# THE INFLUENCE OF USING SAP CRM ON INCREASING CUSTOMER SATISFACTION INDEX AT PT. BANK X IN MEDAN, INDONESIA

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#### **Abstract:**

This paper aims to examine various concepts related to the development of definitions and dimensions of customer relationship management, and to try to develop a comprehensive model of customer relationship management, especially at PT. Bank X. The problems that will be raised in this paper are how to develop concepts, definitions and dimensions of customer relationship management and second, how to develop a model of customer relationship management that can be applied to PT. Bank X. The approach used in writing this paper is a qualitative approach, namely the research method used to examine scientific objects. The academic implication in this paper is that there is a theoretical understanding of the causes of company success and failure in implementing System Application and Processing Customer Relationship Management (SAP-CRM). Meanwhile, the practical implications for this journal are expected to be taken into consideration for business people, especially in the banking services industry in implementing SAP-CRM. The conceptual focus developed in this paper is to examine the dimensions of customer relationship management so that a model that describes customer relationship management in the banking sector can be developed. The original contribution to this journal writing can provide a new perspective on a more proactive CRM.

Key words: SAP-CRM, Increase in Customer Satisfaction Index

JEL classification: G21.

## 1. INTRODUCTION

PT. Bank. X is the first bank established and owned by the Indonesian government. The ability of PT. Bank. X to adapt to environmental, socio-cultural and technological changes and advancements is reflected through the continuous improvement of corporate identity from time to time. Good service and in accordance with customer desires will certainly provide satisfaction for its customers. As a large company, PT. Bank X uses SAP-CRM. SAP-CRM is a part of ERP. Enterprise Resource Planning (ERP) is a system that functions to optimize existing resources in a company in achieving goals. Running ERP in a company requires supporting software, including SAP, Oracle, Microsoft, Solar Soft, Infor, Sage and others. The form of ERP in each company will be different according to needs and the scope of the company. Companies can make their own ERP,

involve developers or buy ones that have been provided by several companies. In SAP it consists of several modules betweenFinance and Control (FICO), Production Planning (PP), Material Management (MM), Human Resources (HR), Customer Relationship Management (CRM), Quality Management (QM), and Project System (PS).

# 2. LITERATURE REVIEW

#### 2.1. ENTERPRISE RESOURCE PLANNING

ERP is an integrated system used in organizations for data processing. The system connects business management and production processes. ERP systems automate and integrate business processes that can be found in a production environment, integrate organizations to obtain information related to supply chains, customers, human resources, finance, and so on. Enterprise Resource Planning (ERP) according to James A. Hall (2011) is an information system model that allows organizations to automate and integrate their main business processes. Enterprise Resource Planning according to Turban, Rainer, and Potter (2007) is designed and designed to solve problems in the 8 functional areas of information systems by integrating functional areas through a database. Enterprise Resource Planning (ERP) according to O'Brien, J. A., &Marakas, G. M. (2010) is a company system that includes all functions within a company that is driven by several integrated software modules to support the company's internal business processes. According to Anindita (2018) every ERP system has different modules, but usually there are some basic modules that a sophisticated ERP system has. The functions of these basic modules are considered important for various types of companies. The use of ERP in a company requires supporting software, including SAP, Oracle, Microsoft, Solar Soft, Infor, Sage, Plex, Abas and others. SAP or SAP systems (soltius.co.id) are ERP-based software or Enterprise Resources Planning which is used to carry out the daily activity management of an organization or company. The goal is for SAP to make all management, monitoring, and information processing activities much more effective and efficient than before. According to blog.opencloud.id, the modules in SAP have their respective functions and can be used for the sustainability of the company. Of the several modules offered, there are some of the most frequently used modules by companies as below:

- 1. The Finance and Control (FICO) module consists of a combination of several things, starting from the accounting standards for money and cash management, the consolidation required for the preparation of financial reports, general law and cost accounting, for example cost center accounting and profit analysis;
- 2. The Production Planning (PP) module can assist your business activities in carrying out the planning process as well as controlling business activities within the company. Not only that, the PP module also has the main data and a variety of solutions that you may need in doing production;
- 3. The Material Management (MM) module is very useful for a business activity in making purchases (procurement) and management of inventory. This module functions to record all these activities on a daily basis. At the same time, the MM module is also fully integrated with several other modules, such as FICO, PP, and others;
- 4. The Sales and Distribution (SD) module will play a role in your business activities with its function that is able to increase the efficiency of activities that occur within the company in terms of processing buyer orders, for example sales, shipping, and billing. The SD module is also fully integrated with other modules, for example FICO, PP, MM, and others;
- 5. The Human Resources (HR) module is useful in ensuring the integration of all processes that occur within the department with the same name, namely the HR department. These processes include employee administration, application/ registration, financing for work trips, meeting salaries, and others;
- 6. The Customer Relationship Management (CRM) module is directly related to the backend of the ERP system, business intelligence system, supply chain management system sistem

and others, functions in providing important information from analysis of customer satisfaction so that companies as business people can understand his client better;

- 7. The Quality Management (QM) module plays a role for companies to check the quality of activities that occur in a series of logistical processes;
- 8. The Project System (PS) module can help companies to create integration between all processes that occur in planning, execution and control of an ongoing project.

## 2.2. CUSTOMER RELATIONSHIP MANAGEMENT

Andika(2019) said Customer Relationship Management (CRM) is a form of strategy implemented by companies to retain old customers and strive to increase customer loyalty and get new customers for the company. Technologically, CRM is a system that contains customer information or data that is integrated with the company's business processes to make it easier for management to analyze customer satisfaction with products, customer service, and after-sales service provided by the company to its customers. According to Newell (2011) quoted in the co.id Lesson Customer Relationship Management is a modification and learning of consumer behavior every time from every interaction, treatment of customers and building strength between consumers and companies. According to Frow & Payne (2009) which defines customer relationship management as a functional strategic approach by creating shareholder value through developing relationships that are appropriate to customers and customer segments. Johnson &Weistern (2004) in Stoor et.al (2010) say that customer relationship management is a business strategy that involves selecting and managing customer relationships to optimize the company's long-term value. The need for relationship marketing arises as a result of industrial globalization. CRM is very complex related to the marketing, sales, service, finance, and logistics departments, in its application it requires top management involvement. The need for relationship marketing arises as a result of industrial globalization. The focus shifts from product promotion to creating conditioned value at all times. It is fostered through a value movement, innovation in technology and a shift in power from producers to consumers. According to Don Taspcott, there are four dimensions to CRM, namely planning, to ensure the success of a business that uses CRM to know exactly what they want to achieve with a CRM strategy. Second, with regard to people, namely all parties concerned, namely employees and partners, must be inter-functional coordinated with CRM efforts. The three processes (processes) about how customers contact the company must be clearly defined, the last is the platform, namely determining goals, coordinating targets with relevant parties, ensuring the process, IT Software should be selected that responds to CRM needs for the business. According to Wong, Hu & Yu (2010) which defines customer relationship management, which is a way to improve customer satisfaction through the 2016 media analysis to customers, detailing information to improve the company's competitive ability. There are two dimensions in research conducted at banks in China, namely customer centers and customer satisfaction. Customer Relationship Management (CRM) is not only about the application of technology, but is a strategy to learn more about customer needs and behavior in order to develop stronger relationships with them. According to the Bachelor of Economics. co.id the functions, benefits and dimensions of the CRM relationship.

The functions of the Customer Relationship Management are:

- 1. Identify the factors that are very important to customers;
- 2. Upholding a customer-oriented (customer centric) philosophy;
- 3. Adopt measurements based on the customer's point of view;
- 4. Establish end-to-end customer service processes;
- 5. Provide a flawless customer support;
- 6. Handling customer complaints or complaints;
- 7. Record and follow all aspects of a sale;
- 8. Create a holistic information about service and sales information from customers.

The benefits of Customer Relationship Management are:

- Encourage Customer Loyalty. This CRM application allows companies to utilize
  information from all points of contact with customers, either via the web, call centers,
  or through marketing and field service staff. The consistency and accessibility of this
  information enables better sales and service with a variety of important information
  about these customers;
- 2. Reducing Costs. With a company's ability in sales and service, there are costs that can be reduced. For example by utilizing a web technology. This CRM application also allows sales or service at a much lower cost in a specific and focused marketing program scheme. Go to the right customers at the right time;
- 3. Improve Operational Efficiency. Automation of sales and a service process can reduce the risk of deteriorating service quality. The use of web technology and call centers, for example, will be able to reduce bureaucratic obstacles and costs and administrative processes that may arise;
- 4. Improved Time to Market. This CRM application also allows us to bring products to market faster with better customer information. With the ability to sell via the web, time, geographic, and data source availability can be put aside in order to accelerate sales of these products;
- 5. Increased revenue. This CRM application provides various information to increase company revenue and profits. With this CRM application, we can make sales and services through the website so that the opportunities for global sales without the need to provide special efforts to support sales and services.

# Dimensions of Relationships in CRM are:

- 1. Reliance (Trust) is a belief that someone will find what he wants in others, and not what he is afraid of. This trust involves feeling safe and confident in the partner;
- 2. Reliability (Reliability) is the ability to provide services accurately as promised;
- 3. Responsiveness is the ability of employees to help consumers provide services quickly according to what consumers want;
- 4. Two Way Communication is a good relationship which is a two-way communication, giving a response to what is experienced.

# The benefits of the company implementing CRM (Putu:2015)

- 1. To improve the two-way communication process with customers, so that the transaction process becomes faster and more accurate;
- 2. Obtaining the necessary information in order to provide satisfactory service to customers;
- 3. Speed up management decision making;
- 4. Increase business growth;
- 5. By using analytical tools, it can improve organizational understanding of customers;
- 6. Boosting sales productivity by mapping processes using new technologies.

# 3. METHODS

Research Methods in conducting this research the authors chose qualitative research methods. As stated by Sugiyono (2009) qualitative research methods are research methods used to examine scientific objects. In qualitative research, data collection is not guided by theory, but is guided by facts found during research in the field. Data collection techniques used in this study include interviews, observation and documentation. The author will try to collect data about SAP-CRM and then describe it. The research object was conducted at PT Bank X in Medan with a focus on SAP CRM.

#### 4. RESULT AND DISCUSSION

## **4.1. RESULT**

Banking is a facility capable of facilitating all business transactions, both those carried out financially and non-financially. The strategy taken to face global competition and dominate the existing market share is to make improvements in all areas of human resources, facilities and infrastructure (including the applications used), even though economic growth is unstable. One of the efforts made by the banking sector is to improve their products (increasing interest rates on savings and loans) so that people keep their funds in the bank. Make it easy for customers to use banking services so that they become a separate "lure" for their customers or prospective customers. market so that indirectly the banking sector can gain a wider market share. According to the results of the interview on the use of SAP-CRM with one of the employees at PT Bank X in Medan, the following data were obtained: PT. Bank X in Medan is closely related to the role of information technology in its business activities, namely using an ERP system, to ensure the availability of upto-date and comprehensive data, PT. Bank X has developed its operational system as a whole into a centralized system known as the Integrated and Centralized Online Network System (iCONS), the implementation of the successful use of this system in 2005, online data can be accessed in real time.

#### 4.2. DISCUSSION

Use of SAP-CRM to support the Customer-Centric strategy in improving service quality and expanding market share (Annual Report, Bank, accessed on 15 December 2014). Things done by PT. Bank X in implementing this Information System by means of:

- 1. To increase the success of PT. Bank X always maintains the quality of relationships with customers, especially Emerald Class customers by frequently making contact and visiting / having meetings with customers as well as giving appreciation for birthdays and religious holidays, data can be obtained quickly using SAP-CRM. Always provide attractive promotions and prizes for customers as an effort to attract people to save at the bank. Offers competitive savings interest rates;
- 2. A good CRM application at PT. Bank X is an application about investment where customers can choose the type of investment they want according to the customer's risk profile;
- 3. The role of CRM in improving customer experience is to assist customers regarding complaints about services and services as well as products offered, information on products, services and services of PT. Bank X;
- 4. What obstacles may occur in CRM implementation is the network condition;
- 5. The advantages of using CRM are that the data is more complete. The disadvantages of using CRM data are not updated;
- 6. Interested in using CRM because it is easier to prospect customers, especially related to product needs that customers want;
- 7. Increased profits after using CRM by 75%;
- 8. In addition to using SAP-CRM, PT. Bank X implements Trade Finance MIS to meet the demands of a management information system that is timely and accurate in monitoring customer transaction records with the bank. The human resources function has implemented the Human Capital Management System (HCMS) to develop a competency-based human resource system, managing the risk management information system.

## 5. CONCLUSION

The use of SAP-CRM is very important in banking companies to increase company profits. It can be seen from the research results that there is a significant increase of 75% after using this system. If the company keeps updating data while continuing to improve improvements in all areas (Human Resources) and facilities and infrastructure and always increasing loyalty to all customer classes, both Emerald and Regular Class, customers will increasingly look at it. Because customers always want convenience and be pampered. Always carry out developments in the field of banking technology to meet the needs of the wider community.

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