An Explanatory Study on The Impact of Social CRM on The Organizations’ Market Orientation
Dublin Business School

Master of Business Administration

An Explanatory Study on The Impact of Social CRM on The Organizations’ Market Orientation
Postgraduate Master’s Degree dissertation

A dissertation submitted in part fulfillment of the requirements of the Masters in Business Administration (Marketing) to Dublin Business School and Liverpool John Moore’s University

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Declaration

I, Povilas Zukauskas, declare that all the work in this dissertation is entirely my own (with the exception of specific sources that are referenced in the text and bibliography), no portion of the work referred to in this dissertation has been submitted in support of an application for another degree or qualification to any University or learning institution. Furthermore, all the work in this dissertation is entirely my own.

Signature ...........................

Date: .............................
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Abstract

The purpose of this research is to provide knowledge for academics and industry societies about social media, social CRM and market orientation concepts and to discover how social CRM is affecting organizations’ behavior. Researcher has identified lack of knowledge on how social CRM is affecting organizations’ behavior - market orientation.

The research involves primary, secondary and tertiary data analyses. Firstly researcher builds knowledge about research methods and stances available to him and inspects social media, social CRM and market orientation concepts, develops hypotheses about possible relationships between concepts. Secondly researcher develops research tools and conducts primary research and data analyses on organizations that are using social CRM.

Results of primary research show that:

- There is a positive relationship between social CRM use and market orientation elements;
- The relationship between duration of social CRM use and market orientation is not significant;
- The relationship between number of functions that social CMR is used for and market orientation is not significant;

Value of this research is that it provides knowledge about social media, social CRM and market orientation concepts to academics and industry societies and that it scientifically assesses and discovers social CRM effect on organization’s behavior; by analyzing these findings managers can easier make decision whether to implement social CRM; for academics society it provides knowledge and highlights areas for new researches.
1. Introduction

1.1. Research Background

In 2012 Nielsen Social Media Report has identified new trend happening online - people were spending more time on social networking websites than any other category websites - 20% of their time spent on PC and 30% of time spent on mobile devices was spent on social networking sites (Nielsen Social Media Report, 2012). Li and Bernoff (2010, p.9) call this trend – “The Groundswell” and categorize it as: “A social trend in which people use technologies to get things they need from each other, rather than from traditional institutions like corporations.” Phenomenal growth of social networks’ users is the effect of Groundswell, this trend is significantly important to businesses because it creates opportunities to use social media to engage and market to customers via new - social media channels (Li and Bernoff, 2010; Kaplan and Haenlein, 2010; Greenberg, 2010), however businesses started to see value of social media as communication channel only very recently and only because customers are expecting that kind of communication (Greenberg, 2010). Gartner report (2012) stresses that “…by 2014 organizations that refuse to communicate with customers by social media will face the same level of wrath from customers as those that ignore today’s basic expectation that they will respond to emails and phone calls” (Gartner Press Release, 2012).

To manage it’s relationship with customers and stakeholders up till now businesses were relying on traditional Customer Relationship Management techniques, these techniques doesn’t stay behind erupting social trend and according to Greenberg (2010) new concept of CRM is emerging, that attempts to incorporate technologies and social changes by introduction of the social media applications in to Customer Relationship Management. Greenberg (2009) highlights importance of it and discusses failure of traditional CRM model to develop the real insights into customers - traditional CRM was able to gather traditional transactional data, but it failed to provide emotional and behavioral insights about customers.

Greenberg (2009) summarizes that Social CRM tools provides organizations with distinctive value propositions:

• Market Intelligence – by developing deep insights in to customers;
• Opportunity to increase level of interaction with customers by using Social CRM;
• Opportunity to increase collaboration within organization.

Theoretically by developing market related intelligence, increasing its level of interaction with customers and collaborating and empowering customer information
circulation across different departments organizations should become market orientated. Main focus in organization that is market orientated is collecting customers’ information and using it to serve their needs better (Kohli and Jarowski, 1990), therefore Day (1999) highlights that market orientation is a business perspective where customer is the main focus of organization’s total activities. Since 60s business researchers (Levit, 1960; Kotler, 2001; Kotler and Andreasen, 2007; Webster, 1988) have discussed that for organization to improve its market position it needs to increase its market orientation. Researcher has discovered conceptual gap between Social CRM use and market orientation, as there should be correlation between these two concepts to deny or confirm this relationship further research is required.

Importance of social media as a channel in CRM is growing, however business executives still do not see value in implementing Social CRM technologies (Gartner Report, 2012). Researcher has discovered methodological gap, as there is no literature available about Social CRM effects on organizations. To fulfill this gap researcher will conduct primary and secondary research about Social CRM; it’s benefits and the effects on organizations’ behavior.

1.2. Researcher’s suitability
Customer relation’s management and new trends in this field are the areas of researcher’s professional and academic interests. Researcher has professional experience in customer relationship management and his professional career goal is to progress to Customer Relations Manager position. This research will help him to develop knowledge about social CRM strategy, customer relations, customer experience management tools and techniques, and will help to develop knowledge of market orientation strategy.

1.3. Research Objectives and Questions
As it was noted earlier researcher has identified a conceptual gap between opportunities provided by social CRM, it’s value preposition and elements of market orientation, researcher has indicated that there should be a relationship between these concepts. Unfortunately there is no literature or research conducted on this topic. To build and present knowledge and insights in order to fulfill gaps further research is required. This research should help to identify if relationship between different elements of market orientation and social CRM is significant.

Researcher has set the following goals and objectives that he attempts to achieve by conducting this research:

1. To explore what how social media is affecting customer relationship management and is leading to social CRM:
a) To understand what social media is;
b) To research how social media affects businesses;
c) To understand what is social CRM and what benefits it provides for business and customer;
d) To describe how social CRM is different from traditional CRM;
e) To explore what are the key elements of social CRM application;
f) To overview the biggest social CRM vendors;
g) To overview few success stories of social CRM implementation;

2. To build knowledge on Market Orientation:
   a) To discover and explain what is market orientation and what are the elements of market orientation;
   b) To describe and discuss how market orientation might be related to social CRM;

3. To discover and explore possible relationship between market orientation and social CRM:
   a) To research if there is a relationship between social CRM use and market orientation;
   b) To research if number of functions that social CRM is used for is related to market orientation;
   c) To research if duration for how long social CRM is used is related to market orientation;

To fulfill methodological and conceptual gaps and to discover and explore possible relationships between market orientation and social CRM researcher will build knowledge and will explore social media, social CRM and market orientation concepts by consulting secondary and tertiary academic and industry resources and will perform primary data collection and analyses in order to answer research questions:

i. Is there a relationship between implementation and use of Social CRM and market orientation?
   By asking this question researcher seeks to understand rationale for organizations to adopt “social” approach to managing it’s relationship with customers and stakeholders and to discover impacts of Social CRM on organizations’ behavior.
ii. Is there a relationship between duration for how long Social CRM is used and market orientation?
By asking this question researcher seeks to understand how long after Social CRM implementation it might take for organization to become market orientated and identify if duration of the use might be related to market orientation;

iii. Is number of functions that Social CRM is used for related to market orientation?

By asking this question researcher seeks to identify how number of functions that Social CRM is used for (sales, service, marketing, collaboration) is related to market orientation?

To answer research questions researcher has develop alternative hypotheses:

- **H1 a:** *Social CRM use will be positively related to Market Orientation.*
- **H2 a:** *Duration of Social CRM use will be positively related to Market Orientation.*
- **H3 a:** *Number of the functions that Social CRM is used for will be positively related to Market Orientation.*

And null hypotheses:

- **H1 o:** *Social CRM use will not be positively related to Market Orientation.*
- **H2 o:** *Duration of Social CRM use will not be related to Market Orientation.*
- **H3 o:** *Number of the functions that Social CRM is used for will not be positively related to Market Orientation.*

1.4. Outline of chapters

**Introduction**

This chapter provides reader with an introduction to research. In this chapter researcher discusses background of research and highlights why this problem should be studied as well as introduces reader with goals and objectives that researcher is trying to achieve by conducting this research.

**Literature review**

By studying and analyzing secondary and tertiary literature researcher builds knowledge on different concepts related to contemporary approach to customer relationship management. This chapter is divided in to different sections and builds understanding on social media as new disruptive trend affecting customer relationship management, social CRM – new approach to customer relationship management, market orientation – behavior, which relates to deeper understanding of customer needs and adopting business activities in order to serve customers better, as well it provides background for researcher to develop hypotheses how social CRM and market orientation might be related.
Research Methodology and Methods
This chapter helps to understand role of researcher as it provides readers with conceptual frameworks extracted from literature, which helps to build knowledge about approaches and philosophical stances available to researcher. Furthermore it provides knowledge about various tools available to perform research and discusses approach adopted by researcher for particular research.

Findings and data analysis
This chapter is dedicated to analysis of primary data using various statistical methods; it provides readers with findings that were discovered.

Conclusions
This chapter concludes all research and highlights the most important findings extracted from primary and secondary research.

Self Reflection on Own Learning and Performance
This chapter overviews and evaluates learning experiences, that researcher has encountered throughout the research period, which have helped researcher to enhance imperative skills, applicable to the wider spectrum.

1.5. Research limitations
During this research process researcher have encountered different limitations and difficulties. Researcher has no experience to perform research and this created difficulty and challenges when selecting research method and analyses methods, as they might not be suitable for the research. There is a risk that sample is not representative because of non – probability sampling method, which according to Bryman and Bell (2007, p.200) “is in no sense random, because there is no way of knowing the precise extent of the population from which it would be drawn.” As well Snowball sampling method chosen by researcher according to Saunders (2007, p.233) creates problem of bias for this sampling, as respondents will be identifying respondents that are similar to them. Respondents might be not totally honest when answering questions about focus on customers and customers’ needs. There is high risk for personal researcher’s biases when selecting participants as researcher was selecting participant using social networks, he might have selected participants that might be attractive to him and might avoid respondents from certain industries, locations or certain cultures.
1.6. Research recipients and contribution

Recipients of this research are Dublin Business School, Liverpool John Moore University, academics and industry societies.

By conducting this research researcher is seeking to contribute knowledge to academics and industry societies, as during this research process it has been discovered that there is not enough secondary literature available on social media and social CRM concepts. Additionally this research provides unique findings to academics and industry societies as earlier there were no attempts to conduct research and relate social CRM to organizational behavior (market orientation). Findings of this research should help industry societies to build knowledge of social CRM as well as to help to make decision on social CRM implementation.
2. Literature review

2.1 Social Media and Customer Relationship Management

To understand social CRM concept first of all we have to inspect social media concept. According to scholars social media can be identified as content like photos, comments, reviews, videos, hash tags, etc. that is created and shared by social network (Facebook, Twitter, LinkedIn, Flickr, etc.) users (Greenberg, 2011; Metz, 2011); To better understand social media Kaplan and Haenlein (2010) suggest to inspect the two related concepts that are linked to it - Web 2.0 and User Generated Content:

• Web 2.0 is a term that identifies a new way in which software developers and end-users started to utilize the internet and World Wide Web, this is the platform where content and applications are no longer created and published only by individuals, but instead are continuously modified by all users in a collaborative fashion (Kaplan and Haenlein, 2010);

• User Generated Content (UGC) - if Web 2.0 is considered to be technological enabler for Social Media, then UGC are the all ways in which people make use of social media, this term according to Kaplan and Haenlein (2010), is used to describe diverse forms of media content that are openly available, created and shared by end users.

Social media content can be grouped in to Comment and Reputation, Wisdom of the crowds, Questions and answers, Collaboration and other platforms, Solis (2010) has developed a Conversation Prism 3.0, where social media channels are segmented in to groups based on their nature – (Appendix 1).

Woodcock et al (2011) discusses that Social media is full of conversations, as consumers are using it to talk to each other – in this way content is being created (thoughts, opinions, ideas, experiences, photos and videos are shared by individuals in small networks). With the help of social tools this content becomes available to larger networks of individuals on local, national or global scale. Number of social network users is growing – number of Facebook daily users was estimated to be 669 millions in first quarter of 2013 and 1.1 billions of active monthly users in first quarter of 2013 (Forbes, 2013). This evolving trend creates threat to businesses, first time this threat was identified by Forester’s Researchers in 2006. Forester (2006) calls this new erupting trend - Social Computing.

Social media is starting to play important role in how businesses are managing its relationship with customers. Usage of social media reinforces and privileges contemporary customer with power and advantage for interaction with the organization (Forester, 2006), this benefits customers but creates threat to
businesses. Threat comes from growing power of customers, as they are sharing their experiences of brands and services by creating a of Social Media content. Social media content is being created constantly and this is happening whether businesses are getting involved or not (Woodcock et. al, 2011), therefore content created by consumers reflects their experiences and feelings about services and products. Greenberg, (2009) has summarized that product or service related content involves the following topics:

- How good was the product?
- Did it meet the expectations of the buyers, what did it do right or wrong?
- Did the manufacturer or retailer provided appropriate service around the product?
- How did the company handle the order and shipping and, if needed, customer service?

Evolution of social media and growth of online communities - rise of disrupting Social Computing trend (Forester, 2010), has revolutionized relationship between business and customer and has caused strategic shift in traditional mainstream marketing funnel. It has affected how stages of marketing funnel are moving from building awareness to earning loyalty along the funnel. Traditional funnel has collapsed and was revolutionized as the new trend creates opportunity for businesses to interact with potential customers at much earlier stages (Wagner and Hughes, 2010).

Rise of social media and it’s phenomenal growth from one side might be threat to businesses, but on the other side it creates and offers businesses new opportunities to manage relationship with customers using new communication channels, more importantly it equips businesses by providing customers’ insights and delivering resources for social customer relationship management. Therefore Barry (2012) debates that early adopters of social media are gaining real economic value from investments in to social media. Baines research (Barry, 2012) shows that customers, engaged on social media, are spending up to 40% more than other customers. Social media is being adopted by big and well recognized brands, they are using if for various purposes and are benefiting from adoption of this channel (Figure 1).
Few of the benefits to note that social media can provide to organizations are (Barry et al., 2012):

- Generating awareness at much lower cost than traditional media advertising;
- Surprising customers with real-time service responses;
- Providing technical support with much greater efficiency than call centers and other traditional channels;
- Capturing customer insights and using them to develop customer-centric and customer-led strategies;
- Building communities and increasing level of engagement in order to earn greater loyalty, spending, and referrals.

Baird and Parasnis (2011) have conducted research on social media use by businesses and have discovered that companies have started using social media aggressively and have set high expectations – over 2/3 of respondents believed that social media will transform business in the future. Therefore Nadeem (2012) debates that social media harnessed with customer relationship management can deliver financial benefits across whole customer life cycle – acquisition, retention, value development and reduced customer serving cost – all this can be achieved by increasing customer insights and engagement across any sector in any organization. However Nadeem (2012, p. 88) discusses that even though “Never before have we been able to get so close to customers and engage with them in such a timely and relevant manner”, but
managers are still not aware of how social media use can monetized. Monetization problem affects delays in social media strategy implementation, however one of the possible ways to monetize social media is to use it for customer relationship management, adoption of social media for customer relationship management according to scholars can be identified as social CRM (Wang and Owyang, 2010; Baird and Parasnis, 2011; Trainor, 2012).

2.1.1 Social CRM

According to Gartner’s report (2012) customers churn risk might increase by 15% if organizations refuse to interact with customers via social media. Importance of social media for businesses as a channel for customer relationship management is growing and opportunities to integrate social media into relationship management processes are increasing. Earlier we have mentioned social media monetization problem, therefore Reinhold and Alt (2012, p. 157) explore and discuss possible monetization options as four usage cases of social media in customer relationship management processes and point that social media can be used as:

- Channel for transaction – touch point in CRM processes – service platform or sales channel;
- Platform for cooperation – supporting collaborative work processes among Web 2.0 users for developing products, defining campaigns and other activities;
- Provision of context – communication channel in marketing campaigns or as effective way to communicate brand, product or service related information;
- Analysis of content – discovery, expenditure and evaluation of knowledge based on analytics of users and content in order to provide new market insights;

In 2010 Wang and Owyang came up with eighteen business cases, where implementation of social CRM tools will benefit organization in six following areas – Marketing, Sales, Service/Support, Innovation, Collaboration and Customer Experience (Figure 2), in 2011 Metz added 4 more business cases.
This new and emerging view of CRM empowered by social media is called Social CRM or CRM 2.0 and involves a more collaborative and network focused approach (Trainor, 2012). Greenberg (2010) and Reinhold and Alt (2012) debate that Social CRM activities are not new, but they are combination or traditional CRM with Social Media, therefore it should be viewed not as the replacement of traditional CRM model, but as an extension that adds social functions, processes and capabilities for interaction between customer and firm, and customers’ peers. Microsoft (2009) white paper defines how social media should be incorporated in to overall CRM strategy:

- Social media should be treated as new channel within CRM;
- Social media should be used to enhance and increase traditional CRM capabilities, as social media offers opportunities to engage customers and manage conversations;
- Organizations should align traditional CRM with social media in order to better listen, analyze understand and interact with customers by adopting channel acceptable and meaningful to customers;

It is important to note that Social CRM is not viewed as technology, but more as a strategy or business model focused on Customer Relationship Management, Sarner et. al. (2012, p.1) summarizes that “Social CRM is a business strategy that generates opportunities for sales, marketing and customer service, while also benefiting online
communities.” Thus Greenberg (2010) adopts a more holistic approach and describes that social CRM is:

“... 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 in order to provide mutually beneficial value in a trusted and transparent business environment. It’s the company’s response to the customer’s ownership of the conversation” (Greenberg, 2010, p.34).

Infosys analysts highlight importance of customer centricity in this model and identifies Social CRM as “… a paradigm that can provide next-generation personalized customer engagement experience by bringing real-time sense of customer centricity and by harnessing the power of social network economy” (Shyamalee & Srinath, 2010, p.2).

2.1.2 From CRM to Social CRM

Baird and Parasnis (2011) compare traditional CRM and social CRM and discuss that social CRM – concept that unites social media technology with customer relationship management, embodies dynamic community of customers interacting via social media rather than traditional CRM channels like call centers, bricks and mortar locations and corporate websites, therefore Woodcock (2011) discusses that Social CRM creates opportunity for organizations to access more of customer data and makes interactions more effective and cost efficient comparing it to traditional CRM.

But biggest strategic shift in CRM is that companies are no longer in control of relationship (Greenberg, 2010), control has shifted to customer, and according to Baird and Parasnis (2011) companies should use Social CRM as the tool to manage dialog, but not the customer, Sarner (2012) supports this position and discusses that “to be successful with social CRM, organizations need to be much less focused on how an organization can manage the customer, and much more focused on how the customer can manage the relationship” (Sarner, 2010, p.1), Greenberg ads to positions that “It is aimed at customer engagement rather than customer management” (Greenber, 2010, p.35). Therefore this new approach shifts traditional customer – organization relationship model in to new paradigm and puts organization in position where it has to manage it’s relationship not only with customer, but with customer’s peers (social network) via different social channels. By adopting this new approach organizations are taking step further in it’s relationship management strategy and if it’s done correctly this new relationship model benefits organizations and helps to win customers loyalty and build trust by engaging customer and at the same time listening to their conversations and extracting data vital for business processes (Yawised et. al., 2013).
Greenberg (2009) discusses failure of traditional CRM model to develop the real insights into customers - traditional CRM was able to gather traditional transactional data, but it failed to provide an emotional and behavioral insights about customers, further more in traditional CRM model customer strategy is part of corporate strategy, hence social CRM model requires customer strategy to become corporate strategy, not to be part of it. In social CRM model customer is seen as a partner who cooperates in creating and shaping products and services rather that organization is shaping customer’s opinion about products and services (Figure 3).

<table>
<thead>
<tr>
<th>Traditional CRM features/functions</th>
<th>CRM 2.0 features/functions</th>
</tr>
</thead>
<tbody>
<tr>
<td>• CRM is a philosophy and a business strategy supported by a system and a technology designed to improve human interaction in a business environment</td>
<td>• CRM 2.0 is 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 in order to provide mutually beneficial value in a trusted &amp; transparent business environment. It’s the company’s response to the customer’s ownership of the conversation</td>
</tr>
<tr>
<td>• Tactical and operational: customer strategy is part of a corporate strategy relationship between the company and the customer was seen as enterprise managing customer - parent to child to a large extent.</td>
<td>• Strategic: customer strategy is corporate strategy. Relationship between the company and the customer is seen as a collaborative effort. And yet the company must still be an enterprise in all other aspects.</td>
</tr>
<tr>
<td>• Focus on company &lt;&gt;customer relationship</td>
<td>• Focus on all iterations of the relationships (among company, business partners, customers) and specifically focus on identifying, engaging and enabling the “influential” nodes</td>
</tr>
<tr>
<td></td>
<td>• The company seeks to lead and shape customer opinions about products, services, and the company-customer relationship. Business focus on products and services that satisfy customers. Customer-facing features- sales, marketing and support.</td>
</tr>
<tr>
<td></td>
<td>• Marketing focused on processes that sent improved, targeted, highly specific corporate messages to customer.</td>
</tr>
<tr>
<td></td>
<td>• The customer is seen as a partner from the beginning in the development and improvement of products, services and the company-customer relationship. Business focus on environments and experiences that engage customer. Customer-facing both features and the people who are in charge of developing and delivering those features.</td>
</tr>
<tr>
<td></td>
<td>• Marketing focused on building relationship with customer - engaging customer in activity and discussion, observing and redirecting conversations and activities among customers; participating in those conversations.</td>
</tr>
</tbody>
</table>

Figure 3 – Differences between traditional CRM and Social CRM (Greenberg, 2009, p.36)
2.1.3 Social CRM application and it’s functionality

Sarner et. al (2010, p.3) has defined that main Social CRM application’s function is to “encourage many-to-many participation among internal users, as well as customers, partners, affiliates, fans, constituents, donors, members and other external parties, to support sales, customer service and marketing processes”.

When analyzing tools needed to support social CRM strategy it is imperative to note that Social CRM applications consist of few elements and should have several key software components integrated to support the following modules (Collective Intellect, 2010; Sarner et. al, 2012):

- Social media monitoring, measurement and analytics platform;
- Integrated customer view and functionality for promoting customers interaction via social networks platform;
- Community platform to promote peer-to-peer customers communities;
- Engagement platform to engage peers and customers.

Sarner (2012) emphasizes the importance of social CRM application integration with traditional, operational CRM applications such as multichannel campaign management; customer service knowledgebase or sales lead application. Collective Intellect white paper (2010) suggests that to exploit opportunities, that social media has to offer organization needs to implement Social CRM application that would empower it to perform the following activities:

- To listen to online conversations of customers and to analyze them in order to gain insights into their behaviors, thoughts, relationship and association;
- To engage selected consumers via conversations directly by managed workflows or via ongoing consumer communities. Customer engagement in to conversations helps create insights and to improve messaging and brand value propositions, furthermore it helps to identify and fix key customer satisfaction issues, and improve product features/attributes, therefore Sarner et al. (2012) highlights that social CRM application must incorporate tools to engage customers in wide range engagement levels from low (voting mechanisms) to high (customer brand or product creation);
- To market by creating and integrating marketing programs that create opportunity to participate in ongoing, meaningful and authentic conversations with customers and consumers (Collective Intellect, 2010);
Sarner et al. (2012) has looked at customer’s perspective and have added the following attributes of social CRM application:

- It should help customers to feel more involved in their own decisions (buying process - information about product gathering, gathering, evaluation and post sales access to customer);
- It should provide customers with better quality information about products and services;
- It should give control to customer to decide how relationship with organization should be handed and what information shared;
- It should improve customers’ self-esteem, level of respect and feeling of belonging to groups and friendships.

Even though attributes proposed by Intellectual Capital report (2010) and attributes proposed by researchers (Sarner et al., 2012; Greenberg, 2009) are quite similar, but position of customer engagement is relatively different – where Collective Intellect report (2010) suggests that for successful social CRM project organization should focus much more on how organization should manage relationships with customer, but scholars (Sarner et al., 2012; Greenberg, 2009) suggest that organizations should focus on how customer can manage relationship with organization rather than organization managing it.

2.1.4 Social CRM benefits

For organization to implement and to use social CRM it should see benefits of this use, social CRM practitioners and industry researchers (Shyamalee & Srinath, 2010; Sarner et al. 2012) are forecasting that Social CRM should address customer pain-points in different industries, few industries that they are addressing are:

- In financial industry it should help to overcome transparency problem and customer identity issues;
- For telecoms it should help to manage low average revenue per user and increased competition;

By employing social Media for it’s CRM process organization can take advantage of Social Media characteristics (Shyamalee & Srinath, 2010) – user engagement, activity and community should be exploited by marketing, sales and services functions to overcome challenges like stagnant revenues, customer volatility and competition and should provide organization with the benefits - increased revenues, lowers costs,
shorter sales cycles, wider reach and differentiated offerings, increased profitability (Figure 4).

![Figure 4 - Business Benefits of Social CRM (Shyamalee & Srinath, 2010, p3.)](image)

According to Collective Intellect report (2010) execution of Social CRM strategy and Social CRM application’s implementation will play significant role for following functions of an organization:

- Relationship management - sales, customer service;
- Marketing - analysis, market research, branding;
- Business intelligence functions.

Therefore Reinhold (2012, p.158) debates that Social CRM application has a primary task “to bridge the gap between social media and customer orientated service systems of a firm.”

When discussing practical implications Sarner et al. (2012, p.1) suggest that social CRM applications are helping to increase profitability by introducing the following opportunities:

- To build customer trust;
- To gain customer insights;
- To differentiate products or services;
- To improve selling, upselling or cross-selling;
- To gain word-of-mouth advocacy;
- To improve the overall customer experience;
- To lower the cost of service.
As well Sarner (2010) looks at benefits that are delivered by social CRM not only to organizations, but as well to customers and highlights that probably most important benefits to customer are:

- Access to independent information about products, services and brands;
- Personalized interactions with an organization, where customer can control level of interaction and engagement.

However social customer insights is the most important element of Social CRM initiatives as lack of customer insight has led many organizations to misunderstanding their customer needs and resulting products and solutions design failures (Wang and Owyang, 2010), authors accept that operational part of social CRM used for sales or customer service is very important as it makes interactions easier and creates opportunity to reduce costs, but they are emphasizing importance of insights as opportunity for customer centricity. Therefore Nadeem (2012) notes that social CRM can deliver insights, which can help spring real customer centricity and innovation.

2.1.5 Social CRM vendors

Gartner – technology research and advisory company in 2012 has released new and updated version of “Magic Quadrant for Social CRM”. In this report vendors are grouped in to four categories – Challengers, Leaders, Niche players and Visionaries based of vendors’ ability to execute and completeness of vendor vision (Figure 5)
In 2012 Magic Quadrant vendors are rated and evaluated based on the following criteria (Columbus, 2012):

- Customer cases that illustrate extensiveness of analytics, marketing, selling and service - leaders in this field are Jive, Lithium and Salesforce.com as according to Gartner's (2012) analysts they have highest number of user cases and they are leaders in sales, marketing and service areas;

- Depth of analytics expertise – Attensity is considered to have the strongest expertise in analytics and is the leader in text analytics and Natural language processing, as well as patterns recognition, data filtering and etc.

- Social CRM ROI – probably the biggest concern for organizations seeking to introduce Social CRM strategies, Lithium is leader in this field proved to have highest ROI of social CRM vendors, it is important to note that this organization is using benchmarks to evaluate performance effectiveness against contracts;

- Customer-driven Integration – this criteria involves integrating ease of customer use and adoption rather than convenience for use or internal efficiency, Oracle is noted as a vendor who needs to speed up the integration efforts internally in order to provide customer’s with wins;

Salesforce.com remains leader in 2012 Magic Quadrant for Social CRM; according to Sarner et.al (2012, p. 10) this vendor has the following strengths:

- Growth and momentum - the second largest amount of social revenue in this year's Magic Quadrant boosted by sales figures of new customers and increased level of cross selling;

- Vision – by introduction of “social enterprise” it demonstrates strong vision for social approach and it broadens its vision from CRM to human capital management and internal collaboration;

- Multiple use case - Salesforce.com has the highest number of social CRM use cases involving areas from social sales and collaboration to idea management, brand and reputation monitoring and not limiting it to social campaigns, service listening and responding and other cases.
2.1.6 Social CRM success stories

To build better understanding of benefits, that social CRM can provide to organization we will overview few success stories of successful implementation:

- Citrix, operating in software industry, has implemented Jive social Business Software application with goal to reduce call center volumes by empowering customer’s self serve. After successful implementation and execution call volumes decreased by 30%, increased peer – to peer sharing of knowledge, questions, ideas and best practices (Jive, 2013);
- Wells Fargo Wholesale Banking is one the biggest banks in USA and has nearly 300 products and services. Bank has implemented Salesforce.com technology and is using social channels to hear what customers are saying about brand, they are able more quickly respond to customer questions and issues and are able and offer customers more insights into the bank’s products and services. Customer satisfaction has significantly increased after bank adopted social channels (taken from http://www.salesforce.com/customers/stories/wells-fargo.jsp);
- Autodesk Inc. is software company, leading in 3D design, entertainment and engineering software, has Implemented Lithium Community support application and in 2011 has saved $6.8M in customer service costs by reducing number of calls by 25% (Lithium, 2013).

2.2 Market Orientation

2.2.1 Market Orientation and it’s elements

To serve its customers needs and to understand them better Kohli and Jarowski (1990) suggest that organization should put all it’s efforts and focus on collecting information and generating knowledge and intelligence about its customers, stakeholders and their activities. Researchers (Kohli and Jarowski, 1990; Narver and Slater, 1990; Deng and Dart, 1994) suggest that by doing so organization can achieve – market orientation – perspective of managing organizational performance. Since 60s business researchers (Levit, 1960; Kotler, 2001; Kotler and Andreasen 2007; Webster, 1988) have discussed that for an organization to improve its market position it needs to increase its market orientation. Narver et al., (2000) discusses that market orientation can be source of competitive advantage if it provides customer with the value that is rare and difficult to imitate. Drysdale (1999) stresses that to achieve market orientation is not enough just to get close to customers, organization must completely understand the market, and customer information should go beyond
research and promotional functions, therefore every function in organization should be involved in serving customer better. Kohli and Jarowski (1990) indicate that starting point of market orientation is customer related market intelligence – analyzing not only customers’ needs and wants, but also customer’s macro environment and it’s value chain, therefore endless information collection is the most important element of market orientation (Kohli and Jarowski, 1990). Researchers (Kohli and Jarowski, 1990; Narver and Slater, 1990; Deng and Dart, 1994) have developed few market orientation measurement models and have identified the following main elements of market orientation:

- Market intelligence generation;
- Customer focus;
- Competitor focus;
- Inter – functional coordination.

2.3 Social CRM and Market Orientation

2.3.1 Possible relationships between social CRM and market orientation

As it was discussed earlier scholars (Wang and Owyang, 2010; Metz, 2011; Greenberg, 2009) summarize that Social CRM provides organizations with the following value propositions:

- It helps to develop market intelligence by employing deeper market insights;
- It provides organization with an opportunity to interact with customers and to deepen customer focus by using social CRM tools for sales, service/support and customer experience management;
- It provides opportunity to collaborate and easier share information within organization;

Theoretically value propositions offered by social CRM are very similar to elements of market orientation, so there might be relationship between these two concepts. Researcher has identified the following possible relationships between social CRM and elements of market orientation (Figure 6):

- The first possible relationship might exist between customer focus element of market orientation and opportunity provided by social CRM to deepen interactions with customers;
- The second possible relationship might exist between customer focus element of market orientation and Market Intelligence opportunity provided by social CRM,
as by collecting Market intelligence organizations might become more customer focused;

- The third possible relationship might exist between market intelligence generation element of market orientation and opportunity provided by social CRM to generate market intelligence;
- The fourth possible relationship might exist between competitor focus element of market orientation and opportunity provided by social CRM to generate market intelligence, as market intelligence relates to customer and competitor information;
- The fifth possible relationship might exist between element of inter – functional coordination of market orientation and social CRM provided opportunity for enhanced collaboration and more effective information flow within organization in order to serve customers better;

To explore these relationships in more detail we will discuss and align each element of market orientation with social CRM functions.
Figure 6 – Possible relationships between social CRM and market orientation.
2.3.2 Social CRM and Market Intelligence

Narver and Slater (1990) have identified that market orientation requires a market intelligence, which leads to understanding strengths and weaknesses as well as capabilities and strategies of existing and potential competitors and helps to understand existing and potential customers. Social CRM tools used for marketing create opportunity for organization to focus on collecting customer related intelligence and provide organization with Social Customer Insights, as it enables deep monitoring and mapping of potential and existing customers (Wang and Owyan, 2010). Listening or social media monitoring tools enable organization to gather quantitative and qualitative responses to its communication activities (advertising campaigns, promotions, etc.) as well it might help to identify uncovered customers’ needs and market opportunities (Wagner & Hughes, 2010), therefore organization can achieve and sustain competitive advantage by being innovator and creating greater value for it’s stakeholders. As it was mentioned earlier these tools are capable of capturing deeper than traditional transactional information insights about the customer from social websites, forums, community sites, etc. Greenberg (2009) outlines five intelligence sources that Social CRM tools used for marketing can provide for an organization:

- **Data** – standard information collected by company through customer’s transactions with the company - purchase histories, returns, visits to websites, time spent on different sites, responses to marketing campaigns, customer service cases, inquiries. Organization can gather data about its customers not only from standard news sources, but also by listening to conversations happening online in social networking sites and forums threads;

- **Profiles** – create opportunity for micro segmentation – the deep analyses of customers’ lives without being intrusive – scanning of movie and literature interests, analyses of their hobbies, “style” likes and dislikes, scanning unstructured text comments in a community or social network sites. This helps to understand customers’ selection choices and to predict future behavior and preferred method of interaction with the organization;

- **Customer Experience Maps** – customer experience mapping helps to foster the insight into the customer by overcoming the usually incorrect knowledge about the customer’s thinking developed by marketing department, based on presumptions about the customer - due to some generalized demographic segmentation or survey or other research that was carried over in the environment similar to customer’s environment. It examines the granular interaction of individual customers in multiple environments at multiple touch
points, it also looks at the expectations of the actual customers, identifies the
results of the interaction based on the expectations, and helps to identify the
weight the customer places on the individual results.

- Social Network Analysis – looks and breaks down the interactions between social
groups and individuals to reveal influencers who otherwise wouldn’t be obvious.
  Helps to identify decision makers that are viable to close the deal. Visualized
  analysis is called the social graph.

- User Generated Content - comments, ratings, rankings and even rich media
  content that provides organizations with further knowledge about prospects or
  opportunities, supports other elements of insights.

Reinhold & Alt (2012, p. 158) notes few sources of market intelligence that
organizations can extract using Social CMR and scanning through social media and
discuss that social media can be mined in order to extract useful insights, therefore
social CRM can deliver insights, that can help drive real customer centricity and
innovation (Nadeem, 2012). Reinhold & Alt (2012, p. 158) have segmented insights in
to:

- Posting Envelope – the meta data of social media postings provides information
  about authors, topics, sources, etc.;
- Posting Body – content of posting, it can be analyzed and segmented by
  keywords, opinions, topics, etc.;
- Profile Body – data in users profiles – emails, phone numbers, interests, groups,
  hobbies and etc.;
- Profile Envelope – meta data of profile – connections, activities, other profiles
  and etc.;
- Links – interconnections between profiles and postings can provide insights
  about role, influence, and relations.

Social CRM tools used for marketing enables organization to perform following
activities - Rapid Social Marketing Response, Social Campaign Tracking and Social
Event Management, but most importantly it provides organization with opportunities
to develop Social Marketing Insights (Wang and Owyang, 2010). Social CRM tools
designed to listen and filter noise enable organizations to actively listen to
conversations in social sphere about it’s own and competitors brands, and empowers
marketers to develop customer and competitor market intelligence (Metz, 2011).
Applications used for this purpose are (Sarner, 2010):

- Radian 6 – social media monitoring, social network analyses;
• Jive and Lithium - hosted community platforms;

Literature analysis suggests that social CRM can offer different insights about customers or competitors and their environment and therefore helps organization to collect market intelligence – one of the key element’s of Market orientation (Narver and Slater, 1990).

2.3.3 Social CRM and Customer Focus

Greenberg (2009) summarizes that Social CRM tools provides organizations with different value propositions – it helps to develop a market intelligence by employing deeper market insights - discussed earlier, as well it provides organization with an opportunity to interact with customers and to deepen it’s customer focus by using Social CRM tools for Sales, Service/Support and Customer Experience Management (Wang and Owyang, 2010; Metz, 2011) and creates opportunity to collaborate and share information within organization easier and faster. To discover how organization can become more customers focused and to identify reliability of relationship between social CRM opportunities and customer focus we will analyze how social CRM can be used for sales and customer care functions.

2.3.3.1 Social Sales

Narver and Slater (1990) have identified that market orientation requires a customer focus and organization should anticipate customers’ needs in order to initiate steps to meet those needs (Kohli and Jarowski, 1990). Customers’ needs anticipation is becoming possible by employing Social CRM tools designed for sales, or as researchers (Wang and Owyang, 2010; Metz, 2011; Li and Bernoff, 2010) call them - Social Sales tools, these tools are not designed to close the sale, but it works to generate sales opportunities and to get social customer in to sales funnel (Metz, 2011). As sales processes start from lead generation and pipeline building or marketing funnel begins with building awareness and then moving to developing loyalty - Social Selling tools and social media used for selling provide organizations with the Social Sales Insights – intelligence to identify where social customers are having conversations and spending their time online, as well to identify their urgent needs and concerns and to target them earlier rather than building awareness an getting them in to traditional marketing funnel (Metz, 2011; Wagner and Hughes, 2010). These insights go beyond traditional transactional information, which is available from traditional CRM channels, and increase success rate for organizations’ sales functions, as it already knows the customer and its needs (Greenberg, 2010). However Sarner (2010) discusses that most of organizations are only starting to use social CRM tools for sales and it’s purely at experimental level. Few of the applications that are used for sales (Sarner, 2010):
• Salesforce.com – can be used for social contact, leads, sales content management;
• Radian 6 – social media monitoring, social network analyses;
• Oracle Social CRM tools – sales content and call planning;

2.3.3.2 Social Care
Main activity of market orientated organization is serving its customers needs (Kohli and Jarowski, 1990; Narver and Slater, 1990; Deng and Dart, 1994), therefore Social CRM tools for service/support and experience management provides organizations with an opportunity to extend traditional CRM channels with Social Media Channels in order to serve customers better. Nielsen (2012) report highlights that in 2012 more than 45% of social media users engaged with brands in social care – customer service via social media. One in three social media users prefer social care rather than contacting company by phone and more than 70% are doing it monthly. Social Media tools open new channels for customers to interact with brands and to raise issues, questions and complaints (Greenberg, 2010). Implementing Social CRM tools to service its customers are benefiting organization in following ways:

• It provides social support insights (Metz, 2011) – helps to identify what customers are the most important and profitable and how influential they are;
• It helps to select and reward most influential and profitable customers (Greenberg, 2010);
• Social CRM tools empower customers to solve each other problems and opens peer-to-peer support channel in community websites and forums; as well it enables one to one real time support (Li and Bernoff, 2010; Greenberg, 2010, Sarner 2010);
• Social CRM creates opportunity to provide seamless customer experience – every time customers interact with brand it is consistent and seamless experience like first time when they signed up for service or purchased product (Metz, 2011).

Few of the applications that are used for customer care:
• Radian 6 – social media monitoring, social network analyses;
• Jive and Lithium – platforms for hosted communities with enabled search, integration, workflow tools;
2.3.4 Social CRM and Inter – Functional Coordination

Kohli and Jarowski (1990) highlights that important part of market orientation is responsiveness – organization should be dynamic – generated intelligence should not only be communicated and disseminated across all functions of organization, but organization should react and behave according to market needs. This requires Inter-functional Coordination and collaboration; all organization’s resources should be coordinated to provide value to customer (Narver and Slater, 1990). Value creation activities are no longer only marketing function’s responsibility. Therefore market intelligence should be communicated and disseminated to all relevant departments and individuals in organization (Kohli and Jarowski, 1990). Market orientated organization and organization that has implemented Social CRM strategy is similar, as by it’s nature social CRM is affecting traditional organization’s structure, when organization starts listen to customers more line between customer service and marketing is getting blurred (Greenberg, 2010). For social CRM to function effectively in organization all departments should be involved in collaboration and knowledge sharing, only organized interactions between all departments and close contact and shared knowledge of customers will allow organization to become customer focused and dynamic (N. Woodcock et. al, 2011).

As it was identified earlier social CRM empowers organization to constantly generate customers’ insights as well to anticipate their needs and to serve them better – which theoretically relates to Market Orientation behavior. Do discover is this relationship exists in reality researcher has conducted primary research. Research methodology is discussed in the following chapter and findings are presented in Chapter 4.
3. Methodology

3.1 Research Method

Branick and Roach (1997) discuss that Research methodology “...is a decision-making process. Each decision made is affected by, and in turn, influences every other decision.” Saunders et al. (2007) compares research methodology to onion and discusses that “layers of onion should be peeled away” (Saunders et al., 2007, p.100) in order to perform research (Figure 7).

![Figure 7 – The research “onion” (Source, Saunders et al, 2007)](image)

3.2 Positivism

Saunders et al. (2007) outlines that there are few philosophical stances - Positivism, Realism, Interpretivism, that researcher can adopt in order to perform research; they are representing different nature and development of knowledge. Realism is concerned with reality being separate from human mind and is similar to Positivism because of its scientific approach to the development of knowledge (Saunders, 2007). Therefore Interpretivism is concerned with differences between humans as social actors (Saunders, 2007).

To answer research questions researcher adopts positivism approach and takes a philosophical stance of nature scientist (Saunders et al., 2007). Nature scientist is looking for relationships and regularities in data, collected about observable reality, and provides law-like generalizations (Gil and Johnson, 2002). This approach consists “of proposing hypotheses as explanations of phenomena and then designing experiments to test the hypotheses” (McGregor and Murnane, 2010, p.421). To develop a hypothesis – “a provisional idea whose merit requires further examination”.
researcher might use existing theory (Bryman and Bell, 2007; Saunders et al., 2007). Researcher has taken positivism approach because he seeks to understand and explain concepts using existing theory. Researcher develops hypotheses and will test them in order to deny or accept it (McGregor and Murnane, 2010) in value free way (Saunders, 2007). Important aspect of positivism approach that affects reliability of research results is that researcher is value free and has no strong impact on research results (Saunders et al., 2007), therefore McGregor and Murnane (2010) emphasize this and discuss that “Science is isolated from human beings, who are seen as objects to be studied and controlled” (McGregor and Murnane, 2010, p.421), Easterby-Smith et al. (2002, p.28) discusses that “social world exists externally and that it’s properties should be measured through objective methods, rather than being inferred subjectively through sensation, reflection and intuition”. Saunders et al. (2007) emphasize on quantifiable observation and statistical analyses associated to this approach, therefore to test hypotheses researcher will use statistical analyses methods.

3.3 Deduction

According to Bryman and Bell (2007) exist two approaches for researcher to use existing theory – deductive and inductive. “A deductive research method entails the development of conceptual and theoretical structure prior to it’s testing through empirical observation” (Gil and Johnson, 2002, p.34), therefore Saunders (2007) discusses that a deductive approach is development of “a theoretical or conceptual framework, which will be tested using data” (Saunders et al., 2007, p.57). This approach according to Saunders (2007) is often used to identify relationships between variables. Researcher is adopting a deduction approach to build hypotheses on existing theoretical framework and to test in order to deny or accept it.

3.4 Explanatory

Gil and Johnson (2002, p.31) highlight that “each hypothesis presents an assertion about relationship between two or more concepts in an explanatory fashion”. Researcher will adopt explanatory study approach where according to Blumberg et al. (2005, p.10) “research is grounded in theory and theory is created to answer “how” and “why” questions”, however Saunders et al. (2007) emphasizes that main focus in this approach is to study situation in order to explain relationship between variables. This approach is suitable for particular research because researcher is building cognitive knowledge about SCRM and market orientation concepts and relationship between them.
3.5 Survey
As it was discussed earlier collecting primary data in order to deny or accept hypotheses is related to deductive approach, Saunders et al. (2007, p.144) highlights that “survey strategy is usually associated with the deductive approach”, Ghauri and Grohaung (2005) suggest that survey is an effective tool to collect opinions, attitudes and descriptions as well it helps to identify cause-and-effect relationships. Therefore researcher uses this strategy for primary data collection because of its suitability for research approach as well as for practical and economical implications – Saunders et al. (2007) highlights that this approach allows data collection “in a highly economical way” (Saunders, 2007, p.144), Blumberg et al. (2005, p.244) highlights that “the great strength of a survey as a primarily data collecting approach is it’s versatility.” Researcher was using mono method - quantitative approach to data collection and analyses. Data collection tool was developed using Gray et al. (1998) questioner. It is self-administered Internet-mediated questionnaire (Saunders et al., 2007) that will be distributed using World Wide Web network and Smart Survey research platform. Tool included 34 closed Likert and multiple-choice type questions (Appendix 2) that helped to define organizations’ characteristics and understand behavior in following areas:

- Industry;
- Size;
- Markets;
- Location;
- Adoption of Social CRM tools;
- For how long Social CRM tools are adopted;
- Customer focus
- Competitor focus
- Cross-functional coordination
- Market intelligence generation

Survey is the common data collection tool for cross – sectional studies. This research can be classified as a cross-sectional study because data was collected at the single point in time and summarized statistically and data collection tool was related to this type of study (Hair, et. al, 2003).

3.6 Sample
Researcher has chosen to use non-probability Convenience and Snowball sampling methods, which according to Saunders (2007) are suitable for the populations that are difficult to identify. Burns and Burns (2008) note that this sampling method is very useful for very small or specific populations; therefore Snowball sampling is the most
suitable method. Research population is the organizations that have implemented Social CRM tools and this sampling method is suitable for particular research because there is no official statistics on organizations that have implemented Social CRM and it make this population specific and hard to identify.

Sample can be identified using following criteria:

- Executives, that are working in marketing, customer relations, sales and market research functions in organizations, that have implemented Social CRM tools;
- Executives that are using Social CRM tools for marketing, market research and to manage organization’s relationships with customers and peers.

### 3.7 Pilot Testing

After data collection tool was developed researcher has performed pilot testing in his current employment place. Saunders (2007) suggests that pilot testing should be performed prior to using survey as it helps to refine questionnaire so that respondents will have no problem to complete it. Researcher has asked 5 executives to participate in survey, after they have completed it researcher had quick interview with each of them and has asked for feedback. To setup guidelines for pilot testing researcher has adopted framework suggested by Bell (2005) and has taken the following steps:

- Measured how long it takes to complete questionnaire;
- Asked participants to identify if they have understood instructions – if not – what should be updated and corrected;
- Asked participants to identify if they have understood all questions – if not – what should be updated corrected;
- Asked participants feedback on design and layout;
- Asked if respondents have identified any other issues on survey.

After feedback was reviewed and some changes were applied to survey, researcher has asked five more respondents to take survey again and after no major issues were spotted researcher has started survey distribution.

### 3.8 Data Collection

Survey was distributed and primary data was be collected in following ways (Figure 8):

- Researcher was contacting executives in Social CRM software development companies and Social Media consultancy agencies using LinkedIn social network’s professionals’ groups and was asking them to refer to organizations that have implemented Social CRM technologies. After referrals were received researcher was approaching referred companies in order to perform research;
• Using Gartner’s Magic Quadrant of Social CRM vendors to identify the biggest and the most influential players in this market and after researching their websites’ “Our customers” section researcher was identifying organizations that have implemented Social CRM tools. To identify and approach executives in targeted organizations researcher was using social networking website LinkedIn;

Figure 8: Survey distribution

3.9 Data Analysis

Hair, et al., (2003) suggests that before collected data can be used it has to be edited. Editing involves dealing with missing data, coding and entering data. Collected questionnaires were inspected for completeness and consistency; any questionnaire with missing data was eliminated from further processing. In total 140 completed surveys were received. After researcher has eliminated questionnaires with missing data and has selected 107 completed and valid questionnaires, next step was coding data – data was coded by assigning digital value to each response - when coding
Likert style questionnaire responses - Strongly Agree answer was assigned number 5 and Strongly Disagree was assigned 1, responses between them were coded using numbers 2, 3, 4. Responses to multiple choice questions were coded using numerical values as well – responses to question For what functions Social CRM tools are used in your organization? Responses were coded in following way: Customer care will be assigned 1, Sales = 2, Marketing = 3, Research = 4 Collaboration = 5. After coding is completed researcher has entered data in SPSS software for further analysis. Data was processed using SPSS software analyses, but for design and more esthetical data visualization researcher has use Microsoft Office Excel tool.

For data analysis it is important to identify the scale of measurement – according to Argyrous (2009, p.8) - “the higher the level of measurement the more information we have about a variable”. Researchers (Aczel and Sounderparandian, 2006; Argyrous, 2009, Parrington, 2002) discuss that exists the following scales of measurement – Nominal, Ordinal and Ratio. Researcher has measured data in all scales of measurement.

Lee and Lings (2008, p.329) have identified primary data analyses as “descriptive analysis” and discussed how it helps to discover characteristics of data. According to Saunders et al. (2007) descriptive approach is useful in initial stages of data analyses as it might help to perform previously unplanned analyses and identify unplanned findings. Researcher has performed descriptive data analysis and comparison and has described data using tables, pictures, and graphics. This approach according to Saunders (2007) allows researcher to explore and present individual variables and their relations using different data projection techniques – histograms, graphs, pie charts, etc. Once variables were described researcher has used descriptive statistics tools, according to Saunders (2007) it enables numerical data description and focuses on two aspects – the central tendency and the dispersion. Researcher was measuring Mode, Median and Mean to identify central tendency for a variables and dispersion was used to measure how data values are dispersed around the central tendency (Saunders, 2007 p.436). To identify relationships between variables and to deny or accept hypothesis researcher has used statistical analysis and has measured levels and strength of possible relationships. For evaluation of relationship strength researcher has used Pearson’s product moment correlation coefficient, which according to Saunders (2007) can be used if both variables contain quantifiable data.

3.10 Ethics

“Researchers have a moral responsibility to explain and find answers to their questions honestly and accurately” (Ghauri and Grohaung, 2005, P.20). Ethical concerns permeate every aspect of the management research as well as every aspect
of human actions and interactions (Partington, 2002, p.22); therefore research ethics according to Saunders et al. (2007) relates to questions how researchers formulate and clarify research topic, design research and gain access, collects, and process and stores data.

Saunders (2007) discusses that there are two ethical philosophical stances available to researcher; the deontological stance focuses on universal statement what is wrong and what is right (Partington, 2002) and argues that research results can never justify the unethical behavior of researcher (Saunders et al., 2007). In contrast teleological stance argues that research results justify researchers’ behaviors, this stance creates problem for researcher to identify whether benefits to one group justify harm to other (Saunders et al., 2007).

Saunders et al. (2007) discusses that ethical dilemmas are occurring throughout all research process and outlines general ethical issues that might occur, they are:

- Privacy of participants;
- Voluntary nature of participant and right to withdrawal at any stage of research;
- Possible deception and consent of participants;
- Anonymity and confidentiality of data provided;
- Reaction of participants to the way in which data is collected;
- Effects on participants in the way of data analyses, use and representation;
- Behavior and objectivity of researcher.

Researcher has conducted this research ethically and adopted deontological stance, to avoid harm to research participants and recipients. Researcher complied with DBS Code of Ethics and guarantees that during and after data collection and analyses:

- Privacy of the people involved in research will not be violated;
- Research participants will not be deceived about the research and its purposes;
- Confidentiality of data relating to research participants will be maintained;
- Data kept in electronic form comply with data-protection legislation;
- Researchers methods and data collection comply with copyright law.
4. Data Analysis and Findings

Quantitative data in a raw form has little meaning, therefore it is important to process these data into graphs, charts and statistics to make them useful and turn them into information that describes, presents and examines relationships and trends (Saunders, 2007).

4.1 Demographical information.

4.1.1 Industries.

Data analyses will start with an overview of participants’ industries - there were 107 participants in this study and in total they are representing 26 different industries. Highest number of participants is representing Entertainment industry - 15.9% followed by Telecommunications – 13.1% and Software – 9.3% of all participants. Representatives of these 3 industries have encountered for more than one third of all participants.

Finding that there were 26 industries participating in this study means that Social CRM is used widely across various business sectors and is not adopted only by few industries (Figure 8).

<table>
<thead>
<tr>
<th>Industries</th>
<th>Frequency</th>
<th>Per cent</th>
<th>Valid Per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entertainment</td>
<td>17</td>
<td>15.9</td>
<td>15.9</td>
</tr>
<tr>
<td>Telecommunications</td>
<td>14</td>
<td>13.1</td>
<td>13.1</td>
</tr>
<tr>
<td>Software</td>
<td>10</td>
<td>9.3</td>
<td>9.3</td>
</tr>
<tr>
<td>Advertising</td>
<td>8</td>
<td>7.5</td>
<td>7.5</td>
</tr>
<tr>
<td>Internet Publishing</td>
<td>7</td>
<td>6.5</td>
<td>6.5</td>
</tr>
<tr>
<td>Technology</td>
<td>7</td>
<td>6.5</td>
<td>6.5</td>
</tr>
<tr>
<td>Media</td>
<td>6</td>
<td>5.6</td>
<td>5.6</td>
</tr>
<tr>
<td>Information Technology</td>
<td>5</td>
<td>4.7</td>
<td>4.7</td>
</tr>
<tr>
<td>Publishing</td>
<td>5</td>
<td>4.7</td>
<td>4.7</td>
</tr>
<tr>
<td>Market Research &amp; Marketing</td>
<td>4</td>
<td>3.7</td>
<td>3.7</td>
</tr>
<tr>
<td>Other</td>
<td>23</td>
<td>22.3</td>
<td>22.3</td>
</tr>
<tr>
<td>Total</td>
<td>107</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

*Figure 9 – Breakdown of organizations by industries.*

4.1.2 Size of organizations

Another measure of descriptive statistics that researcher was applying for this study is measuring size of the organizations participating in this study (Figure 9 and Figure 10).
After processing of raw data it was discovered that the largest number of organizations were small scale organizations employing up to 150 employees – they have encountered for almost half (48.6%) of the all organizations participating in this research, organizations of the size between 150 and 300 employees encountered for 14% of all participating organizations, therefore overall 62.6% were small-scale organizations.

This finding suggests that small-scale organizations are using social CRM more than large scale organizations, and considering the fact social CRM is new approach to customer relationship management we can suggest that small scale organizations are able to adopt new technologies and approaches to customer relationship management faster than bigger organizations, because of more horizontal structure and higher level of communications within organization.

<table>
<thead>
<tr>
<th>Size of organizations</th>
<th>Frequency</th>
<th>Per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to 150 employees</td>
<td>52</td>
<td>48.6</td>
</tr>
<tr>
<td>1001 to 10000 employees</td>
<td>22</td>
<td>20.6</td>
</tr>
<tr>
<td>151 to 300 employees</td>
<td>15</td>
<td>14</td>
</tr>
<tr>
<td>301 to 1000 employees</td>
<td>10</td>
<td>9.3</td>
</tr>
<tr>
<td>Over 40000 employees</td>
<td>8</td>
<td>7.5</td>
</tr>
<tr>
<td>Total</td>
<td>107</td>
<td>100</td>
</tr>
</tbody>
</table>

Figure 10 – Size of organizations

Size of organizations

![Size of organizations](image)

Figure 11 – Size of organizations (graph).

4.1.3 Geographical location of organizations

One of the questions asked by researcher was geographical location of organizations (Figure 11 and Figure 12). After processing data it was discovered that the highest
number of organizations was located in Europe Middle East Africa region – 63.4% of organizations had presence in this territory. In Americas and Asia-Pacific had presence of 23.2% and 13.4% or organizations accordingly. As well it was discovered that high number of organizations have presence worldwide – 84% of organizations had global presence – they have identified that they are located in EMEA and other regions.

<table>
<thead>
<tr>
<th>Geographical Locations</th>
<th>Responses</th>
<th>Per cent of Cases</th>
</tr>
</thead>
<tbody>
<tr>
<td>AMER</td>
<td>33</td>
<td>23.2</td>
</tr>
<tr>
<td>EMEA</td>
<td>90</td>
<td>63.4</td>
</tr>
<tr>
<td>APAC</td>
<td>19</td>
<td>13.4</td>
</tr>
<tr>
<td>Total</td>
<td>142</td>
<td>100</td>
</tr>
</tbody>
</table>

a. Dichotomy group tabulated at value 1

*Figure 12 - Geographical location of organizations*

**Geographical Location**

*Figure 13 - Geographical location of organizations (graph)*

4.1.4 Markets’ information

To acquire better understanding about organizations researcher has asked respondents to identify in what markets they are operating (Figure 13 and Figure 14). Data analyses has shown that for significant proportion of respondents – 76.2% - market or end-line customers are consumers and that they are managing their relationships via “business to consumer” or “business to business to consumer” channels.

This finding suggests that at the moment organizations, operating in business-to-business markets, are not that keen to adopt new technologies and new approaches to customer relationship management if comparing them to organizations operating in consumer markets. This notion is supported by Baird and Parasnis (2010) research conducted in 2010 which revealed, that social media for customer relationship
management was more widely adopted by B2C companies, Forbes (2012) have identified that adoption of social CRM was highest among B2C companies as well. Analysis results suggest that consumers have adopted more sophisticated and advanced social communication channels and require interaction via these channels, according to Greenberg (2009) businesses started adopting social media as communication channel only because consumers require this kind of interaction.

<table>
<thead>
<tr>
<th>Markets organizations are operating in</th>
<th>Responses</th>
<th>Per cent of Cases</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>N</td>
<td>Per cent</td>
</tr>
<tr>
<td>B2C</td>
<td>70</td>
<td>40.7</td>
</tr>
<tr>
<td>B2B</td>
<td>61</td>
<td>35.5</td>
</tr>
<tr>
<td>B2B2C</td>
<td>41</td>
<td>23.8</td>
</tr>
<tr>
<td>Total</td>
<td>172</td>
<td>100</td>
</tr>
</tbody>
</table>

a. Dichotomy group tabulated at value 1.

Figure 14 – Markets that organizations are operating in

Markets, that organizations are operating in

![Market distribution chart]

Figure 15- Markets that organizations are operating in (graph)

4.1.5 Seniority level of respondents

To build deeper understanding about demographical information of respondents’ researcher has asked them to identify the level of their seniority in organization (Figure 15 and Figure 16).

Data analyses has shown that the highest number of participants in this study are representing managing or senior positions – over 62% of respondents were managers or had higher than managers positions. 20.6% of respondents were in executive positions and 16.8% were in junior positions.
Having such a great number of participants in managing positions suggests that findings of this study will help us to better understand how social CRM affects organizations strategically.

<table>
<thead>
<tr>
<th>Seniority of respondents</th>
<th>Frequency</th>
<th>Per cent</th>
<th>Valid Per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Junior</td>
<td>18</td>
<td>16.8</td>
<td>16.8</td>
</tr>
<tr>
<td>Executive</td>
<td>22</td>
<td>20.6</td>
<td>20.6</td>
</tr>
<tr>
<td>Manager</td>
<td>45</td>
<td>42.1</td>
<td>42.1</td>
</tr>
<tr>
<td>Senior</td>
<td>12</td>
<td>11.2</td>
<td>11.2</td>
</tr>
<tr>
<td>Director</td>
<td>9</td>
<td>8.4</td>
<td>8.4</td>
</tr>
<tr>
<td>Head of office</td>
<td>1</td>
<td>0.9</td>
<td>0.9</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>107</strong></td>
<td><strong>100</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

*Figure 16 – Seniority of respondents*

**Seniority of respondents**

- Junior: 17%
- Executive: 21%
- Manager: 42%
- Senior: 11%
- Director: 8%
- Head of office: 1%

*Figure 17 - Seniority of respondents (graph)*

**4.1.6 Functions that respondents are performing**

One the questions asked by researcher was to identify what functions respondents represent in organizations (Figure 15 and Figure 16). After data analyses it was discovered that the highest number of respondents was representing Customer Relations – 43.2%, followed by Marketing – 30.2%. Big part of respondents have selected few functions that they were representing, as it was mentioned earlier this research was focusing on executives who were using Social CRM tools, according to this we can suggest that social CRM enables executives to perform diverse tasks and empowers cross functionality, as well according to Greenberg (2009) Social CRM tools make line between customer relations and marketing very blurry.
<table>
<thead>
<tr>
<th>Functions represented by respondents</th>
<th>Responses</th>
<th>Per cent of Cases</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer relations</td>
<td>43.2</td>
<td>65.4</td>
</tr>
<tr>
<td>Marketing</td>
<td>30.2</td>
<td>45.8</td>
</tr>
<tr>
<td>Sales</td>
<td>16.7</td>
<td>25.2</td>
</tr>
<tr>
<td>Market research</td>
<td>5.6</td>
<td>8.4</td>
</tr>
<tr>
<td>Management</td>
<td>4.3</td>
<td>6.5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100</strong></td>
<td><strong>151.4</strong></td>
</tr>
</tbody>
</table>

Figure 18 - Functions that respondents are performing;

**Functions, that respondents are representing**

- **Customer relations**: 43%
- **Marketing**: 30%
- **Sales**: 17%
- **Market research**: 6%
- **Management**: 4%

Figure 19 - Functions that respondents are representing (graph);

4.1.7 Duration of how long Social CRM is used

To better understand social CRM use patterns researcher has asked respondents to identify for how long Social CRM is used in their organizations (Figure 16 and Figure 17). After processing data it was identified that significant part of organizations – 57% of all organizations - are using social CRM tools for 2 years or more. Almost one third – 28% of organizations - are using it for less than a year and significantly low number -14.9% (comparing to other numbers) are using it between 12 and 24 months. These findings suggest that the biggest pat of social CRM users can be considered to be early adopters. As well we can identify gap – between 12 and 24 months as only 14.9% of respondents were using Social CRM for this duration, this suggests that interest in Social CRM tools has grown over the last year and we can presume that businesses were waiting to see if there is positive effect of social CRM and once it was noticed adoption has started, this notion is supported by Sarner (Forbes, 2012) who
has identified that Social CRM market growth in 2012 was highest over it’s all history and it will continue to grow in 2013.

<table>
<thead>
<tr>
<th>Duration</th>
<th>Frequency</th>
<th>Per cent</th>
<th>Valid Per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to 6 months</td>
<td>12</td>
<td>11.2</td>
<td>11.2</td>
</tr>
<tr>
<td>Between 6 and 12 months</td>
<td>18</td>
<td>16.8</td>
<td>16.8</td>
</tr>
<tr>
<td>Between 12 and 18 months</td>
<td>7</td>
<td>6.5</td>
<td>6.5</td>
</tr>
<tr>
<td>Between 18 and 24 months</td>
<td>9</td>
<td>8.4</td>
<td>8.4</td>
</tr>
<tr>
<td>Over 24 months</td>
<td>61</td>
<td>57</td>
<td>57</td>
</tr>
<tr>
<td>Total</td>
<td>107</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

Figure 20 – Duration of how long social CRM is used

![Duration of Social CRM Use](image)

Figure 17 - Duration of how long social CRM is used (graph)

To discover if there are any dependencies or trends between size of organizations and duration for how long social CRM is used researcher has cross-tabulated these two variables (Figure 19). Data analyses has helped to discover that most of organizations in size of over 4000 employees have implemented social CRM over 24 months ago (75%) this trend was noticed with in organizations in size between 301 and 100 employees (60%), 151 to 300 employees (73.3%) and up to 150 employees 55.8%. Overall – more than half (57%) of all organizations are using social CRM for more than 24 months.
As it was mentioned earlier there has been a gap identified – between 12 and 24 months as only 14.9% of respondents were using Social CRM for this duration. But last year social CRM market was growing fastest in history of social CRM (Forbes, 2012). Researcher has identified that interest in social CRM has started growing and particularly active were organizations in size between 301 to 1000 employees as 40% of them have implemented social CRM in last 12 months, 32.7% organizations in size up to 150 employees have implemented social CRM in the last 12 months as well as 31.8% of 1001 to 10000 employees organizations have done it in last 12 months. These findings suggest that there was quite high activity in the social CRM market over the last year as 28% of organizations in all sizes have started using social CRM over last 12 months, this notion is supported by Forbes (2012) where year - 2012 have been identified as the most active year in social CRM history. As well it suggests that importance of social media as communication channel have increased over last year as more and more success stories are being published.

<table>
<thead>
<tr>
<th>Size of organization</th>
<th>How long Social CRM is used</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Up to 6 months</td>
<td>Between 6 and 12 months</td>
</tr>
<tr>
<td>Over 40000 employees</td>
<td>% With in Size of organization</td>
<td>0.00%</td>
</tr>
<tr>
<td>1001 to 10000 employees</td>
<td>% With in Size of organization</td>
<td>13.60%</td>
</tr>
<tr>
<td>301 to 1000 employees</td>
<td>% With in Size of organization</td>
<td>20.00%</td>
</tr>
<tr>
<td>151 to 300 employees</td>
<td>% With in Size of organization</td>
<td>6.70%</td>
</tr>
<tr>
<td>Up to 150 employees</td>
<td>% With in Size of organization</td>
<td>11.50%</td>
</tr>
<tr>
<td>Total</td>
<td>% With in Size of organization</td>
<td>11.20%</td>
</tr>
</tbody>
</table>

Figure 19 – Cross tabulation table of Size of organization and For how long Social CRM is used variables
4.1.8 Functions that Social CRM is used for in organizations

To research and to understand, what functions are being performed using social CRM tools, researcher has asked respondents to identify for what functions social CRM is used in their organizations (Figure 21 and Figure 22), knowing the nature of social CRM and its offered opportunity for users’ cross-functionality multiple answers were allowed.

Data analyses have shown that almost half (47.3%) of organizations were using social CRM tools for operational routines – Customer Care and Sales. Little bit more than one quarter (26.5%) were using it for Marketing – this just proves that Social CRM helps to fill gap between CRM and Marketing (Greenberg, 2009).

This finding suggests that social CRM is becoming not only operational tool, but also used more widely for marketing and market research – as 15% of respondents are using it for this purpose. It is important to note that social CRM tools are being used for collaboration as well as over 10% of respondents are using it for this function, but however this number is relatively low.

<table>
<thead>
<tr>
<th>What Social CRM is used for</th>
<th>Per cent of responses</th>
<th>Per cent of cases</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer care</td>
<td>27.10%</td>
<td>80.40%</td>
</tr>
<tr>
<td>Sales</td>
<td>20.20%</td>
<td>59.80%</td>
</tr>
<tr>
<td>Marketing</td>
<td>26.50%</td>
<td>78.50%</td>
</tr>
<tr>
<td>Market research</td>
<td>15.80%</td>
<td>46.70%</td>
</tr>
<tr>
<td>Collaboration</td>
<td>10.40%</td>
<td>30.80%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100%</strong></td>
<td><strong>296.30%</strong></td>
</tr>
</tbody>
</table>

Dichotomy group tabulated at value 1.

Figure 21 – Functions that social CRM is used for in organizations

**Functions, that social CRM is used for**

- Collaboration: 10.40%
- Market research: 15.80%
- Marketing: 26.50%
- Sales: 20.20%
- Customer care: 27.10%

Figure 22 – Functions that social CRM is used for in organizations (graph)
In order to discover how organizations operating in different markets are using Social CRM, the researcher has cross-tabulated Markets, that organizations are operating in, and Functions, that social CRM is used for, variables (Figure 22).

Data analyses has shown that:

- Organizations operating in B2C markets are using social CRM mostly for customer care (30.5%) and Marketing (27.4%) functions;
- Organizations operating in B2B markets are similar to B2C organizations and are using social CRM mostly for customer care (24.1%) and Marketing (25.6%) functions.
- Organizations operating in B2B2C markets are using social CRM mostly for customer care (24.2%), sales (22.1%) and marketing (24.2%).

It is important to note that B2B organizations are using social CRM for collaboration much more than B2C or B2B2C organizations, where 13.6% of B2B were using it for collaboration and only 7.6% of B2C and 11.4% of B2B2C were using it for this purpose.

Findings suggest that organizations operating in different markets would use social CRM for mostly identical tasks and functions; this notion is supported by Bairds and Parasnis (2010) research that took place in 2010 and has identified that B2B and B2C organizations are adopting social media for similar functions.

<table>
<thead>
<tr>
<th>Markets</th>
<th>Customer care</th>
<th>Sales</th>
<th>Marketing</th>
<th>Market Research</th>
<th>Collaboration</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>B2C</td>
<td>30.50%</td>
<td>20.30%</td>
<td>27.40%</td>
<td>14.20%</td>
<td>7.60%</td>
<td>100%</td>
</tr>
<tr>
<td>B2B</td>
<td>24.10%</td>
<td>19.60%</td>
<td>25.60%</td>
<td>17.10%</td>
<td>13.60%</td>
<td>100%</td>
</tr>
<tr>
<td>B2B2C</td>
<td>24.20%</td>
<td>22.10%</td>
<td>24.20%</td>
<td>18.10%</td>
<td>11.40%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Percentages are based on responses.

a. Dichotomy group tabulated at value 1.

Figure 23- Cross tabulation of Market and Functions that social CRM is used for variables

4.1.9 Number of functions that Social CRM is used for

After performing data analysis (Figure 23 and Figure 24) on a number of the functions and tasks that social CRM was used for, it was discovered that 27.1% of organizations were using social CRM for three functions, 22.4% were using for two functions and equal number 15.9% were using it for five and one functions. Taking in to consideration functions that are available – Customer care, Sales, Marketing, Market research, Collaboration – this proves the fact that social CRM is used not only for operational routines and at the same time suggests that organizations haven’t
explored full potential of social CRM functionality. This notion is supported by Gartner’s research (2012), Baird’s and Parasnis research (2010) and Nadeem (2012) as it was discovered that mostly social CRM is used for three functions – Sales, Customer Care and Marketing.

<table>
<thead>
<tr>
<th>Number of functions</th>
<th>Frequency</th>
<th>Per cent</th>
<th>Valid Per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>One Function</td>
<td>17</td>
<td>15.9</td>
<td>15.9</td>
</tr>
<tr>
<td>Two Functions</td>
<td>24</td>
<td>22.4</td>
<td>22.4</td>
</tr>
<tr>
<td>Three Functions</td>
<td>29</td>
<td>27.1</td>
<td>27.1</td>
</tr>
<tr>
<td>Four Functions</td>
<td>20</td>
<td>18.7</td>
<td>18.7</td>
</tr>
<tr>
<td>Five Functions</td>
<td>17</td>
<td>15.9</td>
<td>15.9</td>
</tr>
<tr>
<td>Total</td>
<td>107</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

Figure 24 - Number of functions that social CRM is used for

For how many functions social CRM is used?

- Series1

<table>
<thead>
<tr>
<th>Functions</th>
<th>Frequency</th>
<th>Per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Five Functions</td>
<td>17</td>
<td>15.9%</td>
</tr>
<tr>
<td>Four Functions</td>
<td>24</td>
<td>18.7%</td>
</tr>
<tr>
<td>Three Functions</td>
<td>29</td>
<td>27.1%</td>
</tr>
<tr>
<td>Two Functions</td>
<td>20</td>
<td>22.4%</td>
</tr>
<tr>
<td>One Function</td>
<td>17</td>
<td>15.9%</td>
</tr>
</tbody>
</table>

Figure 25 - Number of functions that social CRM is used for (table)

To identify if organizations with different social CRM usage experience are adopting social CRM for different number of functions researcher has performed cross tabulation between Duration, of how long social CRM is used, and Number, of functions that social CRM is used for, variables.

After data analyses it was discovered that organizations that are using social CRM for:

- Up to 6 months are mostly using it for 3 functions (41.7%) and none of them were using it for 5 functions;
• Between 6 and 12 months are mostly using between 2 and 4 functions (2 functions – 33.3%, 3 functions – 22.2% and 4 functions – 27.7%);
• Between 12 and 18 months – are mostly using it for 5 functions (42.9%) and no respondents were using it for 4 functions in this experience group;
• Between 18 and 24 months – are mostly using it for 4 functions (66.7%) and no respondents are using it for 2 functions;
• Over 24 months – usage of functions is quite dispersed and varies almost between all numbers of function, with highest values between 2 and 3 functions;

Findings suggest that organizations start using social CRM for 3 functions and over the time they are trying to experiment and use it for more functions till it reaches its peak between 12 and 18 months. After peak period organizations are discovering, what are the best practices and are using it in areas where they are finding it mostly suitable or have highest confidence and experience. It is not possible to compare validity of findings because there was no simple similar research conducted.

<table>
<thead>
<tr>
<th>Number of functions</th>
<th>How long SCRM is used</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Up to 6 months</td>
</tr>
<tr>
<td>Five Functions</td>
<td>0.00%</td>
</tr>
<tr>
<td>Four Functions</td>
<td>16.70%</td>
</tr>
<tr>
<td>Three Functions</td>
<td>41.70%</td>
</tr>
<tr>
<td>Two Functions</td>
<td>25.00%</td>
</tr>
<tr>
<td>One Function</td>
<td>16.70%</td>
</tr>
<tr>
<td>Total</td>
<td>100.00%</td>
</tr>
</tbody>
</table>

Figure 26 - Cross tabulation of Social CRM is used for and How long Social CRM is used variables

4.1.10 Social CRM functions performed by respondents

To better understand social CRM usage cases researcher has asked respondents to identify, what tasks they perform using Social CRM personally (Figure 27 and Figure 28).

Data analyses have shown that most widely social CRM was used for customer care – 33% of respondents have chosen this option. Marketing was in the second place with 25.6%, market research was in the third place – 16.7% and sales in the forth – 15.9%.

These analyses once again helps to discover that social CRM is used for operational routines nearly as much as for marketing, where operational routines encounter for 48.9% of use cases and marketing and market research 42.3% of cases, and as multiple answers were allowed it helps us to prove that social CRM helps to enable
cross functionality with in organization and makes line between marketing and customer care very blurry (Greenberg, 2009).

<table>
<thead>
<tr>
<th>Tasks that respondents perform</th>
<th>Responses Per cent</th>
<th>Per cent of Cases</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>15.90%</td>
<td>33.60%</td>
</tr>
<tr>
<td>Customer care</td>
<td>33.00%</td>
<td>70.10%</td>
</tr>
<tr>
<td>Marketing</td>
<td>25.60%</td>
<td>54.20%</td>
</tr>
<tr>
<td>Market research</td>
<td>16.70%</td>
<td>35.50%</td>
</tr>
<tr>
<td>Collaboration</td>
<td>8.80%</td>
<td>18.70%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100.00%</strong></td>
<td><strong>212.10%</strong></td>
</tr>
</tbody>
</table>

a. Dichotomy group tabulated at value 1.

**Figure 27 – Functions performed by respondents**

![Tasks, that respondents perform, using social CRM](image)

**Figure 28 - Functions performed by respondents (graph)**

To better understand how social CRM is enabling cross functionality in organizations researchers has performed deeper analyses and has cross – tabulated Functions, that respondents represents, and Tasks, that they perform using social CRM, variables (Figure 28). For this researcher has selected two tasks – main task performed and secondary, it was discovered that:

- Respondents in sales functions would use social CRM for customer care (26.30%) as well as sales;
- Respondents in market research functions would use it for customer care (24%) as well as market research;
- Respondents in marketing functions would use it for customer care (30.50%) as well as marketing;
- Respondents in customer relations functions would use is for marketing (22.10%) as well as customer care;
Even though some of the tasks can be assigned to operational routines and we can expect respondents using social CRM for sales to use it for customer care as well, but overall we can easily identify cross-functionality – as all respondents have selected customer care function and marketing was popular choice as well. This notion is supported by Greenberg (2009) who has identified that social CRM is changing standard functions of organizations, and getting gap between customer care and marketing less and less feasible.

<table>
<thead>
<tr>
<th>Functions that represent</th>
<th>Sales</th>
<th>Customer Care</th>
<th>Marketing</th>
<th>Collaboration</th>
<th>Market Research</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Relations</td>
<td>13.60%</td>
<td>42.10%</td>
<td>22.10%</td>
<td>6.40%</td>
<td>15.70%</td>
</tr>
<tr>
<td>Marketing</td>
<td>13.60%</td>
<td>30.50%</td>
<td>33.90%</td>
<td>5.10%</td>
<td>16.90%</td>
</tr>
<tr>
<td>Market Research</td>
<td>8.00%</td>
<td>24.00%</td>
<td>20.00%</td>
<td>16.00%</td>
<td>32.00%</td>
</tr>
<tr>
<td>Sales</td>
<td>27.60%</td>
<td>26.30%</td>
<td>17.10%</td>
<td>7.90%</td>
<td>21.10%</td>
</tr>
<tr>
<td>Management</td>
<td>7.70%</td>
<td>23.10%</td>
<td>30.80%</td>
<td>23.10%</td>
<td>15.40%</td>
</tr>
</tbody>
</table>

Figure 29 - Cross tabulation of Social CRM is used for *How long Social CRM is used* variables.
4.2 Inspecting Social CRM Effect on Market Orientation

4.2.1 Measuring customer focus

As it was discussed earlier Market Orientation measurement tool was developed using B. Gray et al. (1998) questioner and it helps to inspect market orientation by dividing construct in to four core elements:

- Customer focus
- Competitor focus
- Cross-functional coordination
- Intelligence generation

To measure and evaluate social CRM effect each of the elements was assigned with the statements that would identify change after social CRM implementation.

Customer focus element was assigned with the following statements:

- After Social CRM implementation we are encouraging our customers’ comments much more because they help us to do a better job;
- After Social CRM implementation after-sales service has become more important part of our business strategy;
- After Social CRM implementation we define quality as the extent to which our customers are satisfied with our products/services;
- After Social CRM implementation we have a stronger commitment to our customers;
- After Social CRM implementation we are measuring customer satisfaction on a regular basis;
- After Social CRM implementation most important job of marketing in our organization is to identify and help to meet the needs of our customers

In order to measure Customer Focus element researcher has asked respondents to answer to Likert type questions and evaluate by how much they agree/disagree with statements. Answers to each of the statements above were manipulated and computed using SPSS statistical analyses software and were grouped in to Customer Focus element.

Statistical analyses (Figure 31) of this element has shown that no respondents have identified that they Disagree or Strongly Disagree with the statements, 15% of respondents have chosen option Neutral, 15% Strongly agreed with statements and 70% Agreed with statements.
Overall 85% of respondents have strongly agreed or agreed with statements, this helps us to identify that Social CRM effect on customer focus was positive. Statistical analyses (Figure 30 and Figure 32) of Mean, Mode and Median are supporting this finding about positive effect, as all values are equal to 4 (number 4 was used to code Agree response).Std. Deviation for this element is equal 0.55 taking in to consideration the fact that dispersion is not great and considering that only 15% of respondents have chosen option Neutral – we can state, that Social CRM has strong and positive impact on customer focus.

<table>
<thead>
<tr>
<th></th>
<th>Valid</th>
<th>Missing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean</td>
<td>4.0000</td>
<td></td>
</tr>
<tr>
<td>Median</td>
<td>4.0000</td>
<td></td>
</tr>
<tr>
<td>Mode</td>
<td>4.00</td>
<td></td>
</tr>
<tr>
<td>Std. Deviation</td>
<td>0.54944</td>
<td></td>
</tr>
</tbody>
</table>

Figure 30 – Social CRM and Customer focus central tendency analysis

<table>
<thead>
<tr>
<th>Customer focus</th>
<th>Frequency</th>
<th>Per cent</th>
<th>Valid Per cent</th>
<th>Cumulative Per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Neutral</td>
<td>16</td>
<td>15</td>
<td>15</td>
<td>15</td>
</tr>
<tr>
<td>Agree</td>
<td>75</td>
<td>70.1</td>
<td>70.1</td>
<td>85</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>16</td>
<td>15</td>
<td>15</td>
<td>100</td>
</tr>
<tr>
<td>Total</td>
<td>107</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

Figure 31 – Social CRM and Customer focus statistical analysis

Figure 32 - Social CRM and Customer focus (graph)
4.2.2 Measuring Competitor Focus

Competitor focus element was coded using the following statements:

- After Social CRM implementation we regularly monitor our competitors’ marketing efforts;
- After Social CRM implementation all our departments are monitoring and reporting on competitor activity;
- After Social CRM implementation we frequently collect marketing data on our competitors to help direct our marketing plans;
- After Social CRM implementation we are responding to competitors’ actions quicker;

In order to measure Competitor Focus element researcher has asked respondents to answer to Likert type questions and evaluate by how much they agree/disagree with statements. Answers to each of the statements above were manipulated and computed using SPSS statistical analyses software and were grouped in to Competitor Focus element.

Statistical analyses (Figure 33) of this element have shown that 42.1% of respondents have agreed with the statement and 7.5% have identified that they strongly agree with this statement, so nearly half of all respondents have agreed that social CRM had positive effect on competitor focus. 39.3% of respondents have identified that there was no change on competitor focus as they have chosen neutral answer and 11.2% disagreed with the fact that Social CRM affected competitor focus.

Overall nearly 49.6% of respondents have identified that Social CRM effect on competitor focus element was positive as they have selected agree or strongly agree answers, and almost 40% have identified that effect on competitor focus was neutral. This shows that effect is not as strong as on customer focus, but it is still positive.

Median for this observation (Figure 32 and Figure 34) is 3 (digit 3 was used to code “Neutral”) and it suggests that effect was neutral, Mean is 3.45 and taking std. deviation 0.79 in to consideration we can state that there was no such a strong effect as on customer focus, but it still has impacted 50% of respondents with positive outcome.
<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Per cent</th>
<th>Valid Per cent</th>
<th>Cumulative Per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Competitor focus</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Disagree</td>
<td>12</td>
<td>11.2</td>
<td>11.2</td>
<td>11.2</td>
</tr>
<tr>
<td>Neutral</td>
<td>42</td>
<td>39.3</td>
<td>39.3</td>
<td>50.5</td>
</tr>
<tr>
<td>Agree</td>
<td>45</td>
<td>42.1</td>
<td>42.1</td>
<td>92.5</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>8</td>
<td>7.5</td>
<td>7.5</td>
<td>100</td>
</tr>
<tr>
<td>Total</td>
<td>107</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

4.2.3 Measuring Inter-functional coordination

Inter-functional coordination element was coded using the following statements:

- After Social CRM implementation in our firm marketing people have strong input into the development of new products/services;
- After Social CRM implementation marketing information is shared with all departments;
- After Social CRM implementation we do a good job integrating the activities of all departments;
- After Social CRM implementation marketing people regularly interact with other departments on a formal basis;
In order to measure Inter – functional coordination researcher has asked respondents to answer to Likert type questions and evaluate by how much they agree/disagree with statements. Answers to each of the statements above were manipulated and computed using SPSS statistical analyses software and were grouped in to Inter – functional coordination element.

Statistical analyses (Figure 36) of this element have shown that 40.2% of respondents have agreed or strongly agreed with the statements, 43.9% of respondents have identified that it’s neutral and 15.9% disagreed with the statements of Inter – functional coordination.

Overall over 40% of respondents have identified that Social CRM effect on Inter – functional coordination was positive, and almost 60% of respondents have identified that there was no effect on Inter – functional coordination or it was neutral.

Median for this observation (Figure 35) is 3.00 (digit 3 was used to code “Neutral”) and it suggests that effect was neutral, Mean is 3.28 and taking std. deviation of 0.78 in to consideration - we can state that there was no such strong effect as on customer focus. Effect was weaker than comparing it to effect on competitor focus as well. But it still has impacted 44% of respondents with positive outcome

Overall it shows that there was a positive effect, but it is weaker than effect on Customer or Competitor focus.

<table>
<thead>
<tr>
<th>N</th>
<th>Valid</th>
<th>Missing</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>107</td>
<td>0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>Median</th>
<th>Mode</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td>3.2897</td>
<td>3</td>
<td>3</td>
</tr>
</tbody>
</table>

| Std. Deviation | 0.78919 |

Figure 36 Social CRM and Inter-func. Coordination central tendency analysis

<table>
<thead>
<tr>
<th>Inter – func. Coordination</th>
<th>Frequency</th>
<th>Per cent</th>
<th>Valid Per cent</th>
<th>Cumulative Per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Disagree</td>
<td>17</td>
<td>15.9</td>
<td>15.9</td>
<td>15.9</td>
</tr>
<tr>
<td>Neutral</td>
<td>47</td>
<td>43.9</td>
<td>43.9</td>
<td>59.8</td>
</tr>
<tr>
<td>Agree</td>
<td>38</td>
<td>35.5</td>
<td>35.5</td>
<td>95.3</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>5</td>
<td>4.7</td>
<td>4.7</td>
<td>100</td>
</tr>
<tr>
<td>Total</td>
<td>107</td>
<td>100</td>
<td>100</td>
<td></td>
</tr>
</tbody>
</table>

Figure 37 - Social CRM and Inter-functional coordination statistical analysis
4.2.4 Measuring Intelligence generation

Intelligence generation element was coded using the following statements:

- After Social CRM implementation frontline staff interacts directly with customers to see how we can serve them better;

- After Social CRM implementation we do a lot more of marketing research to assess customer perceptions of our products/services;

- After Social CRM implementation we are slow to detect changes in our customers' preferences;

- After Social CRM implementation we collect industry information on an informal basis;

In order to measure Intelligence generation element researcher has asked respondents to answer to Likert type questions and evaluate by how much they agree/disagree with the statements. Answers to each of the statements above were manipulated and computed using SPSS statistical analyses software and were grouped in to Intelligence generation element.

Statistical analyses (Figure 39) of this element have shown that 70.1% of respondents have agreed or strongly agreed with the statements, 29.9% of respondents have identified that it’s neutral and there were no respondents who would disagree or strongly disagree with statements of Intelligence generation element.

So over 70% of respondents have identified that there was a positive effect on Intelligence generation after social CRM implementation.

Statistical analyses (Figure 39 and Figure 40) of Mean, Mode and Median are supporting finding about positive effect, as Mean is 3.77 and Mode and Median is 4.00 (number 4 was used to code Agree response).
Std. Deviation for this element is 0.57 taking in consideration fact that dispersion is not great and considering that no respondents have disagreed with these statements we can state that social CRM has strong and positive impact on Intelligence generation.

<table>
<thead>
<tr>
<th>N</th>
<th>Valid</th>
<th>107</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Missing</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Mean</td>
<td>3.7757</td>
</tr>
<tr>
<td></td>
<td>Median</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>Mode</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>Std. Deviation</td>
<td>0.57147</td>
</tr>
</tbody>
</table>

Figure 39 Social CRM and Intelligence generation central tendency analysis

<table>
<thead>
<tr>
<th>Intelligence Generation</th>
<th>Frequency</th>
<th>Per cent</th>
<th>Valid Per cent</th>
<th>Cumulative Per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td>Neutral</td>
<td>32</td>
<td>29.9</td>
<td>29.9</td>
</tr>
<tr>
<td></td>
<td>Agree</td>
<td>67</td>
<td>62.6</td>
<td>92.5</td>
</tr>
<tr>
<td></td>
<td>Strongly Agree</td>
<td>8</td>
<td>7.5</td>
<td>100</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>107</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

Figure 39 Social CRM and Intelligence generation statistical analysis

To discover if market orientation depends on organization’s size researcher has performed deeper data analyses and has cross-tabulated following variables:

- Size of organization and competitor focus;
- Size of organization and inter-functional coordination;

Mean = 3.78  
Std. Dev. = .571  
N = 107

Figure 40 - Social CRM and Intelligence generation (graph)
• Size of organization and customer focus;
• Size of organization and intelligence generation;

Data analyses have shown that competitor focus (Figure 41) was mostly affected in organizations that are in size between 301 and 1000 employees as 90% of respondents have agreed to the statements of competitor focus. The least affected were organizations in size between 151 and 300 employees - 33.3% identified no change and have selected option Neutral and 26.7% have disagreed with statements and only 40% of respondents have agreed or strongly agreed with the statements, very positive effect was identified in organizations size over 40000 employees as 75% selected option Agree.

<table>
<thead>
<tr>
<th>Size of organization</th>
<th>Competitor focus</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Strongly Disagree</td>
<td>Disagree</td>
</tr>
<tr>
<td>Over 40000 employees</td>
<td>0.00%</td>
<td>0.00%</td>
</tr>
<tr>
<td>1001 to 10000 employees</td>
<td>4.50%</td>
<td>0.00%</td>
</tr>
<tr>
<td>301 to 1000 employees</td>
<td>0.00%</td>
<td>0.00%</td>
</tr>
<tr>
<td>151 to 300 employees</td>
<td>0.00%</td>
<td>26.70%</td>
</tr>
<tr>
<td>Up to 150 employees</td>
<td>0.00%</td>
<td>3.80%</td>
</tr>
<tr>
<td>Total</td>
<td>0.90%</td>
<td>5.60%</td>
</tr>
</tbody>
</table>

Figure 41 - Cross tabulation of Size of organization and Competitor focus variables

Inter - functional coordination (Figure 42) was mostly affected in organizations that are in size between 301 and 1000 employees as 80% of respondents have agreed to the statements of Inter - functional coordination and least affected was in organizations over 40000 employees as 50% identified have chosen option Neutral and 50% disagreed with statements.
<table>
<thead>
<tr>
<th>Size of organization</th>
<th>Inter - functional coordination</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Strongly Disagree</td>
<td>Disagree</td>
<td>Neutral</td>
<td>Agree</td>
<td>Strongly Agree</td>
<td></td>
</tr>
<tr>
<td>Over 40000 employees</td>
<td>0.00%</td>
<td>50.00%</td>
<td>50.00%</td>
<td>0.00%</td>
<td>0.00%</td>
<td>100.00%</td>
</tr>
<tr>
<td>1001 to 10000 employees</td>
<td>0.00%</td>
<td>31.80%</td>
<td>13.60%</td>
<td>54.50%</td>
<td>0.00%</td>
<td>100.00%</td>
</tr>
<tr>
<td>301 to 1000 employees</td>
<td>0.00%</td>
<td>0.00%</td>
<td>20.00%</td>
<td>80.00%</td>
<td>0.00%</td>
<td>100.00%</td>
</tr>
<tr>
<td>151 to 300 employees</td>
<td>0.00%</td>
<td>33.30%</td>
<td>40.00%</td>
<td>26.70%</td>
<td>0.00%</td>
<td>100.00%</td>
</tr>
<tr>
<td>Up to 150 employees</td>
<td>3.80%</td>
<td>15.40%</td>
<td>50.00%</td>
<td>26.90%</td>
<td>3.80%</td>
<td>100.00%</td>
</tr>
<tr>
<td>Total</td>
<td>1.90%</td>
<td>22.40%</td>
<td>38.30%</td>
<td>35.50%</td>
<td>1.90%</td>
<td>100.00%</td>
</tr>
</tbody>
</table>

Figure 42 - Cross tabulation of Size of organization and Inter - functional coordination variables

Customer focus (Figure 43) was mostly affected in organizations that are in size between 301 and 1000 and over 4000 employees as 100% of respondents have agreed or strongly agreed to the statements of customer focus, therefore least affected were organizations in size between 151 and 300 employees as 53.3% of respondents have chosen option Neutral.
### Figure 43 - Cross tabulation of Size of organization and Customer focus variables

<table>
<thead>
<tr>
<th>Size of organization</th>
<th>% With in Size of organization</th>
<th>Customer focus</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Over 40000 employees</td>
<td>0.00%</td>
<td>0.00%</td>
<td>0.00%</td>
</tr>
<tr>
<td>1001 to 10000 employees</td>
<td>0.00%</td>
<td>9.10%</td>
<td>4.50%</td>
</tr>
<tr>
<td>301 to 1000 employees</td>
<td>0.00%</td>
<td>0.00%</td>
<td>0.00%</td>
</tr>
<tr>
<td>151 to 300 employees</td>
<td>0.00%</td>
<td>0.00%</td>
<td>53.30%</td>
</tr>
<tr>
<td>Up to 150 employees</td>
<td>0.00%</td>
<td>1.90%</td>
<td>26.90%</td>
</tr>
<tr>
<td>Total</td>
<td>0.00%</td>
<td>2.80%</td>
<td>21.50%</td>
</tr>
</tbody>
</table>

Intelligence generation (Figure 44) factor was mostly affected in organizations that are in size between 151 to 300 employees as 86.7% of respondents have agreed to the statements of Intelligence generation, therefore least affected were organizations in size between 301 to 1000 employees as 80% of respondents have chosen option Neutral and over 40000 employees as 50% have chosen option Neutral and 25% have disagreed with statements.
Cross tabulations between size of organization and market orientation elements variables have helped us to discover that mostly affected were organizations in size from 301 to 1000 employees as in those organizations highest impact was on competitor focus, inter – functional coordination and customer focus. Mostly affected by intelligence generation were organizations that are small-scale between 151 and 300 employees.

It is not possible to compare findings of this analysis with other researches as there was no similar researches conducted earlier, but we can conclude that organizations in size between 301 and 1000 employees are the ones, that effect of Social CRM will be the most positive. Size of those organizations suggests that they are mature by their age and relating to this we can suggest that those organizations have learned how to optimize and integrate their functions and how to integrate social CRM in supporting their activities.

Small scale organizations in size up to 300 employees will be affected least, when considering their size we can guess that these organizations are pretty young and they do not have significant experience in integrating and optimizing their functions. In this
maturity state social CRM is helping them to generate market intelligence, but they are failing in other areas.
4.3 Answering research questions

4.3.1 Social CRM relationship with Market orientation
One of questions that researcher was trying to answer by conducting this research was “Is there a relationship between implementation and use of Social CRM and market orientation?”
To answer this question researcher has developed the following hypothesis:
H1 a: Social CRM use will be positively related to Market Orientation.
H1 o: Social CRM use will not be positively related to Market Orientation.

Data analyses (Figures 30 – 40) of social CRM effect on each element of Market orientation have shown that social CRM is positively related to organizations’ market orientation to certain extent. Positive relationship exists because:

- 85% of respondents have identified that Social CRM effect on customer focus was positive;
- 50% of respondents have identified that Social CRM effect on competitor focus effect was positive;
- 44% of respondents have identified that Social CRM effect on Inter – functional coordination element was positive;
- 70% of respondents have identified that Social CRM effect on Intelligence generation element was positive.

On average each element of market orientation was affected by 62.25% and there was significant increase on Customer focus, Competitor focus and Intelligence generation, however effect on Cross – functional coordination was not as much significant as on the other elements, but it still was effected in a positive way.
After quantitative data analyses researcher answers this research question by accepting alternative hypothesis:
H1 a: Social CRM use will be positively related to Market Orientation.
But it is important to note that this hypothesis is accepted to certain extent, as there exists space for improvement on Customer focus and Inter – functional coordination elements of Market Orientation.
4.3.2 Relationship between duration of how long social CRM is used and Market orientation

Next question that researcher was trying to answer by conducting this research was “Is there a relationship between duration for how long Social CRM is used and market orientation?”

To answer this question researcher has developed the following hypothesis:

H2 o: Duration of Social CRM use will not be related to Market Orientation.

H2 a: Duration of Social CRM use will be positively related to Market Orientation.

To answer this question and to accept one of the hypothesis researcher has used statistical correlation method and has calculated Pearson product-moment correlation coefficient, which is used to measure strength of linear dependence between two variables (Saunders, 2007). In this case researcher was measuring dependence between market orientation elements and duration for how long social CRM was used (Figure 44).

<table>
<thead>
<tr>
<th>How long sCRM is used?</th>
<th>How long sCRM is used?</th>
<th>Customer Focus</th>
<th>Competitor Focus</th>
<th>Inter-functional coordination</th>
<th>Intelligence generation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Correlation</td>
<td>Pearson Correlation</td>
<td>1</td>
<td>-0.163</td>
<td>-0.077</td>
<td>0.141</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>Sig. (2-tailed)</td>
<td>0.079</td>
<td>0.418</td>
<td>0.094</td>
<td>0.431</td>
</tr>
<tr>
<td>N</td>
<td>N</td>
<td>107</td>
<td>107</td>
<td>107</td>
<td>107</td>
</tr>
<tr>
<td>Customer Focus</td>
<td>Customer Focus</td>
<td>-0.163</td>
<td>0.368**</td>
<td>0.174</td>
<td>0.391**</td>
</tr>
<tr>
<td>Pearson Correlation</td>
<td>Pearson Correlation</td>
<td>0.094</td>
<td>0.041</td>
<td>0.104</td>
<td>0.041</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>Sig. (2-tailed)</td>
<td>0.418</td>
<td>0.073</td>
<td>0.450**</td>
<td>0.671</td>
</tr>
<tr>
<td>N</td>
<td>N</td>
<td>107</td>
<td>107</td>
<td>107</td>
<td>107</td>
</tr>
<tr>
<td>Competitor Focus</td>
<td>Competitor Focus</td>
<td>-0.077</td>
<td>0.174</td>
<td>0.450**</td>
<td>1.04</td>
</tr>
<tr>
<td>Pearson Correlation</td>
<td>Pearson Correlation</td>
<td>0.431</td>
<td>0.073</td>
<td>0.288</td>
<td>0.288</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>Sig. (2-tailed)</td>
<td>107</td>
<td>107</td>
<td>107</td>
<td>107</td>
</tr>
<tr>
<td>Inter-functional coordinatio</td>
<td>Inter-functional coordinatio</td>
<td>0.141</td>
<td>0.391**</td>
<td>0.041</td>
<td>0.104</td>
</tr>
<tr>
<td>Pearson Correlation</td>
<td>Pearson Correlation</td>
<td>0.148</td>
<td>0.671</td>
<td>0.288</td>
<td>1.04</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>Sig. (2-tailed)</td>
<td>107</td>
<td>107</td>
<td>107</td>
<td>107</td>
</tr>
</tbody>
</table>

*. Correlation is significant at the 0.05 level (2-tailed).

**. Correlation is significant at the 0.01 level (2-tailed).

Figure 45 - Correlation between How long social CRM was used and Market orientation elements variables.
After statistical analyses it was discovered that correlation coefficients between:

- Duration of how long social CRM is used and Customer Focus was equal to 0.079 (No or negligible relationship);
- Duration of how long social CRM is used and Competitor Focus was equal to -0.163 (No or negligible relationship);
- Duration of how long social CRM is used and Inter–functional coordination was equal to -0.077 (No or negligible relationship);
- Duration of how long social CRM is used and Intelligence generation was equal to 0.141 (No or negligible relationship);

For relationship between variables to exist and for correlation to be positive coefficient should be close to +1, therefore for negative correlation coefficient should be -1 (Saunders, 2007). As we can see from correlations table (Figure 44) coefficients for correlations between duration for how long social CRM is used and market orientation elements variables is very weak and close to zero from negative or positive sides. Therefore it means that there are no significant relationships between how long social CRM is used and Market Orientation Elements variables.

As there is no positive or negative relationship between variables researcher answers this question by accepting null hypothesis:

H2 o: *Duration of Social CRM use will not be related to Market Orientation*

### 4.3.3 Relationship between number of functions that social CRM is used for and market orientation

The third question that researcher was trying to answer by conducting this research was "Is the number of functions that Social CRM is used for related to market orientation?"

To answer this question researcher has developed the following hypothesis:

H3 a: Number of the functions that Social CRM is used for will be positively related to Market Orientation.

H3 o: Number of the functions that Social CRM is used for will not be positively related to Market Orientation.

To answer this question and to accept one of the hypothesis researcher has used statistical correlation method and has calculated Pearson product-moment correlation coefficient, which is used to a measure of the strength of linear dependence between two variables. In this case researcher was measuring dependence between market orientation elements and number of functions that social CRM was used for (Figure 45).
Figure 46 - Correlation between Number of functions that social CRM is used for and Market orientation elements variables.

After analyses it was discovered that correlation coefficients between:

- Number of functions that SCRM is used for and Customer Focus was equal to 0.215 (weak positive relationship);
- Number of functions that SCRM is used for and Competitor Focus was equal to 0.094 (No or negligible relationship);
- Number of functions that SCRM is used for and Inter–functional coordination was equal to -0.130 (No or negligible relationship);
- Number of functions that SCRM is used for and Intelligence generation was equal to 0.057 (No or negligible relationship);

As it was noted before for relationship between variables to exist and for correlation to be positive coefficient should be close to +1, therefore for negative correlation coefficient should be -1 (Saunders, 2007). As it was discovered using correlations table (Figure 45) coefficients for correlations between Number of functions that SCRM is...
used and Market orientation elements variables is very weak and close to zero from negative or positive sides.

The only significant, but weak relationship exists between Customer Focus and Number of functions that SCRM is used for variables, but it is very weak relationship.

It was discussed earlier that Market Orientation construct consists of four elements, therefore significant, but weak relationship for one of the elements and no or negligible relationship between remaining variables require researcher to conclude that that there are no relationships between the Number of functions that SCRM is used and Market orientation elements variables.

As there is no positive or negative relationship between variables researcher answers this question by accepting null hypothesis:

\[ H3_0: \text{Number of the functions that Social CRM is used for will not be positively related to Market Orientation.} \]
5. Conclusions

Before starting this research researcher has set goals and objectives that he tends to achieve.

*First goal was to explore how social media is affecting customer relationship management:*

Industry and scholarly literature review has helped us to understand that social media is a new trend happening online that was triggered and initiated by internet based Web 2.0 technology and its outcome is user generated content (that can briefly be described as thoughts, opinions, ideas, experiences, photos and videos shared by individuals online) in social communities. This new trend requires inspection because it creates threats and opportunities for businesses. Threats are emerging from content that is being created and shared by customers and stakeholders about their own perceptions of products and services, key element of this threat is that content related to brands, products and services is being created and shared with or without businesses getting involved.

But social media should not be viewed only as a threat, it was discovered that if managed and embraced appropriately social media can provide a lot of opportunities for businesses, few of them to mention are – if used for generating awareness social media requires much less investment than standard media, furthermore it delivers opportunities for capturing customers insights, more importantly it creates opportunity to deepen relationships with customers and stakeholders by providing real time customer support and service as well as engaging audience.

One of the ways that companies can use social media is by employing it as new channel for customer relationship management, this new way of managing customer relationship is called Social CRM – it involves adoption of new communication channel (social media) for current CRM strategies and activities. When conducting secondary literature review it was discovered that Social CRM creates opportunities to use social media for developing market intelligence, serving customers (sales and customer support) and using it for collaboration. For businesses it helps to build customer trust and gain insights, creates opportunities to differentiate it products and services, improve selling, upselling and cross-selling, improve customer experience and helps to lower cost of service. Just as positively affecting and benefiting organizations social CRM helps customers by providing access to independent information about products or services, creating opportunity to have more personalized interaction with organizations, helping to control level of engagement with brand.
It is important to note failure of traditional CRM model in developing the real insights into customers - traditional CRM was able to gather traditional transactional data, but it failed to provide emotional and behavioral insights about customers. Social CRM is fulfilling this gap by adopting social media as communication channel and source of market intelligence. For this new communication channel to be incorporated organization needs to implement social CRM application, key elements of this application are social media monitoring and analytics tool, customer interaction and communication management and customer engagement platforms. Social CRM industry has experienced significant growth over last few years and at the moment Salesforce.com, Jive, Lithium are the leaders in social CRM applications market.

*The second goal set by researcher was to research what is market orientation:*
From literature review it was discovered that Market Orientation is a perspective of managing organizational performance. This perspective is focused on collecting information and generating knowledge about its customers, stakeholders and their activities. To achieve market orientation every function in organization should be involved in serving customers better and analyzing not only customers’ needs and wants, but also customer’s macro environment and its value chain. Therefore endless information collection is the most important element of market orientation. Researcher has discovered few market orientation measurement models and identified that organization is market orientated if it performs market intelligence generation, is customer and competitor focused, and has inter – functional coordination and collaborates internally.

*The third goal set by researcher was to discover and explore possible relationship between market orientation and social CRM:*
From secondary and tertiary literature review researcher has discovered that social CRM and market orientation might be related, researcher has build theory that by adopting social CRM and using it for it’s activities organizations are becoming market orientated. However there was no source of knowledge identified on this possible relationship, to build knowledge and to discover and explore possible relationship between market orientation and social CRM use researcher has conducted primary research. After performing data analysis researcher has discovered that there exists positive relationship between social CRM and market orientation, as companies became more market orientated after social CRM use was started, however this level of market orientation is not satisfactory. Researcher has discovered significant increase of Customer focus, Competitor focus and Intelligence generation, though effect on Cross – functional coordination was not as much significant and on the other elements.
Researcher has discovered that social CRM mostly is used and affects external activities - Customer focus, Competitor focus and Intelligence generation because it’s mostly used for marketing, sales, customer support, but there might be potential for enhanced collaboration and knowledge capturing and sharing opportunities, however social CRM is not used very widely for this kind of activities.

As well researcher has discovered that there was no significant relationship between duration of how long social CRM is used and market orientation, this discovery suggests that social CRM has immediate effect on organization and that organizations should consider social CRM implementation as soon as it is possible as an effect of it is almost immediate and positive. This is not limited to organization operating in certain markets, as positive relationship was identified in organizations that are working in B2B as well in B2C markets. However research has indicated that social CRM is more widely used by small-scale organizations, but this finding might be related to research method – as because of convenient sample that was used and researcher didn’t have access to big scale organizations.

When researching relationship between number of functions that social CRM is used for and market orientation there was no significant relationship identified as well; this suggest that social CRM positively affects organizations activities and effect doesn’t depend on for how many tasks organization is using in. But as it was discussed earlier organizations are using social CRM mostly for external functions and to uncover and exploit full potential of social CRM it is recommended to experiment and to attempt implement of social CRM for various activities, not only sales, marketing or customer care.

When concluding and discussing findings, it is important to note and to address the limitations of the research (Saunders, 2007):

Probably the biggest limitation for this research is sampling method, as it might have affected personal researcher’s biases – as Convenient Snowball sampling method was used.

One of the limitations to note is that researcher might not have had access to all suitable secondary and tertiary sources of literature, as further and deeper analyses is possible is this field. Even though researcher has identified that social CRM is related to market orientation, but relationship between social CRM and customer centricity might exist as well – further analyses and research in this area is recommended.

As it was noted earlier researcher doesn’t have enough experience in conducting research – for this reason approach adopted and research tool built and used might not be suitable for this research. As well researcher didn’t have access to larger scale organizations and have collected only 107 completed surveys. For these reasons it is
recommended to conduct this research again with more sophisticated tools and in larger scale in order to compare results by different specifics of respondents – e.g. compare results of different industries.
As well researcher didn’t have opportunity to compare results of his research with other researches, as there were no similar research conducted. For this reason it is recommended to conduct this research again involving control group and to measure market orientation in organizations, that are using social CRM and that haven’t started using it yet.
Data analyses conducted by researcher might not have been insightful enough, for this reason it is recommended to perform research with higher number of participants and perform deeper data analyses.

Overall taking limitations in to consideration we can conclude that social CRM is fulfilling gap that traditional CRM has failed to fulfill and it is providing organizations with deeper insights about it’s potential and existing customers and competitors, it creates opportunity for organizations to deepen its market orientation and might be source of competitive advantage. Organizations should consider implementation of this tool and shouldn’t be afraid to experiment and to adopt it not only for external but for internal activities as well.
6. **Self Reflection on Own Learning and Performance**

“The act of reflecting is one which causes us to make sense of what we’ve learned, why we learned it, and how that particular increment of learning took place. Moreover, reflection is about linking one increment of learning to the wider perspective of learning - heading towards seeing the bigger picture.” (Race, 2002, cited by Hinnet, 2002, p2). When inspecting learning experience it is important to evaluate your own learning specifics, for this purpose Kolb (1974) has developed learning cycle (Figure 47).

![Figure 47– Kolb’s learning cycle (1974).](image)

Reflection on own learning according to Kolb (1974) is based on experiencing learning, reviewing it after, concluding it and analyzing it, and once assessed developing plan how weak points can be minimized and what can be improved. Once analysis and evaluation is completed full cycle should be started again.

Honey and Mumford (1986) has developed a set of individual learning styles that projected the four stages identified by Kolb. To better understand own style of learning and to inspect outcomes of learning I have taken Kolb’s learning test (Appendix 4) and have discovered that my style of learning can be identified as
pragmatist - activist, as results of test has shown that I had very close scores for these types of learning - Pragmatist – 17 points, Activist – 15 points.

These learning styles according to Honey and Mumford (1986) can described in following way:

- Activists are diving in to new experiences without biases, they learn by doing and love to get their hands dirty; therefore their days are full of activity. Activists have open-minded approach to learning; they are experiencing it without biases. They are undertaking problems by brainstorming and practice “try first and consider later” approach. Once excitement of activity in one area evaporates they start looking for another immediately. Their weak point is that they thrive on the challenge of new experiences, but are getting bored with implementation and longer-term consolidation. They are outgoing people constantly attempting to get involved with others but by doing so they seek to center all activities on themselves.

- Pragmatists are keen to test new ideas, techniques and theories in practice. They are constantly searching for new ideas and are keen to experiment with applications, their approach can be described as "if it works it's good" and “There is always a better way”. Pragmatists can be identified as people who are bringing ideas from theory in to practice; therefore they are very practical people, who tend to solve problems by making practical decisions. They are accepting opportunities and solving problems as challenges. But they might be impatient with open-ended and ruminating discussions.

Other learning styles that according to test and personal experiences are not relative to me are:

- Theorists require models, concepts and facts in order to engage in the learning process, they tend to understand the theory behind the actions. Their preference is analyses and synthesis, drawing new information into a systematic and logical 'theory';

- Reflectors are learning by observing and thinking about past events, as their preference is to stand back and view experiences from a number of different perspectives, they are collecting data and taking the time to work towards an appropriate conclusions, may avoid hopping in and prefer to watch from the sidelines.
According to Kolb’s (1974) learning cycle, after learning has happened it is important to overview experience and evaluate. I would like to start this with analyses of topic selection process for dissertation. When selecting topic I have looked over my professional past experience and reasons why I have made decision to start postgraduate studies. Lecturer, N. Gross has mentioned quite few times during first lecture that students should choose topic, which is interesting to them. To select topic I have overviewed my professional experience and have identified that I have continuous experience in customer relationship management, this has helped me to identify that areas of my professional and academic interests are customer relations and customer experience management and I had a goal to develop knowledge and skills in this area. As well there was important event to note that helped me to formulate topic – in the third semester I had Principles of Marketing lectures with J. Staunton. In his lectures I have discovered and got interested in Market Orientation topic. So for dissertation topic I knew that I want to build knowledge about customer relations and experience and at the same time I had an idea of market orientation – as I still believe that this is the only correct way to manage organization that serves customers.

By being pragmatist I wanted topic what would be practical and adoptable in many different sectors, so I have settled in with CRM topic. But CRM topic is quite well researched and it wasn’t something that I was looking for. While still trying to decide accidentally I came across social CRM topic in one of the blogs about social media, that I follow. I have started to look for information on this topic using Google search tools and have discovered few white papers and few analysts reports – by reading them I have discovered that this is the topic that I want to write about – it involves customer relations and new technologies that are affecting how businesses work and interact with customers, as well it is practical topic. As well I have discovered that there was a lack of literature on this topic and it I can contribute and provide some knowledge. Topic seems to resolve a lot of problems that contemporary businesses are experiencing, therefore activists and pragmatists by their nature like to resolve practical problems and learn that way.

When time has come to provide draft of dissertation research proposal I still was struggling to put it all in one place as I knew that I want to write about customer experience and relations, I wanted this to be practical and I wanted to involve theory of Market orientation. By reading literature I have discovered that social CRM might be related to market orientation strategy as it was providing organizations with all the attributes needed to achieve it.
So I was looking for scholar’s publications on relationship between social CMR and market orientation, but unfortunately I couldn’t find any. My problem was that I didn’t know how to put everything in to one topic and by being activist I have decided to take risk and have developed theory that these two topics might be related, however search for information on this relationship seemed to be useless...

After long hours of searching and looking for information I have checked my lectures’ notes and have discovered the most important thing mentioned by lecturer - for dissertation formulation researcher is required to identify gap, that should be fulfilled by research. Now when reviewing this experience I can see that I have struggled because I haven’t investigated how gap concept is defined in literature and what sort of gaps exists. My problem was that as activist I was doing first and thinking later, I was so overwhelmed by topic that I have ignored basic requirements and I started actions before planning. If I have done reading earlier on what is a gap and what kind of gaps exist the whole process would have been a lot easier and smoother.

Once my topic was selected and Business Research Methods lecturer approved it I have started looking for literature about social CRM and Market Orientation. Many scholars have researched Market Orientation topic already. As well I have had build experience of using information sources provided by DBS library, so I haven’t encountered a lot of challenges to cover this part of dissertation. However researching social CRM was much more difficult as this is relatively new topic and it is not that well researched. Information sources available in DBS library have provided me with some information, but it wasn’t enough. There was quite a lot of information available about topic in social media - blogs and discussion sites, but I couldn’t use them because they weren’t peers approved and for this reason couldn’t be used for scientific research, however these sources have helped me to develop knowledge about basic elements of subject. The approach that I have taken to find sources is looking through bibliography lists of peers approved articles and publications, it has helped me to identify possible sources, but I have discovered that I wasn’t able to access all of them through DBS Library database. To overcome this access problem I have started asking for help from industry professionals, I was approaching them in discussions forums about social CMR and was asking them if they have copy of publication that they would like to share, this has helped me in few different ways – I got access to data that wasn’t available to me before and I was able to build network of professionals, working in social CRM field by using LinkedIn social network.

Furthermore I have learned few quite simple practical tricks how to look for information on Internet search engines, first trick was not limit search only to Google, but use Yahoo and Bing search engines as well, second trick was to add word “pdf” to
publication title in search fields of search engines, in this way I was able to discover few websites that usually are not visible when looking by publication title only. Overall this has helped me to develop skills on information search, adopt methods that I haven’t used before and build network of professionals on LinkedIn.

I have always believed that I am not numerical person and that data analyses is not a my area, but I have discovered using SPSS and analyzing results that this is exiting area and that I would like build my skills in this field. After conducting primary and secondary research and processing data and I have discovered that my findings are different from what I was expecting. It was real surprise for me, as I have strongly believed that I will be able to proof that all theories that I have developed are correct.

I was expecting that social CRM and Market Orientation will be positively related and this was proven to be correct, however I haven’t discovered relationship between number of functions that social CRM is used for with market orientation or duration for how long it used with market orientation. Originally I was expecting that organizations, using it for longer time, and for more functions would tend to be more market orientated, but data has shown differently. First idea after data analyses that came to my head was “it’s something wrong with data or SPSS”– as by standard understanding - the more – the better, the more experience – the better results. However I have discovered that social CRM is revolutionizing this, as it helped me to prove that it doesn’t matter for how long organizations are using it of for how many functions they are using it – it benefits them almost instantly. It was challenging to believe in this because I couldn’t compare with any research conducted earlier, but this helped me to develop a new way of thinking and analyzing data.

After reviewing whole dissertation process and comparing it to Honey and Mumford (1986) learner styles, I can see that this test and reflection has helped me to develop real insights about how I learn and how I behave. I can definitely identify that I am Pragmatist – Activist as for my thesis topic generation I have first jumped in to analyzing topics and only after that started thinking, what should I do now with it and looking at requirements – this one of the most valuable lessons that I have learned – don’t dive in to new activity just yet, analyze and strategize it and start acting after plan or strategy is completed.

I am considering myself being Activist as I am getting bored with current activities and looking for new challenges – at the moment I am quite bored with Market Orientation concept only because I have recently discovered Customer Centricity concept. At the same time I am Pragmatist because in my current company I would love to implement, what I was studying about social CRM. I want to bring theory that I have studied to real life. For this to happen I have been pushing idea of social CRM strategy to my manager in our 1:1 session for last 3 months and finally he has organized me
opportunity to pitch this idea to executives board. It was successful pitch and in July 2013 it was approved and budget was assigned. I will start implementing social CRM in real life situation after 20th of August. I am planning that it will take approximately about 6 months, however this will require huge change in organization’s strategy as from product and process orientation it will have to change to market orientation, but this needs to happen in order for social CRM strategy to be effective, however I am expecting this challenge and I wouldn’t be surprised once it occurs because I have studied this already.

Dissertation process has helped me to understand that the more I learn the less I know, example of this could be market orientation and customer centricity concepts, after building knowledge on market orientation, which I have believed to be the most customer focused strategy I have discovered Customer Centricity, which tends to be even more focused on customer and intelligence. As well when planning social CRM implementation strategy in my current company I have discovered that I lack experience in project and process management, to overcome this I am planning to take my studies further and to start project management diploma studies this autumn. After social CRM implementation in my current work place, I am planning to start blog about this topic and if everything goes well to start consulting SME’s regarding social CRM free of charge to deepen my knowledge and to build experience in this field.
Bibliography


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Appendices

Appendix 1: Conversation prism 3.0 (Adopted from Solis, 2010)
Appendix 2: Data Collection Tool

Social CRM and Market Orientation Research

Please choose one of the following options that best describes your position and business activities.

1) What industry your organization is operating in? *

- Accounting
- Advertising
- Aerospace
- Agriculture
- Aircraft
- Airline
- Apparel & Accessories
- Automotive
- Banking
- Biotechnology
- Broadcasting
- Brokerage
- Call Centres
- Cargo Handling
- Chemical
- Computer
- Consulting
Consumer Products
Food, Beverage & Tobacco
Grocery
Information Technology
Health Care
Internet Publishing
Investment Banking
Legal
Manufacturing
Market Research & Marketing
Media
Motion Picture & Video
Music
Newspaper Publishers
Online Auctions
Pension Funds
Pharmaceuticals
Private Equity
Publishing
Real Estate
Retail & Wholesale
Securities & Commodity Exchanges
Service
Soap & Detergent
Software
Sports
Technology
Telecommunications
Television
2) What is the size of your organization? *
- Up to 150 employees
- 151 to 300 employees
- 301 to 1000 employees
- 1001 to 10000 employees
- 10000 to 25000 employees
- 25001 to 40000 employees
- Over 40000 employees

3) Where is your organization located? *
- AMER (Americas)
- EMEA (Europe, Middle East, Africa)
- APAC (Asia Pacific)

4) What markets does your organisation operates in? *
- B2C (Business to Consumer)
- B2B (Business to Business)
- B2B2C (Business to Business to Consumer)

5) Which function in your organization do you represent? (Multiple choice is available)
Customer relations
☐ Marketing
☐ Market research
☐ Sales
☐ Other (please specify):

Is your organization using Social CRM? *  
6)  
☐ Yes  
☐ No  
☐ I don't know  

9) For how long Social CRM is used in your organization?  
☐ Up to 6 months  
☐ 6 – 12 months  
☐ 12 – 18 months  
☐ 18 – 24 months  
☐ Over 24 months  

10) For what functions Social CRM is used in your organization: *  
☐ Sales  
☐ Customer care  
☐ Marketing  
☐ Market research  
☐ Collaboration  
☐ Other (please specify):

☐
11) What tasks do you personally perform by using social CRM: *

☐ Sales
☐ Customer care
☐ Marketing
☐ Market research
☐ Collaboration
☐ Other (please specify):

12) What is your level of seniority in organization? *

☐ Junior
☐ Executive
☐ Manager
☐ Senior
☐ Director
☐ Head of Office
☐ Other (please specify):

13) Please select the options from below that best represents how you feel about changes in your organisation after Social CRM implementation:

<table>
<thead>
<tr>
<th>After Social CRM implementation we are encouraging our customers’ comments much more because they help us to do a better job</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>After Social CRM implementation we have a stronger commitment to our customers</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
</tbody>
</table>
After Social CRM implementation after-sales service has become more important part of our business strategy.

After Social CRM implementation we define quality as the extent to which our customers are satisfied with our products/services.

After Social CRM implementation we have a stronger commitment to our customers.

After Social CRM implementation we became more focused on ways to create customer value in our products.

After Social CRM implementation we are measuring customer satisfaction on a regular basis.

After Social CRM implementation most important job of marketing in our organization is to identify and help to meet the needs of our customers.

After Social CRM implementation we regularly monitor our competitors’ marketing efforts.

After Social CRM implementation we frequently collect marketing data on our competitors to help direct our marketing plans.

14) Please select the options from below that best represent how you feel about changes in your organisation after Social CRM implementation.

After Social CRM implementation all our departments are monitoring and reporting on competitor activity

After Social CRM implementation we are responding to competitors’ actions quicker

After Social CRM implementation in our firm marketing people have strong input into the development of new products/services

After Social CRM implementation marketing information is shared with all departments

<table>
<thead>
<tr>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</tr>
</tbody>
</table>
After Social CRM implementation we do a good job integrating the activities of all departments.

After Social CRM implementation marketing people regularly interact with other departments on a formal basis.

After Social CRM implementation marketing is seen as a guiding light for the entire firm.

After Social CRM implementation frontline staff interacts directly with customers to see how we can serve them better.

After Social CRM implementation we do a lot more of marketing research to assess customer perceptions of our products/services.

After Social CRM implementation we are slow to detect changes in our customers’ preferences.

After Social CRM implementation we collect industry information on an informal basis.
Appendix 3: Survey Cover letter:

Dear Respondent,

I would like to enlist your help.

I am a graduate MBA student at Dublin Business School and I am conducting this survey on the use of social media for customer relationship management as well known as Social CRM concept. This concept unites social media technology with customer relationship management and uses dynamic community of customers interacting via social media rather than traditional CRM channels like call centres, bricks and mortar locations and corporate websites.

I am looking to survey executives that are working in marketing, customer relations, sales and market research functions and are using Social CRM tools.

Purpose of this study is to identify how Social CRM usage affects organization’s strategy and to determine whether there is a relationship between usage of Social Customer Relationship Management tools and organization’s market orientation. Would you please help me by completing this survey online?

The survey should only take up to 5 minutes of your time and is submitted electronically.

Your answers are anonymous. All answer will be kept confidential.

As well would you be so kind to pass this survey to your colleagues who are using Social CRM and are working in marketing, customer relations, sales and market research functions?

I would like to assure you that the results of this survey are confidential and it will not be possible to link completed questionnaires to executives or organizations.

If you would like to receive copy of this study, please contact me by email zukauskas.povilas@gmail.com and I will be happy to share it with you after this research is conducted and findings presented.

I look forward to receive your completed questionnaire shortly. If you have any questions please feel free to contact me at any stage.

With kind regards and many thanks,
Student Researcher
Povilas Zukauskas
Appendix 4: Learning Style test:

KOLB’S LEARNING STYLES
Reference: Peter Honey and Alan Mumford, 2006

LEARNING STYLES
Kolb’s learning styles have been adapted by two management development specialists, Peter Honey and Alan Mumford. They use a four-way classification that closely resembles that of Kolb but is simplified for use in a practical training situation.

You can find out your own learning style by completing and scoring the following questionnaire. A description of the Honey and Mumford classification follows for use after the questionnaire has been scored.

LEARNING STYLES QUESTIONNAIRE
This questionnaire is designed to find out your preferred learning style(s). Over the years you have probably developed learning ‘habits’ that help you benefit more from some experiences than from others. Since you are probably unaware of this, this questionnaire will help you pinpoint your learning preferences so that you are in a better position to select learning experiences that suit your style.

INSTRUCTIONS
There is no time limit for completing this questionnaire. It will probably take you 10-15 minutes. The accuracy of the results depends on how honest you can be. There are no right or wrong answers. If you agree more than you disagree with a statement put a tick by it. If you disagree more than you agree put a cross by it. Be sure to mark each item with either a tick or cross.
|   | I have strong beliefs about what is right and wrong, good and bad.  
|   | I often act without considering the possible consequences.  
|   | I tend to solve problems using a step-by-step approach.  
|   | I believe that formal procedures and policies restrict people.  
|   | I have a reputation for saying what I think, simply and directly.  
|   | I often find that actions based on feelings are as sound as those based on careful thought and analysis.  
|   | I like the sort of work where I have time for thorough preparation and implementation.  
|   | I regularly question people about their basic assumptions.  
|   | What matters most is whether something works in practice.  
|   | I actively seek out new experiences.  
|   | When I hear about a new idea or approach I immediately start working out how to apply it in practice.  
|   | I am keen on self-discipline such as watching my diet, taking regular exercise, sticking to a fixed routine, etc.  
|   | I take pride in doing a thorough job.  
|   | I get on best with logical, analytical people and less well with spontaneous, ‘irrational’ people.  
|   | I take care over the interpretation of data available to me and avoid jumping to conclusions.  
|   | I like to reach a decision carefully after weighing up many alternatives.  
|   | I’m attracted more to novel, unusual ideas than to practical ones.  
|   | I don’t like disorganised things and prefer to fit things into a coherent structure.  
|   | I accept and stick to laid down procedures and policies so long as I regard them as an efficient way of getting the job done.  
|   | I like to relate my actions to a general principle.  
|   | In discussions, I like to get straight to the point.  
|   | I tend to have distant, rather formal relationships with people at work.  
|   | I thrive on the challenge of tackling something new and different.  
|   | I enjoy fun-loving, spontaneous people.  
|   | I pay meticulous attention to detail before coming to a conclusion.  
|   | I find it difficult to produce ideas on impulse.  
|   | I believe in coming to the point immediately.  
|   | I am careful not to jump to conclusions too quickly.  
|   | I prefer to have as many sources of information as possible — the more data to think over the better.  
|   | Flippant people who don’t take things seriously enough usually irritate me.  
|   | I listen to other people’s points of view before putting my own forward.  

- 2 -
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<table>
<thead>
<tr>
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<tbody>
<tr>
<td>32.</td>
<td>I tend to be open about how I'm feeling.</td>
</tr>
<tr>
<td>33.</td>
<td>In discussions I enjoy watching the manoeuvrings of the other participants.</td>
</tr>
<tr>
<td>34.</td>
<td>I prefer to respond to events on a spontaneous, flexible basis rather than plan things out in advance.</td>
</tr>
<tr>
<td>35.</td>
<td>I tend to be attracted to techniques such as network analysis, flow charts, branching programmes, contingency planning, etc.</td>
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<tr>
<td>37.</td>
<td>I tend to judge people's ideas on their practical merits.</td>
</tr>
<tr>
<td>38.</td>
<td>Quiet, thoughtful people tend to make me feel uneasy.</td>
</tr>
<tr>
<td>39.</td>
<td>I often get irritated by people who want to rush things.</td>
</tr>
<tr>
<td>40.</td>
<td>It is more important to enjoy the present moment than to think about the past or future.</td>
</tr>
<tr>
<td>41.</td>
<td>I think that decisions based on a thorough analysis of all the information are sounder than those based on intuition.</td>
</tr>
<tr>
<td>42.</td>
<td>I tend to be a perfectionist.</td>
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<tr>
<td>43.</td>
<td>In discussions I usually produce lots of spontaneous ideas.</td>
</tr>
<tr>
<td>44.</td>
<td>In meetings I put forward practical, realistic ideas.</td>
</tr>
<tr>
<td>45.</td>
<td>More often than not, rules are there to be broken.</td>
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<tr>
<td>46.</td>
<td>I prefer to stand back from a situation and consider all the perspectives.</td>
</tr>
<tr>
<td>47.</td>
<td>I can often see inconsistencies and weaknesses in other people's arguments.</td>
</tr>
<tr>
<td>48.</td>
<td>On balance I talk more than I listen.</td>
</tr>
<tr>
<td>49.</td>
<td>I can often see better, more practical ways to get things done.</td>
</tr>
<tr>
<td>50.</td>
<td>I think written reports should be short and to the point.</td>
</tr>
<tr>
<td>51.</td>
<td>I believe that rational, logical thinking should win the day.</td>
</tr>
<tr>
<td>52.</td>
<td>I tend to discuss specific things with people rather than engaging in social discussion.</td>
</tr>
<tr>
<td>53.</td>
<td>I like people who approach things realistically rather than theoretically.</td>
</tr>
<tr>
<td>54.</td>
<td>In discussions I get impatient with irrelevancies and digressions.</td>
</tr>
<tr>
<td>55.</td>
<td>If I have a report to write I tend to produce lots of drafts before settling on the final version.</td>
</tr>
<tr>
<td>56.</td>
<td>I am keen to try things out to see if they work in practice. 057.1 am keen to reach answers via a logical approach.</td>
</tr>
<tr>
<td>58.</td>
<td>I enjoy being the one that talks a lot.</td>
</tr>
<tr>
<td>59.</td>
<td>In discussions I often find I am the realist, keeping people to the point and avoiding wild speculations.</td>
</tr>
<tr>
<td>60.</td>
<td>I like to ponder many alternatives before making up my mind.</td>
</tr>
<tr>
<td>61.</td>
<td>In discussion with people I often find I am the most dispassionate and objective.</td>
</tr>
<tr>
<td>62.</td>
<td>In discussions I'm more likely to adopt a 'low profile' than to take the lead and do most of the talking.</td>
</tr>
<tr>
<td>63.</td>
<td>I like to be able to relate current actions to a longer term bigger picture.</td>
</tr>
</tbody>
</table>
picture.

64. When things go wrong I am happy to shrug it off and ‘put it down to experience’.
65. I tend to reject wild, spontaneous ideas as being impractical.
66. It’s best to think carefully before taking action.
67. On balance I do the listening rather than the talking.
68. I tend to be tough on people who find it difficult to adopt a logical approach.
69. Most times I believe the end justifies the means.
70. I don’t mind hurting people’s feelings so long as the job gets done.
71. I find the formality of having specific objectives and plans stifling.
72. I’m usually one of the people who puts life into a party.
73. I do whatever is expedient to get the job done.
74. I quickly get bored with methodical, detailed work.
75. I am keen on exploring the basic assumptions, principles and theories underpinning things and events.
76. I’m always interested to find out what people think.
77. I like meetings to be run on methodical lines, sticking to a laid down agenda, etc.
78. I steer clear of subjective or ambiguous topics.
79. I enjoy the drama and excitement of a crisis situation.
80. People often find me insensitive to their feelings.

SCORING

You score one point for each item you ticked. There are no points for items you crossed.

Simply indicate on the lists below which items were ticked.

<table>
<thead>
<tr>
<th>Activist</th>
<th>Reflector</th>
<th>Theorist</th>
<th>Pragmatist</th>
</tr>
</thead>
<tbody>
<tr>
<td>(2)</td>
<td>7</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td>4</td>
<td>13</td>
<td>3</td>
<td>9</td>
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<td>6</td>
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<td>34</td>
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<td>26</td>
<td>44</td>
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<tr>
<td>36</td>
<td>36</td>
<td>30</td>
<td>49</td>
</tr>
</tbody>
</table>

- 4 -
Learning Styles — General Descriptions

Activists
Activists involve themselves fully and without bias in new experiences. They enjoy the here and now and are happy to be dominated by immediate experiences. They are open-minded, not sceptical, and this tends to make them enthusiastic about anything new. Their philosophy is: “I’ll try anything once”. They tend to act first and consider the consequences afterwards. Their days are filled with activity. They tackle problems by brainstorming. As soon as the excitement from one activity has died down they are busy looking for the next. They tend to thrive on the challenge of new experiences but are bored with implementation and longer term consolidation. They are gregarious people constantly involving themselves with others but, in doing so, they seek to centre all activities around themselves.

Reflectors
Reflectors like to stand back and ponder experiences and observe them from many different perspectives. They collect data, both first hand and from others, and prefer to think about it thoroughly before coming to any conclusion. The thorough collection and analysis of data about experiences and events is what counts so they tend to postpone reaching definitive conclusions for as long as possible. Their philosophy is to be cautious. They are thoughtful people who like to consider all possible angles and implications before making a move. They prefer to take a back seat in meetings and discussions. They enjoy observing other people in action. They listen to others and get the drift of the discussion before making their own points. They tend to adopt a low profile and have a slightly distant, tolerant unruffled air about them. When they act it is part of a wide picture which includes the past as well as the present and others’ observations as well as their own.

Theorists
Theorists adapt and integrate observations into complex but logically sound theories. They think problems through in a vertical, step by step, logical way. They assimilate disparate facts into coherent theories. They tend to be
perfectionists who won't rest easy until things are tidy and fit into a rational scheme. They like to analyse and synthesise. They are keen on basic assumptions, principles, theories, models and systems thinking. Their philosophy prizes rationality and logic. If it's logical it's good. Questions they frequently ask are: 'Does it make sense?' 'How does this fit with that?' 'What are the basic assumptions?' They tend to be detached, analytical and dedicated to rational objectivity rather than anything subjective or ambiguous. Their approach to problems is consistently logical. This is their 'mental set' and they rigidly reject anything that doesn't fit with it. They prefer to maximise certainty and feel uncomfortable with subjective judgements, lateral thinking and anything flippant.

<table>
<thead>
<tr>
<th>Pragmatists</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pragmatists are keen on trying out ideas, theories and techniques to see if they work in practice. They positively search out new ideas and take the first opportunity to experiment with applications. They are the sort of people who return from management courses brimming with new ideas that they want to try out in practice. They like to get on with things and act quickly and confidently on ideas that attract them. They tend to be impatient with ruminating and open-ended discussions. They are essentially practical, down to earth people who like making practical decisions and solving problems. They respond to problems and opportunities 'as a challenge'. Their philosophy is: There is always a better way and 'If it works it's good'.</td>
</tr>
</tbody>
</table>