Chapter 2
Knowledge-Driven Customer Support Services: A Socio-Engineering Approach

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ABSTRACT

A Customers Relationship Management (CRM) program aspires to manage the relationship between a company and its customers as a key to success, in view of the fact that good relationships with customers lead to higher customers’ satisfaction. Despite the importance of CRM programs, their failure rates are high, partly because CRM service providers cannot resolve customers’ claims on time, which often occur due to the difficulty to find valuable knowledge and reproduce solutions. Therefore, integrating Knowledge Management (KM) activities, and in particular social Web 2.0 applications, within a CRM solution suit may enable to significantly enhance the efficiency of the organizational CRM program and build a knowledge-driven customer support services solution. The proposed CRM solution is based on a research case study conducted within customer service department of a large software organization.

INTRODUCTION

Over the past years, we have witnessed an increased focus on KM as a major part of organizational strategy in knowledge-intensive organizations and as a significant driver for business process design and reengineering (Gronau et al., 2005; Remus et al., 2003). KM enhances the ability of knowledge-intensive organizations, such as in the software industry, to continuously learn and adapt, and to rapidly respond to changes in technology, market, and customer preferences, mainly by improving their knowledge-intensive business processes (KIBP) (Lonnqvist, 2005). In particular,
KM is considered as a critical success factor for customer relationship management (CRM) (Van Damme et al., 2007). This includes handling customers’ knowledge for better understanding their needs and for serving them effectively, thus increasing their loyalty to the company (Gebert, 2002). In addition, current Web 2.0 concepts, which encompass major technological developments that characterize current Web applications, offer new opportunities for social networking and business (Anderson, 2007; Ullrich et al., 2008), which may support KM.

CRM process is mainly based on processing and integrating information extracted from the front office business processes of marketing, sales and customer services (Van Damme et al., 2007). In the context of software organizations, even though sales of software programs generate a substantial portion of the company’s revenue, the company’s long-term growth will depend on its ability to retain its customers via its software support services, through which primary customers’ contacts occur (Fariborz et al., 2001). Support services help service providers learn proper procedures for using the software, solve problems and answer questions that arise while using the software. Furthermore, support services are an important listening post for understanding service concepts and represent a long-term source of revenue (as opposed to the short-term revenue generated by the initial sale of the product).

The ability to quickly and effectively recover from a product failure has become as important to IT customers as the effectiveness and utility of the product itself. Therefore, providing good support to customers leads to higher customer satisfaction. However, despite the importance of customer service, support engineers cannot deliver valuable knowledge on time (Simoudis, 1992). Moreover, the long-term growth of software industry organizations depends today on their ability to retain their customers through the technical support services. Therefore, KM is considered as a critical success factor for customer relationship management, but little empirical research exists regarding the required KM solutions, especially in the context of technical support. This problem defines the objective of this work: to provide a set of KM mechanisms to allow the CRM solution to be more effective, especially in reducing time to customers’ claim resolutions and at the same time increasing customers’ satisfaction (We use the term claim throughout this paper to indicate any difficulty faced by the customer – software failure, misusing the system thus not receiving the expected results, etc.).

This case study research applies a socio-engineering knowledge audit methodology – SEKAM (Aviv et al 2009) to analyze the current situation of technical support services in software organization and provide a validated list of solutions and social tools that could be adapted by other organizations in the software industry. The research focused on the main and critical knowledge intensive business process of technical support services: the customer claim resolution process. The aim of this process is to resolve customers’ claims quickly and effectively for satisfying customers according to relevant key performance indicators.

The main contribution of this research is the development of a list of KM oriented solutions for enhancing CRM, focusing on the customer claims resolution process characteristics. A descriptive rationale was provided to explain how each solution influences customer support. These solutions are aimed at guiding practitioners in implementing KM solutions in the context of customers’ claim resolution process.

The rest of the chapter is organized as follows: The next section briefly reviews the literature on the characteristics of knowledge-intensive organizations and customer service. Next we present the research setting and methodology. Following, we present the research findings, including the developed list of KM oriented solutions for support divisions. Finally we conclude and discuss future work.
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