



## Customer Relationship Management (CRM): Building Solid Relationships for Business Sustainability

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Article Info	ABSTRACT
<p><b>Corresponding Author:</b> Ismail Razak E-mail: <a href="mailto:ismailrazak.zain@gmail.com">ismailrazak.zain@gmail.com</a></p>	<p>In the era of globalization and increasingly fierce business competition, solid relationships with customers are the main key in maintaining business sustainability. This research aims to investigate the role and impact of implementing Customer Relationship Management (CRM) in building strong relationships for business sustainability. This research uses a qualitative approach with descriptive methods. The research results show that the implementation of Customer Relationship Management (CRM) has a positive impact on the company. The use of CRM not only increases customer satisfaction through more personalized and responsive service, but also increases operational efficiency by automating business processes. Customer data integration helps companies understand customer preferences and behavior, opening up opportunities for increased sales and smarter marketing strategies. Thus, CRM is not just a technological tool, but is also the key to sustainable business growth and efficient operational continuity.</p> <p><b>Keywords:</b> Customer Relationship Management (CRM), Customer Satisfaction, Operational Efficiency, Personal Service.</p>

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### INTRODUCTION

In an era of increasingly fierce business competition, a company's focus on providing the best customer service is a must in order to win the hearts of consumers (Berry, 1995). Modern customers have high expectations for service quality, and companies that are able to provide a satisfying customer experience will have a significant competitive advantage (Tripathi & Dave, 2017). Providing superior customer service not only includes quick responses to customer questions and complaints, but also involves aspects of personalization in understanding each consumer's needs and preferences.

The importance of providing superior customer service is not only a necessity, but also the key to maintaining business continuity amidst intense competition (Gray & Balmer, 1998). Consumers tend to be loyal to companies that provide positive customer experiences, and this can create profitable long-term relationships for the company (Rahman et al., 2022). Additionally, providing good customer service can help a company build a strong reputation and improve its brand image in the eyes of the public.

By creating positive customer experiences, companies not only maintain their existence, but also open up significant business growth opportunities. A satisfying customer experience not only creates consumer loyalty, but also becomes a catalyst for

getting positive recommendations and testimonials from customers to potential consumers (Gopalani & Shick, 2011). A customer who feels valued and satisfied with the service provided is likely to become a loyal brand ambassador, spreading positive stories about the company through word of mouth, as well as social media and online reviews. This not only improves the brand image, but also expands the company's market reach (Song & Kim, 2022).

Positive customer experiences can also create opportunities for cross-selling or upsells. When customers are satisfied with the services provided, they are more likely to explore additional products or services offered by the company (Bolton & Lemon, 1999). Cross-selling and up-selling strategies can be implemented more effectively in an environment where customers feel trust and connection with the brand. Thus, creating a positive customer experience is not only about meeting expectations, but also about exceeding them, creating memorable moments that leave a lasting impression on consumers (Oliver, 2015).

To achieve this, one very effective strategy is through the implementation of a Customer Relationship Management (CRM) System (Payne & Frow, 2016). By using CRM, companies can integrate various business aspects that deal directly with customers, including sales, marketing and customer service. This system provides benefits in optimizing company interactions with customers, increasing their satisfaction, and creating strong relationships (Bolton & Tarasi, 2017).

By utilizing CRM, companies can access and analyze customer data more effectively. This allows companies to understand customers' individual behavior, preferences and needs, so they can provide more personalized and relevant services (Hennig-Thurau, 2000). For example, with data analysis from CRM, companies can design marketing campaigns tailored to specific customer profiles, increasing the chances of conversion and retention.

Additionally, CRM also facilitates better coordination between sales, marketing, and customer service departments. Integrated and centralized information allows business teams to collaborate more efficiently and maintain consistency in their approach to customers (Khodakarami & Chan, 2014). In this way, customers are not only considered as sales targets, but as business partners whose value can be increased through better attention and service (Richards & Jones, 2008).

Apart from helping companies manage and deepen relationships with existing customers, CRM can also be a very useful tool in expanding the customer base. With customer data analysis, companies can identify new opportunities, understand market trends, and respond to changing customer needs more quickly (Lindgreen & Wynstra, 2005). Thus, implementing a Customer Relationship Management System is not only a tool to maintain existence, but also a growth catalyst that helps companies adapt and compete in an ever-changing market (Jain, 2004).

### **Literature Review**

Focusing on customers is the key to achieving sustainable competitive advantage in today's business competition. Competitive advantage with a customer focus can be achieved by knowing information about who their customers are, what their customers want, how their customers' needs are satisfied and other related factors (Zhou dkk, 2009). CRM is a strategy on how to optimize profitability through developing customer satisfaction. CRM is a strategy that focuses on all things related to customer focus. CRM is

the process of getting, retaining and developing profitable customers (Butz & Goodstein, 1966).

According to Newell (2010) Customer Relationship Management (CRM) is a modification and learning of consumer behavior at any time from every interaction, treatment of customers and building strength between consumers and the company. According to Kotler and Keller (2006), CRM or customer relationship management is the process of managing detailed information about each customer. CRM manages all customer "touch points" to maximize customer loyalty. Customer touch points are all events where customers come into contact with a product or service, ranging from personal experiences, mass communications to casual observations. Top of Form

Initially, companies developed CRM plans in relation to strategic capabilities rather than strategies within the company. This helps to ensure that the company can adapt to a wider variety of market and industry changes without undermining the main objectives of the plan (Gordon, 2002). Companies that implement CRM are not only looking at technology but also at developing and focusing on organizational capabilities in other eras such as CRM processes, people, and knowledge/insight. Of course, companies that implement CRM don't adopt CRM technology solutions first and then build CRM around them (Reimann et al., 2010). Instead, they developed a more balanced approach to understanding and applying CRM's strategic capabilities.

## **METHOD**

This research uses a qualitative approach with the aim of understanding the meaning of events and their relationship with people in the context of Customer Relationship Management (CRM) to build solid relationships for business sustainability. Data collection methods involve observation, in-depth interviews, and documentation. Data analysis was carried out descriptively, describing the data through accurate sentences. The data analysis steps follow the Huberman & Miles (1994) model, including data collection, data reduction, data presentation, and drawing conclusions. The data reduction process involves selecting, simplifying and organizing data to facilitate understanding, while presenting the data according to the research context. Thus, this research aims to provide an in-depth understanding of the role of CRM in building strong relationships, with the hope of providing valuable insights for business sustainability in an era of intense competition.

## **RESULTS AND DISCUSSION**

Customer Relationship Management (CRM) is not just an application, but an integrated system that supports and integrates all business processes that interact directly with customers. CRM not only focuses on technological aspects, but also on strategies and philosophies that prioritize deep understanding of customers. By summarizing a number of crucial activities such as sales, marketing, and customer service, CRM creates an organized unity that allows companies to have a holistic understanding of every interaction with customers.

CRM systems provide great benefits by empowering companies to optimize the entire customer lifecycle. By integrating customer data and information, companies can provide more personalized service, respond to customer needs more quickly, and plan more targeted marketing strategies. More than just presenting data, CRM helps companies to analyze and understand customer behavior patterns, enabling smarter and more timely

decisions. Thus, CRM not only improves operational efficiency, but also strengthens customer relationships, creating a solid foundation for long-term business growth.

In its implementation, Customer Relationship Management (CRM) does not only focus on one aspect of the business, but operates holistically, forming an information network that unites various departments in an organization. For example, when it comes to sales, CRM plays a crucial role by helping in tracking and analyzing the sales process from start to finish. By combining data from various sources, CRM allows companies to understand more deeply about sales prospects, customer purchasing behavior, and market trends. This provides a holistic understanding and helps in making strategic decisions that can increase efficiency and effectiveness in sales activities.

Likewise, in the marketing field, CRM has a significant role by helping companies manage marketing campaigns in an integrated manner. By detailing customer data, CRM allows companies to craft more targeted and personalized campaigns, tailoring marketing messages to customers' individual preferences and needs. Additionally, CRM also helps in analyzing customer response to these campaigns, providing valuable insights to improve marketing effectiveness in the future. By integrating information from various departments, CRM creates synergy between sales and marketing, optimizing business performance and creating stronger relationships with customers.

The importance of Customer Relationship Management (CRM) lies in increasing the company's operational efficiency. By utilizing it optimally, companies are able to manage interactions with customers efficiently and coordinated from all levels of the organization. CRM provides the ability to integrate customer data from multiple departments, providing a holistic view of customer behavior and preferences. In this way, companies can respond to customer needs more quickly and accurately.

More than just increasing efficiency, CRM allows companies to provide more personalized and focused service to each customer. By better understanding customer profiles and interaction histories, companies can tailor their approach, increasing customer satisfaction and, in turn, strengthening the quality of customer relationships. Moreover, as an integrated solution, CRM not only helps in carrying out different business functions, but also allows companies to see the big picture and identify business growth opportunities.

By getting closer to understanding customers and their needs, CRM becomes not only a tool for maintaining existing relationships, but also a driver of overall business growth. By providing better visibility into customers, companies can plan more effective marketing and sales strategies, create longer customer lifecycles, and increase their competitiveness in an ever-changing marketplace. Thus, CRM implementation is not only an investment in operational efficiency, but also a strategic step to build competitive advantage and long-term business sustainability.

The use of Customer Relationship Management (CRM) brings a number of significant benefits to companies, with one of the most striking being increased customer satisfaction. Thanks to its ability to collect and present customer information centrally, CRM provides a strong foundation for deep understanding of each customer's needs and preferences. Well-organized data allows companies to provide more personalized and responsive service, creating a positive customer experience. Customers feel valued when a company can respond quickly and effectively to their needs, thereby increasing trust and loyalty.

Apart from increased customer satisfaction, another benefit of using CRM is its ability to build strong and sustainable relationships. With a deep understanding of

preferences, transaction history, and previous interactions, companies can design more targeted strategies. CRM allows companies to personalize communications and offers, creating closer relationships with customers. By leveraging data analysis from CRM, companies can continually update and improve their strategies to stay relevant to changing customer needs and market dynamics. Thus, CRM is not just a data management tool, but a strategic investment that can have a positive impact on customer satisfaction and business sustainability.

The use of Customer Relationship Management (CRM) not only helps in improving customer relationships, but also significantly improves the company's sales performance and operational efficiency. By centrally unifying customer data, CRM provides better visibility into sales leads, helps sales teams identify potential business opportunities, and increases success in closing deals. Data analysis from CRM allows companies to understand sales trends, identify potential customers for up-selling or cross-selling, and design more targeted sales strategies.

By utilizing monitoring features in Customer Relationship Management (CRM), companies can proactively observe customer preferences and behavior. This monitoring feature allows companies to track customer activity, record purchasing preferences, and detect changes in consumer behavior. The information generated from this monitoring is key to providing better service, as companies can adapt their approach to changing customer needs. For example, if monitoring indicates changes in product or service preferences, companies can respond quickly to meet customer expectations.

Furthermore, information from CRM monitoring features is not only useful for improving customer service, but also for identifying new sales opportunities. By having a deep understanding of customer preferences and habits, companies can identify opportunities to up-sell or cross-sell additional products or services. Data analysis from this monitoring can help companies design smarter marketing strategies, target potential customers more precisely, and increase opportunities to generate additional revenue. By utilizing monitoring in CRM, companies can position themselves as responsive and adaptive players in dynamic markets, providing a sustainable competitive advantage.

Apart from that, CRM implementation also contributes to the company's operational efficiency. By automating sales processes and simplifying customer data management, companies can save time and resources. CRM helps in tracking customer interactions, managing inventory, and speeding up the decision-making process by providing detailed and real-time information. In this way, companies can allocate resources more efficiently, increase productivity and optimize overall operations. The use of CRM not only creates better relationships with customers, but is also the key to improving sales performance and increasing operational efficiency. With careful integration of data and analysis, companies can take more strategic and intelligent steps in approaching customers, responding to the market, and strengthening their position in intense business competition. As a holistic management tool, CRM opens up opportunities for sustainable and successful business growth in a dynamic business era.

Implementing Customer Relationship Management (CRM) opens up opportunities to automate business processes that previously required manual intervention, reducing the risk of human error and significantly increasing productivity. One concrete example is in inventory management, where CRM can be integrated with a warehouse management system to monitor and manage stock automatically. With continuously updated

information, companies can ensure optimal product availability, avoiding stock shortages or excess inventory that can hamper operational efficiency.

Apart from that, automation can also be applied to customer service scheduling. CRM can collect and analyze historical data and customer preferences to create more efficient and personalized service schedules. By understanding ordering patterns, customer time preferences, and types of frequently requested services, companies can optimize resource allocation, increase responsiveness to customer requests, and speed up the service delivery process. By automating these processes, companies not only reduce the potential for human error, but can also increase customer satisfaction through service that is more timely and tailored to individual needs. Overall, automation through CRM provides significant benefits in operational efficiency and the quality of service provided to customers.

By adopting Customer Relationship Management (CRM) technology, companies not only increase sales results, but also achieve sustainable operational efficiency. The integration of accurate customer information and business process automation brings multiple benefits, creating a solid foundation for sustainable growth and efficient operational continuity. CRM implementation helps companies build a strong foundation for superior customer service, by providing fast and organized access to customer information. In this way, companies are not only able to expand their customer base and increase sales, but can also optimize their operations, achieve greater efficiency, and prepare to face challenges in a dynamic market.

## CONCLUSION

Customer Relationship Management (CRM) has a crucial role in strengthening company relationships with customers and improving overall business performance. CRM implementation brings a number of significant benefits, including increased customer satisfaction, higher operational efficiency, and sustainable business growth. By integrating customer data and automating various business processes, companies can provide more personalized service, respond quickly to customer needs, and create a positive customer experience. In addition, CRM also plays a role in improving sales performance, identifying new opportunities, and building the foundation for smarter marketing strategies. In conclusion, CRM is not only a technological tool, but also a business strategy that can optimize company interactions with customers, create added value, and maintain business sustainability amidst intense competition.

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