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Towards an Information Management Perspective in Media Industry – Developing the Field of Media Business Information Management on the Example of Social Customer Relationship Management (CRM)

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ABSTRACT

IT spending for 2013 in media & communication industries is expected to raise by 4.2% [1] and social media spending reached about 17 Billion \$ in 2012[2]. Thus, the processes around the product 'content' are changing and new technologies transform the way how media industry conducted its business. New technologies such as the cloud, digitalization, increase of mobile applications, application stores, and newcomers that enter the media supply chain innovate the way how business is conducted and how the product 'content' shape shifts from its analogue counterpart. Inside media houses digital workflows require new ways of management of the production process including training of personnel, and setting up the digital infrastructure. Managers are confronted with new human, technological, and information strategies to remain competitive and develop new business models around the content product. Within the scope of this publication, we focus on customer relationship management in the age of social media and its impact on media industry. We selected two cases, Fiskars and RTL Netherlands to demonstrate potential new future pathways for Customer Relationship Management (CRM) in the age of social media. An information centred perspective is presented alongside with potential solutions to integrate people, technology, and information on the example of customer relationship management.

1. Introduction

The field of information management and systems is a newly emerging scientific school, which belongs to the wider field of management sciences. Business Information Management (BIM) in particular deals with three perspective (human, technology, and management) on information management and attempts to explain all the processes "of managing information as a strategic resource for improving organizational performance. This process involves developing strategies and introducing systems and controls to improve information quality and deliver value" [3]. Media Business Information Management (MBIM) is a rather new topic, and was firstly introduced in [4]. Within the scope of this publication, we focus on CRM technologies in the context of information management and systems.

As the transforming media industries into the digital age, a more holistic view towards the management of information and management strategies is required. However, they key-question is, what it actually means to manage digital information as strategic resource in media industries. This includes e.g. consumer data analysis, digital workflow management, or human resource management inside a media house. It pinpoints to the importance of a coherent information management strategy to cope with the transformation from analogue to digital, and add value to the core content product. A few examples of application areas are presented in Table 1 (from [4] extended from [5], [6] and a Google search).

Table 1. Application scenarios for Media Business Information Management (MBIM)
(from [4] extended from [5], [6] and a Google search).

<ul style="list-style-type: none"> ● Marketing and targeted marketing for media services and consumer feedback management ● Social media analysis and marketing ● Customer intelligence either in real-time / non-real-time ● Digital content End-to-End ● Understanding audiences, advertisement statistics, audience trends, and audience preferences ● Data warehousing ● Digital archiving & asset management ● Subscriber management & marketing ● Personalized and individualized offerings to increase consumer loyalty ● Target niche groups and create new revenue streams ● Increase revenue from intellectual property (IP) rights and royalties ● Financial performance management ● Collaborative productions 	<ul style="list-style-type: none"> ● Advertisement management, placement, and scheduling ● Workflows for new capturing technologies, and techniques ● Copyright, IP and royalty management ● Cost efficient productions by keeping creativity and quality ● Integration of ‘analogue’ and ‘digital’ media product sales ● Customer service management & analytics ● Optimization of cross-media offerings and distributions via new channels ● Long tail-content management ● Innovative and new pricing and billing models ● Live event management ● Operational efficiency and cost savings ● Management reporting & analytics and decision making support ● Integrate supply chain management with financial performance
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Figure 1 illustrates the complexity of introducing Media Business Information Management (MBIM) as research field. The figure depicts various business activities in particular important for media industries along with various industrial segments. Information as a resource manifests in media as product underlying human, management, technology, and information factors. Each business activity is supported by IT infrastructures developed considering the previous three factors.

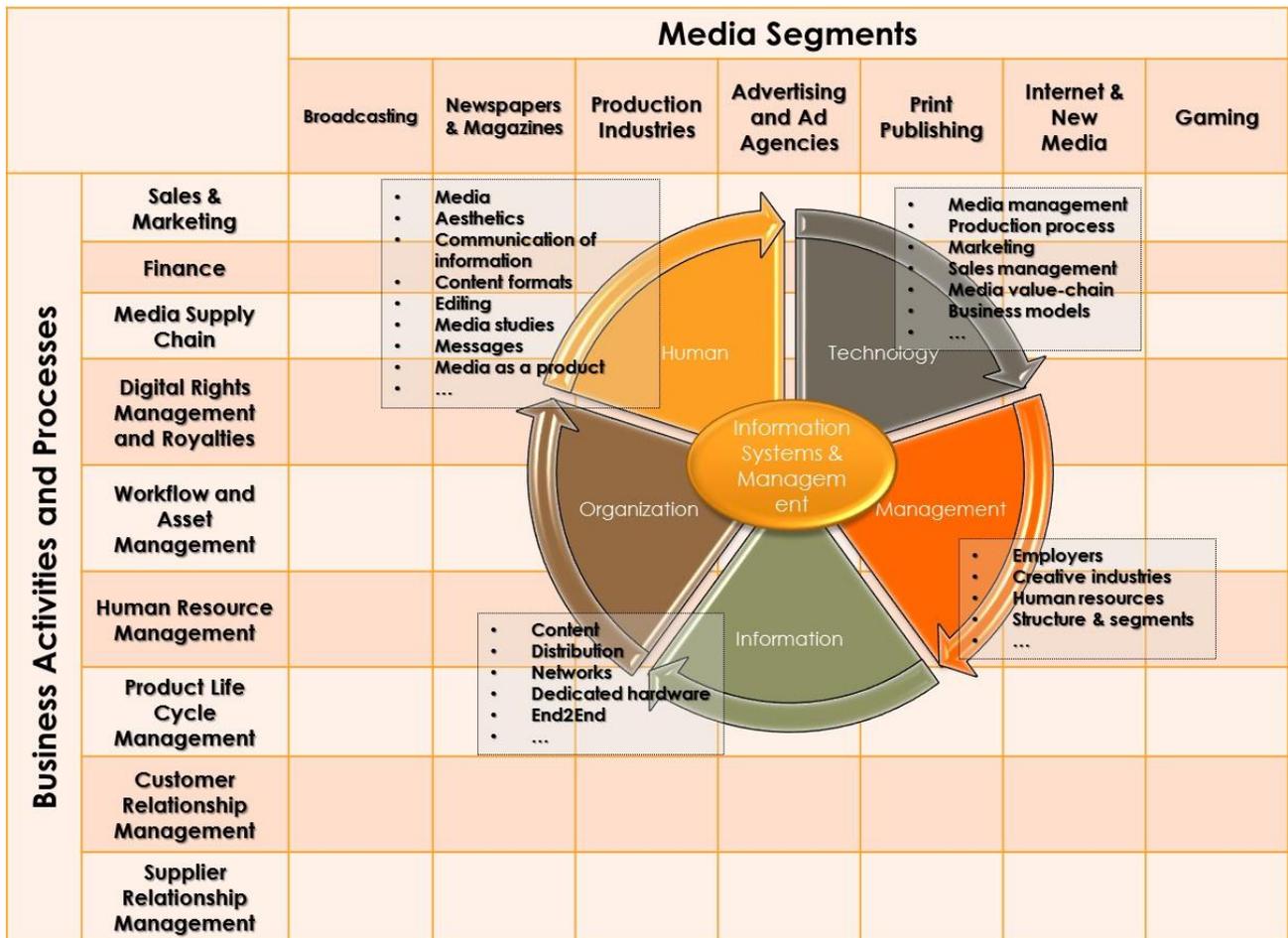


Figure 1. Media Business Information Management (MBIM) as new research field.

Within the scope of this publication we focus on case studies that demonstrate the three aspects (information, human, and technology) on the example of Customer relationship Management (CRM). Fiskars Oy is a world leading company developing home tools and by developing a social CRM strategy the company was able to increase revenue by establishing a loyal customer community. To link this case to media industry, we examined RTL Netherlands and two of their TV shows, where RTL attempted to gain access to a new customer base by creating a community via social CRM tools.

2. Related Works and Literature

Customer Relationship Management (CRM) is one central action in *Business Information Management (BIM)* combining both the people and the technology aspects. The purpose of it is to help in creating long-term relationships with customers and also to reduce a company's costs when acquiring and retaining their customers. There exist many basic works that are used in teaching that introduce this field, such as e.g. [7], [8], [9], or [10]. Lately, new developments in the field of CRM have included several approaches that better fit the today's business environment. These include e.g. web-based CRM solutions, mobile and multichannel solutions, *extended relationship management (xRM)* and social CRM (see [8,11,12]).

Web-based CRM solutions have already been adopted in many organisations. They are based on a *software-as-a-service (SaaS)* approach where for a subscription based fee a CRM software can be accessed over a secure internet connection. From the early 21st century the web-based systems have increased rapidly starting from small companies and spreading to larger ones as well [11]. With web-based solutions companies

don't have to invest in difficult and large-scale projects of purchasing, implementing and maintaining their own IT hardware and software and, if needed, service upgrades are easy and can be done incrementally [8,11]. One step further than utilizing only web-based services is cloud computing with which companies can have even their IT infrastructure or platforms as a service and benefit e.g. from different add-ons and plug-ins, creating a more comprehensive methods of understanding the customers and creating value for them [11].

Mobile and multichannel solutions' foundations lie in the increased use of web-based CRM and cloud computing. As the operating field of many companies requires the personnel to work from and out of the office the access to important information or the ability to reach customer via different channels independent of the employees' location is vital [8,12]. Mobile CRM solutions have mainly two technologies: synchronised mobile technology, where mobile devices synchronize the data from the main CRM system at certain time points, and wireless connection technology that utilizes a continuous wireless internet connection for retrieving data. The decreased costs and increased availability have supported the growth of the wireless solutions and the growth is expected to continue in the future as well [8].

In recent years the companies' understanding of the importance of delivering higher customer value has resulted in the increased focus on the relationships between a company and its subcontractors, retailers and suppliers, for instance, in addition to only managing relationships with customers. This approach is usually called *extended relationship management (xRM)* (or *partner relationship management (PRM)*) and can be applied to any relationship between a company and another party related to it [13,14,12]. These can be treated as extensions to CRM solutions on the foundations of which they are typically built on [13]. This broader view of a company's relationship management offers important methods and tools for networking and thus enables a competitive advantage in the market.

The fourth current trend in CRM is social CRM whose growth has been deeply affected by the changed communication habits of both individuals and organisations facilitating customers' increased usage of the internet and social media [11]. One definition of social CRM considers it as *"a philosophy and a business strategy, supported by a technology platform, business rules, processes, and social characteristics, designed to engage the customer in a collaborative conversation in order to provide mutually beneficial value in a trusted and transparent business environment. It's the company's response to the customer's ownership of the conversation"* [11]. Social CRM utilizes social media tools to get closer to customers, focuses on creating transparency in customer-related activities and boosts collaboration between a company and its customers [11,15].

3. Information Management & Systems for Customer Relationship Management (CRM) in Media Industry

Within the scope of this section, we give a brief overview of CRM systems on general level, and pinpoint to the particularities in media industry. It especially emphasizes the emergence of new CRM systems, which are utilized in the field of social media – Social Media Customer Relationship Management (CRM) Systems.

Customer Relationship Management (CRM) deals with *"the core business strategy that integrates internal processes and functions, and networks to create and deliver value to targeted customers at a profit. It is grounded on high quality customer-related data and enabled by information technology"* [9]. Today the term 'CRM' is a wide spread hype word, that promises to reduce costs by automating processes around handling customers – call hotlines, living laboratories, e-mail lists, and customer driven product design are just a few tendencies into this direction. But CRM requires a more holistic view towards the automating process rather than only focusing on saving costs by introducing new IT infrastructure to decrease costs. CRM means also more than the creation of e-mail lists or targeted subscription services. Amazon [16], and it's process to

maximize service quality is one excellent example in the world of e-business, and what CRM actually means – CRM in a practical example means to analyse customer behaviour, data-mining, defining a particular corporate strategy, and introducing performance measurements.

In the following the cornerstones of CRM systems are compiled:

- *customer life-cycle management*: management of the customer life-cycle process from customer selection, customer acquisition, customer retaining, and customer base extension;
- *customer behaviour*: determination of customer and customers' groups behaviour to optimize business strategy to create added value for targeted consumers and consumer groups;
- *information management process and IT infrastructure*: framework for controlling the company internal information flow including its IT infrastructure as part of a total CRM strategy inside the company;
- *management & strategies*: development of corporate strategies to add value for consumers by increasing the product quality to optimize corporate profit. This includes to develop a corporate strategy to manage the consumer life-cycle, as well as to develop a clear business strategy.

CRM Marketing Activities

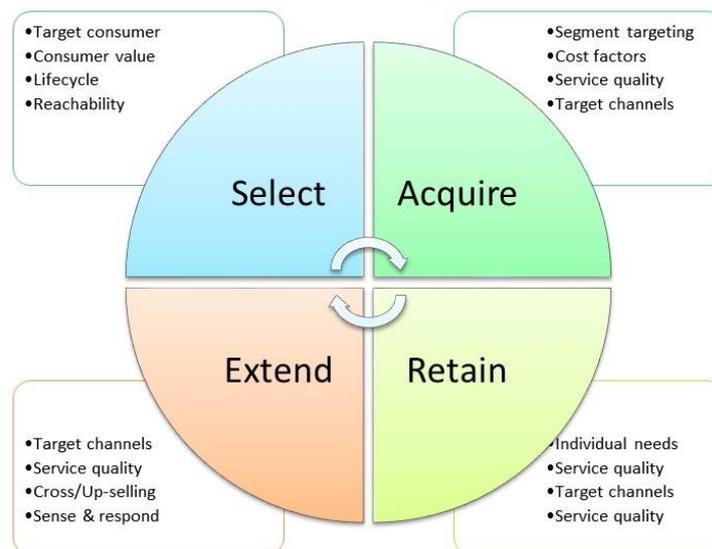


Figure 2. Customer Relationship Management (CRM) customer life-cycle (from [10])

3.1. Types of Customer Relation Management (CRM) Systems

Traditionally there are four different types of CRM. The first is operational CRM the purpose of which is to provide support for various 'front office' business processes for companies to take better care of their customers (from [8]):

- **common CRM solutions** focus on the automation of customer-facing and customer supporting activities with different technological solutions relating to marketing, sales-force automation, and service functions [8].
- **analytical CRM** whose foundations lie in customer-related information (e.g. purchase history, payment history, campaign response) that is collected from operational CRM systems as well as from external sources. The analytical CRM is designed to analyse deeply the customer data and information for

companies to understand and predict customer behaviour and ultimately to enhance work and decision making [8].

- **collaborative CRM** can be described as an alignment of traditionally separated enterprises in the supply chain. This tactical and strategic collaboration between a manufacturer and a retailer in forms of co-marketing and joint product development, for instance, enables better identification, attraction and retention of customers [8]. Another view of collaborative CRM is the integration of customer interaction and channels of communication that in B2C markets emphasizes the collaboration between a company and consumers providing added value in customer interactions across different channels [12].
- **strategic CRM** is a broader view of CRM than the three previous ones as it focuses on the development of customer-centric culture and customer relationships that result in long-term company value creation. Thus, its foundations are in organization's culture and strategy not in the sole implementation of technological solutions. However, all the previous types of CRM can be used to achieve customer-centric business operations if their use is in line with the company's strategy. All in all this kind of CRM approach combines the previous CRM types. [8].

3.2. Customer Relationship Management (CRM) in Media Industry

In e-media industries (e.g. eHealth or eBusiness) the introduction of advanced CRM systems is commonly well demonstrated on many examples (e.g. Amazon or eShops). Media industry lacks behind and is mostly focused on the creation, distribution, and sales of content. However, the industry rather poorly adapts to new digital challenges, and is still in a learning process. Figure 3 illustrates several factors that have impact of CRM in media industries.

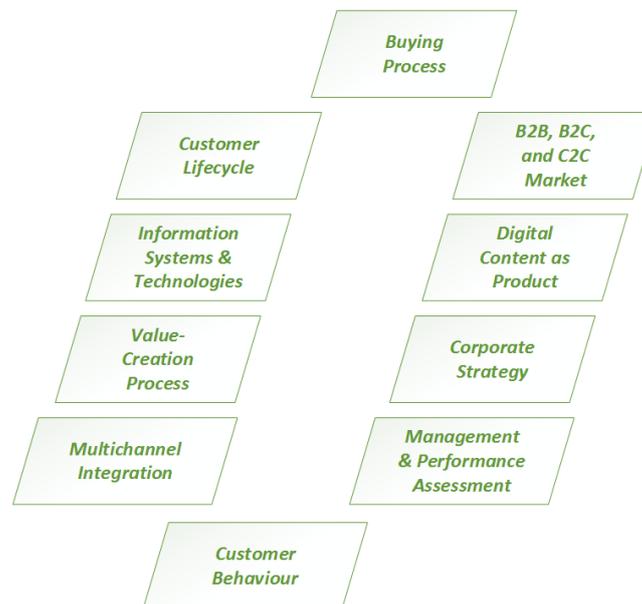


Figure 3. Issues in Customer Relationship Management (CRM) in Media Industries

To examine the potentials of CRM in media industries, we can consider the following framework for a scientific investigation [9]:

- strategy development process (business & customer strategy)
- value creation process (value customer receives, value organization receives)
- multi-channel integration process (physical vs. digital)
- performance assessment process (shareholder results, performance monitoring)

- information management process (data repository, IT infrastructure)

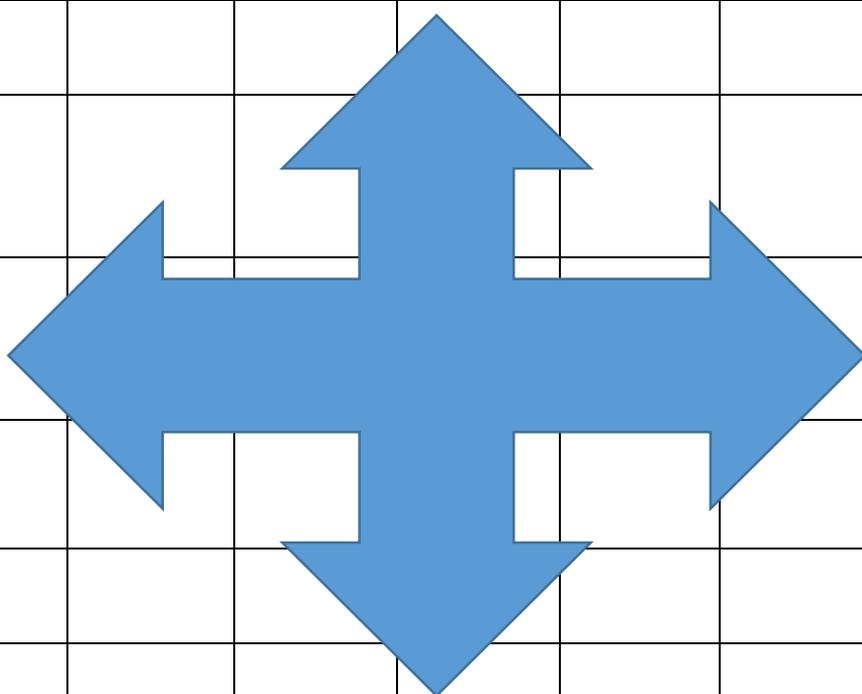
As media industry is a very particular industry, beside the general CRM framework, 6 of the following factors influence CRM systems in media industries:

- audience behaviour
- buying process
- customer life-cycle
- digital content as product
- B2B, B2C, and C2C marketplace
- Information systems & technologies

As media industries stretches over several segments, it's essential to distinguish between different types of content companies. The product of media industries is 'content' in its arbitrary form. And in today's media industry, content is not solely a movie, newspaper article, or single website. Today content is an eco-system of core-content (e.g. movie) plus additional digital services (e.g. online forum, social media). The product content becomes to a package that consists of content, hardware, and application. Table 2 gives a brief overview of different application areas.

Table 2. Grid for categorizing applications & services of CRM in various media industry segments

	Broadcasting	Newspapers & Magazines	Production Industries	Advertising & Ad Agencies	Print Publishing	Internet & New Media	Gaming
Customer Life-Cycle							
Strategic Process (Business Strategy)							
Strategic Process (Customer Strategy)							
Value Creation Process							
Multichannel Integration							
Performance Assessment							



Media industry is very particular, as there are firms that are marketing content directly to consumers, and production companies that solely sell or license their content to other firms. The non-direct consumer content firms underlay fully different mechanisms for CRM systems. Within the scope of this publication we

solely focus on firms that market directly to consumers. The publication also demonstrates the change and transformation media firms are undergoing. More and more digital content eco-systems emerge on the market, and traditional industry simply does not know how to cope with new IT infrastructures, and how to package the product content in new forms. Newcomers on the market, especially startups discover business opportunities and gaps in the value-chain.

3.3. Social Customer Relationship Management (SCRM)

The utilization of social CRM approach for any industry can be seen positive as it enhances the communication and collaboration between companies and their customers. Customers play an important role in companies' success independent of the industry the company operates in [17]. That is why providing efficient and easy-to-access contact channels and ways to collaborate for customers is essential.

As the more traditional ways of enhancing communication rely on IP convergence, voice over IP and wireless solutions, for example, the use of web and social media require less technological implementations in organizations and can be accessed anywhere where there is Internet connection available [18]. Even though the use of social media cannot replace traditional CRM systems or not even traditional communication and collaboration activities, it can strengthen the company's ability to serve its customers more efficiently and via different channels. Especially in business-to-customer markets social CRM approaches can be seen to deepen the company's relationships with customers in all production and service industries.

Even though the use of social CRM is seen more challenging in business-to-business markets mostly because of companies' differences in purchase behaviours compared to individual consumers, there is a lot of potential of applying social CRM practices in B2B as well. The focus on B2B businesses is to create long-term relationships with customers and by creating an online community or using some other forms of social CRM can assist in achieving those more intimate relationships ([17] and [19]). No matter if the customers are consumers or other companies, a chance to influence an organization's products or other performance increases the connection between the two parties, which most often results in loyal customer relationships.

Social CRM needs supporting hardware and software solutions for it to be effective. Even though the basic requirements for running social CRM are a device that enables the use of web-based applications and Internet connection, it is often necessary to have a central database where the customer information can be stored and an integration with different contact channels and applications that enable analysis and seamless use of the data [20]. This way the social CRM can also be analysed and that way the data can be utilized in decision making as well. The basic requirements are usually easily fulfilled in modern companies and if the company already runs traditional CRM operations, also the databases are already available. In those cases the integration of data retrieved from social media with other systems and contact channels are quite easily achieved with different software solutions by outside vendors, for instance SugarCRM [21]. This way the implementation of social CRM activities on technological level are not extremely challenging.

However, as the social CRM is widely seen as a strategic approach that emphasizes the customers' importance and the need for collaboration to acquire and retain customers, it is important to align it with the company's overall strategy and not only with other technological solutions. This calls for the entire personnel's understanding of the importance of customer-relationships for a company's profitability. With Porter's five forces analysis it might be easier to motivate why the use of social CRM as part of a company's overall strategy is beneficial in the crafting tool industry, for example. Of the five forces, the one that can be

perceived to be the most important is the threat of new competition. As the products on the crafting tool markets are quite standardized, it is easier for new companies to enter the markets and compete, among other things, with a cheaper price. With effective and engaging social CRM companies can create a collaborative environment and acquire customer insights that can help in differentiating their products as well as creating brand equity that customers value over new rival's offerings [22].

4. Two Cases: Fiskars Oy - Fiskateers Oy, Finland & RTL, Netherlands

The case chosen for this publication is the online community named Fiskateers that is part of the Finnish cutting tool company Fiskars' customer relationship management activities. The community was created to open more lines of communication with the company's customers and to acquire a deeper understanding of them and their requirements. Thus, the case focuses on the use of social CRM approach and represents the communication and collaboration part of information systems infrastructure.

4.1. Fiskars Oy – Fiskateers Online Community

As one of the oldest companies in Finland, Fiskars is a leading global supplier of consumer products for the home, garden, and outdoors. Founded in 1649 with its headquarters in Helsinki, Finland and Madison, USA the company is world famous for its most well-known product – the orange handheld scissors sold over 1 billion times since 1967. Fiskars' products are sold in over 60 countries, and the company's main business areas are in the production tools for home & school, office & craft (45%), garden (35%), and outdoors (19%) [23]. Fiskars has three key international brands: Fiskars, Iittala and Gerber [24]. The 4,100 employees of Fiskars placed over more than 20 countries generated net sales in the height of 748 million Euros in 2012 [25]. The corporate strategy aims at getting their iconic products into the hands of engaged consumers all over the world and develop towards a company efficiently branding consumer goods. This is reflected in the company vision: "enrich lives with lasting products, that increase enjoyment and solve everyday problems through their functionality, innovation and design" [26]. To realize its vision, Fiskars works tightly together with its customers, and created a market segment untypical customer relations management strategy – the Fiskateers community.

4.1.1. The Fiskars Online Community Approach - Fiskateers

Fiskateers is an online community where enthusiastic crafters get together and share their passion for crafting along with the brand of Fiskars. In 2005, Fiskars looked for a new way to open the lines of communication and get to know the people who use Fiskars products. One year later, Fiskars hired corporate identity consultants, Brains on Fire, to help to improve their brand loyalty [24]. With the help of Brains on Fire, Fiskars purpose was to [24]:

- increase online mentions of the brand name Fiskars by 10%
- increase sales in selected geographic areas by 10%
- create a relationship between Fiskars and its customers beyond tools

In 2006, they selected four women to lead a new online community of crafters, Fiskateers. These The mission of these crafting ambassadors was to lead a positive and inspiring dialogue about crafting and the tools of Fiskars [27]. The goal of the campaign was not only to create a community for crafters, but also increase awareness, credibility and online conversations about crafting and the brand. In addition of online community, Fiskateers organized events and other offline activities in groups. The results of the campaign were remarkable, and beyond any expectations after the launch of the website in 2006 ([27] and [24]):

- 200 crafters joined the community within the first 24 hours

- 600% increase of Fiskars online mentions in the first 3 months
- currently there are 8.500 members in 20 different countries

4.1.1. Management & Strategy

To enable effective communication and collaboration between the employees and customers of a company is one important aspect of information systems that has been emphasized a lot in recent years as it can bring competitive advantage [18]. Fiskars has found a new channel of communication and a way to acquire and retain customers. The core idea of the community is to gather enthusiastic fans together to share their experiences, to introduce new ideas and to give feedback of the products. The members can discuss with each other on message boards, read leader blogs, send new products ideas, watch live broadcasts and other videos with tips of using the products and also post their own photos of what they have created on the community website. However, the community is not only online-based but the member also get together by themselves or at meetings arranged by Fiskars. This way the communication and collaboration activities utilize web-based applications as well as face-to-face interaction.

4.1.2. Challenges & Benefits

With this community Fiskars can better identify what kind of customers they have and what the customers want and need when the customers can better communicate their opinions. Thus, utilizing this kind of a community and social media approach enhances the communication between the company and its customers. This also minimizes the creation of products that the customers will not appreciate and hence improves the overall effectiveness of the company and customer satisfaction, creating superior competitive advantage.

As the community is regarded important for the company and its development is focused on, the members get the feeling of a closer relationship with Fiskars. That way the feedback and improvement suggestions can be seen more reliable and honest, because the members want to help the company succeed [17]. However, the difficulties in utilizing this kind of social approach for collecting information for product development or other decision making via customer communication lies in the fact that customers' opinions can vary a lot resulting in several different solution the company can choose from or solutions that the community members would appreciate but other customers not so much. Deciding on the most profitable solution in those cases can be challenging as well as adapting the company's operations to changing requirements.

The way the customers see it, social CRM practices as part of the communication and collaboration aspect of information systems make it easier to contact the company via web and share experiences and feedback with them or with other customers. The use of a community approach for social CRM, such as Fiskateers, engages customers in a more intense way to the company and creates a feeling of belonging and importance for the community members. This makes the customer feeling valued and appreciated, which increases customer satisfaction. Satisfying customers makes them more loyal to the company and thus the use of social media as a collaborative tool can be seen as a cheap manner of retaining and acquiring customers. If the community members feel that their efforts are valued by some forms of recognition they can also act as extended sales force for the company by sharing their experiences with other people [17].

4.1.3. Information Management and IT Infrastructure

From the technology side, the usage of social media in Fiskars' customer relationship management activities is made possible by the developments in communication technologies and the increased use of the Internet. As people communicate more and more via different web or mobile applications or social media sites, the use of social media in managing customer relationships fits right into peoples communication patterns and

thus makes it a powerful and easy-to-use tool for relationship management [17]. The use of social media in CRM processes makes it easier for the company to find and analyse relevant information about them or their products and for the customers to contact the company.

From another perspective, many of social CRM tools, such as Fiskateers community, enterprise widgets or gadgets or social marketing tools, are web-based, which makes it easier to implement them and use them anywhere where there is a device that enables Internet connection and connection available. This web-based approach minimizes the management and implementation costs of hardware and software for the company. However, it has been examined that social CRM cannot fully replace traditional CRM operations but only extends the communication possibilities [17]. Hence the data collection most commonly has to be integrated with the central databases and other applications or software that utilizes the data. This requires careful planning of the CRM processes and can cause challenges in order to integrate the communication channels and to offer best possible service.

4.1.4. Customer Behaviour

Fiskars monitors the quality of the products and the performance of the brands very closely to maintain the brand value and the company's reputation. The strong financial position and the global ambitions aims at fulfilling *“consumers' needs and emotions through our products and the high quality, functionality and design that characterize them”* [26]. A strong brand, and the reputation of reliable and long-lasting products is the main driving force for buying products from Fiskars. Especially as the products are for everyday lives, a mass distribution of goods through wholesalers, retailers, and direct consumer sales through sales outlets is essential [26]. Especially as Fiskars goods are primarily bought when consumer needs the product, the notion of making it available via various distribution channels anytime, and anywhere is essential. Reliability is another notion that of Fiskars goods, which alters consumer behaviour – this is affecting the consumers' buying decision on when he buys and compares it to other alternatives in the store.

4.1.3. Customer Life-Cycle Management

In principle, customer life-cycle management is along the activities of customer acquisition, retention, and development. Thus it's about the processes determining how companies identify, acquire, and retain customers for a long time and develop the value to the business [7]. As Fiskars ambition is to *“get our unique products into homes, gardens and backpacks everywhere by intelligent engagement with consumers”* [26]. To retain the existing customers, the product must satisfy the customers. Primarily, the product has to fulfil the expectations and purposes why it has been bought. Designing is very important for Fiskars, and they are not only think about the look and feel of the product, but they also consider functionality and ergonomics. They have created many iconic products with lasting design, and these products enrich people's everyday lives for a long term. With the high-quality and functionality of the products, it inspires long term loyalty for Fiskars. To develop customer value, company has to offer something new for the existing customer or for persuading an old customer back. This can be attempt to cross-sell and up-sell products into the customer base [7]. Cross-selling is selling additional products and up-selling is selling higher priced or higher margin products to an existing customer. Fiskars has an innovative product development improving their products and expanding into new product categories. Their compensation philosophy is based on belief that all things can be made better and smarter [26]. This way Fiskars can sell new and improved products to new customers, existing customers and to persuade old customers back.

4.2 RTL Nederland

RTL Nederland is a multimedia and entertainment company that has a leading position in Dutch broadcasting market. The company owns five television channels, two radio channels and an internet network. In 2011,

the company aimed to evaluate various television programmes and increase viewer involvement in online conversations. With the co-operation with InSites Consulting, RTL Nederland captured viewer opinions from user-generated comments on social media by using IBM predictive analytics software. The aim of the research was to understand better audience needs and preferences, and to increase viewer involvement [28]. This case description is based on [28] as main reference work.

4.2.1. Two Series: 'X Factor' and 'So You Think You can Dance'

RTL Nederland chose their two most popular series for the research: *So You Think You Can Dance* and *X Factor*. The research offered the company an opportunity to make use of audience's opinion to improve the quality of programming. Senior Research & Intelligence project leader at RTL Nederland, Emilie van den Berge expressed the scope of research as twofold: "*on the one hand to gather general findings that can be used for future broadcasting of the show, and on the other hand to evaluate specific aspects in order to make adjustments during current broadcasting*" [28]. Meaningful topics in the research were the jury, the choice of music, the themes of the Live Shows, the programme's webpages, the scenery and the contestants of the shows. The auditions and boot camp were recorded before broadcasting, the adjustments could only be done during the live shows.

4.2.2. Management & Strategy

RTL Nederland wanted to use a new approach in addition to using viewer ratings and traditional market research methods such as surveys and panel discussions. The company wanted to know what the viewers were thinking about their shows and what they write on social media. InSites Consulting provided a method for collecting data from social media sites such as Facebook, Twitter, Youtube, blogs and other webpages that were related to the TV shows. The unstructured data was captured from the web with sophisticated text analysis technology. RTL Nederland started first with *So You Think You Can Dance* show that is a talent show where contestants compete in a series of a dance contests [28].

4.2.3. Challenges & Benefits

RTL Nederland was impressed by the results and used the same research method for the *X Factor* program, that is a singing contest TV show. *X Factor* provided 70,000 online conversations during the series and the company noticed that the viewers' had lots of opinions about the show. The analysis showed which contestants provoked the most positive and negative conversations, but also showed that which contestants did not get any opinions at all. There was the risk that the viewers' get bored while watching these contestants that does not generate any opinions, so the producers used different strategies to raise their profiles such as doing a complete makeover for the contestant. RTL Nederland utilized the collected data and did some changes for the TV show. Most changes were concerned about the music choices. Also in the *X Factor*, the online conversations increased by 400 percent in the near final episodes [28]. The research provided in both shows a very rich source of information and better understanding of audience's needs and preferences. Also the viewer involvement increased.

4.2.4. Information Management & Systems

RTL Nederland and InSites Consulting chose popular websites with large amount of visitors and smaller, more specialized sites where the more dedicated fans were having conversations. The show is an international show, but the company was only interested about the viewers' opinion about the Dutch version. That is why, the data collected from social media was only text that had written in Dutch language and was found from sites with a .nl domain name [28]. When the sources had been selected and specific keywords were chosen and identified, they started an automatic process that extracted data from websites. The process captured the text itself, but also lots of metadata such as who posted it, number of views and approval ratings that the post had received from other users. The process collected 14, 000 different comments about the *So You*

Think You Can Dance show. The data was then subjected to detailed analysis using IBM SPSS Modeler software. The software used a library of predefined words and then compared the collected data and tried to find common word patterns about the main topics what the viewers were discussing. They also used a sophisticated sentiment analysis with emotional vocabulary that identified were the users' post negative or positive. When approaching the final episodes, the online conversations in one instance increased by 400 percent. Collected data about the viewer's likes and dislikes based on over 71, 000 online conversations, providing the RTL Nederland a very rich source of information audience preferences [28].

5. Conclusions

In both presented cases, the social media was utilized to get information from the customers. In Fiskateers, the customers were enthusiastic crafters using Fiskars tools and in RTL Nederland case the customers were the viewers of the shows. In RTL Nederland case the target group were the viewers who write posts and share their opinions on social media. This gives a wide overview about the audience's preferences. Instead, Fiskateers focused on the customers who not only use their tools, but care about what you could do with cutting tools. Fiskars uses the members of the Fiskateers in the product development progress and they provide useful information what customer needs and expects from the new product. RTL Nederland listened their customers in social media and improved their programs towards viewers' preferences. Social CRM creates more interaction between the company and customers and provides stronger customer engagement. Table 3 visualizes the key-strategies of both cases to introduce a more holistic view on CRM in media industries.

Table 3. Overview of Possibilities and Potentials of Social CRM on both Examples

Fiskars – Fiskateers	RTL Netherlands
Management & Strategy	
<ul style="list-style-type: none"> • New channel of communication to acquire and retain customers • Creation of a fan experience based fan community • Customer supported idea generation and feedback collection • Creation of a customer community • Off-line community to enable personal information exchange • Coherent planning of new systems and processes to integrate new communication channels and 	<ul style="list-style-type: none"> • Understanding of ‘new’ audience needs to increase involvement • Attractive content offerings • Advanced analysis of audience through social media analysis and psychological analysis • Analysis through specialized consulting company
Challenges & Benefits	
<ul style="list-style-type: none"> • Reliable and honest consumer feedback • Engaged community members offering to support the success of the company • Varying customer opinion, complex decision making processes, and finding the democratic product solution • Problematic adoption of the company operation to consumer desires • Engaged, feeling-of belonging to the company, and emphasis of the customer satisfaction and loyalty • Valuing and recognition of consumer efforts 	<ul style="list-style-type: none"> • Semi-automated analysis process • Adjustments of content during live-broadcasts • Alternations of content features (music, themes, websites, scenery, contestants, and jury)

<ul style="list-style-type: none"> • Consumers as extended sales force 	
Information Management & Systems	
<ul style="list-style-type: none"> • Internet as main communication tool • Mobile, Web technologies, widges, and gadgets • Social media sites fitting to customer communication patterns • Analysis of customer information and integration of these into CRM processes • Minimization of implementation and management costs of hardware and software • Social CRM complements traditional CRM, but does not fully replace these • Integration of social CRM systems into legacy systems and databases 	<ul style="list-style-type: none"> • Text analysis and natural language processing of unstructured text • Common social media infrastructures (Facebook, Twitter, ...) • Statistical analysis tools (e.g. SPSS) • Sentiment analysis • Emotional computation
Customer Behaviour	
<ul style="list-style-type: none"> • fulfilling customers' needs and emotions • high quality, functionality and design of the underlying product • easy availability of the product through mass distribution through any distribution channel • strong and reliable brand impacts consumers' buying decision and company reputation • primarily bought when consumer needs the product – anytime, anywhere, anyhow 	<ul style="list-style-type: none"> • 71.000 online conversations • 400% increase of online conversations towards the final episode
Customer Life-Cycle Management	
<ul style="list-style-type: none"> • customer acquisition, retention, and development • customer retention through product satisfaction, fulfilling its purpose and coping with customer expectations • emphasize on ergonomics, design, functionality, and usability • everyday live products • long-time loyalty through quality • cross-selling and up-selling of products • innovation processes to retain and develop the customer base 	<ul style="list-style-type: none"> • Content

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