41. THE INTEGRATION PARADIGM OF SOCIAL CRM

by Agus Suroso

Research Article

THE INTEGRATION PARADIGM OF SOCIAL CRM

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ABSTRACT

The emergence of social media changing the map of central power with the creation of a customer-centric as a new generation of powerful, sophisticated, difficult to influence, induced and maintained. To deal with these changes, Customer Relationship Management assessment metrics to integrate social media and turned into a Social CRM (Customer Relationship Management) as a new paradigm in marketing. To achieve goals and improve company performance required customer involvement in implementing marketing strategies in social media.

INTRODUCTION

On the implementation of Customer Relationship Management traditionally, customers are asked to download the applications to make transactions from the application provided and the process is carried out with direct sales to the store or by phone or fax. In contrast to that done by e-CRM (Customer Relationship Management) where the concept of the Internet in the process is very significant. Customers no longer use an application or phone to make a purchase but ckup by clicking the E-mail, and this can be done through technology PDA (Personal Digital Assistant) and mobile (smartphone). Customers also do not need to visit a physical store sales but simply by visiting an online store through a search on the site or through social media companies. These changes occur since the emergence of e-commerce as a new business era that gives a lot of business opportunities and challenging enterprise Customer Relationship Management system change for sustainability. The challenge does not mean no risk, if managers are not careful in its application. According Pan & Lee (2003), there are three problems that arise and one will occur; First, the facility is a strong vendor in the categories of

Customer Relationship Management breadth of sales, service, and marketing. Customer Relationship Management developed different vendors will carve their own niche in and complete isolation from one another; second, the early efforts of Customer Relationship Management is hampered by the lack of a single view of the customer and has produced environment-customer interactions separate and uncoordinated. Many offers Customer Relationship Management will result in improved only tactical; and third, a lack of customer-centric data warehouse single have caused any additional customer touch points than can exacerbate the problem. It required careful planning for the transition of traditional Customer Relationship Management implementation to the e-CRM (Customer Relationship Management). The focus of the most severe faced by companies in the assessment of the implementation of Customer Relationship Management is on customer value, satisfaction, loyalty and retention. There are four components of customer evaluation centric in Customer Relationship Management according Kim, Suh, & Hwang (2003), *first;* customer lifetime value and loyalty; *second,* customer satisfaction, retention and acquisition; *Third,* customer

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interaction; and *fourth,* customer knowledge, profile and understanding. As a result, the implementation of e-CRM (Customer Relationship Management) on business on the Internet requires continuous improvement based on the assessment of the customer's perspective. From both the understanding requires a comprehensive effort of the company to exist in order not to fail in the integration of Customer Relationship Management that uses Internet technology. The question that arises the following may give a basic search for answers to move toward the improvement of the implementation of e-CRM (Customer Relationship Management) that is based on the results of the review Kimiloglu & Zarali (2009) as a matrix assessment perspective customer ratings.

- Has there been any awareness/increase brand presence online?,
- Is there a trust/reliability of the company/Increased brand in the online environment?,
- Has it been enriched perception of the company's brand image as a business that uses high-tech/advanced?,
- Have been strengthened pre-sales services provided to customers?,
- Has there been an increase in the support given to the customer during the purchase process?,
- Has it been an increase in the support given to the customer after the purchase process?,
- Is there an increase in the total number of users of earlier?,
- Is there an increase in the number of new customers?,
- Has there been a decrease in the cost to acquire new customers?,
- Is there an increase in the rate of purchase and / or reuse the services provided on site?,
- Are there improvements to win back customers from a previously stopped using the company website?,
- What has been done to streamline the process of delivering and completing the services provided?,
- Is the customer database has been set effectively?,
- Has it been repaired determination of the accuracy of the target market?,
- Is the database has been used to develop different marketing methods and strategies for different customer groups?,
- Is the customer satisfaction has increased?,
- Does the frequency of customer transactions has increased?,
- Does the number of customer transactions has increased?,
- Do rates using a variety of services and functions on the site has increased?,
- Do customers have started to spend more time on the site?,
- Is the delivery of customer complaints to the relevant person has become faster and easier?,
- Do solving customer complaint rate has increased?,
- Is the customer's willingness to provide the additional information requested of them by the company (ie a survey question about the site) has increased?,
- Is the level of help and support the use of the services on the site has increased?.

Integrationcrm in Social Media

The emergence of social media as a marketing tool for the company to become a bridge mengkovergensi customer relationship management to social media. Metrics ratings more easily detected; evaluating the performance of each of the elements involved in the information technology supporting the overall marketing strategy that influenced the decision, acquisition and retention (Malthouse, Haenlein, Skiera, Wege, & Zhang, 2013). The company's success in empowering customers on social networks depends on and how the company's experience designing social media programs that deliver value to customers. Provide support, attention and spend some time with the enthusiasm of the company is very difficult to be achieved from the customers as users of social networks. Companies must compete in the business area of extreme to integrate Customer Relationship Management in social media networks in order to acquire and develop the data, because customers and virtual network is very influential in driving the conversation (Baird & Parasnis, 2011). Therefore it is necessary for marketing research in understanding the explosion of social media usage and as a Customer Relationship Management pengkovergensian analysis of social media (Ang, 2011). Change the traditional view of Customer Relationship Management by incorporating social media technology as a new form in establishing business relationships with customers is a dramatic shift. Rishika Kumar, Janakiraman, & Bezawada (2013), expressed the need for managers to integrate knowledge from the relationship customer transactions with the participation of social media to serve customers and create sustainable business value. Integrating knowledge have feedback that can be obtained from the moods, attitudes and behaviors to help customers get the benefit of the entire value chain that have an impact on forecasting and demand and establish promotion (Woodcock, Green, & Starkey, 2011). This shift is like a game, started playing bowling in which companies only focus on targeting, but as the development of the game turned into a pinball require feedback. If the company can make sense of this game, both have risks, but in bowling, the manager is only required to how well in targeting customers, although sometimes a shot that missed estimates, while the pinball manager not only did the shot but the pass between the customer also needs to be anticipated to win the game such as word-of-mouth (WOM), customer relationship management, brand community, search engine optimization, viral marketing, guerilla marketing, event-based marketing and social media isolation. All of these things because of their relationship with the marketing done by the company in cyberspace called e-marketing. The definition of e-marketing itself according Kotler, Brady, Goodman, & Hansen, (2009, p 864), emarketing is the company's efforts to inform the buyer, communicate, promote and sell products and services via the Internet. While the definition of e-marketing adopted by EMA (e-marketing association) by Strauss & Frost, 2001, p 454 in Eid & El-Gohary (2013), is the use of electronic data and applications to the planning and execution of the conception, distribution and pricing of ideas, goods and services to create exchanges that satisfy individual and organizational goals. Previously, researchers have confirmed their emarketing difference from findings such as Barwise & Farley (2005), admitted that the impact of e-Marketing less than expected during the dotcom boom in the 1990s and is now a significant impact. Followed by Brodie, Winklhofer, Coviello, & Johnston (2007), which

confirms the research Barwise and Farley previously claimed that e-Marketing "starting to come of age," to conduct investigations in areas that are less researched and found that there had been an increase in the penetration e-Marketing. Their findings also indicate that the adoption of e-Marketing is positively related to performance and have a tendency competitive advantage. Meanwhile in the literature review El-Gohary (2010), distinguish areas such as: E-Business, E-market, Electronic Commerce, electronic platform, Mobile Marketing and other research areas, many still have gaps of research, especially in the field of performance of the E-Marketing and adoption of E-Marketing at the company's Small Business. In a review Tsiotsou & Vlachopoulou (2011), about the implementation of e-marketing states that companies are using the Internet as the main vehicle to adopt e-marketing in developing value chain efficiency, reduce costs, gain promotion of positive word-of-word, improve customer and relationship channels and gain competitive advantage. Empirically proved that the use of the Internet to carry out transactional activities, such as reservations, sales, and payment is positively associated with increased business performance and has been proposed to be exploited fully the importance of the internet. In its findings stated that the market orientation of contributing to the performance through multiple mechanisms that contribute either directly or indirectly, to the relationship through e-marketing. Furthermore, Lahuerta Otero, Muñoz Gallego, & Pratt (2014), offers four guidelines for companies that want to increase the flow of customers to their websites. The first is to improve search engine optimization by linking and re-linking of a company's website to other websites, linking with social media sites (eg Facebook, LinkedIn, Twitter) and include blogs on the site. The second is the use of the 'infomediaries' or websites that provide a virtual market place for other companies (eg Tripadvisor, HomeAway.com); The third is to provide value to customers by ensuring they maintain a well-designed website; The fourth is to utilize social media in which a link back to the company's website can improve SEO. Gajendra Sharma & Wang (2015), adding that the quality of information and the quality of online services are key determinants of user satisfaction and sustainability of e-commerce technology. Of the various explanations and findings of the above is necessary to be known by the company in order to understand the fundamental building blocks of social media as a marketing strategy. According Constantinides (2014), social media has changed the structure of power in the market with the advent of powerful new customer generation and sophisticated, it is difficult to be influenced, seduced and defend it; more Constantinides illustrates the basic foundation of e-marketing strategies below:
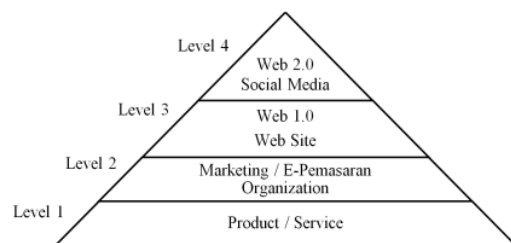

Figure 1 (E-) Marketing Strategy
Source : Constantinides (2014)

Figure 1. provide explanations tools marketing strategies that apply the nature, effects and status of social media as an agent of customer empowerment. In the picture is clear that the use of web 2.0 and social media research is the use of social media (such as facebook, twitter, youtube, LinkedIn, Google+, blogs and others) as a marketing strategy is dominated by facebook (Stelzner, 2015). Crager, Ayres, Nelson, Herndon, & Stay (2014, p. 235), states that social media can connect people who are using digital tools, such as Facebook. According Carlota, Efthymios, & María-del-Carmen (2013), he use of social media as part of a marketing strategy with the goal of customers, has clear benefits in improving customer relations, communications market, after sales service, and receive feedback information from customers , Thus it can be digested on how to establish social relations in the social networking business more rapidly and widely (Ellison, Steinfield, & Lampe, 2007; Chu, 2011). Social media is the web 2.0 as described by Stelzer and Constantinides aims to establish a relationship with the customer in a system that has an effect on the management and business. These effects led to a new paradigm in customer relationship management which was originally performed by the traditional system turned into an online system. Due to their integration into social networks it gives birth to a new paradigm called Social CRM (Customer Relationship Management); talk social media the same as talking about Social CRM (Customer Relationship Management) and secondly it is about how relationships in the public domain (Askool & Nakata, 2011; Heidemann, Klier, & Probst, 2012).

Social Crm Paradigm

Social CRM (Customer Relationship Management) was first discussed more extensively in the article Greenberg (2010), who found a new generation of customers with the needs of the company's transparency, authenticity and interaction. New customers have express an aggressive and smart in influence. Basically Social CRM (Customer Relationship Management) is a development of the use of technology in Customer Relationship Management which was originally proposed by Jayachandran, Sharma, Kaufman, & Raman (2005). Several studies of Social CRM (Customer Relationship Management) explained that Social CRM (Customer Relationship Management) aims at the performance of the customer relationship (Maklan & Knox, 2009; Keramati, Mehrabi, & Mojir, 2010; Rapp, Trainor, & Agnihotri, 2010; Trainor, 2012). In the scientific literature state-of-the-art Lehmkuhl & Jung (2013), concluded that Social CRM (Customer Relationship Management) as a new concept that requires a transformational effort between all parts of the organization. While, Trainor, Andzulis, Rapp, & Agnihotri (2014), menyatakan kemampuan Social CRM (Customer Relationship Management) states the ability Social CRM (Customer Relationship Management) is influenced by the management system customer-centric technology and social media have interactive effects on the formation rate of the company's ability proved to be positively related to the performance of the customer relationship. And in the process (social CRM) involves customers to engage an end (Choudhury & Harrigan, 2014). Meanwhile, to see and measure Social CRM (Customer Relationship Management) in the context of SMEs, Harrigan & Miles (2014), illustrates the importance of the orientation of customer relationships, uncover support and data issues surrounding the use of social

media, promoting the importance of customer engagement in the online community, and recognizes the role driver information process. Once the strategic involvement of customers in relationship marketing, Vivek, Beatty, & Morgan (2012), argues bring customer engagement as the intensity of the participation of individuals in connection with the organization deals and it is composed of elements of the cognitive, emotional, behavioral, and social. While, Bowden (2009), stated in a study of satisfaction with the approach that includes an understanding of the role of commitment, engagement and trust in the creation of a customer engaged and loyal, can provide a deeper understanding and more complete than the nature of customer relationships and brand on the engagement process can be developed and fostered among different customer segments

DISSCUSSION AND CONCLUSION

There are 24 questions in the metrics proposed Kimiloglu & Zarali (2009)in the early part of the above preliminary empirical testing needed to do in order to know the extent of the readiness of e-CRM integration to social CRM. The questions are useful for practitioners and researchers as the direction of further studies, and the authors suggest to include the question in the integration process and combined with the basic foundations of a good e-marketing presented by Constantinides (2014 for a relationship in the public domain with different customer segments, Finally, the authors concluded that the integration of traditional CRM to Social CRM requires an understanding of the views of customers more to enter into and implement marketing strategies in social media. This is because existing customers are the type of customers disosial media critical and pervasive, and if not careful will cause a boomerang for the development and 13formance of the company. Therefore, in the preparation of the company's marketing strategy should include the involvement of the customer to enter the social media market and map the market forces.

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