Social Media and Customer Relationship Management.

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ABSTRACT- *CRM is an abbreviation for Customer Relationship Management.CRM can be said to be customer centered, that is (i.e.), the customer is put at the center of all the information that relates to him or her, and authorized people within the organization are allowed to access this information. CRM is a business strategy that goes beyond increasing transaction volume. Today's business environment is extremely dynamic and experience rapid changes as a result of technological Improvement, increased awareness and demands to serve their customers electronically.CRM is a strategy used to learn more about customers needs and their behavior in order top develop stronger relationship with them. Social media is the outline content created by people using highly accessible and scalable publishing technologies. Social media fundamentally alter the state of online communication towards a dialogue among web-users as well as organizations and their target groups. The combination of social media and CRM creates an enormous opportunity to enrich customer interactions and give businesses a way to manage and measure how they use social networking while successfully engaging social customers. This research paper indicates the integration of social media with customer relationship management (CRM) strategies, and defines the benefits of this integration for business.*

Keywords- *CRM (Customer Relationship Management), Social Media, SCRM.*

I.   Introduction

There are so many definitions and interpretations of CRM. A general definition will be that it is an enterprise approach to understanding and influencing customer behavior through meaningful communications in order to improve customer acquisition, customer retention, customer loyalty and customer profitability. Organization that practices CRM can be said to be customer centered, that is (i.e.), the customer is put at the center of all the information that relates to him or her, and authorized people within the organization are allowed to access this information. Many businesses such as banks, insurance companies, and other service providers realize the importance of CRM and its potential to help them acquire new customers retain existing ones and maximize their lifetime value. Its objectives are to increase profitability, revenue, and customer satisfaction. It is said that for a corporation, the 'unhappy customers are it's greatest source of learning' and these words are frequently used in business meetings and training workshops for employees engaged in customer Relationship Management (CRM) activities. These famous words were spoken by Bill Gates, and at that time, the world was re-discovering the art of listening to the customers by implementing better CRM practices. A company could discover insights from their customers (If happy or unhappy) and use these insights to improve processes and products so that they can make it better for their future customers. Social media, a concept that has given people a common platform, for sharing their news, views and opinions regarding the happenings around them. Social Media fundamentally alter the state of online communication towards a dialogue among web users as well as organizations and their target groups. Also consumers use new media to participate in social networks, which enables them to create and share content, communicate with one another, and build relationships with other consumers (Henning-Thurau et al., 2010, p 312). Social media has been used in several contexts related to different technologies and what they can accomplish. Social media may be defined as the production, consumption and exchange of information across platforms for social interaction. Social media has progressively allowed individuals to rely on the Internet to communicate, speak read or comment. Using social media, customers are able to interact with nearly any company and express their opinions at their convince. Social media appears to offer benefits to companies in all sectors.

Objective

The objective of this study is to indicate the integration of social media with customer relationship management (CRM) strategies, and defines its benefits for business.

Type Of Research

The methodology employed for research is exploratory in nature and does not include primary data collection. No survey or response method is used. Data is collected from several secondary sources like journal articles, research papers, websites and online social media portals.

II. REVIEW OF LITERATURE

Greenberg (2009) stated in his study that the term "social media" has been used in several contexts related to different technologies and what they can accomplish. Social media may be defined as the production, consumption and exchange of information across platforms for social interaction .Using a similar approach but without explicitly defining social media.

Andzulis, Panagopoulos,& Rapp, (2012) explained in his study that all customers are now 'customer benefits' and that every interaction is an integral part of a new collaboration between the company and the customer, yielding CRM 2.0.

According to CREDOC (2009) , 57% of French Internet users consult the opinions of other users before purchasing various products and services. Specifically, these new media enable conservations between customers about such topics as products and company reputations.

Mangold & Faulds,(2009) stated that before the development of social networks ,companies retained control over the messages that they diffused and the time in which customers would have access to them .Companies lose "control" once a message is broadcast as it is recovered by customers who will comment on, share or question it. The customer can "talk" directly with the brand and other customers.

Manish Parihar (Jan 2012) founded that although the traditional touch points with the customer are to stay, but the new generation online tools have radically changed in the way that companies connect and relate to their customers the concept of customer experience management has been an extension of the new-age customer relationship management.

Lehmkuhl Tobias & Jung Reinhard (Jun 2013) stated in their study that the triggers of SCRM are technological advancements and societal changes leading to an empowered web user. Persons are engaged in a public and direct dialogue with organizations and their peers in order to derive personal utilitarian and affective value.SCRM added to that point by facilitating customer engagement as a means to establish mutually /beneficial relationships.

Customer Relationship Management

Customer: The customer is the only source of the companies' present profit and future growth.CRM can be thought of as a marketing approach that is based on customer information.

Relationship: The relationship between a company and its customers involves continuous bi-directional communication and interaction.CRM involves managing this relationship so it is profitable and mutually beneficial.

Management: CRM is not an activity only within a marketing department, it involves continues corporate changes in culture and strategies.CRM requires a comprehensive change in the organization and people.

CRM used in business for identifying the new selling opportunities. Also it deliver instant, company-wide access to customer histories.CRM has emerged as a popular business strategy in today's competitive environment. It is a discipline that enables the companies to identify and target their most profitable customers. It involves new and advance marketing strategies that not only retain the existing customers but also acquire new customer. There are three key elements to successful CRM initiatives: people, business process, and technology.
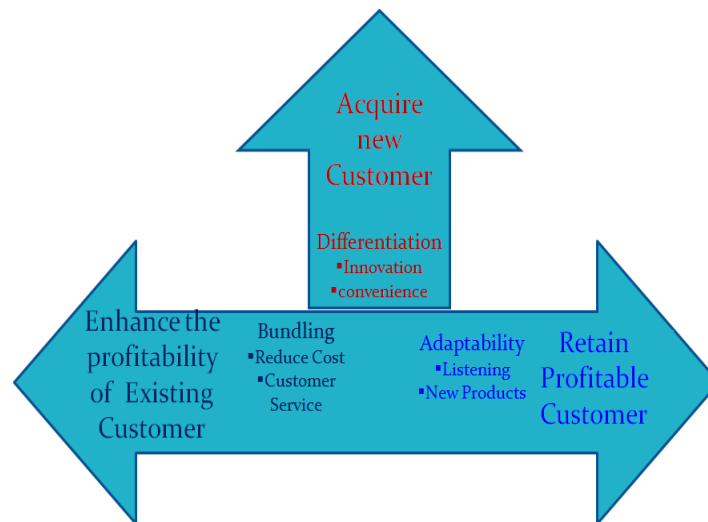
Figure 1. Benefits of CRM.

CRM activities allows for increased call center efficiency, improved close rates, marketing processes, improved customers profiling and targeting, reduced cost, increased share of customer and profitability. CRM provides enhanced opportunities to use data and information to both understand customers and co-create value with them. This requires a cross-functional integration of processes, people, operations, and marketing capabilities.

In this new Era, product centric approach changes into the customer centric approaches, the focus of marketers has shifted towards their customers and more deliberately on their experiences, which will be elaborated in subsequent sections.

Social Media

The world is becoming 'glocal' from global and is squeezing its economic, social and political boundaries thus giving it a common platform for development .The convergence of the media has expanded the usage of internet that gave birth to social media. The term "social media "has been used in several contexts related to different technologies and what they can they accomplish. Social media may be defined as the production, consumption and exchange of information across platforms for social interaction. Social media has taken the web world by storm .It has completely revolutionized the ways communication used to take place even a decade ago. It makes use of web-based technologies to transform and media monologues into social media dialogues. This technology is mostly of grate interest to those that are interested in search engine optimization and Internet marketing. The social media technology also supports the democratization of knowledge and information transforming people from mere content customers to content producers. People now rely more on social to learn about events and influenced more than ever by their peers. As a result, Social Medias now play a significant role in forming public opinion.

In the age of the web 2.0 and almost present broadband internet connections, a large majority of the online public are communicating with each other through a new medium. Apart from e-mail and instant messengers, they communicate through the medium of blogs, micro blogging websites and social networking websites like face book, Twitter, LinkedIn and many others.(Ahuja,2010).

Some of the popular social media websites are:

Face book, Orkut, MySpace, Google+   - Mainstream social networking sites.
LinkedIn   - Professional networking site.
Blogs like Word Press, BlogSpot   - used for broadcasting and publishing data
YouTube   - Video sharing website.
Wikipedia   - The open –source online encyclopedia
Flickr, Picasa   - Picture sharing websites.
Twitter - Micro-blogging websites where one can post only 140 characters at time.

In some cases, Social media may be considered the technological support enabling the interaction and the development of virtual relationships. This technology is known as web 2.0. Evans (2008) defines social media as a "group of internet-based applications that build on the ideological and technological foundations of web 2.0,which also allows the creation and exchange of user-generated content".

Social Media CRM (SCRM)

SCRM is a Social Customer Relationship Management. The integration of social media with customer relationship management (CRM) strategies-is the next frontier for organizations that want to optimize the power of social interactions to get closer to customers. With the worldwide explosion of social media usage, business is feeling extreme pressure to be where their customers are. The social CRM from technological standpoint bridges social media with the traditional CRM.

Social media holds unprecedented potential for companies to get closer to get closer to customers and, by doing so, facilitate increased revenue ,cost reduction and efficiencies. Businesses are rapidly embracing social media not only to build virtual communities, but also to create innovative social commerce programs, improve customer care and streamline customer research. With so much to gain, companies need to invest the effort to understand how to break through the noise and offer current and potential customers a reason out to them via social media. The blend of social media and customer relationship management (social CRM) enables your brand to truly listen to your customers more than ever before. It enhances your traditional CRM by listening for and with social media conversations, tracking new leads from a Tweet or Face book post and moving them into your sales funnel.

Social media continuously generate hoards of information so that it be comes difficult for enterprises to monitor them. As a result ,an increasing number of CRM developing companies of CRM developing companies are now offering social media integration their CRM.

CRM customization allows your social media accounts to be linked and managed through your customer relationship management software .It helps businesses in devising business strategy using the insight gained from societies. The benefits offered by SCRM or social CRM are:

- Improved peer –to-peer interaction in offering customer support.
- Market feedback research
- Idea management
- Brand positioning and promotion
- Product launching

CRM helps business in streaming operation and improve customer dealing. Integration of social media to it further enforced its usefulness in helping businesses to connect and serve their customers better. Customer channels have to identify before a company can build and manage its customer relationships via social networks. Once done, the full potential of Social CRM can be realized: because nowadays, customers like to use the social networks to share information about themselves and their interests. Social CRM in the current state is just a beginning of the larger shifts that are likely to take place on the foundation stone of today's emerging directions.

III. BENEFITS OF SOCIAL CRM

Several benefits are observed such as it raises marketing return on investment and development of product quality .Improve effectiveness of marketing through innovation and creativity. Encourages companies to identify new business opportunities through new and existing customers through social networking, Reduction in sales commission costs through community building around a product or service .Increase Research and Development capabilities and innovative idea through social customer's initiatives. Create abilities to increase customer loyalty through promotion of transparent dialogue and also encourage employee/customer interaction. Ability to decrease customer's service costs through self helping communities.
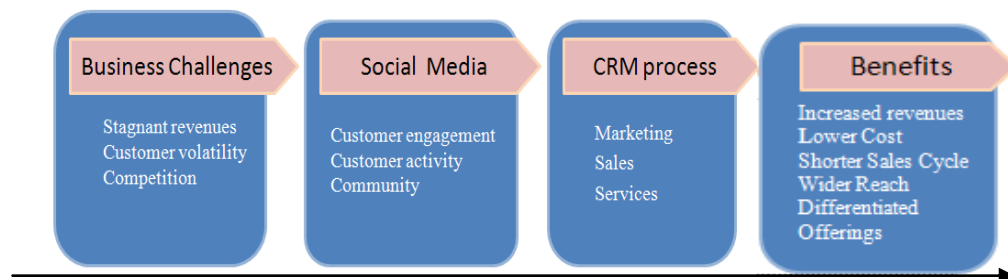
Figure 2-Business benefits of Social CRM.

The social CRM from technological standpoint bridges social media with the traditional CRM.Thus the complete picture is only to established when different components weaved around social media are integrated with levereged by the CRM system.Social CRM offers tremendous opportunities for an organisations to get insight into its own compititors brand perceptions.These insights can be used to fine tunes various strategies, such as promotions,customer engagement etc. Oraganization can work closely with its customers to co-create product service ideas. It also offers opprtunity to enagage with customers via newer channels such as micro blogs and communities leading to higher customer association with the company and brands. Traditional CRM is based on an internal operational approach to manage customer relationships effectively .But Social CRM is based on the ability of a company to meet the personal agendas of (its) customers while at the same time meeting the objectives of its own business plan .It is aimed at customer engagement rather than "customer Management".

While adopting social CRM there are plenty of challenges.Most imaportant is a privacy of user data+ is critical concern.While most social listening tool can only access 'public' data.There are spacific regulataions that prevent storage and usage of such information. Social media ID's would also need to varified in order to prevent interaction with unauthorised persons.give the different aspect organization need to think and also looks into the readiness to adopt SCRM for future scope.

IV.   CONCLUSION

The coming years will see more integration of social media to customer management platform. The integration procedure depends upon the social media maturity level of your organization with companies at the initial stage needing more comprehensive social media plans. These brands are using social media as a meaningful way to develop relationships with their customers and publicity of their products. Customers are connecting and having conservations about enterprises through social media, whether enterprises are actively engaged or not, and brands risk being raised if they fail to participate. Social CRM is an opportunity for organization to become customer centric. It contents the new communication and collaboration medium of social media to improve the existing business processes of marketing, sales & services. Technology will play a vital role in taking social CRM to take next level of maturity.It is concluded that social networks holds unprecendented potential for companies to get closer to cusatomers faciliate increased in revenue,cost reduction and efficiencies.Bussiness are embracing social medias for virtual communities also to improve customer care.

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