LUND UNIVERSITY

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and Service Studies

<u>Social Relationship Management</u>

A case study of customer relationships in a social media context

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Master Thesis, 2015
Retail Management

Abstract

Introduction:

Social CRM is a relatively new concept that is considered an extension of traditional CRM – performed through social medias. The concept has little prior research and the aim of this paper is to investigate how Social CRM influences the company´s Brand Equity and customer relationships.

Research questions:

R1. How can Social CRM on Facebook influence Brand Equity?

R2. How can Social CRM on Facebook influence customer relationships?

Contributing knowledge:

Social CRM is being proved to influence Brand Equity in a certain degree and that it can impact customer relationships both negatively and positively. Yet the concept of Social CRM is not sufficient to describe all forms of relationships and a new model has been created: Social Relationship Management (SRM). The model covers not just customer relationships but "Community Relationships" of those individuals that perceive to have a relationship but have not made purchases from companies.

Keywords: Social CRM, Customer Relationships, Brand Equity, Co-Creation, Facebook.

Acknowledgements

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1. Introduction

1.1 Background

Marketers have lately discovered the benefits of using social media-channels and other IT-based solutions for reaching customers to build and maintain customer relations. Providing services in personal encounters can create collaborations between customers and companies and lead customer-relationships in a positive direction. Personal services are tying customers closer to companies and subsequent withhold them for a long time by emerging emotional transfer-barriers. Customers' emotional attachments and relationships to companies are significant for companies to work towards, especially in standardized markets with fierce competition as they can be used as methods for differentiation. (Grönroos, 2007; Trainor, 2012)

To give an example, the telecom business entails intense competition where companies provides similar service concepts, products and prices. To maintain attraction, these companies need to know their customers and actively work towards withholding them. (Ciber, 2015) Services are commonly used for differentiation as they can bring extra value for the customers. Services are in modern business considered evenly important as the products themselves and have become a necessity. By creating relationships between companies and customers, the latter are likely to become profitable and loyal. Customer relationships are therefore important to maintain and service-logic has a direct influence of progressive and sustainable entrepreneurship. (Grönroos, 2007)

Services as competitive advantages

Consumption of services are of their nature inseparable from production, making the "moment of truth" in service encounters crucial for companies and their employees to handle customer relationships carefully. The importance of customer relationships has grown during the past decades and the marketing strategies modern companies use have transformed. Traditional marketing strategies focused on the transaction of purchases to attract new customers

while modern strategies tend to focus on keeping existing and attract new customers long term. The change of strategies have been motivated by the hoist of value that services can elaborate for customers, which further influence their loyalty and finally companies future revenue. The Internet is a large contributor to the modern personal services today; they can reach many people at the same time on a personal level. (Grönroos, 2007)

In the late 1990s, Internet-based interaction revolutionised companies way of accessing their customers, and vice versa. Customer Relationship Management (CRM) enables a quick and useful connection between customers and companies as an infrastructure, which opened up the boundaries between companies back offices to the customers in "real-time". (Peelen, 2005) CRM is both a strategy and a method used by companies to gain customer-knowledge and develop valuable long-term relationships to them. The interaction with customers generates both customer value and result in useful collaborations for companies. (Coltman, 2007; Trainor, 2012)

By integrating customers to the process of production in a strategic way, companies can transform customers into valuable collaborators that ideally will contribute to innovation and improvements for very low costs. (Trainor, 2012) Traditional CRM strategies are commonly managed by service-centres and contact is made by email or telephone, but CRM can nowadays also be carried out through social medias. There have been numerous terms used to describe the new type of CRM strategies and a commonly term used is "Social CRM". (Trainor et al., 2014) Social CRM can additionally improve and increase businesses sales through the understanding of customers' visions and subsequent collaborate for improved solutions and products/services (Üstüner & Godes, 2006; Trainor, 2012).

Social CRM as strategy for active engagement

"Social CRM is a philosophy and a business strategy, supported by a technology platform, business rules, workflow, processes and social characteristics, designed to engage the customer in a collaborative conversation in order to provide mutually beneficial value in a trusted and transparent business environment. It's the company's response to the customer's ownership of the conversation." (Greenberg, 2010)

In Social CRM, customers have been given more power and play a larger role than in traditional CRM and they have the possibility to use their influence through concept of co-creation (Trainor et al, 2014). Social medias have intensified Internet-behaviour by them investing personal time in creating and sharing information and thoughts to others. Somewhat 30 % of grown-up online users engage in sharing their lives and thoughts to others, most of them through social medias. Some companies have followed this trend and nowadays encourage their customers through Internet-based applications to take larger part of the relationship between them. The engagements are made by "following" companies and/or contribute to interact in some other way. (Trainor, 2012) The concept of co-creation through Internet will be described and exemplified by Starbucks webpage "My Starbucks Idea" in the next paragraphs.

"My Starbucks Idea" allow people to send in suggestions for company improvements and new innovations ideas. Starbucks then categorize the received ideas. Visitors of the webpage can read other customers suggestions, comment them, and vote positively or negatively to these. Starbucks take these suggestions into account, evaluate them and then announce those ideas that will be launched. (Starbucks, 2015)

This paper investigates how Social CRM is related to co-creation and what sort of impact it can have on Brand Equity and customer relationships. The study is an attempt to clarify how the theories fit together and create further knowledge of the relatively new concepts.

2. Problem discussion

Social Medias have been argued being excellent channels for performing CRM and customer interactions. (Hennig-Thurau, Malthouse, Freige, Gensler, Lobschat, Rangaswamy & Skiera, 2010). Companies can use Social CRM for branding themselves; they are visible to the customers and can interact with these and thereby use branding to create relationships. Brand Equity is a step-by-step guideline and method for companies to use that leads up to the creation of customer relationships. The guideline consists of four steps that create ties between customers and companies by meaning and identity consumption. By branding their trademark, companies produce customers' perceptions and images of themselves and in this way can create competitive advantages through emotional attachment. Brand Equity are in this way linked to Social CRM as they are strategies that involve customer interaction in a large degree by inviting them to participate and building collaborations and long-term relationships through high-level of interaction. (Trainor, 2012; Keller, 2001)

Social CRM is a rather new concept and is argued being an extension of traditional CRM (Trainor, 2012) making it interesting to identify effects on customer relationships through a customer-centric view. Also, as many companies nowadays are engaging in Social CRM activities it is crucial to investigate if the concept has any implications. The aim of this paper is to understand how Social CRM influences the company´s Brand Equity and customer relationships.

2.1 Research questions

    R1. How can Social CRM on Facebook influence the Brand Equity?
    R2. How can Social CRM on Facebook influence customer relationships?

The empirical material used to in this paper is gathered from Telenor Sweden´s Facebook-followers and customers through a self-completion questionnaire. The data is then used for creating knowledge of the effects of answering the research questions. The results contribute to understanding of the theories impact and discuss implications as well as suggestions for improvement.

3. Methodology and choice of method

3.1 General approach to methodical issues

The method used in this paper is a deductive questionnaire with hypotheses (found in chapter 5) based on prior research and theories concerning customer relationships, brand equity and co-creation. The questionnaire (created to produce and collect data) is made with consideration to past results from other researchers (presented more in depth in the theoretical chapter). The method of using quantitative method in a case study is considered rather unusual and social science has generally a tradition of qualitative methods. This type of deviance from other research within social science makes this paper and it´s findings interesting. I recognise that many methods can be used for gathering information about customer relationships and that qualitative and/or triangular methods would create a more nuanced material, yet have chosen the quantitative approach for this study by favourability and high skills of the method.

Some argue that case studies are of qualitative nature (the research design/strategy) (Yin, 2009) since it considers the context, yet the method can also be used in a quantitative approach as well. Hence, case studies are often deductive, which makes is also appropriate in a quantitative way since it investigate prior research and hypothesises.

Case studies are appropriate when researchers want to catch the present, using many variables, and when the research object is not possible to manipulate. Case studies can be used in many areas, such as; groups, organisations and countries. (Yin, 2009) Only the followers in the company´s Facebook page is analysed, and since all the population of Telenor Sweden´s Facebook followers is investigated through a questionnaire, it is a holistic single-case study.

Questionnaire as method was chosen as the aim of the study is to measure how customers' relationship can change due to Social CRM provided on Facebook. Quantitative research has the advantage of quantifying information into data, that later can be measured. The measurability can delineate small differences

between responses and give rather precise results with high validity and reliability rate. Measurements can be used for finding correlations, deviances etcetera. When subjective attitudes are being measured, the questions have to be transformed into indicators. The subjective questions becomes conceptualized and thereby indirect measurable. The measurements can later be used as generalization if the sample is representative for the entire population. (Bryman, 2008)

Another benefit of quantitative research is replication; the results can rather easily be repeated by other research, which contribute to a greater understanding of the matter. In order to reproduce/test other researchers findings, the procedures and methods used are transparent. (Bryman, 2008) In this paper, transparency and replicability is being achieved by a clear and advanced method-chapter and a well-constructed questionnaire.

The terms reliability and validity derives from positivistic ontology but are also used in social science with, often, qualitative methods. As Golafshani (2003) states; the world is constantly changing, raising questions regarding the validity of research in general. If valid, for how long are results valid? As a constructionist, I perceive the world to be in process but believe that larger studies construct more reliable results. It can be argued to be false to consider oneself a constructivist while making a deductive and positivistic research using hypotheses. I believe that the data and results gathered are valid at that given time, but that they can change over time.

3.2 The papers research design

May (2011) explain research design as the framework used for collecting and analysing data describes that questionnaires provides a cost-effective method of collecting data and can reach many respondents simultaneously. Moreover, if the questionnaire is self-completed and delivered through Internet, the respondents can complete them at their own convenience (Kozinets, 2011). This paper´s self-completion questionnaire was designed through Google Docs and then delivered through Facebook.

Attitudinal surveys can describe and enlighten respondents' opinions and/or feelings (May, 2011) and is therefore very suitable for this papers aim and research questions. This paper is using a random sampling for gathering respondents and data for the analysis. Random sampling of respondents can be an advantage as every respondent have an equal chance of being selected and then generate the favourable possibility to make a statistical generalization from sample to population (May, 2011). In closed attitudinal questions, it may be suitable to offer respondents "Do not know" as available answers (Bryman, 2008). This was considered for this papers questionnaire, and options such as these (or similar) was offered most questions.

3.3 Design and distribution of questionnaire

Before publishing a questionnaire, it is important to "test" the design and questions with an assessment-group. The assessment-group can identify problems and give feedback for improvements, for example regarding the questions language and structure. (May, 2001; Bryman, 2008) It is important to avoid long sentences and ambiguous terms in questions as the respondents may not understand and/or misinterpret the questions and answers. Furthermore, the questions have to be direct and only concern one problem and/or concern – double-barrelled questions have to be avoided as it causes confusion for the respondents. (Bryman, 2008)

For these reasons, the questionnaire for this paper was sent to a small group of people, consisting of fellow students and scholars at Lund University that was able to evaluate the questions beforehand. The group was selected by regard to their high knowledge within the social research academia. As the assessment-group approved the questionnaire, it was sent to the company Telenor Sweden along with an advertising picture. Telenor Sweden contacted a senior analysis consultant in social media marketing from the company Nepa AB what gave feedback and useful tips regarding the questionnaires structure and questions. The questionnaire and picture was then published (Sponsored) and distributed on Telenor Sweden´s Facebook-page where the customers and Facebook-

followers were encouraged to complete the questionnaire.

When publishing a questionnaire, it is important to use a covering letter to introduce the aim of study and described the intention. Other information should also highlight that participation is voluntary, anonymous and that results will be confidential (Ejlertsson, 2005); something that in this paper was done very carefully and accurate. The entire population of Telenor Sweden´s followers on Facebook was reached in an efficient way. However, far from all reached followers on the population answered the questionnaire. 200 persons out of 36´407 followers on Facebook answered the questionnaire. The questionnaire accepted answers during the period: 2015-04-30 to 2015-05-12. The questionnaire was voluntary and no economical incitement was provided for the respondents, possibly influencing the low number of responses.

The questionnaires questions and cover letter was written in Swedish as the population of Telenor Sweden with high probability have the language as their mother tongue or can speak it rather fluently. The aim of publishing the questionnaire in the mother tongue was to lower any potential language barriers and increase the number of responses. If the questionnaire was published in English, it might have a negative impact on the response-rate. However, choice of langue may have implications in this study and the discussion of it will be found in *3.5 Critical perspectives*.

Another reason for choosing Swedish was the fact that all participants must have informed consent and understand the aim of the study and how the data will be used. Lack of informed consent is highly debated and participants in voluntary research must be informed that partaking is not mandatory. The choice of participation has to be taken by rational decision and not by force and/or deception. Information of consent and aim of study is most commonly found in cover letters. A form can be used to confirm participants' consents, a strategy that benefit the research as it diminishes any doubt and concern regarding the ethical issues. (Bryman, 2008)

By providing such information in this study´s cover letter, I argue that all respondents were properly informed and that their participation is a form of confirmation of their consent. Regarding the questionnaires questions, they have in general an attitudinal approach. The questions investigate how customers/followers of Telenor Sweden on Facebook perceive their relationship level to the company and how it may change (or not) due to activities on the Facebook-page. The questions are also have basic information regarding the respondents, such as; age, gender, years of customer to Telenor Sweden. The following closed answers to the questions are of different character; nominal scale (gender), ratio scale (age) and ordinal scale (approaches to given situations). The ordinal scale answers are influenced by Likert scale with five options ranked from "Strongly disagree" to "Strongly agree" (1-5).

Likert scale-questions are suitable to use in attitudinal questions, as they are easy for respondents to understand due to a clear structure and closed options of answers. Also, the results are easy to be coded for the researcher. However, the Likert scale is not suitable for factual and behavioural questions. (Bryman, 2008) The questions of this questionnaire had different characters of questions and did not only consist of Likert scale options but factual and behavioural questions as well. The questionnaire is found in Appendix A.

The data collected from the Questionnaire was inserted to the statistical program SPSS and from there coded and analysed in multiple charts and tables. Both descriptive and inferential statistics are used and together create a holistic understanding from the case study. Charts and tables used for the analysis are crosstabs, central tendencies, central distribution, cross-tabs, correlations, regression analyses and scatter-plot. In order to limit the result correlation and regression-analyses, a 95 % confidence interval was set up to regulate the reliability of the study. As the paper has a deductive approach, the results were later used for either confirming or reject the hypotheses H1-H3.

3.4 Reliability and validity of the study´s results

To gain assistant in the work with the program SPSS, a guidebook was used for higher expertise and higher validity of results (book by Pallant, (2007)). Pallant (2007) describe in depth how to use the statistics in SPSS and guide the reader when it comes to analysing the data. Further, I as researcher have high knowledge of SPSS due to prior experiences of usage in academic courses, such as in Methodology and Bachelor thesis. I argue that the knowledge increase the validity of this study as the results are performed accurately together with valid confidence interval in social research.

Further more, the study's results are valid and reliable because the questions asked in the questionnaire are very precise and linked to the theoretical framework that is used. Even though the entire population is being investigated, it is difficult to generalize on a large scale due to the heterogeneity. It may be so that the one thing that is in common for the followers of Telenor Sweden on Facebook is just that. This means that the performed study neglects all other aspects and context, such as background and past experiences. However, this said, the questionnaire's questions are specific to analyse subjective responses only regarding a narrow research topic. The narrow approach together with non-leading questions makes the questionnaire results sufficiently valid for generalization in this topic, yet in this topic only. Trost (2012) describe that the population has an effect on the reliability and validity as a homogeneous population is likely to have similar answers, but argue that it is favourable to reach the whole population if possible. This paper has the advantage of possible reaching the entire population through social media distribution and the result should therefore be valid due to the homogeny in the population.

3.5 Critical perspectives

As previously mentioned, the choice of language in the questionnaire may have an implication to the results. The paper is consistently written in English and the results from the questionnaire have therefore been translated from Swedish. I, as researcher, made the translation myself. Hence, I have excellent skills in both languages (Swedish as mother tongue, English as fluent). The translation was done carefully as there had to be no mistakes and/or misinterpretations.

4. Theoretical frameworks and prior research

Service encounters consist of transactions of knowledge and actions that can create and/or shape customers attitudes and emotions towards companies. Companies inviting customers to deeply involve in service processes can have a positive effect on their attitudes. The attitudes and emotions that customers feel towards companies' consequence in relationships being evolved or not. (Storbacka & Lehtinen, 2000)

4.1 (Social) CRM

As previously stated, CRM emerges from the idea that management of customer relationships can lead to higher profitability. It began as a philosophy of strategic goals that involves integration of customer-focused action in the supply-chains to retain customers. The concept later established a more collaborative approach and involved customers more deeply. Generally, traditional CRM strategies are argued suitable to use on a large scale when to connect to many customers at the same time, while Social CRM is better when interacting on close encounters. (Giannakis-Bompolis & Boutsouki, 2014)

Social CRM is viewed as an extension of traditional CRM as the concept is very similar but some new possibilities and processes have been added. The large difference between the two concepts is greater customer involvement through customer-centric service offers. Social CRM leads to co-created customer experiences while traditional CRM does not in the same degree. The closeness between customer and company and collaborative services in Social CRM are contributed factors to this. (Trainor, 2012)

Social CRM can engage interactions on a personal level and companies can learn by analysis of conversations and/or other forms of interactions on social media platforms. Meaning, CRM strategies must in general include integration of interaction and learning, yet the strategies may differ from social platforms or the purpose. What increases positive outcome of Social CRM is customer-involvement in such a degree that they are confident and stable in the environment that they feel secure. If customers are satisfied, the engagement

leads to mental transfer-costs, which is increasing loyalty and chance of longer relationships. (Giannakis-Bompolis & Boutsouki, 2014)
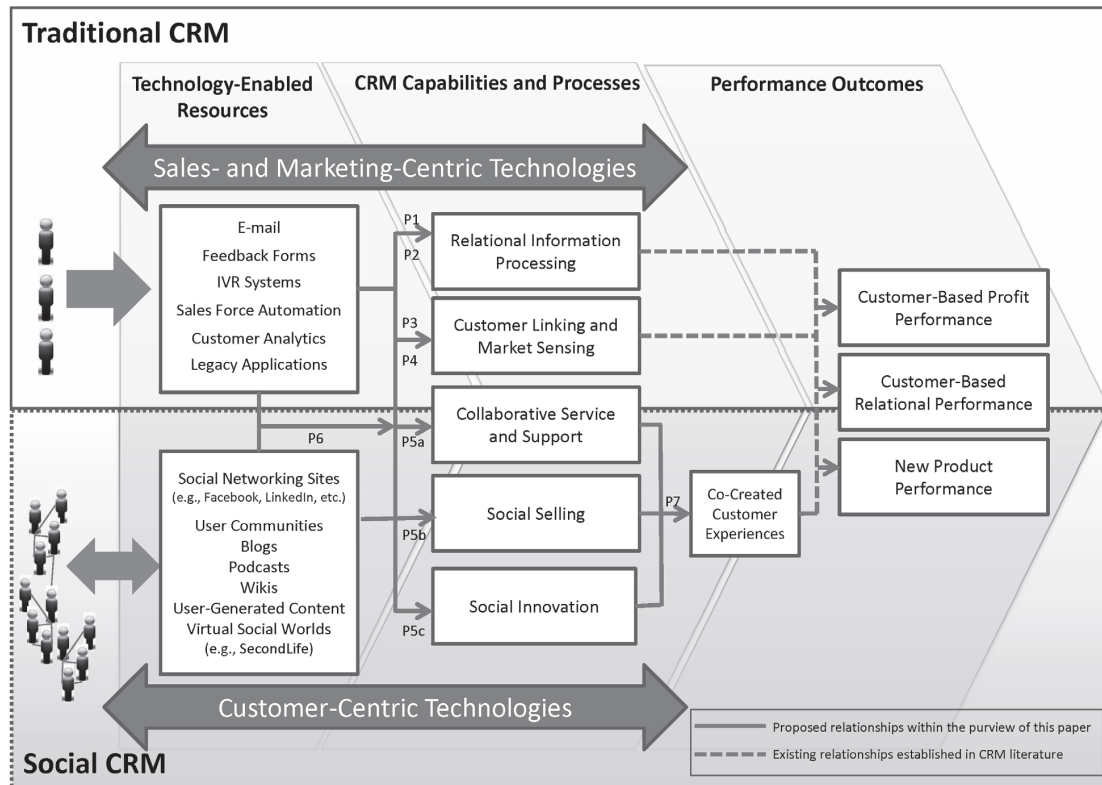
Fig. 2. (Trainor, 2012, p.321)

By IT solutions, companies gain access to closer analysis of customers, which can be used for building profiles and range these by profitability. IT solutions are making modern relationship management cost-efficient and easily store the information regarding customer profiles. From Social CRM, many competitive advantages can be extracted such as cost reduction, process integration and high-speed communication. (Bahrami, Ghorbani & Arabzad, 2012)

Modern people use social medias in general to connect and interact with other people globally. These social medias has recently also been adopted by companies and have become a popular alternative to more conventional medias such as television and magazine advertisements. In social medias, people become members of socially constructed forums where they engage with network-participants through Internet. Companies use these social medias to reach customers at a personal level and environment for collect data and gain

larger insights to what the customers requests. However, companies must know how to coordinate the Social CRM in a way that is useful; where customers´ interactions can be interpreted into understanding of their needs. If companies in this way gain intelligence about their customers, then they can develop collaborations and break down barriers between them. Customers nowadays demand the same level of interaction and engagement with companies that they are expecting from personal networks. Salespersons and marketers from companies whom are active on social medias have the opportunity to interact with customers in a personal way, an availability that is very rare in other marketing channels. However, social media marketing can also be done badly if do not live up to customers' expectations and might lead to decreased customer relationship-levels. (Trainor, 2012; Trainor et al., 2014; Tiderius & Öhman, 2014)

Companies need to have a clear service-centric approach throughout the entire organization. By also adding technology to customer-focused strategies, the extension may lead to a beneficial co-creation and future value for the customers. Marketing of companies becomes very close to customers' private spheres and the closeness broadens companies' ability to connect to customers in a deeper relationship-level. The output (important information about the customers preferences and experiences) of Social CRM is often used as future strategies for better retaining them. (Trainor, 2012)

4.2 Measuring Customer Relationships

It is difficult to quantify intangible assets, such as customer value and relationships, due to its subjectivity. Customer relationships are often measured by a financial value calculated by profitability of past events - such as sales. However, it is evenly important for companies to look forward for future revenue and not only analyse past events. Customer Equity is a method for companies to mathematically analyse how profitable their customer relationships have been and consist of three different processes (Value Equity, Brand Equity and Relationship Equity) seen in figure. (Bermejo & Monroy, 2010)
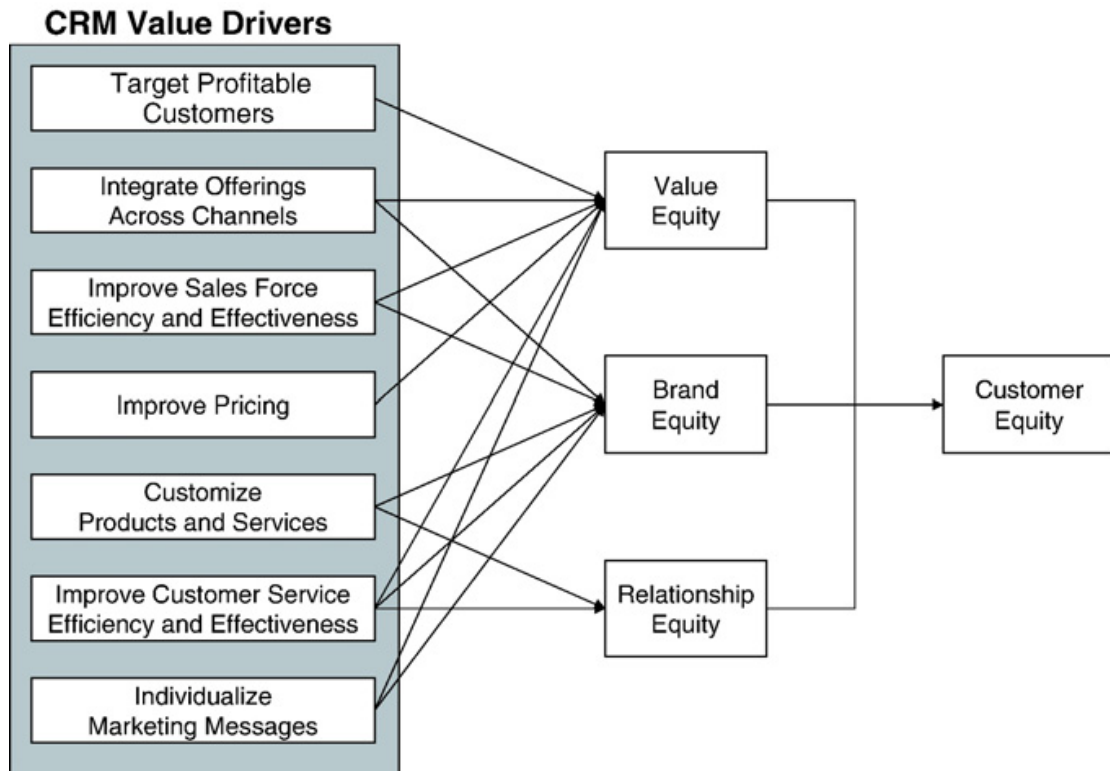
Fig. 3. Processes in Customer Equity (Richards & Jones, 2008).

CRM strategies and methods are used for increasing companies Customer Equity by targeting profitable customers and offering them customized services and marketing messages. The result is to gain higher value and therefrom increase their future revenue. (Richards & Jones, 2008)

OBS*. Customer Equity has little to do with the traditional term of equity of past events and only focus on future revenue. Also, due to the paper´s research questions, only the Brand Equity will be used as analytical method.*

4.2.1 Brand Equity

There are four different steps for companies to work with when it comes to Brand Equity (and the creation of customer relationships) that needs to be followed sequent: (1) Who are you? *{Brand Identity)* (2) What are you? *{Brand Meaning)* (3) What do I think or feel about you? *{Brand Responses)* (4) What kind of association and how much of a connection would I like to have with you? *(Brand Relationships).* These are customers' subjective thoughts regarding the company´s brand that can be worked with and considered when managing CRM. (Keller, 2001, p.15)

a) Brand Identity

Brand Identity among customers means that they have an awareness of the company in depth and width. The depth dimension refers to customers identify the brand top-of-the-mind; while width refers to the range of different situations these occur. A prominent company are excellent in both dimensions. (Keller, 2001)

b) Brand Meaning

Brand Meaning can be explained as a company´s service concept and how customers perceive and associate to company performance. Through customers experiences and/or companies advertisements Brand Meaning can be created. Customers perceive that the company have a certain level of quality due to how well companies deliver the services. The quality is related to service and/or product performance. A strong branding and meaning can, and have been, used to create differentiation towards other brands in the market. Brand Meaning has a very positive effect on Brand Equity. (Keller, 2001)

If customers experience negative services, the impact of these may vary due to that loyal customers are more likely to accept some negative parts as the accumulated satisfaction also influence Brand Meaning (Hernant & Boström, 2010). Also, Service Recovery can turn around negative experiences – where the company have the possibility to outperform other bad experiences (Grönroos, 2007).

c) Brand Responses

Customers respond differently to companies marketing activities and brand associations based on how they feel towards them. The responses origin from Brand Meaning and host attitudes based on judgements of certain criteria mentioned in the last paragraph. The subjective feelings that Brand Responses can evoke are; Warmth (feeling emotional towards the brand), Fun (customers feeling happy because of the brand), Excitement (the brand has a cool image), Security (confidence to brand and reliable), Social Approval (consumers feel identity to fellow consumers), Self-respect (customers gain personal pleasure, achievement). The three first feelings are experiential and can increase in the sense of intensity, while the other feelings are more stabile and do not increase/decrease as easily.

d) Brand Relationships

The final step in building relationships comes down to the identity of consumption and the bonding between customers and brands. The Brand Relationship can be performed through four customs; Behavioural loyalty (repeated purchases), Attitudinal attachment ("love it", escapism), Sense of community (connection with other customers/consumer tribes), Active engagement (co-creation). (Keller, 2001)

4.2.2 Communication-level as measurement

Grönroos (2007) use a similar explanation of customer relationships but neglects Keller (2001) first three steps (a-c) and only focus on the last; Brand Relationships.

Companies use interaction and personal communication to withhold customers, as they are more profitable and create a stronger connection than to other companies. These companies often then become the favourable choice for purchases. A relationship is then *"/.../ developed when a <u>customer</u> perceives that a mutual way of thinking exists between customer and supplier or service provider".* Since relationships are a two-way connection, the loyalty begins with continuously interactions and exchanges – that is; goods, services, information,

and administrative routines etcetera. The dialogue consists of above described exchanges and creates a value process based on *learning* and growing of customers needs, values and habits by each interaction point. (Grönroos, 2007, p.35-36)

The communication levels that customers and companies can engage in are; planned communication, contact and connectedness - which build up the relationships. Planned communication is low level of communication from company´s action, often through media and advertisements in a standardized encounter. Contact is encounters beyond planned communication points in a more dialogical manner with two-way interaction. When the two-way interaction increases and the parts develop closer connections, then a relationship is established. The likelihood of continuous relationships increase as customers´ begins to act upon feelings and not only their minds. (Grönroos, 2007, p.319-322; Lindberg-Repo & Grönroos, 2004)
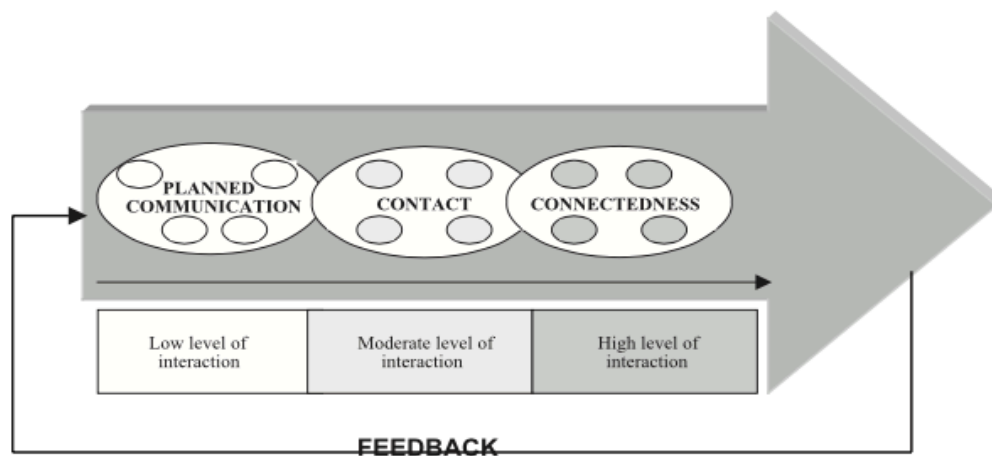
Fig. 4. Communication model. (Lindberg-Repo & Grönroos, 2004, p.323)

Chu & Kim (2011) argue, as Grönroos (2007), that the degree of communication and engagement are related to the level of customer relationships. Customers that are more active on companies Facebook-pages by writing comments are participating in co-creation and thereby have higher level of relationship (Chu & Kim, 2011).

4.3 Co-creation

Customers' level of engagement to companies is argued being divided into three terms; co-optation, co-production and co-creation. The first level is when customers engage in duties performed by producers (such as self-service), the second level is when customers participate in the production process and third step means that the customer engage in such a level that they are innovators for future products. The customers' level of engagement is not fixed but they can move between the levels over time. (Lanier & Hampton, 2008; Gyimothy & Larson, 2015)

As a different view of co-creation, Unruh (1980) states that social worlds and groups within it are socially constructed with different features of involvements and communication. There are claimed to be many different social worlds, that they are easy to access and that the communication within the groups are vital as they produce and create interrelationships. Unruh (1980) concept of social worlds identifies the phenomenon of interrelationships and group behaviour that today is social medias and other types of interaction based on Internet.

5. Theoretical model
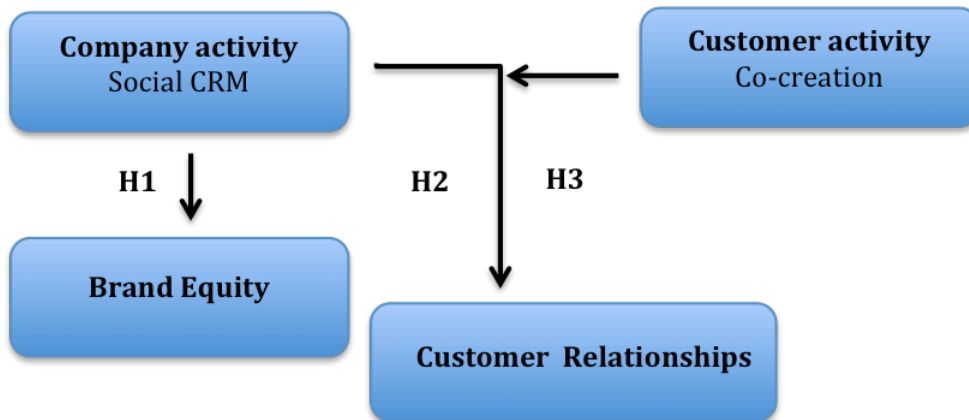
Model 1.

Model 1. is an attempt to clarify how the different theories from chapter 4 fit together and affect each other. Three hypotheses have derived from the theories and were tested by deductive questions in the questionnaire. The data collected through the questionnaire are used for answering the paper´s research questions:

R1. How can Social CRM on Facebook influence the Brand Equity?
R2. How can Social CRM on Facebook influence customer relationships?

The different hypotheses are being tested and answered individually with prior research and theories from previous chapter. Each hypothesis is connected to certain theories and are discussed separately in following paragraphs:

H1:   *Social CRM can positively increase Brand Equity.*
Social CRM activities on Facebook can brand companies in a relational approach described in chapter 4 by Keller (2001), which theoretically should be able to positively affect Brand Equity. Connected to **R1.**

H2:   *Social CRM through Facebook can increase customers perceived level of relationship to companies.*

Social CRM through relational marketing activities on Facebook can have the possibility to attract more customers to feel a relationship towards companies and increase the perceived level (Trainor, 2012; Trainor et al., 2014). Connected to **R2.**

H3:   *Strengthened customer relationships are positively related to higher intensity of co-creation.*

Customers that perceive to have relationships with companies are more likely to engage in co-creation activities, such as; self-service, dialogs and co-production of services on Facebook (e.g. Lanier & Hampton, 2008: Chu & Kim, 2011). Connected to **R2.**

The individual analyses and results of hypotheses H1-H3 are later collectively concluded in chapter 7.

6. Empirical investigation of Telenor Sweden

Many modern companies are active on social medias, encouraging the followers to interact through chats and messages to gain support or express thought and comments. One of many examples is Telenor Sweden, a telecom company that uses social media marketing to connect and interact with their customers. Telenor Sweden is one of the largest and most visible companies on the Swedish market; they have a commercial series on television and on social medias as well, such as Facebook and Twitter (Telenor Sweden, 2014).

During working hours on weekdays their Facebook-page is open for people to interact and connect with Telenor Sweden´s staff concerning products, purchases, marketing etcetera. Telenor Sweden´s Facebook-page has 36´407 followers (Telenor Sweden, 2015) and the company has the possibility to reach many of their customers through this channel, and vice versa. Telenor Sweden has due to these factors been chosen as the empirical investigation for this study.

The customers that engage in companies Social CRM (such a Telenor Sweden´s) are probably interested in receiving something back as a reward for their participating. This is making it very crucial for companies using Social CRM to take customers interaction seriously; otherwise the strategies can backfire – as seen in prior research result (Tiderius & Öhman, 2014). As Storbacka & Lehtinen (2000) points out are emotions towards companies influenced by service encounters and other interaction – having consequences for the evolvement of (future) relationships or not.

The hypotheses H1-H3 are being answered and analysed through prior research and theories. However, the first section of the analysis gives descriptive information regarding respondents.

Respondents' background information

To begin with is it important to go through the background information regarding the respondents' age, gender and whether they are customers of Telenor Sweden or not.

Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Female	109	54,5	54,5	54,5
	Male	89	44,5	44,5	99,0
	Do not want to give information	2	1,0	1,0	100,0
	Total	200	100,0	100,0	

Table 6.1

Regarding gender, out of the 200 respondents that answered the questionnaire were 109 female, 89 male and 2 persons did not want to leave such information.

Concerning respondents age, many of them were relatively young but the age variance from 15 years up to 76 years. The mean age of the respondents was approximately 35 years, the mode age was 23 years and a quarter of all respondents was in the range of 23 to 30 years of age.

Statistics

Age (numeric)

N	Valid	200
	Missing	0
Mean		35,39
Median		30,00
Mode		23
Minimum		15
Maximum		76
Percentiles	25	23,00
	50	30,00
	75	43,75

Table 6.2

As illustrated in Table 6.3 were 192 of the 200 respondents (96%) customers of Telenor Sweden and 157 of these (78,5%) have been so for more than 24 months. 14 of the 200 respondents (7%) are new customers of Telenor Sweden; 0-6 months, and is the second largest group that answered the questionnaire.

If "Yes": How long have you been a customer of Telenor?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not a customer	7	3,5	3,5	3,5
	0-6 months	14	7,0	7,0	10,5
	7-12 months	7	3,5	3,5	14,0
	13-18 months	9	4,5	4,5	18,5
	19-24 months	6	3,0	3,0	21,5
	More than 24 months	157	78,5	78,5	100,0
	Total	200	100,0	100,0	

Table 6.3

Table 6.4 illustrate that nearly all respondents were customers of Telenor Sweden. Only 7 respondents (3,5%) were not customers of Telenor Sweden and were thereby only following the company on Facebook.

Are you a customer of Telenor?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	192	96,0	96,0	96,0
	No	8	4,0	4,0	100,0
	Total	200	100,0	100,0	

Table 6.4

6.1 Analysis of Telenor Sweden

H1:   Social CRM can positively increase Brand Equity.

Social CRM´s impact on Brand Equity step-by-step

Each step of Brand Equity by Keller (2001) is tested and analysed through results from Telenor Sweden´s Social CRM on Facebook.

CRM strategies and methods are used for increasing companies Brand Equity by targeting profitable customers and offering them customized services and marketing messages. The result is to gain higher value and therefrom increase their future revenue.

The Table 5.5 below indicate that 75% of Telenor Sweden´s customers and followers in Facebook are likely to repeat purchases. More than half of the population are very likely to buy something from Telenor in the future.

How likely is it that you would buy something from Telenor in the future?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not likely at all	24	12,0	12,0	12,0
	Neither or	26	13,0	13,0	25,0
	Somewhat likely	49	24,5	24,5	49,5
	Very likely	101	50,5	50,5	100,0
	Total	200	100,0	100,0	

Table 6.5

The data-collection of Table 6.5 and Table 6.3 indicates that respondents are loyal to Telenor Sweden by often stay as customer for more than 24 months - and that the loyalty can positively influence future revenue. Respondents are likely to spread positive word-of-mouth to others as well as do repeated purchases from Telenor Sweden in the future. As Richards & Jones (2008) describes, CRM strategies are used for building Brand Equity as to target

profitable customers and from loyalty increase revenue. The result of the questionnaire validates the statement given by Richards & Jones (2008).

How likely is it that you would recommend Telenor to other?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not likely at all	22	11,0	11,0	11,0
	Neither or	26	13,0	13,0	24,0
	Somewhat likely	73	36,5	36,5	60,5
	Very likely	79	39,5	39,5	100,0
	Total	200	100,0	100,0	

Table 6.6

Brand Identity:

Customers can have two dimensions regarding awareness of companies' width and depth of their service offers and a successful company are excellent in both dimensions (Keller, 2001). As described early on; the depth dimension refers to the knowledge that customers have of the brand top-of-the-mind; while width refers to the range of the knowledge where these situations occur (Keller, 2001). The awareness of the two dimensions was tested and analysed through the questionnaire and the process will be described in the next section.

The model of Brand Identity (width and depth) has in this questionnaire been modified into concept of knowledge. What has been tested in the questionnaire was to which degree of knowledge the customers of Telenor Sweden have regarding the company´s service offers. The measurement was divided into the same two dimensions as Keller´s (2001) Brand Identity.

What knowledge do you have of the NUMBER OF SERVICES that Telenor offer?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very low knowledge	30	15,0	15,0	15,0
	Low knowledge	42	21,0	21,0	36,0
	Medium knowledge	65	32,5	32,5	68,5
	High knowledge	39	19,5	19,5	88,0
	Very high knowledge	24	12,0	12,0	100,0
	Total	200	100,0	100,0	

Table 6.7

The data is rather widely spread over all possible answers with similar variance over both "Very high" and "Very low" degree of knowledge. However, the mode of answers was "Medium knowledge" (32,5%) concerning the width of Telenor Sweden´s service offers. As shown in Figure 6.1, respondents' have a wide difference of knowledge regarding the width of services provided by Telenor. The result indicates no large signals of excellence of the width-dimension.
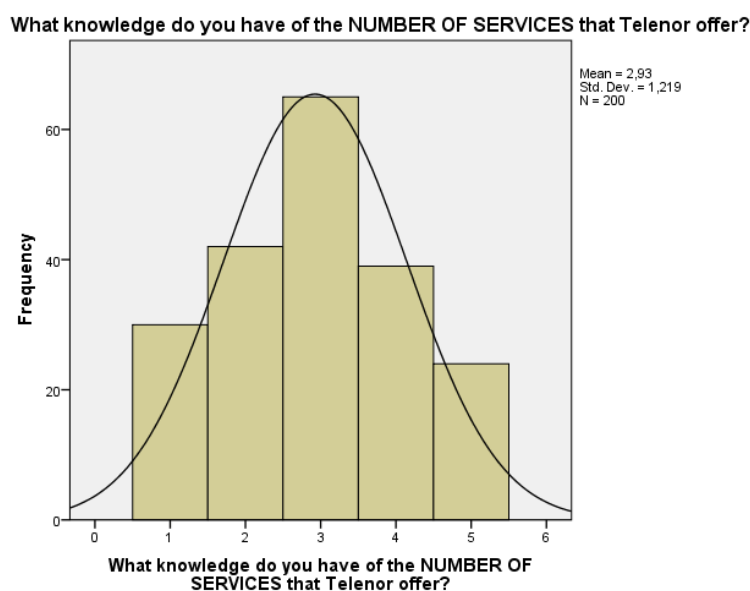

Figure 6.1

The variance of different answers is visibly shown in Figure 6.1 and indicates that customers of Telenor Sweden do not have sufficient knowledge for Telenor Sweden to claim excellence. The exponential line in the figure show the normal

curve, which should have higher score in order for excellence. The lack of knowledge is a gap that Telenor Sweden can work towards closing in order to achieve excellence in Brand Identity according to Keller (2001).

What knowledge do you have of the INDIVIDUAL SERVICES that Telenor offer?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very low knowledge	27	13,5	13,5	13,5
	Low knowledge	51	25,5	25,5	39,0
	Medium knowledge	68	34,0	34,0	73,0
	High knowledge	32	16,0	16,0	89,0
	Very high knowledge	22	11,0	11,0	100,0
	Total	200	100,0	100,0	

Table 6.8

Table 6.8 indicate the same scenario as Table 6.7 regarding the knowledge of depth dimension. The answers are evenly spread over the chart and few respondents claim to have high knowledge of the individual service that Telenor Sweden provides. The tendency of Table 6.8 and Figure 6.2 is that respondents generally have less knowledge in the depth dimension than in the width.

What knowledge do you have of the INDIVIDUAL SERVICES that Telenor offer?
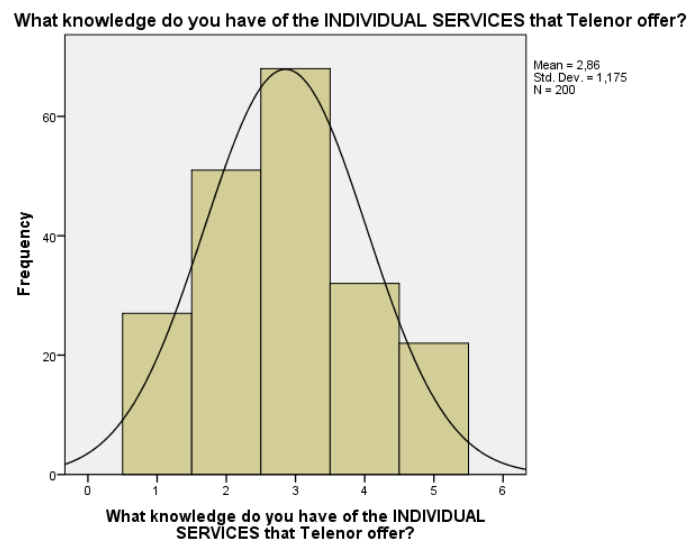
Mean = 2,86
Std. Dev. = 1,175
N = 200

Figure 6.2

The normal curve and staples in Figure 6.2 is rather similar to Figure 6.1 but the cluster have moved further down to the left on the x-axis meaning that the respondents generally have less knowledge of the depth-dimension. Few of the respondents claim to high knowledge of individual services and the depth-dimension is therefore a second area that Telenor Sweden can work towards approving.

In summarize, the result of the data has shown that Telenor Sweden does not have reached excellence in the dimensions described by Keller (2001). As the steps towards Brand Equity have to be followed sequent (Keller, 2001), the result from Brand Identity may have implications for Brand Equity in the future. Telenor Sweden should work with Social CRM and traditional CRM in order to increase knowledge of the two dimensions.

<u>Brand Meaning:</u>

The second step into building Brand Equity is Brand Meaning and covers the customers perceived performance of services, influenced by how well the company perform (Keller, 2001). Telenor Sweden's customers was given the question "How do you perceive Telenor´s service on Facebook?" which create understanding of Telenor Sweden´s Brand Meaning-performance.

How do you perceive Telenor´s service on Facebook?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very low service	12	6,0	6,0	6,0
	Low service	4	2,0	2,0	8,0
	Medium service	33	16,5	16,5	24,5
	High service	50	25,0	25,0	49,5
	Very high service	45	22,5	22,5	72,0
	Do not know	56	28,0	28,0	100,0
	Total	200	100,0	100,0	

Table 6.9

Nearly half of the respondents (47,5%) perceive Telenor Sweden´s service on Facebook high or very high. Only 8% of the respondents perceive the service to be low or very low, indicating that many customers are satisfied with Telenor Sweden's usage of the Facebook-page. 28% of the respondents do not know how Telenor Sweden´s service on Facebook is, indicating that they have not yet experienced it.

As Keller (2001) states are the performance of the company key to establish successful marketing, meaning that Telenor Sweden are prosperous according to the data in Table 6.9. Telenor Sweden should therefore have the potential to use their Facebook-page and Social CRM to gain positive Brand Meaning, which in return can be used for differentiation towards other brands in the market as Keller (2001) discuss.
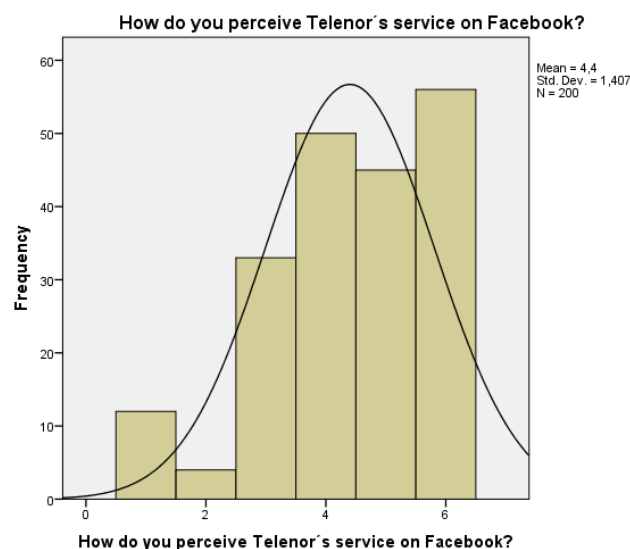
Figure 6.3

The normal curve in Figure 6.3 peak at the score 4,4 (mean), between the two alternatives "High service" and "Very high service". There is however a small amount of respondents (6%) that perceive the service provided on Facebook to be "Very low". The unsatisfied customers do not have the same potential to be as loyal towards Telenor Sweden as the satisfied customers and the company may benefit to use Service Recovery (Grönroos, 2007) to turn the negative

experiences of customers into positive. However, loyal customers are more likely to cope with some negative parts as the accumulated satisfaction (Hernant & Boström, 2010). One can therefore only speculate of how the negative experiences, shown in Figure 6.3 and Table 6.9, will implicate on Telenor in the future.

How do you perceive Telenor´s service on Facebook? * How likely is it that you would buy something from Telenor in the future? Crosstabulation

Count

		How likely is it that you would buy something from Telenor in the future?				Total
		Not likely at all	Neither or	Somewhat likely	Very likely	
How do you perceive Telenor´s service on Facebook?	Very low service	10	0	0	2	12
	Low service	1	2	1	0	4
	Medium service	3	6	3	21	33
	High service	0	4	17	29	50
	Very high service	2	2	8	33	45
	Do not know	8	12	20	16	56
Total		24	26	49	101	200

Table 6.10

Respondents were given questions regarding behaviour loyalty and how they perceive the company´s service on Facebook. Those respondents that did not appreciate the service provided on Facebook were not either likely to buy something from Telenor Sweden in the future. The trend also worked the opposite way; respondents that did perceive Telenor Sweden´s service on Facebook as satisfying were likely to purchase something.

Table 6.10 demonstrate how the answers of the two questions were crosstabed to investigate correlations and pattern between the answers. It is evident that there is a correlation between service-quality on Facebook and repeated purchases in the future. The behavioural loyalty of those respondents that are customers can be lead back to how they are perceived being treated service-minded or not. If those respondents that answered: "Do not know" are excluded from Table 6.10 (as this group probably have not yet experienced Telenor Sweden´s service by Facebook-page) were 60% of satisfied customers likely to buy from Telenor Sweden again. About 8% of those customers that were not

satisfied with Telenor Sweden´s service on Facebook were not likely at all to buy from the company again.

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	101,162[a]	15	,000
Likelihood Ratio	85,488	15	,000
Linear-by-Linear Association	4,704	1	,030
N of Valid Cases	200		

a. 9 cells (37,5%) have expected count less than 5. The minimum expected count is ,48.

Table 6.11

It is evident from Table 6.11 that the result given from the crosstabs in Table 6.10 are representative for the entire population. The Pearson Chi-Square score of ,000 is the lowest number possible indicating that the correlation between the two questions is not caused by random. The score is also significantly below the acceptable value of 95% confidence interval (<,005).

Symmetric Measures

		Value	Asymp. Std. Error[a]	Approx. T[b]	Approx. Sig.
Nominal by Nominal	Phi	,711			,000
	Cramer's V	,411			,000
Interval by Interval	Pearson's R	,154	,092	2,189	,030[c]
Ordinal by Ordinal	Spearman Correlation	-,013	,083	-,182	,856[c]
N of Valid Cases		200			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

c. Based on normal approximation.

Table 6.12

The correlation between service-quality on Facebook and behavioural loyalty is rather strong. The possible values of Cramer´s V range from 0-1, where the score in this case is ,411. From the different scores of Table 6.11 and 6.12, is can be stated that companies using Social CRM trough Facebook should be aware of the

consequences that it has. If done with sufficient service, as Telenor Sweden´s case, the Social CRM can strengthen the Brand Meaning and influence Brand Equity.
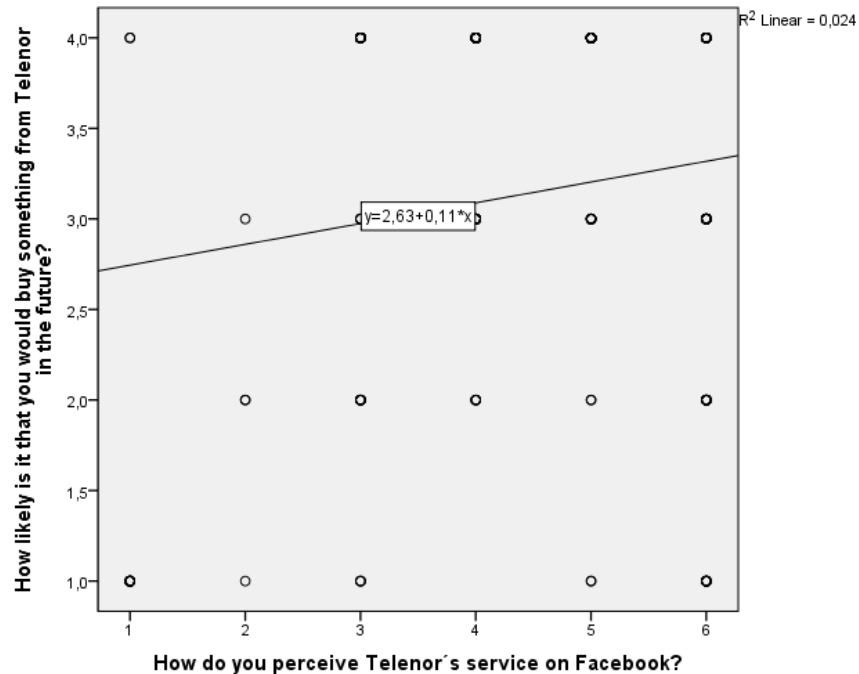
Figure 6.4

Figure 6.4 show the linier equation of how Telenor Sweden´s service on Facebook influence the likeliness for future purchases of the respondents. As the result is significant to the entire population (Table 6.11) should Telenor Sweden continue with their work towards satisfying services and as there is a correlation between Social CRM and customer loyalty.

Brand Responses:
Brand Responses is the third step before reaching Brand Equity which focus on how customers respond to companies marketing activities. As the brand associations are based on feelings; Warmth (emotional), Fun (happy), Excitement (cool image), Security (confidence to brand), Social Approval (identity to others), Self-respect (pleasure, achievement). (Keller, 2001) These feelings were tested in the questionnaire and customers of Telenor Sweden were

asked to pick one of those feelings (or "None of the above") that best described the company.

Which of the following words do you think best explain Telenor?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Warmth (feeling emotional)	21	10,5	10,5	10,5
	Fun (feeling happy, entertained)	7	3,5	3,5	14,0
	Excitement (cool image)	11	5,5	5,5	19,5
	Security (confidence in the brand)	70	35,0	35,0	54,5
	Social approval (identity with other customers)	9	4,5	4,5	59,0
	Self-respect (personal pleasure of being a customer)	29	14,5	14,5	73,5
	None of the above	53	26,5	26,5	100,0
	Total	200	100,0	100,0	

Table 6.13

As identified on Table 6.13 was the feeling "Security" the most chosen word (35%), meaning that Telenor Sweden has an image of being reliable and a secure choice. 26,5% of the respondents did not think that any of the given feelings was suitable for their attitude towards Telenor Sweden. The first three choices are more experiential while latter three are considered private and persistent (Keller, 2001).
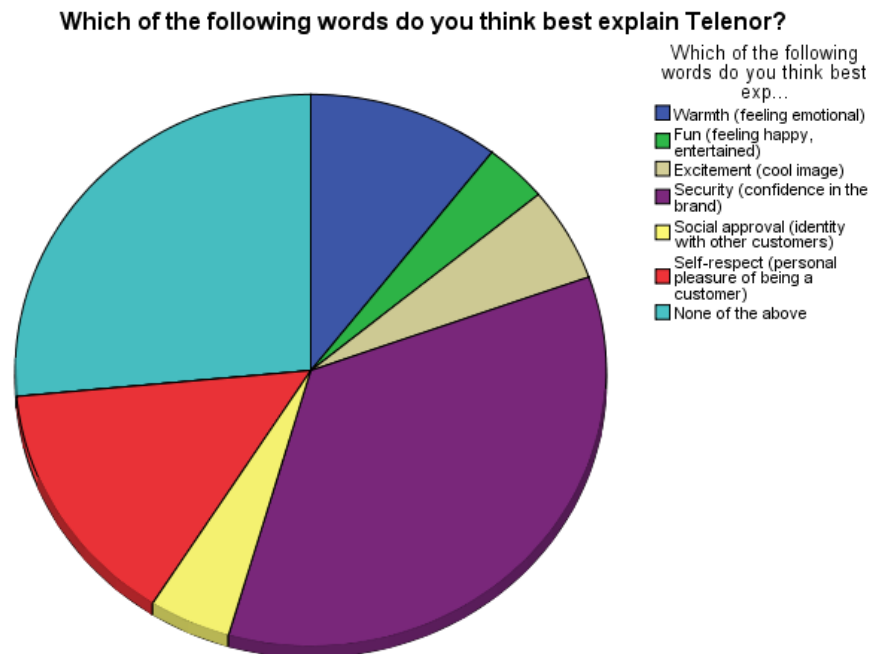
Which of the following words do you think best explain Telenor?

Which of the following words do you think best exp...
- Warmth (feeling emotional)
- Fun (feeling happy, entertained)
- Excitement (cool image)
- Security (confidence in the brand)
- Social approval (identity with other customers)
- Self-respect (personal pleasure of being a customer)
- None of the above

Figure 6.5

What has been discussed in previous paragraph is visually explained in pie chart at Figure 6.5. "Security" has the largest part together with "None of the above" while "Self-respect" is the second most suitable feeling according to the respondents. Self-respect indicates that they gain a personal value out of being a customer and feel a sense of pride and accomplishment (Keller, 2001). The reasons behind the choice of Self-respect can only be speculated but may come from the fact that Telenor Sweden is a respected brand with an image that gives customers meaning and consumer identity connected to co-creation in consumer tribes. As the world according to Unruh (1980) can be socially constructed might be linked to that consumers gain personal achievement and join the interrelationships of the group of consumer tribes.

Brand Relationships:
What also has been tested in the questionnaire was how the customers of Telenor Sweden were Keller's (2001) identity of consumption. The phenomenon has been briefly mentioned in Brand Responses but will be analysed in depth by

Attitudinal attachment ("love it", escapism), Behavioural loyalty (repeated purchases), Sense of community (consumer tribes), Active engagement (co-creation) (Keller, 2001).

- Attitudinal attachment

If a customer should have an attitudinal attachment the company must be perceived as something special (e.g. "love it") in a broad context (Keller, 2001). Attitudinal attachment was in the questionnaire tested by questions concerning the likeliness of buying something from the company in the future and how they perceived their relationships to Telenor Sweden.

How likely is it that you would buy something from Telenor in the future?

Are you a customer of Telenor?			Frequency	Percent	Valid Percent	Cumulative Percent
Yes	Valid	Not likely at all	21	10,9	10,9	10,9
		Neither or	23	12,0	12,0	22,9
		Somewhat likely	47	24,5	24,5	47,4
		Very likely	101	52,6	52,6	100,0
		Total	192	100,0	100,0	
No	Valid	Not likely at all	3	37,5	37,5	37,5
		Neither or	3	37,5	37,5	75,0
		Somewhat likely	2	25,0	25,0	100,0
		Total	8	100,0	100,0	

Table 6.14

Table 6.14 indicates that customers of Telenor Sweden are likely to repeat purchases while non-customers was not as certain if doing so. By speculating, many of the existing customers of Telenor Sweden are probably satisfied with the performance (which has been discussed previously in the chapter) and therefore have a positive attitude towards the company. People that do not have customer-experience of Telenor Sweden are yet somewhat likely to buy from something from the company in the future. This indicates that customers can be created from those respondents whom at first only are following Telenor Sweden on Facebook. About 77% of the customers show a positive attitude towards Telenor Sweden and are somewhat to very certain that they will continuously be customers.

How do you perceive your relationship to Telenor?

Are you a customer of Telenor?			Frequency	Percent	Valid Percent	Cumulative Percent
Yes	Valid	No relationship at all	18	9,4	9,4	9,4
		Very weak relationship	29	15,1	15,1	24,5
		Medium relationship	54	28,1	28,1	52,6
		Strong relationship	50	26,0	26,0	78,6
		Very strong relationship	41	21,4	21,4	100,0
		Total	192	100,0	100,0	
No	Valid	No relationship at all	4	50,0	50,0	50,0
		Very weak relationship	1	12,5	12,5	62,5
		Strong relationship	2	25,0	25,0	87,5
		Very strong relationship	1	12,5	12,5	100,0
		Total	8	100,0	100,0	

Table 6.15

When it comes to respondents' perception of relationships to Telenor Sweden indicate Table 6.15 that there is a conflict on choice and no concentration to a certain answer. Most customers of Telenor Sweden (90,6%) perceive themselves to have a relationship with the company, but the degree of the relationship varies very much. It is evident that non-customers perceive to have less (or non) of a relationship with Telenor Sweden yet some of the followers of the company on Facebook perceive to have a relationship nonetheless. This indicates however that usage of Social CRM on Facebook can contribute to customer relationships and Brand Equity, but also that relationships in some degree are related to transactions of purchases.

The respondents show an interesting fact that attitudes and relationships towards companies are influenced by any interaction and validates the main concept of Social CRM (Trainor, 2012). Moreover, the result may also suggest that the Social CRM does not only have a positive effect on customers but can create relationships none the less. Trainor (2012) states that Social CRM is an extension of traditional CRM but the result of this analysis show that it influences more than just customers, suggesting that Trainor (2012) idea of the term is false. The term Social CRM and the result of this analysis will be discussed more in depth later on in following chapters.

- Behavioural loyalty

If "Yes": How long have you been a customer of Telenor? * If "Yes": Have you made repeated purchases? Crosstabulation

Count

		If "Yes": Have you made repeated purchases?				
		Not a customer	No	Yes, a small amount of purchases	Yes, many purchases	Total
If "Yes": How long have you been a customer of Telenor?	Not a customer	6	1	0	0	7
	0-6 months	0	5	7	2	14
	7-12 months	0	4	2	1	7
	13-18 months	0	2	6	1	9
	19-24 months	0	2	4	0	6
	More than 24 months	0	16	59	82	157
Total		6	30	78	86	200

Table 6.16

In the crosstab of Table 6.16 it can be seen that time of customer and behavioural loyalty is closely linked together. Those respondents that have been customers of Telenor Sweden for a long time have made some or many repeated purchases. 70,5% of the respondents have been loyal to Telenor Sweden for more than 24 months and also been recurring customers (141 respondents out of 200). The relatively new customers have not made any or only few repeated purchases. The tendency that Table 6.16 reveals is in line with Grönroos (2007) argument that loyal customers are more profitable as they spend more money.

As Grönroos (2007) further points out are customer relationships influenced by customers´ feelings when it comes to loyalty as the connection between the two parts becomes closer. The result from Table 6.16 suggest that customers of Telenor Sweden have a tendency to become loyal to the company depending on the time spent, and that they become more profitable by time as Grönroos (2007) stated. As Bahrami et al. (2012) discusses can Telenor Sweden target these profitable customers and continuously use them as competitive advantages. Telenor Sweden can do so by mathematically analyse the profitability as a step to think bigger in terms of the Customer Equity-model by Bermejo & Monroy (2010).

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	203,042^a	15	,000
Likelihood Ratio	83,053	15	,000
Linear-by-Linear Association	53,362	1	,000
N of Valid Cases	200		

a. 19 cells (79,2%) have expected count less than 5. The minimum expected count is ,18.

Table 6.17

The significance level of the crosstab in 6.17 has lowest score ,000 suggesting that the result is reliable, not affected by random and that correlation produced in Table 6.18 is valid. The measured correlation of the behavioural loyalty has the score ,582 (Cramer´s V) suggesting that it is a rather distinct relationship between time and loyalty.

Symmetric Measures

		Value	Asymp. Std. Error^a	Approx. T^b	Approx. Sig.
Nominal by Nominal	Phi	1,008			,000
	Cramer's V	,582			,000
Interval by Interval	Pearson's R	,518	,069	8,518	,000^c
Ordinal by Ordinal	Spearman Correlation	,452	,060	7,127	,000^c
N of Valid Cases		200			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

c. Based on normal approximation.

Table 6.18

Figure 6.6 visualize the correlation discussed previously from Table 6.16 and show how time has an impact on behavioural loyalty and repeated purchases. Telenor Sweden gains beneficial revenue by the loyalty and should therefore aim to withhold as many of the existing customers as possible.
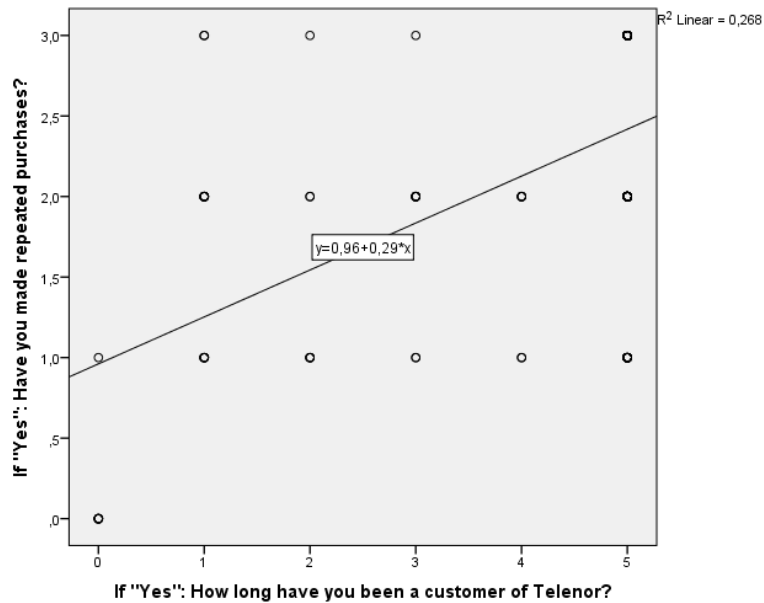
Figure 6.6

- Sense of community

Do you feel connected to other customers of Telenor?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	No	99	49,5	49,5	49,5
	Yes, some	90	45,0	45,0	94,5
	Yes, completely	11	5,5	5,5	100,0
	Total	200	100,0	100,0	

Table 6.19

Around half (49,5%) of the respondents did not feel connected to other customers while 50,5% some way did. It is interesting to see from Table 6.19 that around half of the respondents perceive what Unruh (1980) describes as consumer tribes where the population within the group has interrelationships. The phenomenon of consumer tribes are easy to access and often found in social medias and the connection between customers are a part of the Brand Relationship (Unruh, 1980; Keller, 2001). It may be that the respondents feel a sense of community by the fact that Telenor Sweden are active on Facebook and uses it for Social CRM.

The Social CRM should according to the case of Telenor Sweden be connected to Chu & Kim (2011) who argues that activities, communication and engagement on Facebook strengthens the relationship, as members are co-creators together with others.

- Active engagement

How often do you write comments on Telenor´s Facebook-page? * How do you perceive your relationship to Telenor? Crosstabulation

Count

		How do you perceive your relationship to Telenor?					
		No relationship at all	Very weak relationship	Medium relationship	Strong relationship	Very strong relationship	Total
How often do you write comments on Telenor´s Facebook-page?	Never	12	20	29	33	17	111
	Less than once a year	7	3	8	12	9	39
	Once a year	0	4	4	2	4	14
	Several times a year	1	2	8	3	2	16
	Once a month	0	1	2	2	7	12
	Several times a month	1	0	2	0	3	6
	Weekly	1	0	1	0	0	2
Total		22	30	54	52	42	200

Table 6.20

Table 6.20 indicates that there is a small correlation between level of perceived relationship and frequency of written comments. The respondents have given a widely spread pattern, which can be seen in Table 6.20. The level of relationships matter little to if respondents tend to write comments or not according to the result. There is however a pattern that indicates that those who have written comments regularly tend to perceive their relationship to be stronger.

Hence, the correlation is somewhat weak according to Table 6.22 (Cramer´s V score of ,212), also the Pearson Chi-Square is not sufficient to be accepted in social science as it is less than the 95% confidence interval.

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	35,978[a]	24	,055
Likelihood Ratio	37,510	24	,039
Linear-by-Linear Association	2,084	1	,149
N of Valid Cases	200		

a. 26 cells (74,3%) have expected count less than 5. The minimum expected count is ,22.

Table 6.21

The Pearson Chi-Square sore of 0,55 is to high to be accepted by social science as the random may have influenced the result in the degree that is unaccepptable. The result of Cramer´s V can be viewed upon as an indicator that there is a medium-sized correlation between activeness and relationship-levels, even though the significance level is insufficient.

Symmetric Measures

		Value	Asymp. Std. Error[a]	Approx. T[b]	Approx. Sig.
Nominal by Nominal	Phi	,424			,055
	Cramer's V	,212			,055
Interval by Interval	Pearson's R	,102	,076	1,448	,149[c]
Ordinal by Ordinal	Spearman Correlation	,109	,072	1,537	,126[c]
N of Valid Cases		200			

a. Not assuming the null hypothesis.
b. Using the asymptotic standard error assuming the null hypothesis.
c. Based on normal approximation.

Table 6.22

The activeness of written comments on Telenor Sweden´s Facebook-page should according to Chu & Kim (2011) lead to stronger perceived level of relationships, which the result of Table 6.20 indicates (yet only weakly).

Most of Telenor Sweden´s customers are not engaging in the co-production discussed by Lanier & Hampton (2008) - what Grönroos (2007) describes as contact - but instead communicate on a lower level (such as planned communication). It is according to Lindberg-Repo & Grönroos (2004) the dialogs and connectedness that create relationships, but have in the analysis been proven not to be so and those relationships are more complex than that.

Due to the overall results from H1, I would like to argue that the hypothesis is confirmed; Social CRM can positively increase Brand Equity. The results have in some cases been ambiguous but the overall results indicate that the hypothesis is valid.

The effects of services through Social CRM on perceived relationships

How do you perceive Telenor´s service on Facebook? * How has your relationship to Telenor changed since you began following the company on Facebook?
Crosstabulation

Count

		How has your relationship to Telenor changed since you began following the company on Facebook?						Total
		Relationship has DECREASED A LOT	Relationship has DECREASED A LITTLE	No change	Relationship has INCREASED A LITTLE	Relationship has INCREASED A LOT	Do not follow Telenor on Facebook	
How do you perceive Telenor´s service on Facebook?	Very low service	6	1	3	0	1		12
	Low service	0	2	2	0	0		4
	Medium service	0	3	15	10	5		33
	High service	0	1	18	25	6		50
	Very high service	1	0	18	11	14		45
	Do not know	2	0	36	2	0	1	56
Total		9	7	92	48	26	18	200

Table 6.23

OBS. *Those respondents that does not follow and/or have answered: "Do not know" concerning Telenor Sweden´s service on Facebook are excluded in Table 6.23. The statistics of those (58 out of 200) are not relevant to the hypothesis H2 and have been covered with thick lines in Table 6.23.*

From Table 6.23 it is shown that 39% of the population (56 out of 144) has not experienced a change of their relationship since they began following Telenor Sweden on Facebook. 88% (127 out of 144) respondents perceive Telenor Sweden to perform "Medium" to "Very high service" on their Facebook-page, indicating that the company are rather successful with their Social CRM. As Richards & Jones (2008) states aim CRM strategies to reach customers by customized services and thereby gain higher revenue in the future. Generally, the result of Table 6.23 indicates that Telenor Sweden´s Social CRM have a positive impact on customer relationships as many of them have increased in intensity.

As customers nowadays demand similar interaction and engagement on social medias as in real life with personal contact (Trainor et al, 2014; Trainor, 2012) suggest the result of Table 6.23 that Telenor Sweden are performing Social CRM in a satisfied way. The result of Table 6.23 also suggests that it is a correlation between successful service on Facebook and increased relationships and thereby

validates the hypothesis H2. The result is also somewhat related to what Tiderius & Öhman (2014) describe regarding bad service and decreased relationship-levels as some relationships have decreased in intensity.

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	180,429[a]	25	,000
Likelihood Ratio	142,374	25	,000
Linear-by-Linear Association	15,411	1	,000
N of Valid Cases	200		

a. 23 cells (63,9%) have expected count less than 5. The minimum expected count is ,14.

Table 6.24

The significance level of the result in Table 6.23 is highest score possible (Pearson Chi-Square of ,000) proving is certain that the correlation of ,425 (Cramer´s V) is not caused by random and that it valid for the whole population (Table 6.24; Table 6.25).

Symmetric Measures

		Value	Asymp. Std. Error[a]	Approx. T[b]	Approx. Sig.
Nominal by Nominal	Phi	,950			,000
	Cramer's V	,425			,000
Interval by Interval	Pearson's R	,278	,083	4,077	,000[c]
Ordinal by Ordinal	Spearman Correlation	,147	,079	2,095	,037[c]
N of Valid Cases		200			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

c. Based on normal approximation.

Table 6.25

Even though there is a rather strong correlation between Social CRM and the effect on perceived relationships (according to Table 6.25 and Figure 6.7) have many of the respondents also answered "No change". One factor to this might be Giannakis-Bompolis & Boutsouki (2014) reasoning that Social CRM is more suitable than traditional CRM channels when it comes to close encounters in a small scale. Those respondents that have not experienced a change of their

relationship have potentially not have a close contact with Telenor Sweden and/or feel secure within the social media environment that Giannakis-Bompolis & Boutsouki (2014) discuss.
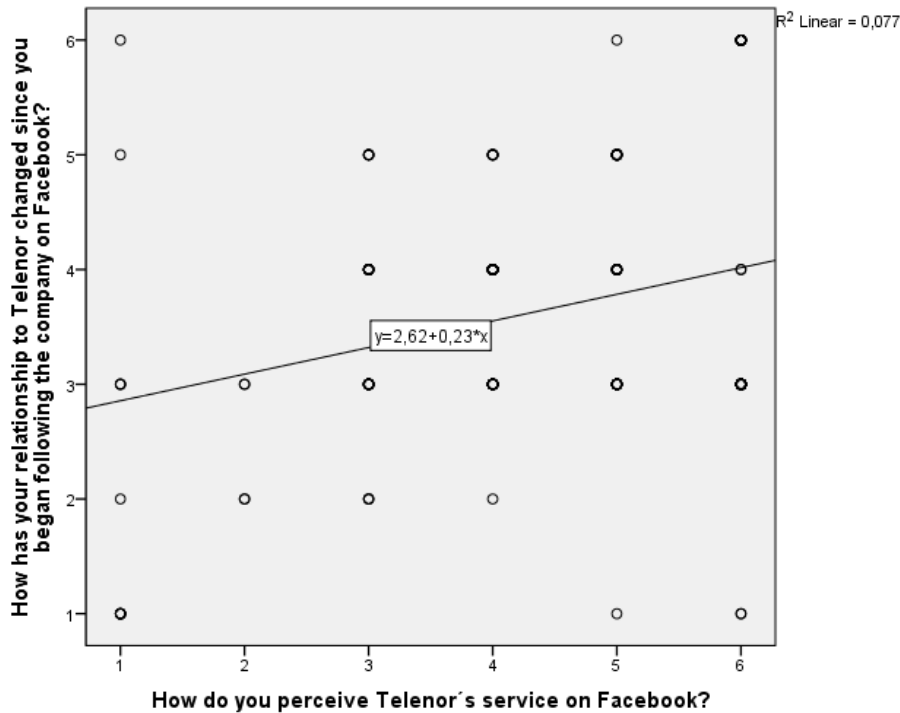

Figure 6.7

It has previously been stated (in Figure 6.4) that Social CRM has an impact on future revenue. Figure 6.7 indicate that successful Social CRM also can lead to stronger relationships. The line in Figure 6.7 statistically visualizes how quality of services provided by Social CRM is correlated with perception of relationships.

Increased interaction and perceived relationships

Chu & Kim (2011) argue that customers who are more active on companies Facebook-pages by writing comments tend to have higher level of relationships, which is linked to hypothesis H2. Table 6.26 has crosstabed perceived relationship and comments written on Facebook and show that it has little correlation between each other. Respondents who never have written comments can yet perceive themselves to have no relationship as likely as to have a very strong relationship. The result from Table 6.26 does not appear to be similar to Chu & Kim´s (2011) as it has little correlation according to Figure 6.8.

How do you perceive your relationship to Telenor? * How often do you write comments on Telenor´s Facebook-page? Crosstabulation

Count

		How often do you write comments on Telenor's Facebook-page?							Total
		Never	Less than once a year	Once a year	Several times a year	Once a month	Several times a month	Weekly	
How do you perceive your relationship to Telenor?	No relationship at all	12	7	0	1	0	1	1	22
	Very weak relationship	20	3	4	2	1	0	0	30
	Medium relationship	29	8	4	8	2	2	1	54
	Strong relationship	33	12	2	3	2	0	0	52
	Very strong relationship	17	9	4	2	7	3	0	42
Total		111	39	14	16	12	6	2	200

Table 6.26

Also, the significance level of crosstab is not valid in social science as it is less than 95% (Table 6.27) and the correlation of ,212 (Cramer´s V, Table 6.28) is not very strong. Random may have a large impact on the result, which can be one factor for the large differences with Chu & Kim´s (2011) statement.

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	35,978[a]	24	,055
Likelihood Ratio	37,510	24	,039
Linear-by-Linear Association	2,084	1	,149
N of Valid Cases	200		

a. 26 cells (74,3%) have expected count less than 5. The minimum expected count is ,22.

Table 6.27

Symmetric Measures

		Value	Asymp. Std. Error[a]	Approx. T[b]	Approx. Sig.
Nominal by Nominal	Phi	,424			,055
	Cramer's V	,212			,055
Interval by Interval	Pearson's R	,102	,076	1,448	,149[c]
Ordinal by Ordinal	Spearman Correlation	,109	,072	1,537	,126[c]
N of Valid Cases		200			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

c. Based on normal approximation.

Table 6.28

It seems according to Table 6.26 that Chu & Kim (2011) reasoning cannot be validated from this result, the correlation is too small and random may have influenced the result to be valid (Figure 6.8 and Table 6.28). Written comments on Facebook do not according to the result lead to stronger relationships. Hence,

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the result may instead indicate that quantity of service encounters does not influence the relationships but that quality of services does (as discussed previously in the analysis of hypothesis H1).
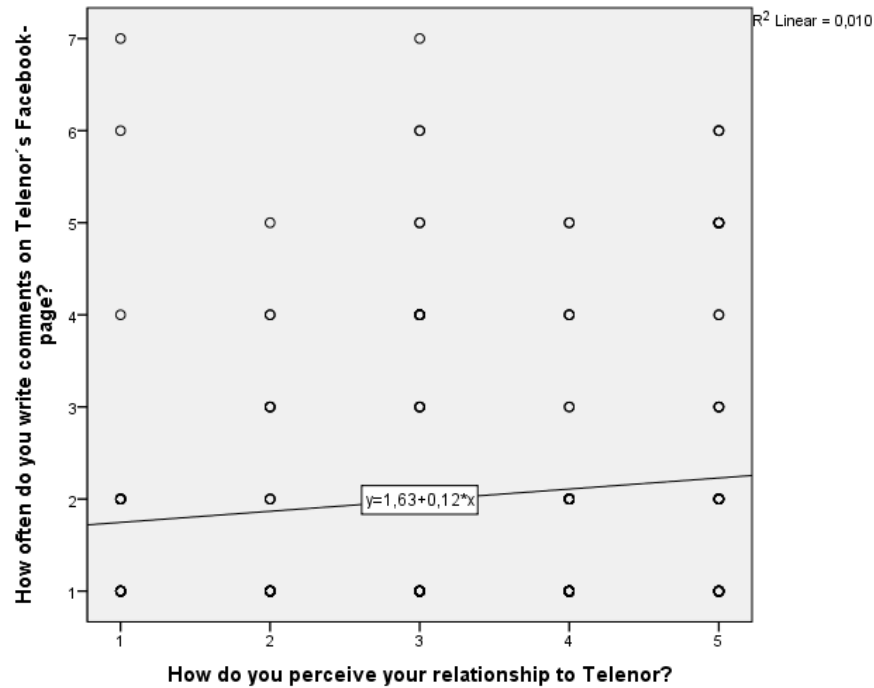

Figure 6.8

The overall result from different test regarding hypothesis H2 indicates that Social CRM through Facebook can increase customers perceived level of relationship to companies but that the engagement of written comments is not the primary factor. Instead if might be an overall satisfaction of companies services that influences the relationships the most and not the personal involvement and co-creation.

H3: Strengthened customer relationships are positively related to higher intensity of co-creation.

Customer activities on Facebook

<u>Comments</u>

Regarding the interrelationships within consumer tribes as Unruh (1980) describe it are the customers of Telenor Sweden separated into two similar-sized groups. 99 out of 200 (49,5%) respondents perceive not to feel connected to other customers while the majority does (respondents from subgroups "Yes, some" and "Yes, completely"). The connection/interrelationship between customers is however not primarily based on activities of writing comments on Telenor Sweden´s Facebook-page, as Table 6.31 indicates.

How often do you write comments on Telenor´s Facebook-page? * Do you feel connected to other customers of Telenor? Crosstabulation

Count

		Do you feel connected to other customers of Telenor?			
		No	Yes, some	Yes, completely	Total
How often do you write comments on Telenor´s Facebook-page?	Never	57	49	5	111
	Less than once a year	20	19	0	39
	Once a year	8	5	1	14
	Several times a year	10	6	0	16
	Once a month	2	8	2	12
	Several times a month	1	2	3	6
	Weekly	1	1	0	2
Total		99	90	11	200

Table 6.29

A vast number of those customers that do feel connected to others are rarely or never writing comments on Telenor Sweden´s Facebook-page and there are generally few differences between the two groups. The result of Table 6.29 indicates that many of the respondents do not experience a co-created social world (Unruh, 1980) built by communication within the groups, thereby suggest falsification of hypothesis H3.

Yet many customers do feel connected/interrelated to other customers, indicating that the connection must come from somewhere else than co-creation of written interaction. Trainor (2012) describes Social CRM as a closeness and larger involvement in customer experiences and that it leads to co-creation.

Perhaps the connection that some of the respondents feel to each other is based on Trainor (2012) reasoning rather than Unruh´s (1980). It might be the collaborative services by Social CRM that creates a bond with Telenor Sweden and fellow customers.

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	34,511[a]	12	,001
Likelihood Ratio	24,190	12	,019
Linear-by-Linear Association	5,749	1	,016
N of Valid Cases	200		

a. 10 cells (47,6%) have expected count less than 5. The minimum expected count is ,11.

Table 6.30

Table 6.30 indicates that random may have influenced the material, although in a insignificant way as the score is ,001 (closest to the lowest number possible). The correlation shown in Table 6.29 is ,264 (Cramer´s V from Table 6.31), which is rather weak.

Symmetric Measures

		Value	Asymp. Std. Error[a]	Approx. T[b]	Approx. Sig.
Nominal by Nominal	Phi	,415			,001
	Cramer's V	,294			,001
Interval by Interval	Pearson's R	,170	,081	2,427	,016[c]
Ordinal by Ordinal	Spearman Correlation	,095	,074	1,347	,180[c]
N of Valid Cases		200			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

c. Based on normal approximation.

Table 6.31

Lanier & Hampton (2008) discusses that co-creation can be performed in three different ways/steps; co-optation, co-production and co-creation. The result shows that many customers of Telenor Sweden are not contributing to co-production of services, as they are not very active on writing comments on the company´s Facebook-page.

<u>Page-visits</u>

As the customers of Telenor Sweden are not very active in performing co-production (the second step in Lanier & Hampton (2008) model of co-creation) is it interesting to analyse if they are participating in in the first step: co-optation. This is performed by an analysis of how often customers visit Telenor Sweden´s Facebook-page. The intensity of visits is crosstabed with if respondents feel connected to other customers.

Do you feel connected to other customers of Telenor? * How often do you visit Telenor´s Facebook-page? Crosstabulation

Count

		How often do you visit Telenor´s Facebook-page?							Total
		Never	Less than once a year	Once a year	Several times a year	Once a month	Several times a month	Weekly	
Do you feel connected to other customers of Telenor?	No	20	11	11	18	15	14	10	99
	Yes, some	5	8	10	16	9	18	24	90
	Yes, completely	0	0	0	2	0	1	8	11
Total		25	19	21	36	24	33	42	200

Table 6.32

According to Table 6.32 are many of the respondents somewhat active on Telenor Sweden´s Facebook-page when it comes to page-visits as most visit the page several times a year or more. The sub-group with most population consist of those who visit the page weekly (21%). The same sub-group is also the one that perceive them to be connected to other customers more than any other.

The respondents that visit Telenor Sweden´s Facebook-page several times a year or more feel are only sub-groups that feel connected to other customers completely. Also, the count of those respondents that perceive a connection to other customers increases by how often they visit the Facebook-page. The pattern work both ways as respondents that seldom visit Telenor Sweden´s Facebook-page are less likely to feel a connection to other customers.

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	36,922[a]	12	,000
Likelihood Ratio	37,688	12	,000
Linear-by-Linear Association	22,871	1	,000
N of Valid Cases	200		

a. 7 cells (33,3%) have expected count less than 5. The minimum expected count is 1,05.

Table 6.33

The significance level is lowest score possible and random have not been a factor in the observations of Table 6.32, and can therefore be accepted for the entire population. It is evident that page-visits are correlated to the connection with other customers and can origin from Grönroos (2007) discussion of connection and connectedness.

Symmetric Measures

		Value	Asymp. Std. Error[a]	Approx. T[b]	Approx. Sig.
Nominal by Nominal	Phi	,430			,000
	Cramer's V	,304			,000
Interval by Interval	Pearson's R	,339	,060	5,071	,000[c]
Ordinal by Ordinal	Spearman Correlation	,332	,064	4,955	,000[c]
N of Valid Cases		200			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

c. Based on normal approximation.

Table 6.33

Customers of Telenor Sweden are proven to be more active in visiting the company´s Facebook-page than actually writing comments on it. The customers are engaging in the first step of Lanier & Hampton (2008) model of co-creation - co-optation. The results are indicating that Telenor Sweden can improve their Social CRM on Facebook by encouraging their customers to take larger part in co-production. As Gyimothy & Larson (2015) discusses can levels of engagement move over time and customers of Telenor Sweden can in the future become more active in the processes of co-production and co-creation.

Telenor Sweden is already encouraging their customers to engage on the Facebook-page (Telenor Sweden, 2015) and the lack of co-production might be influenced by that the Facebook-page is rather new. The shift towards higher level of engagement may come naturally by time and generate innovations that Lanier & Hampton (2008) claim that co-creation can contribute to.

The connection that some of Telenor Sweden´s customer perceive to each other are according to Grönroos (2007) beneficial as is withholds customers and make them more likely loyal to the company. The relationships that the connection creates are developed by the exchanges and mutuality of thinking between, and among, companies and customers.

Strong relationships between customers are in some degree influenced by the activity and intensity of co-creation. Those respondents that feel connected to others are more active in visiting Telenor Sweden´s Facebook-page but the result reveals also that the co-production has little to do with connection to others. The results indicate that hypothesis H3 is somewhat valid but that lower levels of co-creation are being influenced more easily. The hypothesis H3 cannot be validated not falsified by the results in this research but have to be further tested.

7. Conclusion

This paper´s aim was to investigate and understand the concept of Social CRM and how it could impact on Brand Equity and customer relationships. The empirical analysis of Telenor Sweden has resulted in a deeper and broader understanding of social media relationship activities. Like Hennig-Thurau et al. (2010) discusses have this paper also indicated that social medias can be useful platforms for companies to build and maintain relationships on.

As Social CRM is a rather new method, strategy and theoretical concept (Trainor et al., 2014) for companies to reach customers, it was necessary to investigate how it could affect Brand Equity and customer relationships.

7.1 Treatise of the paper´s research questions
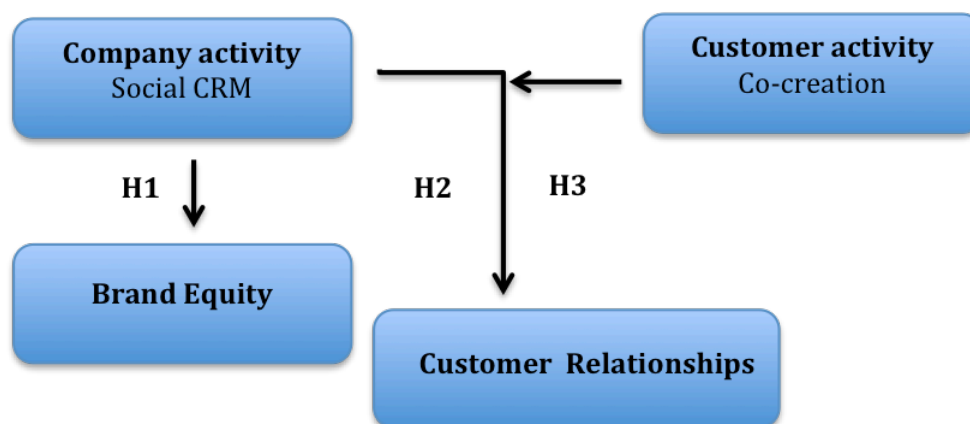
Model 1.

As previously discussed: the hypotheses H1-H3 are in *Model 1.* connected to each other and the combined results form these are sufficient to answer the paper´s research questions R1-R2. The next paragraphs will answer the paper´s research questions by concluded results of the previous chapter.

R1. How can Social CRM on Facebook influence the Brand Equity?

The concept of Social CRM (Trainor, 2012) can, according to this paper´s result, in some ways influence the model Brand Equity by Keller (2001). However, it is difficult to establish exactly how much of Social CRM impact on Brand Equity: as many other factors may have contributed to customers the overall impression on the company. Nevertheless, as several outcomes of analytical tests indicated a positive correlation between the two concepts, I argue that Social CRM can be a useful platform for Brand Equity. The significance level was (in nearly all analytical tests) lowest score possible, combined with fairly high correlation scores. It is evident that random had little or nothing to do with the correlations, indicating that Social CRM can influence Brand Equity in some degree. For example, Social CRM activities, such as personal services on Facebook, can affect the company´s Brand Meaning.

Moreover, Social CRM can contribute to repeated purchases and positive word-of-mouth and influence the sense of community by page-visits. Most of the followers of Telenor Sweden on Facebook have not yet used the company´s page to the extent that they are co-producing, something that Telenor Sweden can use the steps of Brand Equity to become better in the field of co-creation. Telenor Sweden could use this insight to create an improved Brand Equity by, for instance; better services and strengthened of the company´s Brand Meaning. Individuals that perceive to have a relationship to Telenor Sweden could post ideas, reflections and suggestions for improvements just as customers of Starbucks are doing.

R2. How can Social CRM on Facebook influence customer relationships?

As discussed in the introduction-part, companies can increase the intensity of relationships by providing opportunities for individuals to express thoughts and creativity through "My Starbucks Idea" (Starbucks, 2015). Provision of such opportunities to collaborations can be used by Telenor Sweden to encourage more of their customers and followers to take the step towards co-production.

Telenor Sweden could use this type of relationship management and co-production to differentiate themselves, as the telecom market is very competitive (Ciber, 2015).

Relationships are not bound to activities of written comments and/or page-visits, individuals can perceive to have relationships while passive. However, company activities can increase the strength of relationships by providing satisfying services. Moreover, as the analysis of hypothesis H2 indicated can the practise of following companies on Facebook lead to relationships. Relationships between customers and companies are therefore not single related to purchases as Trainor (2012) suggest. Trainor (2012) and Greenberg (2010) suggest that Social CRM is an extension of traditional CRM and that it is an alternative forum for handling customer relationships. The differences that this paper´s result indicates is that Social CRM does not only reach existing customers but also give individuals the opportunity to create relationships without ever being a customer. The combined result from the paper´s research questions have contributed to further understanding of relationship management as well as a new model: Social Relationship Management (SRM).
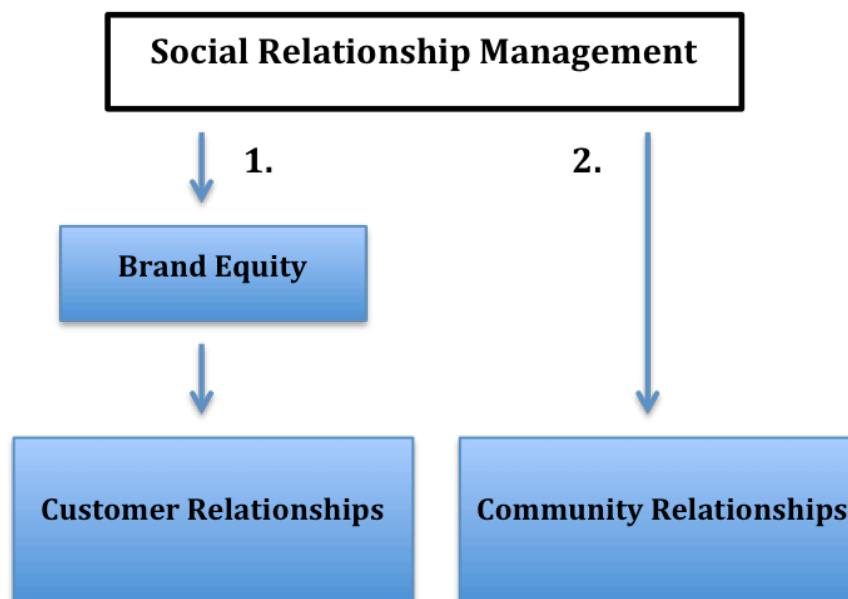
Model 2.

Social Relationship Management

SRM is an alternative model (*Model 2*.) for Social CRM and similar regarding targeting existing customers, but extend its range as it reaches individuals with an interest of the customers. It is crucial that companies using social media-platforms provide a high level of service as it has a direct effect on how people consider their relationships to companies. This paper has shown that the intensity of relationships can increase or decrease due to companies' usage of SRM on Facebook.

1. Existing customers are targeted through SRM the same way as Social CRM (Trainor, 2012) and converted into "Customer Relationships" by Brand Equity (Keller, 2001). Social medias are suitable for performing relationship management as they can increase customers perceived level of relationships (as discussed in the paper´s analysis). Relationships can be created by inviting customers to take part in activities such as service and share of information. Hence, customers do not have to take part in these activities to feel connected to other customers and perceive to have a relationship to companies.

2. Companies' activities on social medias do not only reach existing customers but also people with an interest in following them – creating "Community Relationships". The followers can through SRM activities become customers by following the company on Facebook, which differs from Social CRM as the latter concept only target existing customers.

The key to success in SRM is satisfying services for both customers and non-customers as the model can either increase and/or decrease relationships. The model might also be used for Service Recovery (Grönroos, 2007) to turn bad customer experiences around.

8. Discussion

I as scholar have created new material and bring something original to the field of social science. The two theories that the paper primarily is based on are not new, yet the way they are put together and empirically tested in social science is. As Trainor et al. (2014) discussed is Social CRM one out of many attempts to conceptualize the relationship management through social medias. My research has proven that the concept has flaws and SRM is an alternative term created to describe how all the interrelationships are affected through social medias (and not just customers). Peelen (2005) claimed that CRM strategies are useful as they open up the boundaries between customers and companies and that they revolutionized the way they interacted with each other. I would like to argue that Social CRM have generated a possibility not to only interact but to build foundations for a new type of interrelationship between the two parts. *Model 2*. of SRM have also enlightened the possibility to reach non existing customers and use social media platforms in a different way than Peelen (2005) and Trainor (2012) first anticipated. Prior research and theories are focusing on a given order when creating relationships, and they neglect the fact that a relationship can originate from attitudinal attachment prior economical transactions.

Customer loyalty is often associated with profitability, as customers tend to invest more time and capital in companies (Grönroos, 2007). The key in Grönroos (2007) equation of profitability is relationships (which can be achieved by the step-by-step guide of Brand Equity) and is initiated by economic transactions. The interaction with customers can be beneficial for both customers and companies (Coltman, 2007; Trainor, 2012), as collaborations (different levels of co-creation) tend to lead to increased value and higher profitability. Social CRM has been argued by Üstüner & Godes (2006) to increase sales by co-creative collaborations and partial understanding. As mentioned previously, the economic transactions are not (according to this research) the first step towards relationships. Relationships have however been proven profitable as they are related to future revenue. Hence, companies have to understand that interactions and/or interrelationships in social media context are sensitive to the service delivery.

Gröönros (2007) discussion about the nature of services regarding production and consumption has been proven to be valid for Social CRM as well. This paper´s results have demonstrated that services provided in a Social CRM context can reach many people at the same time and increase (and in some cases also decrease) perceived level of relationship. Indicating that the moment-of-truth is crucial in relationship management through social medias, just like Grönroos (2007) general discussion about performances of services.

To close the general discussion, I would like to review the possibilities for *Model 2.* The model is related to relationships management and branding, which theoretically should make the model applicable to more than companies within the merchandising sector but many other business and trademarks active on social medias. However, as the study is rather small it would take a greater amount of data and deeper analysis to investigate if so is the case. A follow-up on the matter should be interesting for future research and may be appropriate for further master´s theses and/or a dissertation.

Practical implications

Telenor Sweden can benefit from the persistent and stabile feelings that the label evoke and use the security to withhold loyal customer and have them loyal. In long term, the image of security is suitable for the Brand Equity as they build relationships to last a long time. Security may be an effect of the Social CRM that Telenor Sweden uses. Either way, Telenor Sweden is in a situation where they should continuously work on the branding of security and reliability as it is in line with the goals of the company´s Social CRM.

Telenor Sweden is currently performing satisfying services and Social CRM through Facebook and has to invest resources in order to keep this performance as the Facebook-page increases in intensity. Telenor Sweden´s Facebook-page is relatively new and appreciated and the company should expect that more people are interested in using their social media platforms extensively. If the resources are not sufficient to handle the interactions on social media platforms, Telenor Sweden may experience an opposite effect than the company is aiming for.

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Read: 2015-05-12

Appendix A

Hej och välkommen till enkätundersökningen om Telenor!

Enkätundersökningen vänder sig till dig som är kund och/eller följer Telenor på Facebook och alla svar ska baseras på företagets engagemang på Facebook (om annat ej anges).

Mitt namn är David Tiderius, masterstudent på Lunds Universitet.
Jag skriver mitt examensarbete kring kundrelationer genom sociala medier och svaren kommer att användas i examensarbetet.

Enkätundersökningen är frivillig och alla som svarar är och förblir anonyma.

Med vänliga hälsningar,
David Tiderius

1. Kön

Kvinna
Man
Vill ej ange

2. Ålder (i siffror)

_____

3. Är du kund hos Telenor?

Ja
Nej

Om du svarat "Ja": Hur länge har du varit kund hos Telenor?

Tilläggsfråga till fråga 3.

    0-6 månader

    7-12 månader

    13-18 månader

    19-24 månader

    Mer än 24 månader

Om du svarat "Ja": Har du gjort flera köp hos Telenor?

Tilläggsfråga till fråga 3. Exempelvis; förlängt abonnemang, ny telefon, accessoar etc.

    Nej

    Ja, få köp

    Ja, många köp

4. Hur ofta besöker du Telenors Facebook-sida?

    Aldrig

    Mindre än en gång per år

    En gång per år

    Flera gånger per år

    En gång per månad

    Flera gånger per månad

    Veckovis

5. Hur ofta läser du Telenors uppdateringar på deras Facebook-sida?

Aldrig

Mindre än en gång per år

En gång per år

Flera gånger per år

En gång per månad

Flera gånger per månad

Veckovis

6. Hur ofta skriver du kommentarer på Telenors Facebook-sida?

Aldrig

Mindre än en gång per år

En gång per år

Flera gånger per år

En gång per månad

Flera gånger per månad

Veckovis

7. Hur uppfattar du dig själv som följare av Telenor på Facebook?

Väldigt passiv

Passiv

Varken passiv eller aktiv

Aktiv

Väldigt aktiv

Följer inte Telenor på Facebook

8. Hur har din relation till Telenor förändrats sedan du började följa företaget på Facebook?

Relationen har MINSKAT MYCKET

Relationen har MINSKAT LITE

Ingen förändring

Relationen har ÖKAT LITE

Relationen har ÖKAT MYCKET

Följer inte Telenor Sverige på Facebook

9. Hur upplever du din relation till Telenor?

1. Ingen relation alls 2. Väldigt svag relation 3. Medium relation
4. Stark relation 5. Väldigt stark relation

1 2 3 4 5

Ingen relation	Väldigt stark
alls	relation

10. Upplever du en samhörighet med andra kunder till Telenor?

Nej

Ja, till viss del

Ja, helt och hållet

11. Vilken kunskap har du kring ANTALET TJÄNSTER som Telenor erbjuder?

Väldigt låg kunskap

Låg kunskap

Medelhög kunskap

Hög kunskap

Väldigt hög kunskap

12. Vilken kunskap har du kring ENSKILDA TJÄNSTER som Telenor erbjuder?

> Väldigt låg kunskap
>
> Låg kunskap
>
> Medelhög kunskap
>
> Hög kunskap
>
> Väldigt hög kunskap

13. Hur upplever du Telenors service på Facebook?

> Väldigt låg service
>
> Låg service
>
> Medium service
>
> Hög service
>
> Väldigt hög service
>
> Vet ej

14. Hur upplever du Telenors service i andra kanaler?

I butik, telefontjänst etc.

> Väldigt låg service
>
> Låg service
>
> Medium service
>
> Hög service
>
> Väldigt hög service
>
> Vet ej

15. Vilket av följande ord tycker du bäst beskriver Telenor?

Värme (trivsam känsla till företaget)

Rolig (underhållande märke)

Spännande (cool image)

Säkerhet (förtroende till märket)

Social status (identifierar sig med andra kunder)

Självrespekt (personligt värde av att vara kund)

Inget av ovanstående

16. Påstående: Jag tycker att Facebook är ett bra sätt för företag att nå sina kunder.

Svarsalternativ: 1. Instämmer inte alls 2. Instämmer inte 3. Varken eller 4. Instämmer till viss del 5. Instämmer helt

1 2 3 4 5

Instämmer inte	Instämmer
alls	helt

17. Påstående: Jag tror att Telenor anser kunders aktivitet (förslag, "likes", kommentarer) som hjälpsam information.

Svarsalternativ: 1. Instämmer inte alls 2. Instämmer inte 3. Varken eller 4. Instämmer till viss del 5. Instämmer helt

1 2 3 4 5

Instämmer inte	Instämmer
alls	helt

18. Påstående: Jag tror att Telenor använder kunders aktivitet (förslag, "likes", kommentarer) på Facebook till förbättringar.

Svarsalternativ: 1. Instämmer inte alls 2. Instämmer inte 3. Varken eller 4. Instämmer till viss del 5. Instämmer helt

1 2 3 4 5

Instämmer inte alls		Instämmer helt

19. Tycker du att personlig kontakt mellan kunder och företag leder till starkare relation?

Nej

Ja, till viss del

Ja, helt och hållet

20. Hur troligt är att du skulle rekommendera Telenor till andra?

Inte alls troligt

Varken eller

Ganska troligt

Väldigt troligt

21. Hur troligt är det att du kommer köpa något från Telenor I framtiden?

Inte alls troligt

Varken eller

Ganska troligt

Väldigt troligt