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Heini Sisko Maarit Lipiäinen

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CRM in the digital age: implementation of CRM in three contemporary B2B firms

Heini Sisko Maarit Lipiäinen

*School of Business and Economics, University of Jyväskylä,
Jyväskylä, Finland*

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Abstract

Purpose – The purpose of this study was to contribute to the current discussion on digitization in companies' marketing from a customer relationship management (CRM) perspective by examining the role and objectives of CRM and the exploitation of social media to serve the objectives of CRM in contemporary business-to-business (B2B) companies.

Design/methodology/approach – The data are collected through semi-structured themed interviews with key marketing/sales managers from three B2B firms.

Findings – CRM seems to be moving closer to the company's core activity and becoming everybody's business to a greater extent than ever before, but its main goal, to enhance customer relationships, will not necessarily change. Understanding the customer is vital and requires different functions to cooperate closely to ensure the firm has the best possible understanding of its customers. Public social media tools played almost no part in CRM, but closed social media systems might have potential in the future.

Research limitations/implications – The chosen research approach limits the generalization of the results.

Practical implications – It seems likely that firms will benefit from a collaborative working style over the traditional silo approaches. For B2B firms, public social media does not seem to be the most suitable source to serve CRM but private social media channels might have potential in the future.

Originality/value – The lack of empirical examination of the change from company ecosystem to customer ecosystem from a CRM perspective, and the lack of research on social media for CRM in the B2B context, determines the purpose of this study. Furthermore, digitization is a rather new and unstructured phenomenon and many companies are still considering how to reconcile to it.

Keywords CRM, B2B, Social media, Digital media, Industrial marketing, Social CRM

Paper type Research paper

1. Introduction

Digitization has challenged marketing in the past decade and is the latest in the names of social media. The power has shifted from the hands of marketers to customers, which has important consequences for firms, products and brands (Hennig-Thurau *et al.*, 2010; Muntinga *et al.*, 2011). Today, customers are social customers, who are consciously connected to the people and companies around them and require transparency and authenticity from those companies and people (Greenberg, 2010). The empowerment of the customer has naturally generated new challenges for customer relationship management (CRM). As Saarijärvi *et al.* (2013, p. 152) concluded, "CRM must adapt to a business environment where new forms of exchange are emerging and where traditional customer and firm roles quickly become out-dated and are recreated".



The demarcation lines between internal and external company environments have become blurred and the customer has been included in the value creation processes. Serving customers has been called the “new marketing” (Kietzmann *et al.*, 2011) and in essence, the customer has become more central to the company – closer to company’s core. Companies are seeking new ways to get closer to customers (IBM, 2010). The evolution has prompted the development of a new strategic approach, “social CRM” (Greenberg, 2010), to better capture the dynamic change from company ecosystem to customer ecosystem. Social CRM represents a new strategy, taking CRM one step closer to CRM as a strategic function, an overall company philosophy, softer outcomes, emotional metrics and also an awareness of stakeholders other than just the customer, and highlighting engagement as the main goal of CRM instead of just managing customers (Greenberg, 2010). Generally, in CRM literature, engagement has been welcomed as having the potential to offer a new perspective on CRM (Baird and Parasnis, 2011; Greenberg, 2010; Verhoef *et al.*, 2010). The core of this approach is to engage the customer in a collaborative conversation and to understand the customer on a more meaningful level (Greenberg, 2010).

In addition to new approaches that the digitization of the communication landscape requires from companies’ marketing functions, technological development has offered new opportunities to manage and facilitate communication. Computer-mediated exchange and shared electronic resources have enormous potential to encourage participation in practice (Beirne and Cromack, 2009) and, hence, offer new opportunities to support CRM. Increasing interest in customer engagement has paralleled the continued evolution of the Internet and new digital technologies like social media (Wirtz *et al.*, 2010). The rise of social media is even claimed to bring a new technological paradigm in sales research (Andzulis *et al.*, 2012). Social media has made it possible to build and maintain relationships (Pagani and Mirabello, 2011), and create value interactively through digital channels (Booth and Matic, 2011; Brasel, 2012; Sashi, 2012). Social media can be seen as a tool offering companies real opportunities to get closer to customers (Baird and Parasnis, 2011), and engage them (Greenberg, 2010), and through that, access relationship performance outcomes (Trainor *et al.*, 2014). In a recent study of social media and CRM, Trainor *et al.* (2014) found that investment in social media could bring relationship management benefits, but the use of social media alone does not have a direct effect on relationship performance; the usage of social media tools can develop capabilities that allow firms to better serve their customers. It is not about the technology, but how it is harnessed in practice.

In general, research on social media is limited and focused largely on the business-to-customer (B2C) domain (Michaelidou *et al.*, 2011), although it has been suggested that social media is also important for business-to-business (B2B) companies (Järvinen *et al.*, 2012; Kho, 2008; Michaelidou *et al.*, 2011; Sharma, 2002). A survey conducted in the UK among B2B small and medium enterprises, reported that a quarter of them were using social networking sites to achieve their marketing objectives and the most important goal for social networking sites was attracting new customers and cultivating customer relationships (Michaelidou *et al.*, 2011), which suggests the Internet and social media are important tools to build relationships, even in the B2B context (Kho, 2008; Michaelidou *et al.*, 2011; Sharma, 2002). The increased interaction between buyers and sellers that has evolved recently has particularly captured the interest of managers seeking to better understand and serve their buyers through new

technologies and tools (Sashi, 2012). Despite the benefits and great advantage of the new tools, there is limited knowledge on how social media and other digital marketing communication applications could be used in CRM in the B2B environment. New technologies are an integral part of future CRM and merit further study (Nguyen and Mutum, 2012). To clarify, social CRM is not the same as social media (Baird and Parasnis, 2011; Greenberg, 2010), although in some cases it has been defined as such (Rodriguez *et al.*, 2012). Social CRM is a company's strategic approach and social media is a platform or tool to serve the goals of social CRM.

This study contributes to the current discussion on digitization in company marketing practices from a CRM perspective by empirically examining:

- What are the roles and objectives of CRM in contemporary B2B companies?
- How are social media tools exploited to serve the objectives of CRM in contemporary B2B companies?

Understanding is created by looking at the role, goal and implementation of CRM and the use of digital communication tools, especially social media tools in three B2B companies that are aware of the challenges brought by digitization and utilization of social media tools in their marketing practices.

The paper is structured as follows. First, the evolution of CRM and the shift toward social CRM and engaging customers will be discussed. Subsequently, the paper investigates social media and its potential in the context of CRM implementation in a B2B operation. After that, the methodology will be described and the study results are presented. The paper ends by drawing conclusions from the research.

2. Theoretical background

2.1 *The future of CRM: CRM, social CRM and engagement*

CRM can be defined as *narrowly and tactically* to be about the implementation of specific technology, as a *wide-ranging technology* referring to the implementation of an integrated series of customer-oriented technology solutions, and *broadly and strategically* as a holistic approach to managing customer relationships and creating shareholder value by developing profitable, long-term relationships with key customers, customer segments and other key stakeholders combining the potential of relationship marketing strategies and information technology (Payne and Frow, 2005). In this study, the strategic point of view is adopted as it represents the most developed thinking of CRM. The CRM as a strategy approach makes it clear that CRM should no longer be seen as being customer focused but as incorporating all the stakeholders as value creators (Boulding *et al.*, 2005; Ernst *et al.*, 2011; Fan and Ku, 2010; Piercy, 2009), which is also one key point of the ideology of social CRM (Greenberg, 2010).

The ideology of social CRM takes CRM forward by capturing the social change brought about by the digitization of the communication landscape. It is the firm's response to the customer's ownership of the conversation. Social CRM can be defined as a:

[...] philosophy and a business strategy, supported by a technology platform, business rules, processes and social characteristics, designed to engage the customer in a collaborative conversation to provide mutually beneficial value in a trusted and transparent business environment (<http://crm20.pbwiki.com> in Greenberg, 2010, p. 413).

As the definition implies, social CRM uses CRM as the overall philosophy of the company and highlights the co-creation of value, engagement and managing dialogue rather than managing customers. The comparison of CRM as strategy and social CRM is presented in Table I.

The definition of social CRM (Greenberg, 2010) states its purpose is to engage the customer in a collaborative conversation. In general, customer engagement has been suggested to offer a new perspective on CRM (Verhoef *et al.*, 2010), one that presents a more strategic way for a firm to see its customer and stakeholder relationships (Economist Intelligence Unit, 2007, p. 2). Customer engagement can be defined as a manifestation of the brand or firm that is more than a transaction (Verhoef *et al.*, 2010) or just purchase behaviour (van Doorn *et al.*, 2010) and which goes beyond satisfaction, retention and loyalty (Sashi, 2012). It is “a psychological state that occurs by virtue of interactive, co-creative customer experiences with a focal agent/object (e.g. a brand) in focal service relationships” (Brodie *et al.*, 2011, p. 9). The key point of customer engagement is that it exists as “a dynamic, iterative process within service relationships that co-create value” (Brodie *et al.*, 2011, p. 8). Customer engagement expands the customer’s traditional role by involving them in the value-adding process and sees the customer as an active partner in value creation.

Customer engagement includes the establishment of a deeper and more meaningful connection between the firm and the customer that continues over time (Economist Intelligence Unit, 2007). Customer engagement as a concept helps firms to understand customer needs, fosters customers’ participation in the product development process, makes customers available to provide feedback on strategies and products and turns them into product or brand advocates (Sashi, 2012). Engaged customers can play an important role when creating new services and products (Hoyer *et al.*, 2010). At its best, getting customers engaged in a product or

	CRM as strategy	Social CRM
The role	Overall philosophy of the company	Overall philosophy of the company
Objective	To manage customer relationships and create shareholder value	To manage dialogue, co-creation of value, to engage the customers and other stakeholders
Concept	Managerial	Emotional and behavioural
Orientation	Business and profit	Softer outcomes
Aim	To develop profitable, long-term relationships with key customers, customer segments and other key stakeholders combining the potential of relationship marketing strategies and information technology	Engage the customer in a collaborative conversation in order to provide mutually beneficial value in a trusted and transparent business environment
Focus	Key customers, customer segments and other key stakeholders	Multi-stakeholder
	Focus on customers but incorporate all the stakeholders as value creators	Focus on all iterations of relationships
Content	Focus on transactional data	Highlights the importance of personal information, which requires more descriptive data on customers

Table I.
CRM and social CRM

service development process can add value for the company. Other evidence of customer engagement would include word-of-mouth endorsement, blogging, customer recommendations, referrals and other behaviours influencing the firm and its brands (van Doorn *et al.*, 2010; Verhoef *et al.*, 2010).

If we accept engagement to be at the centre of the CRM on the future, the relevant question is how to get the customer engaged. Engaging customers requires the firm to generate trust and commitment (Sashi, 2012). The key element in successful CRM is information (Nguyen and Mutum, 2012) for both purposes: to understand customers and to create value (Payne and Frow, 2005). This naturally requires listening and monitoring the environment, as well as continuous dialogue with the customer. Social CRM highlights the importance of personal information, which requires more descriptive data on customers, whereas traditionally CRM has focused primarily on measuring transactional data (Bijmolt, 2010; Greenberg, 2010). It has been predicted that non-transactional customer behaviour will become more important in the future (Verhoef *et al.*, 2010).

Obtaining relevant customer insight is not that easy. Internal stakeholders are in a key position to obtain customer insight, as they are best placed to hear the latest needs and aspirations of the customers. The potential cache of knowledge that employees have access to through their personal social networks with immediate colleagues and other clients and suppliers is enormous (Beirne and Cromack, 2009). The challenge is how to harness this tacit knowledge to enhance the insight into what the customer wants. Furthermore, a customer-centric corporate culture (Acker *et al.*, 2011; Kim *et al.*, 2012), customer orientation (Teo *et al.*, 2006) and cross-functional involvement (Lambert, 2010) of processes, people, operations and marketing capabilities have all been proposed to be crucial factors for successful CRM in the future and are enabled through information, technology and applications (Payne and Frow, 2005). Social media may help realize promise of marketing by providing the tools to better satisfy customers and build customer engagement owing to its ability to facilitate relationships (Sashi, 2012). Social media and other digital tools might provide real benefits in the B2B environment.

2.2 Social media as a tool to support CRM

The idea behind social media is neither new nor groundbreaking, although it seems to create some confusion among managers and academics (Kaplan and Haenlein, 2010). Social media has in fact taken the Internet usage back to its roots as a platform to share and be connected (Kaplan and Haenlein, 2013). Social media is not just one channel but a collection of channels that come together to form the basis for Web 2.0. Social media channels can be described as arenas for participation (Aula, 2010) or places for communication. Today, social media includes a wide range of online, word-of-mouth forums including the basic blogs, discussion boards, chatrooms, forums, moblogs (sites containing digital audio, images, movies or photographs) and social networking websites (Mangold and Faulds, 2009). Kaplan and Haenlein (2010) have identified six different types of social media:

- (1) collaborative projects (e.g. Wikipedia and OhMyNews);
- (2) blogs (blogs, podcasts and Twitter);
- (3) content communities (e.g. YouTube and Flickr);

- (4) social networking sites (e.g. Facebook and LinkedIn);
- (5) virtual game worlds (e.g. World of Warcraft); and
- (6) virtual social worlds (e.g. Second Life and Habbo).

In addition to external social media tools, there are also internal social media applications such as Salesforce.com that are used in companies (Andzulis *et al.*, 2012).

Social media may help to realize the promise of marketing to satisfy customer needs by providing the tools to better satisfy customers and build customer engagement. It can do so because it is capable of facilitating relationships (Sashi, 2012). It is interactive in nature, providing opportunities to receive feedback from customers, for dialogue and to develop relationships (Kaplan and Haenlein, 2010). For example, in social media and other collaboration platforms, consumers have shown themselves willing to compare, discuss, review and comment on products and services (Acker *et al.*, 2011). In line with these benefits, social media offers opportunities to create customer values through interacting with customers and building and fostering customer relationships in the B2B context (Michaelidou *et al.*, 2011). Social media can, therefore, offer a useful tool to advance CRM (Kho, 2008). In the area of idea generation and enhancing innovativeness by utilizing social media (or Web 2.0), Vuori (2012) presented an important notion about the difference between the usage of the tools in the B2C and B2B contexts by examining Nokia, which utilized open networking sites to engage crowds, but closed network settings to engage business partners in idea generation. Despite the potential of social media for relationship building, in the B2B context, digital tools in general are used in pursuit of goals like creating awareness and attracting new customers rather than enhancing existing customer relationships (Järvinen *et al.*, 2012). In the same vein, informal interviews of 12 salespeople and managers suggest that the main perceived benefit of social media tools in a B2B setting occurs at the beginning of the sales process, in the period dominated by lead generation and prospecting, but the potential of social media was apparent at each step of the selling process (Andzulis *et al.*, 2012). The discussion above illustrates that social media could support data gathering, interaction, relationship building, co-creation and lead generation among B2B companies, but that in reality the role of social media in CRM processes in B2B companies is as yet unclear.

3. Methodology

This research adopts a research strategy based on a multiple case study. The three case firms were selected on the basis of their knowledge of digital marketing tools and social media in the B2B context. Each company had used the tools and social media in their external marketing communications, indicating knowledge of how to harness the benefits of the social media channels. All the companies operated in industrial markets were well established in their particular field and did business worldwide. Organization A was the youngest and operated in the renewable energy industry. Organization B operated in relatively traditional markets and supplied precast concrete technology. The largest and oldest Company C operated in the engineering sector, providing ship machinery, propulsion and manoeuvring solutions. Furthermore, the selected companies were all at the forefront of their particular fields at the time. The empirical data were collected through semi-structured themed interviews with key staff

responsible for CRM activity and also with marketing staff (see Table I). Analysis of the theory led to the identification of four central themes related to the CRM process (Greenberg 2010, Nguyen and Mutum 2012):

- (1) the role of CRM in the companies;
- (2) the usage of social media and other digital tools for CRM;
- (3) gaining customer insight; and
- (4) engaging customers.

Several interviewees were selected from each case firm to avoid the subjective perceptions of a single interviewee dominating. The subsequent use of a snowball sampling method made it possible to recruit the interviewees with the most knowledge, resulting in ten personal interviews with people in managerial positions. The data were collected until no new aspects were emerging from the interviews. In the case of Firm B, only two people volunteered to talk about CRM, but those two had considerable knowledge and long experience of the aspects of CRM affecting their firm (Table II).

The analysis used thematization consisting of the three-step procedure advocated by Miles and Huberman (1994, p. 10). To aid data reduction, all the material was organized under the same themes discussed in the interviews. Under the themes, sub-themes were inductively identified. The criteria applied for that identification of sub-themes were that they seemed important to the topic and that they occurred in several interviews, i.e. under theme two:

- (1) the usage of social media tools in general; and
- (2) the usage of social media tools specifically for CRM.

Irrelevant material was discarded. The original transcript texts were simplified to form short but thick descriptions of the content to facilitate further analysis. Next, all the descriptions were tabulated and organized into matrices. The author confirmed the

Interviewee	Position	Duration of the interview (min)	Firm	Field of operation	No. of employees
Michael	Key Account Manager	20	A	Power generator	248
Jonas	Marketing and Sales Director	25		and converters manufacturer	
Jack	Key Account Manager	40			
Patty	Marketing and Communications Manager	60	B	Precast concrete production provider	220
Peter	Sales Director	26			
Anders	Process Development Manager	30	C	Ship machinery, propulsion and manoeuvring solutions	18,887
Steve	Sales Director	25			
Nick	Sales Director	35			
Sarah	Social Media, Communications and Branding Manager	35			
Frank	Application Manager	30			

Table II.
Study sample

Note: All participants are key managers in the corporation with decision-making responsibilities. They have been assigned pseudonyms

existence of the link between the created description and original quotation, which allowed moving back to the original transcript material when needed (see suggestions by Miles and Huberman 1994, pp. 241-242.) During this data display phase, each sub-theme was first analysed individually at the firm level to create an overall picture of what was happening in a single case company to enable cross-case analysis. Then cross-case analysis was applied to identify possible similarities and differences between the case firms. A thick description was written using quoted material from the interviewees to support the findings. During data verification, the conclusions drawn were reflected against the raw material from the interviews to verify they were well supported. Prior knowledge and theory guided the data collection and analysis but did not rule it. Finally, the authors analysed prior theory and the empirical findings to see how prior theoretical knowledge, suggestions and assumptions appeared in the light of the empirical findings of the study.

4. Results

This section presents the results of this study. Results pertaining to the themes discussed are presented on the firm level in Table III and explained more fully below.

4.1 *The role and goal of CRM*

As expected, all the firms studied reported CRM held a strategic position in the organization. It was clear that for the interviewees CRM meant not only a technical solution to assist the customer process but also served as a *modus operandi* to take care of customers. The interviewees expressed their concern over what would happen if their CRM system were ever to fail, which highlights the importance of CRM to the firms concerned:

CRM is one of the cornerstones of the business; we have this kind of customer-centric way to operate which is at the centre of everything in our company. I don't know how to say it, but everything is built around that idea and there is nothing more important than to be customer centric (Jonas, A).

In the smaller firms (A and B), CRM as a philosophy was more evident than in Firm C, which was a far bigger organization. This might also be because of the size and bureaucracy of the bigger organization where CRM was not the only tool used to support strategic decision-making related to the customers but there were also other information and communications technology-solutions to support the process. The difference emerged clearly in the sections of the interviews addressing how customer centric the firm was. The smaller organizations were evaluated as being far more customer centric, whereas the biggest firm was evaluated to be more product oriented, although the last was progressing toward a more customer-centric arrangement.

The goal of CRM for each of the companies was to build long-term profitable customer relationships and increase customer loyalty while also targeting customer engagement. The companies shared a philosophy that the only way to get customers to commit to the firm is to provide value for those customers. The respondents recognized that the way forward was to provide great products and market them well. Naturally, the companies arranged various customer events and were willing to offer special terms to their best customers, but were aware that everything starts with taking care of the core product and serving customers as well as possible by being customer centric:

Table III.
The results presented
at the firm level

	Firm A	Firm B	Firm C
Role of CRM	Cornerstone of the whole strategy	Very important, a central part of the whole selling process	Mainly a sales management tool used to keep abreast of events
Engaging customers	Everything starts with customer orientation and understanding the customer	By doing the job well and also providing long-term maintenance	By providing the best possible service (incl. products) and doing the job as well as possible
Customer orientation	High: the whole firm is built around the idea of customer centricity	Quite customer centric, moving further in that direction	Quite product centric although the firm is moving towards a more customer-centric working style
Information gathered	Basic details relating to customers, also some rumours etc	Fact focused, engineering-like information	Mostly hard number-based facts
CRM information sources	Mainly through dialogue with the customer. Also from the Internet and estimations related to the field	Mainly through dialogue with the customer. Also from the Internet and estimations related to the field	Mainly through dialogue with the customer. Also from the Internet and estimations related to the field
Who collects CRM data	Mainly sales managers, also marketing and communication	Mainly sales managers, also marketing and communication	Sales Managers, business intelligence unit
Usage of social media	Not for CRM (or to generate leads which are not good quality). Mainly used for marketing and communication	Not for CRM. Social media is used for identify trends in the market and other marketing and communication purposes	Not for CRM. Social media is used for marketing and communication purposes and recruiting

The most important thing is that we have high quality products that are excellent for our customers and that we then provide to them at a good price, in a smooth process and when they need them (Jack, A).

The discussions around the meaning of customer engagement in the B2B context were also interesting. Purchasing B2B products is always a high-involvement activity, as they often require considerable investment. Before completing the purchase, the buyer has to have decided whether to form a long-term attachment with the seller. As one interviewee pointed out, it is different if the customer is engaged or attached:

We just conducted market research among our customers and it revealed that our customers are attached but they are not committed. We work together well but if they get a better offer, they are ready to change. This is common in our field (Jonas, A).

4.2 Information gathering and social media in CRM

The interviewees singled out selling projects and the evaluations of the future business with the customers as the most important content of the CRM system. The core information was related to the basic facts on the customers. CRM for the firms also involved gathering memos from meetings, relevant emails and information gleaned from customer visits. The goal of information gathering was to create one coherent idea of what was happening with the specific customer and what is likely to happen. Firm C collected the most factual data. The data collected in Firm B were more engineering oriented and Firm A collected the most descriptive data. However, despite the data primarily being in numerical form, the importance of descriptive information was recognized in each firm. In addition to hard sales-oriented facts, Firm A collected soft facts like rumours and news relating to its customers and information relating to the industry in general. The language used in the memos of Firm B was described as sometimes being colourful and even included informal elements like tips on how to approach a certain customer. Those interviewed nevertheless highlighted that all the information was formed from a subjective assessment made by a sales person in the organization. Company A, which collected the most descriptive data, was also the most customer centric:

It is kind of general qualitative things on our customer's business, what it does and where it goes, what products they have and which market they are operating in and if it is qualitative and our own customer data, it is customers own businesses and future foresights and classifications for ABCD customers – this evaluation is qualitatively flavoured with numbers and probability estimations. I would say that it is half and half (numbers and descriptive data) (Jack, A).

It is difficult to estimate (the share of numerical vs. descriptive data) but there is much descriptive data, if memos and that kind of thing are counted as descriptive data, it plays an important role, there is also the e-mail exchange that has happened between customer and seller so I would say that at least half of the information is “soft” descriptive data (Peter, B).

Dialogical communication was seen as the most important way to get to know the customer. Naturally, it fell to the sales people to collect most of the data in the CRM system because the relevant information was as a product of conversations between the customer and sales person. In addition to the data logged in the CRM system by the sales staff, in Firms A and B, the communication and marketing functions also played their

part in the collection of data on customers; that data largely related to general trends or general market information. In these smaller firms, CRM was seen as everyone's business, not just a sales team assignment. In Firm C, the communication unit did not have access to the CRM system but the organization had a business intelligence unit (BI) that collected much of the same data as the communication and marketing functions in the smaller companies. None of the companies was willing to offer access to their CRM systems to their customers. However, there were plans afoot to use other digital systems to communicate with customers in the future:

We get the news summaries every day [...] of course we follow customer web sites, which is a more ad hoc kind of activity and sure, we get different kinds of studies and other reports occasionally related to general market information (Michael, A).

Although all the firms actively used and monitored social media, it played almost no part in CRM. The interviewees reported finding almost nothing of value for sales or any new information on their customers' public websites or social media channels. The information the firms collected had to be of sufficient quality to form the basis of a range of estimations. The representatives of Firm C described how its BI unit would refine the information derived from the social media channels into a form relevant to the sales team. Social media was seen as a channel providing more general knowledge of trends and events, rather than as offering strategically important customer knowledge:

You can utilize it (social media) a bit to get information, mostly LinkedIn, but rarely will customers share relevant information there (Jonas, A).

The Internet sources were used to monitor the general atmosphere in the field and, for example, to spot an increase in the number of visitors from some particular part of the world that indicated a potential for targeted marketing communication. The purpose of social media usage in these B2B organizations was mainly to create familiarity within the field and also to attract talent for the future. As several interviewees pointed out, the role of social media in CRM in firms might grow when the younger generation takes the reins:

Step by step, it (social media) might come to play some role but it is now far from the most important channel (Patty, B).

The firm had also recognized the potential of social media as a source of leads or at least a way to persuade a prospect to go to the firm's web page to complete the contact information form. Although the firms were able to generate leads through their web pages, the quality of those leads was rated as very poor. In B2B, the sales organizations are usually well aware of prospective clients and are able to reach them through means other than social media channels. Traditional trade shows and personal contacts were reported to be the best sources of quality leads:

We get one to two leads per day through our web site. We have a contact information form there where the potential customers can enter their contact information if they are interested in our products. The number of leads is quite large but the quality is lousy. It is extremely rare to get a good lead through the web site (Jack, A).

Although the firms did not see public social media tools as relevant to their businesses, the closed social media channels, those that, for example, could be

integrated into a CRM system, were seen as relevant from the CRM perspective. At the time of the interviews, Firm C was launching a platform integrated into their CRM system for the use of a few favoured customers that used the technology the firm produced. The thinking behind the initiative was that the users of the new technology could share experiences and the firm would get information of value to improve the system. In the same firm, the social media channels were also widely used to facilitate internal communication. An example was a kind of discussion board where staff could raise questions:

People ask many things and raise topics that we do not have direct answers to and the “ask the doers” portal makes it possible for the community to give answers. You do not have to write to some specific person that might take a long time to answer. People post a question there and might get an answer very quickly. The whole staff follows it and who knows, someone might answer the question (Sarah, C).

5. Conclusions

5.1 Discussion

Through its empirical findings, this paper contributes to the current discussion about digitization in companies’ marketing practices from a CRM perspective. The aim was firstly to examine the role and objectives of CRM, and secondly, the exploitation of social media tools to serve the objectives of CRM in contemporary B2B companies.

This study suggests that CRM as a strategy (Payne and Frow, 2005), is closer to B2B companies’ reality than the ideology of social CRM (Greenberg, 2010). The reality in these studied companies was that CRM was still about managing customers rather than the management of dialogue that was raised as an important aspect of social CRM (Greenberg, 2010). Engaging customers was seen as a desirable aim, but also as something self-evident, as for the respondent companies, the whole concept of engagement and co-creating value with the customer seemed to be a prerequisite for purchasing. Before the main process even starts, the customer makes a conscious decision to commit to long-term cooperation with a service provider. Engaging customers seemed to be nothing new as the process is social from the outset. To really engage customers in the longer term, the interviewees saw only one way to proceed: knowing what their customers want, and delivering it in the best possible way, at as good a price as possible.

In addition, the literature suggested CRM was moving from customer centricity toward an entirely multi-stakeholder approach (Boulding *et al.*, 2005; Fan and Ku, 2010; Greenberg, 2010; Ernst *et al.*, 2011; Piercy, 2009), but this study shows CRM in the surveyed companies above all else remains a sales- and customer-oriented concept. The marketing function of each company was targeting multiple stakeholders and the goal of sales and CRM was limited to taking care of the customers.

The companies reflected the ongoing change from company ecosystem to customer ecosystem by recognizing that successful future of CRM would involve breaking their silo structure, developing a customer orientation (Teo *et al.*, 2006), encouraging flexible cooperation among functions (Lambert, 2010; Payne and Frow, 2005) and by moving in a more customer-centric direction (Acker *et al.*, 2011; Kim *et al.*, 2012). In addition, technological solutions were applied to facilitate the process (see Payne and Frow, 2005).

With regard to the information collected for the CRM system, representatives from each firm recognized the importance of including some descriptive information, as was also suggested in the theory (Greenberg, 2010; Verhoef *et al.*, 2010). However, hard numerical data played the most important role. The “soft” data were not necessarily documented in the CRM system, instead remaining the tacit knowledge of sales personnel. The central role of personal contact in B2B communication was not diminishing in the face of the advances in digital communication, and the data gathered by the firms was mainly sourced through real dialogue with the customer. Establishing a dialogue with their customers remained a goal of each company, and was viewed as a prerequisite to engaging customers in a collaborative conversation, in the same vein with the theory (Greenberg, 2010).

Despite the potential of social media to assist dialogical communication, the studied companies gathered their CRM data in old-fashioned ways. In line with Michaelidou *et al.* (2011), the companies in this study saw the potential of social media tools in interacting with customers and building and fostering customer relationships, but as a future possibility and, hence, social media was not harnessed for interaction with the customers. Public social media was not seen as a relevant platform from which to collect information about customers and nor was it seen as a place to conduct dialogue with customers. Information gathered via social media channels were generally seen as irrelevant, and the little relevant information that was available as being too time consuming to harvest in relation to its value. In this study, social media channels were not even seen as being capable of generating good leads, in contrast to reports from salespeople and managers suggesting they viewed social media to be a viable lead generation tool (Andzulis *et al.*, 2012). This finding might be accounted for by the specifics of the B2B environment (Vuori, 2012), where, unlike in the B2C world, most relevant conversations take place in private. The findings of the study did reveal that online dialogue in private groups offered a potential way to interact with customers and foster B2B relationships in future. They also showed public social media tools might have greater potential to create awareness and attract new customers rather than to enhance relationships with customers, so reflecting the findings of Järvinen *et al.* (2012) in the context of the goals of digital marketing in general B2B setting.

The research questions posed were:

RQ1. What are the roles and objectives of CRM in contemporary B2B companies?

RQ2. How are social media tools exploited to serve the objectives of CRM in contemporary B2B companies?

Those questions are partly answered above, but to sum up the findings this study suggests that CRM is becoming a more strategic function to serve customers better. Furthermore, the main goal of CRM, enhancing customer relationships, might not change, but CRM will become everybody’s business to an even greater extent than it is currently. The characteristics of CRM in contemporary B2B firms are summarized in Table IV. Understanding the customer is vital and requires careful listening and, hence, stronger cooperation between different functions to ensure the customer truly is the centre of everything. The role of personal relationships will not diminish despite the advent of new digital and social tools, but closed social media systems might have potential in the future.

CRM in contemporary B2B firms	
The role	Becoming a more strategic function in order to serve customers better
Objective	To manage customer relationships
Concept	Managerial
Orientation	Business and profit
Aim	To develop profitable, long-term relationships with key customers by serving customers by knowing what their customers want and delivering it in the best possible way, at as good a price as possible
Focus	Key customers, customer segments and other key stakeholders Focus on customers but incorporating all the stakeholders as value creators
Content	Hard numerical data played the most important role but the importance of including some descriptive information was identified. However, the “soft” data were not necessarily documented in the CRM system, instead that data often remained tacit knowledge held by sales personnel

Table IV.
CRM in
contemporary B2B
firms

5.2 Managerial implications

As digitization is a rather new and unstructured phenomenon and many companies are still considering how to reconcile their operations to the change, and how to take advantage of new social tools, the results of this study have several managerial implications.

First, CRM might remain a purely selling tool, but organizations that manage to incorporate marketing and communication into the CRM system might be able to offer a more holistic service to their customers. As CRM increasingly targets harder outcomes like increased profit, marketing and communication might play a major role in supporting softer outcomes by providing an understanding of long-term consequences and a global understanding of the customer’s business. The two functions should genuinely support each other, but achieving that objective would require facilitating an open atmosphere to foster efficient communication between different functions and also among customers. It is worth noting that the staff of the organization described as the most customer centric in this study worked for the firm assessed as having the most efficient internal communication and collecting the most descriptive data in its CRM system. This result should also encourage companies to invest in internal communication practices and pay attention to the internal coherence of the company.

Second, the results suggest a cautious approach to the use of public social media channels to enhance relationships or generate leads in the B2B context would be most appropriate. Social media, however, can fulfil other important roles in B2B relationships like creating public awareness. It might also be beneficial to organize some sort of filtering between the CRM and customer data gathered or leads generated from digital channels. That is a task perhaps best performed by a BI unit or the communication and marketing functions, which could monitor the web environment and refine the information gathered for CRM purposes. Again, efficient internal communication and an open atmosphere of communication seem to be central. It would also be wise to clarify the goals of using public social media channels. Although they enable online dialogue, companies should carefully consider how much effort they expend on serving existing and prospective

customers through the social media channels. Companies must really know their stakeholders and how that group utilizes digital channels, and then direct their efforts to serving the most important stakeholders strategically. A policy of simply generating as many leads as possible is unlikely to deliver lasting success, but careful use of digital and traditional strategies can increase the number of quality leads.

As a final suggestion, internal social media channels or private channels might offer valuable information to B2B companies. It might also be beneficial to establish some private online platform for customers to discuss the seller's products and other important issues. Such a platform could provide a supplier firm with valuable information on how their customers' perceive its product, and help the firm to develop its operations in a more customer-oriented direction. Furthermore, as the interviews of this paper confirmed, the only way to engage customers, and thus get them to participate in product development is to serve them in the best possible way so as to create value for those customers. This is something that can never be outsourced or fully digitized.

5.3 Limitations and opportunities for further research

The results of the current research should be evaluated in light of certain key limitations. First, they are based on a multiple case study, and thus results cannot be generalized. In addition, the low number of interviewees from each firm could be considered a limitation. However, it is believed that the results provide valuable explorative insights into an emerging area – digitization in company marketing from a CRM perspective – that justify the approach.

Furthermore, this study also opens several new avenues for future research. First, more cases related to the topic would be beneficial to gather from different contexts and different countries to increase the generalizability of the results and aid their further development. Second, this study should encourage researchers to reflect new concepts against empirical evidence to reveal how conceptual developments match the reality of contemporary companies. For example, the results give rise to an interesting question on the meaning of engagement in the B2B context. Future research might try to uncover what being engaged really means in an industrial marketing setting and examine what new aspects the concept of engagement brings to B2B relationships.

Thirdly, it would be beneficial to inspect just how social media tools can really create relational value, in which context and under what circumstances. This would extend our knowledge of how social media tools can be utilized beneficially in the B2B context for CRM because according to [Michaelidou et al. \(2011\)](#), some B2B companies do seem to be able to facilitate relationships through social media channels, even if that was not evident among the studied companies in this research. Future research might examine how social media tools drive engagement on open or closed platforms, and how that might influence purchasing decision-making. Internal digital solutions that have been found to increase interactions with customers would also merit further study.

On final suggestion for further research arising from the current study would be an analysis of lead generation through digital channels in the B2B setting. As noted in this study, the quality of leads from digital channels was poor, but the questions arising then are why it is so and whether the quality could be enhanced.

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Corresponding author

Heini Sisko Maarit Lipiäinen can be contacted at: heini.lipiainen@jyu.fi

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