

Using Knowledge Management to Improve Customer Relationship Management: A Systematic Literature Review

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Abstract

Today's economy is a knowledge-based economy in which knowledge is a crucial facilitator for individuals, as well as being an instigator of success. The companies intend to integrate knowledge management (KM) with their customer relationship management (CRM) since they consider that KM plays a crucial role in the success of CRM. This research aims to systematically analyze integration between KM and CRM from three aspects, namely: benefits of integrating KM with CRM, types of customer knowledge in CRM and models displaying integration of KM and CRM. We carried out a systematic literature review of empirical studies on integration models which was published in the last decade (2001–2015). We have recognized 35 primary studies related to the purpose of this research. After considering these studies, we found that, by integration of KM and CRM, companies can achieve their goals faster, and with higher quality and cost effective than their competitors. KM needs to implement in all CRM business process so organizational culture and structure and management support are important for successful integration of KM and CRM.

Keywords: Customer Relationship Management, Knowledge Management, Customer Knowledge Management, Customer Knowledge

1. Introduction

We live in a competitive environment in which knowledge plays an important role in providing a competitive advantage. Organizations currently face new challenges and opportunities; hence it is acknowledged that they should compete in a knowledge-based economy and society. Knowledge is embedded in the human perspective and IT is only a facilitator not the solution. Thus, people are responsible for creating and sharing knowledge. Knowledge management is a people-oriented process that can prepare competitive advantages for an organization. To achieve competitive advantage and hence improve operational and strategic business activities, knowledge capturing, as well as sharing and interpreting, is crucial. Thus, the relationship between the discipline of CRM (Customer Relationship Management) with knowledge management is an important field of research at present (Gebert, Geib, Kolbe, & Riempp, 2002).

In the business area, customer relationship management (CRM) and knowledge management (KM) have the same goal; the aim being to offer continuous improvement for customers. This goal leads to a new concept that has been labelled 'customer knowledge management' (CKM) (Geib, Reichold, Kolbe, & Brenner, 2005; Gibbert, Leibold, & Probst, 2002). CKM means the use of knowledge for, from and about customers in order to improve the customer-relating capacity of organizations. Recent research

emphasises that an organization's KM abilities are the most important critical success factor influencing CRM impact (Croteau & Li, 2009). However, due to a history of technology failures and poor solutions, many companies try hard to justify their CKM plans in today's business world (Dous, Salomann, Kolbe, & Brenner, 2005). Nevertheless, the idea of integrating KM with CRM activities is still alive as it has also confirmed the ability to realize significant benefits when done correctly (Gibbert et al., 2002).

Existing literature reviews can be separated into two groups, namely: traditional literature reviews and systematic literature reviews (SLR). The traditional reviews generally cover modern ideas and research trends, whereas the purpose of SLRs is to respond to a variety of research questions. Although the idea of integrating KM with CRM activities is still alive, there is no systematic or thorough literature review on this topic presented in extant literature studies. Therefore, this paper attempts to conduct the review systematically. In particular, we conducted an SLR on integration models published in the period from 2001 to 2015. The purpose of this SLR is to review and refine the available evidence regarding the following, namely: (1) benefits of integrated KM with CRM, (2) types of customer knowledge in CRM and (3) models of integrated KM and CRM.

The rest of this paper is organized as follows. Section 2 describes the methodology used in this review. Section 3 presents and discusses the review results. Section 4