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CUSTOMER RELATIONSHIP MANAGEMENT (CRM) IN ACADEMIC LIBRARIES: PERCEPTION AND REALITY

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Abstract: In this digital era academic libraries are already facing their greatest challenges and difficulties with multiple communication channels. For more than a decade, academic libraries have been under the pressure to change its way of operation and management due to constraint of budget and the appearance of online resources. These situations cause the libraries to value their development of resource and the application of library marketing to better service. How to retain and increase users through enhancement of service becomes the great concern of library managers/ librarians. Customer Relationship Management (CRM) is not a tactical or functional approach but a key strategic process. A comprehensive CRM is highlighted with its pillars, characteristics, basic principles, initiatives in libraries, library service, significance, model and 4S, and user satisfaction through evaluating academic libraries in this study.

Keywords: Customer Relationship Management (CRM), Academic Libraries, 4S and Reality

Introduction

Academic libraries are currently facing their greatest challenge caused by the explosion in tertiary education and academic publications. The alliance of business and universities to create a new paradigm of tertiary education, and the emergence of the virtual university, supported by the virtual library, call into question many of our basic assumptions about the role of the academic library and the security of its future. Retaining and improving their customer databases and focusing on meeting their customers' expectations are the only ways for academic libraries to survive in this volatile competitive environment (Cullen, 2001). CRM is a widely-implemented strategy for managing organizational interactions with customers. It involves the

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processes of finding, attracting, and retaining new customers, nurturing and retaining those the organization already has, enticing former customers back into the fold, and reducing the costs of marketing and customer service. The overall goals of CRM are to create customers' satisfaction, trust, loyalty, and retention (Gronroos, 2000; Tiwana, 2001, Gartner Inc., 2009). Recently, there has been increasing interest among Thai academic libraries in using CRM for library services improvement, seen in meetings and conferences that addressed applications of CRM in academic libraries and CRM benefits. Tulyasuk, et al. (2005) also suggested that Thai academic libraries had urgent needs to provide more proactive services and integrate the CRM strategy for improving the library services. Although there were CRM practices found in some academic libraries such as the study of customers' attitudes and needs, the creation of customers' profiles, and the provision of several options for customers'communication, most of these practices are related to the library traditional services such as circulation, inter-library loan, and current awareness service.

Application of CRM in libraries will add the values of library services. It creates confidence and satisfaction among users and will in turn increase the number of users and at the same time draw back former users to come on a regular basis (Broady-Preston, Felice, & Marshal, 2006; Wang, 2007).

Review of Related Literature

Customer Relationship Management is a concept that is based on the philosophy of customers and marketing developed for relationship building (Kotler, 2003). Gronroos (2000) defined CRM in service marketing as a communicating process between customers and an organization's service in order to attract and maintain those customers who will be the organization's or library's true users who are willing to use the library's services. These customers / users also have a tendency to willingly pay for the organization's services at a higher level.

Chen & Popovich (2003) suggested that the key factors for CRM are people, technology, relation and process. However, all four strategies and implementation processes, customer centric business process, enterprise-wide strategy, technology-driven process, and cross-functional integration must be propelled.

Combe (2004) proposed four items for driving forth CRM: culture, leadership, people, and technology. There are other academics, both national and foreigners who conducted studies on factors leading to CRM success.

Many academics have conducted studies and proposed important components of CRM. Buttle (2004), for instance, stated that there are 4 important factors affecting the chain values of CRM, namely, leadership and organizational culture, people, data and information technology, and process.

According to Nykamp (2001), process of customer management is the most important factor supporting the introduction of CRM in organizations. The process commences from getting to know customers and building good relationships with customers based on the behaviors of target groups. Library management is also playing most vital role for building a good relationship among information providers and information seekers through focusing by CRM in academic libraries.

Combe, 2004; Ho, & Chuang, 2006; Mendoza et.al., 2006; Zablah, (2005) affirmed that customer management process cover recording and registering customers' account, analyzing for better understanding, providing services to library customers, implementation towards expected customers, continuous interaction with customers, and arrangement of different activities.

 Nowadays information technology and communication are used as the tool for organizational communication, knowledge management, and strategies (Laudon, & Laudon, 2002). Likewise, CRM technology is the important strategic tool of an organization to attain success in CRM application (McKie, 2001; Stefanou, Sarmaniotis, & Stafyla, 2003) owing to the basic structure of information technology and information from customers' databases (Torres, 2004). Primarily, the customer management strategy requires a center to store all customers' news and information. This center must have efficient information technology architecture that is adjustable according to the changing environment (Combe, 2004; Buttle, 2004).

Customer Relationship Management (CRM)

Kotler and Fox (1995) stated that "The best organization in the world will be ineffective if the focus on customers' is lost. First and foremost is the treatment of individual students, alumni, parents, friends, and each other (internal customers) every contact counts." Huang (2007) stated that library services are a kind of invisible product and it is important to obtain readers' discontent information for improvement of the services. Information providers and information seekers (customers/users) are always trying to

make relationship by providing right information at the right time to the right person.
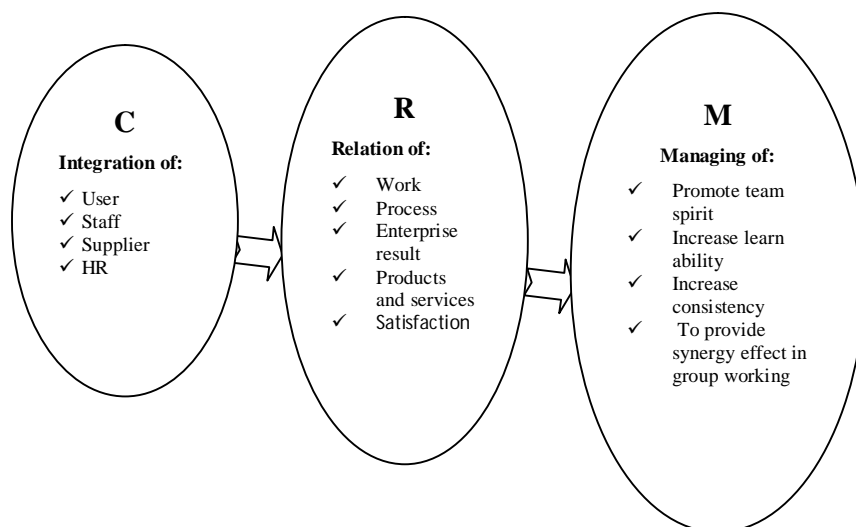
CRM stands for

Customer (Soul of CRM)**:** Made up whole users/customers

Relationship (Heart of CRM)**:** Relation between information seekers and information providers

Management (Brain of CRM): Manage (art of manner of handling) + Men (users and staffs) + T (techniques)

Wang, M. Yu (2006) presented CRM with the following diagram:

C

Integration of:

✓ User
✓ Staff
✓ Supplier
✓ HR

R

Relation of:

✓ Work
✓ Process
✓ Enterprise result
✓ Products and services
✓ Satisfaction

M

Managing of:

✓ Promote team spirit
✓ Increase learn ability
✓ Increase consistency
✓ To provide synergy effect in group working

Methodology of the Study

CRM is more evolution than revolution. Thus achieving the full potential of each user relationship should be the major goal of every academic library. The study covers working information providers in academic libraries. CRM system examines the move toward operation and outcome/feedback of results from this mainstream in the libraries (services, process, relation and management).

Objectives of this Study

The overall objective of the study is to promote right information to the right user through pertinent management. To achieve this goal, library professionals should keep in mind the following steps to provide scholarly information services.

1. To identify the key pillars of CRM in Academic Libraries
2. To provide information services to meet the needs of the users.
3. To find out right approach of the users
4. To recognize the factors related to CRM effectiveness
5. To build up satisfaction level of the users

Pillars of CRM in Academic Libraries

Creech (1994) listed five pillars of CRM that provides a strong foundation for organizations / libraries. This can become the focus of improvement in technical and higher education for their transformation. The key pillars are:

1. Organizations (Academic libraries)
2. Product (Library materials)
3. Process (Library materials process)
4. Leadership (Relationship between information providers and information seekers)
5. Commitment (Provide proper service through good management)

Each pillar depends upon the other four, and if one is weak all are weak. So, five pillars of CRM can be associated with library management system to provide scholarly information to the customers or users.

Basic Principles of CRM

As basic principles for CRM, Schellong (2008, p. 11) identify the following: 1) personalization (products, information, services); 2) customer integration and customer proximity (planning processes, product development, collaboration), 3) interaction (channels, long-term communication, surveys); and 4) customer segmentation. Indeed, strategies those guarantee quality management and a user-oriented culture.

In relation to models, Anderson (2001), cited by Schellong (2008, p. 16), based on a review on relationship development models, suggests four phases in relationship exchange: pre-relationship, negotiation, development and

termination. In the same way, when approach the interactions that take place during a process of information provision, break it up in phases which are called the negotiation cycle and as a service include the same phases.

Characteristics of CRM in Academic Libraries

Relationship management is a user friendly feature with service response based on customer /user input, one-to-one solutions to customers'/users requirements, direct online communications with user and information desk centers that help users solve their issues.

Wang, Mei, Yu, (2006, p.288) mentioned, with limited resource, an inexpensive and clear-cut CRM solution was sought, and the system that possesses the following features and functions was considered:

- **Accessible through the web**: Users and library staffs can log into the system through the Internet.
- **Site customization**: This was to assist users to reach the needed information efficiently. The CRM system is suggested to offer customization features allowing users to offer the content they see, and if possible, the system should also provide customized service. In other words, once a user is registered, he/she will be provided only the information based on his/ her profile.
- **A storage repository**: In addition to send to the right user at the right time, all the answers should be stored within a repository for future use and analysis.
- **Search engine**: Allow the visitors to search on keywords to locate quickly specific answer on the web site.
- **Automatic question routing**: A reasoning rule must be set in order to allow the system to route the enquiries to the right librarians and / or library staffs.
- **Mailing list**: To receive more information, the visitor can add his / her e-mail address to a list to receive automated e-mail.
- **Introduction for first-time users**: Visitors, who enter the site for the first time, should be able to surf to an introduction page, and this requires contains information about how to use the site most efficiently.
- **Chat:** The chat feature allows a visitor to enter a real-time conferencing with librarian, library staffs and / or other users on the web site.
- **Electronic bulletin board**: Script-driven forums allow visitors to share information with others and can help shape a web site to better serve

users' needs. Through an electronic bulletin board, a visitor can post a message or can respond to a posted message on a special web page.

- **Alternative channels**: As one of the main points of CRM systems is to communicate effectively and efficiently, different ways to contact the library should be offered, for instance, e-mail, fax, toll-free numbers, postal address, call back button and voice over IP, bulletin board.
- **Administer the learning processes of library staff**: The system should be able to examine the status of the learning activities of library staff, assign learning initiatives to them, and generate reports on their learning activities.

One admitted that CRM system might become a good tool to provide accurate information to the users at a speedy manner.

Significance of CRM in libraries

A library must clearly understand its mission and goals to support teaching, research and learning, as well as identify the characteristics of users to provide adequate instructional programs. On the strategic stage, a library manager should create a CRM strategy focusing on the organization and user instructional programs. Such strategy should provide the library with a clearer platform, with which to develop and implement CRM activities (Payne and Frow, 2005).

CRM system is a very important tool in the library. Namely, libraries as educational institutions have mission to gather, process, store and make access to information and that's why library staffs must make their services better and attract new customers as well as keep existing users. CRM implementation can contribute to development of better library services according to many studies as for example is research conducted in academic libraries.

According to Siriprasoetsin, P., Tuamsuk, K. & Vongprasert, C. (2010, p. 69), aignificance for academic libraries on development of CRM in libraries includes: (1) CRM must be included in the library strategic plan, (2) CRM must be a key strategy for the improvement of library service quality (3) library administrators must have strong leadership for achieving the effectiveness of CRM practices in the library (4) library staff must have good knowledge and understanding of CRM (5) the working cultures for CRM effectiveness such as team and good communication between staff must be encouraged and practiced in the library, and (6) technology must be fully supported for CRM in the library.

CRM can be considered as pre-conditions for focusing into academic libraries. These fall into the following eight categories: (1) communication with users, (2) design of user-friendly system, (3) information about library and public relationships, (4) affective engineering, (5) promoting content of library, (6) expanding and enhancing services, (7) superior service quality and (8) contacts with potential future users.

CRM initiative in libraries

Many librarians / managers believe that library operation and service development are customer focused. Generally, CRM is used to analyze and utilize marketing databases as well as to leverage communication technologies in order to determine corporate practices and methods to maximize the lifetime value of each individual customer to the organization (Kumar and Reinartz, 2006). In the application of CRM in library service, librarians / managers can focus on how they can arrange their collections and services to attract more users to the library. Thus, it has become their top priority to determine how users expect to use a library.

A relationship is a bond or connection between an organization and its customer (Rajola, F., 2002). Researchers have used the following to emphasize the application of CRM issues in the library: data mining on book recommendation and library marketing (Yen, 2002); resource usage efficiency (Chen et al., 2004); acquisition budget allocation (Kao et al., 2003); acquisition and cataloging (Chu, 2005); improving service (Will, 2006); user service (Wang, 2006); and CRM software in e-journal access (Borchert, 2006). Without appropriate CRM, a library manager may misunderstand users' service requests and be unable to meet users expectations.

CRM in library services

Perng, Chyuan Wang, Shiow-Luan and Chiou, Wen-Chill. (2009, p.14-15) mentioned that academic libraries pondered how to operate and manage reader services in an effective and efficient way. CRM highlights the customer-centric approach and builds relationship with customers to confirm to the customer focus in library operation and management both in physical or virtual times. Keating and Hafner (2002) addressed the business models that can be applied to libraries of higher education and develop strategy of one-to-one relationship management that provides the libraries with capabilities to change the delivery and role of the library.

The development of library operation and service aiming at the goals of customer/user focus is very important to library managers. CRM is the practice of analyzing and utilizing library databases and communication technologies to determine corporate practices and methods that will maximize the lifetime value of each individual user to the library (Kumar and Wener, 2006). CRM is used popularly in library service and library managers need to concern themselves with collection design in that they arrange their holdings and services in a way that will attract customers to the library. By emphasizing the application of CRM issues in library, researchers use data mining on book recommendation and library marketing; resource usage efficiency; acquisition budget allocation, acquisition and cataloguing; reader service. Readers will always be the critical focus of a library and is eager to build relationship with them related to interactive and user oriented service such as circulation desk, website, reference query, and personalized service. The concept of CRM is to apply broadly both in library organization and mechanism of reader service which is mentioned (Hernon, Peter, Nitecki, Danuta A., and Altman, Ellen, (1999).
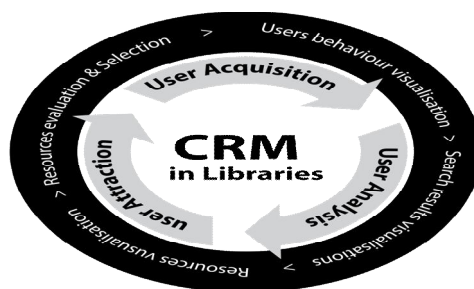

Figure 1: CRM model in libraries

Constantinides (2002) proposed the Web-Marketing Mix (WMM) model to identify the online marketing critical elements and addresses the E-Commerce strategic, operational, organizational and technical issues by: Scope, Site, Synergy and System (4S) which is interrelated to the library management system.

1. **Scope**: The scope is acted as a strategic direction for information managers to ensure the whole staff follows the organizational predefined goals and objectives.

2. **Site**: The site transforms a web required to evaluate how well the website's presentation has compiled with the presenting functional requirements. Library website is the virtual front doors to collections and services, and as a powerful communication channel.

3. **Synergy**: The synergy can be applied to all necessary organizational /library issues such as back-end supports or knowledge capability.

4. **System**: The system can be used to examine whether library surroundings have the necessary technologies to support the technical related to library use during the transactional (borrow/return) processes (see Figure 2).
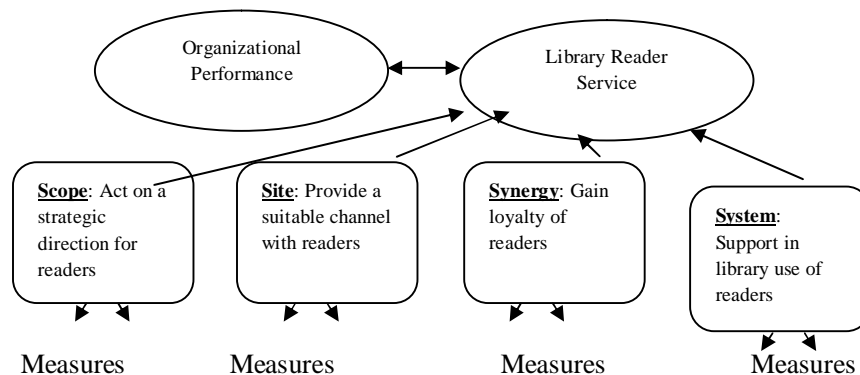

Figure 2: The conceptual framework of 4S in library reader service

User expectations and satisfaction

In the view of library, users are like customers and library always tries to encourage continued patronage by providing scholarly information to increase their satisfaction. Customer satisfaction leads to loyalty and is an important CRM tool in identifying, rewarding, and retaining customers (Kumar and Reinartz, 2006). Satisfying customer expectations and caring for their individual needs require a thorough understanding of how they are related to CRM. Customer / user satisfaction represents the degree to which a library has met the users' needs and expectations (Cooper and Dempsey, 1998:33; Dlamini, 2006). User satisfaction is equal to success, although complaints may still exist. One way of ensuring satisfaction is to encourage users to utilize the resource and services offered by libraries. Libraries can

also implement instruction programs to educate and guide users in browsing through the web.

Conclusion

Library as a learning center is at the heart of campus. Libraries today must find ways to optimize operations, maximize resources, enhance services, and serve customers at the right time. Users' needs and wants are at the core of library service and development. Librarians / Library mangers are conscious of the trends of user focus and eager to know users' expectations. Librarians should realize that they are the knowledge workers, providers, and creators, not just information depository. The creation of new knowledge is a major challenge for all organizations today.

Librarians or information managers of academic libraries in Bangladesh realize and provide indirectly such services to the library users. Now, it is the crucial time to utilize the important tools of CRM while providing information services to the users in academic libraries. Without appropriate CRM, library may misunderstand their readers' service requests and be unable to meet reader expectations. CRM system in academic libraries could be implemented through resource collection, building a relation between library staffs and users, and proper resource management.

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