Lytics Decision Engine has historically been a powerful real-time CDP; however, its implementation required pre-planning for data feeds and data mapping – introducing significant friction to use cases. The Lytics Cloud Connect solution offers the same user-friendly UI and a powerful suite of integrations, in a more flexible reverse ETL format.

The Cloud Connect Playbook

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I. Background

Lytics has introduced a free product called Cloud Connect to unlock the power of 1ˢᵗ party data that often lives inside cloud data warehouses. Commonly, valuable customer data sits out of reach of marketers and customer acquisition teams. This data is secured in solutions like Google BigQuery or Snowflake, inaccessible to addressable ad platform targeting such as Google Customer Match, Facebook Custom Audiences, and similar products for LinkedIn, Twitter, Snap, TikTok, etc. Marketers and acquisition teams must now rely on their 1ˢᵗ party data to replace the eroding efficacy of third party data in ad targeting.

Customer Data Platforms, or CDPs, have tried to solve this issue for the last 7-8 years; however, onboarding to a CDP is often cumbersome. Time to value can range from within the first quarter following implementation kickoff to a multi-year effort. Furthermore, many CDPs have forced companies to replicate all, or major parts of, their entire data model in another solution – introducing a major cost and information security concern. For many companies, this was a pain point; however, the CDPs tended to have user-friendly UIs, as well as a robust set of integrations – particularly among the addressable ad platforms.

If your company has already onboarded a CDP with robust connections to the addressable landscape, then you are ahead of most. However, if you're looking for a relatively frictionless way to get started, consider the Lytics Cloud Connect free product. The following is the Actable guide to getting started to a solution that is:

1. Free from incremental software cost.
2. Unleashes existing data from your cloud data warehouse.
3. Connects audiences powered by 1ˢᵗ party data seamlessly to all major addressable ad platforms.
4. Can ingest valuable data science from internal or external sources.
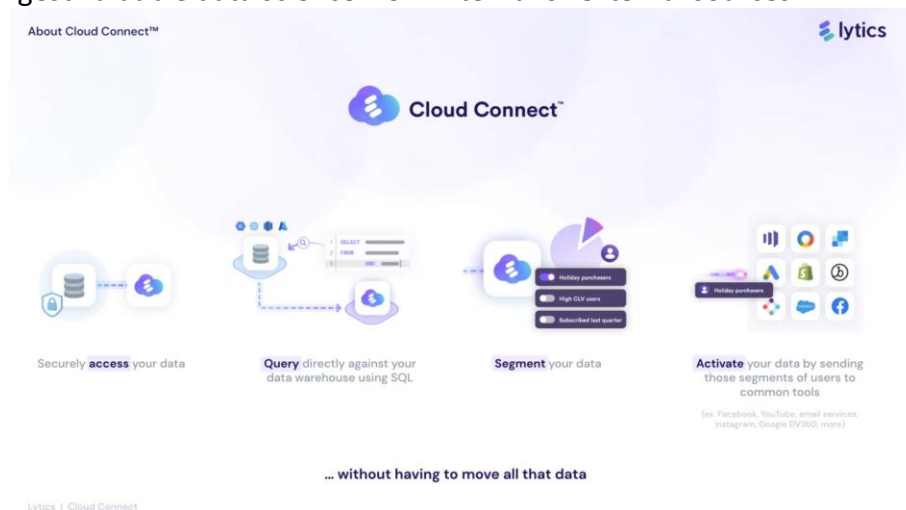
If you're interested in learning more, talk to Actable – a Customer Data Accelerator with deep expertise in the Lytics Cloud Connect and Decision Engine products.

II.   Connecting Your Data

A.   You Have An Existing Cloud Data Warehouse

If you have an existing cloud data warehouse with valuable first party data in it, you can generally connect this directly to Lytics Cloud Connect. Common integrations include:

- Google Big Query
- Snowflake
- Amazon Redshift
- Microsoft Azure
- DataBricks is coming soon

Generally, you will need to supply your own identifier with Cloud Connect. Please be sure the data you connect to Lytics has a stable user identifier that can generally be accepted by the addressable ad platforms and connected email service providers. Most commonly, this is one or more of the following:

- Email address (plain text)
- SHA256 Email Address
- MD5 Email Address
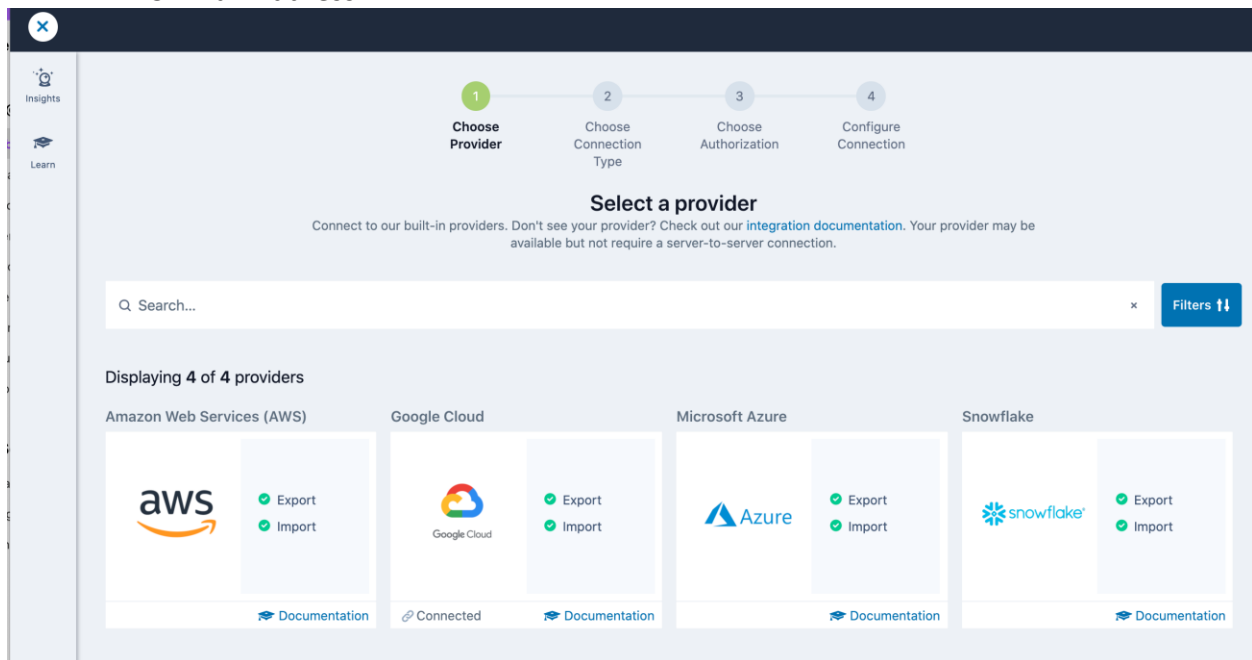
B.   You Need to Build A First Party Data Warehouse

If you are just starting out or do not have an existing cloud data warehouse, you can build one quickly. External parties can build out the environment and with the necessary data feeds for as little as $25k - $75k, and this data can power much more than Cloud Connect – powerful data visualizations, custom insights, and custom predictive all can become unlocked with a modern, cloud-enabled data warehouse. Talk to Actable for more.

III. Building Audiences
A. Using SQL

In Cloud Connect, the audience creation is done using SQL statements. What is returned is the users who meet this statement, by the audience identifier. This is a two-column output: user identifier | binary value for audience membership

Note, the new fields you reference in the SQL do **NOT** get saved as user fields. This means that users familiar with the Lytics Decisions Engine cannot use data points for personalization or other utilization in downstream tools.

B. Sample Data Attributes Actable Recommends

Cloud Connect users can write simple SQL statements to extract powerful audience data seamlessly into auto-updating audiences. Examples of data with good predictive value:

- Number of purchases
- Lifetime spend
- Number of purchases within last x days
- Spend within last X days
- Number of email opens / clicks
- Number of email opens / clicks within last x days
- Number of site visits
- Number of site visits within last x days
- Cross-channel shopping behavior
- Products & categories purchased

IV.   Your First Use Cases

The point of Lytics Cloud Connect is rapid access and deployment of first party data assets to connected marketing channels. The first, easiest, most profitable low hanging fruit is almost inevitably ads use cases:

A.   Use Case 1: Send All Customers to Ad Platforms for Suppression

Why would you want to throw valuable acquisition dollars on a wasteful audience of existing customers? The answer, you don't. But your teams are probably doing this today (almost everyone is) because they don't have a good source for this audience. With Lytics, you can send all customers to Facebook, Google, Yahoo!, LinkedIn and others for suppression from lead generating advertising.

Effort	Impact	Developer Required
Low	Medium	No

Building the Audience

The key to building the right audience is to include all the customers and / or free subscribers you would not want to spend money on. Be sure to suppress active customers on all products from acquisition-related spend. This will give the most comprehensive set of customers to limit from targeting.

Export a Continuously Updated File

Export these audiences to the key ad platforms:
- Google
- Facebook
- Yahoo Ads
- LinkedIn
- LiveRamp
- Snap
- TikTok
- Unified ID 2.0

Build Suppression in Your Ad Campaigns

And then create suppression lists in your ad campaigns. Help docs, where available, below:
- Facebook Help Doc
- Google Help Doc

B. Use Case 2: Build Lookalikes of Your Best Customers

If you're using lookalikes of your customer file as a targeting audience, it's likely already the best performing audience in your ad campaigns. Have you heard of the Pareto or 80/20 Rule? 80% of your revenue comes from 20% of your customers. For most companies, it's more like 90/10. If you can build lookalikes off your absolute best customers, you'll help Google, Facebook, and other addressable channels to identify the absolute best audiences for your advertising.

Effort	Impact	Developer Required
Low	High	No

Building the audience
In order to help train the big ad platforms as to who your best users are, send the audience over that most resembles your goal audience. For most advertisers, this is likely to be people with a high LTV or multiple high value purchases.

You'll note that many companies have several ways to determine high LTV, so feel free to customize to your specific requirements. The important concept is that you should be targeting lookalikes of your best customers, not lookalikes of all customers.

Build Lookalikes in Your Campaigns:
- Build a lookalike in Facebook
- Create similar audiences in Google Ads

C. Use Case 3 & Beyond

Talk to the experts at Actable about a customized use case workshop. We can cater our solution to your specific business circumstances. We have worked with dozens of organizations on CDP use cases, and Actable's expertise spans ads, email, site personalization, in-app messaging, direct mail, and more.

V.   Connecting Data Science

For clients with robust data science scores and custom predictive built into their data warehouse, Cloud Connect seamlessly brings those scores online to be connected with key ad and other outbound channels. However, Cloud Connect does not offer robust data science capabilities otherwise native to the Lytics Decision Engine.

A.   Actable Predictive Suite

If your team is using a cloud data warehouse and does not have custom predictive, talk to Actable about our Predictive Suite. This predictive suite powers the following models today:

- Propensity
- Churn
- Product Recommendations
- *LTV (Coming soon)*

These scores update daily, and the Actable team has deep experience helping organizations deploy these scores in marketing contexts. These scores can be used natively in Cloud Connect audiences in advertising and owned-channel use cases.

	1. Purchase Propensity	2. Churn	3. Product Recommendation
MODEL PURPOSE	Predict likelihood a user will take an action based on past transactions and/or product and content engagements: 1. Purchase 2. Subscription (premium>free)	Determine likelihood of individual customer churn via digital interactions and transaction activity	Create relevant product recommendations for existing customers based on purchase history and relationships between entire product catalog
KEY BENEFITS	· Increase LTV/product upselling · Enhanced Segmentation · Look-alike modeling of highest value customers · Targeted offers & new product launches · Improve site personalization	· Enhanced Segmentation · Lower CAC · Customer retention · Pre-identify lapsed customers	· Increase LTV & product upselling · Drive retention and loyalty · Improve site personalization · Targeted offers · Enhanced Segmentation
CUSTOMER TYPES	*Primary* · D2C · Travel & Retail (eCommerce) *Secondary* · Financial Services · Subscription Services	*Primary* · Subscription Services · Financial Services *Secondary* · D2C · Travel & Retail (eCommerce)	*Primary* · D2C · Retail (eCommerce) *Secondary* · Subscription Services with large catalog · Financial Services

B.   Custom Data Science

If the specific needs of your business require customization, Actable can also develop custom predictive models that score the data that lives in client data warehouses. These models can be deployed using the same scoring service as our predictive suite and add an additional layer of customization.

VI.   The Team

The team responsible for configuring Cloud Connect is much simpler than a typical CDP implementation. However, at a minimum, three roles are still absolutely required:

- Data Administrator – who provisions access to the data environment.
- Analyst – who builds audiences & knows the data model.
- Marketers – who target the audiences with ads, emails, and other personalized communications.

If one or more of these roles is missing from your available resources, talk to Actable. Actable brings a cross-functional team out of the box with deep expertise in Cloud Connect and the Lytics Decision Engine. Actable can act as an accelerator to get your team started on Cloud Connect to hand-off or to operate on an ongoing basis.

A.   Data Administrator

Lytics Cloud Connect does not store data; however, typically first party data is tightly governed and controlled by a limited set of users. The users entrusted with this responsibility must authorize Lytics Cloud Connect to run queries against the client data sets. This user may also serve as the analyst, but this is less common at large organizations.

B.   Analyst

Lytics Cloud Connect Requires a level of SQL expertise. The end user of Cloud Connect will need to write SQL in order to build audiences from 1st party data sets. While this lacks the friendly UI that users familiar with the Lytics Decision Engine might be familiar with, it offers a ton of flexibility to achieve some use cases not possible without relational joins.

C.   Marketer

While some marketers may be able to write SQL and perform the analyst task above, more commonly Marketers will be tasked with acquiring and engaging customers. Lytics Cloud Connect audiences can power countless ad activations and personalized messages across channels. Marketers should work to achieve use cases 1 & 2 listed above, as well as other use cases not possible before gaining access to a treasure trove of first party data.

VII.   Reporting on Success

All activations should be built to track success. Utilizing UTM parameters or other query-string parameters and noting if Lytics Cloud Connect audiences were used will allow for ROI analysis. Sending the audiences used for marketing activation to Google BigQuery (or other data storage products) is another way to track performance. See below for more detail.

A. The Key Metric

Customer Data Platform program success attribution is usually measured by progress in one or more of three areas:

- ROI
- Internal Efficiencies
- New Capabilities

Most companies – regardless of the role of their key program owner – would say that ROI on their CDP is the key reason for investment in a platform. Marketing Executive Stakeholders disproportionately indicate that this is the key metric for success. However, few companies have thought through how, on a tactical level, they will measure ROI on a marketing technology investment.

Actable prescribes its best practices for program measurement using a few key concepts:

1. Taxonomy of Campaign Nomenclature
2. Query String Parameter Tagging
3. User-level Data Exports

These are staples of companies with strong marketing operations. Cloud Connect users must be stewards of tactical marketing operations in order to measure program ROI.

1. Campaign Nomenclature

This sounds tactical, and it is. Campaigns must have a sensible nomenclature to determine how the CDP contributed to them. For many clients, they use their typical campaign naming taxonomy and append an easy identifier like "_lytics" or "_cdp." The value of this simple but organizationally challenging practice is that CDP-driven campaigns can easily be identified and compared against business as usual practices. Most organizations lack this simple discipline, but it will make reporting on the ROI much easier. The Reporting in Channel Tools section gets more specific about this.

2. Query String Parameter Tagging

The Cloud Connect user team should be familiar with basic appending of tracking tools such as Google's UTM framework. This simple framework allows the tracking of clicks on marketing campaigns in Google Analytics to work seamlessly. It works out of the box in Google Ads, but doesn't necessarily happen automatically for email tools such as Salesforce Marketing Cloud and Facebook driven campaigns. Whenever possible, clients must work with their stakeholders and groups in charge of spending ad dollars and sending email messages to ensure that adequate tracking is in place.

B.	Reporting in Channel Tools

1.	Email Tools Such As Salesforce Marketing Cloud

Salesforce Marketing Cloud has basic out of the box reporting that includes detailed reporting for all campaigns.
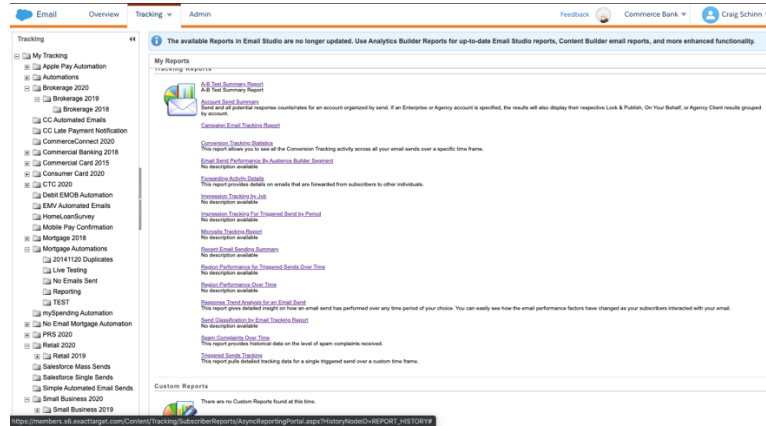
This type of advanced reporting will work well assuming the stakeholders are adherent to strong marketing operations principles around campaign nomenclature. Additionally, clicks from a well-tracked email will appear natively in Google Analytics. However, many ESPs can give much richer reporting on the email channel (Opens, Clicks, Unsubscribes, etc.) if desired.

2.	Facebook

The configuration of "Ad Account > Campaigns > Ad Sets > Ads" in Facebook is largely arbitrary to the business who sets up the account. However, Actable prescribes that there is some definitive tracking for Lytics-driven campaigns regardless of the number of Facebook Ad Accounts authorized in an account.

In an ideal world, the audience targeted for an ad would be exportable from Facebook. Facebook has at times allowed and later deprecated audience-level reporting exports from its UI. Clients should not rely upon Facebook for consistency of features, as the Facebook Ads Manager and functionality change very frequently. Thus, we have recommendations to work around this inconsistency.

Typically, we see clients creating "Ad Sets" to build transparency around Lytics audiences. For example, the advertiser might have an ad set that uses business-as-usual practices, and then the advertiser should add an analogous Ad Set that appends "_lytics" or includes a clear call-out in the name itself as well as the UTM parameters. This will enable for much easier filtering and comparisons in the reports themselves. For example, this Actable client uses "LL" for naming campaigns to call out separately, as well as tracking params in their internal systems:

3. Google Ads

Campaigns running in Google follow largely the same prescriptive advice as Facebook. Use strong nomenclature – especially since Google automates UTM parameter tracking by default. Then, Lytics-driven campaigns will be more easily searchable and comparable in Google Ads and Google Analytics.

One note about Google Ads. Generally, Lytics Audiences work best in the following placements:
- Google Search (Customer Match)
- Gmail
- YouTube

C. User-level Data Exports

Savvy clients should perform holdouts for cross-channel campaigns. User level exports create visibility into these segments to ensure that test & control are statistically equivalent. Furthermore, the audience segments in control & holdout can be compared easily in user-level exports to analytics environments. Here's a blinded example from another client:
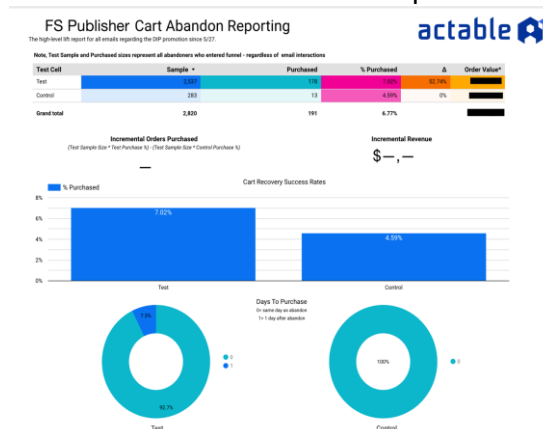
VIII. Other Best Practices

A.   Audience & Campaign Taxonomy

With a proper configuration of "building blocks," key audiences can be combined with Boolean AND/OR, INCLUDE/EXCLUDE logic to create hundreds of combinations. This will spare new members of the Lytics Cloud Connect user group and other Lytics users the tremendous burden of learning the ins and outs of the client data model.

Below are examples of building blocks you can create as a foundation:
- Engagement
    - Last / First Active Time Frames
    - Engagement Score (High, Medium, Low)
- Products
    - An audience for each LOB, each LOB's product, and possible category rollups
- Consent/Compliance
    - Flag values for opt-ins & opt-outs
- Lifetime Value
    - Spend Thresholds
    - Customer Tiering

Having these building block rules in 1 audience will also aid with version control. If any of the definitions or fields change, you will just need to update the rule in the single building block audience. Doing so will update in all the audiences the building block audience is referenced. Existing audiences in Lytics can be easily edited and duplicated.

A data dictionary should be established for all "building blocks" and a peer review must validate that the building blocks were entered correctly.

B.   Audience Naming Conventions

As of the time of release of the Lytics Cloud Connect product, there are no folder or organization options in Lytics for audiences. Starting a naming convention/format will make searching and browsing through audiences easier. Beyond the name, in Lytics you can also add a description (that is searchable) for each audience. Adding the author, channels, and function of the audience can be useful in the description.

C.   Communication & Usage

As you build the audiences, there will be 3 key documents that will help with Lytics audience management:

1.   Data Dictionary

o   A Data Dictionary is recommended. This Dictionary will be unique to audiences your Lytics Cloud Connect account. Pending new fields and new integrations, this file will need to be updated as changes go into Lytics Cloud Connect.

2.   Audience Catalogue (optional)

o   Keep a list of audiences outside of Lytics in Excel or Google Sheets. Lytics' APIs can be used to pull a list of all audiences after implementation is done and ongoing at a certain cadence (monthly, quarterly, etc.). This can also be used to clean/delete audiences.

3.   Intake Request Form

o   If the Lytics Cloud Connect user is supporting multiple internal stakeholders, create a standardized intake form for tracking usage, testing, and audience creation.