
Customer Relationship Management and Customer Value with Their Impacts On Consumer Satisfaction: A Literature View

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Abstract

The development of the times has led to market dynamics so that consumer expectations continue to increase so that a business strategy approach that focuses on customers is needed. Customer Relationship Management (CRM) and Customer Value can be used as the main tools to increase customer satisfaction while still adapting to environmental changes, such as dynamic customer desires. This study presents a review of previous literature that studies Customer Relationship Management and Customer Value and their impact on customer satisfaction through a literature study approach with qualitative descriptive analysis. This study reviews the 40 articles obtained and as many as 23 selected scientific articles about CRM and Customer Value which can affect consumer satisfaction, with a focus on the period 2018 to 2023. The results of this study are that having good relationships with customers and carried out in the long term, with apply the concept of Customer Relationship Management (CRM) and pay attention to Customer Value which will provide value to the benefits felt by consumers and will also have an impact on company profits by having satisfied customers to become loyal customers.

Keywords: *Customer Relationship Management (CRM), Customer Value, Consumer Satisfaction, Study of Literature*

INTRODUCTION

The development of the times accompanied by technology that continues to develop makes the process of producing goods and services in the business world easier, causing more and more producers in a field but with a limited number of consumers who will buy or use them, causing market dynamics that cause continued increase consumer expectations so that a customer-focused business strategy approach is needed (Guerola-Navarro et al., 2021). In this highly competitive era, producers who do not have sufficient competitiveness will be threatened with not getting sufficient consumer interest. Producers who only focus on production aspects and often do not focus on consumer aspects have relatively low competitiveness. Winning consumers' hearts or making consumers feel satisfied is an important thing that must be considered by producers to maintain and develop their business. However, Some manufacturers do not pay enough attention

to customer demands and desires, attitudes, and trends, due to management's lack of attraction with customers.

Ridwan et al (2021) explain that customer satisfaction is the focus of attention of many parties, the government, business people and customers. Customer satisfaction is very important for companies to pay attention to because customers can disseminate information about their satisfaction or dissatisfaction to other customers and can also improve the company's reputation. Customer satisfaction is also seen as one of the best indicators for the company's future profit.

Customer Relationship Management (CRM) is an important concept in business that can affect consumer satisfaction (Haryandika & Santra, 2021). Cavaliere et al (2021) are also in line with that which states that CRM influences customer knowledge and satisfaction. Besides that, Widyana & Firmansyah (2021) emphasized that CRM has a positive and significant relationship to customer satisfaction and customer loyalty. With the CRM methodology and tools used, businesses better understand how to meet their needs and target audience. CRM systems allow businesses to communicate independently and at relatively low cost with large groups of customers. Businesses can gather individual customer experiences and then formulate customized solutions and develop mutually beneficial relationships. Customer Relationship Management (CRM) is described as an approach to managing a company's engagement with current and potential customers through the creation of trustworthy partnerships. The CRM approach aims to provide better benefits to consumers and to build connections with good consumers. Throughout the fact, it enables monitoring of business engagement with potential customers (Khan et al., 2022). Such an approach enhances the operational excellence of corporate headquarters and provides the ability to develop customer relationships.

Guerola-Navarro et al (2021) mention that today CRM is much more than sales force automation, but has become one of the most powerful ways to manage a business in a sustainable (current and future through continuous innovation) business reality that is 'centered on customer'. Increasing CRM is very effective in supporting customer satisfaction and loyalty (Dibyo et al., 2021). Research results (Ridwan et al., 2021); (Cavaliere et al., 2021) also shows that CRM has a direct relationship to customer satisfaction, customer loyalty, customer retention and company profitability which continues to have an impact on company success because it is seen as a means to keep consumers up-to-date and improve performance by the latest products from the company. CRM also helps companies to build closer and personal relationships with consumers, thereby increasing trust, satisfaction and loyalty (Widyana & Firmansyah, 2021). CRM is able to determine the level of customer satisfaction and loyalty. The company is expected to be able to convince customers to always buy or use services from the company.

Haryandika & Santra (2021) in their research stated that the indicator "always buy products/services" gets the lowest score so that it will allow competitors to win customers. Companies need to know whether the customer is satisfied after using the service, this can be done by contacting the customer after the item has arrived. Prospective customers will be very happy before making a

transaction with the company, the information can be seen on the company's website. So the company needs to complete data about the company on its official website. The company is expected to always carry out comprehensive control and management of every CRM strategy carried out so that the company can achieve its goals and be able to meet the company's targets and continue to compete in the business world.

Research of (Bagus CEMPENA et al., 2021); (Tamaruddin et al., 2020); (Andriyani & Rizal, 2022) states that Consumer Value (CV) has a positive and significant effect on consumer satisfaction, which means that increasing customer value will also increase consumer satisfaction so that it becomes one of the factors that must be considered in running a business. Customer Value can be described as the benefits that consumers expect from the products they get compared to the sacrifices that consumers have made (Fitria Halim, 2021). Customer Value can also be interpreted as a value that represents expectations for a product based on the offer given with the highest valuation calculation (Pratama et al., 2019). Hernández & Roberto (1996) also stated that Customer Value and Loyalty Programs for customers also have an important role to make customers feel satisfied.

This study follows (Hernández & Roberto, 1996); (Guerola-Navarro et al., 2021) using a quantitative approach to the analysis of publications and citations according to the field of study, along with a qualitative analysis of the most relevant publications. There is not much previous research on CRM and Customer Value and their impact on Customer Satisfaction particularly in developing countries, this has generated interest in conducting a review of the more recent literature. Studies on the role of CRM and CV greatly help organizations to increase profitability by increasing consumer satisfaction (Khan et al., 2022). This study discusses Customer Relationship Management (CRM) and Customer Value (CV) and their impact on consumer satisfaction through effective scientific research. The results of this study are expected to be used to support future research on the use of the concept of Customer Relationship Management, Customer Value and Customer Satisfaction.

Customer Satisfaction

(Tse & Wilton, 1988) customer satisfaction can be interpreted as a customer response to an evaluation of the difference between the customer's initial expectations before buying a product (or other performance standards) and the actual performance of the product as felt after using or consuming the product that has been purchased. Lupiyoadi (2013) customer satisfaction is the level of feeling of a customer stating the results of a comparison of product performance received as expected previously. According to (Irawan, 2010) customer satisfaction results from customer ratings that are accumulated after using a product or service so that every new transaction or experience will affect customer satisfaction. Mowen in (Tjiptono, 2014) argues that customer satisfaction is the overall attitude of customers towards an item or service after it is obtained and used or customer satisfaction can also be interpreted as a post-purchase evaluative assessment resulting from certain choices. Tjiptono (2014) states that customer satisfaction is the difference between expectations and performance or results obtained. The

indicators used to measure consumer satisfaction are (Wicaksono & Kusuma, 2021): Meet consumer expectations, are willing to recommend and have an interest in visiting again or using the product again.

Customer Relationship Management (CRM)

Buttle in (Wachyu et al., 2016) states that Customer Relationship Management (CRM) is an effort made by companies to retain their customers by finding as much detailed information as possible about customer behavior and then processing it for improvement efforts so that companies can provide maximum results and make customers happy. . CRM is defined as a core strategy in business that integrates internal processes and functions with all external networks to create and realize value for target consumers profitably. CRM is widely associated with a set of relational practices that companies adopt to attract, maintain, and enhance customer relationships (Sofi et al., 2020). CRM is also defined as an activity of collecting customer data, analyzing customer data and target customer identities, developing a CRM program, and implementing a CRM program. Customer Relationship Management (CRM) allows companies to provide maximum and direct service to customers, namely by developing relationships with each valuable customer through the use of information or customer databases owned by the company (Widyana & Firmansyah, 2021). Increasing the quality of CRM is believed to increase customer satisfaction. The indicators used to measure CRM include (Mulazid, 2018): technology, skills, company processes as well as knowledge and insight.

Customer Value (CV)

Panjaitan & Panjaitan (2021) Customer Value (CV) is a customer's choice of a product that can meet the needs and wants of customers and make them feel satisfied. Producers who have a strong focus on Customer Value (CV) will have a long-lasting competitive advantage (Parasuraman, 1997). Providing good value to consumers is likely to increase purchases, repeat purchases, and a good image about the product. Therefore, if producers know how to convey good value to consumers and form high-value customers, then the probability of acquiring consumers will increase (Slater & Narver, 2000). Perceived value or Customer Value is an aspect that influences consumer loyalty. Consumers feel benefited and feel appropriate to pay the amount of money charged for the services or products provided. These things are factors that make consumers feel satisfied and become loyal to the company. Company management must pay attention and strive to continue to increase the benefits felt by consumers to maintain consumer loyalty (Utami & Ekawati, 2020). The indicators used to measure Customer Value are as follows (Oktavianus & Megawati, 2022): emotional value, performance value and value of money. (Panjaitan & Panjaitan, 2021) mentions several indicators of Customer Value, namely Social Value, Emotional Value, Performance Value and other values.

METHOD

There are several approaches to defining a literature review or literature review for a particular research theme and various methods for doing so. (Snyder, 2019) state that 'a literature review can be broadly described as a systematic way of collecting and synthesizing previous research', raising questions about the quality and trustworthiness of classic literature review studies and setting guidelines for new methods. There are several types of systematic literature reviews (Callahan, 2010): Structured reviews that focus on widely used methods, theories, results and constructs; framework-based studies; hybrid-narrative studies with a framework for setting the future research agenda; theory, meta-analysis, bibliometric review and review devoted to model or framework development.

In this study, the selected databases are Elsevier, Emerald and Google Scholar. In the field of scientific research, it is generally assumed that the three databases contain only high-quality journals, widely disseminated via the Internet and the most widely used channels for scientific research publications. Therefore, the three databases are considered as the most appropriate databases for this research. The period used in the research literature search is from 2018 to 2023, with the aim of analyzing the most relevant publications in the field over the last 5 years based on searches for "Customer Relationship Management", "Customer Value" and "Consumer Satisfaction".

Articles that are not relevant to our research will not be used in this study, after reading everything carefully, to remove them from our research database using the following criteria: scientific articles whose content is not relevant to research, scientific articles that may be relevant to CRM and Customer Value but not for Customer Satisfaction or, and articles that are relevant to Customer Satisfaction but not relevant to CRM and Customer Value. This research was finally conducted based on the 40 articles obtained and as many as 23 selected scientific articles that match the criteria previously described. The methodology used to classify these articles is now described in the following sections:

Classification Method

The first step in classifying relevant scientific articles for the topic of CRM, Customer Value and Consumer Satisfaction is to identify CRM and Customer Value and their impact on Consumer Satisfaction according to previous literature research (Guerola-Navarro et al., 2021). The purpose of this scientific article is to classify, analyze and criticize selected articles regarding Customer Relationship Management (CRM), Customer Value and its impact on customer satisfaction. Furthermore, the selected scientific articles can be used as draft guidelines for further research that is specifically related to the impact of CRM and Customer Value on Customer Satisfaction.

RESULTS AND DISCUSSION

The results of the classification method that has been described, then there are 23 scientific articles selected from 40 articles. Furthermore, the selected scientific articles will be further analyzed, based on the results of their research.

Distribution of Selected Scientific Articles Based on Customer Relationship Management (CRM) Results and Their Impact on Consumer Satisfaction

Customer Relationship Management (CRM) is an important process that must be carried out to build a better business by increasing purchase rates, consumer satisfaction and even customer loyalty (Suryaningsih, 2022); (Khan et al., 2022). Consumers will feel more satisfied if companies provide better and positive services such as maintaining long-term customer relationships (Kumar et al., 2022). CRM has a positive and significant effect on customer satisfaction (Wareewanich et al., 2019); (Abekah-Nkrumah et al., 2020); (Ridwan et al., 2021). The CRM dimension has a direct effect on customer satisfaction, which means that the better the relationship between customers and companies, the more satisfied consumers will be (Sofi et al., 2020); (Gligor et al., 2020). CRM has a direct effect on consumer satisfaction which is also very effective in supporting customer loyalty (Dibyo et al., 2021), (Haryandika & Santra, 2021).

Distribution of Selected Scientific Articles Based on Customer Value Results and Their Impact on Consumer Satisfaction

Customer Value (CV) has a positive and significant effect on consumer satisfaction (Raheni et al., 2022); (Oktavianus & Megawati, 2022); (Andriyani & Rizal, 2022); (Sugiati, 2017), because Customer Value is one of the factors of customers in evaluating companies and Customer Value will also contribute to the process of increasing consumer satisfaction (Tamaruddin et al., 2020). Customer Value will help form consumer satisfaction, customers who can feel a value from the product received will create consumer satisfaction (Kusumawati & Rahayu, 2020). Positive perceptions of Customer Value will tend to make customers satisfied (Pratama et al., 2019). Customer Value makes customers make choices for which products to use that are able to meet their needs and make them feel satisfied (Panjaitan & Panjaitan, 2021). Customer Value with the dimensions of Social Value, Performance Value and Emotional Value will increase consumer satisfaction (Bagus CEMPENA et al., 2021). Customer Value is a factor in creating consumer satisfaction and will become loyal customers, with consumers feeling the benefits obtained for the sacrifices made and the products obtained (Utami & Ekawati, 2020).

CONCLUSION

Based on research results, most of the publications refer to the impact of Customer Relationship Management (CRM) and Customer Value on Consumer Satisfaction which focuses on knowledge about how companies improve relationships with customers, understand customer needs and the company's efforts to retain customers which are presented as a strategy to run the best business. At the moment. The results of this study are related to the company's strength in understanding the needs and desires of customers and the company is more focused on providing useful value for customers to achieve customer satisfaction and can even achieve customer loyalty, where the conditions of the business world are

always changing and dynamic which also results in consumer demand. keep changing.

The publication of selected scientific articles from a predetermined time period shows that interest in Customer Relationship Management and Customer Value continues to increase from year to year. These results show that Customer Relationship Management (CRM) and Customer Value can be used as the main tools to create and increase customer satisfaction into customer loyalty while still adapting to environmental changes such as changing and dynamic customer needs and desires.

The value obtained based on this study is that having a very good relationship with customers that is carried out in the long term, by applying the concept of Customer Relationship Management (CRM) and paying attention to Customer Value will provide value for the benefits felt by consumers and will also have an impact on company profits by having satisfied customers to become loyal customers. From a practical point of view, CRM can be a very important business management solution. Identification of these elements can help decision makers in running a business. Besides that, this study will also contribute to a body of knowledge that can be developed for further study or research. (Andriyani & Rizal, 2022).

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