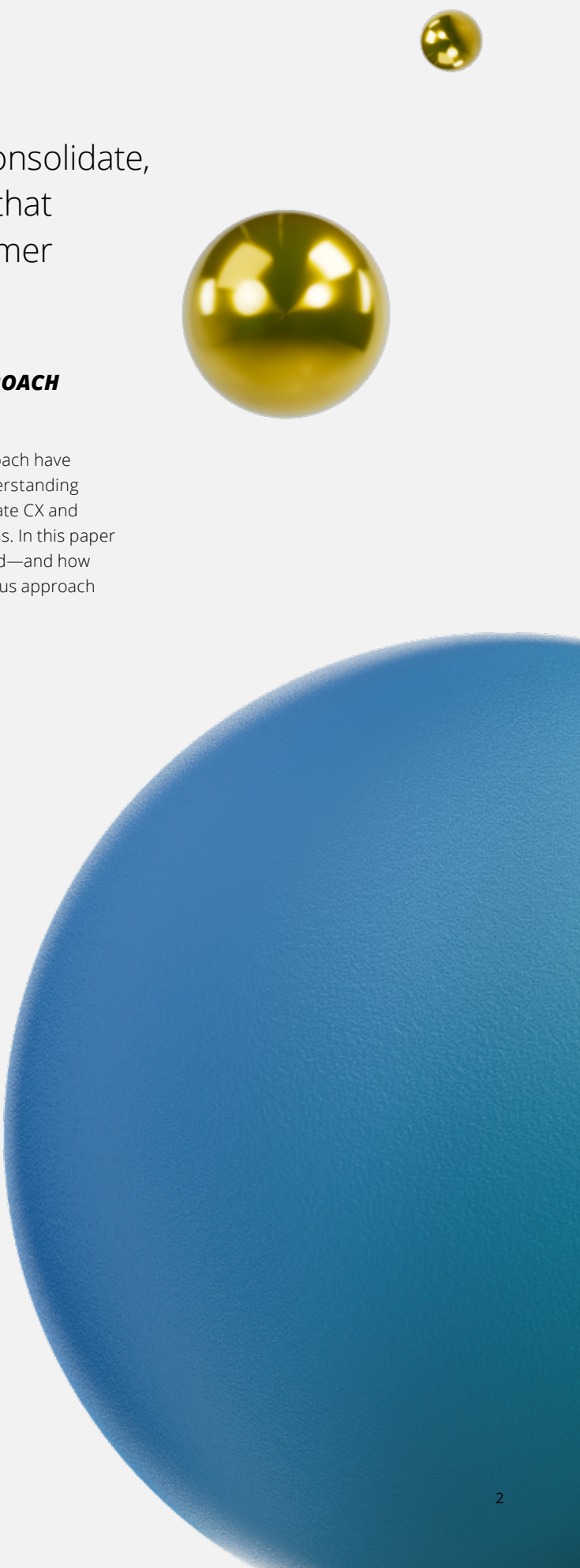


Data cloud-*plus*: A new approach to customer data management and CX activation

September 2024



For years, enterprises have struggled to consolidate, clean and activate customer data in ways that supported personalized, connected customer experiences (CX) across every touch point.

Companies have tested the limits of customer relationship management platforms, enterprise data warehouses and other technologies.

The arrival of customer data platforms (CDPs) promised a mix of capabilities that seemed perfectly suited to help solve these challenges. However, many enterprises found themselves slowed on the path to selecting, implementing and achieving value from a CDP due to differing needs and priorities across teams.

Salesforce Data Cloud represents a significant evolution of CDP functionality and cross-functional benefits. With Data Cloud, organizations are able to establish a compliant and secure data foundation for not only marketing, but also for sales, service and commerce systems. This enables enterprises to drive more informed and effective segmentation, personalization and activation across more lines of business—and across the full customer journey.

To address differing organizational priorities, leverage existing technology investments, utilize a best-in-class enterprise architecture, and enhance business value from Data Cloud, **we suggest approaching it as a capability rather than a technology**—with defined roles and responsibilities assigned to IT, marketing and business users.

WE REFER TO THIS APPROACH AS DATA CLOUD-PLUS.

Companies adopting this approach have been able to deepen their understanding of customers, reduce risk, elevate CX and support trustworthy AI solutions. In this paper we explore what they've learned—and how you can apply the data cloud-plus approach in your own organization.

The customer data divide

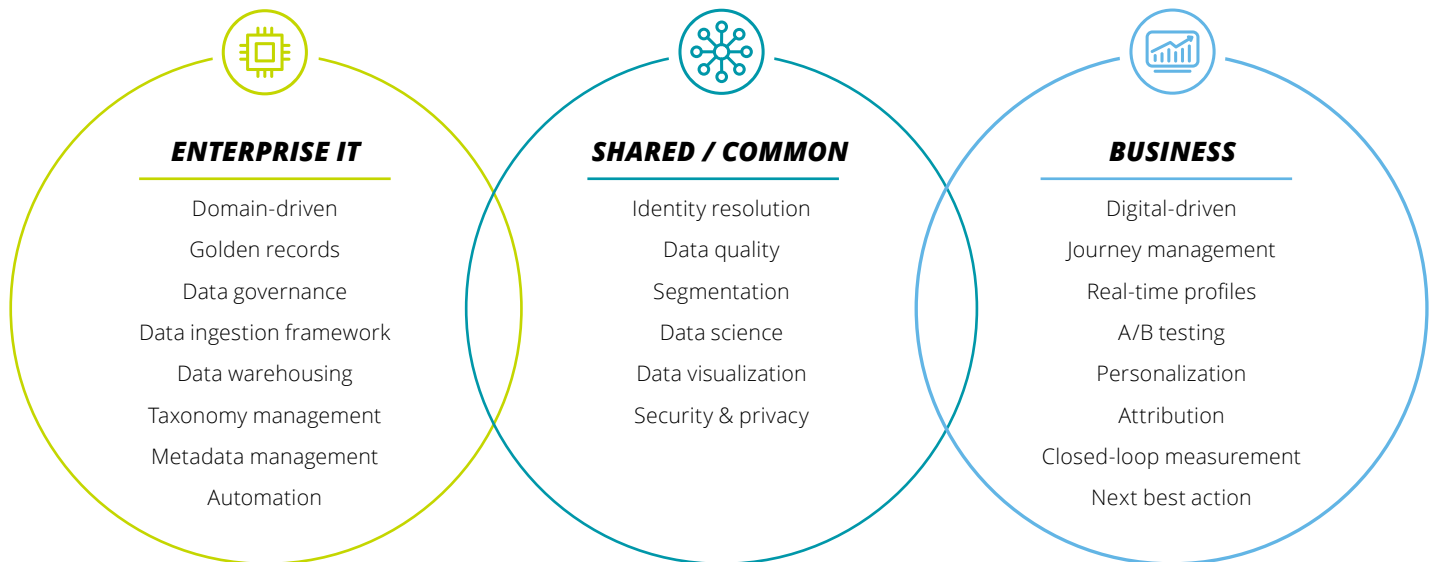
Most early CDPs were designed to serve the marketing function by providing a platform to ingest customer data, organize it into unified customer profiles, glean insights and orchestrate right-time, right-message experiences for leads and customers. Marketing leaders saw the potential in this unified, simplified approach—and many were immediately ready to hit the “buy now” button.

Enterprise IT leaders weren't always sold. They recognized the demand for clean, consistent and unified customer data across every customer-facing part of the business—marketing, sales, commerce and service. They also saw critical gaps that a CDP could solve in their own data management and automation capabilities. For these reasons, IT leaders argued the CDP should be integrated as part of the core enterprise tech stack.

As a result, the CDP favored by IT often wasn't the option preferred by the marketers and other business areas, due to their differing priorities and responsibilities. *(See illustration.)* This organizational misalignment regarding the CDP's core purpose, business case and ultimate ownership slowed many on the path to selecting and implementing a solution.

SOLVING NEEDS ACROSS THE CUSTOMER DATA DIVIDE

Enterprise IT and business users typically have different priorities when it comes to customer data-related capabilities. Identifying the right solution for your whole organization begins with understanding where those needs diverge—and where they overlap.





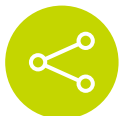
Enter Salesforce Data Cloud

Salesforce Data Cloud is much more than a CDP for marketers. It is designed to help orchestrate better, more personalized CX across the entire marketing funnel *and* the

full customer engagement life cycle. At the same time, it can serve as the core experience hub to ingest and unify customer data from a range of sources and then leverage advanced

analytics and AI to help segment customers, understand individuals better, personalize experiences and trigger impactful platform events and CRM workflows.

DATA CLOUD CAN PROVIDE BENEFITS ACROSS YOUR WHOLE ORGANIZATION.



IT

Ingest customer data from a range of first- and third-party sources

Unify & segment profiles, establishing a single source of truth for customers and audiences



MARKETING

Personalize content and messages

Orchestrate experiences in real time across channels



SALES / COMMERCE

Surface relevant account / customer insights

Identify priorities and opportunities across audiences



SERVICE

Anticipate service needs based on individual history

Strengthen customer loyalty through faster, more personalized issue resolution



ENTERPRISE

Improve efficiency by leveraging AI and automation

Govern data access, privacy and security

Bridge the data divide—and multiply value—with data cloud-plus

Data Cloud can serve as a functional customer data foundation to serve the needs of IT and other areas of the business. But it's worth remembering: *Those needs still remain—or at least appear to be distinct.* And in large enterprises, they can be challenging to address comprehensively through a single, off-the-shelf solution due to the massive volume and diversity of customer data, the complexity of regulatory and governance

requirements across geographies and lines of business, and a dizzying array of channels and platforms for experience activation.

Existing technologies and capabilities add their own wrinkle. Many organizations have invested significantly in enterprise data lakes offered by cloud hyperscalers and are utilizing those platforms for identity resolution. Many have also invested in AI and analytics

platforms to help predict next best action, provide product recommendations and more. And they've invested in talent and processes to help deliver return on investment (ROI) from those technologies.

Those are the challenges and realities that a data cloud-plus approach can help solve.

DATA CLOUD-PLUS IS ABOUT COORDINATING RESPONSIBILITIES IN TWO DISTINCT, COMPLEMENTARY LAYERS AND INTEGRATING BEST-FIT TECHNOLOGIES IN EACH LAYER.

LAYER 1:

Data management

KEY STAKEHOLDER:

Enterprise IT

CORE FUNCTION:

Ingestion & unification

In this layer, customer data from online and offline sources as well as third-party sources are processed to conform to privacy requirements, data governance, and data hygiene and quality standards. Data is then unified into cleansed, unified, individual customer profiles.

For small- and medium-size businesses, Data Cloud may serve all these purposes.

For large enterprises, Data Cloud's flexible Bring Your Own Lake and Zero Copy capabilities make it possible to integrate Salesforce data with customer data that is ingested, transformed, harmonized and unified in an enterprise data lake—without physically copying that data and without the need for traditional extract-transform-load (ETL) processes. This, combined with an enterprise identity resolution capability, can provide an extremely powerful complement to existing Data Cloud capabilities and accelerate the value and scale of the platform.

LAYER 2:

Omnichannel orchestration & personalization

KEY STAKEHOLDER:

Marketing, sales, commerce, service

CORE FUNCTION:

Segmentation & activation

In this layer, data is enriched with digital identifiers and real-time data signals, leveraging inputs from across the entire experience ecosystem that were ingested in layer one as well as any third-party data that can be used to expand customer profiles. In this way, truly actionable, individual profiles can be created. This layer provides marketing, sales, commerce and service teams with a user-friendly, self-serve interface to perform and automate segmentation, orchestrate journeys, access individual customer histories and information, and deliver relevant, meaningful personalized experiences across all touch points.

Here again, large enterprises can amplify the value of existing investments and capabilities through integrations with existing tools and platforms for audience modeling and prediction, reporting and analytics, and more. For example, Data Cloud's flexible Bring Your Own Model capabilities make it possible to integrate AI models built and managed outside of Data Cloud using existing modeling tools the enterprise may have invested in.

A data foundation for experience elevation

Durable customer trust and loyalty depends on *remembering, recognizing* and *engaging* customers in personal, respectful, intuitive ways. The ability to do that at scale—with appropriate guardrails for data privacy and governance—can help drive business growth in today's experience economy.

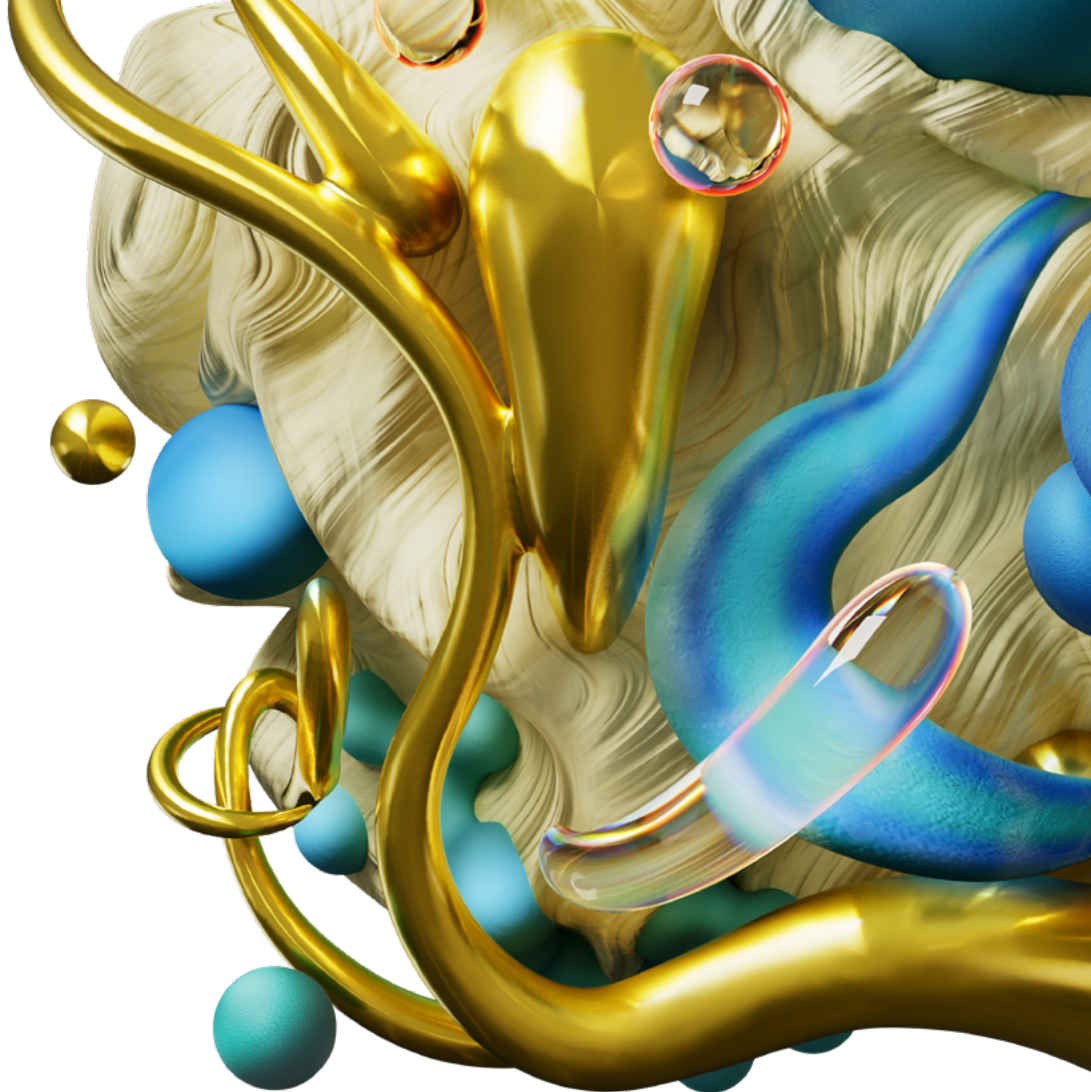
That's what a data cloud-plus approach can help you accomplish. One important key is to make the technology fit the unique needs and capabilities of your company—rather than the other way around.



HERE ARE SOME QUESTIONS TO ASK YOURSELF AS YOU ADOPT THIS APPROACH.

- 01 How well are we currently integrating and unifying customer data from various sources for more effective delivery of experiences across marketing, sales, service and commerce?
- 02 What technologies and capabilities do we need to deliver more personalized and connected customer experiences across all touch points?
- 03 How are we using AI and GenAI to more effectively and efficiently deliver meaningful experiences and lower operational costs?
- 04 How can we leverage technology to improve collaboration between IT, marketing, sales and service teams?
- 05 What steps can we take to ensure that our data management practices comply with regulatory requirements across different geographies and business lines?
- 06 How can we maximize the return from our investments in AI, analytics and data management technologies?
- 07 How scalable and flexible is our current data infrastructure to handle the growing volume and complexity of customer data?
- 08 What steps can we take now to ensure that our customer data strategy remains relevant and effective in the coming years?





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