

# CHAPTER I

## INTRODUCTION

### 1.1 Background of Study

The development of the business world that is increasingly competitive from year to year is also experienced by automotive companies in Sumatera. In North Sumatera, economic development is experiencing increasingly fierce competition. The fluctuating sales of cars in Indonesia have encouraged entrepreneurs in the automotive sector to be more creative and innovative in facing increasingly fierce market share competition.

Sumatera is currently one of the region with the highest level of car consumption. With various existing brands and increasingly varied prices, it will certainly make consumer choices very diverse. And this will certainly increase the competition between automotive companies that continue to innovate from year to year.

Maintaining good relationships with customers is one way for companies to survive in various business conditions. With the ability to maintain good relationships, customers will be satisfied and loyal. To maintain this relationship, it is necessary to have an understanding of the company to find out what customers want and need properly and precisely. With consistency and being able to maintain good relationships with customers, the company will be able to maintain positive sales results and get new customers on an ongoing basis.

By maintaining customer satisfaction, of course, a good strategy is treated in order to retain customers. One way is through CRM (Customer Relationship Management). The implementation of a good and correct CRM will be a strategy for companies in maintaining customer satisfaction. The CRM program is applied to gain the trust of customers by allocating all the resources owned by the company in meeting the expectations of the customers.

CRM is the process of managing customers by understanding and anticipating all the needs that customers expect in the hope that it will increase the profitability obtained by the company. With good CRM, the company will be able to continue to increase profits.

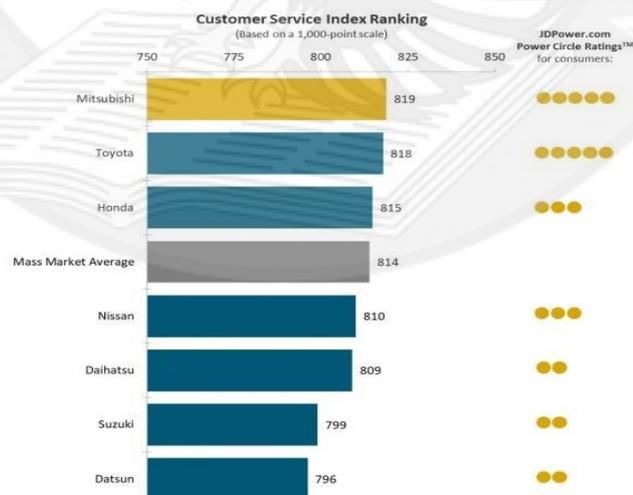
Customer relationship management is the process of building and managing relationships with customers at the organizational level by understanding, anticipating, and managing customer needs based on the knowledge gained about customers, in order to improve organizational effectiveness, efficiency and profitability. (Prabawani, 2018).

In this study, the author chose PT Trans Sumatera Agung branch of Gatot Subroto Medan as the location of this research. Researchers chose the Gatot Subroto branch because when purchasing vehicles from the Gatot Subroto branch, the author found that employees were not active in answering customers' question and did not follow-up to customers about the availability of vehicles, spare parts and car specifications. Moreover, employees were not able to interact or communicate to customers to maintain good relations between each other which can have an impact on consumer satisfaction. Based on the phenomenon found by the author,

then interviews were carried out with PT Trans Sumatera Agung, Gatot Subroto Medan employees and other customers who bought cars and also found the same thing experienced by the author. Therefore, the writer decided to choose PT. Trans Sumatera Agung Gatot Subroto as the research location.

PT. Trans Sumatera Agung is trusted as the Sole Agent Brand (ATPM) for Suzuki cars in Sumatera and Aceh. This brand is also led by Mr. Timing Bingei who is also a member of the STTC-Siantar (Siantar Top Tobbacco Cigaretes) group as family company. At this time the company placed employees based on professional status. Within several years the company continued to issue several car brands such as Ertiga, Karimun Wagon R, Ignis, Baleno, APV Arena. As a car dealer with well-known brands, the company is still unable to compete with other brands such as Mitsubishi, Toyota and Honda. This can be seen from the following data on the Indonesia Customer Index (Mass Market) Study.

J.D. Power  
2019 Indonesia Customer Service Index (Mass Market) Study<sup>SM</sup>



Note: Included in the study but not ranked due to small or insufficient sample size are Mazda and Wuling.

Source: J.D. Power 2019 Indonesia Customer Service Index (Mass Market) Study<sup>SM</sup>

Charts and graphs extracted from this press release for use by the media must be accompanied by a statement identifying J.D. Power as the publisher and the study from which it originated as the source. Rankings are based on numerical scores, and not necessarily on statistical significance. No advertising or other promotional use can be made of the information in this release or J.D. Power survey results without the express prior written consent of J.D. Power.

**Power Circle Ratings Legend**  
 ●●●●● Among the best  
 ●●●● Better than most  
 ●●● About average  
 ●● The rest

**Figure 1.1 Indonesia Customer Index, 2019**

Source: Customer Service Index (CSI)

Based on CSI data in 2019, it can be seen that the Suzuki brand is still less competitive than other well-known brands. Suzuki still lags behind other brands that are more well-known for the Indonesian market by only getting the rating "the rest". This shows that customers still tend to choose other brands compared to Suzuki brands because the service is considered more satisfying than Suzuki brand. From companies that sell Mitsubishi cars, namely PT Sardana Indah Berlian Motors, Toyota brands through PT Perintis Perkasa, Honda brands through PT Istana Deli Kencana, Nissan through Indomobil, Daihatsu through PT. Capella Medan.

The following is a table of competitor data from PT Trans Sumatera Agung with the brand and type of vehicle sold by the company.

**Table 1.1**  
**Competitor table from PT Trans Sumatera Agung**

Company's Name	Brand	Products
PT Sardana Indah Berlian Motors	Mitsubishi	Xpander, Pajero, Eclipse, Outlander
PT Perintis Perkasa	Toyota	Avanza, Calya, Sienta, Alphard, Vellfire
PT Istana Deli Kencana	Honda	HRV, CRV, Brio, Accord, City, Civic, Jazz
Indomobil	Nissan	Livina, Juke, March, Xtrail, Serena
PT. Capella Medan	Daihatsu	Ayla, Gran Max, Luxio, Sigra, Locky, Sirion

Source: Prepared by writer (2021)

As one of the leading car dealer companies, the writer finds that customer satisfaction has not yet been achieved. This can be seen from the complaints that

are still being received by the company at this time. The following is the complaint data at the company.

**Table 1.2**  
**Complaint Data from 2015-2019**

Year	Total Complaint Received	Reasons of General Complaints
2015	48 complaints	<ol style="list-style-type: none"> <li>1. Marketing services that are considered unsatisfactory</li> <li>2. Old product spare parts in order</li> <li>3. Marketing that doesn't follow up on customers</li> <li>4. Not able to explain car specifications proper</li> <li>5. Vehicle certificate received late when buying a car</li> </ol>
2016	42 complaints	
2017	32 complaints	
2018	46 complaints	
2019	38 complaints	

Source: PT Trans Sumatera Agung, Gatot Subroto Medan 2015 - 2019

The data on complaints received by the PT Trans Sumatera Agung, Gatot Subroto Medan shows that every year the company tends to receive complaints from consumers who have bought Suzuki cars. This shows that the services provided by the company are still not good and following consumer expectations. The application of CRM (Customer Relationship Management) in the company has not been going well. This can be seen from the ability of the marketing parties who have not run CRM properly with consumers as seen from the emergence of complaints that arise from consumers. The marketing department is also considered to be slow in following up on consumers who have problems with the vehicle units that have been purchased. For example, marketing that does not use formal language when serving customers, then does not dress neatly with neat clothes, cannot fully answer the car specifications asked by consumers and is less active in persuading consumers to make purchases. The following is the car sales data at PT Trans Sumatera Agung, Gatot Subroto Medan 2015-2019.

**Table 1.3**  
**Sales Data and Complaint Received from 2015-2019**

Year	Sales Target Per Year	Total Sales in Unit	Total Complaint Received
2015	500 units	485 units	48 complaints
2016	500 units	550 units	42 complaints
2017	500 units	560 units	32 complaints
2018	500 units	473 units	46 complaints
2019	500 units	460 units	38 complaints

Source: PT Trans Sumatera Agung, 2015 - 2019

From the sales data at PT Trans Sumatera Agung, Gatot Subroto Medan, it can be seen that the number of sales per year has a target of 500 units. The complaints received in the years from 2015 to 2019 are still quite high compared to the sales achieved. From the company's sales data, it can be seen that the company received quite a high number of complaints from 2015-2019. This is because the sales carried out are also followed by lack of employee's ability in implementing good customer relationship management such as not maintaining good relations and communication to customers before and after purchase, not informing the available promotions to customers, then not following up on question, customers regarding the availability of spare parts and cars ordered by customers.

Based on this review, the writer decided to conduct research entitled **“The Effect of CRM towards Customer Satisfaction at PT Trans Sumatera Agung, Gatot Subroto Medan”**

## 1.2 Problem Limitation

Problems factors that may contribute to the complaint from customers in the application of CRM (Customer Relationship Management) in the company has not been going well. This can be seen from the ability of the marketing parties who have not run CRM properly with consumers as seen from the emergence of complaints that arise from consumers.

In the use of research respondents, researchers will limit this research by using final respondents and business respondents as objects of research conducted.

However, due to the limitation of time, budget, and data access. In this research, the writer will focus only on CRM and its effect on customer satisfaction at PT Trans Sumatera Agung, Gatot Subroto Medan. The writer chose service CRM as the main problem of this study. Problem limitations are CRM as the independent variable (x) and customer satisfaction as the dependent variable (y). Indicators of CRM as the independent variables include identification, differentiation, interaction, customize (Ningsih et al, 2016) and indicators of customer satisfaction as the dependent variables include expectation, performance, comparison, experience and confirmation (Agustin and Maolana, 2020).

### **1.3 Problem Formulation**

Based on the background of the study, the question to be answered in this research are as follows:

1. How is the implementation of CRM at PT Trans Sumatera Agung, Gatot Subroto Medan?
2. How about customer satisfaction at PT Trans Sumatera Agung, Gatot Subroto Medan?

3. Does the CRM have an effect on customer satisfaction at PT Trans Sumatera Agung, Gatot Subroto Medan?

#### **1.4 Objective of The Research**

The purposes in doing this research are as follows:

1. To explain about the CRM at PT Trans Sumatera Agung, Gatot Subroto Medan.
2. To explain about the customer satisfaction at PT Trans Sumatera Agung, Gatot Subroto Medan.
3. To analyze whether CRM have an effect on customer satisfaction at PT Trans Sumatera Agung, Gatot Subroto Medan.

#### **1.5 Benefit of the Research**

Benefits of this research can be listed as follow:

##### **1.5.1 Theoretical Bensefit**

The theoretical benefit of this research is as follow:

1. Enrich the knowledge of the writer by doing the research also increase the experience of the writer in doing research.
2. Reading material for all students at Universitas Pelita Harapan, Medan

##### **1.5.2 Practical Benefit**

The practical benefit of this research is as follow:

1. To the company, to get information about whether the survey that has been made will be useful to improve the company's performance.

2. To other people, future researchers, readers: to be a guide in leading the reader to do other research that is compatible with this research.
3. Also, to gain insight into what is needed to update the relevant data provided from this research, so the reader will get a picture of how to improve the quality of their data.

