Factors affecting customer relationship management practices in Thai academic libraries

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Abstract   This study investigates and analyzes the factors affecting customer relationship management (CRM) practices in Thai academic libraries. The research conceptual framework focuses on factors affecting CRM practices was developed using Combe (2004)'s study on assessing CRM strategies. Mixed methods, qualitative, and quantitative approaches were used as a research methodology. Data was collected by using the interview and survey techniques with the administrators, staff and customers of six selected academic libraries in Thailand. Analysis of the data was done by using Pearson's correlation coefficient, factor analysis, and multiple regression analysis. The results of the study show that factors that have statistically significant impact on CRM practices in Thai academic libraries at 0.05 level were: (1) the knowledge and understanding of CRM of library staff and leadership of library administrators (Beta = 0.762), (2) organizational culture and communication (Beta = 0.323), (3) customer management processes (Beta = 0.318), (4) technology for supporting customer management (Beta = 0.208), and (5) channels for library services and communications (Beta = 0.150). The knowledge and understanding of CRM of library staff and leadership of library administrators which include the perception and awareness of service quality focusing on customer relationship is a key to library success. Important factors also include the acceptance and support of the use of CRM in the library, the clear vision and mission about using CRM in the library strategic plan, the knowledge and understanding of library staff on CRM processes, customer characteristics, and behaviors. The organizational culture and communication factors involve the creation of the CRM cultures of working in the library, good teamwork, cooperative and clear working agreements, clear roles and responsibilities, good communication between library staff, cross library functional integration, and performance evaluation and development. The customer management processes factor includes recording and registration of customer profiles, customer analysis and classification, services to individual customers, services to expected customers, and continual customer interactions. The technology for supporting CRM factors includes communication technology, information technology, and operations support technology. The channels for library services and communications factors can be direct channels, such as a service counter and self-circulation service, and indirect channels such as telephone, call center, email, personal web, library web, and social networking technology.

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Suggestions for academic libraries on the development and implementation of CRM in libraries are: (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 and its link to the library service quality improvement; (5) the working cultures for CRM effectiveness such as teamwork, cross functional work, 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.

Introduction

Academic libraries are currently facing their greatest challenge due to 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 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). Competition for customers and resources as well as recognition that the library may no longer be the primary nor the only information source available bring new meaning to the need to promote the library's value in a crowded arena (Stueart & Moran, 2007). The reviews of literature revealed that customer relationship management (CRM) has been studied and used as part of library strategies for improving the quality of library services. This is because CRM is a widely-implemented strategy for managing organizational interactions with customers. It involves the processes of finding, attracting, and retaining new customers, nurturing and retaining customers 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 customer satisfaction, trust, loyalty, and retention (Gartner Inc., 2009; Gronroos, 2000; Tiwana, 2001).

Recently, there has been increasing interest among Thai academic libraries in using CRM for library services improvement as seen in meetings and conferences that addressed applications of CRM in academic libraries and CRM benefits. The research from *Roles of University Libraries in Enhancing the Students' Learning* done five years ago by Tuamsuk, Tulyasuk, Sarawanawong and Dadphan (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. However, the study by Siriprasoetsin, Tuamsuk, and Vongprasert (2010) found that most Thai academic libraries had no policies on the creation and retention of good relationships with customers. Although there were CRM practices found in some academic libraries such as a study of customers' attitudes and needs, creation of customers' profiles, and provision of several options for customers' communication, most of these practices were related to the traditional library services such as circulation, inter-library loan, and current awareness services. There were few innovative services focusing on customers in Thai academic libraries.

Application of CRM in libraries will add value to library services. It creates confidence and satisfaction among users and will in turn increase the number of users and at the same time bring back former users (Broady-Preston, Felice, & Marshal, 2006; Wang, 2007). However, successful CRM application also depends on a number of factors. Any organization wishing to use it has to understand the various factors in the CRM paradigm in order to establish the framework and mission (Chen & Popovich, 2003). Many academics have studied and compiled factors underlying the success of CRM administration and listed the following as major contributors: information technology, staff, customers, customer management, organizational culture, leadership, organizational strategies, and teamwork (Buttle, 2004; Chen & Popovich, 2003; Combe, 2004). In fact, these factors are the outcome of the CRM administration studies conducted in business organizations. There is currently no study conducted on successful CRM-based administration for library organizations, especially academic libraries which are categorized as non-profit and classify customers as users. The researchers believe CRM administration is a new issue for Thailand and hence, wish to study it in depth and holistically in order to obtain accurate and practical academic information. This study is one part of the research into the development of a CRM model for Thai academic libraries.

Research objective

This research investigates and analyzes the factors affecting CRM practices in Thai Academic Libraries.

Literature review

Customer Relationship Management is a concept that is based on the philosophy of using a combination of customers and marketing 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 true customers who are using the organization's services. These