

**THE IMPACT OF SOCIAL CUSTOMER RELATIONSHIP
MANAGEMENT CAPABILITIES ON FIRM PERFORMANCE: THE
MODERATING ROLE OF SOCIAL MEDIA USAGE IN THE
MANUFACTURING SECTOR OF KURUNEGALA DISTRICT**

By



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ABSTRACT

As with digital change, social customer relationship management (social CRM) has emerged as the essential strategy to enhance firm performance by combining traditional customer relationship practices with social media technology. The aim of this study is to examine the impact of social CRM capabilities on firm performance with focus on the moderating role of social media usage among medium and large-scale manufacturing firms in the Kurunegala District, Sri Lanka. Employing the Resource-Based View (RBV) and Dynamic Capability Theory, capability of social CRM was evaluated by means of information generation and dissemination, and firm performance was evaluated in terms of financial and perceived measures. A standardized questionnaire was utilized to gather data from 160 firms', in which 97 valid responses were obtained. Using descriptive statistics, correlation analysis, regression analysis, and moderation analysis, the results revealed a strong positive relationship between social CRM capabilities and business performance. The use of social media also moderated the relationship significantly, enhancing the positive effect of social CRM. The results are informative for managers who wish to optimize digital customer engagement strategies and contribute to the current literature on CRM in the context of emerging economies.

Keywords: *Social CRM Capabilities, Social Media Usage, Firm Performance*

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