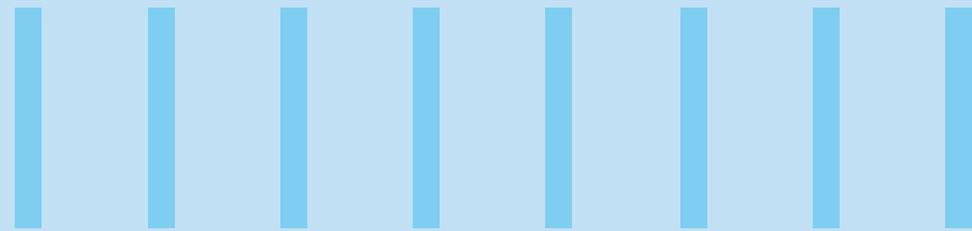




GOLDEN PROFILE - ENHANCED CUSTOMER EXPERIENCE WITH MDM

Generating customer insights by merging Master Data with Transactional & Behavioral Data



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Abstract

Data is the New Oil. Many organizations have already realized this and with the tremendous increase in the amount the data being generated, it becomes important for organizations to link all the relevant data of an individual customer. This enables the organization to harvest the data efficiently and generate the maximum value out of it.

To manage the data effectively and consolidate relevant records, we have Master Data Management (MDM). MDM links all the data that can uniquely help us identify one customer and creates a

Golden Record. In the Golden Record, some attributes may be from Data Source 1 while other attributes may be from Data Source 2, and sources of an attribute may even vary depending on the customer. The fields that are generally part of a Golden Record are non-transactional attributes. Examples include name, age, phone number, date of birth, any Personally Identifiable Information (PII) data like SSN, driving license number etc.

Creating a Golden Record is just the first step, the logical next step is to create a Golden Profile. If we start capturing

transactional and behavioral data and consolidate with Golden Record, we may understand our customer better. This unique profile, known as Golden Profile, is the future of Customer MDM. Golden Record builds the base for the Golden Profile, as Golden Record captures data around which transactional and behavioral data can be captured. This paper tries to compare these two related concepts and explain the differences and their individual utilities in the context of Customer data attributes.

Creating a single version of truth with Master Data Management

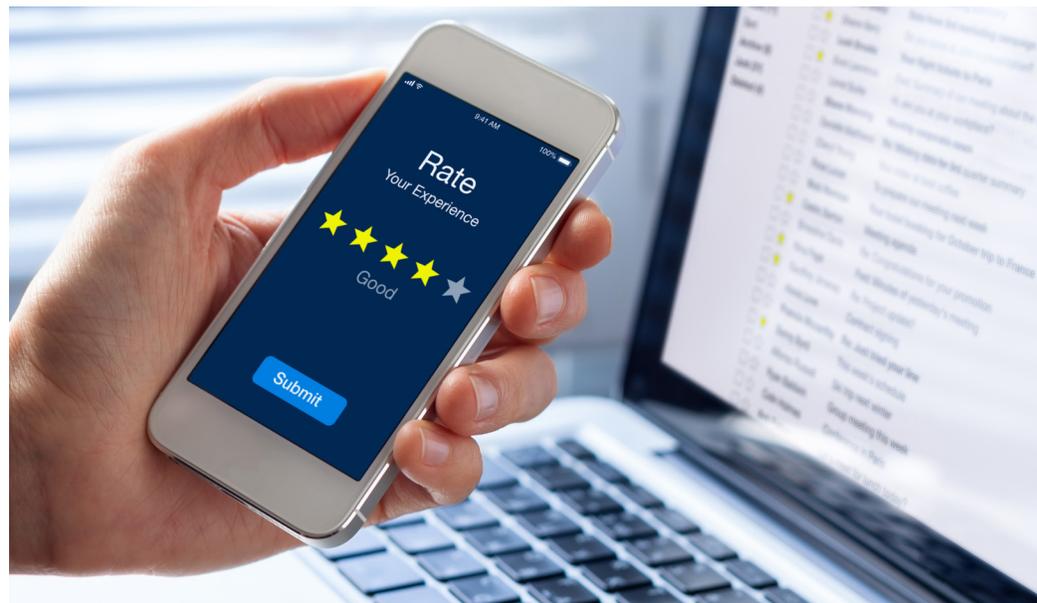
Master Data Management (MDM) helps organizations in creating a single version of truth for a customer's record. It not only improves the quality of service experienced by the customer but also reduces the storage related constraints that organizations generally face. The core of MDM is creating a Golden Record, also known as "Single Version of Truth". Initially, this used to be the core, but now as more data is being generated about the customers, their preferences, usage pattern, purchase pattern organizations have silos of data from which they are not deriving valuable insights which can help organizations serve the customers better. We might want to use this data to create a customized record for every customer, which is called Golden Profile. The Golden Profile helps us visualize a 360° view of the customer – a view across different Customer Lifecycle Stages for example Prospect, Onboarding, Sales, After Sales Service and Product Champion. The Golden profile will be unique for each customer. Along with the Golden record, it also contains additional inference/consolidation data points from transactional data like service history, buying & usage pattern etc.

By capturing this additional data and creating a Golden profile, along with help of technologies like AI/ ML, the organization can identify key customers (1).

This can improve organization's revenue by cross selling items or by charging premium in case the customer's service history record is not good compared to others.

Let us consider a scenario. Say, a customer travels to a tourist destination on every New year's eve and on one particular year, he hasn't booked any ticket. Once the Holiday Package Company has this information, they can follow up with him regarding his plans and pitch best offers. Additionally, let's say, the customer has given good reviews about their previous trip, then we can also offer him some discount or special deals, so that the customer is retained by the organization. There are many MDM and CDP tools that can help organization get detailed insights and suggestions based on Golden Profile.

Few of the MDM vendors, who can help organization build Golden profile are Informatica, Uniserv, Tibco, Ataccama, in fact, a different discipline and group of vendors has emerged. This discipline is called "Customer Data Platform" or "Multi-channel Marketing Hub". There are few Completely off the shelf Customer Data Platform tools like Salesforce customer 360°, Adobe real-time CDP platform, and Zeta marketing platform that support Golden Profile. These CDP initiatives are generally funded and generally even managed by the marketing department. MDM systems in contrast are owned and managed by Information Technology teams and serve different departments of the organization namely sales, marketing etc.



What is Golden Record and how to implement it:

Golden Record is a single version of truth about the customer's core data with the organization. If the customer ordered something online through the organization's eCommerce portal, the portal would collect information like name, phone number, address, zip code, email address. Assuming that the customer connects with the customer support to know about the product and provides his full name for instance, now the organization's system will have two different records with same phone number. If the organization has a MDM tool that can consolidate, cleanse, enrich, govern, and merge duplicate records, then they can create a Golden record for this customer and avoid overlap of and often conflicting information.

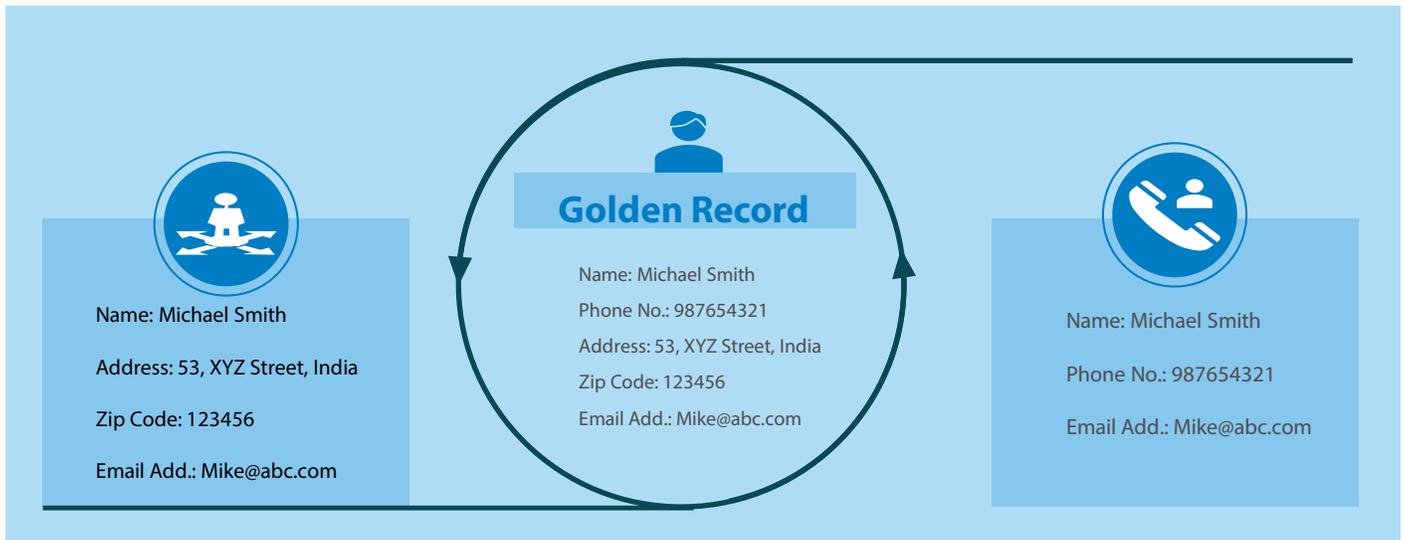


Figure 2: Creation of Golden Record

Once the concept of Golden Record is implemented throughout the customer data in the organization, they will have the information consolidated at a single place. This will help them avoid any double entries and duplicated data. This in turn leads to improved data accuracy and informed decision making. The Golden Record encompasses all the less dynamic data like Customer Name,

Customer Address, Customer Unique identifiers like Passport number, etc. from different databases of the organization. The Golden Record is created by the MDM tool based on match and merge rules, survivorship, and validation rules. A Golden record can help us identify a customer uniquely and contains updated information about the customer.

MDM Solutions in general and the Golden record concept in specific assist data compliance across the organization. Having a single source of truth, the organization can easily merge inputs from different sources and identify that the two customers in fact are same. This helps in aspects like money laundering identification and "Right to forget" scenarios where a customer requests to delete all her information from organization's database.



Golden Profile - Need of the Hour

Having understood the “Golden Record” construct, let us now understand what “Golden Profile” means.

Lot of time and effort is invested in developing an MDM System. The Return on Investment is accelerated when the Golden Record is shared across different systems and integrated with real time Data to get better insights. Golden Record needs to be linked to other systems and datasets like transactional/interaction/behavioral data to generate real business value (e.g., 360° view) to create the “Golden Profile” or “Customer 360° view”.

To understand better, we may break customer 360° into three parts of 120° each. The initial 120° is the one, that acts as an enabling step in creating the Golden Profile. The second 120° captures the customer’s transactional data and the third 120° captures the customer’s behavioral data. Once we have all the transactional and behavioral data, the organization can leverage this view for various use cases like designing curated promotions, selecting specific promotional platforms etc.

To conclude, a Golden Profile is a Master Profile that not only holds Master data but also holds the relevant transactional, interaction-based, and behavioral data. This ensures that if any data modification happens in a particular source, it is synchronized in all the linked sources thereby providing a continuous enrichment.

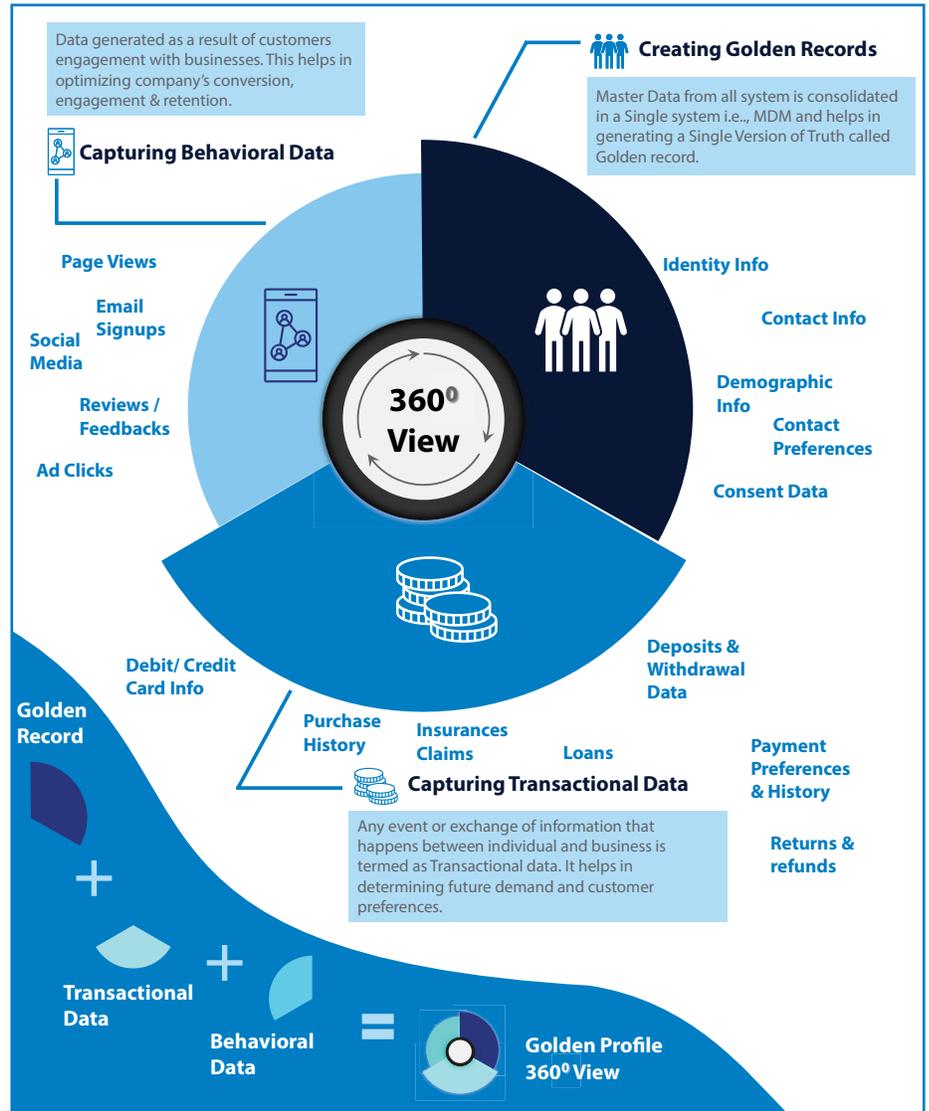
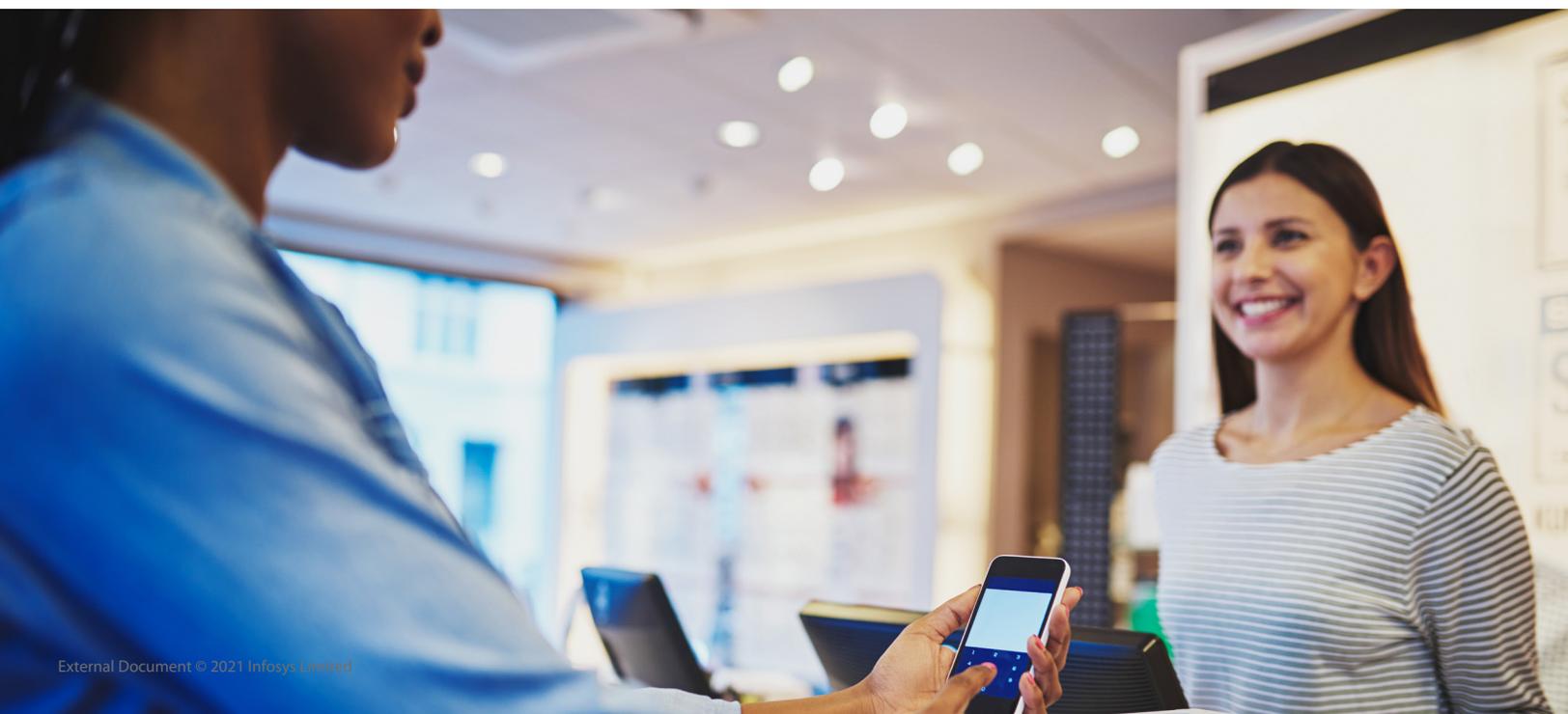


Figure 3: Golden Profile - 3600 View



A Customer Data Platform (CDP) also offers a similar proposition of creating Golden Profile. The focus is more on marketing campaigns and capturing customer data around how the customer responds to an online campaign (2). For instance, it uses browser cookies to collect data and matches data based on cookies. Similarly, a CRM solution, helps Sales Team having a unified view about the customer (2). Now when an MDM solution comes into picture, it can integrate with CRM solution and with MDM tool's exceptional Match

and Merge functionality, it can uniquely identify a customer and create a Golden Record. While creating a Golden Profile, we don't need to capture the transactional detail for every sale. Even if we capture the aggregate transaction done by customers with the organization, we can leverage that aggregated information to create a Golden Profile and see the Customer lifetime value.

Customer's Golden Profile will contain many PII and sensitive data. Therefore, complying with the data privacy laws

applicable in the region is of paramount importance in this. The platform that houses this data needs to be secured and perhaps encrypted, while adequate checks need to be in place to govern who gets to see this data. Various other concepts such as data masking or data anonymization are employed. While creating a Golden Profile and collecting behavioral data, organizations will need to take explicit consent from the users about the data being collected and be transparent on the how the data will be processed.

Data Privacy Aspect to be taken care of	
Security/Privacy Technique	Types of Customer Consent
<ul style="list-style-type: none"> • Data Encryption • Data Masking 	<ul style="list-style-type: none"> • Explicit Consent on data being collected • Explicit Consent on ways data is to be processed



Implementing Golden Profile

Having understood the “Golden Profile” construct, let us know how we can create a Golden Profile for customer.

In Retail enterprise, let’s say a customer purchases from multiple channels like

Brick & Mortar store, ecommerce, Tele sales channel. Generally, all these data are stored in multiple databases, that leads in duplication of data. The data is pulled out by an MDM solution and a Single

version of Truth, called Golden Record is created. Once Golden record is created, and behavioral and transactional data is captured along with the golden record we get a complete 360° view of the customer.

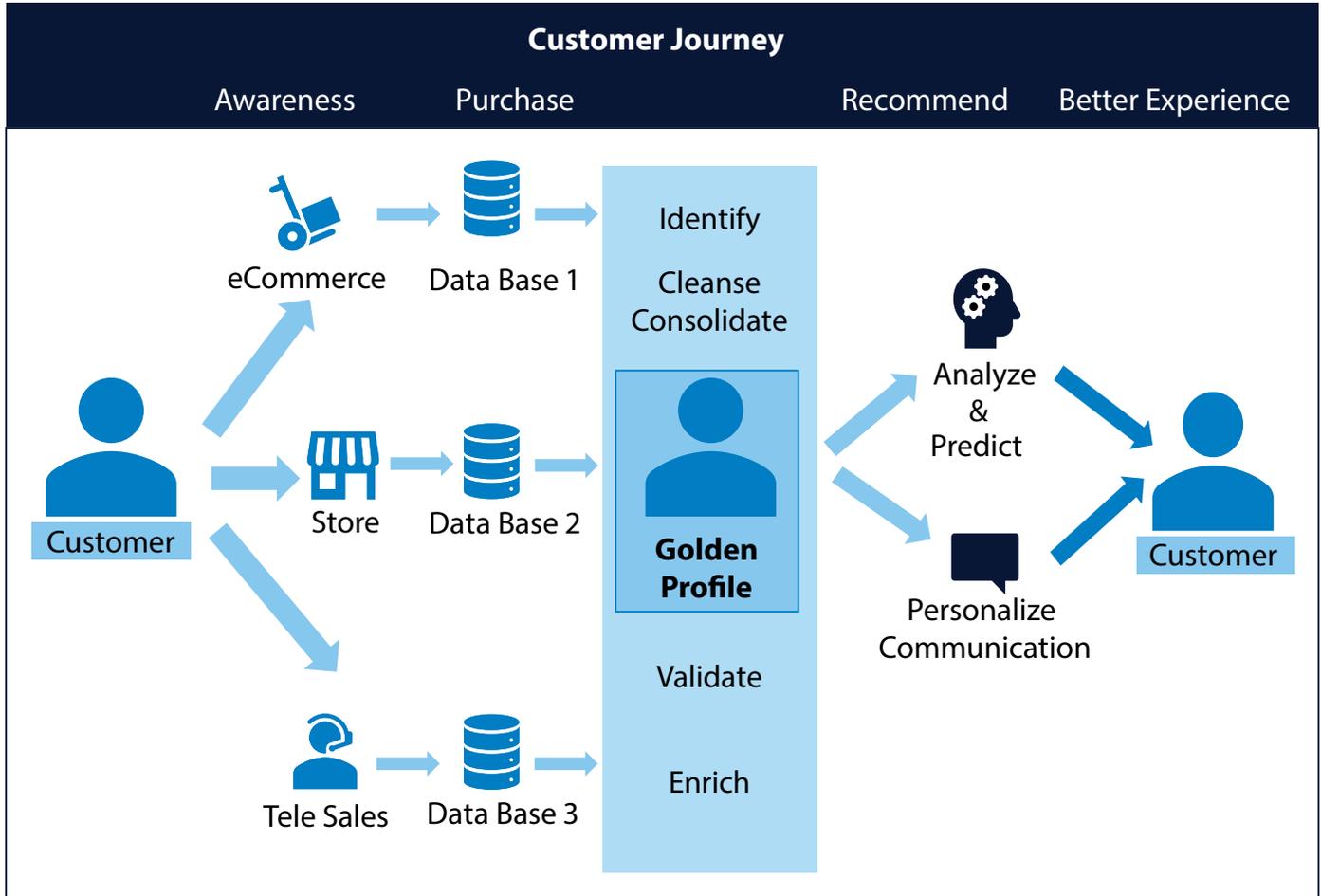


Figure 4: Golden Profile in Retail Industry

Based on Golden Profile, Companies can analyze and predict customer purchase pattern, their product likes and dislike and recommend better products. This will help companies in generating better Return on Investment for their marketing campaigns. Companies can also use to Golden Profile to personalize their marketing and communication based on customer interest. This will help in better customer engagement and customer retention.



Way Ahead

Creating Golden Profile may sound tedious, but this will help organizations in understanding their customer well and help the way customer interact with organization better. The organization that has a Legacy MDM will have this as an initial step for creation of Golden Profile, as Golden Record forms the initial 120° of Customer 360°.

As organization aim towards generating more revenue and having incurred huge investment in maintaining and storing data, harvesting data properly will generate a new revenue stream in some industries or can increase their existing revenue substantially. To harvest customer data properly, most of the organizations should maintain Golden Profile of their customers.



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