

KEY DIFFERENCES BETWEEN CDPs AND DMPs

Customer data platforms (CDPs) and data management platforms (DMPs) are often compared to one another because of what they do, how they do it, and who they're designed to help. While they are certainly similar, it's the small differences between them that drastically change which is best for your needs. Here's a look at the key areas where they differ.

1. USE CASES



CDP

CDPs support multi-channel marketing initiatives, and are designed to be used by marketers, IT teams, finance teams, and more. They connect with a variety of "take-action" systems, such as CRM platforms, and feature tools to analyze, segment, and store the data brought in from these systems in a single location.

DMP

DMPs provide a centralized location (essentially a warehouse) for marketers to access and manage advertising data, such as mobile identifiers and cookie IDs, that can then be used to create targeted customers audiences. Like CDPs, DMPs are able to take in data from multiple sources.

2. DATA TYPES



CDP

CDPs collect and store first- and third-party data from integrated systems to create custom audience segments in real-time. This data includes personally identifiable information (like names, postal addresses, email addresses, etc.) and anonymous information (like cookie data or IP addresses).

DMP

DMPs mainly collect and store third-party data (like cookie data or IP addresses) to create customer audience segments based on pre-defined parameters. Any first- or second-party data that is collected by DMPs is hashed and anonymized before it gets stored in the system.

3. PROFILE IDENTIFIER



CDP

CDPs are able to securely collect personally identifiable information as well as data on both online and offline interactions between businesses and customers. All of this information is then matched to a single customer profile, thus providing a consistent customer identity.

DMP

DMPs primarily leverage only non-personally identifiable information, and this anonymous data is what constitutes profiles. If the system recognizes a repeat piece of data (such as a cookie ID), it and all associated information will be merged into one record.

4. DATA RETENTION



CDP

All customer data collected by a CDP gets tied to a single profile that does not expire. This helps to better inform future interactions by leveraging specific customer history.

DMP

Profiles stored in DMPs will always expire because of legal limitations surrounding the information collected. This lifespan is typically 90 days or less.