PIWIK (PRO)

Customer data platforms vs. data management platforms



Customer data platforms vs. data management platforms: a detailed comparison

For many years, <u>data management platforms</u> (DMP) were one of the most useful tools in the MarTech and AdTech toolbox. It was the first technology that allowed advertisers and marketers to collect, classify and store valuable data from multiple sources such as web and mobile tags, API links to other tools and server-to-server integrations. DMP data could then be used to create audience segments, merge with demand-side platforms (DSP), side-supply platforms (SSP) and ad networks, or for sale to a third party.

However, in 2013 the arrival of customer data platforms (CDP) offered marketers a new way to manage user's details across the whole customer journey. CDPs have become a great alternative to DMPs. First, they connect data from numerous sources allowing you to create specific audiences, build precise user profiles and improve cross-channel marketing campaigns. Second, unlike DMPs that feed on third-party data, <u>CDPs</u> work primarily on <u>first-party data</u>, which allows organizations to comply with various privacy regulations. You can read more about it <u>here</u>.

We feel it's important to stress that, although CDPs and DMPs have some features and benefits in common, they are not the same. Each has different data sources, types of customer views and data retention settings, for example. Here is the full list of similarities and differences:

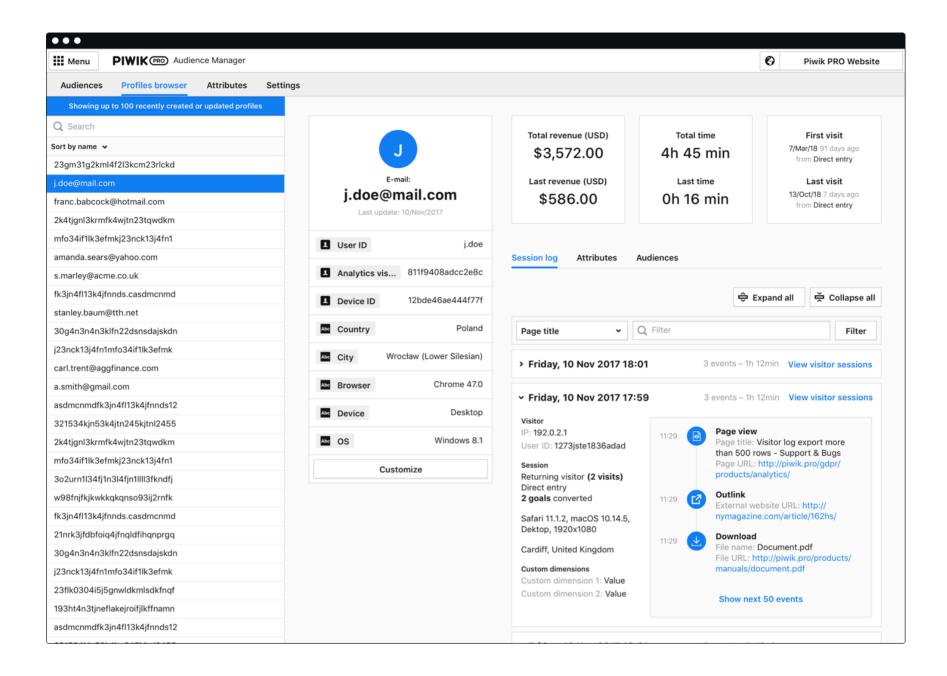
General	Customer data platforms	Data management platforms
Usage	Any task needing analysis and segmentation of customer data	Advertising
Source of data	Primarily 1st-party data + some 3rd-party data	Primarily 3rd party data + non-PII 1st party data*
Data ownership	Company	DMP or company using DMP
Customer view	Single customer view	Anonymous audiences
Customer journey map	Whole customer journey	Only some touchpoints
Data expiration	The data doesn't expire**	Lifetime of a cookie
User profile matching	Deterministic – precise (based on unique IDs: emails, phone numbers etc.)	Probabilistic – less accurate (based on algorithms)
Onboard online and offline data	Yes	Yes

Hosting options	Customer data platforms	Data management platforms
On-premises	Yes	Yes
Cloud	Yes	Yes

* It's possible to import 1st-party data & audiences to DMP. However, the data should go through an anonymization process (e.g. hashing, encryption, or generalization), to remove any personally identifiable information (PII), such as the customer's email, name, address, and date of birth.

** It depends on the company's policy.

User information	Customer data platforms	Data management platforms
Full name	~	×
Home address	~	×
Email	~	×
Date of birth	~	×
Phone number	~	×
Personal identications numbers	~	×
Photographic images	~	×
Log-in details	~	×
Country, state, city	~	~
Device IDs	~	~
IP address	~	~
Cookies	~	~
Browser type	~	~
Device type	~	~
Plug-in details	~	~
Language preference	~	~
Screen size	~	~
Custom segments	(more advanced segments)	(less advanced segments)





Get in touch to learn more about how a customer data platforms can help you integrate data and build precise customer profiles.

Request a demo

About Piwik PRO

Piwik PRO makes powerful, privacy-compliant analytics software and offers high-touch support, so customers can get the most out of their data. Piwik PRO Analytics Suite provides flexible data collection and reports in addition to consent management, tag management and a customer data platform. Analytics professionals from leading organizations, such as the Government of the Netherlands, Crédit Agricole and Greiner AG, optimize customer and user journeys with Piwik PRO.

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