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Knowledge management driving customer behavior

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KNOWLEDGE MANAGEMENT DRIVING CUSTOMER BEHAVIOR

A Research Project

Presented to the Faculty of

The George L. Graziadio

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In Partial Fulfillment

of the Requirements for the Degree

Master of Science

in

Organization Development

by

Daniele Ventaglio

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This research project, completed by

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MASTER OF SCIENCE

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Abstract

Addressing the needs and wants of the customers increases the intention of the customers to remain loyal to the company that satisfies their wants and needs. Knowledge Management (KM) and Customer Relationship Management (CRM) have both been shown to impact customer behavior. The purpose of this thesis was to explore and understand the impact of KM supported by a CRM on customer behaviors, specifically customer loyalty and customer perceived value. The results indicate that in order for KM and CRM to be effective in affecting positive changes in organizations, certain conditions need to be met. These include having employees perceive the importance of the implementation of KM and CRM approaches / processes through incorporating both KM and CRM in the business culture. All employees of all levels of the company need to have the same objective, scope and roles and responsibilities are clear defined and communicated. Both KM and CRM end-to-end processes need to be supported by one stable, easy to use, and easily accessible system with a high sophisticated search engine. The significance of this study is three-fold: for the academic community, for the companies that aim to attain competitive advantage over others, and for the customers of these companies.

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Chapter 1

Introduction

The global market currently experiences radical changes in terms of technology and competition. Companies focus their resources in aiming for highly efficient, effective, competitive, profitable, and differentiated products and service. On the other end of the market, the customers are also changing (Rahul, 2012). With the dynamism of the customers' wants and needs, companies must learn to adapt properly and cope easily with what the customers demand, as it is now easier to lose customers with the wide variety and alternatives for different products and services. Moreover, with fiercer competition in the market, companies must learn to get a hold of consumer knowledge and perspective and use it to their advantage in order to offer products and services that are more fitting to the customers (Lin & Dong, 2010). According to Baird and Gonzalez-Wertz (2011), customers are becoming more informed of what the market offers them, and they can now easily evaluate it against their wants and needs. As such, companies should consider the wants and needs of customers and understand these dynamics in order to generate usable information to adapt to these changes.

Importance of Loyalty and Value Creation

Addressing the needs and wants of the customers increases the intention of the customers to remain loyal to the company that satisfies their wants and needs (Yong, 2010). Moreover, it is important to note that studies show that it is more expensive to prefer to focus on a strategy of retaining old ones—customer loyalty rather than acquiring new customers. Gaining customer loyalty is important as it gives a company or an organization a competitive advantage over the others. This is important to any company

in order to maximize profits. Improving levels of customer retention would decrease future costs of transactions, price sensitivity, and increase business performance, as one measure of customer retention is their willingness to repurchase and patronize the service provider after an initial transaction (Keiningham, Vavra, Aksoy, & Wallard, 2005; Ladhari, 2009; Villanueva & Hanssens, 2007). It is therefore logical for companies to focus on factors that promote customer loyalty. Loyal customers are more valuable for the business than merely satisfied customers because they create longer-term value for the company. Loyalty from customers would sustain a company creating value for employees and investors. Therefore, the ultimate challenge for companies is to develop loyal customers who shop only at your store, buy only your services, advertise for your products, and transfer new business.

Apart from loyalty, value creation is seen as a key component to creating competitive advantage (Leino, 2004; Lin & Lin, 2006; Payne & Frow, 2005; Rahul, 2012; Yusof, 2010). A value creation process is composed of three key aspects: determining the value customers receive from the company, determining the value the company or organization receives from the customers, and the value obtained by the employees (Lin & Lin, 2006; Payne & Frow, 2005). Every single aspect amongst the three is important; however, with the challenging competition in the market today, where an increasing number of companies or businesses vie for a significant share in a pool of finite number of customers, determining the value received by the customer becomes the driver of the other aspects of value creation (Payne & Frow, 2005). Value creation is a factor that can help companies gain a significant advantage over their competitors by satisfying the wants and needs of their customers. Creating value refers to what a customer thinks they

get in exchange for what the customers give to companies (Leino, 2004; Lin & Lin, 2006). This is often referred to as perceived value (Leino, 2004).

Loyalty and customer value improve competitive advantage of a company or an organization over other players in the same industry they belong to, who happen to also aim at targeting the same market as theirs. In order to gain the edge or the advantage over the other competitors, a company must aim to have loyal customers and improve the customer perceived value from the goods and services that they offer their customers, by being able to satisfy the needs of their customers.

Knowledge Management

According to Perez and de Pablos (2003), to gain and sustain competitive advantage, acquiring tangible assets is no longer enough in a highly aggressive industry or product and service providers. Rather, the ability of a company to effectively and efficiently utilize its knowledge-based resources can boost a company's competitive standing in the industry where it belongs. This is termed as knowledge management (KM). KM is a management intervention that aims to facilitate the creation, storage, transfer and application of knowledge within the organization (Bueren, Schierholz, Kolbe, & Brenner, 2004; Rollins & Halinen, 2005; Xiong, Yue, & Li, 2011). Knowledge in KM is said to be sourced and processed for different groups within and outside the company. However, according to Rollins and Halinen (2005), focusing on the knowledge gained from, for and about customers is the most crucial aspect of KM since the acquisition and processing of this knowledge would directly have an impact to the customers, the group that should be the focus of the company's management and operations.

Customer Relationship Management

Given that the customers and their needs are the focus of the company, customer relationship management (CRM) is said to the closest management intervention that directly affects customers. CRM is a company management intervention system that aims to leverage investments on customer relationships in order to fortify the company's competitive advantage. This then can maximize the company's returns (Bueren et al., 2004; Lin & Dong 2010). Moreover, proper implementation of CRM is said to facilitate better understanding of customer needs and insights (Ghahfarokhi & Zakaria, 2009; Payne & Frow, 2005). In relation to this, studies have also shown that effective use of CRM improves customer loyalty and value creation, which is associated with the ability of CRM to have an insight of the customers' needs and concerns (Chen & Ching 2006; Ghahfarokhi & Zakaria, 2009; Payne & Frow, 2005; Yong, 2010). Moreover, studies have shown that KM, specifically management of customer knowledge, when integrated with CRM, has the ability to further improve the competitive advantage of a company over the other players in the industry where they belong to (Bueren et al., 2004; Lin & Dong, 2010; Rollins & Halinen, 2005; Xiong et al., 2011). Furthermore, it is said that the success of using CRM is dependent on the ability of the company to translate customer knowledge gathered and stored through CRM into useful information for the company. Nevertheless, even with the important relationship between KM and CRM to customer behavior—customer loyalty and customer perceived value creation—there are a view empirical studies in the literature that have explored the interaction between these concepts and factors as a whole. A holistic view of these concepts is necessary in order for companies to have a better understanding of the means to improve their competitive

advantage in ways that directly affect customers, and thus, their company's performance

as well.

Research Questions

The research questions that guided the study were the following:

1. How does KM affect organizational processes and activities in creating customer value and loyalty?

2. How does a CRM system affect organizational processes and activities in creating customer value and loyalty?

3. How does KM affect a CRM system of an organization?

Conceptual Framework

Based on the discussion on KM, CRM and customer behavior, and the problem

statement for this study, a conceptual framework was developed by the researcher to

visually illustrate the concepts and relationships to be explored in this study. The

conceptual framework is shown in

Figure 1.
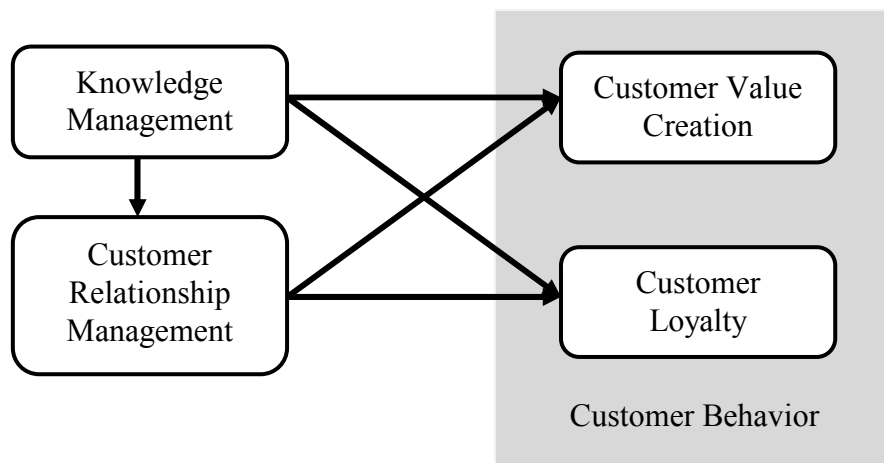
Figure 1. Conceptual Framework

In the framework, it was shown that the study explored the relationships between KM and CRM. Also, the relationship between KM and the customer behavior, specifically customer value creation and customer loyalty, were explored in the study as illustrated by the arrows in Figure 1. Lastly, the relationship of CRM to the customer behavior factors, specifically customer value creation and customer loyalty were explored as well.

KM refers to specific customer knowledge that includes the knowledge gained from, about and for customers that will be processed by the company in order to gain significant information that is fed into the CRM system or processes of the company. CRM refers to the system employed by the company that enables and supports and stores acquired and relevant information processed using KM for customers. Customer Value Creation refers to the perceived value received buy the customer in exchange for the resources that he or she gave to acquire a particular product or service from a company. Customer Loyalty refers to the intention of the customer to continuously avail themselves of the product and services offered by a particular company after the initial acquisition of these products and services.

Purpose

The major purpose of this thesis was to explore and understand the impact of KM supported by a CRM on Customer behaviors—customer loyalty and customer perceived value.

Significance of Study

The significance of this study was three-fold: for the academic community, for the companies that aim to attain competitive advantage over others and for the customers of

these companies. This study would benefit the academic community by providing a study, backed up by data that establishes the holistic relationship between KM, CRM, and customer behavioral factors of loyalty and perceived value. Apart from providing relevant information and findings about the study's framework, it also provided recommendations for future research that could further the development of this specific area of knowledge among existing literature.

This research will also serve a significant purpose to companies who aim to vie for a significant portion of the market they target because this study provided insights as to what the companies should look into, in terms of their KM and CRM systems, in order to establish better customer loyalty levels and customer perceived value.

As for the customers, this study can indirectly benefit them by opening the eyes of the product and service providers (companies) regarding how they should better serve their customers; thus benefiting the customers as well.

Definitions

Some operational definitions about KM, CRM Systems, and Customer behavior as they are very wide and complex:

1. Knowledge Management: This refers to the usage of deep insights into customer needs and processing them into more useful information.

2. Customer Relationship Management System: The implementation of a CRM System would enable and support the storing of all researched, acquired and relevant attained from processing and management of customer knowledge.

3. Customer behavior: Customer behavior is defined, as what are the customer needs and wants, including communication needs and also decision-making procedures.

4. Customer loyalty: This is referred to as the willingness of the customer to purchase repeatedly from the same product or service provider after the initial purchase was done.

5. Customer perceived value: This refers to what the customers perceives of what they have received in exchange for the money paid for the specific product or service that they have acquired.

Summary

The purpose of this study was to explore how do KM and CRM affect organizational processes and activities in creating customer value and loyalty. This study addressed the gaps and limitations found in the relevant literature by elaborating better ways to address the problem of the lack of research on the effect of KM and CRM in an organization through measurement of creating customer value and loyalty.

Chapter 2 review existing literature regarding KM, CRM, customer value, and customer loyalty and how these ideas affect an organization. Chapter 3 outlines details relating to how the study was conducted and includes sources of data, characteristics of the participants, instrumentation, data collection procedures, data analysis techniques, and assumptions and limitations of the study. An explanation of the steps in the process as they relate to the research questions was presented. Issues pertaining to the participants' welfare and rights are also discussed. Chapter 4 presents a non-evaluative reporting of data collected in the field, a summary of the principal results, and a description and narrative text for the qualitative interviews. Documentation was done in a comprehensive and detailed manner to authenticate the validity and credibility of the conclusions presented in Chapter 5. Chapter 5 discusses how the dissertation addressed problems that have been revealed in the study, interpretation of findings in the field, and the recommendations for future studies.

Chapter 2

Literature Review

This study examines how KM and CRM systems affect customer behavior in terms of value creation and loyalty. To achieve the primary objectives of this study and solve the problem statement, the following research questions were developed:

1. How does KM affect organizational processes and activities in creating customer value and loyalty?

2. How does a CRM system affect organizational processes and activities in creating customer value and loyalty?

3. How does KM affect a CRM system of an organization?

The objective of this chapter is to explore with more depth what other authors have researched on the impact of KM on customer behaviors (centricity and intimacy) as supported by a CRM. A discussion on customer centric approach which focuses on value creation and customer loyalty will be presented followed by CRM and how it affects these variables. Moreover, a discussion on KM will be presented and factors affecting it and its role on value creation and customer loyalty.

Customer Centric Approach

With the rapidly changing market situation, satisfying the needs of the customers has become a vital aspect of competition amongst market players. With the continuously increasing number of companies or businesses that vie for a significant portion of a pool with a constant number of potential customers, competition continues to become fiercer (Lin & Dong, 2010; Lin & Lin, 2006; Payne & Frow, 2005). This means that the companies should focus less on the mere numbers and profit. Rather, companies should

give attention to customer needs since this will lead to a more competitive standing, and ultimately, higher profit.

Customers expect that companies will address their business issue(s) by providing valuable and creative solutions for a fair price. In addition to the mentioned expectations, customers also want the company to avail themselves of products or services that will exhibit care and concern for the needs of the customers. At the end of the day, the customers do not care about the company policies and procedures. Rather, they are mostly concerned with the ability of the company to provide their needs (Gitomer, 1998).

Shifting from an excessive focus on managing the numbers and results, to addressing the customers' needs, there is a need to change the cultural system of the company, not only internally, but also involving the customers. For greater long-term success, a business must develop "Customer Culture" in which employees are committed to continuous expertise and excellent service for both internal and external customers (Basch, 2002). A part of the Customer Culture should also be how to emotionally bond with the customer, because it has been found to drive customer loyalty. The focus of a relationship-based approach to business is an understanding of what the customer wants and needs, and a view of the customer as a long-term asset who will provide a stream of earnings as long as his or her needs are satisfied. There is a strong need to sustain this relationship with the customer thru value creation beyond financials and number management (Barnes, 2000).

Studies have shown that being able to address the needs of the customers improve customer perceived value and customer loyalty (Lin & Dong, 2010; Lin & Lin, 2006; Payne & Frow, 2005). Customer loyalty is boiled down to the fact that the company

should be valuable for them and the vehicle to get to this point is to understand how customers behave and what matters to them (Gitomer, 1998).

Value creation. Value creation is increasingly seen as the key to attaining competitive advantage for a company (Leino, 2004; Lin & Lin, 2006; Payne & Frow, 2005; Rahul, 2012). In the study of Lin and Lin (2006), value can be created from three essential sources, given the company-client relationship chain. These sources are the employees of the company, the processes within the company and the clients or customers of the company. Furthermore, to attain competitive advantage, a firm must create more value from these sources, as compared to other competitors in the industry. However, Lin and Lin argued that, in order to maximize the potential of attaining competitive advantage of a company, creating customer value must be the focus of the company. This supports the observations of other studies that customer focus is the driving factor to the success of a company towards achieving competitive advantage over other players within their industry. Nevertheless, Lin and Lin (2006) did not discount that fact that, to fully succeed, the company must create value for its employees, customers, and investors. However, the first focus should be the value to customers as this drives the creation of value for the other aspects of the company. Moreover, in Lin and Lin's study, the barriers and drivers of value creation were provided. According to Lin and Lin, companies must take advantage of the drivers and avoid the barriers. Many of the drivers and barriers are linked to the employee personally. For instance, the drivers are employees' distinctive skills, life experiences, learning and training, teamwork and others. On the other hand, barriers are living in a distrustful environment and having insufficient knowledge. There are also drivers and barriers that are related to the firm's processes.

Some of the drivers under this category are innovation and evolution, effective R&D, ability to diversity and more others. Barriers under this category are inadequate resource support, lacking core technology, poor services, bad attitudes, and more others. According to Lin and Lin's model, organization culture and structures can also serve as drives of value creation too. Also, the relationship of these factors to value creations, its effectiveness, and ultimately, the competitiveness of a company are also shown.

In another study on value creation, Yusof (2010) investigated on the strategies of customer value creation. Customer value creation for Yusof, as with the other authors, is a customer centric framework that aims to help companies in choosing the best opportunity for growth through the optimization the value created between the company and their customers. According to the results of the study, it was discovered that there must be a collaborative work between the marketing and sales arm of a company in order to better create customer value. Moreover, since the study was performed for a service firm, it was found that involvement of customers within the service process is important; therefore, this suggests that there is a need to develop close relationships between customers and service providers in order to increase customer perceived as fostered by being a customer centric enterprise.

Customer loyalty. It is said that being customer centric shifts the focus to the needs of the customers in order to improve competitive advantage in this age when competition gets fiercer (Lin & Dong, 2010; Rahul, 2012). In addition to this, focusing on the needs of the customers will improve the probability of attaining and retaining customers for a long time (Payne & Frow, 2005). Such is the concept of customer retention or loyalty. Moreover, creating the right level of value to customers will lead to a

lasting relationship between the company and the customers (Payne & Frow, 2005). According to Ladhari (2009), gaining loyal customers is essential to a company especially with the tougher competition experienced in the market. Gaining loyal customers is a factor that boosts competitive advantage for companies at it ensures continuous patronage of their products or services. Moreover, studies have stressed that customer retention or improving customer loyalty towards a company is less expensive than acquiring new ones (Ladhari, 2009; Rowley, 2005). Increasing the number of loyal customers would decrease the future costs of transaction, price sensitivity, and increase business performance. One measure of customer retention is their willingness to repurchase and patronize the service provider after an initial transaction with them (Keiningham et al., 2005; Ladhari, 2009; Villanueva & Hanssens, 2007).

In a study by Rowley (2005), the essential elements to attain customer loyalty were discussed in order to facilitate better understanding of customer loyalty. According to her, there are four categories of loyal customers. These are: captive, convenience-seekers, contented, and committed. In order to serve these customers better, companies should learn to understand and differentiate these different types of loyal customers. Captive loyal customers are those that continue to purchase since they have no choice. Also, because of this, captive loyal consumers are neutral between brands with or without experience. Convenience-seekers, as the name suggests are those that buy items that fit their convenience. They are said to be those that are associated with routine and low involvement buying habits. Such being the case, convenience-seekers are said to have no particular attitude towards brands, except those that may be associated with convenience. Contented loyal buyers are those that evaluate product merits, but having an existing or

previous relationship with these types of loyal customers can add to the possibility of building up a relationship with this kind of buyer. As such, contented loyal customers have a positive attitude towards branding, which may be relayed to friends and close network if asked. Lastly, a committed loyal customer barely considers buying another brand aside from their chosen one. As such, these types of loyal customers engage in positive word-of-mouth exchanges with other potential customers, causing encouragement for others to buy the same brand as well. Therefore, knowing and targeting the right type of customers will further improve the customer loyalty level of companies.

Customer Relationship Management Systems

Customers' expectations are often driven by the product quality, timely services and value for their money and it also their expectation that the business relationship will deliver it for them. Still a lot of companies and Sales Organizations believe that a CRM System is part of their processes in assuming that the stored data in the CRM System will replace the sales relationship management on site with the customer. CRM is a way to manage resources in a way that maximizes long-term investments with customers, although this doesn't mean to retain old customers and the sales relationship management process with the customer (Bergeron, 2002). Generally, CRM aims to leverage investments in customer relationships in order to strengthen the competitive advantage of the company. This then maximizes the company's returns (Bueren et al., 2004; Lin & Dong 2010).

Research has found that there is need to understand customers' habits, likes and dislikes, and translate them into performance measures that will support essential change

in the business (Brown & Gulyez, 2002). A CRM system can capture customer habits, likes and dislikes, but it will not replace the human interaction between the company and the customer.

Customer loyalty through Customer Relationship Management - Being a customer centric enterprise or organization shifts the focus to the needs of the customers in order to improve competitive advantage in this age when competition gets fiercer (Lin & Dong, 2010; Rahul, 2012). In line with this, the proper usage of CRM, which is the system that ensures that customers are given the right amount and kind of attention that is due to them, is said to promote loyalty among customers (Chen & Ching 2006; Ghahfarokhi & Zakaria, 2009; Yong, 2010).

In a study by Chen and Ching (2006), the effects of CRM practices were tested for significant relationships with customer loyalty, together with other factors, for mobile technology. More specifically, the authors proposed a model presenting eight hypotheses stating cause and effect relationships that were tested in the study. The results showed evidence that CRM practices in mobile technology companies have a significant effect on the loyalty of their customers. Moreover, Chen and Ching's study further discovered that factors of brand image and customer satisfaction serve as mediating factors between the CRM practices and customer loyalty.

In a similar study regarding CRM and customer loyalty, the impact of CRM on customer loyalty (retention) was studied in the context of Malaysian companies (Ghahfarokhi & Zakaria, 2009). In Ghahfarokhi and Zakaria's study, several factors of an organization were studied in relation to customer loyalty, and one of these factors is the

CRM implementation of the companies, establishing that effective CRM indeed affects the loyalty or retention of customers.

In another study by Yong (2010), the relationship between CRM system implementation and customer loyalty was tested for commercial banks. In Yong's model, customer loyalty was seen to be composed of several dimensions, namely, perceived value, switching barriers, customer complaints and relationship quality. Customer perceived value was perceived to have a functional and experiential value. The switching barriers dimension was composed of positive and negative factors. The customer complaints dimension was composed of direct and indirect complaints. Finally, relationship quality was composed of trust, satisfaction and commitment. As for the concept of CRM of banks and the corresponding relationship to customer loyalty, they found that in order to improve loyalty, an effective CRM implementation must be in place. However, Yong's study discovered that there are issues in traditional CRM implementation that may hinder the promotion of loyalty among customers. The first issue named was that traditional CRM was based on satisfaction models that do not consider customer loyalty. Second, customer loyalty management is not included in the documented responsibility and performance goals of the employees and departments of the companies. Third, the business processes of traditional CRM do not integrate and optimize customer loyalty and its influential factors. Lastly, traditional CRM does not incorporate methods of acquisition and analysis of date regarding customer loyalty. Because of these issues, Yong proposes that these facets be considered in implementing CRM in order to realize its full potential in improving customer loyalty.

Value creation through Customer Relationship Management. Apart from the relationship of an effective CRM to customer loyalty or customer retention, the study of Payne and Frow (2005), highlighted the role of an effective CRM to customer value creation. In Payne and Frow's study, the relationship of value creation in the light of CRM was illustrated. Their framework illustrates how the concept of value creation for customers becomes or serves as an input to the CRM system performance of a company. According to Payne and Frow, understanding the value creation process is important in translating the outputs obtained from the processes of a CRM system to attain ideas for programs that deliver value to customers. Neglecting to focus on the value provided to customers, while focusing more on the profit gained by the customer is counterproductive to the company as creating value for the customer translates to higher profit. They found this could be attained through a balanced regard for value exchange between the customer and the company by offering the customers the value they should receive. Moreover, Payne and Frow also highlighted that effective CRM system usage improves the value customers receive from the company as well; thus, increasing the tendency of a lasting partnership or relationship with the customers. Payne and Frow approached the CRM concept based on a holistic business environment view point. The framework consisted of the five generic processes of the "strategy development process, the value creation process, the multichannel integration process, the information management process, and the performance assessment process" (p. 170).

Knowledge Management

KM is a dynamic system that companies are using to identify important information, store it and share it with the relevant business people. Companies use

collected information to improve their own processes, customer relations, decision

making, employee morale, performance, profits and, in some cases, regulatory

compliance. Good knowledge management systems are designed to enable consolidation

of the company's internal expertise and to capture as much useful information as possible

considering also the knowledge of retiring employees or employees that leave the

company to peruse other opportunities outside of the company (Atwood, 2009).

KM is not about information technology (IT) per se, rather, it is about people

willing to share or not share the information that they acquired over a period of time.

Knowledge does grow organically and technology can support capturing and storing the

knowledge gained, but the process to capture and identify facts and observations is

chaotic, messy and slow. Knowledge must also be distinguished from data. Data is often

an aggregation of facts and observations, but knowledge is the capacity to use data to

define meaningful actions (Morey, Maybury, & Thuraisingham, 2000). Building on this,

in the different perspectives of literature and researchers, KM is said to be composed of

four key elements: knowledge, KM process, IT, and organization or corporate culture

(Supyuenyong & Islam, 2006). Knowledge, in its simplest form or in its components, is

said to have two perspectives: theoretical and practical. The theoretical perspective

mainly deals with aspects of definitions and content, specifically looking into

interpretations of, differences and relationships between data, knowledge and

information. As for the practical perspective, researchers are more interested in the nature

of knowledge and the aspects of its operational domain (Kim, Yu, & Li, 2003;

Supyuenyong & Islam, 2006). The KM process, on the other hand, deals with knowledge

creation and acquisition, knowledge organization and retention, knowledge

dissemination, and knowledge utilization. The role of IT comes as an enabler that aids the

management of knowledge needed to be processed in order to achieve relevant

information that the company can use to gain competitive advantage over others. This can

be performed using different IT tools because in order to achieve effective and efficient

management of knowledge, use of various types of technology, considering the

correctness of the application, is necessary (Supyuenyong & Islam, 2006). Lastly, the

organization or corporate culture plays a significant role as well, in the architecture of

KM, because it either promotes or hinders successful KM management for the company.

A corporate culture that fosters the sharing of ideas, experiences and viewpoints of

employees and consumers is the most important promoter or enabler of a successful KM

of a company (Gandhi, 2004; Supyuenyong & Islam, 2006).

According to Supyuenyong and Islam (2006), KM process can be separated into

knowledge organization and retention, knowledge creation and acquisition, knowledge

dissemination and finally, knowledge utilization. Knowledge organization and retention

refers to the evaluation of knowledge according to organization needs and

implementation of classification using filtration and indexing. Knowledge creation and

acquisition refers to various sub-processes such as capturing, searching, gathering and

synthesis, depending on the acknowledgement of organizational requirements and putting

into place KM strategy to obtain new knowledge from both internal and external sources.

Knowledge dissemination includes the processes involved in disseminating knowledge

among the individuals serving the same organization and knowledge transfer taking place

between the company and third parties. Lastly, knowledge utilization is the applying of

KM by inputting knowledge among the services and products offered by the organization.

Role of knowledge management in value creation. KM plays a significant role in the improvement of a company's competitive advantage over market players. As such, it is therefore important for companies to better understand their company's KM and the relationship it has to other factors that contribute to improved performance of the company in order to facilitate easier and more effective use of knowledge gained from KM and incorporate other factors for improved results in competitive advantage. As previously discussed, value creation is an important aspect of measuring a company's competitive advantage (Leino, 2004; Lin & Lin, 2006; Payne & Frow, 2005; Rahul, 2012; Yusof, 2010). In the study of Solleiro, Castanon, Herrera, Gonzalez, and Escalante (2009), the process of value creation, in general, was optimized through the use of KM. More specifically, Solleiro et al. discussed the use of KM in the creation of value for the company, specifically a research center, through the improvement of company competencies. The study revealed that, with the use of human capital and their knowledge gathering and processing mechanisms through KM, the areas that are more effective and efficient in value creation are those that have a leader or directing body composed of people who know the importance of value creation. Moreover, the training of these leaders is the base of the success of delivering true value to their clients.

In a study by Malik and Malik (2008), they found knowledge as a driver of the development of competitiveness. They concluded that, being a driver of competitiveness; knowledge is becoming an important source of value for the company. The importance therefore of managing intangible assets, specifically knowledge, through KM, was discussed by Malik and Malik. More specifically, the creation of knowledge circles, which seek to create the environment of knowledge sharing in order to be more efficient,

combines different forms of knowledge together with each other and with other resources as well. Also, to maintain sustainable value to its customers, the authors suggested that a company must learn to build on their intangible assets (knowledge) through their KM initiatives. As applied in a Pakistani organizations, the following interventions were cited in order to improve the company's management of its intellectual assets: (a) construction of KM models, (b) creation of a culture with employee involvement, (c) clear communication of company strategy across the different areas of the company, (d) alignment of knowledge networks with the strategy and objectives of the company, (e) alignment of human resource management, (f) building a culture that encourages active employee participation across all functional areas of the company and across all hierarchies, and (g) Presence of appropriate IT/IS infrastructure and other forms of media to promote coding, diffusing and transferring of knowledge.

Similarly, Sukamaran and Shetty (2009) studied the impact of KM in the value creation process in the automobile industry. A model of KM in the light of value creation, through the value chain, was developed, and a case was used to verify the validity of the model. According to the authors, through the case study, the important role-played by KM in attaining competitive advantage for a company was identified. Moreover, with the proper execution of KM, value is being created for the customers, while reducing the cost for the company. Sukamaran and Shetty also noted that there are no standard tools set for companies to use or follow in implementing KM; therefore, companies may formulate their own for whatever best suits their company and employees and the needs of their customers.

Factors affecting knowledge management. To better comprehend the KM processes and to make usable the results gained from KM, understanding the factors that affect KM is necessary and essential. In a study of BenMoussa (2009), the factors that hinder the success of KM in a company was given importance. According to BenMoussa, it was stated that KM ventures have the tendency to fail about 84% of the time because of ill knowledge about the factors that impede a KM venture. There is therefore a need to determine the barriers for KM to be successful. These barriers can be categorized in to the organizational areas of a company, namely, planning, enabling and motivating. These are then the factors that must be watched out for when considering the implementation of KM in a company. BenMoussa's formulated a framework on the barriers to knowledge management. The framework suggested that these barriers are related to the supply-driven approach integral to knowledge management projects. The framework assumes that knowledge must be considered an organizational asset, separate from the individual. As such, KM is for making sure the asset can be accessible to more organizational members. BenMoussa called to adjust the present IT-supply driven objective/mission of KM in such way so that both the supply side and demand side of knowledge, such as individuals' needs can be integrated.

Apart from the organizational barriers to the success of KM, there are other factors that hinder KM's success. These factors are personal barriers that individuals, either within the organization or outside the organization, feel towards KM. These factors are perceived lack of usefulness or benefit from KM, perceived lack of incentives for sharing knowledge to others, and perceived lack of time to devote to KM activities (BenMoussa, 2009).

Customer Relationship Management and Knowledge Management

As previously discussed, CRM and KM systems, if used in the proper manner, could cultivate higher competitive advantage for companies that use either of the two within their respective organizations. Nevertheless, studies have shown that CRM and KM can complement each other (Bueren et al., 2004; Lin & Dong, 2010; Rollins & Halinen, 2005; Xiong et al., 2011). Using CRM, in conjunction with KM, would yield to better competitive advantage on the part of the company. In the research of Lin and Dong (2010), it was argued that KM must be used to gather as much relevant information as possible from the consumer. This is referred to as customer knowledge, composed of customers' feeling experiences, values and situational information. This information must then be processed in order to be able to determine ways of improving the relationship established with customers through the use of CRM. This illustrates how KM, especially on the part of consumers, could aid companies to improve their relationship with the customer or basically, the company's CRM. More specifically, Lin and Dong specified that in order to better facilitate the use of KM to improve CRM, it is important to take note of three steps, namely, acquisition of knowledge regarding customers, sharing of customer knowledge within the enterprise or organization and the innovation of customer knowledge. Customer knowledge acquisition is the process of selecting data about or from the customers that are relevant to the company that is about to use it. Usually with the aid of IT tools, customer knowledge can be acquired, sorted and integrated into useful groups of customer information. Next, the sharing of customer knowledge within the organization is the key to improving CRM as a whole. With the sharing of customer information, the entire organization can work towards detecting relevant trends that may

be used to interpret the needs of the customers by establishing trends and observations; therefore determining what or how products and services are to be offered.

Rollins and Halinen (2005) studied KM and CRM and their integrations. The authors explained that CRM and KM are two different management systems that are of different roots. Nevertheless, the concepts of these two, if integrated can further improve a company's performance. With the increasing focus on customer needs—customer orientation of the market—companies can use the concepts of KM, focusing on customer knowledge or knowledge pertaining to customers, may it be from or about or for customers, will give the company an edge in the market. Therefore, Rollins and Halinen discussed customer knowledge management (CKM), which focuses the concepts of KM on customer knowledge and how to acquire and process such knowledge to come up with useful outputs. Furthermore, CKM was identified as the most crucial aspect of KM since the ability to see things from the perspective of the consumer gives the company the ability to address the consumer's concerns and needs.

Bueren et al. (2004) also established how CRM could be improved with the proper use of KM, specifically CKM within a company. Their study addressed how IT tools can be used to provide KM support to improve the CRM process of the company. The study developed an integrated Customer Knowledge Management process that had six CRM process and four KM concepts. Bueren et al. illustrate how the concepts of KM (content, competence, composition and collaboration, which refer to different knowledge perspectives) interact with the different processes of CRM. This shows that in every phase of the CRM process, KM should be interjected in order to come up with the products and services that could satisfy the needs of the customers, thus attaining their

loyalty and being able to improve their perceived value or value creation. Bueren et al.'s integrated model aims to achieve knowledge transparency, dissemination, development, and efficiency. The applications of the four concepts of KM in specific CRM phases in the CRM process were demonstrated in cases of actual operations of European companies belonging to the financial service sector. The application has validated the proposed model through critical success factors for CKM.

In a similar study, Xiong et al. (2011) investigated the creation of corporate competitive advantage through the use of KM from the customer perspective and CRM within a company. In this study, the authors also developed a model showing the integration of KM, specifically customer knowledge, and CRM. In this model, specific categories of customer knowledge were enumerated. These different forms of customer knowledge are shown to be an input to the process of KM specific to customer knowledge. These are then used as input to the data bank or database of the CRM system, which could be retrieved by the different members of the organization, to further improve the performance of the company in terms of better addressing the needs of the customers through knowledge gained from and for the customers.

In connection to the Customer Knowledge Management Process Model developed by Bueren et al. (2004) and Xiong et al. (2011), a study done by Li, Wu, and Li (2012), the factors that support the performance of the use of KM to improve CRM were identified. According to Li et al., in order for the integration of KM to CRM to be successful, there are several supporting factors that contribute to the achievement of the goals of the company and thus improve their competitive advantage. Li et al. hypothesized that the supporting factors to the integration of KM to CRM are divided into

corporate culture, organizational structure and coordination, and IT system performance. For corporate culture, the company must encourage knowledge sharing and exchange amongst employees and even from customers, and organizational learning must be encouraged as well. There must also be customer-oriented values cultivated within the organization. For the organization's structure and coordination, KM and CRM functions must be represented within the organization. Also, there must be decentralized organization based on power separation, and inter-department information sharing. As for the IT System performance, the supporting factors are complete and timely IT system renovation, efficient IT utilization, rapid repair for malfunction and low failure rate of the IT system, and high levels of informed employee. To determine which of the discussed supporting factors have significant effect on the performance of the company in terms of the implementation of an integrated KM and CRM systems, Li et al. performed a statistical analysis to determine significance of relationships. Results show that all supporting factors have a significant relationship to the performance measures set for the implementation of an integrated KM and CRM systems.

Summary

With the increasing number of companies that try to acquire a significant portion of the market that is composed of a significantly less increasing amount of potential customers, competition becomes tougher. With the increased toughness of competition in the market, companies are faced with the challenge of gaining competitive advantage over the other companies within the same industry as theirs. Based on review of existing literature, it has been found that, in order to do so, companies must learn to become customer-centric in the sense that they could improve the behavior of their customers

towards their company as measured by the perceived customer value and customer loyalty (Lin & Dong, 2010; Lin & Lin, 2006; Payne & Frow, 2005). Moreover company management should focus on KM and CRM implementation (Yong, 2010) since these are the closest management interventions that directly affect customers and thus affect their behavior—loyalty and perceived value. However, few studies have explored specifically the relationship between these concepts in order to determine the holistic behavior of the concepts and factors involved in order to better understand how to address the concerns of customers with the combined use of the KM and CRM and the combined effect customer loyalty and customer perceived value.

Chapter 2 reviewed existing literature regarding KM, CRM, customer value, and customer loyalty and how these ideas affect an organization. Chapter 3 outlines details relating to how the study was conducted and includes sources of data, characteristics of the participants, instrumentation, data collection procedures, data analysis techniques, and assumptions and limitations of the study. An explanation of the steps in the process as they relate to the research questions was presented. Issues pertaining to the participants' welfare and rights are also discussed. Chapter 4 presents a non-evaluative reporting of data collected in the field, a summary of the principal results, and a description and narrative text for the qualitative interviews. Documentation was done in a comprehensive and detailed manner to authenticate the validity and credibility of the conclusions presented in Chapter 5. Chapter 5 discusses how the dissertation addressed problems that have been revealed in the study, interpretation of findings in the field, and the recommendations for future studies.

Chapter 3

Methods

This study aims to address the research gap by using a phenomenological

qualitative approach. The purpose of this study was to investigate the interrelationship of

KM, CRM Systems, and customer behavior towards the performance of an organization

in terms of customer value creation and loyalty. This chapter presents the research design,

research appropriateness, and research methods that were employed to analyze the data

associated with organizational effectiveness. The chapter also includes a discussion of the

participants, the sample and sampling frame, data collection procedures, data analysis,

and the validity and reliability of the research instruments to be used for the study. A

summary of the methodology used and its details will conclude this chapter.

Restatement of the Research Questions

This study examines how KM and CRM systems affect customer behavior in

terms of value creation and loyalty. To achieve the primary objectives of this study and

solve the problem statement, the following research questions were developed:

1. How does KM affect organizational processes and activities in creating customer value and loyalty?

2. How does a CRM system affect organizational processes and activities in creating customer value and loyalty?

3. How does KM affect a CRM system of an organization?

Research Method and Design Appropriateness

This study used a phenomenological research design. Phenomenology deals with

the exploration of an individual's feelings, perceptions, opinions, and feelings based on

the individual's lived experiences of a particular phenomenon. The phenomenological

design sought to obtain "comprehensive descriptions that provide the basis for a reflective structural analysis that portray the essences of the experience" (Moustakas, 1994, p. 13). Scholars use phenomenology as a research design to investigate lived experiences and understand what it means and pertains to a particular phenomenon. Furthermore, Moustakas argued, "Phenomena are the building block of human science and the basis for all knowledge" (p. 26). In the case of this proposed study, the phenomena to be studied are lived experiences and perceptions of customers of organizations that utilized KM and CRM system with respect to their satisfaction and loyalty on the organization's services. From Moustakas' seven steps of phenomenological induction, participants' responses to the open-ended interview questions can be coded and reduced to arrive at the essence of the participants' experiences and opinions with regards to focused phenomenon.

Phenomenology was appropriate for the study because it provides opportunities for conclusions to be drawn directly from the participants' responses. The specifics of the phenomenological data analysis process were detailed in a subsequent section of this chapter. For this study, the researcher conducted 20 in-depth interviews with 20 customers of organizations implementing KM and CRM systems. The interview questions were directed to capture the participant's experiences and feelings. The root of phenomenology is the understanding of a given phenomenon as relayed by the participants who experienced it (Cameron, Schaffer, & Hyeon, 2001). This research method correlates well with the intent of the study, which was to investigate and understand the thoughts, perceptions, and experiences of customers who have actual dealings with organization that utilizes KM and CRM systems to determine if this affects their satisfaction and loyalty.

Qualitative studies, more often than not, are not generalized; however, such kinds of studies have redeeming qualities that set them above other forms of research designs (Myers, 2000). The research value of qualitative studies is based on the participant's responses in context to the research questions. Such being the case, the issue of generalization of the research findings needs to be explored. According to Yin (2013),

> Qualitative research can be generalized. Analytic data can be generalized to some defined population that has been sampled, but to a theory of the phenomenon being studied, a theory that may have much wider applicability than the particular case studied. In this, it resembles experiments in the physical sciences, which make no claim to statistical representativeness, but instead assumes that their results contribute to a general theory of the phenomenon. (p. 32)

As the construct of the research study was that of a qualitative phenomenological design, the focus of this research was to understand the experiences of customers who have actual dealings with organization that utilize KM and CRM systems to determine if this affects their satisfaction and loyalty. This information was identified through inductive, qualitative methods.

As phenomenological research is based on the participants' experiences and subjectivity, it will offer a comprehensive overview and insight into the participants' thoughts, perceptions, and experiences as they relate to customer value creation and loyalty. The study measured the participant's experience and the contexts or situations in which they experience it (Creswell, 2012). Alternative research methods such as quantitative research would not completely address the size and scope of the proposed research questions. According to Trochim and Donnelly (2006), "quantitative research is confirmatory and deductive in nature, while qualitative research is exploratory and inductive in nature" (p. 146). Through the selection of a phenomenological research design, it is ascertained that the issues and phenomenon are viewed in its context with the

use of open-ended questions directed to the participants' feelings, opinions, and perceptions. For the current study, this type of design would offer a comprehensive review of the issues or offer the level of understanding of how customers' perceived the impact of KM and CRM systems on organizations' activities.

Other qualitative approaches such as ethnography and grounded theory were inappropriate for accomplishing the objective of the proposed study. Ethnography is basically used in situations where there is a need to describe behavioral patterns and beliefs of certain cultural groups (Glaser & Strauss, 1967; Leedy & Ormrod, 2005). While the population for the study would be relatively close to homogeneous, the purpose would not fit with the ethnographic goals of research because the purpose of the current study was not to assess beliefs of specific cultural groups or their behavior. Thus, ethnography was not appropriate for the study. On the other hand, the grounded theory design is used in situations where there is a need to generate a theory based on the information gathered from the participants (Glaser & Strauss, 1967). This study was not intended to create a theory on KM and CRM systems and thus grounded theory was not appropriate as a research design.

Sample of Participants

The participants of this study included customers of organizations utilizing KM practices and CRM systems in their organizational activities in Switzerland. This sample was specifically chosen because they are directly being affected by the strategies done by organizations using KM and CRM systems. This set of participants provided a diverse population of individuals in terms of the appropriate requirements of respondents and informants for this research.

There is no set sample size for qualitative research studies; however, there is an appropriate sample size for the current study. Sandelowski (1995) noted that sample sizes in qualitative research should not be too small so that it is difficult to achieve data saturation or too large so that it is difficult to undertake a deep analysis. A few phenomenological methodologists have provided sample size guidelines for phenomenological studies. According to Boyd (2001), sample sizes for phenomenological studies have ranged from 6 to 10 participants as sufficient to reach saturation. Creswell (1998) noted in his guideline, a sample size ranging from 6 to 25 would suffice for a qualitative study such as this proposed one. Morse (1994) stated at least an actual sample size of six. Moreover, according to several authors, a study with a sample of more than 10 people is usually done when the researcher wants to validate the findings identified from the initial six to 10 participants (Boyd, 2001; Denzin & Lincoln, 2008).

Most phenomenological studies tend to use between 10 and 20 participants (Moustakas, 1994; van Menan, 2007). This range of participants is typically the number required for saturation (van Menan, 2007). As a result, this study targeted 20 participants (i.e., customers or organizations utilizing KM and CRM systems); however, after each interview, the responses were be assessed and once significant repetition was detected, no more interviews were analyzed. In the end, 20 interviews were conducted.

Geographic location. This study included customer data of organizations utilizing KM and CRM systems from across the German speaking part of Switzerland.

Informed consent. In a phenomenological research, it is very important to gain the trust and support of participants in order to ensure ethical academic inquiry and validity of responses (Marshall & Rossman, 1995). In this regard, the researcher obtained

an informed consent from all participants. This protected their anonymity and the confidentiality of their cases throughout the conduct of the study and thereafter. This research involved no more than minimal risk of harm or discomfort to all participants, and guaranteed that all information would only be used for the purposes of this study.

Before beginning the data collection procedure, all participants involved in the study were being provided with an informed consent letter before completing the initial survey questionnaire. Similarly, the interview participants also received an informed consent before they could participate in this study. The purpose of the informed consent letter was to introduce the research objective, delineate the intent of the study, request voluntary participation by the prospective participants, provide contact information, and identify the anticipated information that participants are expected to provide.

Confidentiality. The researcher intended to secure the confidentiality of all materials gathered during the study. The informed consent letter was provided to the respondents who participated in the one-on-one interviews and included the articulation of the study's objective and means to ensure maintain privacy and confidentiality of the personal information being provided by the respondents. The collated data was only accessible to the people involved in this study (e.g., researcher, data gatherer, data analyst) and were shared with other persons outside of this research. After publication, all identifying information for the participants will be removed so the data can still be used for future research.

Instrumentation

For the purposes of this research, semi-structured interview guides (see Appendices A and B) were used. The interviews were conducted to gather the necessary

data from the participants. These individual semi-structured interview guides were administered to 20 prospective participants. This interview guide included open-ended questions about the experiences and perceptions of customers about their service encounter with organizations utilizing KM and CRM systems. This instrument used to determine the impact of KM and CRM systems to customer behavior in terms of value creation and loyalty.

Data Collection

For the purpose of data collection, for a phenomenological study, an interview script was developed. Phenomenological study requires semi-structured interviews using open-ended questions to collect information from the participants' thoughts and real-life experiences. Important considerations of the data collection phase of the study, and how it should be conveyed in the research study, include the sample size, the procedures in selecting the participants, obtaining informed consent, and the specifics of the parameters under which the interviews were conducted.

Open-ended questionnaires offer flexibility for respondents to express their opinions, beliefs, and perceptions that cannot be elaborated in the surveys (Axinn & Pearce, 2006). The researcher conducted face-to-face interviews to capture the perspectives of 20 participants. For easier and practical for data analysis, the interview were recorded and transcribed after the interview is conducted. The researcher took down notes, listened, and asked questions in order to achieve a better understanding of the situation and the participant's thoughts about the questions asked. Narrative interview texts were analyzed to identify the participants' points of view regarding the phenomenon under consideration.

Once the interview is complete for all selected participants a verbal summary was provided. It is an opportunity for the researcher to deal with issues of withholding information, deception, and potential harmful effects of participation" (Cozby, 2009, p. 47). The intent of the debriefing is to ensure that "if the research altered the participants physicals or psychological state in any way, as in a study that produces stress, the researcher makes sure that the participants were comfortable about having participated" (p. 47). It is at this time that the researcher can inform the participants of the practical implications of the research study.

Once the data was collected; the next step was to categorize the information. The objective was to identify any patterns representing the phenomenon under consideration during the data collection phase. Data were organized into logical categories that summarize and bring meaning to the manuscript of notes.

Specific codes were developed, allowing the author to categorize the responses into the above-mentioned construct, while identifying emergent themes. During this data aggregation phase, subcategories, which were not specified during the initial development of the research project, were identified. These subcategories need to be identified and coded, such that this new information can be assimilated into the research's findings.

Though preset categories were defined in the initial phase of the research, setting the initial direction of the study, emergent categories may be identified. The projected process was to begin the study with preset categories adding emergent categories as they become defined. The inclusion of these additional categories will offer greater identification of the issues being investigated.

Data Analysis

This section reviewed the data analysis methods used for the phenomenological approach. This method of data analysis was assisted using a qualitative analysis software program, such as NVivo v8.0, by QSR International. The data analysis procedures for the phenomenological design were appropriate to analyze the transcribed responses.

According to Jasper (1994), a research design making use of the phenomenological approach should be able to gather descriptions while maintaining the spontaneity of the experiences of the participants. Moreover, the participants who have experienced the phenomenon in question are the only ones who can offer the only legitimate source of data for the researcher to acquire the reality (Baker, Conroy, & Johnston, 1992). In most phenomenological research studies, the verbatim transcripts of audio recorded interviews, even though there are some cases when group discussions and other written accounts are considered as data as well. There are many methods to analyze phenomenological data; however, common to these methods are the division of text into units, changing of units into meanings based on phenomenological concepts and the combining of meanings to form a general description of the said phenomenon (Polkinghorne, 1989). According to Moustakas (1994), all elements of the text in a phenomenological study are initially treated as equal to each other in value.

The seven-step process designed by van Kaam (1966) and modified by Moustakas (1994) was used as the guideline to do the data analysis of this study. This seven-step process proceeds as follows. First, every expression that was related to the stated experience was listed and grouped together. The researcher took the transcribed data and looked for statements in the text that were specifically revealing about the experience or

phenomenon in question. Each of the sentences was assessed and discerned for meanings. The researcher also gathered precious elements such as expressions that can describe the nature of phenomenon being studied. All the other elements were sifted out and removed from the analysis. The result of this process was a list of possible themes, some of them more formulated while some were more revelatory. This step was called listing and preliminary grouping.

Next, the individual expressions were tested for two requirements: first, does it provide an expression that was necessary and sufficient for understanding the meaning of what the participant suggested and was it possible to label the experience. The researcher kept refining the phrasing of the themes initially listed and checking their relevance. Each interview or transcribed interview underwent such. The themes on each interview were compared for commonalities so as to constitute a common thread. These finalized expression were called invariant constituents and any expression that does not meet those two requirements were eliminated (Moustakas, 1994). Invariants are elements that do not differ across cases. They were treated as the phenomenon's constituents. Thematic labels would then cluster the invariant constituents such that the clustered constituents relay the core theme of the experience. In the fourth step, the thematic categories, invariant constituents, and themes were finalized based on the review of the interview transcripts to ensure each constituent was stated in the data. The fifth step was the creation of the verbatim examples of the transcribed interviews to validate the invariant constituents and themes. This step was called the individual textural description. Next, the individual structural descriptions of the experiences were provided. These summarize the verbatim statements and match the themes created from the analysis. Finally, the textural-structural

description were created. These descriptions illustrate the essence of the experience and involve the invariant constituents and themes. From these, the composite description were created. This was a full summary and interpretation of themes and invariant constituents as they relate to the goals of the research. The finalized themes were considered the main findings.

This process was appropriate as it allows the researcher, through clearly defined steps, to extract the essences and lived experiences of the respondents. However, although the qualitative software program assisted in data storing, coding, retrieving, comparing, and linking (Patton, 2002), the researcher had to do the actual analysis. To answer the researcher's questions regarding the specific coding methodology, phenomenology uses predominately open coding, with axial coding only used to gain additional insight into specific factors that arise during the open coding process.

Validity and Reliability

According to Creswell (2008), validity serves a critical role in a qualitative study because it is normally used to determine the accuracy of the study's findings. To increase the validity of this study, triangulation was used. A web-based self-completion questionnaire with the same set of questions as used for the semi-structured interviews and with a different set of population was used for triangulation. Such a technique can help overcome the bias and unproductiveness of a single method. It can be applied to both quantitative validation and qualitative validation (Yin, 2013).

Validity and reliability involve checking the collected data to determine if they are applicable to the study, and if consistency was achieved (Struwig & Stead, 2004). Internal validity calculates the extent to which the responses from the participants reflect the same

attributes (Fink, 2008). The triangulation technique ensured the validity and reliability of the data gathered from the use of the questionnaire that was developed. Valid research instruments are paramount to collection of reliable data (Polit & Beck, 2011). The researcher validated the questions in the survey instrument before the commencement of data collection. A pilot test was conducted using different participants to test for the reliability and validity of the survey questions.

Preliminary interviews were conducted among five respondents, serving as a pilot test of the questionnaire and the interview proper, in order to identify any concerns and difficulties (Struwig & Stead, 2004). The validation exercise also identified unreliable questions, which the respondents did have answers for. These questions were changed to suppress the difficulties in the final questionnaire.

Summary

The purpose of this study was to examine how KM and CRM systems affect customer behavior in terms of value creation and loyalty. This chapter discussed that, in order to address the objective of the study, a phenomenological qualitative approach was used. Qualitative analysis was done through interviews—each interview took 45 minutes to max 1 hour - and content analysis from the interviews with customer of organizations that utilized KM and CRM systems in their organizational activities. Twenty participants coming from a pool of organizations in the Switzerland were the population for this study.

The validity for this project was achieved through construct validity, addressed both internal and external validity. Internal validity was achieved through several methods such as making use of multiple data sources, while external validity was

achieved through methods like making comparisons of this study to existing studies on the subject. Statistical analysis of data was done through the execution of a content analysis using NVivo software. Meanwhile the fourth chapter will discuss the findings of the study.

Chapter 3 outlines details relating to how the study was conducted and includes sources of data, characteristics of the participants, instrumentation, data collection procedures, data analysis techniques, and assumptions and limitations of the study. An explanation of the steps in the process as they relate to the research questions was presented. Issues pertaining to the participants' welfare and rights are also discussed. Chapter 4 presents a non-evaluative reporting of data collected in the field, a summary of the principal results, and a description and narrative text for the qualitative interviews. Documentation was done in a comprehensive and detailed manner to authenticate the validity and credibility of the conclusions presented in Chapter 5. Chapter 5 discusses how the dissertation addressed problems that have been revealed in the study, interpretation of findings in the field, and the recommendations for future studies.

Chapter 4

Results

The purpose of this chapter was to present the results of the analysis of the collected qualitative data to address the gap on how KM and CRM systems affect customer behavior in terms of value creation and loyalty. Qualitative data consist of words and observations, not numbers. As with all data, analysis and interpretation are required to bring order and understanding, which requires creativity, discipline and a systematic approach (Taylor-Powell & Renner, 2003). A five-step approach was used to analyze the conducted individual interviews and the online survey data. NVivo v8.0 by QSR International was used as a tool to organize and store the qualitative data. The presentation of the results was organized into several sections: (a) restatement of research questions, (b) population, (c) sample demographics, and (d) presentation of the findings.

Restatement of the Research Questions

To achieve the primary objectives of this study and solve the problem statement, the following research questions were provided:

1. How does KM affect organizational processes and activities in creating customer value and loyalty?

2. How does a CRM system affect organizational processes and activities in creating customer value and loyalty?

3. How does KM affect a CRM system of an organization?

Summary of Data Analysis Steps

The presentation of findings was organized into several sections based on the five steps used to analyze the data. These steps were: (a) getting the general impression from

the data, (b) focused analysis, (c) categorization of data, (d) identification of patterns, and (e) interpretation.

Step 1: General impression from the data. The first step of the analysis involved gaining an understanding of the data, which means that the qualitative data were read and re-read. The main goal of this stage was to gain a general impression of the data. The general impression gained from the data was that there is a wide range of answers about the link between KM and CRM, ranging from having a significant relationship to having no relationship at all.

Regarding the initial impression about the responses of the participants on KM, similar definitions across all the answers were observed, overlapping on scope, participation, importance to the organization, and perception in the organization. When it comes to CRM, the impression was that the definitions could be split into three categories.

1. CRM is seen as an end-to-end process supported by an IT system.
2. CRM is seen as a pure system to store customer data and activities.
3. CRM is synonymous with KM. is CRM and there is no difference - 100% overlap.

Step 2: Focused analysis. The purpose of this step was to evaluate what the researcher wants to find out. There was a need to identify a few key questions that the analysis needed to answer. The qualitative data analysis was based on two sets of data resulting from 14 conducted individual interviews and eight submissions from a web-based questionnaire.

Step 3: Categorization of data. The third step involved the identification of coherent categories based on the reading and re-reading of the text. Meaning was attributed to the text through categorization and coding.

Findings

Five categories were developed for this study based on frequency of the responses. This section presents the findings related to each of the five categories.

Category 1: Definition of knowledge management. The first category pertains to the definition of knowledge management, as perceived by the participants in the study. The definition of knowledge management had several dimensions, such as in terms of the people who participate in knowledge management, the scope of knowledge management, importance of knowledge management in organizations, and the ways in which knowledge management help organizations.

Regarding the people who participate in knowledge management, everybody in the organization participates or has the ability to participate in knowledge management. All areas of the company contains interface that allows access to information regarding customers, suppliers, or competitors. Open space discussions were available for the employees.

The scope of knowledge management involves the management of content that were designed to be user-friendly and structured. Search engines, which can be used by words, themes, projects, and functions, are available for easy access to content. Knowledge management was perceived as the continuous capturing, managing, and sharing of company's knowledge through databases.

The importance of knowledge management in the organization was recognized; however, it was not a top business priority. Knowledge management helps organizations by raising awareness about existing processes, standards, and leadership values. It also develops sustainability and competitive advantage with other companies. Finally, knowledge management system can be used as a training tool for new employees. Table 1 shows the coded responses for the first thematic category.

Table 1

Definition of Knowledge Management

Coded Responses
• Continuous capturing, managing, and sharing of company's knowledge through databases
• Open space discussions
• Structured documentation of knowledge
• Content management system
• Ease of access and usage
• Search engine-based (words, themes, projects, functions)
• System security (safe guard critical company information such as product formulation or designs)
• Raise awareness about existing processes, standards, and leadership values
• Can be used also for training purposes
• Participation of everybody in the company
• All areas of the company with interface to customers, suppliers, or competitors (collective and individual knowledge)
• Medium to high important (not perceived as top business priority)
• Support sustainable operations, business performance
• Develops stability and competitiveness

Category 2: Definition of customer relationship management. The second category pertains to the definition of customer relationship management, as perceived by the participants in the study. The definition of customer relationship management had several dimensions, such as in terms of the people who participate in customer

relationship management, the scope of customer relationship management, importance of customer relationship management in organizations, and the ways in which customer relationship management help organizations.

In terms of the people who participate in customer relationship management, the nature of the involvement is usually collaborative. All involved parties play an important role to make CRM successful, wherein the goal ultimately is to understand the wants and needs of customers and provide that services to customers.

The scope of customer relationship management includes the management of the company's relationships and the total care of customers. Customer relationship management is intended to provide information and provide development support. All important information and activities concerning customers are consolidated, enabling the organization to have quality contact with customers.

The importance of customer relationship management in organizations can be very high; however, the full capabilities of customer relationship management are often not used or applied. Finally, the ways in which customer relationship management help organizations include marketing and having comprehensive understanding of customers' wants and activities. Table 2 shows the summary of the coded responses for the second thematic category.

Table 2

Definition of Customer Relationship Management

Coded Responses

- Management of company's relationships
- Understanding of the wants and needs of customers and the market
- Total care of customers
- Provide information and product development support
- Consolidation of important customer information and activities
- Collaboration
- Keep contact with all customers
- Process, disciplines, and systems
- Anybody with customer contact and IT as an enabling function
- Marketing activities and every touch point with customers
- Importance high to very high (but not used to full extension of CRM capabilities /design)
- All involved parties play an important role to make CRM successful
- Prospect process

Category 3: Improvements as a result of knowledge management. The third thematic category pertains to improvements as a result of using knowledge management. The improvements were primarily examined in terms of three areas: (a) collaboration among employees, (b) loyalty from customers, and (c) changes in the employee's perceptions about organizational processes.

In terms of the collaboration among employees, knowledge management has resulted in more transparency, and more structured and standardized processes. There are now capabilities for knowledge to be stored, transferred, and shared in the database. Information can be shared in the entire organization to improve the services provided to customers.

Regarding how loyalty has improved as a result of knowledge management, the participants in the study were not explicit about the effects of knowledge management on

loyalty of customers. However, there was suggestion that the relationship with customers has improved, as reflected by the improved collaboration as a result of the availability of data.

Finally, knowledge management was instrumental in changing how organizational processes and activities were perceived. There was an attempt to value the perception of customers more as a result of knowledge management. One problem is that the employees can misuse information as a tool to show or exercise power. Table 3 shows the summary of coded responses for the third thematic category.

Table 3

Improvements as a Result of Knowledge Management

Coded Responses
• Transparency
• More structured and standardized processes
• Changed existing processes to value perception of customers
• Sharing point of information for the company
• Right information at the right place in the right quality
• No experience of strong and effective of KM implementations to significantly increase collaboration and/or organizational processes
• Better collaboration as a result of availability of data
• Knowledge to store, transfer, and share information in the database
• Can be misused by the employee as a tool to show or exercise power

Category 4: Improvements as a result of customer relationship management. The fourth thematic category pertains to improvements observed in the organization as a result of using customer relationship management. The improvements were primarily examined in terms of three areas: (a) collaboration among employees, (b) loyalty from customers, and (c) changes in the employee's perceptions about organizational processes.

In terms of the collaboration among employees, customer relationship management has improved collaboration because of the focus on customer objectives

involving all company's functions. Everybody knows important information about customers through a central database. There was however some arguments as to whether CRM is considered a system or an end-to-end approach.

Regarding how loyalty has improved as a result of customer relationship management, there was an indication that loyalty improved significantly because the needs and wants of customers could be addressed accurately through customer relationship management. Customer contracts have increased in order to fulfill the needs of customers. The voice of the customers is integrated into the customer relationship management.

Finally, customer relationship management was instrumental in changing how organizational processes and activities were perceived. As a result of customer relationship management, there was an increased speed to satisfy the needs of customer and increased insights of supply chain from the perspectives of customers. Overall, more harmonized processes and significant improvement to put customer at the center of activities were reported. Despite the perceived benefits of customer relationship management, it was difficult for organizations to raise awareness or communicate the importance of CRM to key stakeholders. Table 4 shows the summary of the coded responses for the fourth thematic category.

Table 4

Improvements as a Result of Customer Relationship Management

Coded Responses
• Improved collaboration because of the focus on customer objectives involving all company's functions
• No significant improvements because CRM used just for marketing activities
• Customer addressed accurately, customer loyalty increases significantly
• Frequent customer contacts (prepared for the call)
• Everybody knows important information about customers through a central database
• More harmonized processes and significant improvement to put customer at the center of activities
• Increased speed to satisfy the needs of customer
• Increased insights of supply chain from the perspectives of customers
• Voice of the customer as part of the CRM approach / process
• CRM as system vs. end-to-end approach / process
• Difficult to raise awareness or importance of CRM to key stakeholders

Category 5: Relationship between knowledge management and customer relationship management. The fifth thematic category pertains to the perceived relationship or link between knowledge management and customer relationship management. There seems to be no clear delineation in terms of the difference between CRM and KM. The customer is at the center in what the company does, when CRM and KM are implemented consistently. However, there were some responses describing how the two can be related.

KM does positive influence CRM and does make sure that the information flow has a closed loop into the day-by-day operations. There was sentiment that knowledge management should be a business best practice built on the foundation of a continuously improved CRM. Knowledge management was regarded as broader in scope and encompasses the entire company, whereas CRM is part of KM, but with clear focus on

customer and customer interfaces. This information suggests that CRM can survive as stand alone approach / system, and that CRM can be subsumed to KM.

There were also participants who do not believe that there is a link between KM and CRM, noting that CRM was primarily used for marketing purposes only. There was a perception that it was difficult to raise awareness regarding the link between KM and CRM. Table 5 shows the coded summary of the responses of the participants for fifth thematic category.

Table 5

Relationship Between Knowledge Management and Customer Relationship Management

Coded Responses
• Knowledge management should be a business best practice built on the foundation of a continuously improved CRM.
• Knowledge management broader in scope and encompasses the entire company whereas CRM is part of KM, but with clear focus on customer and customer interfaces
• No link, because CRM is just used for marketing activities or address database of customers
• Need of better link but many times implemented not linked to each other
• KM does positive influence CRM and does make sure that the information flow has a closed loop into the day by day operations
• The customer is at the center in what the company does, when CRM and KM are implemented consistently
• KM does improve CRM, but CRM can survive as stand alone approach / system
• Difficult to raise awareness regarding the link between KM and CRM

Steps 4 and 5: Identification of patterns and interpretations. The fourth and fifth step involved the identification of patterns from the data and attaching meaning and significance to the data analysis. Through the thematic categories that were developed in the previous stage, several patterns and connections were identified. The organization was based on the questions that were asked from the participants. Themes and connections

were explained to show their significance. Patterns, commonalities, and differences were identified and discussed next.

The definitions of KM and CRM had significant overlaps, reflecting responses that either complement each other or have close similarities about their functions in an organization. There were two exceptions wherein KM and CRM were used for the same purpose to provide quality services to customers. Other outliers that were identified were that KM and CRM are used in an informal and unstructured way, and that KM and CRM are only used in limited scope such as storage of the addresses of customers or for marketing mailing purposes only.

It is also evident from the results that even though both KM and CRM were perceived and regarded as important for companies, the implementation is not a high business priority. This lack of high prioritization could explain the problem of raising the awareness of content and importance to decision makers and key business stakeholders, as they were considered difficult and time consuming. For a lot of companies, CRM is much more important than KM because CRM is seen as a growth and profit engine.

The results indicate that CRM is seen primarily as an end-to-end approach / process than a stand-alone system. The CRM as a system is more seen as an enabler for success. The users still require a stable, easy to use, and easy to access system with a highly sophisticated search engine especially for KM, supported by continuous capturing, managing and sharing of data. A structured process to document all data and information with clear roles and responsibilities is essential.

Most of the study participants did not see a definitive relationship between KM and CRM, but by default, KM was perceived as useful to build on CRM, but not the other

way around. Data transparency, access and protection of information, and having customer insights are vital to a company to preserve market position against competitors.

The results of the study indicate where a robust CRM is available a KM can be built on the CRM and could lead to sustainable operations, standardized and harmonized processes, higher business performance, more stable organization, and higher competitiveness in the market. However, evidence also showed that the key decision makers view CRM and/or KM as very important, but the employees and users are not translating this importance in their day-by-day operations. Because of this perception regarding employees, the collaboration between functions and people do not significantly increase and no closed loop communication occur. This could lead to inefficiencies and uncoordinated work and activities in an organization.

Summary

The purpose of this study was to investigate the interrelationship of KM, CRM Systems, and customer behavior towards the performance of an organization in terms of customer value creation and loyalty. The results of the analysis of the interviews and survey questionnaires suggest several patterns about the definition and contributions of knowledge management and customer relationship management, and the perceived relationship between knowledge management and customer relationship management.

According to the majority of the participants, they do not perceive a significant relationship between KM and CRM, but KM was perceived as useful to build on CRM, even though this is not true the other way around. The participants also highlighted that data transparency; access and protection of information, and having customer insights are all critical to a company so as to maintain its market position against competitors.

The results of the study indicate where a robust CRM is available a KM can be built on the CRM and could lead to sustainable operations, standardized and harmonized processes, higher business performance, more stable organization, and higher competitiveness in the market. However, evidence also showed that the key decision makers view CRM and/or KM as very important, but the employees and users are not translating this importance in their day-by-day operations. Because of this perception regarding employees, the collaboration between functions and people do not significantly increase and no closed loop communication occur. This could lead to inefficiencies and uncoordinated work and activities in an organization.

Both KM and CRM had been useful to organizations in terms of providing quality services to customers as a result of the availability of information; however, both are not top priority in organizations. No clear boundaries were identified regarding the difference between CRM and KM. However, knowledge management was regarded as broader in scope and encompasses the entire company, whereas CRM is part of KM, but with clear focus on customer and customer interfaces. The next chapter contains the conclusions and recommendations of the study. Validity of these responses was ascertained through the use of multiple data sources, and by making comparisons between the findings of the current study to the available literature.

Chapter 5

Discussion

The purpose of this chapter is to summarize the findings of this study based on the stated hypothesis. It is also part of this chapter to share the learning's of the study and compare the learning's with the findings of other reader / writer and conclude with recommendations. The chapter will include the following sections: (a) restatement of the research questions, (b) summary of the findings, (c) relating the findings to the literature review, (d) recommendations, and (e) conclusions.

Restatement of Research Questions

1. How does KM affect organizational processes and activities in creating customer value and loyalty?

2. How does a CRM system affect organizational processes and activities in creating customer value and loyalty?

3. How does KM affect a CRM system of an organization?

Summary of the Findings

The results of the analysis produced several patterns and themes about how KM and CRM can impact organizational processes and activities, possibly improving customer value and loyalty in the organization. Based on the interview and survey questionnaire analysis, the key findings in the study can be summarized as:

1. There is a lack of clear boundaries about the definition of KM and CRM. Some participants were not able to differentiate one from the other without some overlap.

2. Both KM and CRM are intended to improve the services provided to customers through accurate information available in centralized databases. Transparency and more structured and standardized processes are developed through the use of KM and CRM.

3. All employees recognize the importance KM and CRM, but the implementation of both needs to be more consistent and valued in the organization.

4. CRM can be subsumed to KM, wherein participants viewed as the broader system.

5. KM and CRM are viewed as incorporated into the business culture in a centralized database wherein every user can gain access.

6. There is a challenge to raise awareness to all levels of the organization about the KM and CRM end-to-end processes and the related key processes, standards and rules.

Comparison of Findings with the Literature

Based on the literature review, there was an indication that KM and CRM have overlaps in terms of their function and purpose. KM is a dynamic system that companies are using to identify important information, store it and share it with the relevant business people (Atwood, 2009). Companies use collected information to improve their own processes, customer relations, decision making, employee morale, performance, profits and, in some cases, regulatory compliance. A CRM system, on the other hand, will enable and support to capture customer habits, likes and dislikes, but it will not replace the human interaction between the company and the customer (Brown & Gulyez, 2002).

The results of the study also suggest that there is a lack of clear understanding regarding what differentiates KM from CRM. CRM can be subsumed to KM, wherein participants viewed as the broader system wherein customer relationship is not the only concern. Knowledge management encompasses data that extend beyond customer relationship. The literature also reflects this perception, considering that KM was described as dealing with knowledge creation and acquisition, knowledge organization

and retention, knowledge dissemination, and knowledge utilization (Supyuenyong & Islam, 2006; Kim et al., 2003).

Some barriers were identified regarding the success of KM, such as the lack of belief in the utility of the system in the organization (BenMoussa, 2009). The results of the study indicate that employees see the value in adopting both KM and CRM; however, these perceptions do not necessarily translate to being regarded as high priority in the organization. The results suggest that barriers to the success of KRM or CRM can be a complex issue. Even though the employees had positive opinions about KRM and CRM, full implementation at all levels is not always guaranteed.

Studies have shown that being able to address the needs of customers improve customer perceived value and customer loyalty (Lin & Dong, 2010; Lin & Lin, 2006; Payne & Frow, 2005). In this study, there was no definitive finding indicating that either KM or CRM directly affects customer loyalty. However, there is suggestion that because of the improved efficiency and the available data to provide quality services, there is an increased satisfaction and improved relationship with customers.

Studies have shown that CRM and KM complement each other (Lin & Dong, 2010; Rollins & Halinen, 2005; Bueren et al., 2004; Xiong et al., 2011). The results of the study were less definitive about this relationship, but there was a perception that CRM and KM should be used together to be successful. For instance, the use of KM can improve CRM because quality information about customers' needs and wants are available that would be instrumental in providing satisfactory services. This is consistent with Lin and Dong's (2010) contention that KM must be used to gather as much relevant information as possible from the consumer.

Overall, the results seem to be consistent with the literature indicating that in order to gain competitive advantage, organizations need to adopt approaches that are customer-centric in order to improve the behavior of their customers towards their company. Thus, current findings supports that the positive effect of KM and CRM in organizations. KM and CRM can be regarded as two approaches that are interdependent in helping organizations provide customers the kind of services that would cultivate loyalty and create positive experiences with the organization. Proper and consistent implementation is needed to transform KM and CRM into effective tools that organizations can implement to gain competitive advantage over other organizations in similar industries.

Recommendations

Based on the results of the study, several recommendations are proposed. First, the relationship between KM and CRM suggests that KM can used to inform CRM, underscoring how one approach complements the other. Even though KM extends beyond information, CRM can be more effective if quality information about the needs and wants of customers are available. The recommendation proposed is to provide an integrated system that combines both KM and CRM in such a way that customers can be served better through access to information.

Second, there was an indication from the results that most of the employees have positive perceptions about CRM and KM; however, both approaches are not considered top priority in the organization. These seemingly diametric behaviors could explain why organizations are experiencing difficulty to raise awareness outside the organization about the utility of CRM and KM in an organization. If organizations want these approaches to

be embedded in the culture of the organization, more efforts are needed to integrate these approaches in the processes and activities of the organization.

Third, even though there is also overlap in the definition of KM and CRM in the literature, these concepts appear to be less defined in practical settings. More studies should be conducted, particularly from the perspectives of employees regarding the ways in which each of these approaches influence organizational processes and activities. This study did not involve the specific differentiation of the two approaches; the specific functions of the two approaches may need to be examined with more depth in future studies.

Limitations

The purpose of this qualitative phenomenological research study was to investigate the interrelationship of KM, CRM Systems, and customer behavior towards the performance of an organization in terms of customer value creation and loyalty. The nature of a qualitative study is that it is subjective by nature. The lived experience of each of the 20 participants is real but may not represent the same reality or experience of all ustomers of organizations utilizing KM practices and CRM systems in their organizational activities in Switzerlands. Limitations to studying the lived experience of such population exist. Participants in the study represented the selected population however; the participant population of this study may not represent prospect participants across the country. Therefore, the results of this study may not be able to be generalized to other customers of organizations utilizing KM practices and CRM systems in their organizational activities.

The second limitation to this study was the small sample size of 20 participants. Data saturation was reached after 20 interviews. Additionally, the researcher had limited time to collect and analyze data as well as limited educational funds to devote to completing the research. Nonetheless, a larger sample size may have produced more data that could have impacted the results of the study.

A final limitation was the potential for researcher bias. To set aside preconceptions and biases, I acknowledge that everyone's experience might not be mine. Strauss and Corbin's (1998) guidelines were followed including comparing the data carefully and periodically reviewing the literature for similar examples.

Conclusions

The purpose of this study was to investigate the interrelationship of KM, CRM Systems, and customer behavior towards the performance of an organization in terms of customer value creation and loyalty. The results indicate that in order for KM and CRM to be effective in affecting positive changes in organizations, certain conditions need to be met. These include having employees perceive the importance of the implementation of KM and CRM approaches / processes by the leadership of the company, incorporating both KM and CRM in the business culture. All employees of all levels of the company need to have the same objective, scope and roles and responsibilities are clear defined and communicated. Both KM and CRM end-to-end processes need to be supported by one stable, easy to use, and easily accessible system with a high sophisticated search engine. The system would also enable closed loop communication to all business functions, customers, and other third parties, and transparency of data and information.

There is a challenge to raise awareness at all levels of the organization about the KM and CRM end-to-end processes and the related key processes, standards, and rules. Even though there was a perception among users that KM and CRM are important in the organization, they are not top priorities. There needs to be a correspondence between how KM and CRM are valued in the organization and the consistent implementation, using the entire scope of both KM and CRM to improve organizational processes and activities. Competitive advantage may be achieved when there is a belief among the employees of organizations that KM and CRM are effective and when the organizational culture allows for the widespread adoption of such approaches in the daily operations and processes of the organization.

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Appendix A: Interview Protocol

1. Choose a place/setting with the least distraction.

   a. As much as possible the place/setting should be clear from noises because the whole interview will be recorded.

   b. It is very important that conversations of the interviewer and interviewee are understandable, as it will be transcribed afterwards.

   c. Choose a place where the interviewee is comfortable in expressing him/herself without any hesitations.

2. Explain the purpose of the interview.

3. Address terms of confidentiality.

   f. Explain to the interviewee that personal names will not be gathered nor published.

   g. Demographical information such as age and gender will be gathered but will not be identified under their personal names. Pseudo-names or codes will replace their personal names.

4. Indicate how long the interview usually takes.

   i. The interview will approximately last 15—20 minutes.

5. Allow interviewee to clarify any doubts about the interview.

   j. Inform the interviewee that the interview will be recorded and notes will be taken as needed.

   k. Explain that the interview process will be conducted in a standardized way, that is, standardized questions and follow-up questions will be asked.

   l. Ask the interviewee if he/she has any questions before beginning the interview.

Appendix B: Interview Questions

1. How would you define Knowledge Management?
    a. Who should participate in Knowledge Management?
    b. What is the scope of Knowledge Management?
    c. What is the importance of Knowledge Management in your organization?
    d. How do you think/did Knowledge Management helped your organization?

2. How would you define Customer Relationship Management?
    a. Who should participate in Customer Relationship Management?
    b. What is the scope of Customer Relationship Management?
    c. What is the importance of Customer Relationship Management in your organization?
    d. How do you think/did Customer Relationship Management helped your organization?

3. Did the application of Knowledge Management practices improve the way you understand and manage your organizational processes?

    If so -
    a. How did the collaboration among employees happened?
    b. Is there a significant increase in loyalty when Knowledge Management was implemented? (If the answer is no—follow up question: why were there no significant increases? // if the answer is yes—how did the significant increase looked like?)
    c. How did Knowledge Management changed the way you see your organizational processes and activities?

    If not—why do you think it did not improve?

4. Did the application of Customer Relationship Management practices improve the way you understand and manage your organizational processes?

    if so -
    a. How did the collaboration among employees happened?
    b. Is there a significant increase in loyalty when Customer Relationship Management was implemented? (If the answer is no—follow up question: why were there no significant increases? // if the answer is yes—how did the significant increase looked like?)

    c.   How did Customer Relationship Management changed the way you see your organizational processes and activities?

if not - why do you think it did not improve?

5. In your experience - do you think that Knowledge Management is linked with Customer Relationship Management?

if so—how would you describe this link?

if not—why do you think they are not linked?