



WHITEPAPER

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## Escape the Hype Cycle

Ascent360 Leads With Results-Oriented Marketing

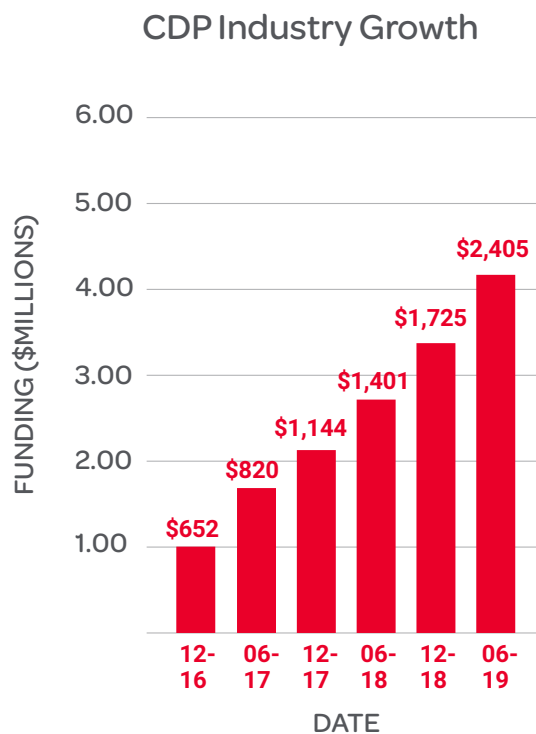
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If you're a customer data platform (CDP) vendor, you're probably feeling pretty good right now.

I hate to break it to you, but you shouldn't be. The CDP market has it all wrong.

Sure, the market is growing exponentially; 2019 has brought \$2.4 billion in funding and a projected Compound Annual Growth Rate of 29.3% until 2023. Over half of mid-market and enterprise firms have already adopted a CDP, and another one-third plan to do so.



New entrants are pouring into the market, with the number of vendors growing by 60% in 2018 alone. Major players such as Adobe and Oracle are now hopping on the

bandwagon, announcing CDP offerings after an initial reluctance to brand them as such. Salesforce, for example, called CDP "a passing fad" in 2018. By 2019, they were rolling out a platform of their own.

The hype is building – and that's the problem. As Gartner shows us, when hype goes too far up, it only has one place to go next: crashing back down.

### How Can CDPs Avoid ERP Hell?

Now, don't get me wrong, as the founder of Ascent360 and a pioneer in the CDP space, I'm excited about the industry's upward momentum. CDPs have the potential to provide incredible value through the integration of disparate data systems; a 360°-view of customers and prospects; and the ability to drive deeper relationships through personalized communications. But all that potential goes to waste when providers miss the mark on marketing and implementation.

Providers are falling into the classic Hype Cycle trap, and the Peak of Inflated Expectations is just around the corner. While more companies are adopting CDPs, most of their users either don't grasp the full range of capabilities or are overwhelmed by them; either way, they don't have the bandwidth to figure them out. This is especially true at mid-market companies, where staff are already overstretched.

The next thing you know, customers are under-utilizing the platforms, getting di-



“ CDPs give marketers access to previously unavailable data and insights. But what matters most are the results that come from the actions they take.

- Scott Buelter, CEO and President

minishing returns on investment, abandoning their systems altogether – and the market is charging full-speed toward the Trough of Disillusionment.

Don't believe me? Look at the enterprise resource planning (ERP) market, which serves as a cautionary tale. ERP solutions can help users aggregate data from multiple systems, simplify complex processes and better serve customers. But the systems themselves are so complicated and costly, they often create more problems than they solve.

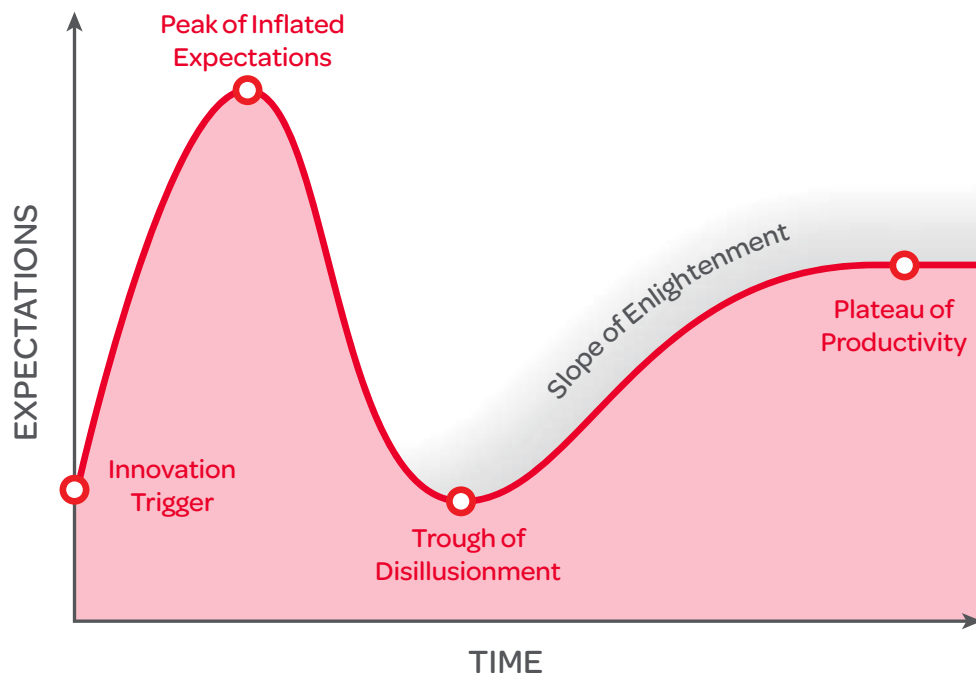
An astonishing 60% of ERP implementations fail, and even when they do work, 80% of customers are unhappy with the results. Shockingly, almost all of these implementations (90%) fail to deliver a measurable return on investment (ROI). Problems are so common, the term “ERP hell” has become a catchphrase. And the real-world examples are truly the stuff of nightmares: Implementations that were supposed to be six months stretch into years. Budgets balloon way past projections and out of control.

What's more, the many customizations that are touted as a benefit of ERP systems contribute to both time and cost overruns – and may not even be supported over the life of the product. Nike, Hershey's Chocolate and Hewlett-Packard are now-infamous examples of ERP implementation disasters that cost the companies hundreds of millions in losses.

This is the bleak future the CDP market is facing if we don't change our approach. Early success and market need has led CDP providers to focus on features and functionality such as artificial intelligence, predictive analytics and journey mapping – capabilities that have the potential to be game-changers, but don't quite live up to the hype. Instead, they come with a complex setup and costly monitoring and adjustment periods, leading to eerily ERP-reminiscent scenarios.

### A Results-First Approach

The hard truth is that CDP vendors are doing it wrong. A feature-focused approach will only amplify customer confusion and



narrow their focus. At Ascent360, we did some soul searching and realized we needed a radically different framework: one that leads with results.

## Our data-driven marketing engine radically simplifies the client experience.

Our data-driven marketing engine radically simplifies the client experience. It offers solutions, instead of giving clients a new problem to solve in the form of complex capabilities. Rather than piling another massive project onto already time-strapped mid-market companies, we take the work off their hands, handling the heavy lifting of implementation and data integration so they only see results.

We're not just another software provider peddling a checklist of capabilities to justify the value of our product. Instead, we partner with our clients to create tailored strategies and deliver results, enabling "plays" that leverage their strengths, the Ascent360 platform and our in-house expertise.

A play represents an automated or ad-hoc marketing campaign that aligns with a specific strategy and goal and delivers a clear outcome. Plays can include repurchase campaigns; re-engaging lapsed customers; reaching indirect-channel customers more directly; and tailoring promotions based on demographics, interest and location. These deliver outcomes such as increased engagement, conversions and net new revenue.

Best of all, for the client, this happens like magic – without them suffering the minutiae of project management, endless customizations and confusing tech specs.

That frees them to focus on implementing our strategies and better serving their customers.

But don't take our word for it. Here's how Ascent360 helped client Mike's Bikes score a 10x return on their investment with us:

### Mike's Bikes: Three plays to 10x ROI

Our results-based approach begins with a strategy session between the client and our dedicated Success Team. Drawing from our playbook of best practices and expertise, we'll identify three key plays with the greatest opportunity to impact revenue – then execute on them. After a 60-day setup window, clients start seeing results that roll in all year long.

For Mike's Bikes, a California-based bicycle retailer, our three chosen plays produced a nearly \$330,000 return on their investment within one year of implementation:



### #1: THE REPURCHASE PLAY

This automated email campaign draws upon creative content and powerful customer data to drive repeat purchases. By combining transaction data from Mike's Bikes customers with profile data aggre-

gated in the Ascent360 CDP, we sent the right campaigns to the right people at the right time. Returns from this play alone exceeded \$200,000!

### #2: THE WELCOME PLAY

This foundational play leveraged email sign-ups from the Mike's Bikes newsletter, website and in-store lists to create a series of tailored welcome emails for new enrollees. Using customer profile data from Ascent360, we created "smart" email streams, offering custom promotions based on their cycling interests. This play saw solid 12 month and ongoing revenue returns.

### #3: THE TRADE-IN PLAY

Mike's Bikes offers a unique trade-in program, offering a discount to buyers who trade in their previously purchased kids' bike for a larger one. All trade-in bikes are donated to a program in Africa, helping those in need while saving the customer money. This personalized campaign grows along with young riders, sending automated emails each year after purchase with discounts on bicycles tailored to the child's age: from toddler scooters to training wheels to big-kid bikes and adult models. This play has produced nearly \$85,000 in returns.

These three plays alone — not counting our additional marketing efforts — drove a combined total of \$330,000 in revenue over 12 months, far exceeding the cost of the client's investment in the Ascent360 CDP and services.

### Escape the Hype Cycle

While others are inflating expectations, Ascent360 is surpassing them. And what's right for our clients is what's right for the industry. Marketers at agile, mid-market companies care about the end results, and that's what we lead with.

By focusing on data-driven outcomes, we'll actually deliver on the CDP market's promises of unified customer data; personalized communications; simplified omnichannel marketing; and time- and cost-savings. These goals are only lofty without an effective approach to implement them.

At Ascent360, we're putting solutions first — escaping the Hype Cycle and heading straight for that sweet Plateau of Productivity. Who's with us?



At Ascent360 we're putting results first. We'd love to talk with you about our proven data driven marketing approaches. Let us know if we can provide a free consultation and estimation of the potential impact we can make for you!