Using the GrowthLoop composable customer data platform

on Amazon Redshift

Explore how using a composable customer data platform, together with Amazon Redshift, can give your entire marketing team easy access to all your marketing data, accelerate campaign creation, and improve ROI.

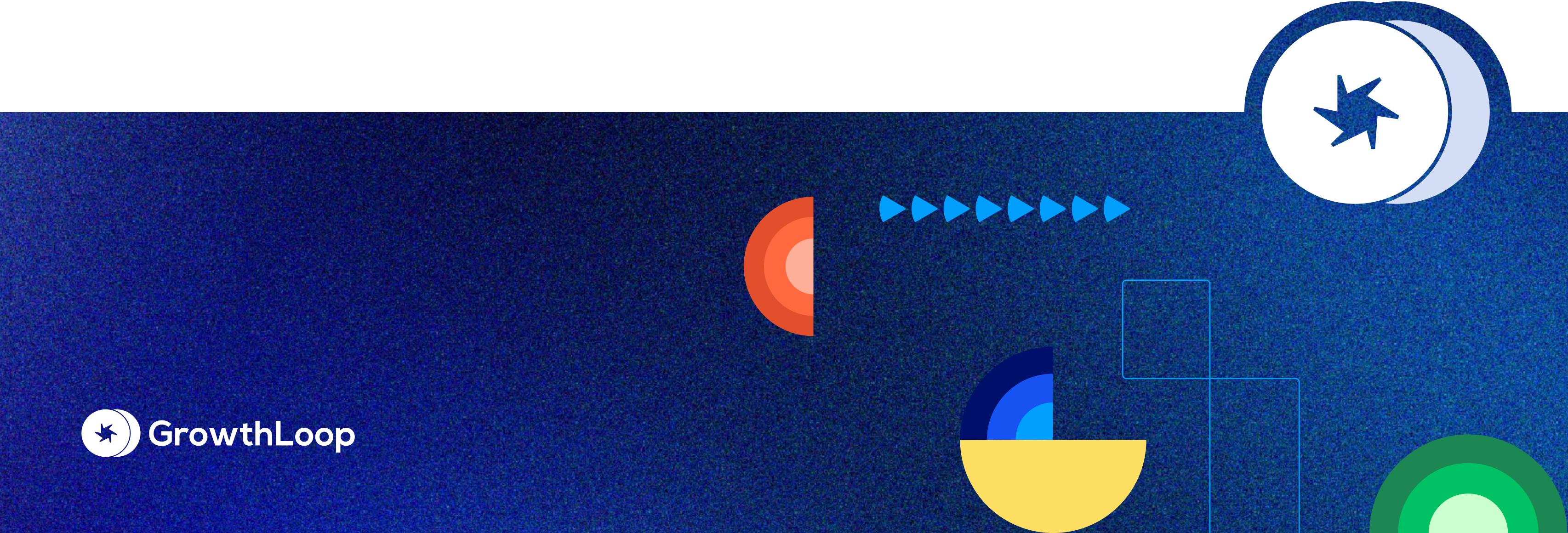


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Successfully leveraging customer data using traditional solutions can be challenging and costly. This guide:

- Explores the challenges of traditional marketing clouds and packaged, or off-the-shelf, <u>customer data</u> <u>platforms (CDPs)</u>
- Introduces GrowthLoop's <u>composable CDP</u> and the AWS customer data platform
- Demonstrates how connecting GrowthLoop to your Amazon Redshift data cloud enables you to activate customer data by building targeted audience segments and orchestrating cross-channel customer journeys.

The customer data ecosystem

Marketing teams have traditionally anchored their tech stack to one of two technologies: the traditional marketing cloud or the packaged customer data platform.

Like customer relationship management (CRM) platforms, both the marketing cloud and CDPs store customer data in a central location and provide a view of the customer journey from marketing lead, through the sales funnel, and on to purchase and customer service.

CRMs are used mainly for one-to-one prospect and customer communication. CRM data can also be used for basic audience building and then linked to marketing automation tools to generate drip and nurture campaigns. Their utility for marketers is limited, however, because they provide only easily identifiable customer information such as phone numbers, locations, and email opens.

The marketing cloud and CDPs, on the other hand, incorporate data from a broad range of sources beyond the customer's sales and customer service journey. They can therefore be used for customer segmentation and as the basis of complex, multichannel campaign building and execution.

What is a marketing cloud?

The marketing cloud, which evolved from the traditional CRM, has emerged as a comprehensive customer data warehouse. It can manage not only segmentation but journey orchestration and multiplatform content delivery as well — functions handled previously by multiple, linked technologies. Marketing clouds have since become essential to marketing efforts targeted by customer persona or profile.

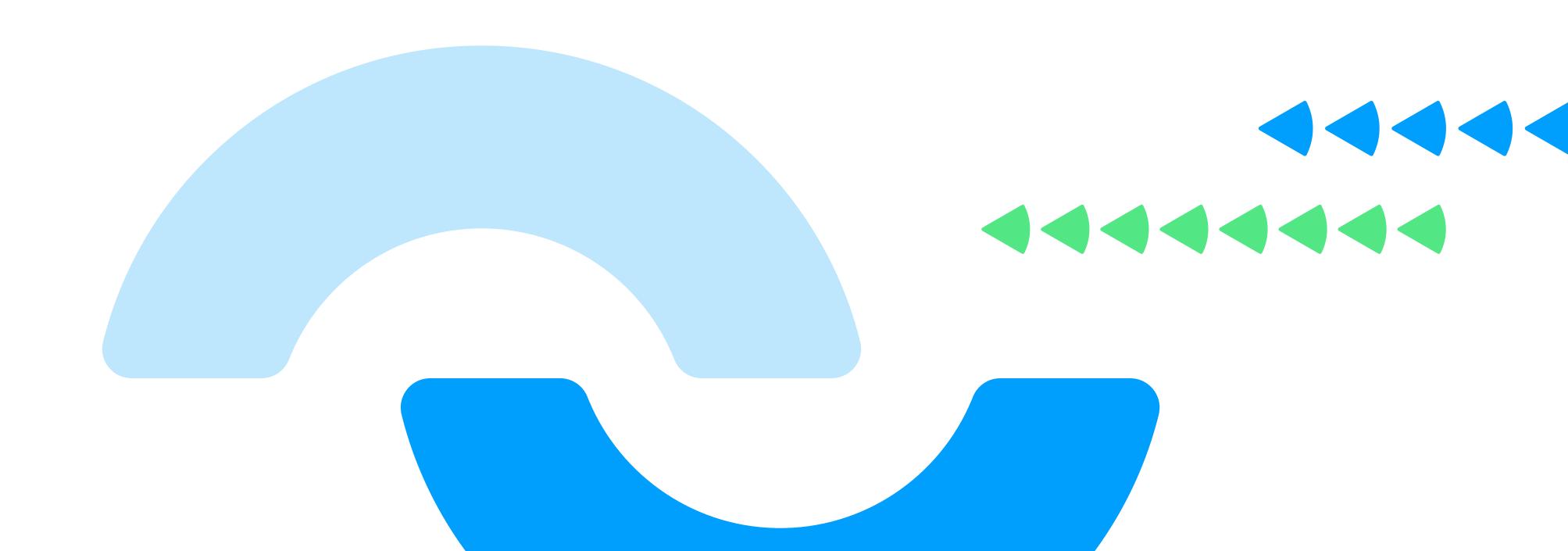
As the technology has proliferated and improved, sophisticated functionality such as content management, data analysis, business intelligence, and even AI-driven predictive analytics for channel selection has been added.

What is a customer data platform?

As its functionality broadened, the marketing cloud evolved into the customer data platform (CDP), which <u>by</u> 2020 had become the de facto way for businesses to use <u>their data</u> intelligently and efficiently. CDPs can absorb and unify customer data from multiple sources:

- **First-party data,** collected through website analytics, account registration, gated content downloads, online surveys, e-commerce transactions, and cookies.
- **Second-party data,** which is first-party data shared by another company, usually through a mutual exchange agreement.
- Third-party data, information collected through various means and sold by specialized data brokers or aggregators who store it on their own data management platforms.

This allows CDPs to provide a unified, <u>360-degree view</u> of each prospect and customer, and enables previously impossible levels of campaign and customer experience personalization. Such "<u>packaged CDPs</u>" have become the preferred solution for managing customer data across various touchpoints and channels. Indeed, the global CDP market is projected to grow from <u>\$5.1 billion in 2023 and</u> \$7.4 billion in 2024 to \$28.2 billion by 2028.



The limitations of the traditional marketing cloud and CDP

More than two-thirds of respondents to the 2023 Gartner Marketing Technology Survey say they've adopted a customer data platform. But despite their widespread adoption, traditional marketing clouds and packaged CDPs present challenges related to their somewhat rigid design and the source and quality of their data. Among those challenges are:

- Multiple data sources A packaged CDP is not directly integrated with an organization's core data sources, such as their data warehouse. Companies must therefore maintain multiple copies of their data: the original data set in their data warehouse, and additional copies of that data on their packaged CDP and other marketing platforms. This can create inconsistencies when syncing data across multiple locations and lead to siloed data across marketing tools.
- Data quality and utility Static data imports from third-party sources may be incomplete and can become outdated quickly. Without frequent manual updates for every platform that draws on this data, obtaining a unified view of customer data across different channels and touchpoints becomes difficult. This ultimately limits the effectiveness of personalized and targeted marketing. In addition, different users may have access to different sets of the same data, making cross-functional collaboration difficult and resulting in flawed decision making.

- Scalability and flexibility Manual updates limit flexibility and the ability to scale efficiently. Given this rigidity, traditional marketing clouds can create performance bottlenecks and constraints on marketing initiatives. Additionally, the user interface of most CDPs is difficult to customize. This discourages usage and experimentation.
- Implementation complexity and compatibility Integrating a marketing cloud or traditional CDP with
 the rest of your martech stack can be a lengthy,
 costly, resource-intensive process. Incompatibility
 among technologies can degrade data accuracy,
 especially when harmonizing data from multiple
 sources.
- Over-reliance on other teams Post-integration, the marketing team must often rely on data analytics or engineering teams for data pulls, data analysis, and syncing new data. This slows the pace at which marketers can extract meaningful insights, execute campaigns, and optimize marketing performance. It also takes data engineers away from solving more complex, business-critical problems.
- Data compliance Undisclosed data-collection tactics from third-party vendors can run afoul of privacy regulations and laws. This is of increasing concern as restrictions on first- and third-party cookie usage come into effect. Indeed, a 2022 Gartner survey of nearly 400 marketing executives found that:

76%

of participants acknowledged that impending limitations on data collection through third-party cookies is compelling them to enhance first-party data-gathering initiatives.

82%

indicated their organization's commitment to leveraging cookieless first-party data as a pivotal strategy for delivering value to their customer base.

The Composable CDP

As we've seen, packaged or traditional CDPs must first ingest the baseline data. Because it can't plug into any other data source or marketing tool, that data must then be copied to other marketing platforms so they can access it. That can be time-consuming, lead to inaccuracies and data silos, and result in a clumsy technology ecosystem with fewer marketing capabilities.

Amazon Redshift provides the foundation for a flexible, composable AWS CDP that lets marketers activate their customer data through targeted audience segments and cross-channel journey orchestration, and allows them to quickly adjust and optimize their strategies based on the way the market evolves.

"Composability" refers to a networking architecture whose systems and tools are built and managed with individual components that can be connected or combined to create more complex systems. Composable architecture helps IT teams build flexible systems quickly and maintain them more efficiently than monolithic, or all-in-one, architectures.

Because the Amazon Redshift data cloud brings all of your company's marketing-related data together in one place, it provides significant advantages over traditional marketing clouds or CDPs. Among the benefits of a composable CDP are:



Customization

Unlike traditional marketing cloud solutions, a composable CDP is built upon modular components, allowing marketers to mix and match best-of-breed applications and services from multiple vendors. This provides for a customized, scalable martech stack tailored to their unique business requirements so they can more easily leverage its full potential.



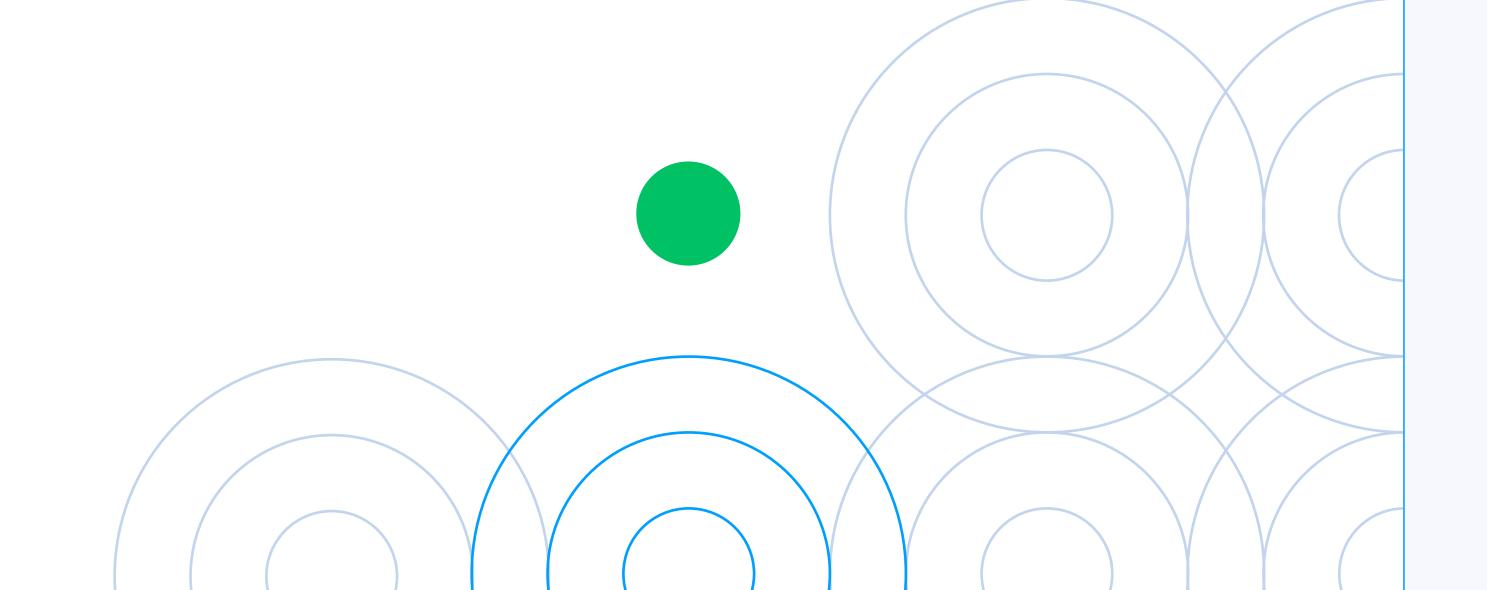
Interoperability

Because the data a composable CDP draws on remains in the data warehouse, it eliminates data silos, allowing marketers to connect various platforms to the same data source. This interoperability enhances collaboration across teams that can all access the same data from a single source of truth. It also provides a 360-degree view of customer data that can be used to create personalized customer experiences, tailor marketing campaigns, and deliver relevant content to their target audience. Finally, it simplifies data security management.



Ease of use and innovation

Modularity yields dexterity. The composable CDP enables marketers to easily swap out or add new components as their needs evolve, integrate emerging technologies, and explore new marketing channels. The resulting agility fosters continuous improvement, enables faster time to market, and empowers companies to stay competitive and at the forefront of marketing trends and consumer preferences.



The activation layer: GrowthLoop and Amazon Redshift

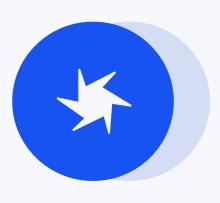
GrowthLoop is a composable CDP powered by Amazon Redshift. The GrowthLoop platform sits directly on top of Amazon Redshift's data, creating a single source of truth that eliminates the data management challenges inherent in marketing clouds and packaged CDPs.

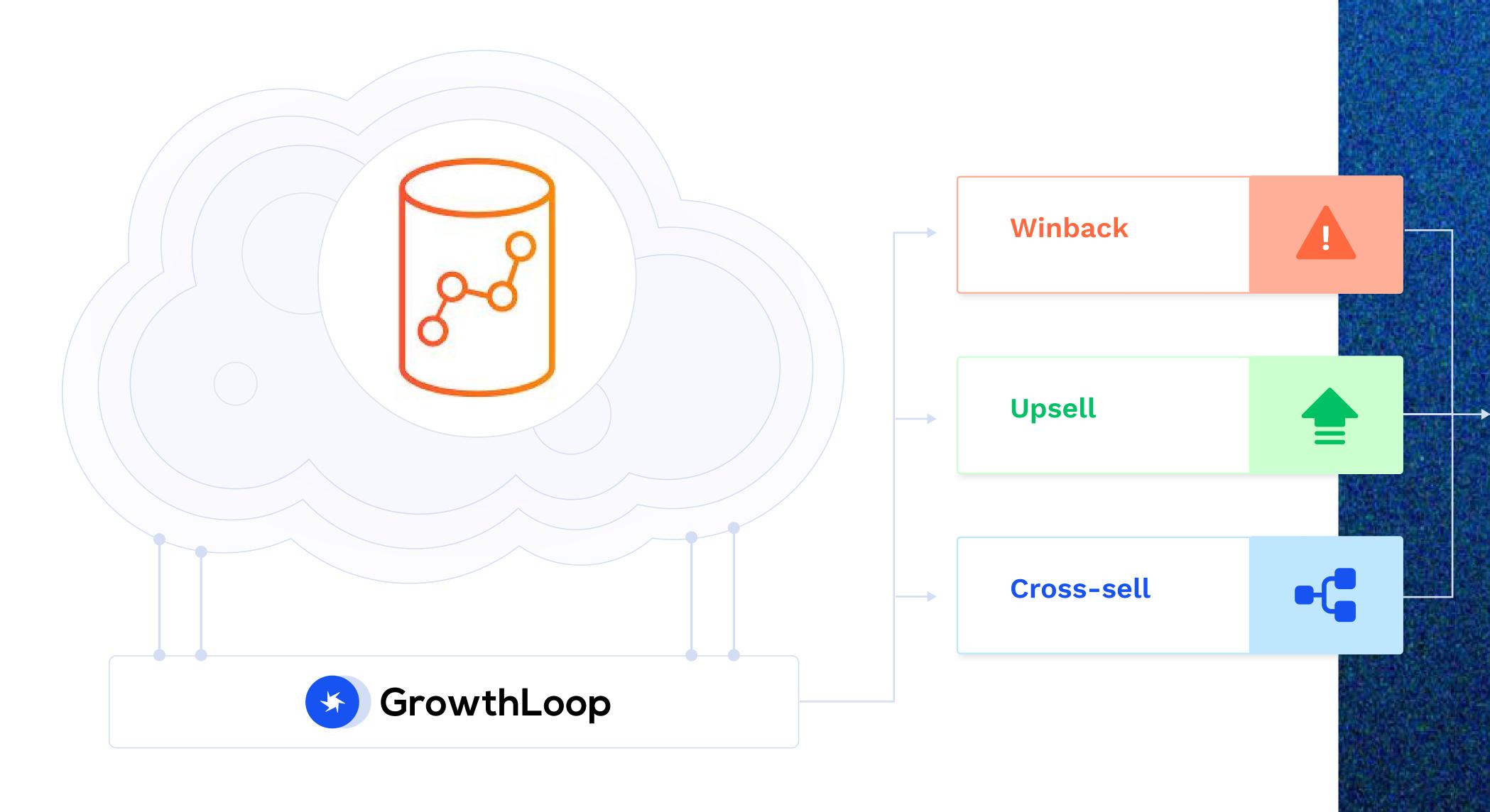
Unlike traditional solutions that require syncing a partial copy of your company's data, GrowthLoop is an activation layer that allows marketing teams to leverage all their data in an intuitive, no-code interface – all without their data leaving their Amazon Redshift data cloud

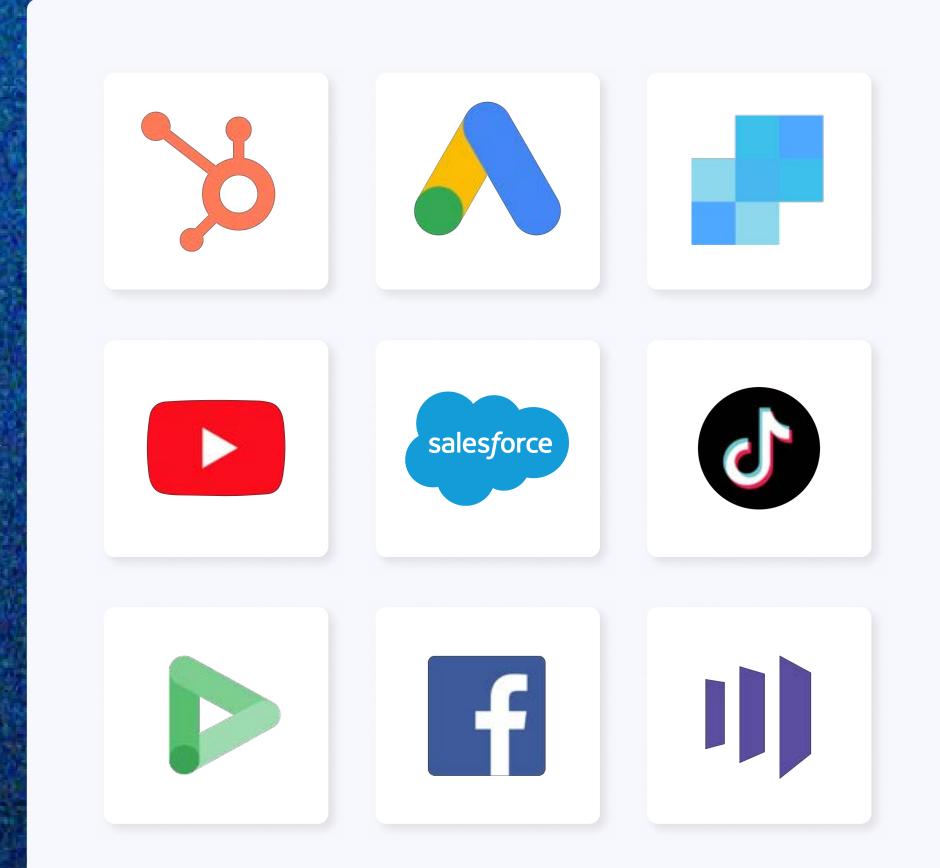
Because it's easy to use, GrowthLoop composable customer data platform on AWS empowers marketers to bridge the gap between technical expertise and marketing execution by empowering them to manage their own data and derive analytics without relying on data partners or intricate SQL queries.

In addition, because many businesses already invest in data clouds like Amazon Redshift, GrowthLoop enables marketers to tap into an existing resource. Together, GrowthLoop and Amazon Redshift offer a comprehensive solution that unlocks the full potential of your marketing data and yields more successful outcomes.

Through GrowthLoop's intuitive user interface, marketers can easily target precise and impactful customer journeys across multiple tools. This targeting significantly reduces the time required for segmentation and measurement and drives smarter marketing outcomes. Faster time-to-value enables marketing teams to rapidly test strategies, measure the results of those activations, and improve future results all from within GrowthLoop and Amazon Redshift.







Supercharged capabilities

Building on Amazon Redshift's expansive feature set, GrowthLoop provides six key benefits for your marketing team:

1 Accelerated time-to-value

Adding a new martech tool can be intimidating and resource-intensive. However, organizations that use GrowthLoop are often up and running in less than two weeks. (GrowthLoop's ongoing integration innovations are continuously reducing time-to-value: our current record is two hours!) And if your company's data is already in Amazon Redshift, you can activate the GrowthLoop platform in just a few minutes.

2 Single source of truth

Because GrowthLoop's platform sits directly on top of the Amazon Redshift data cloud, no additional data storage or copies of data is required, simplifying your data landscape. Creating a single source of truth yields reliably accurate and comprehensive data for seamless prospect and customer experiences with better outcomes.

3 Self-service audience building

GrowthLoop's no-code, easy-to-use interface "democratizes" access to all your marketing data across your entire team, empowering them to swiftly build target audiences for any marketing channel and launch campaigns within minutes.

For example, a marketer for an entertainment venue can easily create a campaign to increase participation in a community event targeting an audience of fans within a 25-mile radius of the location.

4 Orchestrated journeys across marketing platforms

You can maximize the performance of your preferred marketing tools by seamlessly <u>orchestrating cross-channel</u> customer journeys. By leveraging accurate customer data from a single source of truth, you enhance the effectiveness and coordination of your marketing efforts.

For example, that same entertainment venue marketer can promote a calendar of off-season events at the best possible times through a fully orchestrated journey for the same audience.

5 End-to-end measurement

GrowthLoop enables start-to-finish measurement and comparison of any campaign metric, directly in Amazon Redshift. By assessing results with your analytics stack, you can make data-driven decisions swiftly and adapt your strategies to respond to market forces quickly for optimal outcomes, right from within the platform.

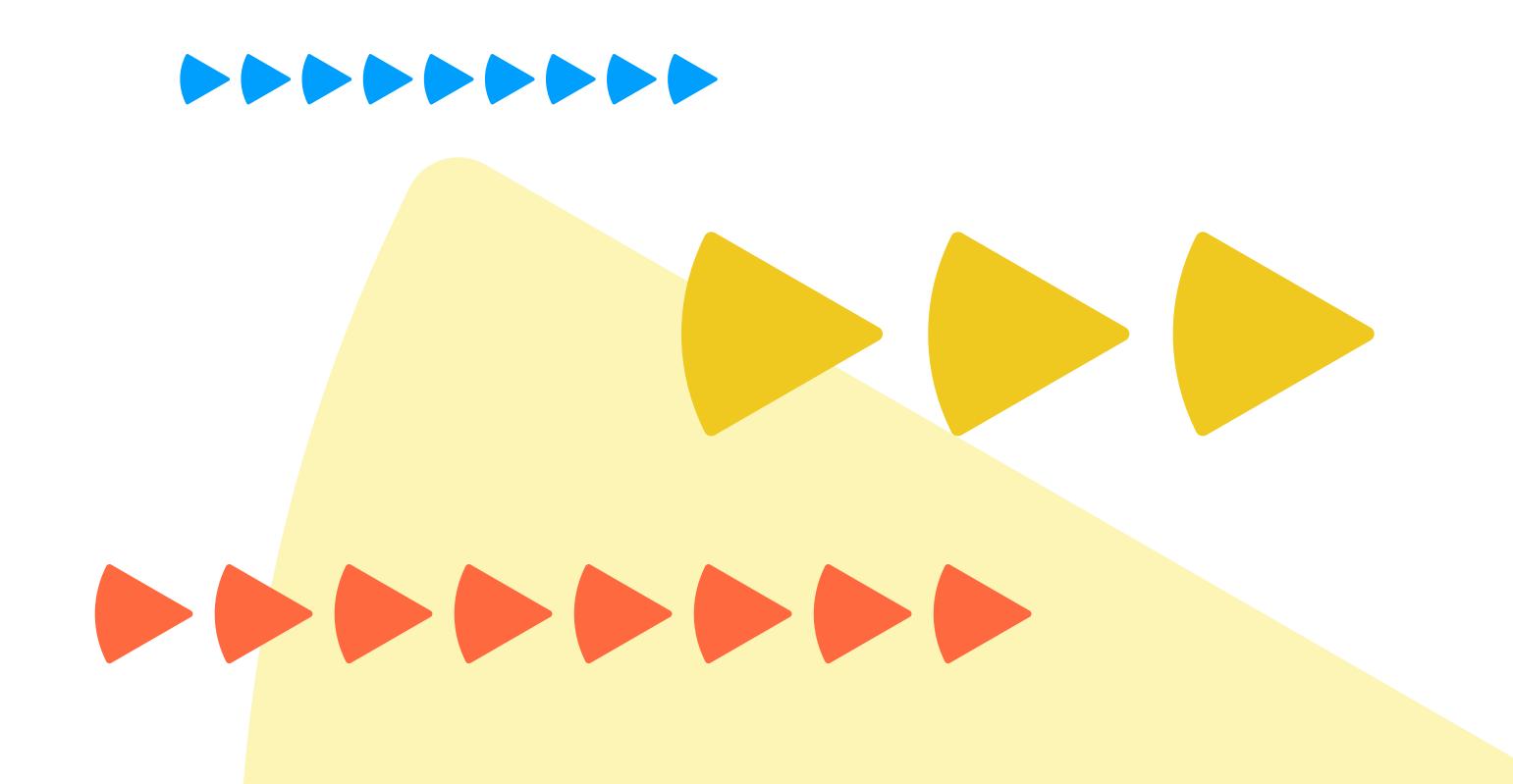
With GrowthLoop, the user can active audiences to a wide variety of destinations, and see how ALL of them are performing without leaving our platform, regardless of the destination they were sent to. So they can easily compare the incremental revenue lift on every customer audience – one that received an email blast on marketo, one that saw targeted LinkedIn ads, one that received an SMS test, etc.

For example, an email campaign launched from your marketing automation platform can be compared to a related LinkedIn ad campaign to determine which campaign had the larger revenue lift — directly in Amazon Redshift.

The power of artificial intelligence

GrowthLoop is purpose-built to leverage the power of generative AI for predictive modeling. It empowers your marketers to create audience segments tailored to their goals, enabling precise targeting and impactful customer engagement.

Question	Answer
My data in AWS is still unstructured and not optimized for marketing purposes. Can I still use it?	As companies grow, large volumes of data accumulate quickly in the data cloud, often without appropriate modeling. We have helped many companies successfully model their data to leverage the complete feature set of GrowthLoop. They can now measure revenue lift for every customer audience across every platform from a single interface.
I see the benefits of a composable CDP, but my team still prefers their existing marketing tools. Can we continue to use them?	We're here to improve — not replace — your current marketing tools. You can use GrowthLoop to automatically sync your intelligent segments across your favorite channels for data storage, workflow optimization, data visualization, and experimentation, and can activate your customer data to any desired marketing destination.



A free action plan tailored to your use cases

Traditional marketing clouds and CDPs have proven to be only partial solutions for marketers. Both types of platforms have their limitations: prolonged time-to-value, ongoing engineering support, limited data activation, and platform rigidity.

Ultimately, GrowthLoop works with your team's preferred tools to provide:

- A comprehensive view of your customers
- A simple, effective way to segment them
- A straightforward way to activate your customer data
- An easier way to analyze ROI and other key indicators of success.

And GrowthLoop's composable CDP on Amazon Redshift offers a game-changing solution.

Our easy-to-use, no-code platform empowers marketers to unlock the full potential of their data by easily building audiences, launching campaigns, and measuring outcomes. Because nontechnical team members can pull and analyze their own data, the GrowthLoop and Amazon Redshift solution encourages experimentation and innovation that drives growth.



Additional sources:

- <u>Piwik</u>: What is first-party data and how does it benefit your marketing?
- Ring Central: Marketing cloud
- <u>Tech Target:</u> Salesforce Marketing Cloud
- CDP Industry Statistics

If you want to transform your tech stack and embrace a modern composable CDP, schedule a free collaborative workshop assessment with our team. We'll evaluate your specific use cases and provide an action plan tailored for your organization — at no cost to you.

Schedule a Workshop

