

THE ROLE OF SOCIAL SOFTWARE AS A TOOL FOR KNOWLEDGE MANAGEMENT

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Abstract: Web 2.0 is a term, which is increasingly established in recent years in the media landscape, and the development of the digital knowledge society has permanently changed: The Internet is no longer just pure information medium, but an interactive platform on which the user is paramount. The Companies have realized in recent years that knowledge management (KM) plays an important role in the success of their business. Today is the ability to deal strategically with the knowledge and intelligence, become a success factor for companies that are dependent for their survival, effectively, efficiently and continuously generate innovation. Therefore the company must have deep knowledge about their customers and their needs. It is possible to know better the customer's pursuits, and to deepen the relationship between the customer and the company. Social media is a great way for the companies to communicate with its customers. It has allowed the communication between them like never before as they discuss about products and their likes/dislikes on social media channels. In this Paper we will examine how can social software (e.g. Wikis, Weblogs, Facebook, Xing, Twitter, etc.) as useful tools for knowledge management and what are the opportunities and Challenges with the use of social software for knowledge management in marketing.

1 INTRODUCTION

Recently, a lot of emphasis has been shifted to the study on the importance of knowledge management to business productivity. Studies have sometimes gone further by equating knowledge management (KM) goal to that of Customer relationship management (CRM) including the delivery of continuous improvement towards customers (Gebert, Geib, Kolbe and Brenner, 2003; Dous et al., 2005). To this extent, Dous et al., (2005) conceptualized Customer Knowledge Management (CKM) as the utilization of knowledge for, from and about customers in order to enhance the customer-relating capability of organizations.

Today the companies are faced with many business problems: the change of customers' behaviour, their communication, and the way, which they use to get the knowledge about their needs. Knowledge management concerns the problem of how the knowledge can be optimized within the company, which uses social software. The use of social software can make a contribution to the success of the company. The Internet-based applications have the advantage that they are

actively working with the customers and can get feedback directly from there. Salomann et al (2006) further concretize this notion, and distinguish three kinds of knowledge flows that play a vital role in the interaction between an organization and its customers: knowledge for, from and about customers.

Web 2.0, its tools and social software enable a variety of applications in businesses, particularly in knowledge transfer, so the company with this knowledge can know better the customers' needs and thus to deepen the relationship between each other. The evolution of social media is having an important effect on both how consumers interact with companies and the level of control such companies have over the sales, marketing and service of their products. Introducing knowledge management into an organization is a strategic issue. As well, they enable the customers to communicate with their companies and other customers and discuss their problems. This knowledge about the customer and his needs and wishes is a critical factor in the long-term success of organisations. In fact, companies and the customers can gain benefits from the using of social software as tools for knowledge

management. Social media sites have thus turned amplifiers of people's voices in the marketplace and are having profound and far-reaching effects on the ways in which people buy. Customers can now research companies online and then ask for recommendations through social media channels, making their buying decision without contacting the company. People also use social media to share opinions and experiences on companies, products and services. In turn, companies provide their sales/service toll free numbers or website information in Twitter or Facebook. Customers might in turn use Twitter or Facebook as a one-stop site to lodge a complaint or to create a sales inquiry.

This paper examines usefulness of social software as tool for knowledge management and the opportunities and Challenges with the use of social software for knowledge management.

2 KNOWLEDGE MANAGEMENT

DEFINITION

Knowledge management is "the process of critically managing knowledge to meet existing needs, to identify and exploit existing and acquired knowledge assets and to develop new opportunities." (Quintas, Lefrere and Jones, 1997). Knowledge management is concerned with the creation, storage, dissemination and application of organizational knowledge. Because the communication's revolution and the change of customer's behaviour, we need basic-knowledge to effectively learn from customers. This knowledge comes from the social network, which the customer uses for connecting with the others, speaking about his likes or dislikes about the product, sharing their experiences and feedback about the company and its brand. This means whether a company chooses to be involved or not, these experiences will still be shared. This sharing includes an easily accessible centralized customer database, keeping track of events, coordinating activities, managing important sales and marketing processes.

The big question today is not what is social networking at all, but rather what does it means for business? Does your small business really need to become an active participant in social networks? Social networking can help a business gain contacts, clients, and increased public awareness. Even entrepreneurs who run small businesses from their homes can take advantage of this resource to set up a global presence. It's important to fully understand

the concept of social networking and how it can be applied in ways that will help you grow your business. Social networking sites offer visitors the opportunity not only to communicate with each other, but also with other members with similar interests and make them relevant ad-hoc communities. Knowledge for customers through social software comprises information about products, markets and suppliers (Garcia-Murillo and Annabi, 2002) and is primarily addressed by CRM service processes. This knowledge dimension also impacts the customer's perception of the service quality - which has been identified as an important determinant of satisfactory financial performance (Wang and Lo, 2004; Taylor and Baker, 1994; Spreng and Mackoy, 1996). Knowledge from customers has to be incorporated by the company for product and service innovation, idea generation as well as for the continuous improvement of its products and services (Thomke and von Hippel, 2002; Kristensson, Gustafsson and Archer, 2004; Chesbrough, 2003). Capturing customer knowledge and involving customers in the innovation process can be achieved in various ways (Gibbert et al., 2002). For example, customers' knowledge about products, suppliers and market trends can be used via appropriate feedback mechanisms to enable a systematic improvement and innovation of products (Garcia-Murillo and Annabi, 2002; Gibbert et al., 2002). The collection and analysis of knowledge about customers encompasses the getting in touch with customer's present needs and requirements, future desires, connections, purchasing activity and financial capability (Davenport, Harris and Kohli, 2001; Day, 2000). Thus, whether it is for, from or about customers, knowledge management remains important in order to identify, capture, process, mine and use for company' competitiveness

3 SOCIAL SOFTWARE AS A TOOL FOR KNOWLEDGE MANAGEMENT

3.1 Overview of Social Software Applications

The applications described below are divided into three focus areas: information, relationships and communication:

3.1.1 Focus on Information

i. Blogs

A blog (a blend of the term "web log") is a type of website or a part of a website. Blogs are usually maintained by an individual with regular entries of commentary, descriptions of events, or other material such as graphics or video. Entries are commonly displayed in reverse-chronological order. "Blog" can also be used as a verb, meaning to maintain or add content to a blog. The blog is the most important applications in the field of social software, because it links all principles of social software. Each user has the option of free and without specific technical knowledge to contribute (post) blog publishes. The following technical properties support the networking of blogs with each other:

Trackback: A trackback is one of three types of linkbacks, methods for web authors to request notification when somebody links to one of their documents. This enables authors to keep track of who is linking, and so referring, to their articles.

Ping: with the help of ping, new entry can be automatically reported and it calls Blog Portals.

RSS: RSS (most commonly expanded as Really Simple Syndication) is a family of web feed formats used to publish frequently updated works such as blog entries, news headlines, audio, and video in a standardized format.

ii. Wiki

The Wiki consists of at least one but usually several together linked websites. The use of wiki pages is very easy because you just need to possess any knowledge of HTML (Hypertext Markup Language). Another advantage is that wikis have usually a full text and can recover to its content in the whole site quickly. Wikis are basically collections from Inter sides or Intranet sides, by users not only read, but also easily can be changed.

The use of wikis in knowledge management in organizations, give the employees many advantages, they can have active communication with each other to extend the transfer of knowledge, experience and competencies within the company. In enterprise the knowledge is gathered in documents, as a Word Excel, mails and in project folders, in such structures it is to be utilized difficultly the whole knowledge of an enterprise in all areas. In traditional data banks often some representatives for the management capture the knowledge responsibly; there is why the quality of the information also depends on these few authors.

iii. Podcasting

Podcasting refers to the production and provision of the media files (audio or video) through the Internet. It is a word could be considered as a part of the field of video-audio-on-demand. Each file in the podcast called episode can be stored in PC and then transfer it to any media and listen to it at any time without having to connect to the internet.

iv. Social Tagging

Social tagging is not the creation of new content, but it the creation of the description and categorization.

3.1.2 Focus on Relationship, Communities and Social Networking

Social interaction of the people changes significantly with the advent of computers and networks. Web offers people opportunities to communicate with the others, and build relationships. The difference between a social network and a community arises from the differences in the nature of the relationship between users. Community application focuses on a sense of community, which consists of common interests and strong results. The core of social networking software (SNS) is to represent the user. Open social network systems are in principle apply to any user in network without limit. One example is the popularity of social networks or offline Xing: it is a platform which offers personal profiles, groups, discussion forums, event coordination, and other common social community features. Basic membership is free, but many core functions, like searching for people with specific qualifications or messaging people to whom one is not already connected, can only be accessed by the premium members.

3.1.3 Focus on Instant Communication:

Instant messaging (IM) is a form of real-time direct text-based communication between two or more people using personal computers or other devices, along with shared software clients. The user's text is conveyed over a network, such as the Internet. More advanced instant messaging software clients also allow enhanced modes of communication, such as live voice or video calling.

3.1.4 Opportunities and Challenges with using Social media

Social Networking Sites can be used as great tools to manage knowledge that is beneficial for Customer

relationship management. However, they don't exist without challenges.

4 OPPORTUNITIES

Gotta and O'Kelly (2006) contends that, establishing communities around products and services is a potential strategy to build brand loyalty, establishing exit barriers, and facilitating viral marketing through self-emergent customer testimonials. Such communities can also be a source of innovation by soliciting consumer input, customer suggestions, and critiques. However, there is a risk that such action could occur organically (e.g., attention is brought to some product or services defect or political issue).

Internally, strategists should examine business process and ongoing community-building activities to identify any possible application scenarios that can be used to build a business case. Some general examples according to Gotta and O'Kelly (2006) includes:

Sales: Social-networking tools may provide a better introduction mechanism for accounts with higher conversation rates than cold Calles can.

Marketing: Tag clouds derived from an external social software application could provide a dashboard-like look into ongoing and timed patterns based on member tags and bookmarks.

Customer service: Tagging of telephone or email interactions by call center representatives could provide interesting commentary at a collective level (e.g. "possible recall," "product defet,""confusing instructions").

Competitive intelligence gathering: social bookmarking services can target a specific information space (e.g. competitor activities or ways people use a particular product).

Information Management: Folksonomy efforts could result in taxonomies that are more precise (e.g. integration with search engines) as well as more responsive to change by picking up on terminology and providing users with sense of participation and ownership.

Organizational development: Tracking tags and bookmarks over time can reveal trends (e.g. using a Nielsen-like rating system) of what people are reading and what the find important, thus providing learning strategies and HR decision makers with insights into the types of training, seminar, or other topics that might be of interest or skills/competencies to focus on.

5 CHALLENGES

Although Social networks can help companies spread good news fast, it can also spread bad news just as quickly. Moreover, if customers want to vent their anger on your product or service, they can use your social network account. Managers need to understand how to handle those situations quickly and effectively. Also, as social media is not as widely moderated or censored as mainstream media, individuals can say anything they want about a company or brand, positive or negative.

Increasingly, companies are looking to gain access to these conversations and take part in the dialogue. However, a potential problem that companies using social media may face is the privacy and personal security issues. There exists a niche segment that is overly concerned about their security matters and do not prefer to discuss their vocation and similar plans on social web. Nonetheless, Gotta and O'Kell (2006) agonize that, networks that thrive when they are informal and invisible are at risk for changing behavior or complete collapse if management suddenly becomes aware of them and attempts to influence, leverage, or exploit them in some ways. They further connotes that, there are other unintended consequences of making social networks and their interrelationships public. Overall, the success and failure of technologies specifically geared toward social networking revolve around user participation, trust, security, and privacy. So, users sometimes tend to be hesitant to share some of their sensitive information with companies. This means, organizational issues regarding incentives for participation, managing behavior changes, and building effectives communities have greater impact.

Reasons for user collectively interacting vary greatly. At one extreme such interaction can be very self-serving. Users might participate in socially oriented applications only to link on the edges, absorbing information from the community that is relevant to their own research, personal needs, or work-related tasks. The intensity of their participation might be represented by their contributions (e.g. providing opinions) recommendations, insights and other types of information or by aggressively tagging and sharing bookmarks), their ability to persuade others to join, or their level of influence in brokering linkages between members in the community network.

6 CONCLUSIONS

Strategically, establishing communities around products and services has been a well-known method of building brand loyalty, establishing exit barriers, and facilitating viral marketing through self-emergent customer testimonials. One of the key success factors of social software is involving its customers and determining their needs on a personal level through encouraging consumers to participate enthusiastically and listening to their desires. Such communities can also be a source of innovation by soliciting consumer input, customer suggestions, and critiques. However, there is a risk that such action could occur organically (e.g., attention is brought to some product or services defect or political issue). This situation requires management of social software implementations and monitoring of related consumer services to become action items for public relations, marketing, and related community outreach departments. Moreover, companies have to keep track of the conversations going on about their services to assist them in monitoring dissatisfied customers' conversations and support to engage them to resolve their issues. On successfully disentangling, company will gain satisfied customers increasing customer retention and ultimately converting negative conversation on social media platforms into positive Word of Mouth (WOM).

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