

Managing Customer Information and Knowledge with Social Media in Business-to-Business Companies

Hannu Kärkkäinen

Tampere University of Technology

Jari Jussila

Tampere University of Technology

Johanna Janhonen

Tampere University of Technology



Goals, objectives and limitations

- To study and analyse the role, possibilities and pragmatic company examples of social media in the sharing and creation of customer information and knowledge especially from the perspective of business-to-business companies' innovation.
 - Not marketing / sales perspective, commonly associated with social media use
- More specifically, we want to understand
 - what is the status of social media research in the dissection of B2B, innovation and customer understanding?
 - which type of possibilities social media can bring for managing customer knowledge in the different phases of the innovation process?
 - **which novel types of possibilities social media can provide in the management of customer information and knowledge in B2B companies in general?**
- Later studies basing partly on this one:
 - Social media- enabled interaction forms between B2B- companies and their customers, and in more detail, how the new customer understanding is created by the use of social media and these interaction forms



Definition of social media and web 2.0

- Web 2.0 means technologies that enable users to communicate, create content and share it with each other via communities, social networks and virtual worlds, making it easier than before.
- They also make it easier to have real life experiences in virtual worlds and to organize content on the internet with content aggregators. (Lehtimäki et al., 2009)
- Such tools and technologies emphasize the power of users to select, filter, publish and edit information (Tredinnick, 2006), as well as to participate in the creation of content in social media.
- According to Constantinides and Fountain (2008), "Web 2.0 is a collection of open-source, interactive and user-controlled online applications expanding the experiences, knowledge and market power of the users as participants in business and social processes. "
- "Web 2.0 applications support the creation of informal users' networks facilitating the flow of ideas and knowledge by allowing the efficient generation, dissemination, sharing and editing / refining of informational content."



Focus on B2B (Business-to-Business) sector

- Important starting points: large part of B2B's consider social media as “something that is out there but is not for us” (Finnish and international studies; conferences, seminars, ...); lack of suitable cases major factor hindering adoption in B2B's
- B2C (Business-to-consumer) social media already has much research; e.g. crowdsourcing (outsourcing to crowds) approaches well applicable and useful when large masses of users, or crowds, can be engaged
- However, B2B social media research is scarce; B2B differs significantly from B2C context considering the use and usefulness of social media, and “huge masses” of customers seldom exist that would allow crowdsourcing types of approaches
- Key factors (both challenges and opportunities for social media) affecting B2B interaction
 - fewer customers and more in depth customer relationships in B2B's
 - gatekeeper persons between customers and B2B's
 - IPR and information security issues also affect B2B interaction between customers, etc.
- Since the above issues have to be taken into consideration, customer interactions often take very different shapes in B2B's than in B2C's.



Method

In order to get a larger picture =>a systematic literature review:

- Databases Scirus, ABI, Emerald, ScienceDirect and EBSCO
- Main search term combinations: business-to-business and social media / web 2.0, b2b and social media / web 2.0, customer interaction and social media / web 2.0, customer understanding and social / web 2.0, customer knowledge and social media / web 2.0, co-creation and social media / web 2.0, customer knowledge management, and CRM 2.0 / social CRM.
- In addition to the above, we made searches concerning individual web 2.0 - related tools, such as wikis, blogs, twitter, LinkedIn, etc. in the specific context of B2B and the customer interface
- More than 1000 articles (1357) were first received as a result, and then skimmed for relevance and reviewed in more detail
- We searched and discovered some additional references by searching forward and backward referencing of the most relevant discovered articles.
- In addition, authoritative blogs and books used as additional sources to extend the literature review to cover more business-to-business examples (shown in

Results

- Around one dozen academic studies which reported examples or case studies in the intersection of focal topics of interest (B2B, customer interface, innovation) => academic studies exist, but are quite scarce
 - Examples reported in Table 1.
- The rest of the found examples were from authoritative blogs, non-academic books (e.g. Gillin & Schwartzman, 2011) and white papers.
- Only few studies reported the cases in such a detail that the exact tasks and purposes of the use of social media, or even the exact web 2.0 or social media tools and applications had been clearly explicated.
- In some cases, it was not fully clear in which innovation process phases the tools and approaches had been utilized
- The type and the explicitness of reporting in found references for using social media in innovation: shown in superscript in references [(1)(2)(3) *]
- Despite the mentioned challenges, we were able find a relatively large variety of different approaches and targets of use for social media in B2B's and their customer interface.



Applications	Front end	Development phase	Commercialization
Blogs	Attracting and activating lead user to participate in innovation contests [1] (3)*	Providing customer need data for product development, getting feedback, understanding better customer's perceptions of new features [88] (1)	Product launch [5] (2), user feedback in real time concerning products [88] (1) and product documentation [41] (1)
Microblogs	Attracting and activating lead user to participate in innovation contests [1] (3)*	Using Twitter in marketing research – to read what customers have to say [37] (2)*	Obtaining customer feedback [38] (3), promoting product launch [72] (3) [5] (2), faster communications between customer and vendor communities [41] (1)*
Wikis	Idea generation [34] (3) [91] (1)	Using wikis as a common repository where knowledge can be centrally stored and retrieved, also leveraging collective intelligence [91] (1)	Sharing ideas on commercialization and for obtaining feedback from customers and employees [91] (1), Managing customer support tickets [27] (3)
Mashups	Use of mashups in automating the web data-gathering effort and sharing the data to stimulate new research and analysis [65] (2)	Automating product trials and pushing customer enhancement requests from the customer service to the product manager and back to the customer [65] (2)	Widgets that deliver content to customers [5] (2), Mashups in improving, customer service, customer enhancement requests and product trials [65] (2) [89] (3) and to gain more information about prospects [41] (1)*
Social / professional networking tools	Find out what professionals (customer, partners, competitors) are talking about (2), using professional customers as "credible private focus groups" in LinkedIn (2), joint learning-processes among customer [69] (3)	Customer as co-producer [18] (3)	B2B customer prospecting [26] (1), Getting past the traditional gatekeeper departments [26] (1)
Social bookmarking tools	Tags and tag clouds in discovering weak signals and trends [10] (3), Social bookmarking tools in finding and collecting weak signals of possible future needs [64] (2)		
Virtual worlds	Pilot application [69] (3) Need identification and idea generation [44] (3) Future scenarios that can be lived virtually [10] (3) Users/customers can vote for conference themes to be discussed of in Second Life [4] (1)	Product and concept testing in virtual worlds [44] (3) [72] (3), Designing of real world items in collaborative spaces [66] (3), Customer help in designing and building prototypes as part of market research process [59] (3)	Test and market launch, [44] (3), Reverse product placement by creating a fictional brand in fictional environment and then releasing it into the real world [94] (3)
Social workspaces	Virtual customer communities where customers can participate in value creation activities including new product development. [62] (3)	Exchange of research opportunities than can address emerging customer needs in collaborative virtual workspaces [53] (3)	
Social media monitoring and analytics	Identifying weak signals by detecting and observing changes in search behavior [10] (3), Finding out where conversations about firm are held [42] (3)	Analyzing unstructured comments of customers to help achieve optimal decision-making in product development [56] (3)	Measuring reputation [42] (3), collecting information on customers search behavior to provide new angles to customer understanding [41] (1)

Some key findings

- On the basis of results, social media truly seems to offer novel and innovative ways to deepen the B2B- related customer interaction, for the sharing of customer- related information, as well as for creating new customer information and knowledge.
- Despite some similarities, in many ways that B2B's utilize social media in the above purposes are different and quite unique compared to the traditionally in B2C's used approaches, e.g.
 - Dedicated small-scale Linked-in groups exchanging views about products and related needs and requirements, in which members are non-anonymous professionals, e.g. buyers
 - Tailoring customer seminars through social media e.g. by voting, and receiving more in-depth understanding of currently topical areas of interest for customers
 - Using social media approaches, e.g. blogs, to getting past the traditional gate-keeper departments for less filtered and interpreted customer information (direct voice-of-customer)
- Not only large companies (as often suspected) but also SMEs, and not only software businesses but many others have used and benefited from social media in the study's context
- **The general logic in B2B's use of social media in the customer interface seems clearly different from B2C's: while sought social media benefits in B2C's often are directed to relatively shallow understanding of a large group of consumers and users, social media in B2B's focuses on deeper engagement and understanding of a small group of customers or even individual key customers**



Conclusions

- We have demonstrated in our study that B2B environment does differ significantly from B2C environment in several ways, especially when the contexts of innovation management, customer interaction and creation of customer knowledge and understanding are in the focal interest
- We demonstrate that not only B2C's but also B2B's really can use and benefit from social media in their innovation process and customer information/knowledge creation
- We also demonstrate that there are a multitude of very different types of ways for using social media in innovation and customer information/knowledge creation which B2B's can utilize.
- Furthermore, a large variety of tools and approaches from blogs and wikis to virtual worlds and social workspaces have been and can be applied in B2B context.
- In addition, we show that social media offers a variety of options for B2B's in all the studied three innovation process phases, including the front end phase.
- Very preliminarily, on the general level, our study demonstrates that various web 2.0 and social media approaches could promote the change from focusing on merely **exploiting** customer information and knowledge to actually engaging customers in **knowledge co-creation**



Conclusively, we can say that despite the rather general scepticism towards the use of social media in B2B sector showed by many practitioners and some academics, the results of this study demonstrate that social media offers significant possibilities and benefits to B2B sector, concerning both the innovation process and the related customer information and knowledge management



Further research

In further research, we describe and analyse in more detail in which ways social media can benefit the management and creation of knowledge about customers and their needs, focusing e.g. on the various existing and novel types of interaction forms that social media can enable and support.

We consider this useful and interesting, because one of the basic assumptions in social media is, of course, the enabling of communication, collaboration and social interaction.

