

A woman with dark hair in a bun, wearing a light-colored sweater, is looking towards the camera. She is surrounded by a crowd of people, some of whom are out of focus. The image is overlaid with large, semi-transparent teal and blue geometric shapes. The text is white and positioned on the left side of the image.

Customer Data Integration 101:
**How to Integrate
Data from Different
Sources Into
Your CDP**

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Introduction

How to Win Big With Customer Data Integrations

Having a vendor neutral CDP is like having the ultimate gaming cheat code to unlock new levels of success in your marketing campaigns. Like the **Konami Code** that was placed into more than 100 of its creator's games that would unlock a completely new feature for each game in which it was included.

Simply put, a CDP is a prebuilt system that standardizes and connects data from different sources - such as social media, web searches, and even in-person transactions - to create a complete view of your customer. This customer 360 is then activated across your channels to create personalized customer experiences.

A vendor neutral CDP that integrates with all your channels and your entire tech stack makes the customer 360 a reality.

The Types of Data Going Into Your CDP

In the rapidly evolving digital world, companies globally are looking to master the types of data your CDP works with. Today, your customers are continually on the move, jumping from one channel to another. It's natural to look towards your CDP to help you not only keep up with your customer data, but also to create clear customer profiles so you can then provide them with experiences that will make them stick around.

In order to get the most out of your investment into a CDP, it is our foundational belief that having a clean, accurate, and high quality data foundation is critical to ultimate success and ROI.

CDPs Work With First, Second, and Third Party Data:

- **First party data** is the data that your organization collects directly from your customer base from your digital properties or anywhere your customer data is stored.
- **Second party data** is another organization's first party data which has been shared directly with your organization.
- **Third party data** is any information collected by an entity that does not have a direct relationship with the customer the data is being collected on. Oftentimes, third party data is generated on a variety of websites and platforms and is then aggregated together by a third party data provider such as a DMP.

All types of data can go into your CDP, but focusing on [developing a robust first party data strategy](#) will provide the greatest path forward, as third party cookies are set to be phased out over the next coming years and global data privacy restrictions grow more stringent every year.

So, What is a Cookie?

A cookie (when used in web terms) is informational data that's stored on a customer's browser after they visit a website so their preferences and behaviors are remembered and used in future requests and interactions.

- **First party cookies** are used to collect first party data. First party cookies can only be accessed by the domain they are set on and thus cannot be accessed across domains.
- **Second party cookies** do not exist. Second party data is collected by first party cookies.
- **Third party cookies** are set by a domain other than the domain the visitor is currently viewing. The nature of third party cookies allows them to collect data across domains but not be accessible by the current domain being viewed.

In essence, a browser only recognizes first party cookies (those which exist and are set on your own domain) and third party cookies (those which are set on other domains). In fact, if we're being really pedantic, third party cookies don't exist either – all cookies are first party, but it's the context in which they are accessed which determines if they're treated as third or first party.

Each time a web resource is accessed, any cookies set for that domain are sent back to the server that served the content. But in a browser that blocks third party cookies, such as Safari, content from any server that does not share the same domain as the primary content will not receive any cookies, so the server won't be able to tell if it's seen this user before or not.

The Cookiepocalypse

For the last few years, data professionals have been playing whack-a-mole with the changes to how browsers handle first and third party cookies. But now, it's finally time to say goodbye to third party cookies once and for all. And while some search engines like Google and Safari won't completely eliminate third party cookie tracking until 2023, you need to start preparing now in order to set yourself up for long-term success.

Forrester has coined the term 'data deprecation' to explain what has led to this big finale. It is defined as the restriction of tracking and access to consumer data due to regulatory, browser, walled-garden, or consumer actions.

By switching to a first party data strategy now, you're able to build a strong foundation and set up effective customer data practices for your entire business that will protect you from data deprecation. There are many perks to switching to a first party data strategy. First party data comes directly from your customers which helps you sleep easier knowing it's not only more accurate, but also trusted. This means as more data privacy changes come, you'll feel more stable.

First Things First: First Party Data

The best way to approach data integrations into your CDP is to prioritize the data you want to bring in, and first party data is by far the most valuable data source your organization has.

A CDP primarily collects first party data which consists of insights obtained directly from your customers AND given with consent. For example, your customer has given you their email address through a direct channel of yours like by signing up for a loyalty program via your website.

When identifying what data sources to integrate into your CDP, focus on bringing only the data that you want to use to drive customer experience. You don't need ALL your data in your CDP, only the information that will be useful to your end goals. Outlining the first party data you need, from a data governance and strategy perspective, will help ensure you have consistent and clear customer data profiles that will work toward your growth objectives.

Types of First Party Data You Can Bring Into Your CDP

Identity Data

which outlines who a person is at a high level or how they identify themselves to the outside world.

Examples: First and last names, age and gender, their location, phone number, email address, social handles, etc.

Behavioral Data

is the next layer which reveals specific ways a customer interacts with a business.

Examples: Align with conversion types so things like: cart abandonment, repeat purchases, click-throughs, social post engagement, etc.

Descriptive Data

goes a little bit deeper than identity and revolves more around the person's lifestyle.

Examples : The type of house they live in, the type of car they drive, their relationship status, where they've worked in the past, their income, their hobbies, etc.

Qualitative Data

gets even more granular than behavioral data and includes customer preferences and opinions.

Examples: Product ratings, customer service ratings, why a customer chose to purchase a specific product, why a customer chose to purchase it from your brand specifically, color, pattern, or function preferences based on search words or filters, etc.

And this doesn't mean you want to discard the remaining data. Some data can be discarded if it has no meaningful purpose. (Think Marie Kondo when it comes to your first party data! "Does this data bring you joy?") You will want to store valuable first party data that isn't being used through the CDP to drive customer experiences in another database where it can be saved and/or used for something else.

Wait, What Actually is Second Party Data?

Spoiler alert: second party data doesn't technically exist; it's just a way to describe data collected through an approved partnership with another company for access to their own first party data. It is possible to create valuable data partnerships where you can utilize a company's first party data, by proxy, as your own first party data.

This is different from the purchasing of third party data that is being tracked online without the customer's explicit permission, whereas the customer has agreed to the collection and use of their data with the partnered company.

Who you select as your partners for sharing this customer data with your organization should be a part of the larger, strategic value exchange. These partnerships should be entered into carefully, ensuring that the use of the data on both sides creates more value for the customer and won't be seen as intrusive.

Four Ways to Import Customer Data With Tealium

How a CDP ingests data is a critical consideration as you can only act on an insight that's represented by data within the system. It's important to consider how reliable, flexible, and automated your options are and Tealium will give you numerous options to make integration a breeze.

Importing data of any kind can be achieved in Tealium using one of the following methods:



HTTP API

The swiss army knife of data ingestion! The HTTP API can be used to import data from almost anywhere, without being tied to any specific programming language or platform.



Data Connect

In contrast to the other methods, which rely on data being sent to Tealium, Data Connect can actively monitor external systems, such as Salesforce, Google Sheets, Amazon S3 and Google BigQuery to pull data into Tealium based on triggers in your external systems, such as a customer record being updated in your CRM system.



File Import

The workhorse for bulk data imports, File Import allows data to be imported hassle-free into Tealium, with a simple UI for configuring things like visitor ID mappings; perfect for data where real-time updates are less important.



Language Integrations

Tealium has a whole host of integrations for different programming languages, such as C#, Ruby and Python. And of course, if you can't find something here that fits your specific use case, let us know, and we'll look into it.

Can Second Party Data Integrated Into a CDP Be Real-Time?

In a lot of cases, second party data can take a long time to travel from one place to the next, and by the time you realize your investment, the customer is no longer interested in what you have to offer. A CDP such as Tealium can significantly shorten the time taken to get value from second party data, because as soon as the data is available, it can be actioned immediately.

It's simple to configure a [Tealium AudienceStream](#) Connector to be triggered as soon as any data import happens, which means you can immediately engage with a customer through a push notification to their mobile device, or an email. You could even combine this new data about your customer (for example, their favorite sports team), with location data, to send a hyper-personalized notification when they're in the vicinity of a store that has the jersey for their sports team in stock. The possibilities really are endless, and Tealium can help you realize the value of your data from the moment you import it.

The Role of Third Party Data in a First Party Data Centric Strategy

Third party data is data you acquire from an external source, often through purchase, and is in the process of changing dramatically. Many now see third party data as second class, having been acquired without consent - becoming a major no-no by public perspective.

Between browser changes mitigating the availability of third party data to privacy regulations like GDPR and CCPA limiting the ROI of third party vendor data, the time to set a strong first party data strategy is now.

Most importantly is that customers now expect, and even demand, that companies use their personal data to the individual's advantage - not the companies - to create relevant, hyper-personalized experiences. Third party data, as it is not exchanged for any value to the customer, does little to support that dynamic. And further, irresponsible use of data where the customer does not know how the brand acquired it can erode trust and have negative CX impact.

That said, there are still many valuable uses for third party data. For a B2B company, you might purchase third party firmographic data to determine how big companies are, what vertical they're in, or how much revenue they have, to name a few. If you're a retail company, you might buy third party data on the weather, or maybe the characteristics of different places (like how far someplace might be from a mall). If you're a bank, you might buy credit scores. Entertainment organizations could purchase real-time sports scores. There is plenty of third party data available that doesn't infringe on people's interest in data privacy, but adds context and relevance to customer engagement.

Non-Customer Data Types that Can Be Integrated Using Tealium's Data Connect

When strategically planning your integration capabilities in relation to customer data, it's also important to consider how your customer data management solution leverages data that might not be directly about the customer, but can add valuable context for an interaction.

Product Data

Website or mobile data can have product IDs and details that are not marketer or analyst friendly; Important for ecommerce and brands with larger product catalogs

Reference Loyalty Data

The loyalty dataset is huge and not all of it is relevant to the CDP, but some elements are critical for personalization; Important for subscription, healthcare and insurance industries

Enriched Data with Enterprise IDs

Include all relevant IDs from various tools with each event or visitor and connect multiple brands / clouds together; Great for enterprises with multiple brands/clouds

Integration of Second/Third Party Data

Without third party cookies, leveraging third party and second party datasets in real-time can be a big integration effort; Important for brands using external datasets – healthcare / media / finance

The Difference Between Internal and External Customer Data Sources

Now that we've covered the types of data out there, we need to address internal and external data sources and how they can be used to compile the most complete customer profile.

Firstly, internal and external data sources are typically managed by different teams, serve different functions, and integrating them together can be challenging. Many organizations will pick one main source of data to create customer profiles or simply pick a system that has a lot of data without being purpose-built for the job, but this leads to siloed profiles and an inconsistent, less relevant customer experience across channels.

As with any data source, it's important to integrate the right data from any source - and a vendor neutral CDP makes it incredibly easy to do so!

Check out our paper

["The Org of The Future: A Blueprint for Structuring Your Optimal Customer Data Team"](#) for more information on which teams can best manage which data!

What Are Internal Customer Data Sources?

Think of internal data sources as your company's data warehouses, data lakes, any internal data the company is managing. Commonly this data is integrated as file imports, which has serious negative operational efficiency implications. These kinds of data are typically managed, wrangled and owned by IT teams and data engineers.

Internal customer data can include things like purchase history, identity graphs, web browser history, device information, the customer lifetime value (or other customer analytics), customer feedback and correspondence, loyalty data, and other direct information. The systems that hold this data are diverse, with broadly varying capabilities that impact how easily it is to integrate. Yet, often this data could make a critical difference in informing the best possible customer experience.

What Are External Customer Data Sources?

Think of external data sources as a connection to an external database, one that typically dwells within a software or tool that your company uses from a third-party vendor. This can include your CRM, call tracking software, call centers, customer engagement platforms, and email service providers. These kinds of data are usually managed and owned by a person or team in your organization responsible for the licensed software, customizing that software for your company's needs. These systems too are extremely diverse, yet also hold critical data for informing the best customer experience.

Understanding the difference between your internal and external customer data sources allows you to better strategize how you will utilize your available data to the maximum extent possible, powered by a CDP. Without a CDP as your middleman, so to speak, your organization will be left to manually integrate... everything. But we've already got you covered.



Our Integrate Everything Product Releases enable your organization to grow in maturity over time by adding more and more use cases to represent your full customer journey.

Data Connect

Automate data integration workflows with enterprise data sources like data warehouses, data lakes and cloud applications (opening up automated access to over 1000 data sources). Data Connect also supplies lookup tables that can be used in combination with the customer profile for contextual data.

File Import

More robust ingestion of data from files (a very common data source) to incorporate PGP encryption, compression, higher size limits, new file formats, and a new dashboard for reporting.

New APIs

Build on top of Tealium capabilities to power CX and integrate Tealium functionality into existing development workflows for more efficiency.

Data Sync

Robust streaming of data directly to your cloud data warehouses keeping your entire customer data supply chain in sync from collection, to storage, and everywhere in between. Fuel analytics and data science initiatives, or ensure better CX consistency across enterprise systems.

Mobile Data Collection

Enhanced tracking capabilities to ease integration of data from mobile devices and apps alongside data from other sources in the customer profile.

Tealium Functions: Transformations and Actions

Transform real-time, streaming data as it's collected or just prior to activation to ensure that it is in its most usable format across the tech stack. Now you can host and manage your global transformation rules within a single platform instead of within each individual source.

Conversions APIs, Pharma, and Deeper Journey Integrations

Address Signal Loss due to regulations, ad blockers, and the deprecation of third party cookies with the latest conversions APIs from Facebook, Google, Twitter, and more (and coming soon: Amazon Advertising). Our latest integrations also allow you to better integrate with emerging customer journey tools like Braze and Airship.

Click here to learn more about our
[Integrate Everything Product Release](#)

Working With Data Warehouses and Data Lakes More Efficiently

A **Data Warehouse** is a repository of structured data that has been collected and organized according to a pre-built, rigid model (schema-on-write) based on very specific uses of that data. Because only very well-organized and specific data is collected with this approach, using this data once it's in the Data Warehouse is fast and easy – but the setup is harder and you may potentially miss data that will be valuable in the future because you're only collecting what's in the schema.

A **Data Lake** is a repository of unstructured data that's not rigidly filtered during collection. Rather, the raw data is simply loaded into the lake and modeled and structured later (schema-on-read). Because way more data is collected with this approach, accessing the data takes a little more work and requires certain technology but it takes very little setup and there's no risk of missing valuable information.

Tealium's CDP works with both Data Lakes and Data Warehouses. Tealium brings in clean data, and then makes that data actionable in real-time. It's complementary in the sense that it allows for governed data collection and enrichment, orchestrates actions based on business rules, and ultimately allows you to programmatically define the formation of a customer profile in an automated fashion.

Instead of spending days confirming how to work with customers that are changing all the time, those decisions are now automated by Tealium and you're able to react in real-time, something a Data Warehouse and a Data Lake are not designed for.



Integrating With CRM Systems

A CRM, or a Customer Relationship Management platform, is a system that stores and tracks sales data, all forms of communications, documents, and any other interactions between the customer and company. CRMs focus on customer retention using first party data rather than third party data and help to create a plan for improving business relations. This differs from a CDP, which builds a profile around all customer behavior, including the information within a CRM. As a customer facing platform, CRMs are used heavily by sales professionals to manage the customer's relationship with the organization.

Cross-channel personalization, otherwise known as omnichannel personalization, is the goal of providing a uniform experience and service to customers across multiple channels simultaneously. CDPs allow you to create an experience that crosses your company's different mediums while a CRM focuses on analyzing sales, limiting its capabilities.

Integrating With Cloud Applications

Cloud applications are becoming increasingly common and are an important part of orchestrating a strong customer journey. Integrating with cloud applications is also known as server-side data management. This is when a pixel or tag sends data into your web server (or a different type of server) and then your web server passes that data to the destination system/server. This data could be used by a marketing automation platform, analytics provider, personalization tool or another type of execution system.

[Tealium EventStream](#) uses a single Tag to transmit data to a server-side API Hub, which in turn delivers the designated data to multiple technology vendors via the Cloud. This alleviates the need to manage multiple Tags operating on a Device that must otherwise deliver the data using client-side Javascript, which has more potential for issues given the current privacy regulations and browser restrictions.

Nimble tracking and delivering cloud-based data is not easy without taking steps to establish a data foundation that simplifies the process of defining and accessing data. A vendor-neutral data foundation - powered through integrations with all your data sources - unlocks your customer 360.



The Great Debate: To Build or Buy a CDP (and How Integrations Answer the Question)

Many companies question whether they should buy a pre-built CDP or build one in-house. There are certainly opportunities provided by each path, as well as fears that are not unfounded.

The debate is often intense at companies considering a Customer Data Platform. The pro-build side, usually in the IT department, sees the CDP as a fairly straightforward extension of existing systems with features they can tailor to unique company needs. The pro-buy team, often headed by business users, feels a purchased CDP will be ready sooner and offer more advanced capabilities than a company-built product.

Both sides can point to horror stories at other firms: of companies that bought a CDP which didn't meet their needs and had to be discarded; and of companies that invested several years and millions of dollars in building their own CDP before abandoning the failed effort. Issues of power, pride, and trust lurk beneath the rational debate and sometimes burst into view.

Because a CDP is really a mix of components, most companies don't face a simple choice between building everything or buying everything. Exceptions are at either extreme: companies with very simple, common requirements may be able to deploy a packaged CDP without any technical effort, while companies with extremely unusual, complex requirements may find they need to build everything for themselves. Everyone else must make not one decision, but a series of choices about what to build and what to buy.

But when it comes to data integrations, having a Customer Data Platform with pre-built integrations that run the gamut of your tech stack can make implementing a CDP faster, more effective, and more likely to provide the full customer 360 that companies everywhere are striving for.

For more help on whether or not to build or buy your CDP, check out our eBook collaboration with the CDPI, ["Build or Buy Your CDP? Choosing an approach that's best for your business."](#)

New Kid On The Block: Reverse ETL

There is also an effort amongst IT-centric vendors (such as ETL, Reverse ETL, Data Transformation companies) to support an approach to customer data management called the “unbundled CDP”. In essence, the concept is to break CDPs into many different pieces and use the data warehouse as a single source of truth.

This is the latest in the “Build vs Buy” debate, but overlooks the many advantages that CDPs bring to the table beyond technical data management, like real-time activation, data collection at the source, operational efficiency, and better accessibility for marketers. The truth is that Reverse ETL tools can be valuable to the technical side of an organization, but they aren't fully suited to solve the breadth of customer data challenges that CDPs support.

Reverse ETL Will Not Address the Problems That CDPs Were Built to Solve:

- There's not a single Enterprise Data Warehouse that all departments use
- Reverse ETL requires Snowflake for managing the tasks of a CDP
- Reverse ETL cannot support real-time
- Companies also need to consider about regional compliance and the necessity for various EDWs located around the world
- Reverse ETL Overlooks bi-lateral communication
- Finally, you can't buy these tools one at a time as these companies recommend because the functionality from each is needed to solve the challenge as a whole - only the CDP does that!



Why Data Integrations Serve Your Business

Now that we've covered what types of data you can bring into your CDP, let's explore the WHY. Why do you need access to easy integration with multiple data sources in your CDP? Moreover, why do you want data integrations? Because it's not just that you need this functionality, but that having it will be so incredible that you will be fired up to operate your CDP for all the powerful benefits it can bring to your organization.

Let's explore they why.

More of the customer experience is digital than ever before, but the ecosystem of data and technologies powering these experiences are rarely based on a single platform.

Companies large and small spend a significant amount of time and resources on getting integrations built. In fact, a report from the CDP Institute surveying marketing leaders found that integration with external systems (53%) tops things like ease of learning and use (51%) or breadth of features (40%) when choosing martech tools.

To keep the entire journey connected, your business needs more flexibility and options from your CDP to quickly build custom "just for me" integrations, automation, and transformations for your unique stack and use cases.

7 Examples of How Tealium Functions Helps You Do More With Less

Tealium Functions is a recent feature release for our Customer Data Hub focused on making data integrations even easier (and we already made them easy!). In addition to an industry-leading integration marketplace, Tealium Functions gives developers a canvas to leverage JavaScript code in order to quickly build custom solutions and launch new use cases faster by customizing data flows on the way into Tealium or on the way out to integrated systems. This means fewer hoops to jump through for integration, quicker time to value, and ultimately a more extensible and customizable platform.

1) Build Custom Integrations

Your stack works better when it works together. Connect to custom destinations or customize integrations to help meet the unique needs of your business.

2) Transform Inbound and/or Outbound Data

Data may not be in its most usable format across technologies, collection sources or to meet the needs of custom endpoints. Apply business logic to your data to ensure that your customer data is usable across custom data environments and multiple digital channels, without the heavy coding that would otherwise be necessary.

3) Encryption or Decryption

Make sure you are obfuscating PII in applications and to downstream vendors. If sending PII to display, CRM, or other systems, ensure you are only transacting on encrypted values, not raw text value.

4) Connect to External Data Sets

Critical data sets may live outside the CDP that your company needs to leverage during activation. Connect to valuable external data sets (CRM, next best action engines, databases, third party data sets, legacy systems) for the data you need rather than needing to do a file import.

5) Manage Debug Events

Are you sick of testing events coming into your analytics? Filter out debug events and send them to internal monitoring tools when doing testing.

6) Multi-Campaign Management

Teams are looking to automate repetitive and time-consuming tasks that are roadblocks to high-scale efficiency. Help teams automate workflows with a few lines of code to better automate workflows (like creating a new campaign), speed time to activation, or even send events to different campaign accounts based on agency or media plan.

7) API Backfill

This use case is especially handy for the data and analytics professionals out there. Almost every website has some format of survey, customer support or messaging application running on their website. Write javascript to collect API data from iframe apps like chat, surveys, offers, when that data isn't available client-side.

Vendor Neutrality in a CDP is Critical to Success

Your need for integrations and vendor neutrality in a CDP stems from both your current tech stack requirements and use cases, as well as your future needs, which are changing rapidly and wildly as we move into web 3.0, the metaverse, and a whole new dawn of the digital age.

If you're an organization that has invested heavily in a marketing cloud (like Adobe or Salesforce), aligning your CDP with that cloud offering makes sense on paper. Your data exists there already. You can seamlessly integrate with the tools you're already using.

Or so it would seem.

In a marketing cloud, these tools do not always work as seamlessly as one would expect. This is largely because they weren't built by the vendor, but acquired, leveraging their deep pockets and the ingenuity of other organizations. But this means companies using marketing cloud CDPs will be forced to wait on new functionality until that offering can be acquired, and there come additional issues with how seamlessly acquired tool sets can work together.

There are many advantages in managing your customer data agnostic to the tools where you're activating that data. Otherwise, you have to compromise....in a variety of ways. You lose the flexibility to apply your customer view wherever you want. Your customer view is narrower and less complete. If you can only access certain data, then your view is less useful. And if a vendor comes out with something super cool that isn't where you hold the view, you're handcuffed from taking advantage due to vendor lock-in. Oh, and by the way, that vendor is probably going to use your dependence on them against you in negotiations, so your total cost of ownership shoots through the roof.

Flexibility is power. By engaging with a vendor-neutral CDP partner whose entire DNA is making your data useful and integrated wherever needed, you can trust that your future needs are just as supported as your current requirements.

Oh! And by the way, [Tealium has pre-built integrations](#) with both Adobe and Salesforce, just a few of the 1300+ integrations available through our platform.



5 Reasons a Vendor Neutral CDP is the Best Path Forward

1 Single View of a Customer from Unknown to Known

Vendor-neutral CDPs (utilizing technology like tag management and API hubs for data collection) that don't rely on full, rigid customer identity data can much more easily collect and unify data relating to both new and unknown customers, thus forming a fuller and more useful view of the customer. This allows for a truer view of the collective "customer" base, stronger audience creation and activation into campaigns that engage intelligently and create ROI, and is useful for purposes across the customer journey (pre and post-purchase).

2 Real-time... Really

Having robust, pre-built vendor integrations in your CDP ensure you're able to act in real-time without having to route your data through a patchwork of acquisitions that have been jiggered to work together as well as possible. It's like putting a Volvo transmission in a Toyota. Same concept, but not built for a Toyota and, well, sometimes the clutch just won't shift.

3 Optimal Privacy Compliance

While it might seem a little counterintuitive, flexibility in a CDP actually enables greater privacy compliance. This is because CDPs that integrate with other tools as part of their core structure can orchestrate privacy across your whole stack beyond the tools supplied by that vendor. You don't want privacy to function in a silo. It needs to live within the customer profile or else you create risk for the organization. The customer profile should be neutral, and CDP vendor integrations and flexibility create that needed neutrality.

4 Omnichannel Opportunities

Want to create a true omnichannel customer experience? Integrating with all the other tools you need to meet your customers where they're at is the only path forward. You will always have tools that are customer-facing that go beyond a single vendor. Plan on it.

5 The Ultimate Customer Experience

Ultimately, vendor neutral CDPs can deliver a comprehensive customer experience that will elevate your organization above the competition. And at the end of the day, customer experience leads to greater long term success – more upsells, greater lifetime value, and increased brand loyalty.

How Do Vendor Integrations Impact Data Privacy & Consent?

Whether it's first, second, or third party data, it is important to ensure you're following all the current privacy requirements for any region where you're operating. As with all other aspects of GDPR (and post-Brexit, UK GDPR), a person must have freely given their consent for their data to be shared, and both parties must have a lawful basis for processing the data, which may be different for each party in the agreement. A formal agreement between the parties is not strictly required, but is considered a best practice. Another consideration is CCPA in California, and the various other privacy laws around the US and around the world. CCPA is primarily designed to allow consumers to opt-out of their data being sold to third parties, so any company subject to CCPA would need to carefully consider where they stand when it comes to using third party data. Again, if in doubt, check with a lawyer!

First party data is the safest and most trusted data source, but comes with its own strict requirements for safe collection and compliance maintenance. But you will still need to integrate your first party data from multiple sources to create a single view of your customer on which to create powerful customer experiences. So how does a vendor neutral CDP impact your privacy requirements?

As stated in our [Org of the Future eBook](#), DJ Landreneau, Director of Data Privacy Strategy at Tealium explains, "One of the aspects of data governance compliance is knowing what data is being processed, where the data is being processed and who has access to the data. Having good data governance plays a critical role in achieving privacy compliance. We need to be in compliance with data governance to achieve 'privacy compliance'. Because a CDP allows an organization to consolidate data, in general terms, into one place and report and control the data, a CDP helps organizations achieve compliance."

While it may seem that using a CDP aligned with a suite of products where the data is coming from, like a marketing cloud CDP, would be safer from a privacy perspective, it actually leaves a lot of your customer data uncontrolled and at risk.

It's critical to make sure you're accounting for all your customer data from a privacy perspective and have the right permissions and opt-outs built into your programs in order to achieve compliance. The first step in achieving this goal is to define a consent strategy for all your data sources.



The Top 5 Questions to Ask When Defining a Consent Strategy

- 1 Is the data being transferred internationally?**
If so, apply, and you must ensure that the country the data is being transferred to provides an adequate level of protection.
- 2 Are you sharing only the amount of data required to achieve the intended outcome?**
A dating site sharing my marital status with a partner who is offering me a free streaming trial would likely be unnecessary, but there may be some other examples where it would be appropriate or necessary to deliver a specific service. This falls under the principle of GDPR.
- 3 How would I feel if this were my data?**
This is perhaps the most useful question to ask, and if you find that it makes you uncomfortable, that's a good indication as to how your customers will feel too. A customer relationship is precious, and the last thing you'd want is for it to end on bad terms because you breached their trust or expectations.
- 4 Is it clear to the customer what data you are sharing (and/or selling), and who you are sharing it with?**
Many organizations have a clause in their privacy policy that enables them to share data with third parties, but this is usually covered by some generic wording that covers all data, and non-specific third parties. If you know what data you'll be sharing, and with whom you'll be sharing it, then tell your customers when asking them to opt in. Not only will this give your customers the feeling that you are being responsible with their data, but it may also lead to higher opt-in rates; I'm much more likely to opt-in to data sharing if I can see an obvious benefit to me, as opposed to just getting the sense that my data will be sold to the highest bidder.
- 5 Do you have the correct documentation in place for your data sharing agreements?**
This question could be critical should a breach ever occur, since if you have no record of where a customer's data has been shared, you'll have no way to inform them.

Creative Ideas for Building a Successful Value Exchange

At the end of the day, your CDP requires data in order to operate, and with today's data environment, you need a well-thought-out value exchange strategy in order to get access to the best, and most, possible customer data.

You need to be good at giving customers a reason to share their data. In order to even have data worth integrating, you need your customers to be on board and willing to share their data with your company. So, if you're looking for ways to engage customers directly and reap the first party data (or zero party) rewards, here are some value exchange strategy ideas to get you started.

Offer Valuable Tools

Creating tools around your products and services can be a fantastic way to drive customer success and satisfaction, but these tools can also be a hugely valuable source of first party data insights for the wider customer experience.

For example, if you have a fitness product, is there a way you can provide an experience around the fitness program your product enables? If you sell running shoes this could be a tool that helps you map your run, track how far you've run, meet other runners, etc. These tools raise the CX bar of your product, but also are useful as a way of growing the audience you have access to target and analyze behavior for the overall health of the business.

Utilize Surveys & Quizzes

Many times, customers are directly willing to tell you what they think through surveys, if you'd just ask. This gives them an opportunity to express their thoughts directly, and often those who are most willing to participate will be your best customers.

If a direct survey isn't an option, quizzes are a popular form of engagement that adds value for a customer and allows you to collect first party data. Whether the quiz identifies the customer as a certain type of user, is more playful like those you see on social media, or even operational to provide guidance, customer answers (when properly collected and analyzed) contain rich insights that could form the basis of a rich experience.

Offer Exclusive Brand Experiences

Your biggest fans want opportunities to engage deeper. If it's an exclusive experience, even better! And don't think you necessarily

need to provide hard rewards like cash prizes or gifts. If properly positioned, soft benefits like prestige within the community, or access to provide feedback can be even more attractive.

Exclusive brand experiences give you a way to provide value to your biggest fans, and in exchange you get extra insights and first party data that enables you to target these customers directly to cultivate a really high value audience.

Set Up Loyalty Rewards

Loyalty programs are a fantastic way to drive direct customer relationships. By directly engaging with the brand, customers can be rewarded directly with gifts, discounts, access to special promotions, etc. Oftentimes, loyalty programs are siloed and not well integrated into the overall customer experience.

Engagement with loyalty programs not only provides a path to higher lifetime value through the loyalty program itself, but the insights that come from that loyalty can be used more widely in other customer engagement programs. Then the value of this first party data is extended far beyond the loyalty program itself, but finds its way into the overall customer experience.

Give Away Free Stuff!

While perhaps not the most desirable way to drive engagement, free stuff is an effective way of providing value to a customer in exchange for that direct relationship through first party data. It's important that if you choose to incentivize the relationship with free stuff, hopefully that free stuff can align very strongly with your product. Amazon gifts cards, for example, may not be the best incentive to draw customer relationships that are the most relevant to your product, even though they might be very attractive offers.

Closing Thoughts: The Vendor Neutral CDP = The Ultimate Cheat Code

The main takeaways that you'll want to **integrate** (ba dum cha) into your data strategy are simple, but effective:

- Clarify all your data sources and pick the right data for your CX end goals
- Make your first party data the foundation of your data strategy
- Maximize your tech stack through vendor integrations
- Use a true value exchange to get the best - and most - data from your customers
- Don't take your customer data for granted

It's clear that in the future, we'll be even more connected and online in ways we can't even perceive now, and all the time users are becoming ever more aware of how their data is being used and collected, in part due to the constant barrage of consent modals they're faced with during their online journeys.

The value exchange is going to become more important as time goes on and having a CDP that can integrate across all data types, channels, and partnerships is going to ensure that your organization can future proof against the coming twists and turns we all anticipate. Using a vendor neutral CDP sets your organization up for success by opening up all the pathways you need available.

Creating a meaningful customer experience is your game, a vendor neutral CDP is your cheat code, and collecting and integrating the best customer data is how you defeat Bowser and free Princess Peach. You win.

This report was published by



Tealium connects customer data across web, mobile, offline, and IoT so businesses can better connect with their customers. Tealium's turnkey integration ecosystem supports more than 1,300 built-in connections, empowering brands to create a complete, real-time customer data infrastructure. Tealium's solutions include a customer data platform with machine learning, tag management, an API hub and data management solutions that make customer data more valuable, actionable, privacy-compliant and secure. More than 850 leading businesses throughout the world trust Tealium to power their customer data strategies.

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