Customer Relationship Management As A Proposed Marketing Strategy: A Case Study Of Seafood Company In Bogor

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ABSTRACT
Indonesia’s fisheries and marine industry is a valuable sector and one that needs to be continuously developed. About 62% of Indonesia’s territory is sea which has a very large potential wealth of marine resources, especially in the fisheries and marine products industry sector. The study narrows its scope to investigate the decline in sales at one seafood company based in Bogor, specifically within the business market segment. Employing qualitative methodology, the research analyses the personal selling process, identifying a potential link between declining salesperson performance and challenges in managing client relationships. Data from interviews and observations with clients, salespersons, and competitors form the basis for internal and external analyses, culminating in a SWOT analysis. The study reveals that while clients perceive personal selling positively, relationship management poses challenges. Additionally, technological opportunities from online systems are identified through PESTLE analysis. The research recommends a strategic shift towards utilizing online and integrated business operation systems, particularly in customer relationship management, to enhance salespersons’ performance and address relationship management issues. The proposed strategy aims to optimize personal selling effectiveness.

INTRODUCTION
Indonesia’s fisheries and marine industry is a valuable sector and one that needs to be continuously developed. About 62% of Indonesia’s territory is sea and waters covering an area of around 6.32 million km². Indonesia, which is known as a maritime country, has a very large potential...
wealth of marine resources, especially in the fisheries and marine products industry sector. The potential growth in marine resource wealth is accompanied by an increase in fish consumption in Indonesia, which continues to increase every year. According to Annur (2023), the Ministry of Maritime Affairs and Fisheries reports that the national fish consumption rate for 2022 has increased in the last 10 years. Until 2022, temporary data shows that the national fish consumption level has reached 56.48 kilograms (kg) per capita, which is the highest record in 10 years, as the data can be seen in the following graph:

![Figure 1. National Fish Consumption in Indonesia (2011-2022)](image)

Source: Databoks, 2023

With the increasing number of fish consumption in Indonesia every year, it shows that there is progress that can be felt concretely by business owners in the fisheries industry in Indonesia. This also shows that there is an active market or consumer available for fishery business actors both in the trade and processing of fish and marine products. Therefore, this is a reminder of how important it is for this sector to be developed in the future, by increasing the marketing of Indonesian marine products. Fishery product trading activity in Indonesia has also experienced growth both domestically and internationally. According to data from the Ministry of Maritime Affairs and Fisheries as of January 4, 2023, the growth trend of marine product exports in 2022 shows an increase, reaching a total of US$6.2 billion.

With the increase in export growth activities, it indicates that domestic production and distribution activities are also growing. According to Maritime Affairs and Fisheries Minister Sakti Wahyu Trenggono, gross domestic product growth is targeted at 5-6%. Even though imports of fishery products were also carried out, the export value was still higher so that the trade balance of fishery products showed a surplus of around USD 5.07 billion.

This of course also affects the fish trade in Indonesian regions, especially in Greater Jakarta area. With the increase in production, distribution of imported activities as well as catching local marine products, making many choices or variations of products in the market, which causes increasingly fierce market competition. The large and growing fishery market potential is an opportunity for various business actors. With easy access to a variety of products, this situation has led to intense competition in the fishery trading industry in Indonesia, especially in Greater Jakarta.

In responding to trade competition, business actors need to make more efforts, differentiation to attract the attention and heart of the consumer market so they can make purchasing decisions in the businesses they run. Specifically in the business consumer market (B2B), where purchasing decision makers involve many parties. This condition urges all business owners to consider and continuously maintain effective marketing strategies to win the market or expand the market share, to increase continue to retain and maintain loyal customers, to win the market.

Related to the company under studied, the business is engaged in the trading distribution of fisheries and seafood products based in Bogor. In earlier months of 2023, the company's sales experienced a downward trend. The decline in sales trends can be caused by various factors, one of which is customer purchase decision. Customer purchase decision is affected by various process in
the buying decision process. Especially in B2B setting, the nature of purchase decision in business market setting is by organizational buyers, consisting of more than one people. According to Dwyer & Tanner (2003), organizational buying, there are several roles or what are called Decision Making Units (DMU), which are initiator (people that recognizing the need), buyer or purchasing agent (who actually makes the purchase activities), influencers (individuals who seek to affect the decision maker's final decision through recommendations of which vendors to include), users (the user of the product), gatekeepers (who control information into and out of the buying group) and decision maker (the person who makes the final decision).

In the context of this seafood company, the decision-making unit for the Hotel, Restaurant, Catering market are the chef as users that needs products with certain specifications, the purchasing manager as the buyer that sorting the products the chef needs at the best price and who did the purchasing, the owner as the decision maker, the one who make the decision of which supplier chosen and fit to their business. Those decision makers are influenced by four elements factors in buying process. One of which is individual factors, psychological factors that influence an individual's buying behavior. Individual decisions to purchase could be influenced by the quality of personal selling. In the context of this research problem, personal selling is a very important aspect that influence on the company's overall sales. Therefore, salespersons play important role related to sales. But the fact is salespersons performance of the company is very fluctuated, and not showing a stable or consistent growth.

Therefore, researcher raise issue that leads to improvement, which is the development and improvement of current marketing and selling strategies of company to overcome the problem of declining sales trend of business market segment. This is also a consideration that there may be another or alternative solutions that can be an opportunity for this business to gain more profit by increasing the performance of salesperson using more efficient and effective sales tools or strategies. This becomes the urge of this research to identify the factors that affect salesperson performance and to define the appropriate marketing strategies to improve overall sales.

The author of this research acknowledges that the scope of this research is limited to the issue related to company. The purpose of setting the scope is to provide more focus and clarity in doing the analysis. The limitation of this research is discussing about business market segment, Hotel, Restaurant and Catering, that buy seafood products in the company. It is hoped that the results of this study can be a solution that company can consider and then implement as a strategy that can help increase revenue and compete in industry.

LITERATURE REVIEW

This research requires a theoretical basis to analyze data and address its problems. It uses marketing theories, including strategies, behavior, and purchasing processes in the business market, sales management and selling in B2B, and internal and external analysis theories. These bases provide a basic reference for analyzing data and addressing the research's issues.

Marketing Strategy

This research utilizes marketing theories, including strategies, behavior, and purchasing processes in the business market, sales management and selling in B2B, and external analysis theories, to analyze data and address research issues. According to Hooley, N.F et al. (2017), marketing strategy is created with marketing purpose of the organization as the foundation, which then dig deeper into assessment of the company's capabilities, opportunities, and threats, which taken as considerations to determine the success of the strategy.

Marketers have goals for their products or services and must use effective strategies to achieve them, such as sales targets. Marketing concepts focus on the demand side, considering customers' wants and needs, and aiming to create products or services. Marketing strategy aims to balance the demand and supply side, focusing on how the brand communicates products, makes terms, and conditions for sales activities, and finds effective tools to promote products or services effectively.
**Business Marketing**

Business markets are organizations that purchase products for specific purposes which are resell the product, use product in production process and use product for daily business operations (Elliott et al., 2012). For instance, business markets are reseller, producer, government, and institutional markets. Different types of market in general affect on how the marketing strategy would be applied in. As the author mentioned in the first chapter, the main object of this research is business market.

According to Kotler & Keller (2006), definition of business market are organizations that acquire goods and services used in the production of other products that are sold, rented, or supplied to others. In business market marketing activities, there is different treatment of marketer, caused by several characteristic of business markets, which are fewer and larger buyers, have a close supplier customer relationship, professional purchasing, derived demand, which are the special characteristics that differentiate this market from other markets.

Organizational buyers and their suppliers often seek to develop very close and ongoing relationship and it is very important to build personal relationships with key members of the buying center or decision-making unit of business market. (Elliott, Rundle-Thiele, & Waller, 2012). There are stages in business decision-making process which are problem recognition, information search and specification development, evaluation of options, purchase, and post purchase evaluation.

**Sales Management**

Sales management is all activities, processes, and decisions involved in managing the sales function in an organization (Johnston & Marshall, 2011). Sales managing is a dynamic process, it must be formulated effectively when responding to changes that happened in company's circumstances and integrates it to the organization's marketing strategies. There are three interrelated sets of processes in sales management, which are: the formulation, implementation, and evaluation with control of the sales program. In sales program, some of types discussed are personal selling, and social media, which in personal selling there are six steps in the selling process, which are prospecting and qualifying, pre-approach, presentation, and demonstration, overcoming objections, closing and follow up and maintenance.

**Selling in B2B Setting**

Marketing and selling in B2B markets are very different with B2C markets where buyer much more likely to negotiate on price, delivery and service which are also considered important. Selling process activities carried out by salespeople, and the personal characteristics necessary for a successful sales career (Johnston & Marshall, 2011). In making a purchase, business buyer has lots of consideration, and faces many decisions which depends on the situation, the complexity of the needs, number of people involved, buying requirement and time required (Kotler & Keller, 2006).

**External Analysis**

Besides internal analysis, the author will also conduct external analysis to assess the external factors of the company, such as competitor and customer analysis. In data analyzing process, it is important to provide another point of view and new insights from external in determining factors that influence sales performance of the organization.

**METHODS**

The data collection of this research will using qualitative method by conducting in-depth interview and internal analysis to company's clients, especially in business market. The participants of the interviews are total 9 clients, 3 from hotel market, 3 from restaurant market, and the other 3 from catering market segment. The selection of respondents was because these clients are loyal clients with a collaboration period of more than 3 years. In addition, these client's contribution to the company related to sales were relatively high or above the average for other consumers, and
consistent. Questions given to the participants are about business buying behavior based on theory of Elliott, G et al. (2012), competitive advantage, and improvements for the company. For instance, the questions sample are like “Based on your experience, how was the process of identifying potential suppliers?” and “What factors make you keep ordering to this company?”

This research is using qualitative research design, which the researcher interested to analyse from phenomena arise in the interactions of the object that involved, which are salespeople and the buying centre of business customers. This research aims to explore and create alternative strategies that could help company to increase salespeople performance. In fulfilling the needs of those ways of exploration and depth understanding, then it become the reason for researcher to use qualitative research design.

RESULTS

Based on the interviews with customers, this section is discussing regarding their buying decisions or steps, perceptions of the current sales tools used by the company, what factors make them keep wanting to buy, about business relationships and improvement of the selling process and for the company in general. The following are several findings of the customer analysis.

Business Decision Making Process: Evaluation of Options

As the first question asked to the clients, researcher is trying to find out client’s experience about their process of evaluation of supplier options. The process of identifying each market segment is relatively the same, initially they received different information sources, which are from the community, as interview with purchasing manager from SHB that they have the company’s contact from purchasing community in Bogor City. She told “kebetulan kalau ** kan memang sudah banyak dikenal purchasing di Bogor, yang awalnya memang kita tahu dari salah satu teman purchasing.”, there are also online and from the relations. However, it all came down to a personal selling approach. “Yang awalnya sih ada yang datang kesini tuh dari owner Pak Bawono ya kalau gak salah” said the purchasing from RTH. After the personal selling approach process, the company usually visits the client by bringing or sending product samples to the client.

"Pada awalnya mungkin ya dikenalkan ya, ada linknya, terus kita coba dan ya memberikan sampel yang emang bagus sih"

Said purchasing manager from KRK. In the identification process, based on the results of interviews there were several staff who said that company had collaborated before they worked at the related company, such as TC, DC, BP, and TS. Therefore, some experiences during the identification process are quite different. However, for some staff who participated in identifying suppliers from the start, based on interviewe they had a primary focus on price.

As said by purchasing from RTH “Kalau awal-awal mungkin ya, paling saya sih konsen ke harga ya. Untuk setiap supplier yang datang kesini kita udah punya basis data harga disini. Kita awal pasti nanya price list. Lalu dibandingkan dengan yang mau masuk dan yang udah ada.”

This statement makes it clear that the first basic thing clients look at is price. Price is the main concentration in evaluation of options before they decide to make a purchase. In addition, they also compared with prices database that contain prices data information of product that given by competitors. After the concern of price, the client enters the selection of products that suit the user's needs, as conveyed by purchasing from SHB.
“Nanti setelah itu baru kita pilih di mana yang harganya sesuai dengan kualitas bagus juga. Dengan apa yang kita butuhkan lah barangnya.”

This statement shows that apart from the appropriate price, the identification process also focuses on selecting goods that suit the client's needs with good quality. In conclusion, price has become the main and first factor to consider by client in identification process or evaluation of options. Followed by selection of goods with good quality which meets the needs of clients.

**Business Decision Making Process: Post-Purchase Evaluation**

After client and the company have reached a deal for the purchase, in the selling steps there is a stage called post purchase evaluation. The stage where the client assesses suppliers to determine future purchases. Questions asked by researcher to explore the evaluation process in the company after having a purchase, and what factors that made them want to repurchase. In this stage, based on the results of interviews, there are clients who do it periodically, there are also those who do it directly when the delivery arrival. Technically it varies, but this stage is often carried out and several factors are also found that make clients still choose to make purchases from the company. As some of the results of interviews with clients,


In SHB, there is a regular evaluation of post-purchase from suppliers. However, they do not rule out the possibility of direct evaluation when the goods arrive, so that they can be handled immediately if there is a problem. So far, SHB is satisfied with the company because the company offers a product warranty, by replacing the product according to the quality standards required by the client.


Meanwhile in RTH, there is no regular evaluation, but occasionally when the goods received and problems happened, there will be direct action. Even though there are differences in the evaluation technically, the client's assessment to repurchase in the company is still there. There are several things that make clients choose the company to fulfill their needs for raw seafood products. Here are some answers about the competitive value about the company:

“Garansi ya, garansi ** dia tanggung menjawab juga. Saya beberapa kali komplain untuk Esther Seafood ini dia tanggung jawab” – RTH

“Ketersediaan bahan bakunya itu, komplitnya itu komplit ya. Terus kualitas bahan bakunya juga. Dan juga satu lagi nih yang saya lihat, pengirimannya juga oke. Jadi memang saya selalu pesen kan H-1. Sore saya...
WA, besoknya dikirim. Jadi saya tidak was-was bagian dapur terlihat, kok ini udah pesen nggak ada barang. Nah itu.” – BP

“Karna ** supplier dengan kualitas yang bagus, dan bisa ditukar jika pesanan kurang memenuhi standar kita (garansi), untuk pengiriman juga cepat karna lokasi tidak terlalu jauh dari tempat kita.” – RY

From these answers, researcher can highlight several points regarding client evaluations of the company in post-purchase evaluation. Some of the highlights from the interview answers are there is a responsibility or guarantee for replacement of goods provided by the company if there are goods that do not comply with the client's standards, continuity of raw materials provided, the quality of the products, and fast delivery are competitive factors that make clients still choose the company over competitors.

**Clients' Perception on Current Sales Tools**

The next focus of the researcher asked is about the customers perception on company's current sales tools, which may be the cause of ineffectiveness sales tools that affect salesperson performance. Based on the results of the interview, it turns out that consumers' perceptions regarding the sales method carried out by the company are quite good and it is considered that personal relationships are a plus in the cooperative relationship between the client and the company. Here are some answers of customers perception on existing sales tools:

“Tanggapannya itu sebuah awal yang baik dan kami ingini, karena cukup personal dan fleksibel jadinya ya.” – AH

“Sebetulnya personal selling pada prinsipnya sih kita sebagai purchasing oke-oke saja, fine-fine saja. Asal mengikuti yang kriteria yang kita mau cari. Kriterianya itu seperti yang tadi disebut awalnya itu ketersediaan bahan baku.” – BP

From the salespersons and the clients both assumed that sales tools used by the company that increases their purchase intention is personal selling method, which is proven with this interview results:

“Personal selling itu ya, karena nilai personal itu sendiri yang bikin jadi ada hubungan, dan setelah dilihat komponen lainnya seperti produk, harga, dan service atau fasilitas yang didapat, saya rasa boleh untuk dicoba.” – DC

“Menurut saya, online dan personal selling itu ya, karena tidak membutuhkan waktu banyak, cukup order dirumah.” – RY

From all these answers, it is found that consumer perceptions of current sales tools are quite good. Where the main sales tools used by the company currently is personal selling. In fact, personal selling is considered a flexible, personal, and enjoyable way for clients to make purchases.

**The Importance of Relationship**

During the conversations with nine existing clients, researcher did not see any ineffectiveness in the sales tools used by the company. The further questions are aimed to explore other possibilities
of the factor that affect the performance. After a deeper discussion regarding personal selling activities, researcher found that there is one aspect that both parties need to really pay attention to, which is the relationship. In a business collaboration, especially those that use personal selling as the main method, relationship become an important factor. Therefore, researcher try to ask client on how important this relationship is for the client and how the clients maintain the existing relationship with their external parties, in this context suppliers. So therefore, researcher gained new insights about the definition of relationships that beyond transactional. Here are some answers of them:

“Ya. Penting sekali. Kalau kita sih dengan selalu berkomunikasi, update availabilitynya, harga dan kendala apa, bahkan sekedar menanyakan kabar juga itu penting.”. – AH

AH assumed that relationship is very important. According to him, the way to maintain relationship is by continuing to communicate, providing updates regarding goods, prices, or perhaps problems. Even just asking about each other's condition is important for maintaining relationships.


Meanwhile, BP considers that what the company has done so far to them is very meaningful to continue the business collaboration that has existed for quite a long time. The desire to be humble, give in to each other, understand each other's condition, in cases of, for example, late payments to the company. With a relationship that is built for a long time, there is a sense of mutual trust arises so that they give in to each other, and collaboration can continue to exist well.

### Improvements of Sales Tools & Relationship

After seeing the importance of relationships and communication from both parties, at the end of the conversation with the client, the researcher tried to find out what the company could improve in terms of selling method also on how to build and maintain relationships in existing collaborations. Here are some suggestions from clients:

“Lebih aktif lagi saja dalam komunikasi, menawarkan barang, atau ada barang baru misalkan.” – AH


“Menurut saya, ** bisa selalu update list produk dan harga, Karena mungkin kita bergerak di catering, menu-menunya perlu inovasi terus biar ngga bosen, nah salah satunya mungkin bisa dengan variasi menu dari produk baru yang ditawarkan supplier.” – DC

These are some suggestions from clients to the company do improvements. From these three
answers, one of the keyword or key point that can be highlighted is about actively offering to customers. This is related to finding number 4, that clients expect company to be able to actively offer new goods, update new lists, thereby creating dynamic communication, and it is hoped that this can strengthen relationships in the collaboration that is being built. Therefore, in this consumer analysis it can be concluded that the current sales tools used by the company has a good response from the clients. In terms of personal selling, it turns out that this is the way clients hope that companies will continue to do it. However, perhaps so far, the relationships that have been built are still limited and not yet optimal, so the relationship has not been managed well. This finding can be one of the gap and reason of why the sales performance was declining.

DISCUSSION

Based on the analyses conducted in this research, here are the findings and gaps that arise which can be considered to answer the research questions. The gaps are in customer analysis, it is found that the current sales tools used by the company, which is personal selling has a good perception, and has no problems for clients. However, in business partnership, adopting a personal sales system becomes a new challenge for company to be able to manage it well. From the interview results, it was found that relationship has become the important factor in doing personal selling. There are answers that stated they want the company to be more active in selling and build the communication even the relationship itself. In fact, company is having no customer relationship management system. According to Khedkar (2015), customer relationship management defined as marketing strategy with aim to maximizing value for customers to perfect relationships and increase satisfaction and loyalty for a long period of time. Integrating all customer data in one system, can support the company to maintain the relationship with the clients while also gained new insights to generate innovative marketing strategies and activities that based on customer real data. This strategy is chosen due to the urgency regarding the need for company to immediately organize consumer data, manage relationships through detailed information about customers.

Proposed Strategy

Therefore, researcher concluded that in the future, this company needs customer relationship management system that carried out by a specific division or person. A system that could manage relationship with the company’s existing clients, getting new clients, retain customers by gathered and storage data to a more centralized system. The implementation of this strategy related to the software and online or offline system to be choose, can be adjusted to the company’s needs and capabilities.

CONCLUSION

This research was created based on problems that occurred at company under studied which located in Bogor, Indonesia regarding the decline in company sales. One of the causes of which is the less-than-optimal performance of salespersons. Therefore, researcher conducted this research to answer the big question of the existing problem, which is what factors influence the decline in salesperson performance and what proposed strategy that is suitable to improve salesperson performance. Based on the results of interviews and analysis carried out at the company internally and externally, facts and gaps were found are consumer perceived that personal selling effort is actually good. However, the issue is more related to managing and maintaining the
relationships. Since personal selling is still found as the key driver of overall sales and managing relationships becomes one of the overarching issues, implementing strategy that can boost personal selling performance and improve the salesperson's capabilities to maintain relationship is a priority in this context. Therefore, to answer the second research question, it was found that the proposed strategy that company can implement to improve the performance of salespersons is to utilize online and integrated business operation system specifically in customer relationship management system. The system and method selection can be tailored to suit the needs and capabilities of the company.

Suggestion

The aim of the research is to provide new strategy proposal to the company to answer the company’s need to improve the performance of salespersons which can then effectively increase overall sales. Based on the objectives and conclusions that have been described, the researcher provides three recommendations for related stakeholders in the company. Firstly, is to optimize the use of the customer relationship management system which will be implemented, responsibly and wisely. Second, training for salespersons needs to be held immediately to increase the capacity and capability of existing human resources so that both salesperson and sales performance can continue to improve. Lastly, after this customer relationship management system is implemented, it is hoped that there will be a lot of marketing insights to create effective, targeted, and consistent marketing strategies and marketing communications activities to increase brand awareness and influence customer loyalty. Then, from this research it is found that relationship is an important aspect in a business. Therefore, the suggestion that can be made for further research is to assess and examine the influence of relationship in personal selling or business in general on sales volume of the company. Future research also can be made from searching for solutions to answer the problems of gaps that occurred in this research.

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