



# A Systematic Literature Review of Social CRM in SMEs: Key Benefits and Challenges

Maulia Jayantina Islami<sup>1</sup>, Ratih Hurriyati<sup>2</sup>,  
Heny Hendrayati<sup>3</sup>

<sup>1,2,3</sup> Universitas Pendidikan Indonesia, 40154 Bandung, Indonesia  
maulia.jayantina@upi.edu

**Abstract.** Social media plays a crucial role in the digital economic era for Small and Medium-sized Enterprises (SMEs). Social media platforms have transformed how businesses interact with customers, making social customer relationship management (s-CRM) vital for the sustainability and success of SMEs in achieving competitive advantages. Given the positive impacts highlighted in previous studies, it is essential to comprehensively review both the benefits and challenges SMEs face in implementing s-CRM. This study conducts a systematic literature review, identifying, assessing, and interpreting all available research evidence to answer specific research questions. The analysis of the selected primary studies identified the key benefits and challenges of s-CRM implementation in SMEs. The findings reveal four key benefits: increased innovation capability, enhanced sales performance, customer engagement, and competitive advantage. However, SMEs face significant challenges in implementing s-CRM, including data security issues, integration complexity, lack of resources, and resistance to change.

**Keywords:** Social Media, Customer Relationship Management, Social CRM, SMEs, Systematic Literature Review

## 1 Introduction

The integration of social media into electronic Customer Relationship Management (e-CRM) has emerged as a significant area of emphasis for numerous organizations in the contemporary business landscape, with the objective of augmenting value, customer engagement, and service innovation [1]. In response to the ever-evolving nature of the modern era, social media has evolved from a mere communication instrument to an indispensable platform that facilitates interactions between businesses and their clients [2]. The integration of social media into electronic Customer Relationship Management (e-CRM), henceforth referred to as social CRM (s-CRM), has emerged as an imperative tactic for Small and Medium-sized Enterprises (SMEs) for the purpose of effectively overcoming economic challenges and improving their competitiveness [3].

Recent researches indicate that small and medium-sized enterprises (SMEs) might improve their competitive advantage and overcome economic obstacles by implementing customer relationship management (CRM), primarily through the utilization of social media platforms [4]–[6]. The adoption of these technologies could progressively

dictate the future success of small and medium-sized enterprises [4]. In addition, evidence suggests that implementing Social CRM can lead to enhanced market accessibility, improved customer communication, decreased marketing expenses, and strengthened customer relationships [5], [7]. The practical implementation of s-CRM by small and medium-sized enterprises (SMEs) is contingent upon organizational preparedness, technological proficiency, and support from top management [8], [9]. Alghamdi has recognized the Technology-Organization-Environment (TOE) framework as a valuable instrument in comprehending and situating the implementation of CRM technologies within small and medium-sized enterprises (SMEs) [4]. Furthermore, research has shown that incorporating social media platforms into advertising campaigns enhances customer awareness and engagement, strengthens customer relationships, and positively impacts the operational efficiency of small and medium-sized enterprises [6], [10].

Although the expanding body of literature on the benefits of s-CRM for SMEs, many benefits and positive impacts of s-CRM Implementation are published disparate and complex; thus, a comprehensive picture of the current state of the key benefits of s-CRM for SMEs is missing. This systematic literature review aims to identify and analyze the more comprehensive key benefits and challenges SMEs face in adopting s-CRM from the primary studies between 2000 and 2024.

## 2 Methods

A systematic approach for reviewing the literature on the adoption of social CRM in SMEs is chosen. The guideline for performing Systematic Literature Review (SLR) is derived from Kitchenham following the explanation that a systematic literature review (often referred to as a systematic review) is a means of identifying, evaluating, and interpreting all available research relevant to a particular research question, or topic area, or phenomenon of interest. Individual studies contributing to a systematic review are called primary studies; a systematic review is a form of secondary study [11].

### 2.1 Planning Stage

The planning stage is the first step of SLR, where the requirements for a systematic review are identified (step 1). The objectives for conducting the literature review are outlined in the introduction of this chapter. Subsequently, existing systematic reviews on the adoption of social CRM in SMEs were identified and examined. A review protocol was developed to guide the review process and minimize the potential for researcher bias. This protocol delineated the research questions, search strategy, study selection process with defined inclusion and exclusion criteria, quality assessment, and data extraction and synthesis procedures.

The research question was initiated using PEO (Population, Exposure, Outcome). This framework aids in formulating research questions, identifying key search terms, and guiding the selection of studies based on the research question [12].

Population (P): SMEs

Exposure (E): Implementation of Social CRM

Outcome (O): Business performance

According to the PEO framework, the research question for this study is “What are the key benefits and challenges in implementing social CRM (Exposure) on business performance (Outcome) in SMEs (Population)?”. Based on the research question, the primary objective of this systematic literature review is to identify the key benefits and challenges of the implementation of Social CRM (step 1). From the research question, the central review will be focused on the key benefits and the challenges of s-CRM implementation in SMEs (step 2), and several research methods from the primary studies will not be limited to help evaluate the context on measuring the impact of s-CRM adoption in SMEs (step 3).

## 2.2 Conducting Stage

The search process, particularly in step 4, involves structured activities to ensure thorough coverage of the relevant literature. This includes selecting appropriate digital libraries, defining a precise search string, conducting a pilot search, refining the search string based on initial results, and retrieving an initial set of primary studies that align with the search criteria. By following this comprehensive approach, researchers can maximize the breadth and depth of their literature review. The selected digital databases for this process include ScienceDirect and Scopus.

The search string was formulated through the following steps: Identifying search terms from the PEO framework, particularly focusing on Population and Exposure; Deriving search terms from the research questions; Extracting search terms from relevant titles, abstracts, and keywords; Identifying synonyms, alternative spellings, and antonyms for the search terms; Constructing a comprehensive search string using the identified terms, employing Boolean operators (ANDs).

The search string that was utilized is as follows: (Social AND Customer AND Relationship AND Management AND Implementation AND in AND SMEs)

The search strategy was refined to meet the unique criteria of each database. Searches were conducted using titles, keywords, and abstracts, constrained to publications from 2020 to 2024. The scope was restricted to include journal articles published in English, with the Scimago Journal Rank (SJR) from Q1, Q2, and Q3 categories. Primary studies selection (step 5) was conducted based on the defined inclusion and exclusion criteria (see Table 1).

**Table 1.** Inclusion and Exclusion Criteria

Criteria	Description	Code
<b>Inclusion Criteria</b>	Studies discussing social CRM and social media adoption in SMEs	IN1
	Studies measuring the impact of s-CRM in SMEs	IN2
	Studies that suggest attributes of key benefit challenges for implementing s-CRM in SMEs	IN3
	Studies written in English	IN4
	Studies related to s-CRM outside the scale of SMEs	EX1

<b>Exclusion Criteria</b>	Studies that are published in a form other than academic journal articles	EX2
	Studies that are not written in English	EX3
	Studies that do not fit into any inclusion criteria	EX4

Source: Author’s work

The comprehensive search methodology and the number of studies identified at each phase are illustrated (see Fig. 1). The study selection process was executed in two stages: initial exclusion based on title and abstract, followed by exclusion based on full-text evaluation. Data from the selected primary studies were extracted to address the research questions posed in this review (step 6). The author uses the Mendeley Software Package to store and manage the research results.

Considering the inclusion and exclusion criteria, the quality of the studies, their relevance to the research questions, and their similarity. Duplicate studies by the same authors published in different journals were excluded (step 7). After this full-text selection process, 26 primary studies remained. Various strategies were employed to synthesize the extracted data (step 8), tailored to different research questions. Generally, a narrative synthesis method was used, and the data were tabulated to align with the research questions.

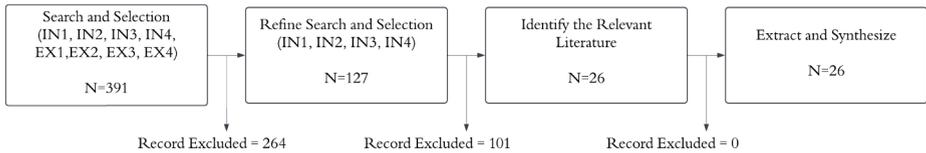


Fig. 1. Search and selection of primary studies

### 2.3 Reporting Stage

This literature review encompasses 26 primary studies analyzing s-CRM adoption in SMEs. (see Fig. 2) provides a brief overview of this distribution, showing an increase in published studies from 2020 to 2024, thereby indicating the inclusion of more contemporary and relevant research. The line graph illustrates that the most significant number of distributions is in 2023 compared to the other year.

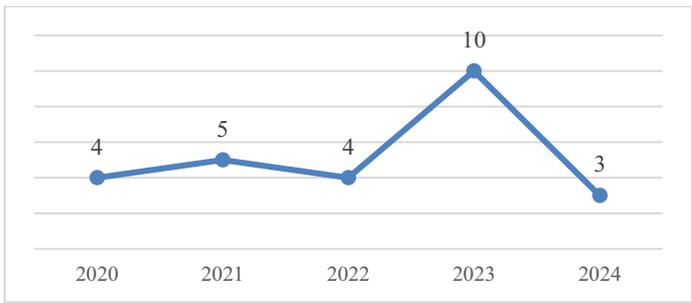


Fig.2. Includes Studies Distribution by Year

Source: Author’s work

### 3 Results and Discussion

#### 3.1 Key Benefits of Implementing s-CRM in SMEs

Synthesized from 26 primary studies, the key benefits of implementing s-CRM in SMEs as shown in Table 2.

**Table 2.** Key Benefits Clustered from Primary Studies

Key Benefit Cluster	Referenced Primary Studies	Brief Explanation
Increased Innovation Capability	[13]–[17]	Social CRM positively affects SME performance and competitive advantage, enhancing innovation capability and driving customer-centric practices.
Enhanced Sales Performance	[13]–[15], [18]–[23]	Social CRM positively affects customer satisfaction and loyalty, leading to enhanced competitiveness and market share,
Improved Customer Engagement	[4], [15], [18], [20], [24]	Social CRM enables SMEs to engage with customers through social media, influencing positive reviews and mobilizing actions toward brands or products.
Competitive Advantage	[4], [14], [25]–[28]	Social CRM adoption positively affects customer loyalty, improves interactions with key stakeholders, and increases firm performance, including competitive advantage and innovation capability, improving business outcomes.

Source: Author's work

#### 3.2 Challenges of Implementing s-CRM in SMEs

Despite the benefits, the challenges associated with implementing social CRM in SMEs are also multifaceted (see Table 3). encompassing technological, organizational, customer engagement, and data privacy/security dimensions. SMEs frequently contend with resource constraints, a lack of readiness for change, and difficulties in effectively engaging customers while ensuring data privacy and security. These challenges underscore SMEs' need to strategically integrate social media with CRM activities, address organizational barriers, and consider regulatory requirements when implementing social CRM systems.

**Table 3.** The Challenges Faced by SMEs in Implementing s-CRM

Challenges	Referenced Primary Studies	Brief Explanation
Data Security	[29]–[31]	SMEs face challenges related to privacy and control when implementing social CRM, which can affect their social media management strategies.
Integration Complexity	[19], [28], [32], [33]	Challenges in data management, such as the absence of consistent methods for collecting and integrating social data with CRM systems, have been identified as key issues.
Lack of Resources	[13], [14], [29], [34]–[37]	SMEs encounter challenges due to limited resources, often resulting in the reactive and ad hoc

Challenges	Referenced Primary Studies	Brief Explanation
Resistance to Change	[33]	management of social media, impacting the effective implementation of social CRM. Implementation attempts often fail due to the lack of readiness or resistance toward change. Need for a change management framework.

Source: Author’s work

## 4 Conclusion

This literature review aims to identify and analyze the key benefits and challenges of s-CRM implementation in SME research from 2020 to 2024. After applying the inclusion and exclusion criteria, 26 published studies were identified and examined. This review has been conducted as a systematic literature review, a methodology defined as identifying, assessing, and interpreting all available research evidence to answer specific research questions. There are four key benefits and challenges SMEs face in implementing social CRM.

The key benefits of the s-CRM implementation in SMEs include: Increased innovation capability; Enhanced sales performance; Improved customer engagement,; and Competitive advantage. While the the challenges in implementing s-CRM in SMEs are: Data Security; Integration complexity; Lack of resources. And Resistance to change. Despite the benefits, the challenges associated with implementing social CRM in SMEs are also multifaceted. These challenges underscore SMEs' need to strategically integrate social media with CRM activities, address organizational barriers, and consider regulatory requirements when implementing social CRM systems.

Most primary studies have not adequately addressed the challenges associated with s-CRM implementation in SMEs. To fill this research gap, various methods should be employed to identify best practices for implementing s-CRM on an SME scale and to develop practical solutions to overcome these challenges.

## References

1. Wei, C., Pitafi, A. H., Kanwal, S., Ali, A. & Ren, M. Improving Employee Agility Using Enterprise Social Media and Digital Fluency: Moderated Mediation Model. *IEEE Access* **8**, (2020).
2. Wibowo, A., Chen, S. C., Wiangin, U., Ma, Y. & Ruangkanjanases, A. Customer behavior as an outcome of social media marketing: The role of social media marketing activity and customer experience. *Sustain.* **13**, (2021).
3. Alkateeb, M. A. & Abdalla, R. A. Social media adoption and its impact on smes performance a case study of Palestine. *Estud. Econ. Apl.* **39**, (2021).
4. Alghamdi, O. A. The Relationship Between Social CRM Adoption and Competitive Advantage: A Study During the COVID-19 Outbreak. *Int. J. Cust. Relatsh. Mark. Manag.* **14**, (2023).

5. Gunawardane, S. P., Dulanjana, K. M., Siriwardana, D. & De Mel, D. H. Impact of social media on business performance: with reference to small and medium enterprises, Western Province, Sri Lanka. *Sri Lanka J. Soc. Sci.* **45**, (2022).
6. Abdullahi, I. N., Husin, M. H., Baharudin, A. S. & Abdullah, N. A. Determinants of Facebook adoption and its impact on service-based small and medium enterprise performance in northwestern Nigeria. *J. Syst. Inf. Technol.* **24**, (2022).
7. Chatterjee, S., Chaudhuri, R., Vrontis, D. & Basile, G. Digital transformation and entrepreneurship process in SMEs of India: a moderating role of adoption of AI-CRM capability and strategic planning. *J. Strateg. Manag.* **15**, (2022).
8. Rahman, R. U. *et al.* Social media adoption and financial sustainability: Learned lessons from developing countries. *Sustain.* **12**, (2020).
9. Hussain, W. & Merigo, J. M. Onsite/offsite social commerce adoption for SMEs using fuzzy linguistic decision making in complex framework. *J. Ambient Intell. Humaniz. Comput.* **14**, (2023).
10. Sulastri, S., Mulyadi, H., Disman, D., Hendrayati, H. & Purnomo, H. RESILIENCE ACCELERATION MODEL OF SMALL AND MEDIUM ENTERPRISES THROUGH DIGITAL TRANSFORMATION. *J. East. Eur. Cent. Asian Res.* **10**, (2023).
11. Kitchenham, B. Guidelines for performing systematic literature reviews in software engineering. *Tech. report, Ver. 2.3 EBSE Tech. Report. EBSE* (2007).
12. Mutiganda, J. C. *et al.* A systematic review of the research on telework and organizational economic performance indicators. *Frontiers in Psychology* vol. 13 (2022).
13. Mohammed, F., Ahmad, R. B., Hassan, S. B., Fazea, Y. & Alzahrani, A. I. An empirical evidence on the impact of social customer relationship management on the small and medium enterprises performance. *Int. J. Inf. Manag. Data Insights* **4**, 100248 (2024).
14. Nurfarida, I. N., Sudarmiatin, Hermawan, A. & Restuningdiah, N. Social customer relationship management and business performance: Evidence from small and medium enterprises. *Qual. - Access to Success* **24**, (2023).
15. Ohliati, J., Yuniarty & Bismo, A. The Role of Social Customer Relationship Management in Improving Relationship Performance in Small Businesses. *Int. J. Innov. Technol. Manag.* **19**, (2022).
16. Trieu, H. D. X., Nguyen, P. Van, Nguyen, T. T. M., Vu, H. T. M. & Tran, K. T. Information technology capabilities and organizational ambidexterity facilitating organizational resilience and firm performance of SMEs. *Asia Pacific Manag. Rev.* **28**, (2023).
17. Matarazzo, M., Penco, L., Profumo, G. & Quaglia, R. Digital transformation and customer value creation in Made in Italy SMEs: A dynamic capabilities perspective. *J. Bus. Res.* **123**, (2021).
18. Zakaria, M. H., Ahamat, A., Abdullah, M. H. L. & Azamuddin, K. E. SMEs Digital Interaction on Social Media in Malaysia. in *2023 International Conference on Digital Applications, Transformation and Economy, ICDATE 2023* (2023). doi:10.1109/ICDATE58146.2023.10248470.
19. Mohammed, F., Hassan, S. B., Ahmad, R. B. & Fazea, Y. An integrated model for investigating the impact of social crm on performance of smes in developing countries: Instrument development. *J. Syst. Manag. Sci.* **11**, (2021).
20. Nurliza & Oktoriana, S. Perceived benefits of social media networks' impact on the competitive behavior of Indonesian smes in food and beverage sector. *Econ. Sociol.* **14**, (2021).
21. Ballerini, J., Herhausen, D. & Ferraris, A. How commitment and platform adoption drive the e-commerce performance of SMEs: A mixed-method inquiry into e-commerce affordances. *Int. J. Inf. Manage.* **72**, (2023).

22. Abed, S. S. Social commerce adoption using TOE framework: An empirical investigation of Saudi Arabian SMEs. *Int. J. Inf. Manage.* **53**, (2020).
23. Mudjahidin, M., Aristio, A. P., Balbeid, N. H. & Junaedi, L. The Influence of Social Media Sales Intensity and Competency on the Improvement of Business Performance Satisfaction in MSMEs. *Procedia Comput. Sci.* **234**, 869–875 (2024).
24. Perez-Vega, R., Hopkinson, P., Singhal, A. & Mariani, M. M. From CRM to social CRM: A bibliometric review and research agenda for consumer research. *J. Bus. Res.* **151**, (2022).
25. Alenazi, S. A. & Alanazi, T. M. The Mediating Role of Sustainable Dynamic Capabilities in the Effect of Social Customer Relationship Management on Sustainable Competitive Advantage: A Study on SMEs in Saudi Arabia. *Sustain.* **15**, (2023).
26. Dirgiatmo, Y., Kb, D. H., Rahardian, R. & Ma'arif, M. The Use of Information Technology in Social Media with Structural Equation Modeling Method: A Study of Impact on Supplier-Customer Relationship Management (S-CRM). in *APICS 2022 - 2022 1st International Conference on Smart Technology, Applied Informatics, and Engineering, Proceedings* (2022). doi:10.1109/APICS56469.2022.9918813.
27. Khurana, I., Dutta, D. K. & Singh Ghura, A. SMEs and digital transformation during a crisis: The emergence of resilience as a second-order dynamic capability in an entrepreneurial ecosystem. *J. Bus. Res.* **150**, (2022).
28. Bazaz, S. M., Penttilä, S., Ratava, J., Ollikainen, M. & Varis, J. SMEs' support functionality analysis based on statistical analysis. in *Procedia Manufacturing* vol. 51 (2020).
29. Pira, M. & Fleet, G. Digital business transformation adoption in SMEs and large firms during COVID-19. *Technol. Anal. Strateg. Manag.* (2023) doi:10.1080/09537325.2023.2282068.
30. Alahmari, A. A. & Duncan, R. A. Investigating Potential Barriers to Cybersecurity Risk Management Investment in SMEs. in *Proceedings of the 13th International Conference on Electronics, Computers and Artificial Intelligence, ECAI 2021* (2021). doi:10.1109/ECAI52376.2021.9515166.
31. Salvetat, D. & Lacam, J. S. Data determinants of the activity of SMEs automobile dealers. *J. Eng. Technol. Manag. - JET-M* **58**, (2020).
32. Mitreğa, M. & Choi, T. M. How small-and-medium transportation companies handle asymmetric customer relationships under COVID-19 pandemic: A multi-method study. *Transp. Res. Part E Logist. Transp. Rev.* **148**, (2021).
33. Yasiukovich, S. & Haddara, M. Social CRM in SMEs: A systematic literature review. in *Procedia Computer Science* vol. 181 (2021).
34. Marino-Romero, J. A., Palos-Sánchez, P. R. & Velicia-Martín, F. Evolution of digital transformation in SMEs management through a bibliometric analysis. *Technol. Forecast. Soc. Change* **199**, (2024).
35. Saeedikiya, M., Salunke, S. & Kowalkiewicz, M. Toward a dynamic capability perspective of digital transformation in SMEs: A study of the mobility sector. *J. Clean. Prod.* **439**, (2024).
36. Telukdarie, A., Dube, T., Matjuta, P. & Philbin, S. The opportunities and challenges of digitalization for SME's. in *Procedia Computer Science* vol. 217 (2022).
37. Yilmaz, G., Salter, L., McFarlane, D. & Schönfuß, B. Low-cost (Shoestring) digital solution areas for enabling digitalisation in construction SMEs. *Comput. Ind.* **150**, (2023).

**Open Access** This chapter is licensed under the terms of the Creative Commons Attribution-NonCommercial 4.0 International License (<http://creativecommons.org/licenses/by-nc/4.0/>), which permits any noncommercial use, sharing, adaptation, distribution and reproduction in any medium or format, as long as you give appropriate credit to the original author(s) and the source, provide a link to the Creative Commons license and indicate if changes were made.

The images or other third party material in this chapter are included in the chapter's Creative Commons license, unless indicated otherwise in a credit line to the material. If material is not included in the chapter's Creative Commons license and your intended use is not permitted by statutory regulation or exceeds the permitted use, you will need to obtain permission directly from the copyright holder.

