Social Customer Relationship Management

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ABSTRACT

There is a word that begins to be more and more important for the society and the companies, and this word is community. We can talk about social networks, people seek the social demand they already had as a part of their lives for a long time, and this means that it appears in the electronic society as an essential need too. The community is not enough, activities are also needed and this is the point where the companies link in, who promotes their goods and facilities to the outside world and with this they use the next stage of customer relationship management, the fulfilment of social needs. We live in the age of social shopping, communities are everywhere and everyone shares information, and up to the present classic CRM systems ran from static databases. On the contrary social CRM systems perform a two-way communication, start a conversation with customers and encourage them to tell their opinions, which always changes on social media, so they build a dynamic database and communicate with customers through response-reactions. Does this new strategy bring a whole new world to companies or is it only another step in the development and another channel of CRM?

KEYWORDS

CRM		Social Customer Relationship Management
Dynamic Database		

PREAMBLE

Influenced by the crisis, the GDP of the world increased by 1.8% in 2010 and this rate was -0.2% in the EU zone. After that the goals were the following: operational cost-saving (68%), increase of incomes (53%), retention of cash (45%), search of new investment sources (25%) and the winding-up of assets (9%). Despite the support of goods development (48%), they also planned to invest in information technology (48%) with business intelligence, CRM and virtualisation as priorities. Besides, the IT budget decreased with 6% in 2009. (Ed, 2010) After this the company IT leaders had to find new solutions for the suppliers to realise individual marketing, so they could reach the potential consumer with the support of an adequate IT architecture. Companies can approach the question from different views, global enterprise resource planning systems are already set to serve the increasing demand and CRM systems have also been operating successfully for a long time.

The next important aspects are that communities, people, consumers, customers all want to join to some kind of a community and this significantly changes consumer-related communication. If we analyse system-related crisis management with the consideration of CRM, their goals were cost-saving, ensurance of greater efficiency and the development of new technological solutions, priorising cloud computing, business intelligence and community softwares and networks related to CRM systems. It is worth to consider them, because their volume has increased despite the crisis, and they only have to take advantage from social relationships and business intelligence, which is qualified to provide basis for the variations of response reactions.

CRM has several definitions, but many agree about that customer relationship management is a strategy that places the demand of customers into the centre of organisation's operation, hereby to make a contribution to the profitability of the company and the satisfaction of customers. The definition of CRM is also difficult to find because the solution carriers approach the question differently, despite that the principal direction is the same. Companies rather emphasize on customer-centric methods, they also consider it as a main goal inside the company. Every process and department is in connection with CRM solutions on account of strategic goals. There are CRM systems that allow consumer demands to enter the level of product-innovation, which in our days has to be a basic requirement, such as considering the opinion of the consumer.

The mostly accepted definition can be related to Adrian Payne, who named customer relationship management the rejuvenated form of relational marketing, and the connection to numerous customers can not mean a problem with the support of technological development. It is important to note the three levels: the first, when the project leading to the technological solution is named CRM. The second, when they mention the integration of customer-centric technological solutions. The third, when customer relationship management is a strategy with which we wanted to present value. (Payne, 2007)

CRM is not only the utilisation of possibilities given by new technologies, but the raise of relation marketing to a whole new level, where the customer is truly essential and everything is subordinated to them in the hope of profitable and long-term relationships. The demand of consumers changed and so did the marketing environment, so the classical relation marketing concept had to change too. At the present the emphasis is on interactivity, which was implemented into a relation system with quality management, customer-orientation and business strategy plan related processes, the importance of customer service and commitment. (Ed-Marandi, 2005) The transformation of marketing approach resulted the born of two-way communication, without that, any kind of CRM system or skilful marketing worth nothing at all, if communication between the company and customers was not effective enough to strengthen the shaping of partner relationship. It is important to note that the CRM system is only a technological solution, so to say a background architecture, a cloud, which can be found behind any other application, for example business intelligence applications. The success of an effective CRM system depends on the background marketing methods and philosophy.

The marketing concept has changed and can be divided into three periods. The first was the sales concept, where quantity was the priority and the main goal was to sell even more. The second was the brand management, where the personalised brands and messages have appeared, but the real breakthrough was brought by the informational period. That was when the two-way communication appeared, because customers received the information communicated by companies in the first two periods, but there wasn't a response backwards.

Two-way communication appeared at the informational period, where there was opportunity for a feedback too. (Doyle, 2002) In my opinion the development of informatics helped these strategies to come to existence, because despite that relation marketing has already existed, but it can only be truly effective with the use of computers. It would be difficult to handle more hundred thousands of customers manually and at the present marketing is unimaginable without objective applications, namely without ERP and CRM systems.

Customer centricity became the new strategic goal, where companies build their brand and image together with their customers. So relation marketing is such a customer-oriented strategy which is strongly in connection with two-way communication and relation management, with which they could effectively process information given by customers. The task of marketing information system is to provide information about consumers, the market and the competitors in an extensive way. The strategy of relation marketing can be realised effectively if information management and decision support are also effective in the organisation's system operation.

The realisation of CRM is such a system-level organisational application, which is elementally part of the business philosophy. Information technology supports the implementation which serves the constant communication with customers and parties affected by the company. The management of customer relationships is altogether a strategic way of thinking, a customer-centric business philosophy and the aggregate of process supporting IT solutions. (Ed-Marandi, 2005)

The shortest CRM definition is probably the "production of value for business parties". They shouldn't put emphasis on information technology solutions, but on customer relations and that is the root mistake in connection with CRM systems: it is not enough to only introduce them, we also have to be committed to the operation and have to actively participate in the in-company domestication.

Customers should be segmented, so we could adjust marketing communication, can provide information in a more personal way and campaigns are more precise, making the whole communicational process more effective and cheaper. The gaining and effective processing of information obtained about customers establishes the opportunity for the company to keep the profitable customer and to create buoyant possibilities from loss-making connections.

Many authors, for example Payne, do not differentiate between CRM systems established for electronic markets and classic CRM systems. As for the definition, e-CRM emphasizes on the use of electronic channels. But this is also a part of the CRM system, so they do not define it separately. (Payne, 2007) In my opinion, those who do not want to separate e-CRM systems are also right, because this is only a channel between the others, but these channels also have a growing importance. Networks are our every days now, email and electronic communication advance in an incredible way; we could mention infinite statistics about their distribution and effectiveness in company life.

There are some approaches where CRM means emotionless marketing, where rational reasons and data are the main aspects. (Töröcsik, 2000) According to another view, the forming of customer relations is influenced by hardly documentable factors such as emotions and interactions. (Révész, 2005) Scientific bibliography also confirmed that the development of informatics and communication go a long way towards the development of CRM systems. (Hennig, 2001) Beyond that, the Internet is the one that really changed the whole CRM philosophy. (Zablah, 2003)

It is worth thinking about the real meaning of CRM, because the lot of definitions and the Hungarian translations are as manifold as our world. The English acronym CRM stands for Customer Relationship Management. Many authors mention it as customer-management, which is also a correct definition, but if we want to understand the real essence of CRM, we must not leave out the word relation, which means the interaction, and that is what we could expect from a modern system.

This philosophy can be adjusted to the structure of companies too, they have to pay attention to electronic commerce, so these days there aren't any pure "brick" companies anymore, they have to be familiar with virtual space and exploit these channels. Virtual companies spread all over the world trading their products and services on the Internet. These can also be virtual goods, for example content providers.

At this point we arrived to the definition of social CRM, where the connection is not between the customer and the company, but the customer and the customer. Community is the prior aspect, where the customer tells their opinion about the product or service and the other take up these opinions, communicate with each other and also express these opinions. Companies should examine these relations and interfere if needed. With this philosophy CRM systems should open toward communities, applying the newest web 2.0 technologies. From the view of the community it does not matter if the used tool is a forum, Facebook or Twitter, these can change from one day to another, but the base concept is the most important, because communities have opinions, but also each and every people within them.

They should think in the terms of systems. The whole relation marketing and the customer relationship management worths nothing if they don't have the adequate system in the background. These bases were supported by the development of information technologies, so we can think explicitly about CRM systems, but if we want to subordinate the whole company to be customer-centric as a strategic goal, then we should think about the use of ERP systems. ERP systems build business

functions and processes starting from the master data.

ERP SYSTEMS

The route leading to Enterprise Resource Planning as a notion was long, because the culture that could receive this new philosophy had to evolve at companies. The constant developing technology played a role in this evolvement. It has been a long time since integrated applications appeared to support each groups of business processes, and knowledge engineering exists from the very beginning of informatics. We can talk about for example integrated financial, accounting, human resource management, logistics, stock management and other systems too. But if we want to establish greater efficiency at a corporation level, then we have to carry out integration between the different processes too. (Hetyei, 2009) The characteristics of integrated systems differ from unique systems, because they can process information in subsystems only if the subsystems tightly cooperate, are based on each other and use the same data built on the one database. They establish connection between the insular systems or they have built integrated processes from the beginning.

Wallace thinks that ERP is not a software, rather a philosophy, and sometimes company transaction processor software systems are also called ERP, but these programmes usually do not fully realise effective resource planning. They use many corporate management procedures that do not belong into the category of resource planning. Wallace named these software ES-s, which means Enterprise Software/System, but does not contain usual ERP functions and can give solutions that are not part of the ERP system. (Wallace, 2006) For all intents and purposes ES is a misleading denomination, they mean unique software that exist in an insular way or possess minimal integration, but they perfectly provide the given functions.

Affected by globalisation it is not enough to work with national ERP systems, because at the present border-arcing companies and solutions exist and these requirements have carried a new ERP system to live, and this would be the global ERP system.

GLOBAL ERP SYSTEMS

In contradiction to national companies, multinational companies solve their data processing and management tasks with the help of more national ERP systems (for example Shell uses more than one hundred). In 2005 Shell decided to arrange these into a transparent structure, so to unite the existing and different ERP systems inside the concern. (Kulcsár, 2006) The authors Eggert and Forholz analysed 34 ERP systems advised by the German market, which can serve to establish the unified data processor system for a multinational company. Their aspects during the analysis are the same for all systems: industrial/professional orientation, consideration of country-specific differences, language manageability (for example: Arabian, Persian, etc.) and the assignability to the globalised models of Gronau. (Eggert, 2009) Globalised ERP-s can form a unified system inside the multinational company, for example with equivalent database administration and standardized integration interfaces. Based on our researches the forming processor structure is not homogeneous, but nationally specific and multi-level.

The nationally specific form is illustrated by the example of Stäubli AG. A machine manufacturer concern which is based in Bern (Switzerland) and sells its products through subsidiaries, introduced financial and production management modules at production units (int different countries), while the CRM system was established at Asian sales companies and the financial controlling and leader system processes took place at the headquarters. (Szabó, 2009) The examples for forming of the multi-level ERP structure meant processes organized into regions. An American based company who sells software all over to the world has its Eastern-European management headquarters in Budapest. At the national level the processor system's main unit is a newly introduced CRM. The trade data are merged in Budapest and then they are forwarded to the next regional management system, where the European-level summary happens. (ELTE, 2010) It is a general characteristic of company ERP structure that national-level processing (module) forwards data to the centralised (main) system, to assure the informational demand of the concern-level management.

THE CUSTOMERS

Several marketing bibliography mentions that today's consumer do not only decide based on the brand and the price, but the connected services play role too. Among others the service, the warranty, the quality of customer service, so the good will of the company. Today's products started to be homogeneous, it is worth to think about that how difficult it is to decide between the best cell phones, because their price and quality are the same, so consumers can be convinced with the related services, which means that companies should provide such values that makes them prominent among others.

This was the opinion of CRM 1.0 about the processes, which is a sufficient service nowadays. The next step of CRM towards the consumers is to see deeper over the two-way communication, to know the will of consumers, what is on their minds and what their opinion about us or our products is. We have to be there when they form their opinions, take active part of the conversation, and all of these should be automated. The customer should feel that we care about them and they are not only a grain of sand in the "profit-making machine", so they are truly important for us. This is called personalized marketing, which was only available at the B2B area first, but at the present the performance of information systems enables this field of marketing solutions at B2C areas too.

At the present the customer is in relation with the other customers and if they have an opinion about the product of the company, they tell it to the community they are living in, so the company is not inevitably the first who is informed about their problems. They discuss their problems, happiness and sadness forming social networks and this is increasingly natural for them, because the "Facebook generation" is growing up quickly into a consumer layer of society who has an effective demand and hangs on the Internet all the time, and nowadays they do not browse mashups and forums, but social sites-networks and blogs. Companies do not only have to focus on company-customer

dialogues, but also on customer-customer relations too. The interpretation basically does not matter, there are authors who do not mention customer-customer relations, but customer-prospects, which is practically the synonym of the previously discussed processes, but truly deceptive, because in the background the customer is in relation with their friends and acquaintances. (Leary, 2009)

The new guideline of marketing supports communities too, which are called tribes by Seth Godin and goes to the depth where they say that people are members of more tribes based on social motivation and communication occurs inside these tribes. People like to gather into communities, because we have different communities like family, friends, work and many more. All of these are easily applied to electronic solutions. (Godin, 2008) Web 2.0 technologies gave the base for this and companies have to link to the customer according to that. The area of rumour marketing is where they analyse that how, why and where we declare about products and how we share our opinions. An obvious solution is the social network, which plays an increasing role in our lifes. The function of today's CRM can be appositely defined: how can the company build its brands without irritating the consumer. (Bublik et al, 2009)

SOCIAL RELATIONS

Social networks are based on the theory of relation's net, which is a social structure built from nodes. These nodes are linked by one-one or one-to-many dependency relationships, for example family, friendship, values, opinions, business or any kind of other relations that can be found between communities. These relations are strengthen by possibilities like the "like" button, which creates a new community in the second when the possibility of the button was made accessible to the content and we become the members of these communities after pushing that button. CRM point of view social network are not only the ones to matter, but every solution, blog, and forum in connection with the community where customers could give their opinions.

It is worth to have a look at statistics, because while we spend approximately one and a half hours using Google's services (mostly searching), the time spent on Facebook is about 6 hours in a month, which is 66% more than last year. (NielsenWire, 2010a) We spend most of our time on social networks and the usage of emails decreased with 28%. About 14 minutes are spent on social networks from every hour of being on the Internet and if we add other important CRM elements then this value increases to more than 20-25 minutes. (NielsenWire, 2010b) Just Facebook has 500 million users, 50% of them logs in daily having 130 connections and are related to 80 social sites on the average. An average user publishes 90 contents in a month, which means 30 billion monthly contents sum total. (Facebook, 2011) There are specific social websites, for example LinkedIn centred around business, so professionals share information among themselves, which means more relevant contents, than a general social network. On the latter ones it is the "fun factor" that is characteristic, while LinkedIn is about business, so companies have to consider which social network content worths more for them in the actual case. (McKay, 2009a) Innocentive is one of the most well-known problem-solving sites, where 125 thousand researchers and engineers are related to each other dealing with social problem-solving. This can be a goldmine for companies, because they can meet the innovative solutions of their own products and services. (Greenberg, 2009) Based on Gartner's forecasting social CRM will be a business worthing 1 billion dollars till 2013, which means that the global CRM business will worth 12 billion dollars. (Ed et al, 2011)

CRM 1.0 AND 2.0

CRM systems go back in the past only 10-20 years, so they are still in their infancies, but the technological background changed a lot during the time. Relations marketing researches showed that the most important question is the following: is CRM 2.0 only the utilization of opportunities given by the technology or a real functional development of CRM systems? The answer is quite simple: while CRM 1.0 was a one-way transaction based communication, 2.0 is two-way and thinks in the terms of business processes. It is worth to have a look at the initial steps. Every book discussing CRM history has written that during the morning of CRM, nobody knew what it was really about. Adrian Payne collected some definitions about data warehouses,

campaign management and the automatization of sales function. (Payne, 2007) In my opinion we should not close our ears to these definitions, because they are all part of the complete solution and this is why I think that CRM solves customer relationship management by itself, but can not manage the total company's customer-centric mission, because that demands an ERP system, and an adequate corporate culture and strategy.

CRM 2.0 is like a dialogue based marketing solution supported by information system tools, where we do not only want to sell, but to know what happens inside the customers, why they are dissatisfied, why they like our products, what their problems are and how we could make them satisfied again. Starting from Kotler everyone has written that the cost of acquiring a new customer significantly exceeds the cost of resources directed to keeping an existing customer. This does not mean that it is needless to recruit new customers, because they have to put everything into acquiring new customers, but also considering the existing customers. The way of obtaining new customers has changed too, remembering Samsung's Twitter message, where they offered free Samsung Galaxies for dissatisfied iPhone 4 users. (Gibb, 2010) We could tell several examples, but one of the bests is the case of Dell, when a known blogger told a negative feedback and the other dissatisfied customers seized upon the story and told their opinions. Dell did not live on their name and quickly built a website where customers could exchange their complaints. (Myron, 2007) At this latter example we could not talk about popular social networks, because in 2007 Facebook was only rising. Social network gave companies that CRM 2.0 is really good about: masses of customers who group themselves around a brand. All this happens without re-registration or regiving their data, only pushing the "like" button or sharing content. Several authors think that CRM 2.0 should be the part of the company's main strategy, but it should not be the only main strategy and customer-centeredness should not depend on this. (Lager, 2007) Many researchers have written that in 2008 CRM suppliers did not know which direction to go. Greenberg wrote that they created a lot of platforms on account of the goal, where they could form communities. (Greenberg, 2008) They saw the directions and used today's important key expressions for example, SaaS, mobile solutions and best practises. (Tsai, 2008) The fight of Oracle

and Microsoft can be mentioned too from 2008, where the stake was the earlier CRM on-demand solution. (Ferguson, 2008)

CRM 2.0 systems automatically observe social media with automatic responses and actions based on the collected data, so there are so called actions to respond based on conditional presets. These actions apply to the mass and can not preset more thousands of conditions, so these solutions can only be used generally. The unique demands of small communities can be further managed by human interference, but they have to start a dialogue towards the customer in any case. Content presented by the customer is the most valuable, because even if it is positive or negative, the content was received through the company's channels in both cases.

The company needn't use its resources, when a customer tells their opinion, they needn't use questionnaires, they needn't gain information with marketing tools, because the information appears in the social media by itself and they only have to acquire it. (Goldenberg, 2008) The next step of social CRM could be when they bring users to provide content by themselves with the use of social media, so they use such marketing tools that give a personal feeling to the dialogue and the customer feels like being cared for too. Customer relationship management combined with the adequate tools can process information found in the social media and can reuse it in the future, for example like in the case mentioned in the source: a comment in connection with a software arrived to a forum solving the problem of another customer, so if the CRM stores the information, they can use it anywhere else later on the Internet. Of course this demands another innovative technology which also needs business intelligence, but today it is not the technology, but the solution that matters. (McKay, 2009b)

We must not forget that social CRM does not substitute classic solutions and till the generations mentioned in the next paragraph do not grow up, our approach will not change and classic CRM and its methods will have place in our lives. After all we still watch the television, listen to the radio and read the printed media. Even if their popularity is decreasing, they are still with us and this is why the generation

researches are important, because we have to now the targeted segment, the customer itself. A statistics from 2008 wrote that a CRM system worked with a background database offered free opera tickets for 1000 people, who haven't been to an event like this earlier, but the analytics showed that they could be interested in this way of entertainment. 75% of them accepted the ticket and hopefully they will be potential consumers in the future. This worked in 2008 and should function today too, but databases are expensive and the data should be purchased, while "free" content sharers provide this information themselves, so they only have to be reached. This should be the CRM 2.0 and the social customer relationship management. (Bland, 2008)

Social customer relationship management has an element that has to be mentioned and these are the widgets or mini-applications, which are part of the social life, speaking about smartphones, social networks or simply our desktops. These are the applications that make our lives easier and give the chance to choose from channels and opportunities. The foundation of Bill Gates developed an application for schools that helps learning, but we could also mention The Schumacher Groups, who created an application for hospitals helping to avoid dangerous situations for example during a threat of hurricane. Another example is the Trash-It solution of Microsoft Dynamics CRM Live which manages refuse collection vehicles with the help of Tom-Tom Work online. (Ferguson, 2008) There are applications that show data from the CRM system next to the Facebook profile, supporting the use of social relations. (McKay, 2008)

We could bring up several examples, online prestige becomes more and more important for companies, such as Lancomé, L'Oreál, or Rolex, who introduced relation marketing elements besides the usual marketing tools on social networks with CRM support. The source is from 2008, when companies thought that the future is their own websites and not the social media. (Mignot et al, 2008) There is a trend named customer intelligence that tells why the customer was not loyal or how to give them a level of freedom. (Myron, 2009)

We have to raise the question: is social customer relationship management more than a new channel or a technological question? Time goes by and customer-preferences change, don't we want to receive postal letters, because we already manage everything electronically? The question is not decided yet, because both sides have supporters and there are authors, who want to make Google a universal CRM provider. The idea can be good, because Google is the first medium if we have problems and it is the first place to look for things to buy. Scientific literature considers social networks like Facebook and Twitter as new channels, having their own strong points of course. (Jacobs, 2009) The introduction of CRM is getting simpler, consumers provide data, use the newest technologies, so companies can realise personalized marketing with the help of a modern CRM system. (Bublik et al, 2009)

As for the statistics, the ratio of CRM systems is 90:9:1 (operation, analytical, social), and based on Gartner's analysers, this rate will change to 70:20:10 till 2010. 60% of the Fortune 100 list has some kind of a community that can be used for customer management functions. (Musico, 2009)

If we want to analyse CRM generally, the below mentioned three innovations are the ones that really affected these systems:

- Content created by the consumer, which is called peer-to-peer content by the scientific literature. This is the information that can be found everywhere from comments under a product to the social media.
- Mobile applications. It is doubtless that mobile is the future, but this rather means those mini-applications that can be runned on cell phones and on our desktops too.
- Bringing in the user and making them committed to further products. This means that companies ask the consumer what they wanted, how they wanted and generally care about them. (Bublik et al, 2009)

It is worth to look at the fact that there are CRM suppliers, like Microsoft, who make the social media manager component accessible for free. At Microsoft Dynamics CRM this is the „social

networking accelerator" or „partner relationship management accelerator", where available customer information can be monitored. (Tsui, 2009)

SOCIAL MARKETING

Marketing got a new expression too, which is social marketing, a new way of relation marketing enriched with several information technological elements, for example social networks, CRM or the social applications. We must clarify that social marketing is used in more constructions. The first is when it is named collective marketing, where a product's, product group's or branch's all producer participates, so it comes to existence as a constraint union. (Tomcsányi, 1988)

Today's marketing experts define social marketing as a form of marketing activity that exceeds a company's marketing work and completes marketing tasks for the given branch in cooperation with its characters. (Totth, 2003) They really consider social marketing from the social point of view, as a strategy which starts and keeps an active, but not aggressive connection towards customers and potential customers. So if we consider the marketing tools, then CRM and social networks help social marketing, even while browsing search results, but social marketing only means social websites in this case. It is important to notice that community and social marketing are two different expressions.

For me social marketing is an expression where generation researches can really reach and segment the customer with the use of new technologies. Many authors think the same way and want to reach the customer on every existing and available channel, speaking about online games, podcasts, forums, livecasts and several new and old technologies. (Vebtraffic, 2010)

Social marketing needs to have a very important element and this is generation research, so the effort to get to know the coming generations, their habits and demand. These researches can be approached from two sides, the first is during the generational signals, for example the "Facebook generation" who can be described as people who spend their all day on Facebook, know the newest technologies, want to belong to communities and want others to understand them and make themselves understood. They were born between 1982 and 2000 and will be grown up soon, leave the teen age and will receive the torch, having the newest technology and philosophy totally natural. (McCrindle, 2004)

There are people who already talk about always on, always connected and always marketing which is compatible with social CRM philosophy, because we have to target that group with these tools. Read in the referred literature, 44% of the US grown-ups can be called content creators, who write blogs and share their experiences on social networks, and this information should be used by companies. Barely more than the half of the 12-17 year-olds can be named content creators and there are 70 million blogs only in the United States, while a new one is created in every second. (Goldenberg, 2008) These are great statistics born in 2008, when there wasn't anything like micro blogs, or a social network boom, but it is doubtless that these content providers are here with us, share information and they are grown-up to mean solvent demand for companies.

The other way differentiates seven kinds of customers between social media users: inactives, look-arounds, entrants, collectors, critics, companions and creative. Each group has a typical behaviour and with the help of statistics we get that how many percent of them belong to the seven descriptions separated by their ages. For example 36% of the men between 25 and 34 are creative, after projecting the results to the groups. (Forrester, 2009)

We can infer from both sides that how much these people watch TV, read newspapers, how they use the Internet and every other important aspect. It is worth to pay attention if we wanted to know our customers. Every generation prefers different channels, earlier if we wanted to find a company, we searched their email address on their websites or wrote a message on the given form. This is natural for a "baby boomer" or a customer from the "X generation", but for "Y"-s and "Z"-s the email does not mean anything, their primary channels are

instant messaging systems and social websites. (Fluss, 2009)

The philosophy behind social marketing comes from the middle 90's, when Don Peppers and Martha Rogers thought that every customer relation is a transaction where information is the most important. In those days there wasn't any technological background management for managing these transactions; that was brought by a new social media for companies. There are several opportunities, tools that can be collectively named info stream. (Pombriant, 2009)

Community-provided information can be grouped as below:

- Profiles: customer data can be found here, where their actions are summarized in an infostream.
- Connections: here we can see whom customers are related to, it does not matter which social media we are talking about, connections counts everywhere.
- Content: this is the most important, where our thoughts, images, videos, links, opinions and problems are, everything we want to inform the world about.
- Activities: what we do on these channels, for example becoming friends with someone or liking the products of the company.
- (Carfi, 2009)

There is a trend between researchers, who think that social sites will take control from company websites and CRM, and the time has come, when we reached 2011 and the age of "social colonization". The next ages are the "social context" and the "social commerce", but we can already get a view of it with social shopping, where customers are in connection with each other, which gives base for social customer relationship management systems. (Owyang, 2009) This is confirmed by the reasoning saying that customers update their own data on social networks, so they aren't only important because of the content, but since users maintain their personal data, they will also result more

accurate data which is cheaper for companies too. (Shih, 2009)

REQUIREMENTS OF SOCIAL CUSTOMER RELATIONSHIP MANAGEMENT

Nobody has composed the requirements of a social customer relations management system yet. I think that over the basic CRM requirements, the following items are needed to make such a system successful:

- Fast development, because social CRM has to follow the changing conditions of social media. The structure of Facebook changes from one day to another, which is noted in the Facebook Development programme, but a company has to authorise the process. We did not mention the mobile solutions, because a year earlier there have not been tablets on the market and now everyone develops for them: bigger screen, other requirements. They also have to consider aspects like few clicks with the mouse, the adequate utilisation of business dashboards, which is the question of UI, but they also have to pay attention on business processes, like the 360 degree customer view.
- Rapid customization, as we raised the question in my previous writings, this is more likely present in connection with social customer relationship management, adequate to the changing conditions, but not in development questions. Rapid applicability is important, even if we are talking about an inner corporate change, or an outer change of conditions, it is important to fulfil the conditions of rapid customization. (Szabó et al, 2011)
- SaaS facilities, as CRM stands near to cloud-technology, every data source that it works from takes place in the cloud. Furthermore they have to possess such data synchronization that enables online/offline work. It has to accommodate to standards and standard processes at database level, so they could import/export data between different cloud based services.
- Knowledge management, adequate real-time and relevant data. As the community is changing all the time, the system has to utilize data with the same speed. Furthermore data has to be

able to simplification, so we could see only what we wanted and not more. Or its opposite: to only see what we originally do not see from the data.

• Returns, online traceability from the view of the solution's returns. It does not matter that which method we use to analyse the returns, but we should see the details and the root data. We have to see the details of the tools' returns, so we could trace the critical performance indexes.

• Instant decision making. At the present decisions have to be made rapidly, so every condition has to be provided to the decision maker: data, statistics, business dashboards, detailed explanations. So they can make instant decisions and the company can accommodate to the demands of today's accelerated world.

Anyway, the most important is to see that consumers do not turn to our company in the first place, but rather Google, Facebook and their friends/acquaintances. Not to mention that companies do not recognize that customers do not want or like to sign up, apply or communicate at newer channels. That is why Facebook developed the connect button, where users can log in into several services and do not have to do more laps. This could be an advantage for companies too, because if they get customer information from Facebook, then they will surely match and be up-to-date in the company database too.

CONCLUSION

Sands are shifting and not one strategy or information system can avoid development, but the question is that are they the evolutional steps or one industry for another which results this unavoidable development. In my opinion this question is still open, because informatics had a meaningful effect on the evolution of CRM systems and the philosophy had to change too. Not to mention the social solutions, where users provide the content and you do not even have to ask for it, it is just given, but it is still open that how companies could use these methods and the given opportunity. Social CRM is a solution which has mixed informational solutions, called web 2.0 with opportunities given by the social media and the new marketing philosophy, where the customer is the true king and we start to converse with them and really ask what they wanted. The expression customer should be renamed to digital

customers, because nowadays every customer has some kind of a connection to the digital world. Just think about it, who wants to receive postal letters about the newest offers? We must not forget the important aspect of customers having connections and the connection of the connection has a connection too, so the whole social media is centered around content sharing and even those people can get information about our opinions who we don't even know. Social customer relationship management is rather a philosophy than a technological solution. It is a bit of everything, the classic CRM, social marketing and in the end, information technology. We must not forget classic CRM solutions either, because a social solution does not tell us what we purchased in the store or when we will go shopping next and it will not tell the amount we spent, but on the other hand it can be linked to the classic solution, which can tell us this information. The two of them together provide such a service for the company that helps to know "everything" about the customer, mostly social customers.

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