as well as the ability to load your own algorithms and data tables. Machine learning and AI also helps with dynamic profile creation. By slicing and dicing customers based on attributes and behaviors, you can identify customer segments to target with targeted and personalized messaging.

Security & Administration (36 questions)

Customers expect you to take care of their data, and when that trust is broken, customer experience suffers. Security certifications, global compliance, encryption, auditing and access control are all key to ensuring your customers and reputation are protected.

Look for a CDP that provides enterprise-grade security, including things like data encryption, industry standards for authentication and authorization, and certification through third-party authorities like ISO/IEC 27001 and SOC 2 Type 2.

Access Your CDP RFP Template

CDP.com's easy-to-use RFP template helps you ask the right questions, and get the answers you need to select the right CDP for your organization.

Get your copy of the template now for an in-depth look at selection criteria that will help you get started on your CDP journey.

Get the Template
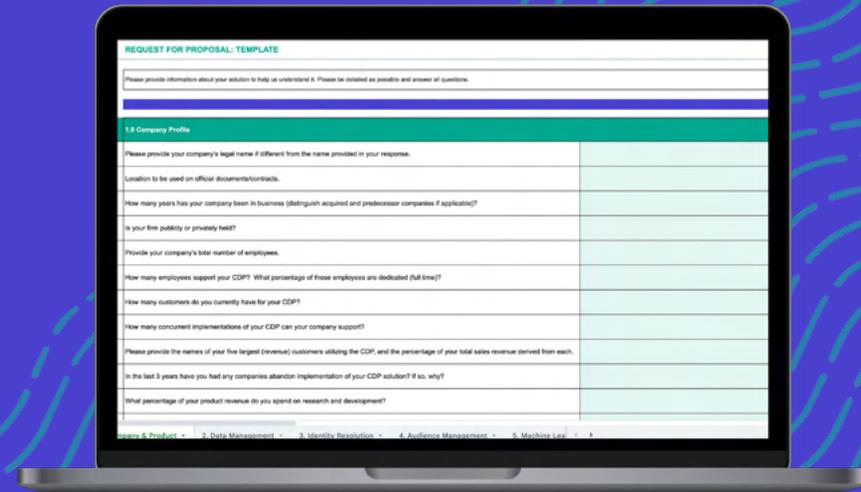
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About CDP.com

CDP.com looks at the customer data management market, its key platforms and vendors, the roles and skills needed for success, and the parallel technologies that enable a CDP to drive growth across organizations.

Our goal is to empower data-driven marketing professionals, marketing technology pros, innovative customer service and sales leaders, IT professionals, and C-suite executives with insightful and critical perspectives on the customer data platform industry, including unique and valuable information, news, analysis and thought leadership content.

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