6 POPULAR CDP MYTHS THAT FINANCIAL MARKETERS MUST KNOW

CDP is defined as packaged software that creates a persistent, unified customer database that is accessible to other systems. It gives a comprehensive view of a customer by capturing and storing information (behavioral, demographic, and transactional) from multiple systems. As the CDP gains more prominence in the future, it's time that we demystify popular myths about the Customer Data Platform for Financial Services marketers.

Myth 1:

A CDP is a marketer-managed and marketer-only system

A CDP can be used by any department that requires customer data in a unified format. Corporate IT helps CDPs in acquiring data by providing access to various systems within the organization. Both marketing and IT need to work in tandem to make a CDP function efficiently.

Myth 2:

A CDP's main capability is Identity Resolution

Many CDPs provide built-in identity resolution but many do not. It depends on the Financial Services firm that has purchased and implemented a CDP. If the firm has an existing system to resolve identities, they would not need an identity resolution feature in their CDP.

Myth 3:

A CDP can solve a company's data management problems

A CDP is very good at unifying customer data but it cannot prevent other issues seen in a financial institution such as regulatory constraints, reward systems, departmental obstacles, employee skills, etc.

Myth 4:

CDPs are known for handling only personally identifiable first-party data

Most financial companies use CDPs for primarily managing first-party data. However, CDPs are also good at managing both personally identifiable first-party data as well as third-party anonymous proficiently.

Myth 5:

A CDP works well if it's linked to all systems

A CDP needn't be connected with all the systems in a financial organization to derive maximum value. It can deliver the same result if it's connected to a few systems or even a single system.

Myth 6:

Implementing a CDP involves an overhaul of your existing technology stack

CDPs are pre-built packaged software that can fit into an organization's existing technology stack. Financial Services companies needn't overhaul or make major changes to their existing systems.