

Place of Customer Relationship Building Tools in Relation to the Customer Knowledge Management Model

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Abstract

Building customer relations is a key element of the company's functioning, focused on maintaining close contact with its customers. The diversity and multiplicity of communication tools makes it necessary for companies to choose them skillfully to the group of their customers. Therefore, when selecting tools, it is worth asking consumers themselves about their preferences in this area. The author, on the basis of her own research indicates the usefulness of selected marketing activities in the process of the company's contact with customers and then indicates the tools which the respondents most often meet on the market. The aim of the article is to indicate that the knowledge of the communication tools preferred by the customer of a given company is the basis for work on the components of the CKM model, which the author of the publication works on and researches. Within the framework of the CKM model, having knowledge about the preferred tools for communication by consumers constitutes an element of knowledge about customers and a basis for communication in the aspects of knowledge from and for customers. The article uses own research, which is a part of nationwide omnibus research conducted by the Department of Service Marketing at the University of Szczecin on a group of young adults.

Keywords: relationship, CKM, social media.

JEL classification: M31, L82, L86.

1. Introduction

With the development of new technologies and progressive digitalisation, consumer tastes are changing in the marketplace and new communication tools are emerging that can translate into customer relationships. This progress is accompanied by the development of science, which examines the influence of individuals on others, organizes existing ones and draws conclusions.

A lot is written in the literature about building relationships with customers, as an essential element of the development of the organization, thanks to which this development is much less threatened by having a group of regular and faithful customers. However, it is very difficult to acquire such a group of clients, especially nowadays, when competition is growing and it is also trying to create such a group of clients.

Knowledge management and customer relationship management in organization is the starting point for the development of the Customer Knowledge Management model. This model is to a large extent to "activate" customers to share their insights, reflections, knowledge, create innovations, etc. Thanks to such management, the organization is an intelligent structure, acquiring knowledge in various areas, which can then be used for further development and even better adjustment of the offer to market needs. On the other hand, consumers gain a sense of co-creation of certain values, products/services, ideas - something that translates into the real use of their knowledge. Consumers also have a sense of real influence on "something" and a sense of being part of an organization. In the author's opinion, the implementation of the CKM model in the organization is a difficult task, however, it may bring very important results..

2. Tools to build relations with customers

Building customer relations is still one of the most important activities of the company, because the company's functioning depends on the quality and strength of customer relations. Tools for building customer relations may be subject to different divisions depending on the type of customer, the industry in which the company operates, the characteristics of the target group of activities.

Taking into account the group of respondents taking part in the own research described in the article, it is necessary to look in particular at the tools addressed to this group. In the literature on the subject, the segment of young adults is defined differently. It depends to a large extent on the place of residence, development of the country and technology in a given country. According to Erik H. Erikson, young adults are between 18 and 35 years of age. According to other divisions of the generation in literature, people in this age group are members of generation Y (millennials) and generation Z (Z).

For the purposes of the article, young adults are assumed to be between 18 and 29 years of age.

Young adults can be characterized in many aspects, both sociological and purchasing behaviors. According to L. Player and I. Ostrowska it is the first generation of Poles who have had contact with computers and the Internet since birth. They have no fear of shopping on the Internet and constant access to information 24 hours a day (the Internet) plays an essential role in shaping the young generation. Young people get used to real-time communication - mobile phones, instant messengers, email. This communication is characterized by fast response time and low cost. When they have to wait for a reply, they are impatient and look for another source of information. (Gracz, Ostrowska 2014)

Such characteristics of the surveyed group immediately indicate that young adults like to know a lot, they search for knowledge according to their own needs and if they cannot find it, they want it "immediately" from someone. From the perspective of the organisation, this has an impact on the adaptation of communication activities to the needs of this generation. Therefore, the research group described above will first of all have dedicated tools related to new technologies and solutions appearing within them. Social media is one of such tools.

Popularization of the Internet made it possible to personalize products and improve communication, which contributed to the separation of the Y generation. They quickly adapted to the world of technology, not imagining functioning without access to the network. Thanks to this, they are able to efficiently obtain the information they need. (Peszko 2012)

The use of social media for marketing activities makes the user, due to the environment in which he/she is staying, more confident in the information presented. The process of initiating and creating relations using social media can be presented using the Levinger model, which consists of the following stages: getting to know each other, beginning of the relationship, continuation, "digging in" and weakening of the relationship. (Kowalska 2015)

Analyzed generations are a challenge in communication and other marketing activities for companies. According to G. Aniszewska (Aniszewska 2015):

- the consumer is increasingly better informed, aware of his/her position in negotiations with the other party, more and more resistant to the traditional marketing message. Since childhood, they have been subjected to building brand awareness, so they look for uniqueness and a tailor-made offer, and thus the brand change is easy for them. The concept of loyalty to the bidder is slowly ceasing to exist.

- Companies try to build online communities around their own brands, especially in those industries where the target group consists of young, dynamic people. In addition, companies use every way to exist in their awareness, not only through strictly marketing

activities, but also through actions not directly related to the core business. Marketing content is somehow conveyed at the same time.

- communication with the customer will be based on kinesthetic stimuli and will take place to a large extent on the Internet - especially on social networking sites.

The above statements show even more how difficult a group of consumers are the participants of the survey, how many more activities an organization has to perform in order to build relationships with such a group. Therefore, it becomes crucial to adapt the communication tools accordingly. Of course, this is not a guarantee of building relations with a group of loyal customers, but the adaptation of communication tools increases the probability of reaching the message and its reception by the consumer. It is like a basis for starting a dialogue with consumers of this generation, even if the content is "passed over on by the way basis".

CKM model

The CKM model concerns customer knowledge management and is used in companies that have the perspective of thinking about the customer in their strategy. This model originates from knowledge management (KM) and customer relationship management (CRM). It should also be assumed that an organization that uses the CKM model should already have built relationships with its customers, because they are the basis for the development and functioning of this model.

“The thrust of CKM is to capture, organize, share, transfer and control knowledge related to customers for organizational benefits. It helps organizations address specific needs of their customers, and make them more effective in enhancing customer satisfaction”. (Yeow-Kuan Chua, 2013)

The philosophy of CKM is to stimulate the customer, from passive to active involvement, and to focus the company's activities on the knowledge it possesses in order to improve innovation processes. (Mikuła 2016)

"CKM therefore consists in planning, organizing and controlling undertakings related to the knowledge and innovative potential of the client, aimed at acquiring this knowledge and its development by combining it with the knowledge of the company, as well as joint creation of new knowledge with the client for the improvement of the company's operations and creation of innovative solutions. (Mikuła 2016) The knowledge received from the client is useful not only in the sphere of innovation but also in the marketing activities of the company.

CKM model includes 4 basic pillars: knowledge for customers, knowledge from customers, knowledge about customers and knowledge retained by customers for their own purposes.

Within the framework of knowledge for customers, the organization, by prior selection of an effective medium for communication, provides customers with information about products/services, offers, discounts or other information that may be interesting for consumers.

As part of the knowledge from customers, the company can gain knowledge in the area of new products, innovations that should be included in them, their appearance, etc. The company can also gain knowledge in the area of new products, innovations that should be included in them. This is knowledge that can influence the development of an organisation and better match its services/products to market needs. It is important to skilfully acquire this knowledge from customers and then translate it into practical actions. It is also important to have a group of active customers who want to share their knowledge selflessly.

Knowledge about customers is derived from various data held by the organization. These can be CRM databases, reports, google analytics or brand24 tools, social media, etc. A good

analysis of this knowledge allows for tracking the purchasing behavior of consumers, changing trends, reactions to individual marketing activities, etc.

CKM - unlike classic CRM - focuses on the knowledge held by the customer and his/her potential to use this knowledge in the process of creating new knowledge. The customer's activation is therefore to stimulate the customer to disclose and use in the process of knowledge conversion all the knowledge possessed, including the knowledge retained by the customer for their own purposes. (Mikuła 2016)

Certainly, the CKM model can be a perfect tool for the development of customer relations but also a treasury of knowledge for the organization both about the needs of customers and the effectiveness of individual activities performed by the organization and can indicate the direction of further development of the organization.

Results

The results of quantitative research presented below come from the omnibus research conducted by the Department of Service Marketing at the University of Szczecin.

The research was conducted in the period from May to August 2018. The study group consisted of young adults, i.e. people between 18-29, as the dominant population in social media.

As a research tool, a questionnaire was adopted as a survey tool, and as a PAPI survey method. The questionnaire consisted of semi-open and closed questions. Simple and complex scales, mostly Likert scales, were adopted.

The minimum sample size was determined at the level of 384 respondents, which corresponds to 5% statistical error at 95% confidence level. During the analysis of the results, some questionnaires were rejected due to methodological errors in selection or lack of response. As a result, 361 questionnaires were adopted for the final analysis.

The analysis of the research results was performed with the use of IBM SPSS software.

The following results present the outcome of the research concerning:

- 1) the usefulness of particular marketing activities in the relationship between a company and a customer,
- (2) the most common marketing activities among the consumers surveyed.

The research problem was contained in two questions, i.e:

- which of the indicated marketing activities are very useful and which are not,
- which, in the opinion of the respondents, are the most frequent and rare marketing activities carried out by enterprises,
- to what extent are the selected tools consistent with the characteristics of the study group?

Graph 1 shows the answers given to the question about the usefulness of particular marketing activities in the process of the company's contact with the customer.

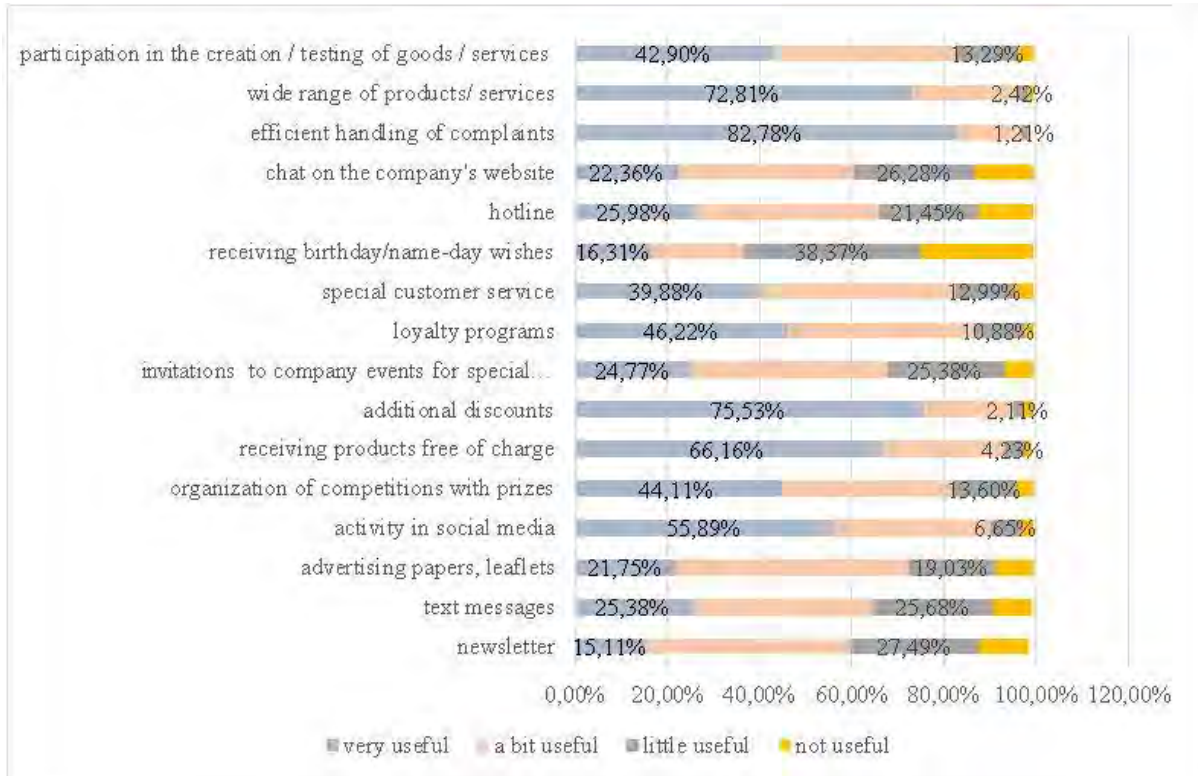


Figure 1. The usefulness of marketing activities in the process of the company's contact with customers;
Source: own elaboration

Among the tools assessed as very useful, the following were ranked highest: efficient complaint handling (83%), additional discounts (76%), wide range of products/services (73%), freebies (66%), activity in social media (56%).

On the other hand, among the tools that were not useful, the highest scores were given to: receiving birthday wishes, chat on the company's website, hotline, newsletter.

The survey was conducted on a group of young adults and these results are somewhat surprising.

First of all, they show that the surveyed group does not need to maintain contact with the brand. The most frequently chosen tools that allow direct contact with the brand, e.g. a chat on the company's website or a hotline, were considered not useful. Customers also do not want to receive information from companies in the form of newsletters, occasional wishes, text messages. However, what they are interested in among the activities of companies is to derive benefits for themselves in the form of efficiently handled complaints, discounts, freebies, a wide range of products.

From the perspective of the company it is difficult to maintain contact with this type of customer. Perhaps the solution is social media, because they were rated relatively high, and it is also a communication tool in which they are still present.

Chart 2 presents the results of a question concerning the most common marketing activities among the surveyed consumers. Most, as much as 78%, indicated the activity of companies in social media. This may result from the fact that respondents spend a lot of time in social media, which is why they can see the activities of different brands there.

Subsequently, with a slightly lower result, only 76% of respondents placed advertising newspapers and leaflets. On the one hand, it is a communication tool that has been operating on the market for a long time, while on the other hand, it is still a popular device, especially in trade. Respondents have to make food and industrial purchases, therefore, in connection with

Figure 1, where a significant group of their interests were discounts, free of charge, a wide range of products, it can be concluded that looking for these opportunities they are browsing through advertising leaflets.

The following places were taken by newsletters (58%), text messages (49%), additional discounts (47%).

On the one hand, we can see that these are tools often used by companies, but in the opinion of the surveyed group (comparison to chart 1) they are not useful. That is why it is so important to match the communication tools to the group of its recipients, because thanks to the established contact it is possible to build relationships.

On the other hand, it is a waste of time and money on the part of companies that use tools that are not adapted to the needs of the consumer.

The most rare tools included invitations to company events for special customers (4%), special customer service (5%) and participation in the creation/testing of goods or services of companies (7%). It can be assumed that the indicated measures are not very common because the companies do not use them very much. This is a frightening result at a time when there is so much talk on the market about the role and importance of the consumer and the consumer has no sense of e.g. applying special customer service to him/her.

All these rarely mentioned tools are also the basis for the development of the CKM model in the organisation. If they are so poorly evaluated by consumers, it means that it will be difficult to manage the CKM model in many companies.

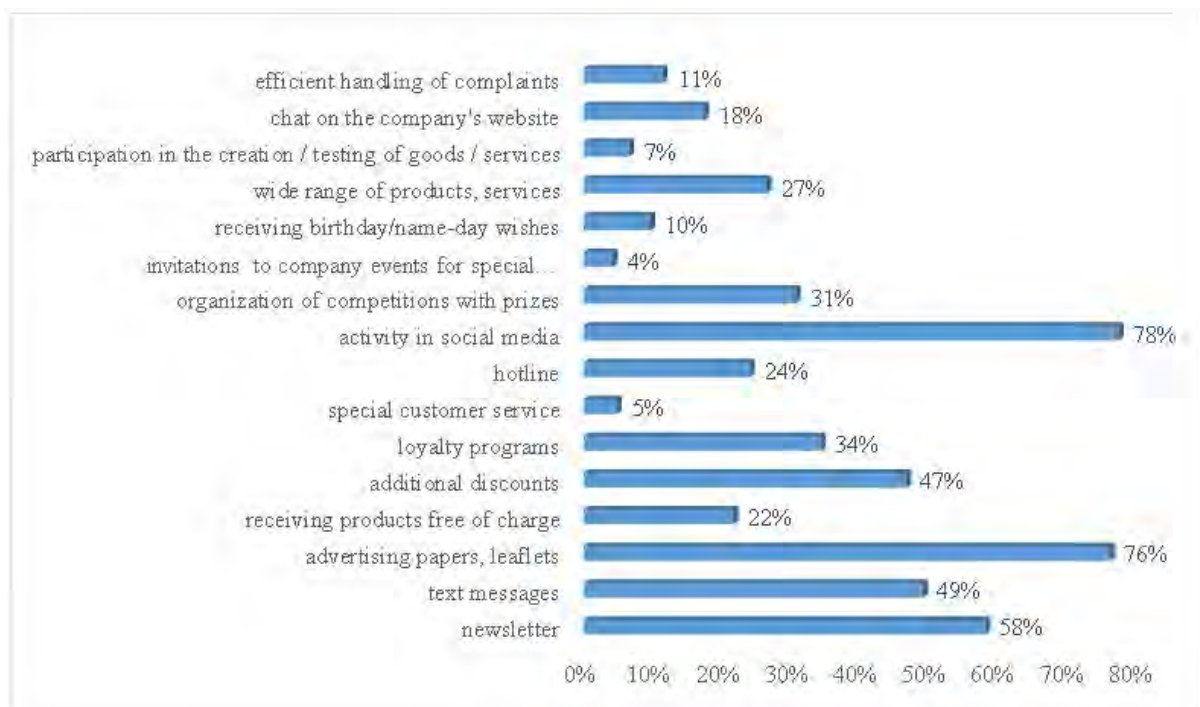


Figure 2. Most frequently chosen marketing activities

Source: own elaboration

Conclusion

One of the goals to be achieved by the CKM model in the company is certainly the development of previously built customer relations, introducing them into a different dimension, to an even higher level. The client is to take part in product testing, provide opinions, share his/her knowledge with the company in areas that interest him/her.

The analysis shows that this model is quite a complicated tool and requires many actions in its individual parts in order to finally influence the building of relations. Each of the stages of gaining customer knowledge is inter-connected and there is no possibility for the model to operate if any of the stages of gaining knowledge does not work.

The starting point for the implementation of the CKM model in a company must be the company's strategy putting the client first and the personnel who have the knowledge and skills to work with the client in this model.

The multitude of communication tools functioning on the market indicates that companies must select them and choose the ones that will be tailored to the needs of their customers. However, for this to be the case, the company must ensure a dialogue with its customers.

The results of the presented research indicate that companies use communication tools, which are not expected by their customers (of course in the analysed generations). This indicates a big problem that should be addressed in the next research.

The objective assumed in the article that the marketing communication tools must be closely adjusted to the target group and only then will it constitute the basis for the introduction of the CKM model to the organisation was fulfilled.

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