

## **A Framework to Predict the Adoption of Social Customer Relationship Management in Small and Medium Enterprises**

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### **Abstract**

This research develops a new model for the use of Social Customer Relationship Management in the Iranian Small and Medium Enterprises. Our model is based on Information Process components (Information Capture, Information Use, and Information Sharing), Technology Acceptance Model and several factors from the literature. By developing ten hypotheses, this model investigates how Social Customer Relationship Management can be adopted by the Small and Medium Enterprises for their business purposes. To evaluate the hypotheses and verify the research model, a survey questionnaire was conducted and the data was collected from 100 Iranian Small and Medium Enterprises. We use Partial Least Squares Structural Equation Modeling approach to analysis the data. The results revealed that all of the proposed hypotheses are accepted. The results on the data analysis are discussed and the limitation and the future work are presented.

Keywords: Social Customer Relationship Management, Small and Medium Enterprises, Information Process, Partial Least Squares Structural Equation Modeling

### **1. Introduction**

Social Customer Relationship Management (Ahani, Rahim, & Nilashi, 2017b; Heller Baird & Parasnis, 2011; Payne & Frow, 2005) describes the potential uses of social media for customer relationship management in business purposes. According to Greenberg (2010) Social Customer Relationship Management is defined as “[...] a philosophy and a business strategy, supported by a technology platform, business rules, processes and social characteristics, designed to engage the customer in a collaborative conversation in order to provide mutually beneficial value in a trusted and transparent business environment”. In another definition, Ahani et al. (2017b) defined Social Customer Relationship Management as “using at least one kind of social media technology to manage the relationship with customers”. Its applications have been mainly for the business and marketing purposes by effective use of social media technologies for the management of customer relationship and to understand all operational tasks with the company’ customers, i.e., marketing, sales and customer service (Ahani et al., 2017b). Initially, the social media are referred to Web 2.0

technologies. From a business point of view, social media provide numerous valuable starting points. Social web has a potential because of its high number of users for businesses which the users and companies can directly and in a cost-effective interact with each other (Ahani et al., 2017b). Malthouse, Haenlein, Skiera, Wege, & Zhang (2013) find Social Customer Relationship Management in two main dimensions: a Customer Relationship Management dimension and a social media dimension. The Customer Relationship Management includes three basic components of the traditional Customer Relationship Management process: relationship initiation (acquisition), maintenance (retention), and termination (see Fig. 1).

The application of Social Customer Relationship Management has been divided into sales applications, customer service and marketing applications (Hasani, Bojei, & Dehghantanha, 2017). The recent studies confirm that Social Customer Relationship Management has played an important role in start-up companies (Ahani et al., 2017b; Hasani et al., 2017). This type of Customer Relationship Management has made significant improvements on the SMEs performance (Ahani et al., 2017b).