3-6-2015

Measuring Social CRM Performance: A Preliminary Measurement Model

Torben Kuepper

Torsten Eymann

Reinhard Jung

Tobias Lehmkuhl

Sebastian Walther

See next page for additional authors

Follow this and additional works at: http://aisel.aisnet.org/wi2015

Authors

Torben Kuepper, Torsten Eymann, Reinhard Jung, Tobias Lehmkuhl, Sebastian Walther, and Alexander Wieneke

Measuring Social CRM Performance: A Preliminary Measurement Model

Torben Küpper[1], Alexander Wieneke[1], Tobias Lehmkuhl[1], Reinhard Jung[1], Sebastian Walther[2], Torsten Eymann[2]

[1] Institute of Information Management, University of St. Gallen, Switzerland
{torben.kuepper,alexander.wieneke,
tobias.lehmkuhl,reinhard.jung}@unisg.ch
[2] Institute of Information Systems Management, University of Bayreuth, Germany
{s.walther,eymann}@uni-bayreuth.de

Abstract. Social Customer Relationship Management (Social CRM) deals with the integration of Web 2.0 and Social Media into CRM. Social CRM is a business strategy supported by technology platforms in order to provide mutually beneficial value for both companies and customers. Gartner has identified Social CRM as one of the top innovation-triggered themes in 2013 [1]. In this context, a constraining factor regarding the implementation of Social CRM and the achievement of its objectives is the lack of an appropriate performance measurement model. Little research has been conducted on the relevant performance factors and Social CRM performance measurement models. To address this gap, the article presents the qualitative part of a two-stage multi-method approach. It comprises findings from a literature review, 15 semi-structured interviews and a consolidation procedure. A preliminary Social CRM performance measurement model is developed containing four performance dimensions, 25 classified Social CRM performance factors and corresponding performance measures.

Keywords: Social CRM, Social CRM Performance, Social CRM Measurement

1 Introduction

Social media enables a new mode of communication and interaction between companies and their customers, which changes the existing approach to customer relationship management (CRM) [2], [3]. Within CRM, companies have only one-directional communication (e.g., e-mail) and gather information on existing customers. Due to multidirectional communication through Social Media, companies now have additional access to public and private information (e.g., profiles, activities, interests etc.) of consumers (e.g., followers of a company's Social Media account) as well as their friends [4]. The integration of Social Media into CRM is a rising phenomenon within Information System (IS) research, leading to a new scientific paradigm [5] and is referred to as Social Customer Relationship Management (Social CRM) [6]. It is defined by Greenberg (2010) 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" [7].

Given that Social CRM is defined as a business strategy, its implementation requires holistic "transformational efforts among all organizational parts" [6]. Particularly the implementation of Social CRM has the potential to provide mutually beneficial value for a company and its customers [8]. Today, companies transform their business by applying new strategies, conducting organizational change, and purchasing new Social CRM technology to achieve competitive business benefits [9]. Yet, there is a lack of measurement instruments for Social CRM performance and the assessment of Social CRM activities, as well as the achievement of company objectives. Accordingly, the measurement of Social CRM performance constitutes a scientific as well as a practical challenge. "Achieving measurable returns on them is a continuing challenge" [10]. To address this challenge, the process of designing a performance measurement model proposed by Nelly et al. (1995), is applied as follows: (1) the identification of performance factors, and (2) the classification into a performance measurement model [11].

A literature review conducted in 2013 by Küpper et al. (2014), analyzing IS and Marketing articles, reveals the current state of knowledge for Social CRM measurement models, and reveals the lack of clearly defined dimensions and factors as well as corresponding measures (e.g., key performance indicators - KPIs) [12]. The scientific literature focuses on CRM measurement models (e.g., [13], [14]) or identifies single performance factors for Social CRM (e.g., [9], [15]). An additionally conducted literature review in early 2014 focuses on Social CRM performance factors and their classification into different dimensions [16]. The previous results provide the conceptual background for this article. Given the novelty of the topic and lack of research, the identification of Social CRM performance factors, which are relevant for business, complete the research gap. Particularly, the development of a rigorous and relevant preliminary Social CRM performance measurement model forms the objective of the article[1]. The corresponding research question is as follows:

What are the appropriate performance factors for a preliminary Social CRM measurement model?

To achieve the stated objective, 15 semi-structured interviews are conducted and analyzed. The result shows that nine new Social CRM performance factors complete the preliminary Social CRM performance measurement model, including 25 performance factors in total, with examples of operational performance measures. Accordingly, the results constitute scientific as well as practical implications. The practical implications are given through the utilization of a control system for Social CRM activities within large, in order to achieve organizational objectives and track them over time. The rigorous of the results enables researchers to adopt and apply the measurement model for their research, which constitutes a significant contribution to the IS community.

---

[1] The word "preliminary" indicates a conceptual approach. An evaluation characterizes a validated performance measurement model (without „preliminary" up front).

The remainder of the paper is structured as follows. Firstly, the abovementioned conceptual background is introduced, includes the terminology relating to performance and the findings from previous literature in the context of Social CRM performance. Secondly, the research approach and methodology is described, referring to semi-structured interviews, as well as a consolidation and validation procedure. The subsequent section contains the findings and results. Finally, there are conclusions, limitations and suggestions for further research.

2 Conceptual Background

2.1 Terminology

Performance factors describe business activities regarding effectiveness, or the results to be achieved. It "can be expressed either in terms of the actual efficiency and/or effectiveness of an action, or in terms of the end result of that action" [11]. Therefore, the performance factors answer the question of what is being measured.

The preliminary performance measurement model consists of different performance dimensions. Each performance dimension contains multiple performance factors. In the context of CRM, the preliminary performance measurement model enables "managers to anticipate how CRM will work and determine the way CRM will influence the achievement of the strategic firm's objectives" [17]. Generally, the organization will be able to assess its activities and to achieve its objectives [17], [18]. To sum up, the categorization of performance factors and the construction of a preliminary performance measurement model answer the following question: What dimensions are measured in order to assess and achieve the organization's objectives?

Performance measurement describes a process of quantification in order to determine the categories for the preliminary performance measurement model. "Performance measurement can be defined as the process of quantifying the efficiency and effectiveness of action." [11]. Therefore, the performance measurement answers the following question: how it is measured?

2.2 Previous Findings

The previous literature review in early 2014, according to systematic research process by vom Brocke et al. (2009) [19], was conducted to derive performance factors and to classify them within a preliminary performance measurement approach. The major findings are threefold [16]. Firstly, the analysis of the literature identifies 16 Social CRM performance factors from 37 relevant IS and Marketing articles. Secondly, a performance measurement approach for Social CRM is adopted from the CRM performance measurement model of Kim & Kim (2009) [13]. The model was selected after an in-depth analysis of different performance measurement models in literature. It is also a high ranked, widely used framework that provides a high degree of external validity. The corresponding measurement model adopts a company perspective and includes four performance dimensions, namely (1) infrastructure, (2) process, (3) customer, and (4) organizational performance. Thirdly, the Social CRM performance

factors are classified into the abovementioned dimensions. Through a sorting procedure, the classification process with PhD students and practitioners is validated by a calculated inter-rater reliability ratio [20] and therefore ensures a high degree of external validity. The findings are shown in Table 1 (a detailed list with all corresponding references can be requested from the authors).

Table 1. Previous findings [16].

Performance dimensions	Performance factors	Examples of references
Infrastructure	Social Media Monitoring	[4], [21], [22]
	Online Brand Communities	[4], [7], [22]
Process	Customer Insight	[4], [21], [23]
	Customer Orientation	[15], [24], [22]
	Customer Interaction	[21], [25], [26]
	Market and Customer Segmentation	[27], [28]
	Customer Co-Creation	[15], [29], [30]
Customer	Customer-Based Relationship Performance	[13], [15], [24]
	Customer Loyalty	[23], [24], [31]
	Peer-to-Peer-Communication	[9], [32], [33]
Organizational Performance	Customer Lifetime Value	[34], [35]
	Financial Benefits	[24], [36], [31]
	Brand Awareness	[29], [37], [38]
	Organizational Optimization	[15], [31], [39]
	Competitive Advantage	[15], [21], [24]
	New Product Performance	[7], [15], [26]

3 Methodology

3.1 Research Approach

Figure 1 depicts the research design for the project, showing a two-stage multi-method approach [14], [40], [41]. The overall research design develops and measures Social CRM performance, comprising (1) an explorative qualitative part and (2) a confirmatory quantitative part. Particularly the initial step is a literature review, which identifies the research gap. Subsequently, the identified Social CRM performance factors from the academic literature constitute the previous findings (cf. Table 1). Accordingly, the paper focuses on the following three steps featuring a preliminary Social CRM performance measurement model. The various steps are qualitative in nature, adhere to a conceptual approach and are structured as follows. First, semi-structured interviews with the respective IT, marketing and communication managers are conducted to validate the previous findings from the literature and to identify further relevant Social CRM performance factors in practice. Second, the findings are consolidated and separately described. Finally, the summarized Social CRM perfor-

mance factors are classified into the four dimensions of the preliminary performance measurement model. A sorting procedure validates the classification.
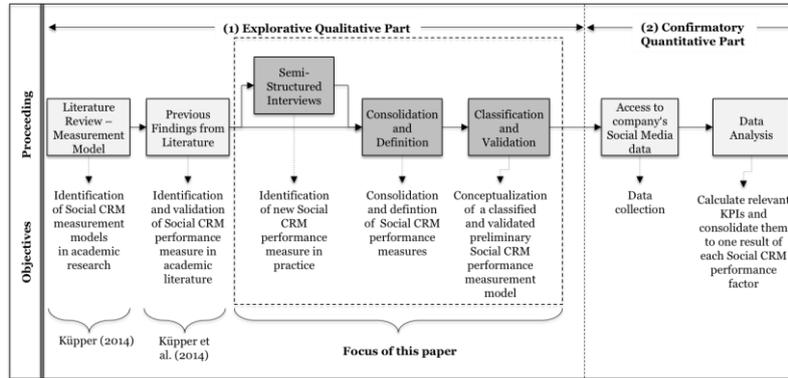

Fig. 1. Overview of research approach

3.2 Semi-structured Interviews

Given the sparse findings in the current Social CRM literature and especially the lack of practical insights into the identification of Social CRM performance factors, the authors collect data by means of semi-structured interviews. The article completes the initial approach of identifying Social CRM performance factors in order to develop a Social CRM measurement model at an organizational level. Considering the focus of the article, the first step describes the collection of data by means of semi-structured interviews [42] with executive directors and managers in the IT, marketing and communication departments of several companies. Given the exploratory stage of research, conducting semi-structured interviews allows an in-depth discussion and yields new practical insights into the topic. This technique is useful because it "ensures that the researcher will obtain all information required, while at the same time gives the participant freedom to respond and illustrate concepts." [43].

A structured criterion-based process, proposed by Paré (2004) [43], is adopted in order to (1) design, (2) conduct, and (3) analyze semi-structured interviews in a systematic manner.

The (1) design of semi-structured interviews contains the description of six substages, being: *research questions*, *prior theorizing*, *unit of analysis*, *number of interviews*, *selection of cases* and *interview protocol* [43]. The research question is introduced in Section 1[2]. The prior theorizing [44] is described in Section 2 and is derived from previous findings. The abovementioned unit of analysis is at a specific organizational level of research [45]. In total, 15 interviews within 12 companies are conducted over 4 months of intensive preliminary work. In one company, three practitioners and in another, two practitioners are interviewed respectively. As the implementation

---

[2] A corresponding interview guideline, containing the specific research questions, can be requested from the authors.

of Social CRM involves substantial effort [6], the emphasis in this study is on large enterprises. Table 2 provides an overview of industry segments and corresponding partners[3].

Table 2. Interview Informants

Industry Segments	Interview Number [#], Organizational Role	Employees
Insurance	[#1] Product Manager	>50.000
	[#2] Head of Marketing	>50.000
	[#3] Head of IT	>50.000
	[#4] Project Manager	>3.000
	[#5] Head of Digital Innovation	>140.000
Aerospace	[#6] Marketing, Communication Manager	>8.000
	[#7] Manager of Digital Business	>110.000
	[#8] Online Sales Manager	>110.000
Telecommunication	[#9] Head of CRM	>20.000
	[#10] Manager of Customer Intelligence	>4.000
Transport & Logistic	[#11] PR and Social Media Manager	>300.000
	[#12] CRM Manager	>50.000
Production	[#13] Global New Media Manager	>20.000
Retail	[#14] CRM Manager	>50.000
Internet	[#15] Country Sales Manager	>3.000

On average, an interview has a duration of approximately 45-60 minutes. Each interview is recorded and transcribed, all in all producing over 150 pages of interview protocols.

The concepts applied in (2) conducting semi-structured interviews are *qualitative data collection methods*, *sampling strategies for interviews* and *theoretical saturation*. The sources for collecting data are exclusively semi-structured interviews. A snowball sampling strategy is applied, "this technique provides more convincing evidence of the credibility of developed theory, but it also allows answering the question, When can I stop sampling?" [43]. Subsequently, theoretical saturation is reached after the 15th interview, with clearly recurring identifications of new Social CRM performance factors.

The (3) analysis of evidence is explained by Eisenhardt (1989), "qualitative data analysis is both the most difficult and the least codified part of the process." [46]. The applied concepts are *reflective remarks*, *coding of raw data* and *project reviews*. The interview transcripts are read by two independent PhD students and analyzed with a qualitative content analysis, following Mayring (2008) [47], which enables the identification of unaddressed Social CRM performance factors. An important applied concept is that of reflective remarks, which "are ways of getting ideas down on paper and of using writing as a way to facilitate reflection and analytic insight." [43]. The reflective remarks are the initial impression of the recurring constructs and followed by a

---

[3] Due to signed non-disclosure agreements, the names of the companies are removed.

collapsed coding scheme (i.e., coding of raw data) to gain a higher level of abstraction. Finally, the analysis of semi-structured interviews is completed with the project review. The researcher presents interpretations and findings in order to confirm their credibility.

3.3 Consolidation and Definition

The study identifies a number of Social CRM performance factors in the semi-structured interviews. In the consolidation procedure, the findings are summarized in one list and compared to the results from previous findings. Emerging issues and discrepancies between individual performance factors (e.g., same meaning, different wording) are reviewed and discussed in a focus group of four PhD students from different universities, all of whom are researching Social CRM. The result is a completed list of previously identified as well as new Social CRM performance factors. Subsequently, the assignment of identified factors is an important step in the research project. The corresponding definitions are derived from the statements made by interviewees.

3.4 Classification and Validation

Classifying the new Social CRM performance factors into the performance dimensions of the appropriate performance measurement model of Kim & Kim (2009) [13], we follow the top-down approach proposed by Wang et al. (2009), which "starts with a logical framework or model to categorize the responses" [14]. Bailey (1994) describes the term classification as the process of "ordering entities into groups or classes on the basis of similarity" [48]. Accordingly, the classification rigorously follows the process recommended by Bailey (1994). In order to test the quality of the results, a sorting procedure classifies the findings. According to Petter et al. (2007) "sorting can be one of the best methods to assure content validity" [49]. In successive rounds, researchers in the discipline of IS and practitioners from corresponding operative departments assign the Social CRM performance factors to the various performance dimensions. After each round, inter-rater reliability is calculated in order to identify problem areas, e.g. in the definitions, wording, etc. The discrepancies and problem areas are always reviewed and discussed to improve, re-write or even totally re-define the definitions, so as to improve understandability. The inter-rater reliability follows the formula by Perreault and Leigh (1989) [20][4]:

$$I = (((F/N) - (1/k))(k/(k - 1)))^{0.5} \tag{1}$$

Compared to other inter-rater reliability indexes (e.g., Cohen's kappa), Perreault and Leigh have established that their index "… will usually be a more appropriate meas-

---

[4] I = inter-rater reliability, F = number of judgments on which the judges agree, N = total number of judgments, k = number of coded categories

ure of reliability" [20]. The sorting procedure stops when the inter-rater reliability falls within the generally-accepted range of 0.8 – 1.0 [20].

4 Findings and Results

4.1 Semi-structured Interviews

The analysis of semi-structured interviews yields 24 Social CRM performance factors. Table 3 depicts all identified Social CRM performance factors in a first column and the total number of hits in a second column.

Table 3. Findings from semi-structured interviews

	Identified Social CRM performance factors	Number of hits		Identified Social CRM performance factors	Number of hits
From previous findings	Customer Interaction	15	New findings	Personalized Product and Services	14
	Customer Insights	14		Cultural Readiness	12
	Customer Co-Creation	14		IT Readiness	10
	Customer-Based Relationship Performance	14		Multi-Channel and Ubiquity Interaction	10
	Social Media Monitoring	13		Customer Competence	10
	Online Brand Communities	13		Social Selling	10
	Customer Orientation	13		Sensibility	9
	Customer Loyalty	11		Target-Oriented Customer Events	8
	Organizational Optimization	11		Customer Convenience	6
	Brand Awareness	10			
	Competitive Advantage	9			
	Peer-to-Peer-Communication	8			
	Financial Benefits	5			
	New Product Performance	5			
	Market and Customer Segmentation	3			

The most commonly named performance factor with a total number of 15 references are efficient and effective "customer interaction". "The potential benefit of Social CRM is that we can interact in a more customer-oriented way and respond with a high frequency of contact with low-threshold contact recordings" [interview #5]. Some experts emphasize that through the two-way interaction and potential for customer participation, the "communication between customers and the company can be on the same level" [interview #14]. Despite the fewest hits for an efficient "market and customer segmentation", the appropriate performance factor "facilitates another form of

customer segmentation" [interview #13]. New customer information and the corresponding analytical tools permit "the identification of new patterns, which can lead to new profitable customer segments" [interview #13].

4.2 Consolidation and Definition

Table 4. New findings from semi-structured interviews

Performance factors	Explanations	References
Cultural Readiness	Describes a holistic organizational culture, i.e., the willingness of the employee to share information and to understand as well as accept the company's Social CRM strategy.	"It is useless to implement such technologies or to run processes if you are not willing, in principle, to take the customers to the company through social media." [Interview #4] "We make the employees aware for months that Social CRM is coming and that this leads to change." [Interview #11]
Sensibility	It explains the attentiveness and the regardfulness of actions within the use of customer data and agenda setting, e.g., to respect privacy customer.	The focus on new forms of customer relationship management is seen as an emotionally driven issue that requires very careful and sensitive action [Interview 9], [Interview #13]. This applies to the handling of customer data [Interview #12] and the content of communication.
IT Readiness	It describes the readiness of the IT by means of implemented functions and tools in order to integrate Social Media data with CRM master data in one application.	"Ideally, all information which converges from different social media is stored with the respective customer profile." [Interview #12] "In the future, we just need to combine the two data streams, which are the summation of various social media channels of a user, and then link them to our master data." [Interview #6]
Personalized Product and Services	Through Social CRM, a customer receives personalized products and services that satisfies individual needs or solves the relevant problems.	In this sense, experts point out that one of the goals of Social CRM is that customers perceive products and services as personalized [Interview #12], which is advantageous for them [Interview #1]. A customer demands, "truly individual solutions tailored to his needs." [Interview #9]
Target-Oriented Customer Events	Customer events are designed more efficiently and effectively through Social CRM as well as used in a more target-oriented manner.	All communication channels are used to indicate and advertise brand themes or specific topics to the customers. [Interview #4] [Interview #7] Customer events could be designed differently, entailing the continuation of physical events to increase their scope. [Interview #1]

Table 4 (Continuing). New findings from semi-structured interviews

Performance factors	Explanations	References
Multi-Channel and Ubiquity Interaction	The company is able to ubiquitously communicate or interact with customers through multiple Social Media channels.	We must "be available on the information and communication channels which are used by the customers, as contact and discussion partners." [Interview #3]. This means ensuring adequate availability, "so 24 hours, 7 days a week." [Interview #13]
Customer Convenience	A customer's access to a variety of support options facilitates a much easier, more efficient and effective interaction with the company.	Customers can directly contact a company or its representatives through social media. [Interview #11] In addition, social media has a wide range of functions, especially regarding interaction, "You don't need to fill out any form. You just post your statement to the representatives. Anyway, you are on that platform, so it is easily done." [Interview #5]
Customer Competence	In the Social CRM context, customer competence describes the influence of the customer on the company's activities, due to transparent communication (e.g., option leader, specialists on a specific topic).	Through social media and within the context of customer relationship management, the customer has a much greater influence on the company's activities. [Interview #13] "This is a change in control and power." [Interview #13] "Today, the transparency effect has changed. This results in less company power and more customer power." [Interview #5]
Social Selling	Service and product sales are supported by recommendations (e.g., by postings, comments etc.) and/or from other customers or friends.	Apparently, evaluations and recommendations from customers on the Internet, of a company's products and services instill more confidence among consumers than other product and service comparisons. [Interview #3] Product information must be launched on social media in such a way that web-users "discuss the meaning and purpose of our products, when and which product is suitable and make specific recommendations." [Interview #4]

The identified 24 Social CRM performance factor are compared to previous findings. The interviewers also stated 15 of 16 Social CRM performance factors from the literature review. Concerning the abovementioned statements from practitioners all 15 performance factors can be considered as valid and confirmed in practice.

The remaining 9 performance factors ("New findings" in Table 3) are identified exclusively from the semi-structured interviews in the Social CRM context. Concern-

ing the various Social CRM performance factors, Table 4 presents the definitions of the remaining performance factors. The abovementioned 15 factors are defined by Küpper et al. (2014) [16].

A clear described definition is indispensible for the present research procedure. The precise differentiation of findings structures the body of knowledge and facilitates common principles for ongoing discussions with researcher and practitioners.

4.3   Classification and Validation

After defining the new 9 Social CRM performance factors, the classification process is conducted using the sorting procedure. The article focuses on the classification and validation of new results from the semi-structured interviews into the four categories mentioned above in the previous findings (infrastructure, process, customer, organizational performance). In the first round, the inter-rater reliability is calculated with a ratio of 0.56. Conducting a revision and subsequently assigning two new participants, the index yielded a result of 0.68. After additional enhancements in the third round, the inter-rater reliability exceeds the threshold with a ratio of 0.88. Due to some revision in wordings, a final round ensures the classification quality. The calculated ratio yields a value of 0.95, which ensures high reliability. Table 5 depicts the four dimensions of the preliminary Social CRM performance measurement model, presents all corresponding performance factors (i.e., findings from the previous literature review and results from the semi-structured interviews) and depicts exemplary operational performance measures for each performance factor. The operational performance measures are added, because two experts stated that the main task is to identify and operationalize the crucial performance factors, thus demonstrating that Social CRM adds value to the company [interview #4], [interview #12].

The identified performance factor "customer lifetime value" from the previous findings (cf. Table 1) was adopted, despite the lack of mention in the interviews with experts. The evaluation of the net present value of individual customers facilitates an accurate analysis of Social CRM activities. To conclude, the performance factor is a significant part of "organizational performance" and therefore, part of the preliminary Social CRM performance measurement model.

Table 5 shows the overall results of the investigation. The resulting preliminary Social CRM performance measurement model makes a contribution to the IS research field and has new practical implications. The ongoing research activities (development of an evaluated Social CRM performance measurement model) facilitate the use of validated measures for Social CRM performance. The rigor of the results enables researchers to adopt and apply the measurement process for their research, which constitutes a significant contribution. In practice, a corresponding performance measurement model facilitates the assessment of Social CRM activities. Four major practical implications can be stated. First, it facilitates a control system for Social CRM activities, e.g., which social campaign was good and which one was ineffective. Second, it enables the justification of current and future Social CRM engagements in a company, e.g., spending money for new investments. Third, the operational measurement allows new benchmark systems to compare their Social CRM efforts with

competitors. Finally, companies have to reach clearly defined objectives, e.g. 10 percent more customer interaction on social media. Therefore, a Social CRM performance measurement model helps to achieve organizational objectives and track them over time [50], [51].

Table 5. Preliminary Social CRM performance measurement model

Performance dimensions	Performance factors	Examples of operational performance measures
Infrastructure	Social Media Monitoring	# of Social CRM supporting tools
	Online Brand Communities	Quality of engagement level
	Cultural Readiness	# of employees trained in Web 2.0 principles
	IT Readiness	Degree of integrated data level (maturity)
Process	Customer Insight	Social customer knowledge creation
	Customer Orientation	# of customer oriented activities
	Customer Interaction	# of solved problems
	Market and Cust. Seg.	# of new identified segments (social media)
	Customer Co-Creation	# of received product or service ideas
	Sensibility	# of sensitive post (complaint) per all posts
	Target-Oriented Cust Events	# of events triggered by social media data
	Multi-Channel & Ubiq. Int.	Distribution of interaction across social media
	Social Selling	# of comments from other users by a purchase
Customer	Customer-Based Relationship Performance	Score on customers satisfaction (survey), views with positive sentiment
	Customer Loyalty	Net promoter score (NPS)
	Peer-to-Peer-Communication	Quantity/frequency of posts etc., amount of brand related user generated content
	Customer Convenience	Score of convenience ratio (survey)
	Customer Competence	# of opinion leader on social media
	Pers. Product and Services	Level of personal service quality (survey)
Organizational Performance	Customer Lifetime Value	Customer social media value
	Financial Benefits	Revenue of sold products or services
	Brand Awareness	Likes per social media platform
	Organizational Optimization	# of successful process changes,
	Competitive Advantage	Score of benchmark system (survey)
	New Product Performance	# of innovative new products

	New findings

5   Conclusion, Limitations and Future Research

The article analyzes 15 semi-structured interviews for Social CRM performance factors, with an organizational perspective. The ultimate objective is to develop a preliminary Social CRM performance measurement model. The study is explorative and follows the multi-method two-stage research design presented in Figure 1. Consider-

ing the main research question (*What are the appropriate performance factors for a preliminary Social CRM measurement model?*), three major findings are presented. First, the analysis of semi-structured interviews reveals 24 Social CRM performance factors in total, including 9 explorative new findings. Second, a classification for the corresponding new Social CRM performance factors into four dimensions, through a sorting procedure, ensures high external validity. Third, the developed preliminary Social CRM performance measurement model (including exemplary performance measures) is presented in Table 5, containing 25 performance factors, and completes the findings of the study.

Two limitations impact on the results. First, the selected 12 companies are possibly quite heterogeneous, which could bias the results from the interviewees. Second, possible hierarchical relationships (i.e., differentiations between preconditions and outcomes) are not derived in this article.

Future research directions are presented in Figure 1. According to the procedure proposed by Kim and Kim 2009 [13], the preliminary Social CRM performance measurement model is evaluated on a data set by means of analyzing data across large companies in Germany, Switzerland and Austria (i.e., calculating operational performance measures for the performance factors based on social media data). The exemplary mentioned operational performance measures are advanced, redefined or new measures are developed, in order to identify multiple operational performance measures for each performance factor. A mathematical model is developed to summarize the data for each Social CRM performance factor and performance dimension (i.e., an equation for each performance factor has to developed with different weights for each of the corresponding operational performance measures).

References

1. Alvarez, G.: Hype Cycle for E-Commerce 2013. Gartner, Inc. (2013).
2. Baird, C.H., Parasnis, G.: From social media to Social CRM - What customers want. (2013).
3. Kumar, V., Reinartz, W.: Customer Relationship Management. Springer Gabler, Berlin, Heidelberg (2012).
4. Alt, R., Reinhold, O.: Social Customer Relationship Management (Social CRM). Wirtschaftsinformatik. 4, 281–296 (2012).
5. Askool, S., Nakata, K.: A conceptual model for acceptance of social CRM systems based on a scoping study. AI Soc. 26, 205–220 (2010).
6. Lehmkuhl, T., Jung, R.: Towards Social CRM – Scoping the concept and guiding research. Proceedings of the 26th Bled eConference. pp. 190–205 (2013).
7. Greenberg, P.: The impact of CRM 2.0 on customer insight. J. Bus. Ind. Mark. 25, 410–419 (2010).
8. Faase, R., Helms, R., Spruit, M.: Web 2.0 in the CRM domain: defining social CRM. Int. J. Electron. Cust. Relatsh. Manag. 5, 1–22 (2011).
9. Trainor, K.J., Andzulis, J. (Mick), Rapp, A., Agnihotri, R.: Social media technology usage and customer relationship performance: A capabilities-based examination of social CRM. J. Bus. Res. 67, 1201–1208 (2014).
10. Duncan, E., Eric, H., Roche, K.: Developing a fine-grained look at how digital consumers behave. (2013).

11. Neely, A., Gregory, M., Platts, K.: Performance measurement system design A literature review and research agenda. Int. J. Oper. Prod. Manag. 15, 80–116 (1995).
12. Küpper, T.: Measuring the Success of Social CRM - First Approach and Future Research. Proceedings of the 16th International Conference on Enterprise Information Systems. pp. 573–582 (2014).
13. Kim, H.-S., Kim, Y.-G.: A CRM performance measurement framework: Its development process and application. Ind. Mark. Manag. 38, 477–489 (2009).
14. Wang, W., Sedera, D., Tan, F.: Measuring CRM and SCM Benefits: A Preliminary Measurement Model. Proceedings of the 13th Pacific Asia Conference on Information Systems. pp. 1–12 (2009).
15. Trainor, K.J.: Relating Social Media Technologies to Performance: A Capabilities-Based Perspective. J. Pers. Sell. Sales Manag. 32, 317–331 (2012).
16. Küpper, T., Jung, R., Lehmkuhl, T., Walther, S., Wieneke, A.: Performance Measures for Social CRM: A Literature Review. Proceedings of the 27th Bled eConference. pp. 125–139 (2014).
17. Llamas-Alonso, M.R., Jiménez-Zarco, A.I., Martínez-Ruiz, M.P., Dawson, J.: Designing a Predictive Performance Measurement and Control System to Maximize Customer Relationship Management Success. J. Mark. Channels. 16, 1–41 (2009).
18. Winer, R.: A framework for customer relationship management. Calif. Manage. Rev. 43, 89–106 (2001).
19. Vom Brocke, J., Simons, A., Niehaves, B., Riemer, K., Plattfaut, R., Cleven, A.: Reconstructing the Giant: On the Importance of Rigour in Documenting the Literature Search Process. Proceedings of the 17th European Conference on Information Systems. pp. 3226–3238 (2009).
20. Perreault, W.D.J., Leigh, L.E.: Reliability of nominal data based on qualitative judgments. J. Mark. Res. 26, 135–148 (1989).
21. Woodcock, N., Broomfield, N., Downer, G., McKee, S.: The evolving data architecture of social customer relationship management. J. Direct, Data Digit. Mark. Pract. 12, 249–266 (2011).
22. Reinhold, O., Alt, R.: How Companies are Implementing Social Customer Relationship Management: Insights From Two Case Studies. Proceedings of the 26th Bled eConference. pp. 1–17 (2013).
23. Chen, J.J.-S., Yen, H.J.R., Li, E.Y.E., Ching, R.K.H.R.: Measuring CRM effectiveness: Construct development, validation and application of a process-oriented model. Total Qual. Manag. 20, 283–299 (2009).
24. Rapp, A., Trainor, K.J., Agnihotri, R.: Performance implications of customer-linking capabilities: Examining the complementary role of customer orientation and CRM technology. J. Bus. Res. 63, 1229–1236 (2010).
25. Palmatier, R.W., Dant, R.P., Grewal, D., Evans, K.R.: Factors Influencing the Effectiveness of Relationship Marketing : J. Mark. 70, 136–153 (2006).
26. Ernst, H., Hoyer, W.D., Krafft, M., Krieger, K.: Customer relationship management and company performance—the mediating role of new product performance. J. Acad. Mark. Sci. 39, 290–306 (2011).
27. Becker, J.U., Greve, G., Albers, S.: The impact of technological and organizational implementation of CRM on customer acquisition, maintenance, and retention. Int. J. Res. Mark. 26, 207–215 (2009).
28. Duńu, C., Hălmăjan, H.: The Effect of Organizational Readiness on CRM and Business Performance. Int. J. Comput. 5, 106–114 (2011).
29. Nguyen, B., Mutum, D.S.: A review of customer relationship management: successes, advances, pitfalls and futures. Bus. Process Manag. J. 18, 400–419 (2012).

30. Nadeem, M.: Social Customer Relationship Management (SCRM): How Connecting Social Analytics to Business Analytics Enhances Customer Care and Loyalty? Int. J. Bus. Soc. Sci. 3, 88–102 (2012).
31. Zablah, A.R., Bellenger, D.N., Straub, D.W., Johnston, W.J.: Performance Implications of CRM Technology Use : A Multilevel Field Study of Business Customers and Their Providers in the Telecommunications Industry. Inf. Syst. Res. 23, 418–435 (2012).
32. Öztayşi, B., Kaya, T., Kahraman, C.: Performance comparison based on customer relationship management using analytic network process. Expert Syst. Appl. 38, 9788–9798 (2011).
33. Woodcock, N., Green, A., Starkey, M.: Social CRM as a business strategy. J. Database Mark. Cust. Strateg. Manag. 18, 50–64 (2011).
34. Godes, D.: Business Transformation : A Framework for Research Social Media and Business Transformation : A Framework for Research. (2013).
35. Borle, S., Singh, S.S., Jain, D.C.: Customer Lifetime Value Measurement. Manage. Sci. 54, 100–112 (2008).
36. Weinberg, B.D., Pehlivan, E.: Social spending: Managing the social media mix. Bus. Horiz. 54, 275–282 (2011).
37. Dutot, V.: A New Strategy for Customer Engagement: How Do French Firms Use Social CRM? Int. Bus. Res. 6, 54–67 (2013).
38. Harrigan, P., Schroeder, A., Qureshi, I., Fang, Y., Ibbotson, P., Ramsey, E., Meister, D.: Internet Technologies, ECRM Capabilities, and Performance Benefits for SMEs: An Exploratory Study. Int. J. Electron. Commer. 15, 7–46 (2010).
39. Tan, X., Yen, D.C., Fang, X.: Internet Integrated Customer Relationship Management – A Key Success Factor for Companies in the E-Commerce Arena. J. Comput. Inf. Syst. 42, 77–86 (2002).
40. Creswell, J.W.: Research Design - Qualitative, Quantitative, and Mixed Methods Approaches. Sage Publications, Thousand Oaks (2003).
41. Venkatesh, V., Brown, S.A.: Research Essay Bridging the Qualitative - Quantitative Divide: Guidelines for Conducting Mixed Methods. MIS Q. 37, 1–34 (2013).
42. Yin, R.K.: Case Study Research. Design and Methods. Sage Publications, Thousands Oaks (2009).
43. Paré, G.: Investigating Information Systems with Positivist Case Study Research. Commun. Assoc. Inf. Syst. 13, 233–264 (2004).
44. Keil, M.: Pulling the Plug: Software Project Management and the Problem of Project Escalation. MIS Q. 19, 421–447 (1995).
45. Markus, M.L., Robey, D.: Information Technology and Organizational Change: Causal Structure in Theory and Research. Manage. Sci. 34, 583–599 (1988).
46. Eisenhardt, K.M.: Building Theories from Case Study Research. Acad. Manag. Rev. 14, 532–550 (1989).
47. Mayring, P.: Qualitative Inhaltsanalyse: Grundlagen und Techniken. Beltz, Weinheim (2008).
48. Bailey, K.D.: Typologies and Taxonomies: An Introduction to Classification Techniques. Sage Publications, Thousand Oaks (1994).
49. Petter, S., Straub, D., Rai, A.: Specifying Formative Constructs in Information Systems Research. MIS Q. 31, 623–656 (2007).
50. Sarner, A., Sussin, J.: Predicts 2013: Social CRM. Gartner Research (2012).
51. Sarner, A., Thompson, E., Sengar, P., Sussin, J.: Predicts 2012: Social CRM Remains an Immature Area (2011).