

Enhance the customer  
experience and build  
stronger digital marketing  
strategies with a  
**Dynamics 365 Customer  
Insights practice**



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## Customers expect a personalized experience, but marketing strategies fall short

It's no secret that today's consumer has different expectations than just a decade ago. A personalized experience is now the norm. In fact, 76 percent of consumers will keep shopping with a brand that offers a quality customer experience, while 80 percent will spend more money with a brand that delivers a standout experience<sup>1</sup>, according to The Customer Experience Index from Forrester. In addition, 87 percent will recommend a brand when they feel appreciated<sup>2</sup>.

Yet despite this shift in consumer expectations, many marketing departments fail to deliver a personalized experience across channels. In a survey of U.S. consumers, 54 percent said the customer experience at most companies needs improvement, and 32 percent of all customers would stop doing business with a brand they loved after just one bad experience<sup>3</sup>. According to a Gartner survey, brands risk losing 38 percent of customers because of poor marketing personalization efforts<sup>4</sup>.

So what's preventing businesses from delivering personalized experiences? In many cases, it's the lack of a cohesive marketing data strategy. More than a quarter—27 percent—of marketers say data is the key obstacle to personalization<sup>5</sup>. But collecting data is no longer the issue. The challenge is figuring out how to make it useful. Based on one Gartner study, 92 percent of organizations collected customer data, but on average, only 23 percent put it to use<sup>6</sup>. While many firms may have invested in personalization, Gartner predicts 80 percent of these marketers will abandon their efforts due to a "lack of ROI, the perils of customer data management, or both<sup>7</sup>."

### Chipotle drives personalized connections during COVID-19

Using Dynamics 365 Customer Insights, Chipotle standardized all its customer data then leveraged AI-driven insights to create personalized experiences during COVID-19. The 360-degree view of customers enabled personalized advertising on social media to boost contactless engagement.



[See more >>](#)

## The customer data challenge

Many organizations have collected large volumes of data but later realize it doesn't help drive their objectives nor provide better services to their customers. Others are still stuck in outdated methods, processes, and technologies for sourcing and managing customer data, or are stuck with siloed data that makes it impossible to truly see the customer. As data-savvy competitors offer the personalized experiences that customers expect, the pressure is on to tap into customer insights.

According to a Customer Data Platform Institute poll<sup>8</sup>:

- 74 percent of organizations do not currently have a unified, single view of their customer data
- 52 percent of organizations say the top obstacle to using customer data is the inability to unify it
- 43 percent say their inability to extract data from source systems is a key challenge

Worldwide, businesses are investing in customer data platforms (CDP) to unite siloed customer data and unlock real-time insights around customer behavior. Organizations that harness customer insights outperform competitors by 85 percent in sales growth and more than 25 percent in gross margins, according to a McKinsey survey<sup>9</sup>. With such clear benefits, the need for CDP has caught fire. The CDP market is estimated at \$2.4 billion today and projected to grow at a compound annual growth rate of 34 percent, reaching \$10.3 billion by 2025<sup>10</sup>.

## CDP vs CRM and MDM

A customer relationship management (CRM) tool is primarily used to track and manage first-party customer information such as preferences and transactions. Whereas a master data management (MDM) solution provides data consolidation enterprise-wide for more consistent data quality.

CDPs, on the other hand, support marketing-centric use cases by combining multiple data sources, including CRMs, then matching and merging information to deliver a full 360-degree view of each customer. CDPs also have the ability to layer on artificial intelligence (AI) and machine learning (ML) to extract insights and generate predictive analytics for more tailored customer engagement.

CDPs can ingest and unify customer data from internal and external systems, as well as third-party subscriptions to create a more complete picture of customers. These platforms are used to resolve customer identities, unify customer profiles, and take action on key performance indicators (KPI).

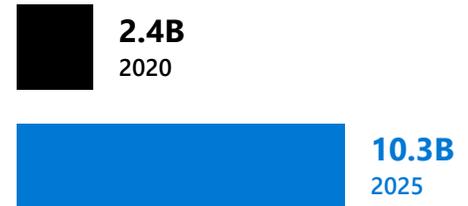
### Tivoli unites siloed customer data for full picture of guests

With customer data siloed across a digital self-service system, visitor logs, a loyal database, and various surveys, Tivoli Gardens struggled to access deeper insights on its guests and improve the in-person experience. With Dynamics 365 Customer Insights, Tivoli unified visitor data which led to more personalized communications, tailored customer service, and reduced churn.



[See more >>](#)

The CDP market is projected to grow at a 34% CAGR



"A customer data platform is packaged software that creates a persistent, unified customer database that is accessible to other systems."

—The CDP Institute

## Meet Customer Insights—the Microsoft CDP

In 2019, Microsoft released Dynamics 365 Customer Insights (CI), the fastest growing D365 application ever—with 600+ deployments in the 2020 pipeline and 100 percent year-over-year revenue growth for fiscal year 2021.

As a standalone SaaS application, CI delivers a 360-degree view of customers by unifying customer data across a variety of sources and unlocking insights through AI. It's designed to serve a wide range of organizations throughout different industries by enabling a cohesive marketing strategy grounded in unified data. Organizations can obtain a truly complete view of each customer across channels by merging internal and external data sources, such as CRMs like Salesforce and Dynamics, website visits, in-store transactions, online purchases, surveys, loyalty programs, customer service encounters, and social media interactions.

### How Customer Insights works

CI automates the orchestration of customer data across sources. It standardizes values then automatically maps, matches, and merges records into one comprehensive profile for each customer. With accessible, persistent, and up-to-date customer data, marketing, sales, and service departments have a single source of truth for a coordinated digital strategy. Azure-based ML can be applied to derive predictive insights that enable more personalized customer experiences. Through CI, organizations can light up cross-business scenarios with other D365 or third-party applications to optimize customer engagement across all channels.

#### CI differentiators:

- **Designed for business users** as an intuitive SaaS application, delivering faster time to value with minimal training
- **Seamless integration** with Dynamics 365, Power Platform, Microsoft Teams, and third-party applications through rich REST APIs
- **Enriched profiles** that leverage audience intelligence from Microsoft Graph and third-party sources
- **AI-driven insights** from out-of-the-box and custom models
- **Data ownership** with data stored in Azure Data Lake that meets strict compliance and security standards
- **Built for any industry** and flexible enough to carry out both B2B and B2C use cases
- **Hyper-scale data platform** that ingests data at petabyte scale
- **Can be sold and installed quickly** for a faster sales cycle

# The Customer Insights opportunity—grow deals 5–7X with services

For Microsoft partners, CI represents an opportunity to deliver the foundation for a connected, digital marketing strategy so organizations can personalize and improve their customer engagement across all channels. CI acts as a launchpad for partners to sell additional services—representing a 7X opportunity from a \$7-to-\$1 services-revenue-to-licensing ratio, according to a Total Economic Impact Study from Forrester<sup>1</sup>.

Looking beyond the initial implementation of CI, partners can help customers achieve their digital marketing objectives by upselling Dynamics 365 applications such as Marketing to define micro-targeted segments; Sales to determine product recommendations; and Customer Service or Field Service to enable proactive support.



## Dayton Children’s Hospital heals its fragmented data landscape

To track all its encounters with patients and their families, Dayton Children’s Hospital used Dynamics 365 Customer Insights to create unified, 360-degree patient profiles. Now the hospital has a highly secure single source of truth for patient interactions to help improve the patient experience across every channel and touch point.



[See more >>](#)

## Bring Customer Insights to life for your customers

Both Business Applications partners and those more focused on Azure data and AI can lead successful CI implementations that align with Dynamics 365 applications across marketing, sales, and service. The difference will be in the competencies each type of partner possesses in house. To truly deliver value through CI, partners need a baseline understanding of Dynamics 365 solutions and, depending on the scale of the engagement, skills in data engineering, data architecture, or data modeling.

In general, CI engagements follow two main phases:

- **Initiate:** In pre-sales conversations, nail down both immediate customer objectives and any broader marketing goals they'd like to achieve. From there, determine what data is needed to fulfill the project and assess the landscape of what's available. Lastly, build a proof of concept (POC) CI solution to showcase your organization's capability.
- **Implement:** Start the engagement by bringing in the customer's provided data sources to CI. Use the map, match, and merge function to create a single profile for each customer. Layer on out-of-the-box intelligence or custom ML modeling to show predicted customer behavior.

Throughout the following pages, you'll learn best practices for scoping CI implementations, expanding your sales footprint, staffing engagements, and training the team.

### Enable advanced data strategies with Azure Synapse + Customer Insights

Combined with Azure Synapse Analytics, CI delivers a differentiated CDP that unites operations and customer data. Azure Synapse, formerly called SQL Data Warehouse, brings together enterprise data warehousing and big data analytics. It provides enterprise scale for dataflow authoring, enabling data preparation for hundreds of millions of records. Both Azure Synapse and CI use Azure Data Lake to convey an unparalleled enterprise data estate that serves up data for immediate business intelligence and ML needs to optimize the customer lifecycle.

## Prepare for success

The steps included in this section align with the [Microsoft Catalyst](#), an envisioning and planning program that enables partners to lead successful pre-sales motions. The underlying IDEA framework, composed of **inspire**, **design**, **empower**, and **achieve**, provides support to partners as they execute envisioning and planning engagements.

### Understand Customer Insights best-fit scenarios

Because CI is such a powerful tool, customers may have an outsized idea of its capabilities. Make sure you understand the best uses for CI and set expectations accordingly when you scope CI implementations.

CI can help organizations:

- Unify customer data
- Gain a single source of truth for customer data—not all data
- Add predictive intelligence to customers through AI

CI won't help organizations:

- Manage customers as a CRM does
- Solve their data management platform needs
- Customize content like a personalization tool
- Provide analytics visualizations
- Replace a master data management system

### Clarify the customer's business objective

While CI is a data and AI solution, it is meant to help customers achieve particular business goals. CI will deliver the most value to customers when they have clear objectives in mind and specific data segments they want to create. Familiarize yourself with these common CI use cases and help the customer get specific around what they want to achieve.

### Common customer use cases for Customer Insights

#### Marketing

- 360-view of customers
- Loyalty and/or churn
- Micro-targeted segments
- Optimized media spend

#### Sales

- Product recommendations/cross-sell/upsell
- Next best action

#### Microsoft Catalyst IDEA framework

Inspire

Design

Empower

Achieve



#### Microsoft Catalyst IDEA framework

Inspire

Design

Empower

Achieve



## Service

- Proactive support
- Intelligent routing
- Omni-channel

## Assess the customer's data maturity

CI implementations will vary depending on a customer's data maturity and strategy. To determine the appropriate solution positioning, understand where your customer is on the spectrum between reactive and transformative.

### Stage 1: Reactive

- Structured data is transacted and locally managed
- Data is used reactively
- Disparate data sources throughout the organization
- Data is siloed across departments
- Limited use of advanced analytics and cloud services

### Stage 2: Informative

- Structured data is managed and analyzed centrally
- Structured data is leveraged to inform the business
- Disparate data sources throughout the organization
- Data is siloed across departments
- Limited use of advanced analytics and cloud services

### Stage 3: Predictive

- Data capture is comprehensive and scalable
- Data and advanced analytics lead business decisions
- A single source of truth for customer data exists
- Data warehousing and cloud applications enable analytics

### Stage 4: Transformative

- Data transforms business to drive desired outcomes
- Any data and any source can be used at scale
- A single source of truth for customer data exists
- Data warehousing and cloud applications enable analytics

## Microsoft Catalyst IDEA framework

Inspire

Design

Empower

Achieve



## Employ Customer Insights as a strategic opportunity to upsell

CI can be a jumping off point to growing your customer relationship and increasing your overall deal size. While CI is a self-service SaaS application, it doesn't have to be a one-and-done sale. During envisioning conversations, partners have the opportunity to frame CI up front as a component of a connected, digital marketing strategy built on Dynamics 365 applications.

Keep these sales opportunities in mind during the pre-sales stage of your engagement, and discuss them early on with your customer to increase your footprint:

- Segment customer data with Dynamics 365 Marketing
- Customize customer interactions with Dynamics 365 Customer Voice
- Enable promotional outreach through Dynamics 365 Sales
- Deploy eCommerce management through Dynamics 365 Commerce
- Provide seamless service experiences through Dynamics 365 Customer Service
- Connect resources with customers via Dynamics 365 Field Service
- Grow the engagement with managed services

## Develop a proof of concept for assured success

Through a POC, you can demonstrate to the customer that CI is the right solution to unify their data and track customer-specific KPIs. By running a POC, you can interact with a smaller subset of their data, discover data cleanup needs, and navigate application integrations before taking on the full implementation. Doing a POC up front can help set the customer's expectations and save time in the long run.

Make sure you understand the following, before starting a POC:

- The data scenarios a customer is looking to understand through CI, for example: which customers attended both event A and event B? Or, which customers purchased item 1 then added on item 2?
- The number of customer profiles that will be brought in
- The expectations for custom ML modeling

### Best practices for running CI POC

- Stick to a timeline of about four weeks
- Pick a business objective that can demonstrate a clear outcome
- Bring in between 100k to 500K profiles
- Determine the appropriate amount of transactional data to bring in and ring-fence around months and/or a region
- Identify data sources within the business scenarios where some personally identifiable information is present
- Pick 2 or 3 internal data sources, and 1 external data source
- Demonstrate the outcome to the customer before the full implementation

Microsoft Catalyst  
IDEA framework

Inspire

Design

Empower

Achieve



Microsoft Catalyst  
IDEA framework

Inspire

Design

Empower

Achieve



## Connecting citizen data so councils can deliver better services

A data and AI partner based in Australia worked with local government councils to create a 360-degree view of its citizens. By merging data from a citizen request portal with an application that manages utility payments, the Microsoft partner helped the council realize that the citizens making the most requests, weren't the ones making the most payments. With this insight, the council was able to reprioritize its efforts.

### Customer Insights partner hones pre-sales conversations for bigger deals

After running several successful CI implementations, this partner has honed its process for growing opportunities beyond just the initial engagement. The company's technical director shared the following tips for how his team uses CI as a launchpad to sell more services.

- Structure your conversation with the customer around long-term data objectives, not simply what they want to achieve with CI. For instance, ask them how they plan to do things differently once the data is unified.
- Plan to include a managed services package along with the CI implementation to ensure longevity.
- Ask the customer what their data strategy is, chances are they won't have one, and you can offer them an additional engagement around building an organization-wide data strategy that includes the CI implementation.
- Early on, discuss opportunities for a data warehouse implementation or Azure migration.

*"Customer Insights is a building block and foundation for other services."*

—Technical Director,  
Data and AI Partner



## Build a team

Once you've done the upfront work to assess your customer's needs, the next step is to build your team. Each CI engagement is different, so you'll need to staff accordingly.

### Take stock of existing skills

Partners with competencies in Business Applications will bring a keen understanding of Dynamics to CI engagements, helping them position potentially larger engagements that bring CI data into Dynamics. Data and AI partners will have an advantage in helping customers navigate their data sources, bring them into CI, and add any additional custom modeling beyond what the out-of-the-box services can provide. Assess your team's skills, and ensure your staff have the recommended Dynamics 365 and/or Azure certifications before beginning an implementation.

#### Business Applications skills

- Dynamics 365
- Power Platform/Power Apps
- Common data service
- IP development for Dynamics applications
- Power BI

#### Recommended Dynamics 365 certifications

- Microsoft Certified: Dynamics 365 Fundamentals Customer Engagement Apps (CRM)
- Microsoft Certified Dynamics 365 Functional Consultants in Sales or Marketing
- Microsoft Certified: Power Apps + Dynamics 365 Developer Associate
- Microsoft Certified: Dynamics 365 + Power Platform Solution Architect Expert

#### Data and AI skills

- Azure
- Big data
- Advanced analytics
- Data science
- Business intelligence

#### Recommended Azure certifications

- Microsoft Certified: Azure Fundamentals
- Microsoft Certified: Azure Data Engineer Associate
- Microsoft Certified: Azure Data Scientist Associate
- Microsoft Certified: Azure Solution Architect Expert

## Tailor your team for the engagement size

CI engagements can be bucketed into small, medium, or large, depending on the number of customer profiles or data sources brought in. By bucketing engagements, you can more easily determine the resources you'll need.

### Small

- Number of customer profiles: 50,000 to 1 million customer profiles
- Implementation time: three weeks to two months
- Recommended ways to bring in data: Power Query, Athena

### Medium

- Number of customer profiles: 1 million to 6 million customer profiles
- Implementation time: two to four months
- Recommended ways to bring in data: Power Query, Athena

### Large

- Number of customer profiles: 6 million to 600 million customer profiles
- Implementation time: three to six months
- Recommended ways to bring in data: Bring your own data lake, Azure Data Factory pipelines

### Top 4 ways to bring data into CI

The size of the engagement will also determine the way in which your team will bring a customer's data into CI. There are four recommended options:

#### Power Query connectors

**Athena**, which connects to Dataverse that's also used by Dynamics 365

**Bring your own data lake**, which attaches to the Common Data Model

**Azure Data Factory pipelines** for big data projects

## Staff every engagement with these baseline roles

At a minimum, each engagement requires a Dynamics 365 functional consultant who understands the customer's digital marketing strategy objective, a solution architect who designs the CI solution, and a data engineer who manages data unification. For smaller engagements, the functional consultant and solution architect roles may be covered by one person.



### Functional consultant

**Understands the business need, the solution, and owns the outcomes**

- Owns the solution's features and functionality
- Coordinates the day-to-day communication and scheduling
- Maintains external technical coordination and communication
- Manages the master schedule



### Solution architect

**Translates business requirements into a well-architected CI solution**

- Has experience in Dynamics and CI UI
- Is responsible for all activities associated with analysis, specification, and architecture
- Is capable of manipulating product UI, beyond just coding
- Is dedicated to one engagement at a time



### **Data engineer**

#### **Builds the solution plumbing and handles programming**

- Implements ETL (extract, transform and load) pipelines
- Monitors/maintains data pipeline performance
- Possesses understanding of Azure, data, and AI principles
- Has broad experience across a set of data stores, messaging systems, and data processing engines

## **Add to your bench for larger engagements**

While most CI engagements will fall into small or medium categories, for larger implementations, you should consider bringing in additional resources with technical understanding around CI and custom modeling.



### **Data scientist**

#### **Works with the customer to define what will be done with the 360 view**

- Possesses deep understanding of advanced analytics, AI, and ML
- Is responsible for building custom ML modeling on CI solutions
- Has an actuarial background and statistical knowledge
- Understands Python
- Engages early in the pre-sales process for large engagements



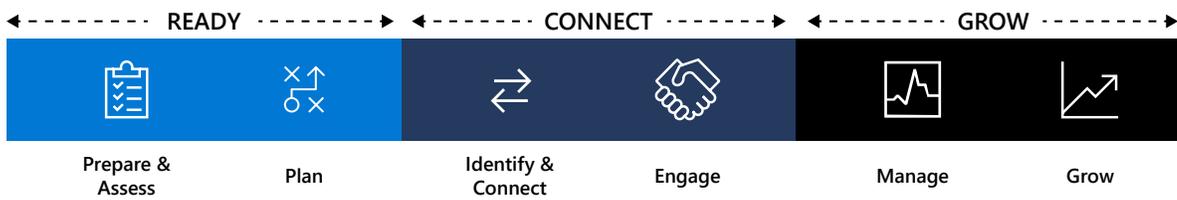
### **Project manager**

#### **Manages complex, large engagements with multiple data sources**

- Acts as the point of contact for implementations
- Is responsible for project planning and project management
- Works closely with FastTrack team on strategy
- Maintains internal systems, documentation, and billing
- Has PMP and/or SCRUM Master certification

## Augment your team with qualified partners

One way to fill talent gaps is through partnerships, in fact, over **470 Microsoft partners have been trained on CI**. Forming partnerships through the Microsoft Partner Network can drive efficiencies, revenue, and profits. To help you join forces, Microsoft has created the [partnering success formula](#)—a three-stage framework for establishing and managing effective partnerships:



**Ready:** At this stage you are laying the groundwork for P2P success, defining the value of a partner and your value as a strategic partner. This is where you assess your investment, value chain, solution and talent gaps, and go-to-market partnering plan.

**Connect:** This is where you identify and win strategic partners, go to market together and effectively manage the partnership. You'll get more granular at this stage on how to sell and close deals, with an understanding of how you will review the business.

**Grow:** Maximizing the partner opportunity means constantly pushing for better results and seeking new and better partnerships to drive deeper penetration in your existing customer base and expand the customer base with joint offerings and investments. You're executing joint marketing strategies to expand market reach, generate leads, and increase customer loyalty and retention.

## Achieving a 360-degree view of patients

A hospital that provides primary and specialty care for infants, children, and teens, wanted to improve the overall patient experience. Often times, the parents or guardians of the young patients had to re-introduce themselves when accessing different parts of the hospital and care providers. In working with a Microsoft partner, the hospital achieved a 360-degree view of its patients through CI, bringing together data from EPIC and its call center.

### Customer Insights partner finds resource recipe for success

With competencies in both Business Applications and data and AI, this partner has found success in building teams with the following roles to handle small- and medium-sized CI implementations:

- **Solution owner / functional consultant** is responsible for some project management and business analyst activities to ensure data that is brought into CI helps customers achieve their business objectives. This person can be staffed on multiple CI engagements simultaneously.
- **CI configurator / data engineer** is dedicated to the engagement full time and is responsible for configuring CI to produce the intended outputs for the customer. They have undergone CI training from Microsoft and possess a strong understanding of how to navigate CI and customize it for specific engagements.
- **Data integrator / data engineer** handles the backend data engineering, bringing together data sources, facilitating API calls and consumption of flat files. They're staffed full time on an engagement.
- **Solution architect** serves as the technical leader for the implementation and is responsible for translating the business requirements into a well-architected CI solution. This person has gone through a CI training from Microsoft and can be staffed on multiple engagements at once.

For larger engagements, this partner staffs additional configurators and integrators, as well as advanced analytics consultants/data scientists to manage custom statistical models and algorithms.



## Train and onboard

Once you've completed a CI implementation, you can build on the momentum by expanding your abilities and staying up to date on the latest CI developments.

### Expand your abilities and stand out with badges

Partners who implement CI are required to have either a **Gold Data Analytics Competency** or a **Gold Cloud Business Applications Competency**. Consider differentiating your practice with additional certifications across Azure data and Dynamics 365. Each of the following role-based certifications can bring deeper capability and differentiation to your business:

- Azure Solutions Architect
- Azure Data Analyst Associate
- Azure Data Engineers Functional Consultants or Azure Data Scientists
- Dynamics 365 Marketing Functional Consultant or Dynamics 365 Sales Functional Consultant

You can further differentiate and gain expertise through the Microsoft Certified Trainer (MCT) program.

### Prepare with technical readiness workshops

Gain a greater understanding of how to build an offering around CI through these on-demand, virtual events.

- [Customer Insights Practice Building On-Demand Workshop](#)
- [Customer Insights advanced partner technical and practice building airlift events](#)

## Ready to get started?

Here are a few next steps to help you build out your CI practice.

- Visit the [new partner portal to get started](#)
- Watch [CI overview video](#)
- Register for the [CI practice building on-demand workshop](#)
- Attend [CI Advanced Training Technical Airlift](#) event
- Reach out for program help and support by emailing [ciadforpartners@microsoft.com](mailto:ciadforpartners@microsoft.com)
- Download [customer-ready assets about CI](#)

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