The Selection of Knowledge Management Software Applications for Attracting New Customers

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Abstract

Companies are rapidly computerizing all of their business processes in order to achieve a faster, easier and more accurate execution of their tasks. In addition to business processes and activities, companies need to computerize the knowledge they possess about their potential customers, their characteristics, needs and requests. All of these things can be done by using an appropriate knowledge management software application that helps companies to use their knowledge and information effectively. This kind of knowledge and information can be used as a tool in the process of the production and sales of products that can attract new customers and satisfy their requests. The benefits of using knowledge management software applications in the process of attracting new customers will be explained in this paper. Also a number of knowledge management software applications that can be used for this purpose will be listed. After the theoretical research, practical research will be carried out in companies in the Republic of Macedonia and in some other European countries. The research will be descriptive, within the realms of the case studies method. The sampling will be intentional in order to present chosen companies with different business activities, from different countries that uses knowledge management software applications. Through this research the benefits that different companies can get if they are using this kind of software application should be understood. The aim of this chapter is to contribute in raising the awareness of companies in Macedonia with regard to the potential that lies in their knowledge about their customers and the importance of efficient and effective managing of this material through knowledge management software applications.

Keywords: knowledge management software application, new customer.

1. Knowledge Management Software Application

1.1. Definition and Meaning

Today, all working processes in companies are increasingly computerized in order to obtain a faster, simpler and accurate execution of all tasks. In addition to workflow and activities, companies are beginning to computerize the knowledge they possess as well. This can be done by using the appropriate software that helps companies to effectively use their intellectual capital.

In order for Macedonian companies to be competitive on the domestic market and also on the European market they should understand the need of the proper management of all of their knowledge, information, and documents. Being competitive on the European scene, Macedonian companies would contribute to the integration of Macedonia in the European Union, thereby portraying Macedonia as a country dedicated to progress and business modernization.

Knowledge management software application distributes and maintains the knowledge that a company possesses. The basic principle of any knowledge management software application is to transfer the knowledge in an appropriate and easy to use format to the appropriate person and on time, in order that all the tasks should be completed as soon as possible.

Knowledge management software application is not a software application with a standard size, shape and look. In fact, knowledge management software applications can be very different from one company to another. This is because of the different activities of the companies and the different intellectual capital owned by each company. But whatever the differentiations between the companies, we can say that knowledge management software application within companies can support the generation, storage, updating and distribution of knowledge.

The company's ability to learn and change, and more importantly to learn faster than other companies and to turn learned things into action, is the greatest power of a company (Mašić & Đorđević, 2008). With the help of software knowledge management, a company would be able to make changes in order to transfer knowledge and to improve processes, and to develop new products or services in order to meet the needs of customers, attract new customers and achieve all the company's goals.

1.2. Types of Knowledge Management Software Applications

Each company, depending on its business activity, can use different types of knowledge management software application. Companies that want to use knowledge management software applications should know that this software solution has to fit and conform with the company's activities and tasks. If a company does not want to buy and use a final knowledge management software product, a company can collaborate with a software developer company in order to create a new knowledge management software application that would suit the company's requests and tasks.

2. Customers and the Importance of Attracting New Customers

Customers are the most important people to every company. They are the most important resource for a company's success (Marketing theory, n.d.).

The consumer is not just a person who buys goods from a particular company. Consumers can be the suppliers of that company, clients that cooperate with the company, or an employee of that company. We can conclude that the consumer is any person or group that buys products from a particular company. All these customers have different opinions, needs and requirements in terms of the products offered by a particular company, and the prices, and way of supply, or post-sale services. All these needs and demands of consumers are of a great importance to the company. The company should pay attention to all of these needs and requirements in order to create suitable actions to meet them. Only by meeting the needs and requirements of customers, can the company keep existing customers and contribute to the increase of their number and the number of orders.

Besides monitoring and meeting the needs and requirements of existing customers, the company should pay attention to their potential customers as well, in order to make further actions to attract them.

The company should realize who their potential customers are and should find a way to attract them. First, that company should get as much information as possible about its customers (Ontario, 2013).

The more information a company has for its potential customers, the faster and easier a company can adapt its products to the needs and desires of the consumers.

3. Knowledge Management Software Applications for Attracting New Customers

The international companies that produce knowledge management software applications are: Oracle, Kana, IBM, Apple, Google, EMC, SAS, Coveo, HP / HP Trim HP Enterprises services, ASG Software solutions, eTouch, Rivet Logic, Nuxeo, Bridgeway Software and others (Top knowledge management software, n.d.).

Some of the knowledge management software solutions that have already been developed are:

- PHPKB (PHP Knowledge Base Software), which is produced by PHP's leading knowledge management software bases, and offers assistance to companies through the support and management of their knowledge bases. PHPKB knowledge management software database provides statistical knowledge that is crucial for decision making in relation to existing and potential customers, and offers a professional view on the use of charts and diagrams that review all the information. The features of this software are especially suitable for companies that have a lot of information. With this software companies are able to process the information for potential customers and adjust their activities based on the processed information.

- SEM Knowledge Management software is produced by a software company called Kana, and it is a knowledge management software that allows access to all customer databases, as well as certain external databases of consumers made by another company or institution. This software can answer on demand estimated by the set of pre- entered contextual specifications. These specifications can be: setting the value of a consumer, type of application, previous experience, or number and type of the order.

- Safeharbor KMS is a software developed by Safeharbor Knowledge Solutions. In the last decade, this software was used by more than 500 companies. It maximizes the management of knowledge in the company. Apart from storing data about potential customers, this software offers several solutions, including: making assessments of work, creating a strategy for attracting new customers, performance testing, analysis and compliance of information and the creation of the best practices in the company in order for the company to meet the demands of the new customers.

- Archivd Research management knowledge software is produced by Archivd. Using this software, a company can collect and present all inquiries from potential customers that are made online. Furthermore they can easily be shared among employees. This software is commonly used by production managers, sales managers and advertising agencies in order to process all the information obtained from the Internet for new customers and to take actions that will contribute to satisfying their needs.
- Dezide Advisor is produced by Dezide and it is web-based software that serves employees and their existing and potential customers. If consumers have any questions or specific requirements, this software provides multiple solutions and answers to their questions. As a result customers get the most beneficial answers in the shortest time.

These and many other software solutions are developed and used by different kinds of companies. Knowledge management software solutions are upgrading all the time in order to satisfy the needs and requests of companies.

4. Practical Research

4.1. Research Aims
This research is a descriptive one, made through the case study method. As case studies, we have different companies from the Republic of Macedonia and other European countries that use knowledge management software applications for attracting new customers. The sampling for the case studies is intentional so that the chosen companies should be ones with different business activities and different needs for attracting new customers. The information for the companies and their experience in using knowledge management software applications are collected by conversations with people who are working in the respective companies.

The purpose of this research is to identify the benefits that different companies get by using software solutions for knowledge management and the ways in which they attract new consumers with the help of the software solutions they are using.

These case studies will present the benefits of using knowledge management software applications from a practical point of view, and these benefits should serve as a motive for other companies that are not using

knowledge management software applications to start using it in order to attract new customers and achieve progress and success in their work.

4.2. Case studies

T-Mobile Macedonia. The best example of a company that uses knowledge management software application is the mobile operator T-Mobile. This company has a knowledge management system that enables continuous updating, storing and transmitting of information from one place to another. This system works with a large database which houses all customer data (current, past and potential), data for all their activities, requirements about buying mobile phones, activities with tariffs, calls and so forth. Through this system, this company performs a continuous exchange of knowledge from one sector to another, and from one branch to another. Also this system is very fast and it easily applies to all customer requests. In this way customers receive real information in real time. This system also helps the company to shape its sales strategy and to meet the needs of all of its consumers.

If the knowledge management software application is up to date and meets the requests of the company, then that company would be able to facilitate its operations to satisfy its customers, attract new customers and get a bigger market share and bigger profit.

The staff in T-Mobile are satisfied with the usage of this software because it contributes to increasing T-Mobile's sales and in increasing the number of T-Mobile customers. The knowledge management system in T-Mobile is not a standard final knowledge management software product but it is made according to the needs and requirements of this company in the Republic of Macedonia.

Cermat Croatia. Cermat Croatia is a company that deals with the production and sales of ice-cream and other frozen food. At its beginning this company did not use knowledge management software applications for collecting and processing information about its customers. Cermat Croatia spent a lot of time and money in hiring an agency for market research in order to get more information about its permanent and potential buyers, their needs and wishes regarding the products and marketing campaigns. After a few analyses from the research agency, Cermat was not satisfied with those results and decided to buy software that would help them to collect, store, distribute and process the information on their customers. Currently, Cermat uses knowledge management software applications to collect, store, distribute and

process information about the requests and needs of its customers. According to this information, Cermat adjusts its production and sales because this information depicts the wishes of the customers. Using software for knowledge management, Cermat gained more buyers and the number of the purchases by existing buyers increased as well.

The software that Cermat uses is called CFMA and works with large databases. The employees from the marketing, production and sales sectors have access to these databases and they make different strategies for production and sales with the help of this information. Also they are able to prepare different analyses about sales' history, the change of prices, sales in different regions, comparison of the sales per products in different years, and make a comparison with the needs of different buyers. Also this software provides the option of distinguishing between the products that are sold on either the domestic market or the export market, and it provides different analysis regarding these products. This software is also used for making calculations that help in determining the price a product should have. Based on the software's calculations and predictions, the most suitable price is given to customers. The management team is satisfied with this software and it is planned for more modules to be added to this software in future.

McCain Serbia. McCain is a leading company, known throughout the world for the production of frozen potatoes and other products from potatoes. The beginnings of McCain can be traced back to Canada in 1914, when the company first dealt with the production and distribution of potatoes. 40 years later the company began to produce frozen potatoes. Today, McCain has manufacturing plants and distribution centers anywhere in the world. The company introduced an innovation in the world of markets by presenting the potato as a flexible product through different forms and different perspectives and ways of use.

McCain's branch in Serbia is a distribution company for the regions of Serbia, Macedonia and Montenegro. This company uses the most sophisticated knowledge management software application in order to satisfy its permanent customers, to attract new customers and to sell products that are required by those customers. Its software solution collects all the information about customers' habits from each country with regard the consumption of potatoes and the different ways of preparing potatoes. Regarding this information they adjust their assortment for sale to each country. Also their software has options to give answers to each question from

the customers. This software is made on McCain's demand according to the needs of the company.

MDS group Germany. The MDS group is a holding composed of these companies: HMF, Pro Dimi, Merx and Cristallo. This holding sells its products worldwide through discount supermarket chains. The MDS group buys products from many European countries and then sells them in its markets. MDS holding started to use a knowledge management system from its very beginning and by using this software the MDS group is connected with all its clients and customers all over Europe. All the orders go through this software, and every purchase is stored in its large database. This software also collects novelties that appear around the world regarding new products in the range of products that the MDS group sells. With regard to this information, the MDS group adjusts its working according to new trends in food consumption and the consumption of all the products that are sold in each supermarket. Also this software allows communications among the sales sectors in the supermarket chains in different countries. This knowledge management software in the MDS group has been created to satisfy the needs of customers and of sales workers and to provide better sales and bigger profits.

Conclusion

Theoretical research shows that knowledge management software applications can help companies to attract and reach new customers. That can be done by collecting, storing and processing the customers' information; also, the process of knowledge management can help create strategies for working, based on processed information. All of these things will contribute to raising the competitiveness of the companies on the domestic and ultimately, on the European market.

In practical research, successful companies from European countries that use knowledge management software applications have been shown. Regardless of the different business activities that they have and the different purposes for using the knowledge management software that they have, these examples show us that knowledge based software can help companies to learn something more about their customers and their needs, and can adjust their work with regard to changing trends and inquiries on the market. Also knowledge management software applications facilitate the execution of the companies' tasks and provide a modern, sophisticated and advanced working for the companies.

Knowledge management software applications should be part of each Macedonian company that wants to be up to date with all market activities and wants to respond to its customers' demands in not only the domestic, but also in the European market.

Companies should be motivated to use this kind of software application. Therefore, a number of activities should be taken by many institutes, among them, companies that produce this software, academic institutions and government. All of these institutions can make a significant contribution toward showing companies the benefits and advantages of using software solutions with which they can manage their knowledge much more efficiently and more simply.

First, knowledge management producers can promote their knowledge management software more intensively and can create effective and intensive selling strategies for this kind of software to companies. Of course, for this, Macedonia should be seen as a country that is prone to implementing technology in business. In order for this to be achieved, the psychology of business leaders in Macedonia should be directed toward seeing the benefits of using the latest technology in a business. And this is where academia comes in.

Universities and other educational institutions can organize special lectures, conferences and meetings, targeted at business leaders. There, representatives from companies- the future users of knowledge management software applications, students, software companies and professors could be present and discuss the challenges and benefits of implementing the latest technology in a business. Everyone could benefit from these open lectures, and a significant number of companies could be persuaded to use knowledge management software applications.

Also government could help in the process of modernizing business. First and foremost, the Ministry of Information Society and Administration could take action by implementing knowledge management software applications in its own functioning and sharing and promoting this experience with companies. Another solution would be if the Ministry of Information Society and Administration cooperates with other ministries or institutes in order for each of them to advocate the use of knowledge management software in its own domain (for example the Ministry of Health could take actions for using knowledge management systems in hospitals and other health facilities, then the Agency of food and veterinary science could take actions to promote the benefits of this software among food producers companies and could even subsidize them).

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