

MODEL DEVELOPMENT OF CUSTOMER LOYALTY USING THE CUSTOMER RELATIONSHIP MANAGEMENT (CRM) IN BANK CUSTOMERS IN THE PROVINCE OF LAMPUNG

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Abstract

This study is aimed at finding a prototype of customer loyalty-based customer relationship management (CRM) is the right of the bank owned by the government through the economic empowerment of institutions Household Industry, Business Group, and Micro, Small and Medium area of Lampung Province. The study used survey method by using the data from the customer selected as samples, as well as interviews with various sources in order to identify the model, using descriptive qualitative and quantitative method. The results of this study is to identify the factors in customer relationship management that can affect customer loyalty groups, Household Industry, Business Group, and Micro, Small and Medium-sized banks owned by local governments of Lampung Province, and to obtain a model of customer loyalty using customer relationship management through empowerment poor society.

Keywords: *Customer Relationship Management, Customer Loyalty*

I. Introduction

Many strategies are implemented by the banks to bind customers to remain loyal. Starting from the concept of conventional such as conducting sales promotion (sales promotion), advertising (advertising), until the sale of private (personal selling) that promotes encounters between individuals, between envoys of the bank management, the owners of capital or the target is the target bank intensively. Various attempts were made to win a lot of competition among banks in the province of Lampung. Competition among banks was considered by the growth of private banks that promised benefits more attractive, competitive interest, and any other attraction which is very pampering customers. But all that, when seen from the existence and ownership of the bank, in fact only bank is the government, especially local government-owned bank, which is not entirely of profitability (profit-oriented) in marketing their products compared to similar banks.

One of the bank's strategy to increase customer loyalty (customer loyalty) to not solely concerned with profit and through the empowerment of the poor is through community empowerment programs at the same time increasing revenue is through a management strategy customer (customer relationship management). Many experts and practitioners who put forward various definitions of customer relationship management. Kamakura, and Sun, Boahong argues, customer relationship management involves tracking individual customer behavior over time, and use that knowledge to find solutions precisely tailored to customer needs. Ideally, it follows the progress of each individual customer and combination of multisegment, multi-stage and multi-channel.

The decision customer relationship management (CRM) is to maximize the amount of profit a customer for life. As said by Fullerton, Gordon, that customer relationship

management program is now in vogue and is an official mechanism introduced program opeh company with the goal of improving the customer's right.

II. Teoritical Framework

The Concept of Customer Relationship Management

Customer relationship management (CRM) is as a unit of sales, marketing and service strategies that prevent work activities are not coordinated between parts well and it depends on the actions of companies coordinated Kandampully. CRM concentrate on what is valued by the customer, not on what the company wants to sell. Customers do not want to be treated equally, but they want to be treated individually.

Basically, CRM is a way to analyze the behavior of customer-owned company, the analysis can help the customer determine how to serve customers in a more personalized, leading to customer loyalty to the company. The main target of CRM is not located on customer satisfaction, but rather leads to customer loyalty. The point is that customers are not only satisfied when using the company's products, but rather enhance customer loyalty to the company, Jon, Anton.

Advantages of Using CRM

The advantage of using CRM is faster servicing, reducing prices, boosting profitability, a sense of ownership, improving team coordination, higher customer satisfaction, increase customer loyalty, Yahya. The potential business benefits of customer relationship management very much. For example, CRM allows a company to identify and focus on their best customers, those who are the most profitable for the company, so that they can be retained as a customer for life for greater service and benefit. Customer relationship management allows for more customization and personalization of real-time over a wide range of products and services based on the desires, needs, buying habits and life cycle of the customer.

Marketing and Order Fulfillment at CRM

CRM systems help marketing practitioners completed direct marketing campaigns by automating tasks such as marketing qualifying at the target, and scheduling as well as searches of direct marketing mailings. Then, the CRM software will help marketing practitioners to capture and manage data response of customers and potential customers in the CRM data base, as well as analyze customer value and business value of the company's direct marketing campaign. CRM also helps in meeting potential customers and customer response to precisely schedule your sales contact and provide appropriate information on products and services for them, while catching the relevant information to be stored into the data base CRM, Zeithaml.

Customer Relationship Management Strategies

Ideally, CRM follows the progress of each individual customer and combination of various segments, and a variety of channels, Suharto. The decision of customer relationship management is to maximize organizational performance throughout the product life cycle. Organizations can take these programs because they believe that they facilitate the development and improvement of their customer relationships.

Brown, Stanley, stating that the strategy is a marketing channel, and segmentation. This is pricing which have the most impact. Will determine how customer segmentation, and finally marketing organization will be formed. Strategy setting policy is the largest single differentiator in the market will determine how the services and the deals will be delivered to the customer in the long term.

Research Hypothesis

Based on the above, it can be presumed that : (1) Model of customer loyalty using a customer relationship management applied by the local government-owned bank in the segment Business Group, Household Industry, and Micro, Small and Medium Enterprises has been implemented properly. (2) Communities in segments Business Group, Household Industry, and Micro, Small and Medium Enterprises to actively participate in responding to increase customer loyalty program using the customer relationship management applied by banks owned by the Provincial Government of Lampung.

III. Research Methods

Research Methods

The methods used in this study are: (1) Action Research, (2) Technical Participatory Rural Appraisal and (3) Triangulation, Lexy J., Moleong. The data used in this study are primary data comprising social, economic, Micro, Small and Medium Enterprises. Meanwhile the method of data collection was done by using a structured interview by using questionnaires. The use of techniques PRA (Participatory Rural Appraisal) is aimed at deepening and clarifying the information that has been obtained. Interviews were conducted with due regard to heterogeneity and social strata of society and viewed within residence of impact sources. Besides interviews were also used a structured questionnaire related to the aspects to be studied. Respondents in this study consisted of Micro, Small and Medium Enterprises which are the object of study with stratified sampling system.

Data Processing and Analysis

Data were collected through direct interviews in depth with relevant sources identified and ranked according to their group. The results of data processing, were processed using descriptive qualitative analysis tools, namely by using analysis of strength, Weakness, Opportunities, Threats (SWOT). SWOT is an acronym for strength (Strength), weakness (Weakness), opportunities (Opportunities) and threats (Threats) of the external environment. SWOT is used to assess the strengths and weaknesses of the resources of the company and the external opportunities and challenges faced.

According to David, Fred R. All organizations have strengths and weaknesses in the functional areas of business. No company is strong or weak in all business areas. Strengths / weaknesses internal, coupled with the opportunities / threats from external and a clear mission statement, the basis for goal setting and strategy. Strategy set out with the intention of utilizing the internal strengths and overcome weaknesses.

Explanation of SWOT ie According to Payne, A, SWOT matrix can clearly describe how external opportunities and threats facing the company can be customized with its strengths and weaknesses. This matrix can produce four sets of alternative strategic possibilities.

IV. Result And Discussion

Joint Business Group, Household Industry, Micro, Small and Medium Enterprises and Regional Government Bank Management Program

Business Group (KUBE)

Business Group (Kube) is a group of citizens or socially assisted family formed by citizens or socially assisted family that has been fostered through the process of Social Welfare Program (PROKESOS). The program is to improve social welfare and economic business model through customer loyalty among groups by using customer relationship management implemented by the Local Government Owned Banks, most have been

implemented. That is, the stimulus funds disbursed by Bank Owned Local Government, known by administrators of other groups, both in terms of the requirements in obtaining loans, the maximum amount, as well as other requirements needed in order to obtain business credit.

Model of customer loyalty, or loyalty between groups, or between members of the group using a customer relationship management applied by banks owned by the Provincial Government of Lampung, can enhance the role of the group in giving lessons to other groups. Opinion of the lengthy bureaucratic process credit applications that have been in the minds of members of the group and the community in general, can be covered by their customer loyalty as a result of the implementation of customer relationship management program implemented by the Regional Government-Owned Bank.

Small Industry

Small Industries, or Home Industry means home, dwelling, or hometown. Medium Industry, can be interpreted as a craft, business or the company's goods and products. In short, Home Industry (or usually written / spelled "Home Industries") is a home business products or also small companies, which have business with net assets of more than Rp. 200 million.

The efforts made by the Regional Government-Owned Bank in improving people's business credit through customer loyalty models using customer relationship management is the establishment of advocacy groups that play a role in the smooth credit application. Bureaucracy faced by small industry in obtaining credit, as well as the limited ability of human resources, is an important factor in the failure of a small industry because of lack of capital.

Customer relationship management programs which are implemented by the local government-owned bank in a group discussion for lack of human resources has the competence, carried out according to the needs of small industry group. Facilitated group discussions conducted by the bank management and the inter-group cooperation that aims to reduce gaps in the knowledge of each member of the small industries.

SMEs

Small Medium and Micro Enterprises is a productive enterprise belonging to individuals and / or entities that meet the criteria of individual businesses, Micro, is the target of the implementation of an increase in customer loyalty through customer relationship management. The program performs emphasis on the behavior of members of the group carried out continuously. Some small industries that have been relatively successful in the implementation of the management compared with the small industries were other, Banks Local Government tracking the behavior of individual customers.

Weaknesses, constraints, challenges and opportunities faced by small industrial businesses, inventoried according to the type and criteria for their respective businesses. The weakness of the small industry gives benefit for the other small industries. Focus groups run by the regional government bank management to set goals and guide the discussion group to increase loyalty for each small industry.

Local Government Bank Management Program

(1) With regard to the consolidation strategy of the Small Industry and Business Group, Bank Regional Government make efforts to improve the professionalism, competence, human resources and perform regeneration through training and implementation of corporate values, performance culture, sales and risk culture, and customer relationship management. (2) To develop the business by expanding its branch network / micro

(Branchless Banking) and the Sharia to reach small industry and business groups in remote areas. (3) To meet the needs of Small and Business Group on banking services, providing qualified human resources highly competent, have a strong capital structure. (4) To increase customer loyalty through improved quality of customer relationship management, the Small Industries and the Joint Business Group.

Description Model Profile.

Credit Program Bank Regional Government provided in order to accelerate the growth of credit, and programs Business Group, Household Industry, and Micro, Small and Medium Enterprises as a target Kredit Usaha Rakyat (KUR) disbursed by the Bank of Local Government in the form of Loan Product Aneka Guna and credit Multi Guna. Credit is implemented based on the proposed credit objects, and analyzed by conventional analysis, namely, place, volume, and business activities that have been done during the past year.

Customer relationship management strategy, which involves customer business credit has not been carried out to the maximum by bank management. So most of the entire applications of loan is analyzed using a feasibility study based on considerations of financial management, and not based on the guarantee of the group members.

V. Conclusion

Bank of local governments is making efforts to use customer loyalty development model of customer relationship management on customer Business Group, Domestic Industry and Small and Medium Enterprises as a partner bank in the empowerment of the poor in the province of Lampung. Most of the Local Government Bank credit products given in the form of business credit products, distributed in a program that is consumptive and productive, but has not been fully used indicator of customer loyalty with customer relationship management approach, as well as the still weak from the context of facilitation.

Based on the findings of the census data and interviews with the respective businesses, Business Group, Domestic Industry and Small and Medium Enterprises, required a thorough discussion of the roots of the problems faced by Bank Owned Local Government in launching a business credit. Due to the optimization of the launch of the People's Business Credit, both in terms of quality and quantity, is not only determined by the attitude of how the recipients of business credit, but also determined by the model program created by the management of Bank Owned Local Government, and can reduce the number of poor people in the province of Lampung.

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